

CORPORATE PARTICIPANTS

Jim Taylor, Chief Executive Officer

Brian Finnegan, President, Chief Operating Officer

Steven Gallagher, Chief Financial Officer and Treasurer

Mark Horgan, Executive Vice President and Chief Investment Officer

Stacy Slater, Senior Vice President, Investor Relations and Capital Markets

PRESENTATION

Stacy Slater

Thank you Operator and thank you all for joining Brixmor's first quarter conference call. With me on the call today are Jim Taylor, Chief Executive Officer; Brian Finnegan, President and Chief Operating Officer; and Steve Gallagher, Executive Vice President and Chief Financial Officer. Mark Horgan, Executive Vice President and Chief Investment Officer, will also be available for Q&A. Before we begin, let me remind everyone that some of our comments today may contain forward-looking statements that are based on certain assumptions and are subject to inherent risks and uncertainties, as described in our SEC filings, and actual future results may differ materially. We assume no obligation to update any forward-looking statements. Also, we will refer today to certain non-GAAP financial measures. Further information regarding our use of these measures and reconciliations of these measures to our GAAP results are available in the earnings release and supplemental disclosure on the investor relations portion of our website. Given the number of participants on the call, we kindly ask that you limit your questions to one per person. If you have additional questions, please re-queue. At this time, it's my pleasure to introduce Jim Taylor.

Jim Taylor

Thanks Stacy and good morning everyone! The unique strength and durability of our all weather, value-added plan truly came through again this quarter, positioning us for continued outperformance, particularly in the face of looming tariff uncertainty and the increased potential for an economic slowdown. Consider for a moment how:

- We continued to generate robust new and renewal activity and leasing spreads, which Brian will cover in more detail, demonstrating not only the tenant demand to be in our well located centers, but also the importance of our low rent basis.
- We capitalized on recent tenant disruption to bring in better tenants at better rents, driving growth in our in-legal pipeline. In fact, we are now at lease or LOI on over two-thirds of the recently recaptured bankruptcy space at phenomenal spreads.
- We continued to capture outsized share of new store openings in our core categories of grocery, specialty grocery, quick serve restaurants, and value apparel retailers with vibrant tenants that are growing and outperforming even in this environment.
- On a real time basis, our centers continued to drive compelling year-over-year traffic growth, reflecting the transformative impact of our reinvestment, and importantly, the strength of underlying tenant performance, and;
- We continued to deliver our reinvestment projects on time and on budget, at very compelling returns, while also backfilling our active pre-leased pipeline with exciting grocery projects that will completely transform the centers impacted.

Importantly, as we look ahead into 2025 and 2026, we remain very confident in our ability to continue to outperform.

- Consider the forward visibility on growth provided by our SNO pipeline, which remained at \$60 million, or 6% of total in place ABR, despite commencing \$14 million of new ABR in the quarter. This stacking of commenced rents, which Steve will address in more detail, combined with the level of our SNO pipeline, provides significant growth momentum through 2025 and into 2026, and, as I mentioned before, our robust in-legal lease pipeline provides even further visibility on growth into 2026 and beyond.
- Consider the virtual lack of new supply of open-air retail in our markets, which continues to help us drive growth and improvement in intrinsic terms with our tenants, and;
- Finally consider the strength, resiliency, diversification, and credit profile of our key tenants.

We also expect that this volatility in the capital markets may present some interesting growth opportunities for well capitalized, market leading platforms such as Brixmor. As Steve will cover in a minute, we have kept our powder dry, reduced leverage in the quarter to 5.5x debt to EBITDA, and have over \$1.3 billion in revolver capacity and cash on hand, with no maturities until June of 2026. In sum, I truly like how well we are positioned to deliver despite an increasingly volatile landscape, one which we think will bring some compelling and exciting opportunities. With that, I'll turn the call over to Brian and then Steve for a more detailed discussion of our results. Brian?

Brian Finnegan

Thanks Jim and good morning everyone. Our team is off to a great start in 2025, quickly addressing recently recaptured space and adding to our pipeline with tenants that continue to thrive in this environment, while capitalizing on the embedded mark-to-market opportunity that remains a trademark of the Brixmor portfolio.

