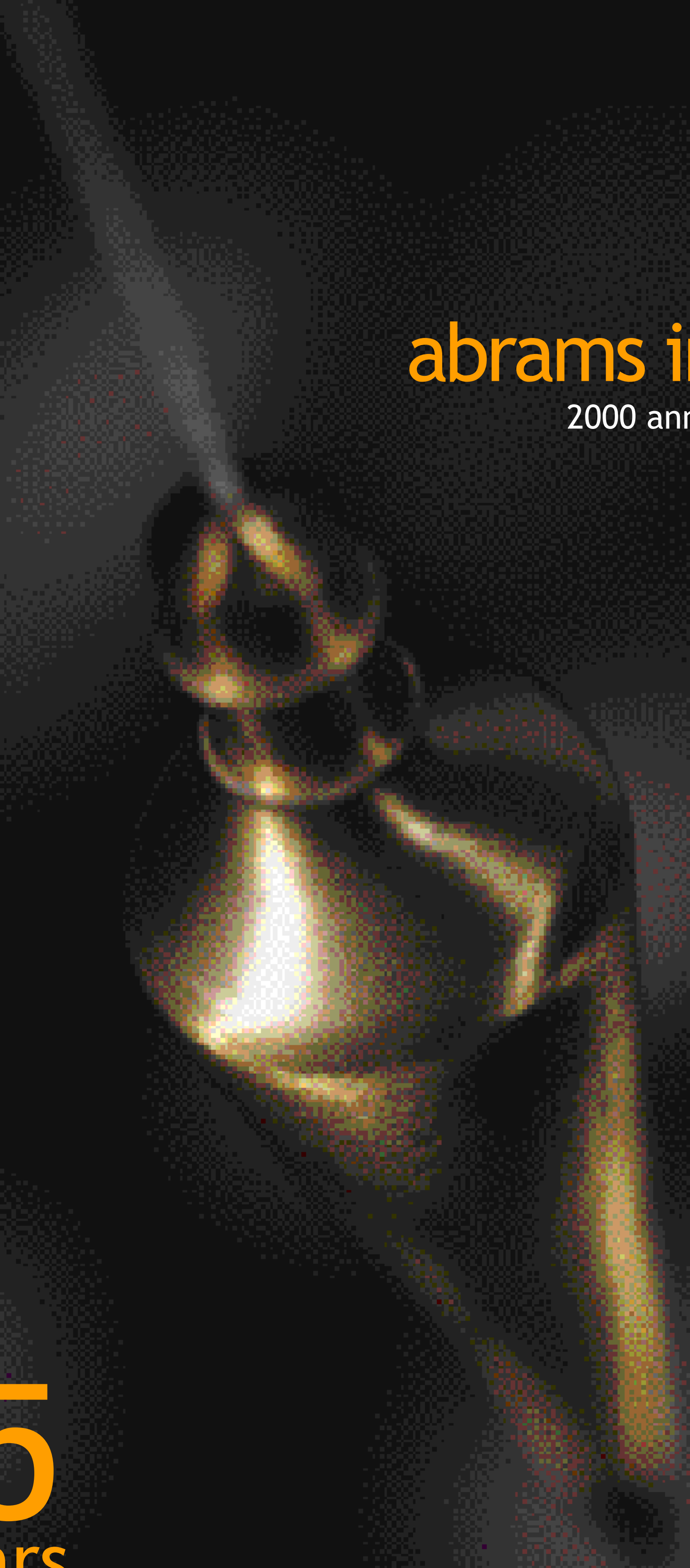
abrams industries

2000 annual report



75
years

BUSINESS DESCRIPTION

Established in 1925, Abrams Industries, Inc. (the "Company") engages in commercial construction and real estate investment and development through its wholly owned subsidiaries. Abrams Construction, Inc. builds and renovates retail stores, shopping centers, distribution and manufacturing facilities, and engages in other types of commercial construction. Abrams Properties, Inc. currently controls over 2 million square feet of shopping centers in the Midwest and Southeast and approximately 200,000 square feet of office properties in metropolitan Atlanta, Georgia.

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ANNUAL MEETING INFORMATION

The Annual Meeting of Shareholders of Abrams Industries, Inc. will be held at 4:00 p.m. on Wednesday, August 23, 2000, at the Corporate Headquarters, 1945 The Exchange, Suite 300, Atlanta, Georgia.

TRANSFER AGENT

SunTrust Bank
Post Office Box 4625
Atlanta, Georgia 30302

DEAR FELLOW SHAREHOLDERS:

Twelve months ago, we entered our 75th year, Fiscal 2000, facing significant challenges. Although our core Construction Segment had recorded over a decade of uninterrupted earnings growth, and despite our diversified Real Estate investment portfolio having produced cash flows at steadily increasing levels, Abrams Industries' shareholder value consistently failed to grow in relation to the overall stock market. Poor corporate clarity, excess balance sheet leverage, and years of inconsistent earnings growth restrained our stock's performance. In June 1999, we determined that in order to unlock the per share price, we had to begin to eliminate a structural barrier in the mix of our assets. Accordingly the Board of Directors commenced an in-depth investigation of strategic and financial alternatives that might be available.

In connection with that investigation:

- During the third quarter, we decided to discontinue the operations and liquidate the assets of the Company's fifty-three year-old Manufacturing Segment. The implementation of the plan of liquidation resulted in a pre-tax charge to earnings of approximately $2,750,000. The Company disposed of substantially all of its manufacturing assets prior to the fiscal year end, April 30, 2000.
- Proceeds from the eminent domain conveyance of the Company's former wood manufacturing facility in downtown Atlanta, and from the sale of the Company's former manufacturing headquarters facility in Douglas County, Georgia, were used in the reduction of the Company's interest rate sensitive debt, which was decreased by approximately 52% by fiscal year end.
- We streamlined our real estate strategy by entering into a letter of intent to outsource the asset management and property management functions of our commercial real estate portfolio, and shifted our strategic focus away from operating activities to a concentration on the investment nature of our portfolio of assets.
- Throughout the year, we focused on improving the quality of construction revenues.

Also, we strengthened your Company's Board of Directors with the addition of three new outside directors: David L. Abrams, an attorney with the firm of Sutherland Asbill & Brennan LLP, Gilbert L. Danielson, Executive Vice President, Chief Financial Officer and Director of Aaron Rents, Inc., and Robert T. McWhinney, Jr., President and Chief Executive Officer of Stone & Webster Management Consultants, Inc.; and two new key inside directors: Melinda S. Garrett, our Chief Financial Officer, and B. Michael Merritt, President of the Construction Segment. The Board is now comprised of five inside and six outside directors.

Here are a few operating highlights from Fiscal 2000:

- Lower volume from a key customer early in the year and a renewed emphasis on improving revenue quality led to a decline in sales and profits at our core Construction Segment. Perhaps validating the truism that sometimes you have to contract before you can expand, however, Abrams Construction ended the year with solid earnings in the fourth quarter and a record backlog, up approximately 32% from a year ago.
- As a consequence of our analysis of strategic alternatives, the Real Estate Segment sold its award-winning Abrams Riverside manufacturing facility, which the Company developed and constructed two years earlier, at a pre-tax gain of approximately $2.4 million, or approximately 28% above our net book value.
- When the decision was made several years ago to relocate our manufacturing headquarters to the Abrams Riverside facility, the Company elected not to sell the former wood manufacturing facility at prices offered at that time. The Company instead believed the ongoing growth of Atlanta would lead to an increase in demand for existing downtown properties, and thus over time a much higher valuation could be realized. That strategy proved correct, as the building was conveyed to the State of Georgia this year through an eminent domain proceeding for $4.5 million cash. We are deferring recognition of the resulting pre-tax gain of approximately $2.8 million, or 176% above our depreciated basis, pending resolution of legal appeals of the awarded valuation by both the State and the Company.
- For the year ended April 30, 2000, inclusive of gains recognized on real estate sales, we recorded net earnings from continuing operations of $2,367,190 compared to a net loss from continuing operations of $39,599 a year ago. Revenues from continuing operations increased slightly to $174,579,492, up from $172,201,090 for the same period last year. Inclusive of discontinued operations and extraordinary expenses, there was a net loss of $456,605 in 2000 compared to a net loss of $676,031 in 1999.

We enter our 76th year, Fiscal 2001, with confidence, strength and momentum. Overall, our Company is now leaner and more efficient, and well positioned for growth, profitability and success. In order to create new growth, we will continue to examine available business opportunities that are tightly focused within our core competencies. We expect to continue to refine corporate clarity and to look for ways to manage and reduce our overall administrative expenses. We are optimistic about our prospects in the new millennium, and have a clear understanding about what we must accomplish in order to obtain consistent growth in shareholder value.

Sincerely,

Alan R. Abrams
Co-Chairman of the Board
President and Chief Executive Officer

J. Andrew Abrams
Co-Chairman of the Board

75 years

SUMMARY FINANCIAL DATA*

	Years Ended April 30, 2000	Years Ended April 30, 1999	% CHANGE	Years Ended April 30, 1999	Years Ended April 30, 1998	% CHANGE
Revenues from Continuing Operations	$174,579,492	$172,201,090	1	$172,201,090	$163,586,356	5
Net Earnings (Loss) from Continuing Operations	$ 2,367,190	$ (39,599)	N/A	$ (39,599)	$ 2,694,211	N/A
Net Earnings (Loss) per Share from Continuing Operations	$ 0.80	$ (0.01)	N/A	$ (0.01)	$ 0.92	N/A
Cash Dividends per Share	$ 0.16	$ 0.20	(20)	$ 0.20	$ 0.19	5
Shareholders' Equity	$ 22,346,138	$ 23,272,560	-4	$ 23,272,560	$ 24,535,863	-5
Return from Continuing Operations on Average Shareholders' Equity	10.4%	-0.2%	N/A	-0.2%	11.5%	N/A

*For complete 5 year review, see "Item 6. Selected Financial Data" in Form 10-K.

CONSTRUCTION

Years Ended April 30	Total Revenues	Operating Earnings
2000	$144,083,906	$3,147,237
1999	$160,611,412	$4,084,633
1998	$146,618,881	$3,506,219
1997	$ 98,460,046	$3,088,094
1996	$108,437,335	$2,806,030

Note: Total revenues and operating earnings include revenues generated from intercompany sources of $1,114,823, $5,026,181, $345,048, and $792,213, in 1999, 1998, 1997, and 1996, respectively. In computing operating earnings, allocated parent expenses and income taxes have not been considered. (For additional information, see Note 14 to Consolidated Financial Statements herein.)

REAL ESTATE

Years Ended April 30	Total Revenues	Operating Earnings (Loss)
2000	$32,025,436	$4,807,481
1999	$14,202,578	$ (226,053)
1998	$22,082,012	$2,882,490
1997	$21,132,159	$1,003,370
1996	$11,473,415	$(1,261,552)

Note: Total revenues and operating earnings include revenues generated from intercompany sources of $1,576,990, $1,485,038, and $200,615 in 2000, 1999, and 1998, respectively. In computing operating earnings, allocated parent expenses and income taxes have not been considered. (For additional information, see Note 14 to Consolidated Financial Statements herein.)

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

F O R M 1 0 - K
ANNUAL REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the fiscal year ended April 30, 2000

Commission file number 0-10146

ABRAMS INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Georgia	58-0522129
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
1945 The Exchange, Suite 300, Atlanta, GA	30339-2029
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: (770) 953-0304

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class:	Name of each exchange on which registered:
None	**None**

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

Common Stock, $1.00 Par Value Per Share
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES √ NO __

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. √

The aggregate market value of the voting stock held by nonaffiliates of the registrant as of June 15, 2000, was $6,217,431. See Part III. The number of shares of Common Stock of the registrant outstanding as of June 15, 2000, was 2,936,356.

DOCUMENTS INCORPORATED BY REFERENCE

The information called for by Part III (Items 10, 11, and 12) is incorporated herein by reference to the registrant's definitive proxy statement for the 2000 Annual Meeting of Shareholders which is to be filed pursuant to Regulation 14A.

PART I

ITEM 1. BUSINESS.

Abrams Industries, Inc. engages in (i) construction of retail and commercial projects and (ii) investment in income-producing properties, including acquisition, development, re-development and sale. Prior to July 2000, the Company engaged in the property management of properties in which it had an ownership or leasehold interest.

The Company was organized under Delaware law in 1960 to succeed to the business of A. R. Abrams, Inc., which was founded in 1925 by Alfred R. Abrams as a sole proprietorship. In 1984, the Company changed its state of incorporation from Delaware to Georgia. As used herein, the term "Company" refers to Abrams Industries, Inc. and its subsidiaries and predecessors, unless the context indicates otherwise.

During the quarter ended January 31, 2000, the Board of Directors of the Company decided to discontinue the operations of the Company's Manufacturing Segment. See Note 3 to the Consolidated Financial Statements of the Company.

Financial information for the continuing operating segments is set forth in Note 14 to the Consolidated Financial Statements of the Company.

Construction Segment

The Company, through its wholly owned subsidiary, Abrams Construction, Inc., has engaged in the construction business since 1925. Although the Company does work throughout much of the United States, it concentrates its activities principally in the South. Construction activities consist primarily of new construction, expansion, and remodeling of retail store buildings, banks, shopping centers, warehouses and distribution centers.

