

MAYS J W INC  
Form 10-K  
October 12, 2006

**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-K**

**S** ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the Fiscal Year Ended: July 31, 2006

**£** OR  
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from to  
Commission file number: 1-3647

**J.W. MAYS, INC.**

(Exact name of registrant as specified in its charter)

New York  
(State or other jurisdiction of incorporation or organization)

11-1059070  
(I.R.S. Employer Identification No.)

9 Bond Street, Brooklyn, New York  
(Address of principal executive offices)

11201-5805  
(Zip Code)

Registrant's telephone number, including area code: (718) 624-7400

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Name of each exchange on which registered

Common Stock, par value \$1 per share

The NASDAQ Stock Market LLC

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 Regulations S-K is not contained herein and will not be contained, to the best of 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. S No delinquent filers

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The aggregate market value of voting stock held by non-affiliates of the registrant was approximately \$7,398,301 as of January 31, 2006 based on the average of the bid and asked price of the stock reported for such date. For the purpose of the foregoing calculation, the shares of common stock held by each officer and director and by each person who owns 5% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of shares outstanding of the registrant's common stock as of September 15, 2006 was 2,015,780.

**DOCUMENTS INCORPORATED BY REFERENCE**

| <b>Document</b>  | <b>Part of Form 10-K<br/>in which the Document is incorporated</b> |
|--|--|
| Annual Report to Shareholders for Fiscal Year Ended July 31, 2006      | Parts I and II   |
| Definitive Proxy Statement for the 2006 Annual Meeting of Shareholders | Part III   |

**J.W. MAYS, INC.**  
**FORM 10-K FOR THE FISCAL YEAR ENDED JULY 31, 2006**  
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## PART I

### **Item 1. Business.**

J.W. Mays, Inc. (the "Company" or "Registrant") with executive offices at 9 Bond Street, Brooklyn, New York 11201, operates a number of commercial real estate properties, which are described in Item 2 "Properties". The Company's business was founded in 1924 and incorporated under the laws of the State of New York on July 6, 1927.

The Company discontinued its department store business which operated under the name of "MAYS", in the year ended July 31, 1989, and has continued the leasing of real estate. The Company has no foreign operations.

The Company employs approximately 30 employees and has a contract, expiring November 30, 2007, with a union covering rates of pay, hours of employment and other conditions of employment for approximately 20% of its employees. The Company considers that its labor relations with its employees and union are good.

### **Cautionary Statement Regarding Forward-Looking Statements**

This Annual Report on Form 10-K may contain forward-looking statements which include assumptions about future market conditions, operations and financial results. These statements are based on current expectations and are subject to risks and uncertainties. They are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The Company's actual results, performance or achievements in the future could differ significantly from the results, performance or achievements discussed or implied in such forward-looking statements herein and in prior Securities and Exchange Commission filings by the Company. The Company assumes no obligation to update these forward-looking statements or to advise of changes in the assumptions on which they were based.

Factors that could cause or contribute to such differences include, but are not limited to, changes in the competitive environment of the Company, general economic and business conditions, industry trends, changes in government rules and regulations and environmental rules and regulations. Statements concerning interest rates and other financial instrument fair values and their estimated contribution to the Company's future results of operations are based upon market information as of a specific date. This market information is often a function of significant judgment and estimation. Further, market interest rates are subject to significant volatility.

### **Item 1A. Risk Factors.**

#### **Risks Relating to Ownership Structure**

The controlling shareholder group may be able to vote its shares in favor of its interests that may not always coincide with the interests of shareholders not part of such group. This risk may be counter-balanced to a degree by the actions of the Board of Directors whose composition is made up of a majority of independent directors.

The controlling shareholder group includes a corporation that owns a significant percentage of the Company's common stock and which does business with the Company, as further described in the Notes to the Consolidated Financial Statements. In theory, this could result in a conflict of interest; nevertheless, the Company and its largest shareholder have put in place some controls to reduce the effects of any perceived conflict of interest.

Certain conflicts of interest may be perceived by the relationship between the Company and its largest shareholder. Both entities use the same outside auditors, both entities have the same Chief Executive Officer, and certain management personnel work for both entities. Nevertheless, the Company's Board of Directors is composed of a majority of independent directors. As recently as 2005, in a case involving both entities, the Delaware Supreme Court in connection with an attempt to obtain books and records of the Company through a proceeding against the

Company's significant shareholder, held that the actions of the Company's Board were proper.

