Regency Centers Corporation (REG)

Updated October 29th, 2025 by Nikolaos Sismanis

Key Metrics

Current Price:	$71	**5 Year Annual Expected Total Return:**	6.7%	**Market Cap:**	$12.9 B
Fair Value Price:	$67	**5 Year Growth Estimate:**	4.0%	**Ex-Dividend Date:**	12/15/2025[1]
% Fair Value:	106%	**5 Year Valuation Multiple Estimate:**	-1.2%	**Dividend Payment Date:**	01/06/2026
Dividend Yield:	4.2%	**5 Year Price Target**	$82	**Years Of Dividend Growth:**	13
Dividend Risk Score:	D	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

Regency Centers Corporation is a fully integrated real estate investment trust specializing in retail locations whose tenants include highly productive grocers, restaurants, service providers, and various other best-in-class retailers. The trust has full or partial ownership interests in 483 retail properties primarily anchored by market-leading grocery stores. Its properties are principally located in affluent and infill trade areas across the United States and contain about 57.4 million square feet of gross leasable area. The trust generates about $1.50 billion in revenues and is based in Jacksonville, Florida.

On October 28th, 2025, Regency Centers reported its Q3 results for the period ending September 30th, 2025. Nareit FFO rose 9.4% to $213.5 million. On a per-share basis, FFO landed at $1.15, up eight cents compared to last year, supported by strong same-property NOI growth and a lower share count. Same-property NOI, ex-termination fees, increased 4.8% year-over-year, driven primarily by base rent growth of 4.7%. Regency's same-property portfolio was 96.4% leased, up 40 basis points compared to last year, while same-property percent commenced improved to 94.4%, up 190 basis points.

Management once again raised its full-year guidance. They now expect same-property net operating income growth, excluding termination fees, to range between 5.25% and 5.5%. Nareit FFO per share is projected to be between $4.62 and $4.64, with the midpoint implying more than 7% year-over-year growth. The company also announced a 7.1% increase in its quarterly dividend to $0.755 per share.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
FFO/shr	$2.92	$2.74	$3.10	$3.84	$3.90	$2.95	$4.02	$4.10	$4.15	$4.30	***$4.63***	***$5.63***
DPS	$1.94	$2.00	$2.10	$2.22	$2.34	$2.38	$2.41	$2.53	$2.62	$2.72	***$3.02***	***$3.59***
Shares[2]	94.4	100.9	159.5	169.7	167.5	170.2	171.5	172.5	177.3	184.1	***181.1***	***195.0***

Regency has achieved a solid track record of modest but gradually higher FFO/share over time. The 10-year and 5-year FFO/share CAGRs stand at 4.4% and 9.4%, respectively. In recent years, the trust has excelled despite the challenges faced by retail locations due to the growing prominence of e-commerce, a trend that was further accentuated during the COVID-19 pandemic. Regency's major tenants, including Publix (2.9% of annualized rent), Albertsons Companies (2.8%), and TJX (2.7%), are not at risk of going out of business anytime soon.

Regency's growth prospects may seem somewhat limited, but there are noteworthy factors to consider. These include rising leasing rates, portfolio value enhancement within its development pipeline, and the pursuit of additional accretive investment opportunities, exemplified by the acquisition of Urstadt Biddle. Along with taking into account higher interest rates, we anticipate a 4% growth in FFO/share through 2030.

[1] Estimated dates based on past dividend dates.

[2] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Regency slashed its dividend during the Great Recession and resumed its DPS growth in 2014. Since then, dividends have grown annually. We expect DPS growth of around 3.5% in the medium-term, which underlying FFOs could sustain.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/FFO	23.6	31.4	20.6	17.2	17.2	13.5	16.6	10.7	14.4	15.1	***15.4***	***14.5***
Avg. Yld.	2.8%	2.3%	3.3%	3.4%	3.5%	6.0%	3.5%	5.8%	4.6%	4.2%	***4.2%***	***4.4%***

Regency has traded a P/FFO of 14.1 over the past five years. We believe that today's multiple of 15.4 slightly overvalues the stock. This is due to the current interest rate environment and Regency's modest growth prospects. A P/FFO of 14.5 should better suit the stock, as it takes account of these elements, along with the trust's qualities, including tenant diversification and high occupancy rates. Regency is currently offering a yield of 4.2%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