Construction contracts are obtained by competitive bid and by negotiation. Generally, purchasing of materials and services for the Company's construction operations is done on a project-by-project basis.

Real Estate Segment

The Company, through its wholly owned subsidiary, Abrams Properties, Inc., has engaged in real estate activities since 1960. These activities primarily have involved the development, management and ownership of shopping centers in the Southeast and Midwest. Selection of target markets; evaluation and acquisition of sites; securing construction and permanent financing; contracting for design and construction; expansion, renovation and re-tenanting of properties; and the sale of properties are all part of the Company's asset management and development activities. In 1998, the Company began investing in existing income-producing properties, including office and retail originally developed by others. As of July 2000, the Company was in the process of outsourcing its asset and property management functions.

The Company currently owns seven shopping centers, all of which are held as long-term investments. Five of the centers were developed by the Company, and two were acquired. See "ITEM 2. PROPERTIES - Owned Shopping Centers." The Company is also lessee and sublessor of nine Company-developed shopping centers which were sold and leased back by the Company. See "ITEM 2. PROPERTIES - Leaseback Shopping Centers." Kmart is an anchor tenant in a majority of the Company's shopping centers. The Company also owns two office properties. See "ITEM 2. PROPERTIES - Office Buildings." The former manufacturing facility that was developed and owned by the Real Estate Segment was sold in April 2000.

Employees and Employee Relations

At April 30, 2000, the Company employed 104 salaried employees and 18 hourly employees. On its construction jobs, the Company utilizes local labor whenever practicable, paying the prevailing wage scale. The Company believes that its relations with its employees are good.

Seasonal Nature of Business

The Company's business historically has been slightly seasonal, with the Construction Segment affected by weather conditions. The Company limits this exposure by operating in several regions of the country, with operations primarily in the southern United States where favorable weather conditions prevail for most of the year. The business of the Real Estate Segment is generally less seasonal.

Competition

The businesses of the Company are highly competitive. In the Construction Segment, the Company competes with a large number of national and local construction companies, many of which have greater financial resources than the Company. The Real Estate Segment also operates in a competitive environment, with numerous parties competing for available financing, properties, tenants and investors.

Principal Customers

During Fiscal 2000, the Company derived approximately 49% ($85,445,000) of its consolidated revenues from continuing operations from direct transactions with The Home Depot, Inc. These revenues resulted principally from construction activities. See Note 14 to the Consolidated Financial Statements of the Company. No other single customer accounted for 10% or more of the Company's consolidated revenues from continuing operations during the year.

Backlog

The following table indicates the backlog of construction contracts, expected rental income under existing leases and contracted real estate sales for the next twelve months by industry segment:

	April 30, 2000	April 30, 1999
Construction-contracts	$71,827,000	$54,460,000
Real Estate-rental income	11,202,000	9,976,000
Real Estate-sales	195,000	6,900,000
Total Backlog	$83,224,000	$71,336,000

The Company estimates that most of the backlog at April 30, 2000, will be recognized as revenues prior to April 30, 2001. No assurance can be given as to future backlog levels or whether the Company will realize earnings from the revenues resulting from the backlog at April 30, 2000.

Regulation

The Company is subject to the authority of various federal, state and local regulatory agencies concerned with its construction operations, including among others, the Occupational Health and Safety Administration. The Company is also subject to local zoning regulations and building codes in performing its construction and real estate activities. Management believes that it is in substantial compliance with all such governmental regulations. Management believes that compliance with federal, state and local provisions which have been enacted or adopted for regulating the discharge of materials into the environment does not have a material effect upon the capital expenditures, earnings and competitive position of the Company.

Executive Officers of the Registrant

The Executive Officers of the Company as of April 30, 2000, were as follows:

Name and Age	Positions with the Company	Officer Since
Alan R. Abrams (45)	Co-Chairman of the Board since August 1998, and a Director of the Company since 1992, he has been Chief Executive Officer since July 1999 and President since May 2000. From May 1998 to July 1999, he was President and Chief Operating Officer. He served as Executive Vice President from August 1997 to May 1998. From 1994 to 1998 he served as President, and from 1997 to 1998 as Chief Executive Officer of Abrams Properties, Inc.	1988
Melinda S. Garrett (44)	Director of the Company since September 1999, she has been Chief Financial Officer since February 1997. She also has served Abrams Properties, Inc. as Chief Financial Officer since May 1998, and Vice President since June 1993.	1990
B. Michael Merritt (50)	Director of the Company since February 2000, he has been President of Abrams Construction, Inc. since May 1995. Prior to that he served Abrams Construction, Inc. as Executive Vice President.	1986
J. Andrew Abrams (40)	Co-Chairman of the Board since August 1998, and a Director of the Company since 1992, he has been Vice President-Business Development since May 2000, and served as President and Chief Operating Officer from July 1999 to May 2000. From August 1997 to July 1999, he was Executive Vice President. He also has served as Chief Executive Officer of Abrams Fixture Corporation since July 1997. From September 1994 to July 1997 he served Abrams Fixture Corporation as Vice President.	1988
Gerald T. Anderson II (37)	President and Chief Executive Officer, Abrams Properties, Inc. since May 1998. He served as Executive Vice President of Abrams Properties, Inc. from February 1997 to April 1998, and Vice President from April 1995 to January 1997.	1995

Executive Officers of the Company are elected by the Board of Directors of the Company or the Board of Directors of the respective subsidiary to serve at the pleasure of the respective Board. Alan R. Abrams and J. Andrew Abrams are brothers, the sons of Edward M. Abrams, a member of the Board of Directors. David L. Abrams, a member of the Board of Directors, is a first cousin of Alan R. Abrams and J. Andrew Abrams, and a nephew of Edward M. Abrams. There are no other family relationships between any Executive Officer or Director and any other Executive Officer or Director of the Company.

ITEM 2. PROPERTIES.

In October 1997, the Company, through its Real Estate Segment, purchased its corporate headquarters building, which contains approximately 66,000 square feet of office space. The building is located in the North X Northwest Office Park, 1945 The Exchange, in suburban Atlanta, Georgia. The Parent Company and the Real Estate and Construction Segments are located in this building. In addition to the 29,200 square feet of offices currently utilized by the Abrams entities, another 34,800 square feet is leased to unrelated tenants, and the remaining approximately 2,000 square feet is currently available for lease.

In May 1999, the Company sold its shopping center located in Newnan, Georgia. The sale was structured as a tax-deferred, like-kind exchange pursuant to Internal Revenue Code Section 1031, which allows a deferral of the tax gain if the Company utilizes the proceeds of the sale to purchase other real estate within 180 days of the sale. In July 1999, the Company acquired a shopping center in Jacksonville, Florida, as the replacement property. See "ITEM 7. LIQUIDITY AND CAPITAL RESOURCES" for discussion regarding the transactions.

In June 1999, the Company received notice from the Georgia State Properties Commission that the Georgia World Congress Center Authority had made the determination to acquire the Manufacturing Segment's former wood manufacturing facility in Atlanta, Georgia. In October 1999, a Special Master appointed by the court awarded the Company $4,500,000 for the property, which amount was paid to the Manufacturing Segment. Both the State and the Company have appealed the award amount, and at April 30, 2000, the ultimate outcome was unknown. Pending resolution of the appeals, the Company has recorded the deferred gain of approximately $2.76 million from this transaction as a reduction of Net assets of discontinued operations at April 30, 2000.

In April 2000, the Company's former manufacturing plant located in Lithia Springs, Georgia, which was developed and owned by the Real Estate Segment, was sold at a pre-tax gain of approximately $2.4 million. The Company continues to own the vacant former metal manufacturing facility located in Atlanta, Georgia.

The Company owns, or has an interest in, the following properties:

Owned Shopping Centers

As of April 30, 2000, the Company's Real Estate Segment owned five shopping centers which it developed and two which it acquired. The following chart provides relevant information relating to the owned shopping centers:

Location	Acres	Leasable Square Feet in Building(s)	Calendar Year(s) Placed in Service by Company	Rental Income 2000	Cash Flow 2000 (1)	Debt Service Payments 2000 (2)	Principal Amount of Debt Outstanding as of April 30, 2000 (3)
1100 W. Argyle Street Jackson, MI	10.5	110,046	1972, 1996	$ 518,296	$ 393,285	$ 397,179	$ 3,175,010
1075 W. Jackson Street Morton, IL (4)	7.3	92,120	1980, 1992	505,291	453,673	405,679	2,974,331
2500 Airport Thruway Columbus, GA (4) (5)	8.0	87,543	1980, 1988	441,286	401,181	391,783	2,398,956
1500 Placida Road Englewood, FL	28.7	213,739	1990	1,913,799	1,656,692	1,352,167	12,557,693
15201 N. Cleveland North Fort Myers, FL	72.3	293,801	1993, 1996	2,756,025	2,228,949	1,558,105	13,369,042
5700 Harrison Avenue Cincinnati, OH (6)	10.8	86,396	1998	498,859	354,114	—	—
8106 Blanding Blvd. Jacksonville, FL (7)	18.8	174,220	1999	1,089,106	863,454	703,671	9,339,295

(1) Cash flow is defined as net operating income before the following: depreciation, amortization of loan and lease costs, and debt service payments.
(2) Includes principal and interest on mortgage notes or other debt.
(3) Exculpatory provisions limit the Company's liability to the respective mortgaged properties, except for the North Fort Myers, Florida loan which has been guaranteed by Abrams Properties, Inc. See Notes 9 and 10 to the Consolidated Financial Statements of the Company.
(4) Land is leased, not owned.
(5) The Columbus, Georgia center is owned by Abrams-Columbus Limited Partnership, in which Abrams Properties, Inc. serves as general partner and owns an 80% interest.
(6) Originally completed by others in 1982.
(7) Originally completed by others in 1985.

The two centers located in Morton, Illinois, and Columbus, Georgia, are leased exclusively to Kmart. The Columbus, Georgia Kmart lease expires in 2008 and has ten five-year renewal options, and the Morton, Illinois Kmart lease expires in 2016 and has eight five-year renewal options. Anchor lease terms for the centers not leased exclusively to Kmart are shown in the table below.

Location	Anchor Tenant	Square Footage	Lease Expiration Date	Options to Renew
Jackson, MI	Big Lots	26,022	2007	2 for 5 years each
	Kroger	63,024	2021	6 for 5 years each
Englewood, FL	Beall's	31,255	2006	4 for 5 years each
	Kmart	86,479	2015	10 for 5 years each
	Publix	48,555	2010	4 for 5 years each
	Walgreens	13,500	2040 (1)	None
North Fort Myers, FL	AMC	54,805	2016	4 for 5 years each
	Beall's	35,600	2009	9 for 5 years each
	Kash n' Karry	33,000	2013	4 for 5 years each
	Jo-Ann Fabrics	16,000	2004	3 for 5 years each
	Kmart	107,806	2018	10 For 5 years each
Cincinnati, OH	Kroger	42,456	2005	3 For 5 years each
Jacksonville, FL	Publix (2)	85,560	2010	6 For 5 years each
	Office Depot	22,692	2003	3 For 5 years each

(1) Tenant may terminate its lease with six months notice at five year intervals beginning in 2010.
(2) Tenant has vacated the premises, but remains responsible for lease payments until the Expiration Date.

With the exception of the Kmart lease in Columbus, Georgia, all of the anchor tenant and most of the small shop leases provide for contingent rentals if sales exceed specified amounts. In 2000, the Company received $79,183 in contingent rentals, net of offsets, which amounts are included in the aggregate Rental Income set forth above.

Typically, tenants are responsible for their pro rata share of ad valorem taxes, insurance and common area maintenance (subject to the right of offset mentioned above). Kmart has total maintenance responsibility for the Morton, Illinois and Columbus, Georgia centers.

Leaseback Shopping Centers

The Company, through its Real Estate Segment, is lessee of nine shopping centers that it developed, sold, and leased back under leases expiring from calendar years 2001 to 2014. The nine centers are subleased by the Company to Kmart Corporation for periods corresponding with the Company's leases. The Kmart subleases provide for contingent rentals if sales exceed specified amounts, and contain ten five-year renewal options, except Jacksonville, Florida, which has eight five-year renewal options. The Company's leases with the fee owners contain renewal options coextensive with Kmart's renewal options. Kmart is responsible for insurance and ad valorem taxes, but has the right to offset against contingent rentals any such taxes paid in excess of specified amounts. In 2000, the Company received $72,449 in contingent rentals, net of offsets, which amounts are included in the aggregate Rental Income set forth below. The Company has responsibility for structural and roof maintenance of the buildings. The Company also has responsibility for parking lots and driveways, except routine upkeep, which is the responsibility of the tenant, Kmart. The Company's leases contain exculpatory provisions which limit the Company's liability to its interest in the respective subleases.