### **Risks Related to Our Business**

We are a part of the communities in which we do business. Accordingly, like other businesses in our communities, we are subject to the following risks:

- the continued threat of terrorism;
- economic downturns, both on a national and on local scales;
- loss of key personnel;
- the availability, if needed, of additional financing;
- the continued availability of insurance (in different types of policies) at reasonably acceptable rates; and
- the general burdens of governmental regulation, at the Local, State and Federal levels.

### **Risks Related to Real Estate Operations**

Our investment in property development may be limited by increasing costs required to “fit up” property to be leased to tenants. Also, as the cost of fitting up properties increases, we may be required to wait and forsake opportunities that would be revenue producing until such time that we obtain the necessary financing of such ventures. This risk may be mitigated by our obtaining of lines of credit and other financing vehicles, although such have significant limitations on the amounts that may be borrowed at any point in time.

We also may be subject to environmental liability as an owner or operator of properties. Many of our properties are old and when we need to fit up a property for a new tenant, we may find materials and the like that could be deemed to contain hazardous elements requiring remediation or encapsulation.

There are also risks associated with non-renewals of leases by the Company's landlords and the loss of major tenants. The Company is trying to mitigate the latter by leasing our properties to multiple tenants where applicable in order to diversify the tenant base.

### **Risks Related to our Investments**

Excess cash and cash equivalents may be invested from time to time. We seek to earn rates of return that will help us finance our business operations. These investments may be subject to significant uncertainties and may not be successful for many reasons, including, but not limited to the following:

- fluctuations in interest rates;
- worsening of general economic and market conditions; and
- adverse legal and regulatory developments that may affect a particular business.

### **Risk Factors Summary**

These are some of the “Risk Factors” that could affect the Company's business. The Company endeavors to take actions and do business in a way that reduces these “Risk Factors” or, at least, takes them into account when conducting its business. Nevertheless, some of these “Risk Factors” cannot be avoided so that the Company must also take actions and do business that negates the adverse effects that these may have on the ongoing business of the Company.



**Item 2. Properties.**

The table below sets forth certain information as to each of the properties currently operated by the Company:

|    | Location  | Approximate<br>Square Feet            |
|----|---|---------------------------------------|
| 1. | Brooklyn, New York<br>Fulton Street at Bond Street                                  | 380,000                               |
| 2. | Brooklyn, New York<br>Jowein building<br>Fulton Street at Elm Place                 | 430,000                               |
| 3. | Jamaica, New York<br>Jamaica Avenue at 169th Street                                 | 297,000                               |
| 4. | Fishkill, New York<br>Route 9 at Interstate Highway 84                              | 203,000<br>(located on<br>14.6 acres) |
| 5. | Levittown, New York<br>Hempstead Turnpike   | 85,800                                |
| 6. | Massapequa, New York<br>Sunrise Highway   | 133,400                               |
| 7. | Circleville, Ohio<br>Tarlton Road   | 193,350<br>(located on<br>11.6 acres) |
| 8. | Brooklyn, New York<br>Truck bays, passage facilities and tunnel-Schermerhorn Street | 17,000                                |
|    | Building-Livingston Street  | 10,500                                |

Properties leased are under long-term leases for varying periods, the longest of which extends to 2073, and in most instances renewal options are included. Reference is made to Note 5 to the Consolidated Financial Statements contained in the 2006 Annual Report to Shareholders, incorporated herein by reference. The properties owned which are held subject to mortgage are the Brooklyn Bond Street building, the Jowein building, the Jamaica building and the Fishkill property.

*1. Brooklyn, New York—Fulton Street at Bond Street*

13% of the property is leased by the Company under six separate leases. Expiration dates are as follows: 4/30/2011 (3 leases); 6/30/2011 (1 lease); 12/8/2013 (1 lease) which lease has two thirty-year renewal options through 12/8/2073; and 4/30/31 (1 lease) which lease previously had an expiration date of April 30, 2011 and was extended for an additional twenty years. The Company renovated 13,026 square feet for office space for a tenant. The work was completed in June 2006. The Company is adding two new elevators to its lobby at 9 Bond Street. The work is anticipated to be completed in the spring of 2007. There are plans to renovate vacant space for office use upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into.

The property is currently leased to seventeen tenants of which twelve are retail tenants and five occupy office space. One tenant occupies in excess of 10% of the rentable square footage (26.11%). This tenant sub-leases to a flea market, department store, shoe store, fast food restaurant and various other retail shops. The lease expires April 30, 2011 with no renewal options. Approximately 88,000 square feet of the building are available for lease.