During the quarter, our team executed on 1.3 million square feet of new and renewal leases at a blended cash spread of 21.0%, with spreads on new leases at 48% and renewals staying strong at 14%. The activity during the quarter included backfills of recently recaptured Big Lots boxes with the likes of Ross Dress for Less and Burlington stores, putting our resolved Big Lots locations at 75% of our total exposure at the time of the filing at spreads of more than 50%. The recapture of the remaining Big Lots and Party City boxes during the quarter resulted in a decline in occupancy to 94.1%, and while we do expect additional occupancy pressure in the second quarter as we recapture additional space from JoAnn, as Jim noted, we're well on our way to addressing these boxes as well with better tenants at higher rents.

We also continued to add best-in-class grocers to the portfolio during the quarter kicking off redevelopments in Broward County, FL and Westchester County, NY with Publix and Sprouts respectively, bringing our in-process reinvestment pipeline to \$391 million at a weighted average 10% return, with

several years of compelling opportunities still in front of us. In addition, our team stabilized \$28 million of reinvestment projects during the quarter, including the opening of the company's first new BJ's Wholesale Club location in suburban Tampa.

We remain encouraged by the depth of demand of categories, led by grocery and off-price apparel, within our new leasing pipeline, which at the end of the quarter was up 30% in GLA over the same period last year and currently sits at the highest level in nearly two years, at rents that are 43% above our in-place rent of \$17.94 per square foot. The traffic generating, well-capitalized retailers that continue to grow with us are joining a defensive portfolio, with the strongest underlying credit profile we have ever had. As Jim noted, we're well positioned to navigate whatever potential disruption that may be a result of the recent volatility. Time and again, our team has proven that disruption creates opportunity which can be seen in nearly every observable metric. We're grateful to the Brixmor team for their continued focus, and for their work in continuing the transformation of our portfolio. With that, I'll hand the call over to Steve for a more detailed review of our financial results as well as guidance, Steve?

Steve Gallagher

Thanks Brian. I'm pleased to report on a strong start to 2025. As we have discussed on prior calls, the size of our signed but not commenced pool over the last few years and the resulting stacking of rent commencements provides visibility into growth as we navigate through recent bankruptcies and changes in economic policy, and when combined with our pre-leased reinvestment pipeline, which is self-funded on a leverage neutral basis with free cash flow, we are well-positioned to continue executing on our value-added business plan.

NAREIT FFO was \$0.56 per share in the first quarter, driven by same property NOI growth of 2.8% despite a 160 basis point drag from tenant disruption. Base rent growth contributed 410 basis points to same property NOI growth, as the impact of the \$63 million of ABR we commenced in 2024 far exceeded the 175 basis point drop in billed occupancy year-over-year related to recent bankruptcies. As previewed on last quarter's call, revenues deemed uncollectible detracted from same property NOI growth due to a difficult comparison as a result of the timing of annual real estate tax reconciliations collected from cash basis tenants in the prior year.

As Brian noted, we continue to see strong demand from retailers to locate in our centers and have made substantial progress in leasing space recaptured in bankruptcy. As such, we ended the first quarter with a 410 basis points spread between leased and billed occupancy and our signed but not yet commenced pool totaled \$60 million, which includes \$52 million of net new rent. We expect to commence \$48 million or 79% of this ABR ratably through the remainder of 2025.

From a balance sheet perspective, we utilized existing cash on hand and proceeds from \$400 million in bonds issued in March at 5.20% to repay the remaining \$630 million of our February bond maturity. At March 31, we had \$1.4 billion of available liquidity, no remaining debt maturities until June 2026, and our debt to EBITDA was 5.5x, providing us flexibility as we execute on our business plan. Subsequent to quarter-end, with the strong support of our bank group, we amended our \$1.75 billion unsecured credit facilities, improving pricing and extending the maturities.

In terms of our forward outlook, we have affirmed our same property NOI growth guidance of 3.50% to 4.50% and our FFO guidance of \$2.19 to \$2.24. We still expect revenues deemed uncollectible in 2025 within our historical run rate of 75 to 110 basis points of total revenues. We expect base rent to accelerate into the second half of the year as we commence rent from the SNO pipeline. The vast majority of our 2025 forecasted ABR is executed, and leasing efforts during the remainder of the year will, as normal, mainly contribute to 2026 and 2027 commencements.