The following chart provides certain information relating to the leaseback shopping centers:

Location	Acres	Square Feet in Building(s)	Calendar Year(s) Placed in Service by Company	Rental Income 2000	Rent Expense 2000
Bayonet Point, FL	10.8	109,340	1976, 1994	$378,670	$269,564
Orange Park, FL	9.4	84,180	1976	264,000	226,796
Davenport, IA	10.0	84,180	1977	259,087	204,645
Minneapolis, MN	7.1	84,180	1978	342,920	230,570
West St. Paul, MN	10.0	84,180	1978	298,465	229,630
Ft. Smith, AR	9.2	106,141	1979, 1994	255,350	223,195
Jacksonville, FL	11.6	97,032	1979	303,419	258,858
Louisville, KY	9.3	72,897	1979	290,000	251,279
Richfield, MN	5.7	74,217	1979	300,274	241,904

Office Buildings

The Company, through its Real Estate Segment, owns two office properties: the corporate headquarters building located at 1945 The Exchange, Atlanta, Georgia; and an office park in northwest suburban Atlanta, Georgia. The following chart provides pertinent information relating to the office buildings:

Location	Acres	Leasable Square Feet in Building(s)	Calendar Year Placed in Service by Company	Rental Income 2000	Cash Flow 2000(1)	Debt Service Payments 2000(2)	Principal Amount of Debt Outstanding as of April 30, 2000
1945 The Exchange Atlanta, GA (3)	3.12	65,880	1997	$1,108,642	$ 735,117	$477,711	$4,933,813
1501-1523 Johnson Ferry Road, Marietta, GA (4)	8.82	121,476	1997	1,758,890	1,050,089	538,925	6,346,536

(1) Cash flow is defined as net operating income before the following: depreciation, amortization of loan and lease costs, and debt service payments.

(2) Includes principal and interest on mortgage notes or other debt.

(3) Corporate headquarters building of which the Parent Company, Construction Segment, and Real Estate Segment occupy approximately 29,200 square feet. Rental income and cash flow includes intercompany rent at market rates of $488,252 paid by the Parent Company and the Construction and Real Estate Segments. The debt is guaranteed by Abrams Properties, Inc. Originally constructed by others in 1974 and acquired and redeveloped by the Company in 1997.

(4) The Company, through a subsidiary of its Real Estate Segment, is the lessee of 16,859 square feet of space under a master lease agreement to satisfy a condition required by the lender. Rental income and cash flow include intercompany rent at market rates of $267,826 paid by the Real Estate Segment. Originally constructed by others in 1980 and 1985.

Land Leased or Held for Future Development or Sale

The Company, through its Real Estate Segment, owns or has an interest in the following land that is leased or held for future development or sale:

Location	Acres	Calendar Year Development Completed	Intended Use (1)
W. Argyle Street Jackson, MI	0.9	1972	One outlot or retail shops
Kimberly Road & Fairmont Street Davenport, IA (2)	6.0	1977	Food store and/or retail shops and outlot
Dixie Highway Louisville, KY	4.7	1979	Food store and/or retail shops
West 15th Street Washington, NC	1.4	1979	Two outlots (3)
Mundy Mill Road Oakwood, GA	5.3	1987	Retail shops and/or four outlots
North Cleveland Avenue North Fort Myers, FL	12.4	1993	Six outlots, anchor pads and retail shops

(1) "Outlot" as used herein refers to a small parcel of land reserved from the shopping center parcel and is generally sold for, leased for, or developed as, a fast-food operation, bank or similar use.
(2) Includes 1.1 acre outlot currently under contract to be sold at a gain.
(3) Leased under leases terminating in years 2005 and 2010 with a right to extend for three additional five-year periods. Both outlots are subleased for terms coextensive with the Company's lease.

There is no debt on any of the above properties, except for the North Fort Myers, Florida anchor pads and retail shop land. See Note 10 to the Consolidated Financial Statements of the Company. The Company will either develop the properties described above, or will hold them for sale or lease to others.

ITEM 3. LEGAL PROCEEDINGS.

The Company is not a party to, nor is any of its property the subject of, any pending legal proceedings which are likely, in the opinion of management, to have a material, adverse effect on the Company's operations or financial condition.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS.

	CLOSING MARKET PRICES				DIVIDENDS PAID PER SHARE	
	FISCAL 2000		FISCAL 1999		FISCAL 2000	FISCAL 1999
	HIGH TRADE	LOW TRADE	HIGH TRADE	LOW TRADE		
First Quarter	$5.375	$3.875	$7.500	$6.250	$.040	$.050
Second Quarter	5.938	3.750	7.750	5.500	.040	.050
Third Quarter	4.500	2.940	7.750	4.125	.040	.050
Fourth Quarter	4.000	3.375	6.875	3.031	.040	.050

The common stock of Abrams Industries, Inc. is traded over-the-counter in the NASDAQ National Market System (Symbol: ABRI). The approximate number of holders of common stock was 460 (including shareholders of record and shares held in street name) at May 31, 2000.

ITEM 6. SELECTED FINANCIAL DATA.

The following table sets forth selected financial data for the Company and should be read in conjunction with the consolidated financial statements and the notes thereto.

	2000	1999	1998	1997	1996
Consolidated Revenues (1)	$174,579,492	$172,201,090	$163,586,356	$119,420,343	$119,290,881
Net Earnings (Loss) (1)	$ 2,367,190	$ (39,599)	$ 2,694,211	$ 1,274,545	$ (220,785)
Net Earnings (Loss) Per Share (1) (2)	$ .80	$ (.01)	$ .92	$ .43	$ (.07)
Shares Outstanding at Year-End	2,936,356	2,936,356	2,936,356	2,938,356	2,970,856
Cash Dividends Paid Per Share	$ .16	$ .20	$ .19	$ .07	$ .105
Shareholders' Equity	$ 22,346,138	$ 23,272,560	$ 24,535,863	$ 22,125,214	$ 20,152,376
Shareholders' Equity Per Share (2)	$ 7.61	$ 7.93	$ 8.36	$ 7.53	$ 6.78
Working Capital	$ 10,820,179	$ 9,885,902	$ 15,283,031	$ 13,075,119	$ 10,417,697
Depreciation and Amortization Expense (1)	$ 3,067,959	$ 2,702,555	$ 2,338,854	$ 2,811,472	$ 2,668,060
Total Assets	$102,845,867	$126,132,540	$121,309,444	$ 91,499,438	$ 90,635,098
Income-Producing Properties and Property, Plant and Equipment, net	$ 61,456,455	$ 64,680,003	$ 67,119,159	$ 45,028,355	$ 54,493,842
Long-Term Debt	$ 51,929,637	$ 56,554,488	$ 62,938,807	$ 41,118,885	$ 51,202,536
Return on Average Shareholders' Equity (1)	10.4%	(0.2%)	11.5%	6.0%	(1.1%)

(1) From continuing operations.
(2) Adjusted to reflect stock dividends and stock splits.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR FISCAL YEARS ENDED APRIL 30, 2000, 1999, AND 1998.

RESULTS OF OPERATIONS

REVENUES

Revenues from continuing operations for 2000 were $174,579,492, compared to $172,201,090 and $163,586,356, for 1999 and 1998, respectively. This represents an increase in Revenues of 1% in 2000, and 5% in 1999. Revenues include Interest income of $372,524, $421,315, and $649,910, for 2000, 1999, and 1998, respectively, and Other income of $73,882, $56,532, and $121,429, for 2000, 1999, and 1998, respectively. The figures in Chart A below do not include Interest income, Other income or Intersegment revenues. When more than one segment is involved, Revenues are reported by the segment that sells the product or service to an unaffiliated purchaser.

REVENUE FROM CONTINUING OPERATIONS SUMMARY BY SEGMENT
(Dollars in Thousands)
CHART A

	Years Ended April 30,		Increase (Decrease)		Years Ended April 30,		Increase (Decrease)	
	2000	1999	Amount	Percent	1999	1998	Amount	Percent
Construction (1)	$143,916	$159,273	$(15,357)	(10)	$159,273	$141,453	$17,820	13
Real Estate (2)	30,217	12,450	17,767	143	12,450	21,362	(8,912)	(42)
Total	$174,133	$171,723	$ 2,410	1	$171,723	$162,815	$ 8,908	5

NOTES:
(1) The decrease in 2000 from that in 1999 is primarily attributable to a temporary decrease in business from an existing customer. The increase in 1999 was primarily attributable to the addition of new customers.
(2) Rental revenues for 2000 were $12,551,729, compared to $12,449,850 in 1999, and $11,337,342 in 1998. Rental revenues exclude $1,527,856 in 2000, $1,485,038 in 1999, and $200,615 in 1998, received from the

Company's other segments. Revenues from sales of real estate were $17,665,456 in 2000, and $10,024,650 in 1998. There were no sales of real estate in 1999. The real estate revenues in 2000 include the sale of the shopping center in Newnan, Georgia, and the Company's manufacturing facility in Lithia Springs, Georgia. The revenues in 2000 do not include any amounts related to the deferred gain on the eminent domain taking of the Atlanta, Georgia former manufacturing facility. The 1998 real estate revenues include sales of a shopping center in Oakwood, Georgia, freestanding Kmarts in Tifton, Georgia, and Newark, Ohio, and an outparcel in North Fort Myers, Florida. The Company reviews its real estate portfolio on an ongoing basis and places a property on the market for sale when it believes it is in its best interests to do so. In addition, a property may be marketed in one fiscal year, but the sale may not close until a subsequent year, due to individually negotiated contract terms. Real estate sales, which may have a material impact on the Company's results of operations, do not occur every year, and the Company cannot predict the timing of any such sales.

COSTS: APPLICABLE TO SEGMENT REVENUES

As a percentage of total Segment Revenues (See Chart A), the applicable total Segment Costs (See Chart B) of $155,731,989 for 2000, $157,525,283 for 1999, and $144,973,450 for 1998, were 89%, 92%, and 89%, respectively.

COSTS AND EXPENSES APPLICABLE TO REVENUES FROM CONTINUING OPERATIONS SUMMARY BY SEGMENT

(Dollars in Thousands)

CHART B

	Years Ended April 30,			Percent of Segment Revenues For Years Ended April 30,		
	2000	1999	1998	2000	1999	1998
Construction	$136,396	$150,603	$133,430	95	95	94
Real Estate (1)	19,336	6,922	11,543	64	56	54
Total	$155,732	$157,525	$144,973	89	92	89

NOTES:

(1) The increase in the dollar amount and percentage in 2000 is attributable to the costs of the real estate sales during the year. The decrease in the dollar amount and percentage in 1999 is because there were no real estate sales in 1999. See Chart A for discussion of real estate sales in 2000 and 1998.

SELLING, SHIPPING, GENERAL AND ADMINISTRATIVE EXPENSES

For the years 2000, 1999, and 1998, Selling, shipping, general and administrative expenses (See Chart C) were $9,597,295, $9,458,766, and $9,630,691, respectively. As a percentage of Consolidated Revenues, these expenses were 6% in each of the three years. In reviewing Chart C, the reader should recognize that the volume of revenues generally would affect these amounts and percentages. The percentages in Chart C are based on expenses as they relate to segment revenues in Chart A, with the exception that Parent expenses and Total expenses relate to Consolidated Revenues.

SELLING, SHIPPING, GENERAL AND ADMINISTRATIVE EXPENSES FROM CONTINUING OPERATIONS BY SEGMENT

(Dollars in Thousands)

CHART C

	Years Ended April 30,			Percent of Segment Revenues For Years Ended April 30,		
	2000	1999	1998	2000	1999	1998
Construction (1)	$ 4,267	$ 4,584	$ 4,525	3	3	3
Real Estate (2)	2,160	2,325	2,500	7	19	12
Parent (3)	3,170	2,550	2,606	2	2	2
Total	$ 9,597	$ 9,459	$ 9,631	6	6	6

NOTES:

(1) On a dollar basis comparison, the decreased expense in 2000 stemmed from decreased incentive-based compensation expenses, which were a result of decreased Segment earnings. This was partially offset by an increase in 2000 in the cost of employee medical claims, which varies from year to year.

(2) As noted above, the volume of revenues generally affects these amounts and percentages. In 1999, revenues declined, as there were no real estate sales. In 2000 and 1998, real estate sales were reported, producing increased revenues. The gains on such sales affect incentive-based compensation expenses, which are included in these amounts.

(3) On a dollar basis comparison, the increased expense in 2000 includes an accrual related to an existing employment agreement, and additional legal, accounting, and professional consulting fees resulting from the Company's investigation of strategic alternatives.

INTEREST COSTS

The majority of interest costs expensed of $5,386,257, $5,159,222, and $4,613,004, in 2000, 1999, and 1998, respectively, is related to debt on real estate and utilization of lines of credit. Interest costs increased in 2000 primarily due to the purchase of the Jacksonville, Florida shopping center, and in 1999 primarily due to the bond financing of the Lithia Springs, Georgia manufacturing facility, which was sold in April 2000. Interest costs of $199,000 and $112,000, relating to properties under development in 1999 and 1998, respectively, were capitalized. There was no capitalized interest in 2000.

FINANCIAL CONDITION AND CHANGES IN FINANCIAL CONDITION

Property held for sale decreased by $5,235,074 in 2000 as a result of the sale of the shopping center in Newnan, Georgia, and the eminent domain taking of the Company's former manufacturing facility located in Atlanta, Georgia, as discussed in "ITEM 2.PROPERTIES." The mortgage debt associated with the Newnan shopping center was included in Current maturities of long-term debt at April 30, 1999.