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| Occupancy  |        | Lease Expiration |                  |                |
|------------|--------|------------------|------------------|----------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft.   |
| 7/31/02    | 35.65% | 7/31/2008        | 1                | 63             |
| 7/31/03    | 38.52% | 7/31/2009        | 2                | 4,220          |
| 7/31/04    | 42.70% | 7/31/2011        | 10               | 161,184        |
| 7/31/05    | 51.62% | 7/31/2013        | 1                | 25,423         |
| 7/31/06    | 56.68% | 7/31/2014        | 1                | 22,192         |
|            |        | 7/31/2015        | 1                | 7,160          |
|            |        | 7/31/2016        | 1                | 13,026         |
|            |        |                  | <u>17</u>        | <u>233,268</u> |

As of July 31, 2006 the federal tax basis is \$20,356,920 with accumulated depreciation of \$6,616,505 for a net carrying value of \$13,740,415. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

The real estate taxes for this property are \$1,002,253 per year and the rate used is averaged at \$11.306 per \$100 of assessed valuation.

2. *Brooklyn, New York—Jowein building, Fulton St. & Elm Place*

Approximately 50% of the property is owned and 50% is leased. The lease is with one landlord and expires April 30, 2010. There are no renewal options. The Company renovated 15,000 square feet for office space for a tenant. The work was completed in September 2005. There are plans to renovate vacant space for office use upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into. The property is currently leased to eighteen tenants of which seven are retail stores, two are fast food restaurants and nine leases are for office space. Approximately 166,000 square feet of the building are available for lease.

| Occupancy  |        | Lease Expiration |                  |                |
|------------|--------|------------------|------------------|----------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft.   |
| 7/31/02    | 68.65% | 7/31/2010        | 8                | 116,807        |
| 7/31/03    | 68.65% | 7/31/2011        | 6                | 69,664         |
| 7/31/04    | 64.08% | 7/31/2012        | 1                | 15,000         |
| 7/31/05    | 40.86% | 7/31/2013        | 1                | 10,000         |
| 7/31/06    | 49.20% | 7/31/2014        | 1                | 5,000          |
|            |        | 7/31/2016        | 1                | 5,500          |
|            |        |                  | <u>18</u>        | <u>221,971</u> |

As of July 31, 2006 the federal tax basis is \$15,734,704 with accumulated depreciation of \$6,980,476 for a net carrying value of \$8,754,228. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

The real estate taxes for this property are \$1,396,385 per year and the rate used is averaged at \$11.306 per \$100 of assessed valuation.

3. *Jamaica, New York—Jamaica Avenue at 169th Street*

The building is owned and the land is leased from an affiliated company. The lease expires July 31, 2027. The property is currently leased to twelve tenants: seven are retail tenants and five for office space. Three tenants each occupy in excess of 10% of the rentable square footage: a major retail store occupies 15.86%; and two tenants occupy office space—one occupies 14.23% and the other 11.07% of the rentable space. Approximately 27,000 square feet of the building are available for lease. There are plans to renovate vacant space for office use upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into.

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| Occupancy  |        | Lease Expiration |                  |                |
|------------|--------|------------------|------------------|----------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft.   |
| 7/31/02    | 80.34% | 7/31/2007        | 4                | 57,307         |
| 7/31/03    | 60.37% | 7/31/2009        | 1                | 2,000          |
| 7/31/04    | 70.70% | 7/31/2011        | 1                | 42,250         |
| 7/31/05    | 76.00% | 7/31/2012        | 1                | 2,680          |
| 7/31/06    | 71.98% | 7/31/2014        | 1                | 25,954         |
|            |        | 7/31/2015        | 1                | 24,109         |
|            |        | 7/31/2016        | 1                | 6,021          |
|            |        | 7/31/2017        | 2                | 75,435         |
|            |        |                  | <u>12</u>        | <u>235,756</u> |

As of July 31, 2006 the federal tax basis is \$17,676,069 with accumulated depreciation of \$7,646,630 for a net carrying value of \$10,029,439. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

The real estate taxes for this property are \$347,336 per year and the rate used is averaged at \$11.306 per \$100 of assessed valuation.

4. *Fishkill, New York—Route 9 at Interstate Highway 84*

The Company owns the entire property. There are plans to renovate vacant space to tenants upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into. There are approximately 203,000 square feet of the building available for lease.

| Occupancy  |        | Lease Expiration |                  |              |
|------------|--------|------------------|------------------|--------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft. |
| 7/31/02    | 12.28% |                  |                  |              |
| 7/31/03    | 12.28% |                  |                  |              |
| 7/31/04    | 12.28% |                  |                  |              |
| 7/31/05    | 12.28% |                  |                  |              |
| 7/31/06    | 4.09%  |                  |                  |              |

As of July 31, 2006 the federal tax basis is \$9,608,448 with accumulated depreciation of \$6,953,781 for a net carrying value of \$2,654,667. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

The real estate taxes for this property are \$124,247 per year and the rate used is averaged at \$4.11 per \$100 of assessed valuation.