To reiterate Jim and Brian remarks, our portfolio today is well positioned to grow through the disruption that has significantly decreased our exposure to watch list tenancy, while improving our centers with better tenants at better rents. And with that I turn the call over to the operator for Q&A.

QUESTION AND ANSWER

Todd Thomas – KeyBanc

I wanted to ask about the sequential decrease in the portfolio's leased rate and the bankrupt tenants, appreciate some of the commentary in your remarks, but curious, was there any exposure to Big Lots or Party City at quarter-end? And then, in terms of JOANN, are you expecting that space to fully vacate during the quarter? And maybe you can tie all of that year-to-date activity into the 100 basis points you assumed in guidance for lease rejections that you had visibility into and also the 100 basis points that you assumed for potential outcomes related to other bankrupt tenants?

Brian Finnegan

Todd, why don't I take the first part relative to the occupancy decline. We had 140 basis points of bankruptcy impact in the quarter. So, said differently, without the bankruptcies, we would have grown occupancy sequentially. That was primarily the Big Lots and Party City spaces coming off. We're expecting to get the JOANN boxes back here in May, and as Jim mentioned, and we talked about in our opening remarks, we're really pleased with the level of the backfills that we've had thus far. We've addressed roughly 75% of that Big Lots space at spreads of over 50%, users in the specialty grocery, off-price apparel, fitness, wellness segments. We're seeing great traction on the Party City and the JOANN spaces as well, but the occupancy decline was expected, and with the leasing activity that we had during the quarter, we're really able to offset a big chunk of it. Steve, do you want to take the guidance piece?

Steve Gallagher

On the guidance, Todd, I think generally the bankruptcy activity has played out as we expected when we released guidance a couple of months ago. We feel like we have additional capacity within our guidance range to absorb additional tenant disruption. And Brian and team, as he mentioned, continues to backfill spaces to try to get them opened as soon as possible later in the year. So, again, I think we're well-positioned within our existing guidance range.

Jim Taylor

And I'd just add, given the supply-demand backdrop, we're getting the space back at a very opportune time. Our tenants continue to demand to be in our centers and we're driving great outcomes in terms of that existing rent basis versus where we're signing the new tenants.

Samir Khanal – Bank of America

When I hear you talk kind of in the opening remarks, there's a lot of good visibility that you have towards growth here even for the balance of the year. I look at same-store, I know it was 2.8% in 1Q, but there's a lot of good growth baked into the second half or even kind of into next quarter. Kind of walk us

through that growth and help us think through any risks there may be not to hit kind of your midpoint. I mean, you're looking at achieving about 4.5%, I think, for the next three quarters to get to kind of your midpoint. So, is there any risk, maybe rent commencements pushing to next year? So, help us walk through kind of the balance of the year in terms of growth.

Jim Taylor

What we highlight, Samir, is the great visibility we have with that signed but not commenced pipeline, which really it's contractual. It'll be coming in, as Steve outlined, in terms of the balance of the year, and on top of that, we've got a great in-legal and leasing pipeline, where we may be able to get some of those rents commenced in 2025 as well, but really, we're talking about growth in 2026 and beyond. So, it is part of that all-weather business plan we've often talked about, that capitalizing on the low rent basis, bringing in better tenants at better rents, getting those leases signed, getting them in occupancy, is really giving us tremendous visibility on growth through what may be a more volatile period.

Craig Mailman – Citigroup

It sounds like things are actually humming along pretty well. I think you guys are one of the few to not utter the word tariff in your prepared remarks and the first couple of questions here. So, I'm just kind of curious maybe how the leasing discussions and activity has trended post April 2. And maybe from a tenant conversation, are there concerns just about supply chain disruptions and inventory levels and things of that nature that could put more pressure on tenants as the years progress?

Jim Taylor

I think tariffs are a concern for everybody, as is regulatory uncertainty. I think our tenants in particular, given their focus on the grocery and value segment, are very well-positioned, their balance sheets are in good shape, and Brian can comment on our discussions, but we remain encouraged by their growth plans.