Income producing properties increased by $7,542,489 during 2000, primarily as a result of the purchase of a shopping center in Jacksonville, Florida. The mortgage note used to finance the purchase of the Jacksonville shopping center is classified as Mortgage notes payable at April 30, 2000. See "ITEM 2. PROPERTIES" for further discussion.

Property, plant and equipment decreased by $11,087,747 during 2000, primarily as a result of the sale of the Company's manufacturing facility located in Lithia Springs, Georgia, and its related fixed assets. See "ITEM 2. PROPERTIES" and "DISCONTINUED OPERATIONS" for further information.

LIQUIDITY AND CAPITAL RESOURCES

Except for certain real estate construction loans and occasional short-term operating loans, the Company normally has been able to finance its working capital needs through funds generated internally. If adequate funds are not generated through normal operations, the Company has available bank lines of credit. Working capital increased to $10,820,179 at the end of 2000, from $9,885,902 at the end of 1999. Operating activities provided cash of $7,057,728. Investing activities used cash of $1,639,320, primarily for the purchase of income-producing property, which was substantially offset by proceeds from the sales of real estate and property, plant and equipment. Financing activities used cash of $5,597,985 primarily for repayment of debt and short-term borrowings.

In 1992, the Company secured a construction loan for the North Fort Myers, Florida property from SunTrust Bank. The primary term of the construction financing was five years, and the loan has been extended to August 2001, in accordance with the loan agreement, as amended. The loan carries a floating interest rate of prime plus .375%. The maximum amount to be funded will be determined by a formula based on future development. As of April 30, 2000, the principal amount outstanding was $13,369,042. Although the Company has periodically received extensions on this loan, there can be no assurance it will be able to continue to do so. If future extensions were not granted, it would be necessary for the Company to either refinance or sell the development and pay off this loan prior to its due date. There can be no assurance that sufficient proceeds from a refinancing or sale will be available to pay off the loan prior to its maturity.

In August 1997, the Company refinanced its Jackson, Michigan shopping center, replacing a $2,100,000 construction loan with a permanent loan for $3,500,000. The permanent loan had an original a term of 22 years and bears interest at 8.625%. Certain provisions of the loan, as amended in August 1999, required the establishment of a $500,000 letter of credit at closing which is to be used to pay down the loan in August 2000, if certain leasing requirements are not met. As of April 30, 2000, these requirements had not been met, and there can be no assurance that they will be met by August 2000, or that these provisions can again be amended to extend the date of compliance.

In October 1997, the Company entered into an acquisition and construction loan with SunTrust Bank, to fund the purchase and redevelopment of the corporate headquarters building in Atlanta, Georgia. The loan had a balance at April 30, 2000, of $4,933,813, and its term has been extended to August 2001. There can be no assurance further extensions will be granted. The Company has the option of paying interest at the prime rate or based on the Eurodollar rate plus 2.0%, which may be locked in for one, two, three, or six month periods, at the Company's discretion. The Company plans to refinance this loan prior to maturity; however, there can be no assurance that a refinancing will take place prior to the loan's due date.

In July 1999, in connection with the financing of the purchase of the Company's new shopping center in Jacksonville, Florida, the Company entered into a permanent mortgage loan in the amount of $9,500,000, which is secured by the center. The loan bears interest at 7.375% and is scheduled to be fully amortized over twenty years. The lender may call the loan at any time after September 1, 2002. If the loan were called, the Company would have up to thirteen months to repay the principal amount of the loan without penalty. In conjunction with the loan, an Additional Interest Agreement was executed which entitles the lender to be paid additional interest equal to fifty percent of the quarterly net cash flow and fifty percent of the appreciation in the property upon sale or refinance. The liability related to the lender's fifty percent share of the appreciation in the property was $1,989,704 at April 30, 2000.

In February 2000, the Company's Board of Directors authorized the repurchase of up to 200,000 shares of Common Stock during the twelve-month period beginning February 25, 2000, and ending February 24, 2001. Any such purchases, if made, could be in the open market at prevailing prices or in privately negotiated transactions. The Company expects to finance any purchases made with currently available cash. No such stock repurchases had been made as of April 30, 2000.

In April 2000, in connection with the sale of the Company's Lithia Springs, Georgia manufacturing facility, the $11,000,000 bond financing that was secured by the facility was assumed by the purchaser of the property.

At April 30, 2000, the Company had unsecured committed lines of credit totaling $13,000,000, of which none was outstanding. Of this amount, $500,000 was reserved for the letter of credit issued for the Jackson, Michigan loan discussed above.

EFFECTS OF INFLATION ON REVENUES AND OPERATING PROFITS

The effects of inflation upon the Company's operating results are varied. Inflation in the current year has been modest and has had minimal effect on the Company. The Construction Segment subcontracts most of its work at fixed prices, which normally will help that segment protect its profit margin from erosion due to inflation.

In the Real Estate Segment, many of the anchor leases are long-term (original terms over 20 years), with fixed rents, except for contingent rent provisions by which the Company may earn additional rent as a result of increases in tenants' sales. In many cases, however, the contingent rent provisions permit the tenant to offset against contingent rents any increases in ad valorem taxes over a specified amount. If inflation were to rise, ad valorem taxes would probably increase as well, which, in turn, would cause a decrease in the contingent rents. Furthermore, the Company has certain repair obligations, and the costs of repairs increase with inflation.

Inflation causes a rise in interest rates, which has a positive effect on investment income, but has a negative effect on profit margins because of the increased costs of contracts and the increase in interest expense on variable rate loans. Overall, inflation will tend to limit the Company's markets and, in turn, will reduce revenues as well as operating profits and earnings.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained or incorporated by reference in this Annual Report on Form 10-K, including without limitation, statements containing the words "believes," "anticipates," "expects," and words of similar import, are forward-looking statements within the meaning of the federal securities laws. Such forward-looking statements involve known and unknown risks, uncertainties and other matters which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or uncertainties expressed or implied by such forward-looking statements.

CONSIDERATION OF STRATEGIC ALTERNATIVES

The Company announced on June 8, 1999, that the Board of Directors decided to investigate a wide range of possible strategic and financial alternatives available to maximize shareholder value. The investigation, which has been completed, resulted in the discontinuance of the Company's manufacturing operations. See "Discontinued Operations."

Also as a result of the investigation, subsequent to the fiscal year end, the Company entered into agreements to outsource the property management of certain of the Company's commercial real estate assets to third parties. Additionally, the Company has entered into a letter of intent to contract out its asset management activities to jOjA Partners, LLC, a company newly formed by executives of the Real Estate Segment, in which the Company would maintain a minority interest. The Company plans to continue to own and invest in real estate.

DISCONTINUED OPERATIONS

During the quarter ended January 31, 2000, the Board of Directors of the Company decided to discontinue the operations of the Manufacturing Segment. The financial statements reflect the operating results of this business as a discontinued operation, and prior year financial information has been appropriately reclassified. See Note 3 to the Consolidated Financial Statements of the Company. On February 2, 2000, the Company closed on the sale of the Manufacturing Segment's machinery, equipment, furniture, and raw materials inventory for $2.2 million.

The Company recorded an after tax loss from discontinued operations of $2,612,332 in the fiscal year ended April 30, 2000. At April 30, 2000, the Manufacturing Segment had ceased all operations and disposed of substantially all of its assets. The remaining assets and liabilities of the Manufacturing Segment have been consolidated and presented as Net assets of discontinued operations on the Consolidated Balance Sheet at April 30, 2000. Included as a reduction in the Net assets of discontinued operations is an approximately $2.76 million deferred gain on the eminent domain taking of the Company's former manufacturing facility in Atlanta, Georgia. The amount of the condemnation award is currently under appeal by both parties, and the ultimate outcome is unknown at this time.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company's major market risk exposure is the potential loss arising from changes in interest rates and its impact on variable rate debt instruments. The following table summarizes information related to the Company's market risk sensitive debt instruments as of April 30, 2000:

Debt Instrument	Principal Balance	Total Availability	Maturity	Interest Rate
Note Payable to Bank	$4,933,813	$ 4,933,813	8/31/01	Prime rate or LIBOR plus 2%, at the Company's option
Construction Loan	$8,692,094	$ 8,692,094	8/31/01	Prime rate plus .375%
Amendment to Construction Loan	$4,676,948	To be determined per formula in Loan Agreement	8/31/01	Prime rate plus .375%
Unsecured Lines of Credit	$ 0	$11,500,000	10/31/00	Prime rate or LIBOR plus 2%, at the Company's option
Unsecured Line of Credit	$ 0	$ 500,000 (1)	10/31/01	Prime rate or LIBOR plus 2%, at the Company's option
Unsecured Line of Credit	$ 0	$ 1,000,000	9/30/00	Prime rate or LIBOR plus 2.7%, at the Company's option

(1) $500,000 is restricted as it secures a letter of credit. See Note 10 to the Consolidated Financial Statements of the Company.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.
Index to Consolidated Financial Statements

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Schedules:

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Report of Independent Accountants

To The Board of Directors and Shareholders
Abrams Industries, Inc.:

In our opinion, the accompanying consolidated balance sheet as of April 30, 2000 and the related consolidated statements of operations, shareholders' equity and cash flows present fairly, in all material respects, the financial position of Abrams Industries, Inc. and subsidiaries (the "Company") at April 30, 2000, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States. In addition, in our opinion, the financial statement schedules listed in the accompanying index present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements as of and for the year ended April 30, 2000. These financial statements and financial statement schedules are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed above.

PricewaterhouseCoopers LLP

Atlanta, Georgia
June 2, 2000

Independent Auditor's Report

The Board of Directors and Shareholders
Abrams Industries, Inc.:

We have audited the accompanying consolidated financial statements of Abrams Industries, Inc. and subsidiaries (the "Company") as of April 30, 1999, and for the years ended April 30, 1999 and 1998 as listed in the accompanying index. In connection with our audits of the consolidated financial statements, we also have audited the financial statement schedules for the years ended April 30, 1999 and 1998 as listed in the accompanying index. These consolidated financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements and schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements and schedule presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Abrams Industries, Inc. and subsidiaries as of April 30, 1999 and the results of their operations and cash flows for the years ended April 30, 1999 and 1998 in conformity with generally accepted accounting principles. Also in our opinion, the related financial statement schedules for the years ended April 30, 1999 and 1998, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

KPMG LLP

Atlanta, Georgia
June 4, 1999

CONSOLIDATED BALANCE SHEETS

	April 30, 2000	April 30, 1999
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents, including restricted cash of $0 and $95,673, in 2000 and 1999, respectively	$ 7,268,974	$ 7,448,551
Receivables:		
Trade accounts and notes, net	150,944	3,298,545
Contracts, net, including retained amounts of $5,105,889 and $4,983,746, in 2000 and 1999, respectively (note 5)	19,880,333	27,981,694
Inventories, net (note 4)	—	2,972,663
Costs and earnings in excess of billings (note 5)	2,319,102	3,188,100
Net assets of discontinued operations (note 3)	1,423,593	—
Property held for sale (note 6)	33,404	5,268,478
Deferred income taxes (note 11)	685,277	820,829
Other	538,840	599,715
Total current assets	32,300,467	51,578,575
INCOME-PRODUCING PROPERTIES, NET (notes 7 and 9)	59,854,096	52,311,607
PROPERTY, PLANT AND EQUIPMENT, NET (note 8)	1,602,359	12,368,396
OTHER ASSETS:		
Land held for future development or sale	4,204,442	4,237,845
Notes receivable	170,433	297,209
Cash surrender value of officers life insurance, net	1,225,265	1,473,963
Deferred loan costs, net	531,959	788,356
Other	2,956,846	3,076,589
	$102,845,867	$126,132,540
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade and subcontractors payables, including retained amounts of $2,150,687 and $2,513,281 in 2000 and 1999, respectively	$ 13,373,742	$ 18,391,697
Accrued expenses	4,015,373	2,834,831
Billings in excess of costs and earnings (note 5)	1,289,114	2,947,814
Accrued profit-sharing (note 12)	1,438,884	2,593,654
Short-term borrowings (note 10)	—	8,048,222
Current maturities of long-term debt	1,363,175	6,876,455
Total current liabilities	21,480,288	41,692,673
DEFERRED INCOME TAXES (note 11)	3,448,538	2,910,771
OTHER LIABILITIES	3,641,266	1,702,048
MORTGAGE NOTES PAYABLE, less current maturities (note 9)	34,033,941	27,447,977
OTHER LONG-TERM DEBT, less current maturities (note 10)	17,895,696	29,106,511
Total liabilities	80,499,729	102,859,980
COMMITMENTS AND CONTINGENCIES (notes 6, 9, and 10)		
SHAREHOLDERS' EQUITY:		
Common stock, $1 par value; 5,000,000 shares authorized; 3,014,039 shares issued and 2,936,356 shares outstanding in 2000 and 1999	3,014,039	3,014,039
Additional paid-in capital	2,019,690	2,019,690
Retained earnings	17,724,960	18,651,382
Treasury stock, 77,683 common shares in 2000 and 1999	(412,551)	(412,551)
Total shareholders' equity	22,346,138	23,272,560
	$102,845,867	$126,132,540

