U.S. Retail Market Report — Q1 2026

Open-air retail kept rolling in Q1 — solid same-store growth, double-digit rent spreads, and record-low new supply — while the headline was Ares Management's $1.7 billion deal to take Houston-based Whitestone private, a sign institutional capital is moving into the sector.

Based on the Q1 2026 (quarter ended March 31, 2026) results of Kimco Realty (KIM), Brixmor Property Group (BRX), Regency Centers (REG), InvenTrust Properties (IVT), and Whitestone REIT (WSR).

A note on our panel: our fifth name is InvenTrust Properties (IVT), a pure-play Sun Belt, grocery-anchored REIT whose largest market is Texas, with Houston among its top three — a strong fit for the markets we track. It replaces SITE Centers, which is winding down. Note too that Whitestone, long the most Houston-centric public REIT, is being taken private by Ares (covered below), part of a broader wave of consolidation across open-air retail.

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 Q1 2026 results of five of the biggest names in open-air retail — Kimco Realty, Brixmor Property Group, Regency Centers, InvenTrust Properties, and Whitestone REIT — and pulled out what matters for the market overall, and for Houston and Texas in particular.

The Takeaway

The open-air, grocery-anchored retail story stayed strong to start 2026. The four operating names — Kimco, Brixmor, Regency and InvenTrust — posted same-store NOI growth ranging from 1.7% to 6.4%, double-digit cash leasing spreads, and occupancy in the mid-90s, with most raising or affirming full-year guidance. Brixmor led again at 6.4%, while Kimco's 1.7% marked the low point of its year as it lapped 2025's tenant bankruptcies, with growth set to accelerate as a record signed-not-open pipeline commences.

The quarter's headline happened off the income statement. Ares Management agreed to take Houston-based Whitestone REIT private for about $1.7 billion — $19.00 a share, all cash — a 26.5% premium to its unaffected price. Coming a year after SITE Centers began liquidating, the deal signals that institutional capital sees value in Sun Belt open-air retail that the public market had underpriced. Consolidation is becoming a theme.

At a Glance

Company	Same-Store NOI	Cash Leasing Spread	Occupancy
Kimco Realty	+1.7%	+11.3%	96.3%
Brixmor	+6.4%	+27%	95.1%
Regency Centers	+4.4%	+12.1%	96.6%

Company	Same-Store NOI	Cash Leasing Spread	Occupancy
InvenTrust	+2.6%	+10.5%	96.4%
Whitestone	— †	— †	— †

Figures are first-quarter 2026. † Whitestone entered a definitive agreement on April 9, 2026 to be acquired by Ares Management for roughly $1.7 billion ($19.00 per share, all cash). With the take-private pending, it did not report Q1 operating metrics on a comparable basis; for reference, it posted record 94.6% occupancy and 4.0% same-store NOI growth for full-year 2025.

Kimco Realty (KIM)

Kimco opened 2026 with FFO of $0.46 per share, up 4.5%, and a record signed-but-not-open pipeline of $77 million in annual base rent — leases signed and waiting to commence. Same-property NOI rose 1.7%, which management flagged as the low point of the year, the result of lapping 2025's wave of tenant bankruptcies (JOANN, Party City, Big Lots, Rite Aid). Occupancy held at 96.3%, with small-shop occupancy up 80 basis points to a near-record 92.5%. The company executed a record 4.4 million square feet of leases at an 11.3% blended cash spread, and 23.8% on new leases.

With 86% of the portfolio now grocery-anchored and tenant retention above 95%, Kimco tightened 2026 FFO guidance to $1.81–$1.84 and raised its same-site NOI outlook to 2.8%–3.5%. It lifted the dividend to $0.26 and recast a $2.0 billion revolver. Management expects growth to accelerate through the year as the record pipeline begins paying rent.

Brixmor Property Group (BRX)

Brixmor again led the group operationally, with same-property NOI up 6.4% and NAREIT FFO of $0.58 per share. Consumer traffic across its centers topped 220 million visits, up 3.5% year over year. The company executed 1.3 million square feet of leases at a 27% blended cash spread — 42% on new leases and a record 21% on renewals — and held occupancy at 95.1% (small shop 92.1%). Tenant credit quality, management said, is at an all-time high.

On the strength of the quarter, Brixmor raised 2026 guidance, lifting same-property NOI growth to 4.75%–5.5% and FFO to $2.34–$2.37. It's adding first-to-portfolio premium brands like Pottery Barn and Williams-Sonoma and "densifying" centers by converting parking fields into outparcels at 16% incremental returns. Two-thirds of the quarter's leasing happened after recent geopolitical conflicts began, with no slowdown in demand.