Brian Finnegan

We're really encouraged by the tenor of the leasing discussions that we're having with our tenants. You look at what we signed thus far in April, it's ahead of where we were in April last year. Our new lease deal flow into committee is ahead of where it was in April last year. You look at our lineup and our meetings at ICSC, if you were to come to our booth, you'd see tenants who we continue to grow with that are focused on their new store plans for 2026, 2027 and really beyond, and a lot of new tenants that are coming to join the portfolio because of all the reinvestments that we've made, so we remain very encouraged.

To the extent that the tariffs are implemented the way they were announced, there are certainly some retailers that could be more negatively impacted than others, but to Jim's point, we really like how we're positioned. You think of the strong grocery anchor exposure that we have, the heavy concentration in off-price, the high-quality service and fitness users that we have in the portfolio, and as Steve mentioned, the best underlying credit profile that we've ever had. So, it's something we're watching very closely. We're encouraged by the discussions that we're having with our tenants, but again, feel like we're really well-positioned.

Alexander Goldfarb – Piper Sandler

Just going back to this year, just wrapping it together, the occupancy in the same-store, if we just look at FFO, what we should expect? Sounds like 2Q may be a little bit weaker than or flat to first quarter, but the back half of this year should show pretty strong ramp because nothing in your commentary has suggested there is incremental or unknown bankruptcies that you didn't originally forecast. Sounds like leasing is going okay. There are no delays in the SNO opening. So, again, sounds like 2Q may be sort of flat or so with first quarter, maybe down a touch, but then back half of the year is up. Is that a fair way to think about the cadence of FFO for this year?

Jim Taylor

I think so Alex. We don't provide, as you know, quarterly guidance, but I think you're on the key drivers in terms of the timing of that signed but not commenced, and we think we've got appropriate conservatism baked in our outlook and our guidance, but most of that growth is going to be coming in in the second half.

Steve Gallagher

Yeah, and I think we've talked about on the previous calls, just remember, there is sort of a seasonality to things like percent rent and the timing of cash basis collection that more heavily weights our FFO to the first half of the year than the second half of the year, but outside of that, I think you're dead-on with the trajectory of the SNO pipeline and same property NOI.

Greg McGinniss – Scotiabank

I was hoping we could talk about some of those potentially interesting growth opportunities into year-end. One, curious what the transaction market looks like today, how that's changed in April, and then what you expect to be driving those compelling opportunities to come to market later this year.

Jim Taylor

I think it's a couple of things. First I'd point to tenant disruption creates opportunity, particularly for integrated platforms like ours, to capture outsized share of tenants who are growing in this environment, and it allows us to look through occupancy and vacancy as opportunities as we think about it. As I've mentioned on the last couple of calls, we remain encouraged by the breadth of products that's coming to market, and Mark, maybe you can give some additional commentary in terms of what we're seeing real-time.

Mark Horgan

Post the April 2 announcements, we've certainly seen the market slow a bit, as buyers and sellers review the current volatility. That's very similar to any other time we've seen volatility hit a market. With that said, over the last week or so, we've certainly seen some deals price and they priced generally pretty well. With that also said, there are certainly deals that are waiting through this whole period of volatility to see where the market kind of plays out. So, as Jim mentioned, we do think that pipeline will build and that a platform like Brixmor, which has significant liquidity, should be able to take advantage of some opportunities here as we get into the latter half of the year.

The other thing I would say real-time in the market, we continue to see very small deals price very well. As we had in the press release, we had a couple of deals closed post-quarter, and if you take all the liquidity we've raised year-to-date, which is about \$41 million, that cap rate is about a 5%. So, we're certainly continuing to pull well-priced capital out of this portfolio that we're going to reinvest into some higher yielding opportunities with further growth. So, we're excited about what we're going to see, but certainly, there is some slowness in the market real-time.

Michael Griffin – Evercore ISI

I think you mentioned in your prepared remarks kind of the reason to leave the bad debt assumption unchanged is the additional capacity to absorb potential disruption. Should we read into this that you're just keeping it on the conservative side, given the uncertainty out there, or has there been an incremental change in tenants that might be coming on to the watchlist?

Steve Gallagher

I think on the guidance, it was generally an in-line quarter. When you think about, like I mentioned earlier on bankruptcy, but also on the bad debt, I think obviously with the uncertainty around tariffs that Brian talked about and how that's going to impact some of our tenancy, we think it's appropriate to hold that guidance level where it is. And I think Brian can hit on the watchlist.