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended April 30,		
	2000	1999	1998
REVENUES:			
Construction	$143,915,901	$159,273,393	$141,453,025
Rental income	12,551,729	12,449,850	11,337,342
Real estate sales	17,665,456	—	10,024,650
Interest	372,524	421,315	649,910
Other	73,882	56,532	121,429
	174,579,492	172,201,090	163,586,356
COSTS AND EXPENSES:			
Construction	136,396,070	150,603,062	133,430,395
Rental property operating expenses, excluding interest	6,999,011	6,922,221	6,385,593
Cost of real estate sold	12,336,908	—	5,157,462
	155,731,989	157,525,283	144,973,450
Selling, shipping, general and administrative	9,597,295	9,458,766	9,630,691
Interest costs incurred, less interest capitalized of $0, $199,000, and $112,000 in 2000, 1999, and 1998, respectively	5,386,257	5,159,222	4,613,004
	170,715,541	172,143,271	159,217,145
EARNINGS BEFORE INCOME TAXES	3,863,951	57,819	4,369,211
INCOME TAX EXPENSE (note 11):			
Current	1,166,553	71,237	728,753
Deferred	330,208	26,181	946,247
	1,496,761	97,418	1,675,000
EARNINGS (LOSS) FROM CONTINUING OPERATIONS	2,367,190	(39,599)	2,694,211
DISCONTINUED OPERATIONS (note 3):			
(Loss) Earnings from discontinued operations, adjusted for applicable (benefit) expense for income taxes of ($979,455), ($385,006), and $158,000, respectively	(1,636,233)	(636,432)	305,267
Loss on sale of assets of discontinued operations, adjusted for applicable benefit for income taxes of $576,171	(976,099)	—	—
(LOSS) EARNINGS FROM DISCONTINUED OPERATIONS	(2,612,332)	(636,432)	305,267
(LOSS) EARNINGS BEFORE EXTRAORDINARY ITEM	(245,142)	(676,031)	2,999,478
Extraordinary loss from early extinguishment of debt, adjusted for applicable benefit for income taxes of $129,607 (note 8)	(211,463)	—	—
NET (LOSS) EARNINGS	$ (456,605)	$ (676,031)	$ 2,999,478
NET (LOSS) EARNINGS PER SHARE (note 13):			
From continuing operations - basic and diluted	$ .80	$ (.01)	$ .92
From discontinued operations - basic and diluted	(.89)	(.22)	.10
From extraordinary loss from early extinguishment of debt-basic and diluted	(.07)	—	—
Net (loss) earnings per share - basic and diluted	$ (.16)	$ (.23)	$ 1.02

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock	Total
	Shares	Amount				
BALANCES at April 30, 1997	3,010,039	$3,010,039	$2,012,190	$17,473,536	$(370,551)	$22,125,214
Net earnings	—	—	—	2,999,478	—	2,999,478
Cash dividends declared - $.19 per share	—	—	—	(558,329)	—	(558,329)
Exercise of stock options	4,000	4,000	7,500	—	—	11,500
Acquisition of 6,000 shares of treasury stock	—	—	—	—	(42,000)	(42,000)
BALANCES at April 30, 1998	3,014,039	3,014,039	2,019,690	19,914,685	(412,551)	24,535,863
Net loss	—	—	—	(676,031)	—	(676,031)
Cash dividends declared - $.20 per share	—	—	—	(587,272)	—	(587,272)
BALANCES at April 30, 1999	3,014,039	3,014,039	2,019,690	18,651,382	(412,551)	23,272,560
Net loss	—	—	—	(456,605)	—	(456,605)
Cash dividends declared - $.16 per share	—	—	—	(469,817)	—	(469,817)
BALANCES at April 30, 2000	3,014,039	$3,014,039	$2,019,690	$17,724,960	$(412,551)	$22,346,138

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended April 30, 2000	1999	1998
Cash flows from operating activities:			
Net (loss) earnings	$ (456,605)	$ (676,031)	$ 2,999,478
Adjustments to reconcile net (loss) earnings to net cash provided by (used in) operating activities:			
Depreciation and amortization	3,067,959	3,123,369	2,853,634
Deferred tax expense (benefit)	286,337	(79,548)	967,358
Gain on sales of real estate and property, plant, and equipment	(4,987,478)	(25,847)	(4,867,189)
Loss from discontinued operations	2,612,332	—	—
Changes in assets and liabilities:			
Receivables, net	8,154,768	(10,125,120)	(2,230,083)
Inventories, net	—	(1,477,600)	62,901
Costs and earnings in excess of billings	868,998	2,449,499	(2,852,259)
Other current assets	(5,844)	14,529	(146,511)
Other assets	488,734	(628,829)	(1,112,638)
Trade and subcontractors payable	(3,855,730)	(1,053,404)	9,060,022
Accrued expenses	2,344,414	(830,032)	226,451
Accrued profit-sharing	(1,150,248)	(731,394)	194,951
Billings in excess of costs and earnings	(1,658,700)	1,578,666	220,483
Other liabilities	(8,201)	275,996	577,590
Net cash provided by (used in) continuing operations	5,700,736	(8,185,746)	5,954,188
Net cash provided by discontinued operations	1,356,992	—	—
Net cash provided by (used in) operating activities	7,057,728	(8,185,746)	5,954,188
Cash flows from investing activities:			
Proceeds from sales of real estate and property, plant, and equipment	6,081,884	67,355	3,818,393
Proceeds from sale of property, plant and equipment of discontinued operations	2,070,000	—	—
Additions to income-producing properties	(9,463,803)	(465,385)	(16,045,209)
Additions to property, plant and equipment, net	(444,996)	(3,566,292)	(8,911,039)
Repayments received on notes receivable	117,595	108,454	100,294
Net cash used in investing activities	(1,639,320)	(3,855,868)	(21,037,561)
Cash flows from financing activities:			
Short-term borrowings (repayments) proceeds, net	(7,600,000)	8,048,222	—
Debt proceeds	9,503,137	234,570	32,145,583
Debt repayments	(6,798,879)	(1,328,567)	(10,425,800)
Deferred loan costs paid	(232,426)	(117,259)	(418,161)
Cash dividends	(469,817)	(587,272)	(558,329)
Repurchases of common stock	—	—	(42,000)
Proceeds from exercise of stock options	—	—	11,500
Net cash (used in) provided by financing activities	(5,597,985)	6,249,694	20,712,793
Net (decrease) increase in cash and cash equivalents	(179,577)	(5,791,920)	5,629,420
Cash and cash equivalents at beginning of year	7,448,551	13,240,471	7,611,051
Cash and cash equivalents at end of year	$ 7,268,974	$ 7,448,551	$13,240,471
Supplemental disclosure of noncash investing activities:			
Transfer of income-producing property to property held for sale	$ 33,404	$ 3,576,714	$ —
Supplemental disclosure of noncash financing activities:			
Assumption of debt by purchasers in conjunction with sale of properties	$10,810,000	$ —	$ 5,733,899
Supplemental cash flow information:			
Cash paid during the year for interest, net of amounts capitalized	$ 5,348,759	$ 5,218,298	$ 4,817,206
Cash (refunded) paid during the year for income taxes, net	$ (250,703)	$ 118,553	$ 726,733

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
April 30, 2000, 1999, and 1998

(1) ORGANIZATION AND BUSINESS

Abrams Industries, Inc. (the "Company") was organized under Delaware law in 1960. In 1984, the Company changed its state of incorporation from Delaware to Georgia. The Company engages in (i) construction of retail and commercial projects, and (ii) acquisition, investment, sale, development, and redevelopment of income-producing properties. The Company's wholly owned subsidiaries include Abrams Construction, Inc., the "Construction Segment," and Abrams Properties, Inc. and subsidiaries, the "Real Estate Segment." Abrams Fixture Corporation, the "Manufacturing Segment," another wholly owned subsidiary, which manufactured store fixtures, bank fixtures and display units for retail outlets, ceased operations during Fiscal Year 2000 (note 3).

Previously the Company engaged in property management of real estate. In May 2000, the Company decided to outsource to third parties the asset and property management of the Company's properties owned by the Real Estate Segment. If contract negotiations are successfully completed, the asset management of the properties will be contracted to jOjA Partners, LLC, a newly formed entity in which the Company would own a minority interest.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Principles of consolidation and basis of presentation*
The consolidated financial statements include the accounts of Abrams Industries, Inc., its wholly owned subsidiaries, and its 80% investment in Abrams-Columbus Limited Partnership. All significant intercompany balances and transactions have been eliminated in consolidation.

(b) *Use of estimates*
The preparation of financial statements in conformity with generally accepted accounting principles requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

(c) *Income recognition*
Construction revenues are reported on the percentage-of-completion method, using costs incurred to date in relation to estimated total costs of the contracts to measure the stage of completion. The cumulative effects of changes in estimated total contract costs and revenues are recorded in the period in which the facts requiring the revisions become known. At the time it is determined that a contract will result in a loss, the entire estimated loss is recorded.

The Company leases space in its income-producing properties to tenants, and recognizes minimum base rentals as revenue, on a straight-line basis over the lease terms. Tenants may also be required to pay additional rental amounts based on property operating expenses. In addition, certain tenants are required to pay incremental rental amounts based on store sales. These percentage rents are recognized as earned.

Revenues from the sale of real estate are recognized at the time of closing. Costs of sales related to real estate are based on the specific property sold. When a portion or unit of a development property is sold, a proportionate share of the total cost of the development is charged to cost of sales.

Generally, revenues from the sale of manufactured goods were recognized on the date products were shipped to the customer. Revenues from certain sales, on which delivery was delayed at the customer's explicit request, were recognized when conditions for revenue recognition were met.

(d) Cash and cash equivalents

Cash and cash equivalents include money market funds and other financial instruments. The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

In 1999, restricted cash consisted of a bond sinking fund to be used in the next fiscal year to pay down the principal on industrial development revenue bonds.

(e) Inventories

Inventories were valued at the lower of cost (first-in, first-out method) or market. To reflect the inventory at the lower of cost or market, valuation reserves were previously established. At April 30, 2000, there was no remaining inventory.

(f) Property held for sale

Property held for sale is expected to be sold in the near term, and is carried at the lower of cost or fair value less costs to sell. Depreciation and amortization are suspended during the sale period.

(g) Income-producing properties and property, plant and equipment

Income-producing properties are stated at cost, and are depreciated for financial reporting purposes using the straight-line method over the estimated useful lives of the properties and related assets.

Property, plant and equipment is recorded at cost, and is depreciated for financial reporting purposes using the straight-line method over the estimated useful lives of the assets. Significant additions which extend asset lives are capitalized. Normal maintenance and repair costs are expensed as incurred.

Interest and other carrying costs related to assets under construction are capitalized. Costs of development and construction are also capitalized. Capitalization of interest and other carrying costs is discontinued when a project is substantially completed or if active development ceases.

(h) Land held for future development or sale

Land held for future development or sale is carried at cost.

(i) Deferred loan costs

Costs incurred to obtain loans have been deferred and are being amortized over the terms of the related loans.

(j) Impairment of long-lived assets and assets to be disposed of

The Company reviews its long-lived assets and certain intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future net cash flows expected to be generated by the asset. If an asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the asset's fair value. Assets to be disposed of are reported at the lower of their carrying amount or fair value less cost to sell. Depreciation and amortization are suspended during the sale period, which is not expected to be greater than one year.

(k) Income taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

(l) Fair value of financial instruments

Management believes that the carrying amounts of cash and cash equivalents, receivables, other assets, accounts payable, accrued expenses, and current portions of debt instruments are reasonable approximations of their fair value because of the short-term nature of these instruments.

The fair value of the Company's noncurrent portions of debt instruments is estimated by discounting the future cash flows of each instrument at rates currently offered to the Company for similar debt instruments of comparable maturities by the Company's bankers. Based on this valuation methodology, management believes that the carrying amount of the noncurrent portions of debt instruments is a reasonable estimation of their fair value.

(m) Reclassifications

Certain reclassifications have been made to the 1999 and 1998 consolidated financial statements to conform to classifications adopted in 2000.

(3) DISCONTINUED OPERATIONS

During the quarter ended January 31, 2000, the Board of Directors of the Company decided to discontinue the operations of the Manufacturing Segment. For the years ended April 30, 2000, 1999, and 1998, the Company reported net (losses) earnings from discontinued operations of $(1,636,233), $(636,432), and $305,267, respectively, net of applicable income taxes, related to the Manufacturing Segment on the Consolidated Statements of Operations. In addition, for the year ended April 30, 2000, the Company recorded a loss on the sale of assets of discontinued operations, net of applicable taxes, of $976,099. The loss on the sale of assets consisted of the disposal of the Manufacturing Segment's machinery, equipment, furniture, raw materials inventory, and other related assets. At April 30, 2000, the Manufacturing Segment had ceased all operations and disposed of substantially all of its assets. The remaining assets and liabilities of the Manufacturing Segment have been consolidated and presented as Net assets of discontinued operations on the Consolidated Balance Sheet at April 30, 2000.

