U.S. Retail Market Report — Q4 2025

Open-air, grocery-anchored retail closed 2025 in its strongest position in years — record occupancy, double-digit rent spreads, and a supply pipeline too thin to keep up with demand.

Based on the Q4 2025 (quarter ended December 31, 2025) results of Kimco Realty (KIM), Brixmor Property Group (BRX), Regency Centers (REG), Whitestone REIT (WSR), and InvenTrust Properties (IVT).

A note on our panel: we've replaced SITE Centers with InvenTrust Properties (IVT) as our fifth name. SITE is winding down — it has sold most of its assets since spinning off Curbline — so it no longer offers a useful read on the market. InvenTrust is a pure-play Sun Belt, grocery-anchored REIT whose largest market is Texas, with Houston among its top three, making it a more representative and locally relevant comp.

The quarterly earnings calls of publicly traded retail REITs provide some of the clearest real-time data on where the market is headed.

The bad news: they're long, boring and might put you to sleep.

The good news: we analyze them every quarter so you don't have to.

For this report, we went through the Q4 2025 results of five of the biggest names in open-air retail — Kimco Realty, Brixmor Property Group, Regency Centers, Whitestone REIT, and InvenTrust Properties — and pulled out what matters for the market overall, and for Houston and Texas in particular.

The Takeaway

Open-air, grocery-anchored retail closed 2025 in its strongest position in years. All five names reported record or near-record occupancy, healthy same-store NOI growth (Brixmor led at 6.0% for the quarter), and double-digit leasing spreads as demand for space continued to outrun a thin supply pipeline. Small-shop occupancy set fresh records at Kimco (92.7%), Brixmor (92.2%), in Regency's shop portfolio (94.2%), and at InvenTrust (94.0%).

The growth engine is the same across the group: years of below-market leases rolling up to market, vacated big-box space — JOANN, Party City, Big Lots — being backfilled at materially higher rents, and almost no new construction. Each operator either raised its dividend or guided to further FFO growth in 2026, and most head into the year with low leverage and investment-grade balance sheets.

At a Glance

Company	Same-Store NOI	Cash Leasing Spread	Occupancy
Kimco Realty	+3.0%	+29% (new) *	96.4%
Brixmor	+6.0%	+24.2%	95.1%
Regency Centers	+4.7%	+12%	96.5%
Whitestone	+3.8%	+18.2% (SL) **	94.6%
InvenTrust	+3.0%	+13.3% †	96.7%

*Same-store NOI is the fourth-quarter figure; occupancy is period-end leased. * Kimco reported a 29.0% spread on comparable new leases; its renewal-inclusive blend runs lower. ** Whitestone's 18.2% spread is straight-lined (GAAP); the others are cash. † InvenTrust's 13.3% is its full-year 2025 blended cash spread (30.9% on new leases, 10.9% on renewals).*

Kimco Realty (KIM)

Kimco capped what CEO Conor Flynn called "another banner year," with full-year FFO of $1.76 per share, up 6.7%, and fourth-quarter FFO of $0.44. Same-property NOI rose 3.0% in both the quarter and the year. Pro-rata occupancy ended at 96.4%, matching the company's all-time high, while small-shop occupancy set a record at 92.7%. Leasing volume hit a record 1.2 million square feet of new leases, with 30 anchor leases signed — also a record — at new-lease spreads of 29%.

Kimco's signed-but-not-open pipeline — the gap between leased and economic occupancy — widened to 390 basis points, representing $73 million of annual base rent waiting to commence, a built-in tailwind for 2026. The company guided 2026 FFO to $1.80–$1.84 per share and same-property NOI growth of 2.5%–3.5%, backed by A-/A3 credit and a $22.6 billion total capitalization. Its strategy stays centered on grocery-anchored centers in high-barrier, first-ring suburbs.

Brixmor Property Group (BRX)

Brixmor posted the strongest operating quarter of the group, with same-property NOI up 6.0% (and 4.2% for the full year, even after recapturing 1.5 million square feet of anchor space). Fourth-quarter NAREIT FFO was $0.58 per share; full-year FFO of $2.25 landed at the high end of guidance, up 5.6%. The company executed 1.5 million square feet of leases at a 24.2% blended cash spread, with new-lease spreads of 34.7%, and lifted overall occupancy 100 basis points to 95.1% — small-shop occupancy reached a record 92.2%.

Brixmor commenced a record $70 million of new rent in 2025 and immediately replenished it with another $70 million of signed leases, a sign of durable demand. It stabilized $183 million of reinvestment projects at a 10% incremental yield and guided 2026 to NAREIT FFO of $2.33–$2.37 (about 4.4% growth) and same-property NOI growth of 4.5%–5.5%, with roughly $1.6 billion of liquidity and leverage at 5.4x debt/EBITDA.