Brian Finnegan

From a watchlist perspective, I think the one benefit of this disruption at the beginning of the year is that the watchlist is down considerably. There are still tenants that we're watching in the drugstore space. We've got a very low exposure there, very low exposure to theaters. So, from that perspective, we feel really good about where we sit from an underlying tenancy. There's always a pocket of tenants that we are cautious with and that we're keeping a close eye on, but as Steve talked about, we feel like we're in a really good position, really the best position that we've ever been in from a credit profile perspective.

Floris van Dijkum – Compass Point

I had a question on your redevelopment pipeline, \$391 million. I think you still have around 40% of your portfolio that still hasn't been touched yet, so there's more to come as well. There are three bigger projects in that pipeline, and maybe if you can touch on each of those. The returns maybe are a little bit, a touch below the average for the whole redevelopments, but maybe talk about the importance of Davis, Block 59, and Preston, if you could.

Jim Taylor

They're all great projects. Importantly, they're pre-leased and they're assets that would trade at very compelling cap rates, so we believe we're creating substantial value. We're very pleased with the progress that we've made in terms of getting those assets in a position to open on time and on budget and with very compelling tenants. And it's really part of the opportunities that we create as we move forward, capitalizing on that low rent basis and finding opportunities where we know there is substantial tenant demand to be at a particular location and we can execute our leasing strategy around it.

Brian Finnegan

I would just add, we're thrilled with the progress that our teams are making on those projects for us. We just opened Shake Shack in Naperville. As Jim pointed out, we're on time and on budget to open some great operators there later this summer. Davis will be opening up our Nordstrom Rack in May, opening up our Ulta around the same time. We've got great QSR operators to join a fantastic Trader Joe's in that market across the street from UC Davis. It's just a fantastic piece of real estate. And the team's done a great job at Plano as well. We opened our first Kohler showroom location last year, we were thrilled about another new tenant to the portfolio. So, while those projects are larger in scope, to your point, they're very consistent in terms of what we've done in the sense of being pre-leased, good visibility on the construction costs, and our team's execution has been fantastic. So we're really excited about them and everything else we have in the pipeline as well.

Jim Taylor

And to state the obvious, a lot of this tenant disruption is creating some of that future pipeline in terms of being able to bring in more compelling retailers that really serve the community and drive us towards our purpose of creating and owning centers that are the center of the community they serve.

Caitlin Burrows – Goldman Sachs

Maybe just following up on the redevelopment topic, so considering possible tariffs and the materials you use and how you source, how do you think Brixmor could be impacted as it relates to tenant improvements and redevelopment costs and how sustainable the yields are?

Jim Taylor

It is an important issue as you look forward, and again, we don't commit substantial capital until we are pre-leased and we have the capital or the construction costs nailed down through a contract. As we look forward and you think about the things like the impact tariffs will have on costs, it'll drive us to continue to push rents to make sure that we're getting to accretive returns, otherwise we won't proceed. But with that said, I'm very encouraged by the breadth of opportunity that we have and the types of rents tenants are willing to pay to be in these projects.

Haendel St. Juste – Mizuho

Appreciate all the color on the expected spreads on the backfill of the former Party City, Big Lots, and JOANN boxes, but I'm curious if you could shed any light perhaps on the expected capital spend there to re-tenant the space, and are there any plans to subdivide any of the boxes?

Brian Finnegan

Similar to what we saw in Bed Bath, primary users for these boxes have been single tenant users. We've been able to keep costs in line. They're in line with where we've been backfilling those spaces, I'd say on average around that \$50 a square foot range. One of the things we've been tracking is our payback periods in terms of how we're ultimately getting paid back for those construction costs. They were at a seven-year low last year, and our team continues to do a fantastic job, not only keeping costs in line, but as Jim alluded to, as he was just mentioning relative to redevelopment, when costs do pick up, getting more rent for those spaces. So, we've been encouraged by what we're seeing. When we do have opportunities to split the space, we're getting paid for those as well in higher rents, but overall they've been primarily single tenant backfills, and I'm pleased with how our team is overall keeping costs in line, as well as the tenants that we've been able to bring in for those boxes.