In June 1999, the Company received notice from the Georgia State Properties Commission that the Georgia World Congress Center Authority had made the determination to acquire the Manufacturing Segment's former wood manufacturing facility in Atlanta, Georgia. In October 1999, a Special Master appointed by the court awarded the Company $4,500,000 for the property, which amount was paid to the Manufacturing Segment. Both the State and the Company have appealed the award amount, and at April 30, 2000, the ultimate outcome was unknown. Pending resolution of the appeals, the Company has recorded the deferred gain of approximately $2.76 million from this transaction as a reduction of Net assets of discontinued operations at April 30, 2000.

(4) INVENTORIES

The balances of major classes of inventory, net of their related valuation reserves, at April 30 were as follows:

	2000	1999
Finished goods	$ —	$1,268,048
Work-in-progress	—	845,495
Raw materials	—	859,120
	$ —	$2,972,663

There was no inventory as of April 30, 2000, since all inventory was sold or disposed of in conjunction with the discontinuance of the manufacturing operations (see note 3).

(5) CONTRACTS IN PROGRESS

Assets and liabilities related to contracts in progress, including contracts receivable, are included in current assets and current liabilities as they will be liquidated in the normal course of contract completion, which is expected to occur within one year. Amounts billed and costs and earnings recognized on contracts in progress at April 30 were:

	2000	1999
Costs and earnings in excess of billings:		
Accumulated costs and earnings	$ 35,370,318	$ 27,841,460
Amounts billed	33,051,216	24,653,360
	$ 2,319,102	$ 3,188,100
Billings in excess of costs and earnings:		
Amounts billed	$ 31,111,031	$ 33,961,588
Accumulated costs and earnings	29,821,917	31,013,774
	$ 1,289,114	$ 2,947,814

(6) PROPERTY HELD FOR SALE

As of April 30, 2000, the Company had one outlot classified as held for sale. As of April 30, 1999, the Company had classified its shopping center located in Newnan, Georgia, and its former wood manufacturing facility located in Atlanta, Georgia, as property held for sale.

The shopping center subsequently was sold on May 14, 1999. The Company recognized a pre-tax gain of approximately $2.9 million on this sale. The sale was structured as a tax-deferred, like-kind exchange pursuant to Internal Revenue Code Section 1031, which allows a deferral of the tax gain if the Company utilizes the proceeds of the sale to purchase other real estate within 180 days of the sale. The proceeds were used in July 1999, to purchase an approximately 174,000 square foot shopping center located in Jacksonville, Florida, for $9,000,000 (note 9).

The results of operations for the year ended April 30, 1999, for the Real Estate Segment's shopping center that was held for sale at April 30, 1999, are summarized below:

Revenues	$1,024,152
Operating expenses, including depreciation (until classified as held for sale) and interest	746,872
Results of operations	$ 277,280

(7) INCOME-PRODUCING PROPERTIES

Income-producing properties and their estimated useful lives at April 30 were as follows:

	Estimated useful lives	2000	1999
Land		$19,791,981	$15,883,977
Buildings and improvements	7-39 years	55,585,414	50,034,275
		75,377,395	65,918,252
Less - accumulated depreciation and amortization		15,523,299	13,606,645
		$59,854,096	$52,311,607

(8) PROPERTY, PLANT AND EQUIPMENT

The major components of property, plant and equipment and their estimated useful lives at April 30 were as follows:

	Estimated useful lives	2000	1999
Land		$ 92,225	$ 1,984,405
Buildings and improvements	3-39 years	912,430	8,579,274
Machinery and equipment	3-10 years	2,367,815	7,407,729
		3,372,470	17,971,408
Less - accumulated depreciation		1,770,111	5,603,012
		$1,602,359	$12,368,396

In April 2000, the Company's Real Estate Segment sold the manufacturing facility in Lithia Springs, Georgia, to an unrelated third party. The sales price was approximately $10.9 million, and the Company recognized a pre-tax gain on this sale of approximately $2.4 million, which is included in Income from continuing operations. In conjunction with this sale, the Company recorded an extraordinary loss of $211,463, net of income taxes, from the early extinguishment of debt on the property.

(9) LEASES AND MORTGAGE NOTES PAYABLE

As of April 30, 2000, the Company owned five shopping centers and an office park, which are pledged as collateral on related mortgage notes payable. It is also lessee of nine shopping centers under leaseback arrangements expiring from 2001 to 2014. Each mortgage note and leaseback arrangement contains an exculpatory provision limiting the Company's liability to its interest in the respective mortgaged property or lease.

All of the leaseback centers are leased to the Kmart Corporation, and Kmart is a tenant in four of the seven Company-owned shopping centers. The owned shopping centers are leased to tenants for terms expiring from fiscal year 2001 to 2040, while leases on the owned office properties expire from fiscal years 2001 to 2006. Leases on the leaseback centers correspond to the leaseback periods. All leases are operating leases. The shopping center leases typically require that the tenant make fixed rental payments over a 5 to 25 year period, and may provide for renewal options and for contingent rentals if the tenants' sales volumes exceed predetermined amounts. In some cases, the shopping center leases provide that the tenant bear the cost of insurance, repairs, maintenance and taxes. Base rental revenue received from owned shopping centers and office properties in 2000, 1999, and 1998, was approximately $8,622,000, $8,440,000, and $7,438,000, respectively. Base rental revenue received from leaseback centers in 2000, 1999, and 1998, was approximately $2,620,000, $2,620,000, and $2,620,000, respectively. Contingent rental revenue received on all centers in 2000, 1999, and 1998, was approximately $152,000, $171,000, and $195,000, respectively.

Approximate future minimum annual rental receipts from all rental properties are as follows:

Years ending April 30,	Owned	Leaseback
2001	$ 8,640,000	$ 2,620,000
2002	8,024,000	2,138,000
2003	7,269,000	1,911,000
2004	6,186,000	1,323,000
2005	5,551,000	797,000
Thereafter	41,640,000	2,756,000
	$77,310,000	$11,545,000

The expected future minimum principal and interest payments on mortgage notes payable on the owned rental properties, and the future minimum rentals to be paid on leaseback centers are as follows:

	Owned Rental Properties Mortgage Payments		Leaseback Centers
Years ending April 30,	Principal	Interest	Rental Payments
2001	$ 956,016	$ 3,045,081	$2,136,000
2002	13,234,243	3,063,343	1,719,000
2003	917,954	1,727,940	1,536,000
2004	7,511,694	1,653,951	1,109,000
2005	769,675	1,571,862	677,000
Thereafter	11,600,375	13,629,405	2,351,000
	$34,989,957	$24,691,582	$9,528,000

The mortgage notes payable are due at various dates between April 1, 2002, and September 1, 2019, and bear interest at rates ranging from 7.25% to 9.5% with a weighted average rate of 8.41% at April 30, 2000.

The outstanding principal balance on the Newnan, Georgia shopping center mortgage loan of $5,331,968 was included in the current maturities of long-term debt at April 30, 1999, as the property was classified as Property held for sale in the accompanying Consolidated Balance Sheet at April 30, 1999 (note 6). In May 1999, the Company sold this shopping center (note 6), and the mortgage loan was repaid. The proceeds from this sale were used to purchase a shopping center in Jacksonville, Florida, in July 1999, for $9,000,000. This purchase was also financed with cash held by the Company, and by using the Company's lines of credit. Subsequently, the Company closed on a permanent mortgage loan secured by the property, and used the proceeds to pay back the lines of credit. The permanent loan, in the amount of $9,500,000, bears interest at 7.375% and is scheduled to be fully amortized over twenty years. Loan proceeds received in excess of the purchase price were used to pay financing costs, and are available for use for tenant improvements and commissions on new leases, if any. The loan may be called at any time by the lender after September 1, 2002. If the loan were called, the Company would have up to thirteen months to repay the principal amount of the loan without penalty. In conjunction with the loan, an Additional Interest Agreement was executed which entitles the lender to be paid additional interest equal to fifty percent of the quarterly net cash flow and fifty percent of the appreciation in the property upon sale or refinance, as defined in the Agreement. The liability, which is included in Other liabilities, related to the lender's fifty-percent share of the appreciation in the property was $1,989,704 at April 30, 2000.

(10) OTHER LONG-TERM DEBT AND CREDIT FACILITIES

Other long-term debt at April 30 was as follows:

	2000	1999
Construction loan bearing interest at the prime rate plus .375% (9.375% at April 30, 2000); requires monthly principal and interest payments of $87,729; matures August 31, 2001; secured by real property and assignment of leases and rents; guaranteed by a subsidiary of the Company	$ 8,692,094	$ 8,963,340
Amendment to construction loan shown above currently permitting borrowings of up to $4,942,419; bearing interest at the prime rate plus .375% (9.375% at April 30, 2000); requires monthly principal and interest payments of $42,113; matures August 31, 2001; secured by real property and assignment of leases and rents; guaranteed by a subsidiary of the Company	4,676,948	4,764,593
Note payable to bank with variable interest rate of LIBOR plus 2% (8.19% at April 30, 2000); requires monthly principal and interest payments of $41,047; matures August 31, 2001; secured by real property and assignment of leases and rents; guaranteed by a subsidiary of the Company	4,933,813	5,028,153
Industrial development revenue bonds with a variable interest rate, repriced on a weekly basis, based on rates available for debt instruments of a similar nature and comparable terms (5.05% at April 30, 1999); required monthly interest only payments until November 1, 1998, thereafter interest and bond sinking fund payments required monthly; secured by irrevocable letter of credit	—	11,000,000
Industrial development bond bearing interest at 79% of prime rate (6.12% at April 30, 1999); required quarterly principal payments of $57,143 plus interest; secured by real property	—	228,564
Total other long-term debt	18,302,855	29,984,650
Less current maturities	407,159	878,139
Total other long-term debt, excluding current maturities	$17,895,696	$29,106,511

The future minimum principal payments due on other long-term debt are as follows:

Years ending April 30,	
2001	$ 407,159
2002	17,895,696
2003	—
2004	—
2005	—
Thereafter	—
	$18,302,855

At April 30, 2000, the Company had commitments from a bank for unsecured lines of credit totaling $12,000,000, of which $500,000 was restricted as it secures a letter of credit described below. These lines of credit bear interest at the prime rate (9.00% at April 30, 2000), and have a commitment fee of 3/8% on the unused portion. At April 30, 2000, no amount was outstanding on these lines of credit. In addition, the Company had a commitment for an unsecured $1,000,000 line of credit from a bank, of which none was outstanding at April 30, 2000. This line of credit bears interest at the prime rate or at LIBOR (6.19% at April 30, 2000) plus 2.7%, and has a commitment fee of 3/8% on the unused portion. The Company previously also had a commitment for a line of credit, totaling $2,500,000, secured by the Manufacturing Segment's inventory and receivables, of which $448,222 was outstanding at April 30, 1999. The secured line of credit bore interest at the prime rate or at LIBOR plus 2.7%, and had a 3/10% commitment fee on the unused portion. This line of credit was terminated at the Company's request in Fiscal Year 2000 due to discontinuance of the Manufacturing Segment (note 3).

In conjunction with the origination of a mortgage on an income-producing property, the Company obtained an irrevocable, standby letter of credit in the amount of $500,000. The letter of credit was originally issued on July 30, 1997, and matures on November 30, 2000. The mortgage lender is allowed to draw on the letter in order to reduce the related mortgage loan if certain leasing requirements are not met. The letter of credit is secured by a bank line of credit, discussed above.

In February 1998, the Company entered into two interest rate swap agreements related to the $11 million industrial development revenue bonds, as reflected above. The two interest rate swap agreements were terminated in April 2000 in connection with the sale of the manufacturing facility located in Lithia Springs, Georgia. As a result of the termination of the swap agreements, the Company recorded a gain of $157,000.

The outstanding principal balance of $228,564 at April 30, 1999, on the industrial development bond payable was included in the current maturities of long-term debt, as the former Atlanta, Georgia wood manufacturing facility securing this bond was included in Property held for sale in the accompanying Consolidated Balance Sheet at April 30, 1999 (note 6). This facility was taken by eminent domain in October 1999.