5. *Levittown, New York—Hempstead Turnpike*

The Company owns the entire property. There are plans for the renovation of the space upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into. There are approximately 15,000 square feet of the building available for lease.

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| Occupancy  |        | Lease Expiration |                  |              |
|------------|--------|------------------|------------------|--------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft. |
| 7/31/02    | 100%   |                  |                  |              |
| 7/31/03    | 100%   |                  |                  |              |
| 7/31/04    | 100%   |                  |                  |              |
| 7/31/05    | 16.67% |                  |                  |              |
| 7/31/06    | —      |                  |                  |              |

As of July 31, 2006 the federal tax basis is \$298,860 with accumulated depreciation of \$274,129 for a net carrying value of \$24,731. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

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The real estate taxes for this property are \$208,077 per year and the rate used is averaged at \$815.99 per \$100 of assessed valuation.

6. *Massapequa, New York—Sunrise Highway*

The Company is the prime tenant of this leasehold. The lease expires May 14, 2009 and there is one renewal option. There are no present plans for additional improvements of this property. The entire leasehold is currently sub-leased to two tenants; one, to a gasoline service station and the other for use as a bank. Each of these tenants occupies in excess of 10% of the rentable square footage. The gasoline service station sub-lease expires April 29, 2009 with no renewal options. The sub-sub-lease to the bank expires May 14, 2009 with one renewal option.

| Occupancy  |      | Lease Expiration |                  |              |
|------------|------|------------------|------------------|--------------|
| Year Ended | Rate | Year Ended       | Number of Leases | Area Sq. Ft. |
| 7/31/02    | 100% | 7/31/2009        | 2                | 133,400      |
| 7/31/03    | 100% |                  |                  |              |
| 7/31/04    | 100% |                  |                  |              |
| 7/31/05    | 100% |                  |                  |              |
| 7/31/06    | 100% |                  |                  |              |

The real estate taxes for this property are \$176,765 per year and the rate used is averaged at \$746.22 per \$100 of assessed valuation.

The Company does not own this property. Improvements to the property, if any, are made by tenants.

7. *Circleville, Ohio—Tarlton Road*

The Company owns the entire property. There are plans to renovate vacant space to tenants upon the execution of future leases to tenants, although no assurances can be made as to when or if such leases will be entered into. The property is currently leased to one tenant. The tenant is a manufacturer and uses these premises as a warehouse and distribution facility. The lease expired September 30, 2002. An extension and modification of lease for the entire premises was executed for a three-year period to September 30, 2005. A further extension and modification of lease agreement was executed for a five year period, with a right to cancel after three years, for 75,000 square feet to November 11, 2010. There are approximately 118,000 square feet of the building available for lease.

| Occupancy  |        | Lease Expiration |                  |              |
|------------|--------|------------------|------------------|--------------|
| Year Ended | Rate   | Year Ended       | Number of Leases | Area Sq. Ft. |
| 7/31/02    | 100%   | 7/31/2011        | 1                | 75,000       |
| 7/31/03    | 100%   |                  |                  |              |
| 7/31/04    | 100%   |                  |                  |              |
| 7/31/05    | 100%   |                  |                  |              |
| 7/31/06    | 55.77% |                  |                  |              |

As of July 31, 2006 the federal tax basis is \$4,388,456 with accumulated depreciation of \$1,898,181 for a net carrying value of \$2,490,275. The lives taken for depreciation vary between 18-40 years and the methods used are the straight-line and the declining balance.

The real estate taxes for this property are \$68,422 per year and the rate used is averaged at \$3.72 per \$100 of assessed valuation.

8. *Brooklyn, New York—Livingston Street*

The City of New York through its Economic Development Administration constructed a municipal garage at Livingston Street opposite the Company's Brooklyn properties. The Company has a long-term lease with the City of New York and another landlord expiring in 2013 with renewal options, the last of which expires 2073, under which:

(1) Such garage, available to the public, provides truck bays and passage facilities through a tunnel, both for the exclusive use of the Company, to the structure referred to in (2) below. The truck bays, passage facilities and tunnel, totaling approximately 17,000 square feet, are included in the lease

from the City of New York and another landlord referred to in the preceding paragraph, and are in full use.

(2) The Company constructed a building of six stories and basement on a 20 x 75-foot plot (acquired and made available by the City of New York and leased to the Company for a term expiring in 2013 with renewal options, the last of which expires in 2073). The plot is adjacent to and connected with the Company's Brooklyn properties.