Regency Centers (REG)

Regency called it "an outstanding start to the year," with NAREIT FFO of $1.20 per share, up 4.3%, and same-property NOI up 4.4% — above its full-year guidance range, driven by 3.5% base rent growth. Same-property occupancy was 96.6% leased, with shop space at 94.1%. The company executed 1.5 million square feet of leases at a 12.1% cash spread (24.3% on a straight-lined basis).

Regency's investment platform is humming: a $635 million development and redevelopment pipeline at a 9% blended yield, with visibility to more than $1 billion of project starts over three years. It priced $450 million of seven-year notes at a 4.5% coupon — the lowest credit spread in company history — and says it can fund the pipeline from free cash flow without raising equity. Full-year FFO guidance of $4.83–$4.87 was reaffirmed.

InvenTrust Properties (IVT)

InvenTrust — our Texas-concentrated addition to the panel, as noted above — delivered same-property NOI growth of 2.6% and NAREIT FFO of $0.53 per share, up 10.4%, with Core FFO of $0.49, up 6.5%. Leased occupancy held at 96.4% (anchors 98.5%), and the company signed 64 leases at a 10.5% blended cash spread. Same-store growth is set to accelerate in the second half as its signed-not-open pipeline commences.

The pure-play Sun Belt operator stayed on offense, acquiring about $123 million of centers in the quarter — including its first in Nashville — with another roughly $167 million awarded or under contract. It raised full-year FFO guidance to $2.00–$2.06 (about 7.4% growth at the midpoint) and carries some of the lowest leverage in the sector. With Texas as its largest market and Houston a top-three market, InvenTrust is the cleanest public proxy for the Sun Belt, grocery-anchored retail we work in.

Whitestone REIT (WSR) — Acquired by Ares

The quarter's biggest retail story belongs to Whitestone. On April 9, 2026, the Houston-based REIT agreed to be taken private by Ares Management for about $1.7 billion — $19.00 per share in an all-cash deal. The price was a 12.2% premium to the prior day's close and a 26.5% premium to where the stock traded before a March report that Whitestone had hired advisors to explore a sale.

Whitestone's appeal is exactly what makes the broader read interesting: a 100% Sun Belt portfolio — Phoenix, Austin, Dallas-Fort Worth, Houston and San Antonio — of convenience-oriented, shop-heavy centers that posted record 94.6% occupancy and 4.0% same-store NOI growth in 2025. A shareholder vote is expected later in 2026. For a Houston operator, having one of the city's own open-air retail platforms draw a premium take-private bid is a strong signal about how institutional capital values the asset class.

The Texas & Houston Angle

Retail remains the clearest Houston read we track, and Q1 sharpened it. The marquee event — Ares paying a premium to take Whitestone private — centers on a Houston-headquartered company whose largest markets include Houston itself. When a major institutional manager pays up for a Sun Belt, Houston-heavy open-air portfolio, it's pricing in the same fundamentals we see on the ground: limited new supply, steady population and job growth, and durable demand for convenience retail. InvenTrust, now in our panel, reinforces the point from the operating side — Texas is its largest market and Houston a top three, and it kept buying through the quarter. Kimco and Brixmor keep running the grocery-anchored, suburban-growth playbook that fits Houston's corridors. The takeaway for local owners: the value of well-located Houston retail is being validated both by institutional buyers and by the operators still expanding here.

Themes Shaping the Market

- **Consolidation is arriving.** Ares is taking Whitestone private and SITE Centers is winding down — institutional capital is absorbing public open-air retail it views as undervalued.
- **Operators kept compounding.** Same-store NOI ran 1.7%–6.4%, with Brixmor leading; blended cash spreads held in the 10%–27% range on years of below-market in-place rents.
- **Pipelines de-risk the year.** Record signed-not-open backlogs — $77 million at Kimco — give the group visibility into accelerating second-half growth.
- **Supply stays scarce.** New construction remains near historic lows, a structural support for occupancy and rents, especially across the Sun Belt.

Outlook

Open-air retail enters the rest of 2026 with healthy fundamentals and a new dynamic: institutional buyers moving on public companies at premiums. The operating names have visible, contracted growth ahead as signed leases commence, supply stays tight, and tenant credit holds up. For Houston and the Sun Belt — where demand is strongest and the Whitestone deal just put a premium price tag on local quality — the setup remains firmly in owners' favor.