(11) INCOME TAXES

The provision for income tax expense (benefit) consists of the following:

	Current	Deferred	Total
Year ended April 30, 2000:			
Federal	$ 818,086	$ 444,653	$1,262,739
State and local	348,467	(114,445)	234,022
	$1,166,553	$ 330,208	$1,496,761
Year ended April 30, 1999:			
Federal	$(152,609)	$ 101,527	$ (51,082)
State and local	223,846	(75,346)	148,500
	$ 71,237	$ 26,181	$ 97,418
Year ended April 30, 1998:			
Federal	$ 578,044	$ 821,156	$1,399,200
State and local	150,709	125,091	275,800
	$ 728,753	$ 946,247	$1,675,000

Total income tax expense (benefit) recognized in the Consolidated Statements of Operations differs from the amounts computed by applying the Federal income tax rate of 34% to pretax earnings (loss) as a result of the following:

	Years ended April 30,		
	2000	1999	1998
Computed "expected" tax expense (benefit)	$1,313,743	$ 19,659	$1,485,535
Increase in income taxes resulting from:			
State and local income taxes, net of Federal income tax benefit	154,454	98,010	181,907
Other, net	28,564	(20,251)	7,558
	$1,496,761	$ 97,418	$1,675,000

The tax effect of temporary differences that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities at April 30 are presented below:

	2000	1999
Deferred income tax assets:		
Inventories, primarily because of additional costs capitalized for tax purposes and the allowance for decline in net realizable value	$ —	$ 275,494
Items not currently deductible for tax purposes:		
Provision for impairment on income-producing property	1,026,816	1,026,816
Net operating loss carryforwards, Federal	148,267	—
Net operating loss carryforwards, state	391,250	404,585
Capitalized costs	519,317	594,156
Accrued directors' fees	134,356	223,032
Deferred compensation plan	401,724	419,740
Compensated absences	90,422	174,385
Other accrued expenses	433,425	413,233
Other	492,098	419,524
Gross deferred income tax assets	3,637,675	3,950,965
Deferred income tax liabilities:		
Income-producing properties and property, plant and equipment, principally because of differences in depreciation and capitalized interest	1,933,291	2,355,180
Gain on real estate sales structured as tax-deferred like-kind exchanges	4,241,366	3,500,887
Profit on installment sale	61,247	94,265
Other	165,032	90,575
Gross deferred income tax liabilities	6,400,936	6,040,907
Net deferred income tax liability	$2,763,261	$2,089,942

The valuation allowance was $0 at April 30, 2000, and 1999.

For the year ended April 30, 2000, $188,316 of net deferred tax asset has been reclassified to net assets of discontinued operations (note 3).

The income tax benefit of $1,555,626 related to discontinued operations consists of current tax benefit of $1,710,421 and deferred expense of $154,795.

The Company has a Federal net operating loss carryforward of $436,081 which expires in 2020. Under the Internal Revenue Code, if certain substantial changes in the Company's ownership occur, there are annual limitations on the amount of loss carryforwards.

(12) DEFERRED PROFIT-SHARING PLAN

The Company has a deferred Profit-Sharing Plan (the "Plan") which covers substantially all of its employees. Funded employer contributions to the Plan for 2000, 1999, and 1998, were approximately $678,000, $814,000, and $843,000, respectively. The net assets in the Plan, which is administered by an independent trustee, were approximately $17,132,000, $18,172,000, and $18,962,000, at April 30, 2000, 1999, and 1998, respectively.

(13) NET (LOSS) EARNINGS PER SHARE

The following tables set forth the computations of basic and diluted net (loss) earnings per share:

	For the year ended April 30, 2000		
	(Loss) earnings (numerator)	Shares (denominator)	Per share amount
Basic EPS - earnings per share from continuing operations	$2,367,190	2,936,356	$ .80
Basic EPS - loss per share from discontinued operations	(2,612,332)	2,936,356	(.89)
Basic EPS - extraordinary loss from early extinguishment of debt	(211,463)	2,936,356	(.07)
Effect of dilutive securities	—	—	—
Diluted EPS - loss per share plus assumed conversions	$ (456,605)	2,936,356	$ (.16)

	For the year ended April 30, 1999		
	Loss (numerator)	Shares (denominator)	Per share amount
Basic EPS - loss per share from continuing operations	$ (39,599)	2,936,356	$ (.01)
Basic EPS - loss per share from discontinued operations	(636,432)	2,936,356	(.22)
Effect of dilutive securities	—	—	—
Diluted EPS - loss per share plus assumed conversions	$ (676,031)	2,936,356	$ (.23)

	For the year ended April 30, 1998		
	Earnings (numerator)	Shares (denominator)	Per share amount
Basic EPS - earnings per share from continuing operations	$2,694,211	2,937,712	$ .92
Basic EPS - earnings per share from discontinued operations	305,267	2,937,712	.10
Effect of dilutive securities - weighted-average outstanding stock options	—	3,851	—
Diluted EPS - earnings per share plus assumed conversions	$2,999,478	2,941,563	$1.02

(14) OPERATING SEGMENTS

The Company had two operating segments at April 30, 2000, Construction and Real Estate. The Construction Segment provides construction services for commercial and industrial projects. The Real Estate Segment develops or acquires income-producing properties for investment, and has historically provided property management for the properties after development or acquisition. As of July 2000, the Company was in the process of outsourcing its asset and property management functions (note 1).

The operating segments are managed separately and have maintained separate personnel due to the differing products offered by each segment. Management of each of the segments evaluates and monitors the performance of the segments based on the earnings or losses prior to income taxes. The significant accounting policies utilized by the operating segments are the same as those summarized in note 2 to the accompanying Consolidated Financial Statements of the Company.

As of April 30, 1999, the Company had a third operating segment, which manufactured store fixtures for retail outlets, display fixtures for point-of-sale merchandising, and other products. The Manufacturing Segment was discontinued during fiscal year 2000 (note 3).

Total revenue by operating segment includes both revenues from unaffiliated customers, as reported in the Company's Consolidated Statements of Operations, and intersegment revenues, which are generally at prices negotiated between segments.

Segment assets are those that are used in the Company's operations in each segment, including receivables due from other segments. The Parent Company's Segment assets are primarily cash and cash equivalents, cash surrender value of life insurance, receivables, and assets related to the deferred compensation plans. Assets attributable to discontinued operations are also included in the Parent Company's Segment assets.

Operating earnings (loss) from continuing operations is total revenue less operating expenses, including depreciation and interest. Selling, shipping, general and administrative and interest costs, deducted in the computation of operating earnings (loss) of each segment, represent the actual costs incurred by that segment. It excludes any extraordinary items. Parent expenses and income taxes have not been allocated to the other subsidiaries.

The Company had revenues from The Home Depot, Inc., primarily representing revenues in the Construction Segment, aggregating 49%, 53%, and 61% of consolidated revenues in 2000, 1999, and 1998, respectively.

	Construction	Real Estate	Parent	Eliminations	Consolidated
2000					
Revenues from unaffiliated customers	$143,915,901	$ 30,217,185	$ –	$ –	$174,133,086
Interest and other income	168,005	231,261	67,630	(20,490)	446,406
Intersegment revenue	–	1,576,990	–	(1,576,990)	–
Total revenue from continuing operations	$144,083,906	$ 32,025,436	$ 67,630	$ (1,597,480)	$174,579,492
Operating earnings (loss) from continuing operations	$ 3,147,237	$ 4,807,481	$ (3,700,003)	$ (390,764)	$ 3,863,951
Segment assets	$ 26,551,266	$ 72,311,374	$10,716,008	$ (6,732,781)	$102,845,867
Interest expense	$ 30,747	$ 5,382,720	$ 51,562	$ (78,772)	$ 5,386,257
Depreciation and amortization	$ 368,574	$ 2,508,117	$ 28,459	$ (34,896)	$ 2,870,254
Capital expenditures	$ 439,505	$ 9,463,803	$ 5,491	$ –	$ 9,908,799
1999					
Revenues from unaffiliated customers	$159,273,393	$ 12,449,850	$ –	$ –	$171,723,243
Interest and other income	223,196	267,689	40,517	(53,555)	477,847
Intersegment revenue	1,114,823	1,485,038	–	(2,599,861)	–
Total revenue from continuing operations	$160,611,412	$ 14,202,577	$ 40,517	$ (2,653,416)	$172,201,090
Operating earnings (loss) from continuing operations	$ 4,084,633	$ (226,053)	$ (3,074,905)	$ (725,856)	$ 57,819
Segment assets	$ 33,451,167	$ 84,572,912	$21,787,666	$(13,679,205)	$126,132,540
Interest expense	$ 1,053	$ 5,144,444	$ 13,962	$ (237)	$ 5,159,222
Depreciation and amortization	$ 326,053	$ 2,383,194	$ 30,634	$ (37,326)	$ 2,702,555
Capital expenditures	$ 470,807	$ 2,740,563	$ 77,119	$ –	$ 3,288,489
1998					
Revenues from unaffiliated customers	$141,453,025	$ 21,361,992	$ –	$ –	$162,815,017
Interest and other income	139,675	519,538	155,335	(43,209)	771,339
Intersegment revenue	5,026,181	200,615	–	(5,226,796)	–
Total revenue from continuing operations	$146,618,881	$ 22,082,145	$ 155,335	$ (5,270,005)	$163,586,356
Operating earnings (loss) from continuing operations	$ 3,506,219	$ 2,882,490	$ (2,130,310)	$ 110,812	$ 4,369,211
Segment assets	$ 30,834,340	$ 83,017,169	$17,655,835	$(10,197,900)	$121,309,444
Interest expense	$ 5,638	$ 4,604,095	$ 54,506	$ (51,235)	$ 4,613,004
Depreciation and amortization	$ 276,259	$ 2,029,121	$ 28,825	$ (48,485)	$ 2,285,720
Capital expenditures	$ 771,808	$ 24,021,793	$ 81,483	$ –	$ 24,875,084

SCHEDULE II —- VALUATION AND QUALIFYING ACCOUNTS

Description	Balance at Beginning of Year	Additions: Charged to Costs and Expenses	Additions: Charged to Other Accounts	Deductions	Balance at End of Year
ALLOWANCE FOR DOUBTFUL ACCOUNTS(1)					
Year ended April 30, 2000	$122,396	$120,714	$ —	$32,333 (2)	$210,777
Year ended April 30, 1999	$134,870	$ 96,853	$ —	$109,327(2)	$122,396
Year ended April 30, 1998	$ 65,584	$ 90,496	$ —	$ 21,210(2)	$134,870
INVENTORY RESERVES(1)					
Year ended April 30, 2000	$395,425	$ —	$ —	$395,425(3)	$ —
Year ended April 30, 1999	$317,641	$662,343	$ —	$584,559(3)	$395,425
Year ended April 30, 1998	$374,447	$147,564	$ —	$204,370(3)	$317,641

(1) Includes amounts related to discontinued operations. See note 3 to the Consolidated Financial Statements.

(2) Allowance for doubtful accounts deductions resulted from the subsequent write-off and/or recovery of the related receivable.

(3) Inventory reserve deductions resulted from the subsequent sale and/or write-off of the related inventory. All inventory was disposed of as of April 30, 2000, in conjunction with the discontinuance of the Manufacturing Segment's operations.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION
April 30, 2000

Description	Encumbrances	Initial Cost to Company: Land	Initial Cost to Company: Building and Improvements	Costs Capitalized Subsequent to Acquisition: Improvements
INCOME-PRODUCING PROPERTIES:				
Shopping Center - Jackson, MI	$ 3,175,010	$ 401,195	$ 1,788,183	$ 1,167,903
Kmart - Morton, IL	2,974,331	18,005	2,767,765	—
Kmart - Columbus, GA	2,398,956	11,710	2,356,920	10,078
Shopping Center - Englewood, FL	12,557,693	6,072,805	8,823,506	(74,213)
Shopping Center - North Fort Myers, FL	13,369,042	5,940,143	11,290,778	2,963,669
Leaseback Shopping Center - Davenport, IA	—	—	2,150	193,261
Leaseback Shopping Center - Jacksonville, FL	—	—	42,151	—
Leaseback Shopping Center - Orange Park, FL	—	—	127,487	35,731
Leaseback Shopping Center - W. St. Paul, MN	—	—	—	86,983
Leaseback Shopping Center - Bayonet Point, FL	—	—	—	—
Leaseback Shopping Center - Minneapolis, MN	—	—	—	40,778
Office Building - Atlanta, GA	4,933,813	660,000	4,338,102	676,269
Office Park - Marietta, GA	6,346,536	1,750,000	6,417,275	353,447
Shopping Center - Cincinnati, OH	—	1,699,410	617,102	234,818
Shopping Center - Jacksonville, FL	9,339,295	3,908,004	5,170,420	—
	55,094,676	20,461,272	43,741,839	5,688,724
PROPERTY HELD FOR SALE:				
Land - Davenport, IA	—	33,404	—	—
LAND HELD FOR FUTURE DEVELOPMENT OR SALE:				
Davenport, IA	—	150,168	—	—
Louisville, KY	—	80,011	—	—
Oakwood, GA	—	234,089	—	543,330
North Fort Myers, FL	—	2,760,187	—	345,325
Jackson, MI	—	—	—	74,687
	—	3,224,455	—	963,342
	$55,094,676	$23,719,131	$43,741,839	$ 6,652,066

Reconciliations of total real estate carrying value and accumulated depreciation for the three years ended April 30, 2000, are as follows:

	Real Estate 2000	Real Estate 1999	Real Estate 1998	Accumulated Depreciation 2000	Accumulated Depreciation 1999	Accumulated Depreciation 1998
BALANCE AT BEGINNING OF YEAR	$76,756,798	$ 76,291,413	$ 69,380,403	$16,587,209	$14,791,028	$17,462,301
ADDITIONS DURING YEAR						
Real estate	9,459,144(2)	465,385	16,803,252(3)	—	—	—
Depreciation	—	—	—	1,916,654	1,796,181	1,800,747
	9,459,144	465,385	16,803,252	1,916,654	1,796,181	1,800,747
DEDUCTIONS DURING YEAR						
Accumulated depreciation on properties sold or transferred	—	—	—	2,980,564	—	4,472,020
Carrying value of real estate sold, transferred, or retired	6,600,701(4)	—	9,892,242(5)	—	—	—
	6,600,701	—	9,892,242	2,980,564	—	4,472,020
BALANCE AT CLOSE OF YEAR	$79,615,241	$76,756,798	$76,291,413	$15,523,299	$15,587,209	$14,791,028