In the opinion of management, all of the Company's properties are adequately covered by insurance.

See Note 10 to the Consolidated Financial Statements contained in the 2006 Annual Report to Shareholders, which information is incorporated herein by reference, for information concerning the tenants, the rental income from which equals 10% or more of the Company's rental income.

**Item 3. *Legal Proceedings.***

There are various lawsuits and claims pending against the Company. It is the opinion of management that the resolution of these matters will not have a material adverse effect on the Company's Consolidated Financial Statements.

**Item 4. *Submission of Matters to a Vote of Security Holders.***

During the fourth quarter of the fiscal year covered by this report, no matter was submitted to a vote of security holders of the Company.

**Executive Officers of the Registrant**

The following information is furnished with respect to each Executive Officer of the Registrant (each of whose position is reviewed annually but each of whom has a three-year employment agreement, effective August 1, 2005), whose present term of office will expire upon the election and qualifications of his successor:

| Name               | Age | Business Experience During<br>the Past Five Years  | First Became<br>Such Officer<br>or Director                      |
|--------------------|-----|--|--|
| Lloyd J. Shulman   | 64  | President<br>Co-Chairman of the Board and President<br>Chairman of the Board and President<br>Director | November, 1978<br>June, 1995<br>November, 1996<br>November, 1977 |
| Mark S. Greenblatt | 52  | Vice President<br>Treasurer<br>Director<br>Assistant Treasurer   | August, 2000<br>August, 2003<br>August, 2003<br>November, 1987   |
| Ward N. Lyke, Jr   | 55  | Vice President<br>Assistant Treasurer  | February, 1984<br>August, 2003                                   |
| George Silva       | 56  | Vice President   | March, 1995  |

All of the above mentioned officers have been appointed as such by the directors and have been employed as Executive Officers of the Company during the past five years.

**PART II****Item 5. Market for Registrant's Common Stock and Related Shareholder Matters.**

The information appearing under the heading "Common Stock and Dividend Information" on pages 22-23 of the Registrant's 2006 Annual Report to Shareholders is incorporated herein by reference.

**Item 6. Selected Financial Data.**

The information appearing under the heading "Summary of Selected Financial Data" on page 2 of the Registrant's 2006 Annual Report to Shareholders is incorporated herein by reference.

**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

The information appearing under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 19 through 22 of the Registrant's 2006 Annual Report to Shareholders is incorporated herein by reference.

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

The Company uses both fixed-rate and variable-rate debt to finance its capital requirements. These transactions expose the Company to market risk related to changes in interest rates. The Company does not use derivative financial instruments. At July 31, 2006, the Company had fixed-rate debt of \$7,841,621 and variable rate debt of \$6,193,735. Because of the extension of the Fishkill, New York property loan and the Bond Street building, Brooklyn, New York and the Jowein building, Brooklyn, New York loans (presently with balances of \$1,834,726, \$3,379,009 and \$980,000, respectively), if interest rates were to change 100 basis points, the effect on net income from operations and future cash flows would be a decrease, should the rates increase, or an increase, should the rates decline, of \$61,937

for these loans.

**Item 8. *Financial Statements and Supplementary Data.***

The Registrant's Consolidated Financial Statements, together with the report of D'Arcangelo & Co., LLP, independent registered public accounting firm, dated October 6, 2006, appearing on pages 4 through 17 of the Registrant's 2006 Annual Report to Shareholders is incorporated herein by reference. With the exception of the aforementioned information and the information incorporated by reference in Items 2, 5, 6, and 7 hereof, the 2006 Annual Report to Shareholders is not to be deemed filed as part of this Form 10-K Annual Report.

**Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.***

There are no disagreements between the Company and its accountants relating to accounting or financial disclosures.

**Item 9A. *Controls and Procedures.***

**(a) Evaluation of disclosure controls and procedures.**

The Company's management reviewed the Company's internal controls and procedures and the effectiveness of these controls. As of July 31, 2006, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rules 13a-14(c) and 15d-14(c) of the Securities Exchange Act of 1934. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company required to be included in its periodic SEC filings.

**(b) Change to internal controls.**

There was no change in the Company's internal controls over financial reporting or in other factors during the Company's last fiscal quarter that materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting. There were no significant deficiencies or material weaknesses, and therefore there were no corrective actions taken.

Our accounting department is comprised of four persons. Due to such a limited number of persons, a complete segregation of all of the duties as to which the department is responsible is not possible. In order to make sure that the inability to segregate all duties does not affect our timely and accurate financial reporting, we need to remain vigilant in maintaining compensating controls. These compensating controls will continue to be monitored in order to assure us that our internal controls over financial reporting remain at a high level despite the limited number of accounting department personnel.