Jim Taylor

And those boxes are right in the bull's eye of demand from a size perspective, so it's been great capitalizing on that.

Brian Finnegan

And one thing I would just add to, and you can really see it at the auctions, is retailers have gotten really, really good at being able to utilize existing conditions and open quickly. So, that's another benefit too of what's happened over the past few years is that utilization of existing conditions, where the loading dock is, where the façade is, keeping the bathrooms where they are, has not only kept costs down, but has enabled us to get tenants in and get them open faster.

Ki Bin Kim – Truist

Just want to go back to the prior topic about tenant behavior pre- and post-tariff news, and you mentioned that the leasing volume in April is ahead of last year, but if you isolate it for just new leasing volume, would that still be the case? And then second question, you had a higher lease termination fee than we thought, if you can provide any color on that.

Brian Finnegan

Yeah, it was new leases that I was referring to relative to what's been executed and what's been coming into committee thus far in April, so we remain very encouraged. We're encouraged with the overall tenor of the discussions, as well as those conversations heading into ICSC. Look, term fees are a part of our business. We're going to be opportunistic with those when we have the ability to backfill the space or when there's a reinvestment opportunity. We had a few of those during the quarter. It had a negligible impact to occupancy, as the majority of those spaces already had leases on them. I think it was less than 5 basis points, so we're going to be continue to be opportunistic when we see those opportunities, and we expect to maybe have a few of them here in the normal course, but it's something that comes up in our business.

Linda Tsai – Jefferies

Your FY 2025 same-store screens towards the high-end of the peer set, and given notably lower basis rents, is your expectation that your same-store growth maybe a year out can stay above the peer set amidst market disruption?

Jim Taylor

Without giving guidance, one of the great things about our business plan and our execution is the forward visibility it provides. You look at that signed but not commenced pipeline, the fact that we commenced \$13 million to \$14 million of ABR in the quarter and it stayed at \$60 million, that stacking of rents as we deliver \$14 million, \$15 million, \$16 million of ABR a quarter get the full benefit of it in the following year, while at the same time maintaining that forward signed but not commenced pipeline. In addition to what we see in the legal pipeline, it gives us tremendous visibility on our continued outperformance, and I think you mentioned the low rent basis certainly helps, but it's that activity that we've basically gotten contractually committed to come into our portfolio that gives us confidence in our ability to continue to grow.

Paulina Rojas Schmidt – Green Street

Given the ongoing developments not only around tariffs, but also on immigration restrictions, which tenant categories do you see as most vulnerable to long-term margin pressure?

Brian Finnegan

It's something that we've been watching closely. We haven't seen an impact in terms of leasing decisions relative to our tenants from an immigration standpoint. We've been tracking the traffic at our specialty grocers versus our traditional grocers. We haven't seen any real shift there or any trends to be concerned about. Of the restaurant leases that we signed during the quarter, we had a 55% uptick in rent for comparable leases. So, we're really pleased with what we're seeing in that space, but that's something that we're watching there too just overall from a restaurant standpoint. I would say though that restaurant exposure, two-thirds of them are national and regional tenants. We've got strong credit profiles, and with the underwriting standards that Steve and team have put in place here, we have really good visibility on those opportunities. I'd say that's one category we're watching as it relates to it, but really haven't seen any shift in terms of the tenor of the discussions or any impact of real estate decisions.

Jim Taylor

Which is encouraging, and certainly, as we look forward, we're well aware and mindful of the policy uncertainty and what that might do to the consumer, what it might do from an economic slowdown perspective, and as we all know, that can be pretty broad-based. But what we particularly like is how well

we're positioned, as Steve talked about, from a credit profile, but also from the nature of our key tenants, whether it's in grocery, specialty grocery, off-price apparel. These are retailers that are well-capitalized, but importantly do well through cycles, and I'm really proud of how our all-weather business has continued to hold up. It outperformed coming into and coming out of the pandemic, and we think it will be well-positioned to outperform whatever may come from an economic standpoint.

Hong Zhang – JP Morgan

Circling back to lease term income, I guess out of curiosity, do you expect a more normalized level of lease term income for the rest of the year?