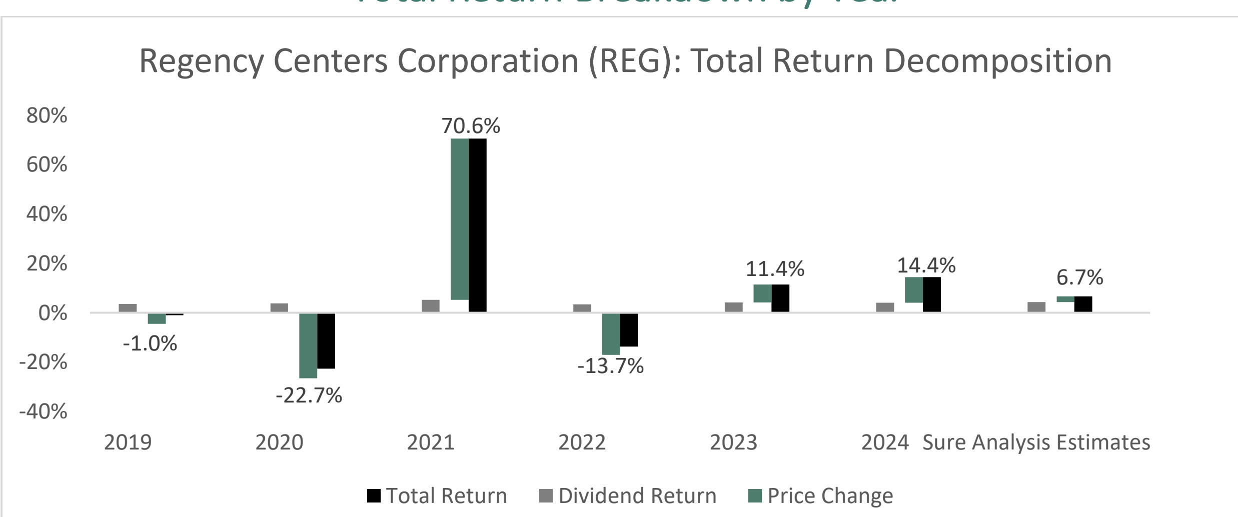
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	66%	73%	68%	58%	60%	81%	60%	62%	63%	63%	***65%***	***64%***

While Regency did cut its dividend back during the Great Financial Crisis, we don't expect a dividend cut due to the resiliency shown during the pandemic combined with the relatively comfortable 65% payout ratio based on this year's expected FFO/share. That being said, if the trust's financials were to be under pressure again, a cut is not unlikely either. Overall, Regency enjoys some decent qualities, including a quality tenant base of blue-chip companies, with no tenant accounting for more than 2.9% of annualized base rent (Publix). It also maintains a strong balance sheet with a BBB+ credit rating from S&P, has ample liquidity with $1.5 billion available on revolver, and features a net debt to EBITDA ratio of 5.3, which is somewhat tolerable. Still, a recession is likely to adversely impact the trust's financials and lead to a dividend cut.

Final Thoughts & Recommendation

Regency Centers has demonstrated a strong track record of FFO generation, sustaining solid financial health even during the pandemic despite considerable challenges. In addition, management's guidance suggests another year of relatively stable performance ahead, despite interest rates remaining high. We project annualized total returns of 6.7% through 2030, driven by 4% FFO/share growth and a 4.2% dividend yield, partially offset by a 1.2% annual valuation headwind. Given these projected returns, we maintain a hold rating on the stock.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	570	614	984	1,121	1,133	1,016	1,166	1,224	1,322	1,454
Gross Profit	425	453	731	815	827	703	839	878	928	1,021
Gross Margin	74.6%	73.7%	74.2%	72.7%	73.0%	69.2%	72.0%	71.7%	70.2%	70.2%
SG&A Exp.	66	65	68	65	75	75	78	80	98	101
D&A Exp.	147	162	334	360	374	346	303	299	323	372
Operating Profit	205	211	240	380	370	270	452	472	468	514
Operating Margin	35.9%	34.4%	24.3%	33.9%	32.6%	26.5%	38.8%	38.6%	35.4%	35.4%
Net Profit	150	165	176	249	239	45	361	483	365	400
Net Margin	26.3%	26.8%	17.9%	22.2%	21.1%	4.4%	31.0%	39.5%	27.6%	27.5%
Free Cash Flow	286	297	470	610	621	499	659	656	720	790
Income Tax	---	---	(10)	---	---	---	---	---	---	---

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	4,183	4,489	11146	10945	11132	10937	10790	10,860	12,430	12.390
Cash & Equivalents	37	13	45	45	113	376	93	66	85	56
Accounts Receivable	78	85	114	126	143	126	131	160	173	193
Goodwill & Int. Ass.	105	119	811	701	550	363	380	365	450	397
Total Liabilities	2,100	1,864	4,413	4,494	4,842	4,879	4,683	4,682	5,235	5,492
Accounts Payable	165	139	234	225	214	302	322	317	359	392
Long-Term Debt	1,864	1,642	3,595	3,715	3,920	3,923	3,719	3,727	4,154	4,409
Shareholder's Equity	1,729	2,266	6,692	6,398	6,213	5,985	6,037	6,097	6,808	6,499
LTD/E Ratio	0.91	0.63	0.54	0.58	0.63	0.66	0.62	0.61	0.59	0.66

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	3.6%	3.8%	2.3%	2.3%	2.2%	0.4%	3.3%	4.5%	3.1%	3.2%
Return on Equity	9.1%	8.3%	3.9%	3.8%	3.8%	0.7%	6.0%	8.0%	5.5%	5.7%
ROIC	3.8%	4.0%	2.4%	2.4%	2.4%	0.4%	3.7%	4.9%	3.4%	3.5%
Shares Out.	94.4	100.9	159.5	169.7	167.5	169.2	170.7	172	176	183
Revenue/Share	6.01	6.07	6.15	6.59	6.75	6.00	6.83	7.13	7.50	7.94
FCF/Share	3.01	2.93	2.94	3.59	3.70	2.95	3.86	3.82	4.08	4.32

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.