**PART III**

**Item 10. *Directors and Executive Officers of the Registrant.***

The information relating to directors of the Registrant is contained in the Definitive Proxy Statement for the 2006 Annual Meeting of Shareholders and such information is incorporated herein by reference.

The information with respect to Executive Officers of the Registrant is set forth in Part I hereof.

**Item 11. *Executive Compensation.***

The information required by this item appears under the heading "Executive Compensation" in the Definitive Proxy Statement for the 2006 Annual Meeting of Shareholders and such information is incorporated herein by reference.

**Item 12. Security Ownership of Certain Beneficial Owners and Management.**

The information required by this item appears under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Information Concerning Nominees for Election as Directors” in the Definitive Proxy Statement for the 2006 Annual Meeting of Shareholders and such information is incorporated herein by reference.

**Item 13. Certain Relationships and Related Transactions.**

The information required by this item appears under the headings “Executive Compensation”, “Certain Transactions,” “Certain Relationships and Related Transactions” and “Board Interlocks and Insider Participation” in the Definitive Proxy Statement for the 2006 Annual Meeting of Shareholders and such information is incorporated herein by reference.

**Item 14. Principal Accounting Fees and Services.**

The following table sets forth the fees paid by the Company to its independent registered public accounting firm, D’Arcangelo & Co., LLP, for the fiscal years 2006 and 2005.

|                         | Fiscal Year<br>2006 | Fiscal Year<br>2005 |
|-------------------------|---------------------|---------------------|
| Audit Fees              | \$ 88,570           | \$ 65,199           |
| Tax Fees and Other Fees | 18,559              | 38,801              |
| Total                   | \$ 107,129          | \$ 104,000          |

Audit Fees for fiscal year 2006 and fiscal year 2005 were for professional services rendered for the audits of the consolidated financial statements of the Company and assistance with the review of documents filed with the Securities and Exchange Commission.

Tax Fees and Other Fees for fiscal year 2006 and fiscal year 2005 were for services related to tax compliance and preparation of federal, state and local corporate tax returns and audit of real estate tax matters.

The officers of the Company consult with, and receive the approval of, the Audit Committee before engaging accountants for any services.

**PART IV****Item 15. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.**

(a) The following documents are filed as part of this report:

1. The Consolidated Financial Statements and report of D’Arcangelo & Co., LLP, independent registered public accounting firm, dated October 6, 2006, set forth on pages 4 through 17 of the Registrant’s 2006 Annual Report to Shareholders.
2. See accompanying Index to Registrant’s Financial Statements and Schedules.
3. Exhibits:
  - (2) Plan of acquisition, reorganization, arrangement, liquidation or succession—not applicable.

- (3) Articles of incorporation and by-laws:
- (i) Certificate of Incorporation, as amended, incorporated by reference to Registrant's Form 8-K dated December 3, 1973.
  - (ii) By-laws, as amended June 1, 1995, incorporated by reference to Registrant's Form 10-K dated October 23, 1995.
  - (iii) Amendment to By-laws, effective November 1, 1999, incorporated by reference to Registrant's Proxy Statement dated October 19, 2000.
- (4) Instruments defining the rights of security holders, including indentures—see Exhibit (3) above.

- (9) Voting trust agreement—not applicable.
  - (10) Material contracts:
    - (i) Agreement of Lease dated July 5, 1990, as amended February 25, 1992, pursuant to which a portion of the street floor and basement, approximately 35% of the total area of the Registrant's former Brooklyn store, has been leased to a tenant for the retail sale of general merchandise and for a restaurant, incorporated by reference to Registrant's Form 10-K dated October 29, 1990.
    - (ii) The J.W. Mays, Inc. Retirement Plan and Trust, Summary Plan Description, effective August 1, 1991, incorporated by reference to Registrant's Form 10-K dated October 23, 1992 and, as amended, effective August 1, 1993, incorporated by reference to Registrant's Form 10-Q for the Quarter ended October 31, 1993 dated December 2, 1993.
  - (11) Statement re computation of per share earnings—not applicable.
  - (12) Statement re computation of ratios—not applicable.
  - (13) Annual report to security holders.
  - (16) Letter re change in certifying auditors—not applicable.
  - (18) Letter re change in accounting principles—not applicable.
  - (21) Subsidiaries of the registrant.
  - (22) Published report regarding matters submitted to vote of security holders—not applicable.
  - (24) Power of attorney—none.
  - (28) Information from reports furnished to state insurance regulatory authorities—not applicable.
  - (31) Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
    - 31.1—Chief Executive Officer
    - 31.2—Chief Financial Officer
  - (32) Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002; 18 U.S.C. Sect 1350.
- (b) Reports on Form 8-K—A report on Form 8-K was filed by Registrant during the three months ended July 31, 2006.
- Item reported—The Company reported its financial results for the three and nine months ended April 30, 2006.
- Date of report filed—June 9, 2006.