Regency Centers (REG)

Regency described 2025 as "one of the strongest operational years we've ever experienced." Fourth-quarter NAREIT FFO was $1.17 per share, up 7.3%, capping full-year FFO of $4.64, up 7.9%. Same-property NOI rose 4.7% in the quarter and 5.3% for the year, with same-property occupancy at 96.5% and shop occupancy at a record 94.2%. The company executed about 1.7 million square feet of comparable leases at a 12% cash spread, with record renewal spreads of 13% and an all-time-high 25% on a GAAP basis.

Regency started $97 million of new development and redevelopment in the quarter ($318 million for the year), kept leverage low at 5.1x, and raised its dividend more than 7% to $0.755 per share. It guided 2026 to NAREIT FFO of $4.83–$4.87 and same-property NOI growth of

3.25%–3.75%, supported by an S&P “A-” rating and a signed-not-open pipeline of roughly $45 million of incremental base rent.

Whitestone REIT (WSR)

The Houston-based operator delivered a record 94.6% occupancy at year-end, with Core FFO holding at $0.28 per share and same-store NOI up 3.8%. Straight-line leasing spreads were 18.2%, and net effective base rent per square foot climbed to $25.73. Whitestone’s model centers on small “shop” spaces — now 76% of annual base rent — which carry higher escalators (2.7% versus 1.7% for big-box) and re-lease faster with less capital.

With a portfolio entirely in Sun Belt Texas and Arizona, Whitestone leaned into local quality: recent acquisitions include Garden Oaks in Houston and World Cup Plaza in Dallas, both high-traffic, high-demographic centers. The company cut leverage to 7.0x debt/EBITDAre, guided 2026 Core FFO to $1.10–$1.14 per share (5%–8% growth), and planned to step up redevelopment — including Houston pad sites at Garden Oaks. (In April 2026, after this quarter’s close, Whitestone agreed to be taken private by Ares Management for about $1.7 billion.)

InvenTrust Properties (IVT)

InvenTrust — new to this report, as noted above — capped a strong year with full-year Core FFO of $1.83 per share, up 5.8%, and same-property NOI growth of 5.3%, its second straight year above 5%. Fourth-quarter same-property NOI rose 3.0%, and year-end leased occupancy was 96.7%, with small-shop occupancy at a record 94.0%. Full-year leasing spreads were strong: 30.9% on new leases and 10.9% on renewals, a 13.3% blend.

What makes InvenTrust a useful addition is its footprint — a pure-play Sun Belt, grocery-anchored portfolio with Texas as its single largest state, where Austin, Houston and Dallas together make up roughly a third of rent. It runs one of the lowest leverage profiles in the sector, deployed $460 million into acquisitions in 2025 funded internally, raised its dividend 5% to a $1.00 annual rate, and guided 2026 Core FFO to $1.91–$1.95, about 5.5% growth at the midpoint.

The Texas & Houston Angle

Retail is where the Houston read comes through most clearly of any sector we track, and this quarter’s panel reflects it directly. Whitestone is headquartered here and runs a 100% Sun Belt portfolio; it added Garden Oaks right in Houston. InvenTrust, now in our lineup, is a pure Sun Belt grocery-anchored operator with Texas as its biggest market and Houston among its top three. Brixmor and Kimco both run the grocery-anchored, first-ring-suburb playbook that fits Houston’s growth corridors (Brixmor’s LaCenterra at Cinco Ranch in Katy is a local example). The structural backdrop favors landlords: strip-center supply growth is projected near 0.3% annually through 2030 — the tightest of any retail format — while Sun Belt population and job growth keep filling space. For Houston owners, that mix of scarce new supply and steady demand is the core reason occupancies and rents have kept climbing.

Themes Shaping the Market

- **Record occupancy, especially small shop.** Kimco (92.7%), Brixmor (92.2%), Regency (94.2% shop) and InvenTrust (94.0%) all set or matched small-shop records as demand outpaced a thin supply pipeline.
- **Below-market leases keep rolling up.** Blended cash spreads ran from 12% (Regency) to 24% (Brixmor), with new-lease spreads near 30–35%, reflecting years of embedded mark-to-market.
- **Backfilling bankruptcies at higher rents.** Space vacated by JOANN, Party City and Big Lots is being re-leased at materially better economics, turning disruption into upside.
- **Almost no new construction.** New strip-center supply remains historically low, a structural support for rents and occupancy — particularly across the Sun Belt.

Outlook

Open-air retail enters 2026 with strong fundamentals: record occupancy, a deep backlog of signed-not-open leases set to commence, and pricing power from below-market in-place rents. Every operator in the panel guided to further FFO growth, and several raised dividends. The main watch items are the pace of small-shop demand and any uptick in tenant credit stress. For Houston and the broader Sun Belt — where supply is tightest and population growth strongest — the setup remains firmly in landlords' favor.