Gross Amounts at Which Carried at Close of Year							
Land	Building and Improvements	Capitalized Interest	Total (1)	Net Accumulated Depreciation	Date(s) of Construction	Date Acquired	Life on Which Depreciation In Latest Earnings Statement is Computed
$ 453,293	$ 2,956,086	$ 89,866	$ 3,499,245	$ 2,004,070	1972, 1996	—	39 years
18,005	2,767,764	—	2,785,769	2,214,266	1980, 1992	—	25 years
11,710	2,366,998	238,970	2,617,678	2,037,164	1980, 1988	—	25 years
6,072,805	8,749,293	1,346,273	16,168,371	3,398,077	1990	—	32 years
5,218,754	14,263,401	4,470,789	23,952,944	4,430,021	1993, 1996	—	31.5 years
—	195,411	—	195,411	119,744	1995	—	7 years
—	42,151	—	42,151	12,645	1994	—	25 years
—	163,218	—	163,218	130,326	1995	—	7 years
—	86,983	—	86,983	37,984	1996	—	8 years
—	—	—	—	—	1997	—	—
—	40,778	—	40,778	3,818	1997	—	15 years
660,000	5,014,371	—	5,674,371	483,523	1974, 1997 (6)	1997	39 years
1,750,000	6,770,722	—	8,520,722	503,050	1980, 1985 (7)	1997	39 years
1,699,410	851,920	—	2,551,330	38,250	1982 (7)	1998	39 years
3,908,004	5,170,420	—	9,078,424	110,361	1985 (7)	1999	39 years
19,791,981	49,439,516	6,145,898	75,377,395	15,523,299			
33,404	—	—	33,404	—	—	1977	—
150,168	—	—	150,168	—	—	1977	—
80,011	—	—	80,011	—	—	1979	—
777,419	—	16,644	794,063	—	—	1987	—
3,105,513	—	—	3,105,513	—	—	1994	—
74,687	—	—	74,687	—	—	1997	—
4,187,798	—	16,644	4,204,442	—			
$24,013,183	$49,439,516	$6,162,542	$79,615,241	$15,523,299			

NOTES:

(1) The aggregated cost for land and building and improvements for federal income tax purposes at April 30, 2000, is $66,204,310.

(2) Primarily represents the acquisition of a shopping center in Jacksonville, Florida.

(3) Primarily represents the acquisitions of an office building in Atlanta, Georgia; an office park in Marietta, Georgia; and a shopping center in Cincinnati, Ohio.

(4) Primarily represents the sale of a shopping center in Newnan, Georgia.

(5) Primarily represents sales of two freestanding Kmarts in Newark, Ohio; and Tifton, Georgia; and a shopping center located in Oakwood, Georgia.

(6) Constructed by others in 1974, redeveloped by the Company in 1997.

(7) Constructed by others.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH INDEPENDENT AUDITORS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

See Form 8-K, Current Report, filed October 14, 1999, reporting changes in registrant's certifying accountants.

PART III

ITEMS 10-13.

The information contained under the headings "Nomination and Election of Directors," "Principal Holders of the Company's Securities," and "Compensation of Executive Officers and Directors" in the Company's definitive proxy materials for its 2000 Annual Meeting of Shareholders, will be filed with the Securities and Exchange Commission under a separate filing.

For purposes of determining the aggregate market value of the Company's voting stock held by nonaffiliates, shares held directly or indirectly by all Directors and Executive Officers of the Company have been excluded. The exclusion of such shares is not intended to, and shall not, constitute a determination as to which persons or entities may be "affiliates" of the Company as defined by the Securities and Exchange Commission.

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) The following documents are filed as part of this Annual Report on Form 10-K:

1. Financial Statements:
Report of Independent Accountants and Independent Auditor's Report
Consolidated Balance Sheets at April 30, 2000, and 1999
Consolidated Statement of Operations for the Years Ended April 30, 2000, 1999, and 1998
Consolidated Statements of Shareholders' Equity for the Years Ended April 30, 2000, 1999, and 1998
Consolidated Statements of Cash Flows for the Years Ended April 30, 2000, 1999, and 1998
Notes to Consolidated Financial Statements

2. Financial Statement Schedules:
Schedule II - Valuation and Qualifying Accounts
Schedule III - Real Estate and Accumulated Depreciation

3. Exhibits:
Exhibit No.
3a. Articles of Incorporation (1)
3b. Restated Bylaws (2), Amendments to Bylaws (8)
10a. Project Financing Agreement by and among Development Authority of Fulton County, Abrams Fixture Corporation, and SunTrust Bank, dated as of June 3, 1985 (3)
10b. Directors Deferred Compensation Plan (4)#
10c. Edward M. Abrams Split Dollar Life Insurance Agreements, dated July 29, 1991 (5)#
10d. Joseph H. Rubin Split Dollar Life Insurance Agreement, dated August 27, 1991 (5)#
10e. Bernard W. Abrams Split Dollar Life Insurance Agreement, dated July 16, 1993 (6)#
10f. Bernard W. Abrams Employment Agreement, dated August 23, 1995 (7)#
10g. Edward M. Abrams Employment Agreement, dated November 18, 1998 (9)#
10h. Lease Agreement between Development Authority of Douglas County, Georgia, and Abrams Riverside, LLC, dated as of November 1, 1997 (9)
10i. Letter of Credit and Reimbursement Agreement by and between Abrams Riverside, LLC, and NationsBank, N.A., dated as of November 1, 1997 (9)
10j. Amendment to Letter of Credit and Reimbursement Agreement, dated September 1, 1998 (9)
10k. Second Amendment to Letter of Credit and Reimbursement Agreement, dated as of October 31, 1998 (9)
10l. Guaranty, dated as of November 1, 1997, executed and delivered by Abrams Properties, Inc. (the Guarantor) in favor of NationsBank, N.A. (9)
10m. Guaranty, dated as of November 1, 1997, executed and delivered by Abrams Industries, Inc. (the Guarantor) in favor of NationsBank, N.A. (9)
10n. Joseph H. Rubin Severance and Consulting Agreement, dated July 13, 1999#
13. Annual Report to Shareholders for the fiscal year ended April 30, 2000
21. List of the Company's Subsidiaries (9)
27. Financial Data Schedules (For SEC use only)
99. Proxy Statement for 2000 Annual Meeting of Shareholders

Explanation of Exhibits

(1) This exhibit is incorporated by reference to the Company's Form 10-K for the year ended April 30, 1985.

(2) This exhibit is incorporated by reference to the Company's Form 10-K for the year ended April 30, 1997.

(3) This exhibit is incorporated by reference to the Company's Form 10-Q for the quarter ended July 31, 1985.

(4) This exhibit is incorporated by reference to the Company's Form 10-K for the year ended April 30, 1991.

(5) These exhibits are incorporated by reference to the Company's Form 10-K for the year ended April 30, 1993.

(6) This exhibit is incorporated by reference to the Company's Form 10-K for the year ended April 30, 1994.

(7) This exhibit is incorporated by reference to the Company's Form 10-Q for the quarter ended October 31, 1995.

(8) This exhibit is incorporated by reference to the Company's Form 10-K for the year ended April 30, 1998.

(9) These exhibits are incorporated by reference to the Company's Form 10-K for the year ended April 30, 1999.

\# Management compensatory plans or arrangement.

(b) Reports on Form 8-K: None filed during the fourth quarter of fiscal 2000.

(c) The Company hereby files as exhibits to this Annual Report on form 10-K the exhibits set forth in Item 14(a)3 hereof.

(d) The Company hereby files as financial statement schedules to this Annual Report on Form 10-K the financial statement schedules set forth in Item 14(a)2 hereof.

75 years

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ABRAMS INDUSTRIES, INC.

Dated: July 26, 2000

By: /s/ Alan R. Abrams
Alan R. Abrams
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: July 26, 2000

/s/ Alan R. Abrams
Alan R. Abrams
Co-Chairman of the Board of Directors,
Chief Executive Officer

Dated: July 26, 2000

/s/ J. Andrew Abrams
J. Andrew Abrams
Co-Chairman of the Board of Directors

Dated: July 26, 2000

/s/ David L. Abrams
David L. Abrams
Director

Dated: July 26, 2000

/s/ Edward M. Abrams
Edward M. Abrams
Director

Dated: July 26, 2000

/s/ Paula Lawton Bevington
Paula Lawton Bevington
Director

Dated: July 26, 2000

/s/ Gilbert L. Danielson
Gilbert L. Danielson
Director

Dated: July 26, 2000

/s/ Melinda S. Garrett
Melinda S. Garrett
Director, Chief Financial Officer and Chief
Accounting Officer

Dated: July 26, 2000

/s/ Robert T. McWhinney, Jr.
Robert T. McWhinney, Jr.
Director

Dated: July 26, 2000

/s/ B. Michael Merritt
B. Michael Merritt
Director

Dated: July 26, 2000

/s/ L. Anthony Montag
L. Anthony Montag
Director

Dated: July 26, 2000

/s/ Felker W. Ward, Jr.
Felker W. Ward, Jr.
Director

FOUNDER
Alfred R. Abrams
(1899-1979)

CHAIRMAN EMERITUS
Bernard W. Abrams

BOARD OF DIRECTORS

Alan R. Abrams (E)
Co-Chairman of the Board
Chief Executive Officer and President
Abrams Industries, Inc.

J. Andrew Abrams (E)
Co-Chairman of the Board
Vice President - Business Development
Abrams Industries, Inc.

Edward M. Abrams (E)
Chairman of the Executive Committee
Abrams Industries, Inc.

David L. Abrams
Attorney
Sutherland Asbill & Brennan LLP

Gilbert L. Danielson (A)
Executive Vice President, Chief
Financial Officer
Aaron Rents, Inc.

Melinda S. Garrett (E)
Chief Financial Officer
Abrams Industries, Inc.
Chief Financial Officer, Vice President
Abrams Properties, Inc.

Paula Lawton Bevington (A) (C)
Chairman
Servidyne Systems, Inc.

Robert T. McWhinney, Jr. (C)
President, Chief Executive Officer
Stone & Webster Management
Consultants, Inc.

B. Michael Merritt (E)
President
Abrams Construction, Inc.

L. Anthony Montag (C)
Chief Executive Officer
A. Montag & Associates, Inc.

Felker W. Ward, Jr. (A) (C)
Chairman of the Board
Pinnacle Investment Advisors, Inc.

Committees:
E-Executive
A-Audit
C-Compensation

OFFICERS OF ABRAMS INDUSTRIES, INC. AND SUBSIDIARIES
Alan R. Abrams
J. Andrew Abrams
Gerald T. Anderson II
Janis H. Fowler
Melinda S. Garrett
George W. Hodges, Jr.
B. Michael Merritt
James D. O'Donnell
Rick A. Paternostro
Brennon E. Smith
Thomas F. Stock

PARENT COMPANY
ABRAMS INDUSTRIES, INC.
1945 The Exchange
Suite 300
Atlanta, Georgia 30339-2029
(770) 953-0304
(770) 953-9922 (FAX)
www.abramsindustries.com

CONSTRUCTION SEGMENT
ABRAMS CONSTRUCTION, INC.
1945 The Exchange
Suite 350
Atlanta, Georgia 30339-2029
(770) 952-3555
(770) 952-4010 (FAX)
www.aciatl.com

REAL ESTATE SEGMENT
ABRAMS PROPERTIES, INC.
1945 The Exchange
Suite 400
Atlanta, Georgia 30339-2029
(770) 953-1777
(770) 953-9922 (FAX)
www.abramsproperties.com

In Appreciation of
Bernard W. Abrams
Chairman Emeritus

Mr. Bernard W. Abrams, Abrams Industries' Chairman Emeritus and long time leader, retired as a Director of the Company this year after 47 years of service, on his 75th birthday, January 21, 2000.

Bernie was born in 1925 in West Palm Beach, Florida, as the first son of Alfred R. Abrams (1899-1979), our Company founder. A graduate of the United States Military Academy, Bernie bravely served his country in peace and in war in the United States Army, before joining the Company in 1952. Mr. "B.W." has helped to lead our Company with distinction and integrity for almost five decades, as a Director, as Chairman of the Board and Chief Executive Officer from 1972 to 1995, as Chairman of the Executive Committee from 1995 to 1998, and most recently as Chairman Emeritus.

The Board of Directors of Abrams Industries, Inc., for itself and representing the shareholders and past and present employees, expresses our gratefulness, admiration and highest regard for our "Chief," Bernard W. Abrams, soldier, businessman, community leader and our friend.

ABRAMS INDUSTRIES SINCE 1925

ABRAMS INDUSTRIES, INC.

CORPORATE HEADQUARTERS

1945 The Exchange
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