**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.**

J.W. MAYS, INC.

(REGISTRANT)

October 12, 2006

By:

LLOYD J. SHULMAN

Lloyd J. Shulman  
Chairman of the Board  
Principal Executive Officer  
President  
Principal Operating Officer

October 12, 2006

By:

MARK S. GREENBLATT

Mark S. Greenblatt  
Vice President and Treasurer  
Principal Financial Officer

October 12, 2006

By:

WARD N. LYKE, JR.

Ward N. Lyke, Jr.  
Vice President  
and Assistant Treasurer

**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 in the capacities and on the date indicated.**

| <u>Signature</u>                         | <u>Title</u>  | <u>Date</u>      |
|--|---|------------------|
| LLOYD J. SHULMAN<br>Lloyd J. Shulman     | Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer and Director | October 12, 2006 |
| MARK S. GREENBLATT<br>Mark S. Greenblatt | Vice President, Treasurer and Director  | October 12, 2006 |
| LANCE D. MYERS<br>Lance D. Myers         | Director  | October 12, 2006 |
| DEAN L. RYDER<br>Dean L. Ryder           | Director  | October 12, 2006 |
| JACK SCHWARTZ<br>Jack Schwartz           | Director  | October 12, 2006 |
| SYLVIA W. SHULMAN                        | Director  | October 12, 2006 |

Sylvia W. Shulman

LEWIS D. SIEGEL

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Director

October 12, 2006

Lewis D. Siegel

**INDEX TO REGISTRANT'S FINANCIAL STATEMENTS AND SCHEDULES**

Reference is made to the following sections of the Registrant's Annual Report to Shareholders for the fiscal year ended July 31, 2006, which are incorporated herein by reference:

Report of Independent Registered Public Accounting Firm (page 17)

Consolidated Balance Sheets (pages 4 and 5)

Consolidated Statements of Income and Retained Earnings (page 6)

Consolidated Statements of Comprehensive Income (page 6)

Consolidated Statements of Cash Flows (page 7)

Notes to Consolidated Financial Statements (pages 8-16)

**Page**

Financial Statement Schedules:

Report of Independent Registered Public Accounting Firm on Financial Statement Schedules 13

II Valuation and Qualifying Accounts 14

III Real Estate and Accumulated Depreciation 15

All other schedules for which provision is made in the applicable regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, accordingly, are omitted.

The separate financial statements and schedules of J.W. Mays, Inc. (not consolidated) are omitted because the Company is primarily an operating company and its subsidiaries are wholly-owned.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
FINANCIAL STATEMENT SCHEDULES**

To the Board of Directors and Shareholders of  
J.W. Mays, Inc. and Subsidiaries

We have audited the consolidated financial statements of J.W. Mays, Inc. and subsidiaries as of July 31, 2006 and 2005, and for the three years in the period ended July 31, 2006 and have issued our report thereon dated October 6, 2006; such consolidated financial statements and reports are incorporated by reference in this Form 10-K Annual Report. Our audits also included the consolidated financial statement schedules of J.W. Mays, Inc. and subsidiaries referred to in Item 15(a)2 of this Form 10-K. These consolidated financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedules, 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.

D'ARCANGELO & Co., LLP  
Purchase, N.Y.  
October 6, 2006

**J.W. MAYS, INC.**  
**VALUATION AND QUALIFYING ACCOUNTS**

|  | Year Ended July 31, |              |              |
|--|---------------------|--------------|--------------|
|  | 2006                | 2005         | 2004         |
| Allowance for net unrealized gains on marketable securities: |                     |              |              |
| Balance, beginning of period                                 | \$ 1,764,264        | \$ 1,773,562 | \$ 1,562,901 |
| Additions (reductions)                                       | (1,716,516)         | (9,298)      | 210,661      |
| Balance, end of period                                       | \$ 47,748           | \$ 1,764,264 | \$ 1,773,562 |

**J.W. MAYS, INC.**  
**REAL ESTATE AND ACCUMULATED DEPRECIATION**  
**July 31, 2006**

| Col. A   | Col. B        | Col. C                  |                         | Col. D                                     |              | Col. E   |                         |               | Col. F                   |
|--|---------------|-------------------------|-------------------------|--|--------------|--|-------------------------|---------------|--------------------------|
| Description  | Encumbrances  | Initial Cost to Company |                         | Cost Capitalized Subsequent to Acquisition |              | Gross Amount at Which Carried At Close of Period |                         |               | Accumulated Depreciation |
|  |               | Land                    | Building & Improvements | Improvements                               | Carried Cost | Land   | Building & Improvements | Total         |                          |
| <b>Office and Rental Buildings</b>                                   |               |                         |                         |  |              |  |                         |               |                          |
| Brooklyn, New York<br>Fulton Street at Bond Street                   | \$ 3,379,009  | \$ 3,713,494            | \$ 6,503,468            | \$ 15,670,717                              | \$ —         | \$ 3,713,494                                     | \$ 22,174,185           | \$ 25,887,679 | \$ 6,961,111             |
| Jamaica, New York<br>Jamaica Avenue at 169th Street                  | 4,272,785     | —                       | 3,215,699               | 14,356,247                                 | —            | —  | 17,571,946              | 17,571,946    | 7,522,111                |
| Fishkill, New York<br>Route 9 at Interstate Highway 84               | 1,834,726     | 594,723                 | 7,212,116               | 2,438,652                                  | —            | 594,723  | 9,650,768               | 10,245,491    | 6,538,111                |
| Brooklyn, New York<br>Jowein Building<br>Fulton Street and Elm Place | 2,195,752     | 1,622,232               | 770,561                 | 14,964,143                                 | —            | 1,622,232  | 15,734,704              | 17,356,936    | 7,612,111                |
| Levittown, New York<br>Hempstead Turnpike                            | —             | 95,256                  | 200,560                 | 98,300                                     | —            | 95,256   | 298,860                 | 394,116       | 263,111                  |
| Circleville, Ohio<br>Tarlton Road                                    | —             | 120,849                 | 4,388,456               | —  | —            | 120,849  | 4,388,456               | 4,509,305     | 1,481,111                |
| Total(A)   | \$ 11,682,272 | \$ 6,146,554            | \$ 22,290,860           | \$ 47,528,059                              | \$ —         | \$ 6,146,554                                     | \$ 69,818,919           | \$ 75,965,473 | \$ 30,379,111            |

(1) Building and improvements 18–40 years

(2) Improvements to leased property 3–40 years

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(A)

Does not include Office Furniture and Equipment and Transportation Equipment in the amount of \$978,571 and Accumulated Depreciation thereon of \$770,622 at July 31, 2006.

|   | Year Ended July 31, |               |               |
|---|---------------------|---------------|---------------|
|   | 2006                | 2005          | 2004          |
| <b>Investment in Real Estate</b>        |                     |               |               |
| Balance at Beginning of Year            | \$ 73,265,390       | \$ 67,404,633 | \$ 59,411,145 |
| Improvements                            | 2,700,083           | 5,860,757     | 7,993,488     |
|   | \$ 75,965,473       | \$ 73,265,390 | \$ 67,404,633 |
| <b>Accumulated Depreciation</b>         |                     |               |               |
| Balance at Beginning of Year            | \$ 28,895,827       | \$ 27,497,555 | \$ 26,240,399 |
| Additions Charged to Costs and Expenses | 1,483,487           | 1,398,272     | 1,257,156     |
|   | \$ 30,379,314       | \$ 28,895,827 | \$ 27,497,555 |

**EXHIBIT INDEX TO FORM 10-K**

- (2) Plan of acquisition, reorganization, arrangement, liquidation or succession—not applicable
- (3) (i) Certificate of incorporation—incorporated by reference  
(ii) By-laws—incorporated by reference  
(iii) Amendment to By-laws, effective November 1, 1999—incorporated by reference
- (4) Instruments defining the rights of security holders, including indentures—see Exhibit (3) above
- (9) Voting trust agreement—not applicable
- (10) Material contracts—(i) and (ii) incorporated by reference
- (11) Statement re computation of per share earnings—not applicable
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- (13) Annual report to security holders
- (16) Letter re change in certifying auditors—not applicable
- (18) Letter re change in accounting principles—not applicable
- (21) Subsidiaries of the registrant
- (22) Published report regarding matters submitted to vote of security holders—not applicable
- (24) Power of attorney—none
- (28) Information from reports furnished to state insurance regulatory authorities—not applicable
- (31) Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act—1 and 2
- (32) Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

**EXHIBIT 13**

**(Copy of Annual Report to Shareholders attached hereto)**

**Fiscal Year Ended July 31, 2006**

**(NEXT PAGE)**