Steve Gallagher

Just if you think about the one we had in the quarter, obviously, being signed in the quarter, releasing guidance seven or eight weeks ago, that was fully known to us at that time, and then, I think as Brian said, as we move throughout the year, these are things that come up in the normal course and visibility upon them will come based on not only the demand to backfill that space, but also the tenant credit in that lease as well.

Hong Zhang – JP Morgan

On G&A, I think you talked last quarter about a couple pennies of G&A savings throughout this year, I'm curious if that's still expected.

Jim Taylor

We do continue to expect to see the benefits of that regional realignment.

Juan Sanabria – BMO

Could you provide a little bit more color on JOANN and what we should expect on the impact to occupancy or anything else into the second quarter? I think the first assignments are out. So, just any color on what we know today or how we should be thinking about the range of outcomes from an occupancy perspective, I think, would be helpful.

Brian Finnegan

Our JOANN exposure was down two stores from last quarter. That was basically two natural expirations that were already leased, one to Ross and another to The Paper Store. We're expecting to have the remaining 17 boxes back to us in May. We're really pleased with the activity out of the gate. We're roughly resolved on two-thirds at lease or LOI at compelling rent spreads in the 30% to 40% range. I think what we've seen here is what our team's been able to demonstrate over time is that this disruption creates a great opportunity for us to capitalize on those tenants that are expanding, like the off-price operators, like specialty grocers, like strong fitness operators. So we'll be taking that space back and the impact, we do expect some pressure as it relates to occupancy, the level of which is going to depend on how quickly those actual leases get signed, but out of the gate we're really pleased with the progress.

Alexander Goldfarb – Piper Sandler

Just a question on tariffs overall, from your tenants, is there any sense of what they think the ultimate price impact on the goods that they sell will be? I know the policy keeps shifting almost daily, but is there a sense of what the retailers are expecting on impact and how they've adjusted their sourcing to perhaps mitigate this?

Jim Taylor

I think the best retailers have been in tariff environments before, have shown resiliency in terms of sourcing, and are working quite assiduously to get the product into the stores at the right kind of price. In terms of specific impacts based on retailers, I don't think that's truly known yet. So, I think what you're finding is retailers are accelerating some purchases ahead of the holidays and ahead of tariffs. They're doing other strategies to position themselves to thrive and compete in this environment. The off-price retailers particularly like this type of inventory disruption, because it's their bread and butter. It's how they really drive value as they capture inventory and product from full-price retailers. So, each retailer is looking at it a little bit differently, but I don't think it's known yet, how much is going to be absorbed by the supplier, how much is going to be absorbed by the retailer, and then ultimately what's going to be passed on to the consumer. What I find most encouraging in this environment is despite all of that uncertainty, we continue to see retailers who are growing, committing to future locations where they know they can be profitable or they know their customer is and where they can serve that customer, through a model that's the most efficient. We were talking years ago about e-commerce displacing our core retailers. I think those retailers have proven the stores work, they're a healthy and profitable channel, and if we do see some inflation, I think the efficiency of the store is going to be all that much more important.

James Feldman – Wells Fargo

As you guys think about your guidance or just speak internally, I mean, what do you view as the worst case and how is that baked into your numbers in terms of tariffs, specifically the impact on retail sales or leasing spreads? Or does it actually just not even matter for 2025 and it becomes a 2026 event by the time everything kind of flows through the system? Just curious if you can provide more color just on your forecasting and how you think about it.

Jim Taylor

I think for us, it would be a second order impact, and ultimately, you'd see it, and we think we have appropriate provision for this, in additional retailer disruption. But again, our retailers are focused on those segments that are economically resilient, that can handle downturns, and we like how the portfolio is positioned overall against a wide range of potential outcomes. To your other part of the question, 2025 and 2026 do provide us tremendous visibility given that signed but not commenced pipeline with great tenants with great balance sheets that are committed to getting those stores opened. And again, these tenants today, as we're looking at that growing legal leasing pipeline, are really making decisions for 2026 and 2027.

Caitlin Burrows – Goldman Sachs

A follow-up question on the guidance piece, wondering if you could give any details or specifics, at this point in the year, what you think could put you ending up at the high-end of the range versus the low-end of the range on FFO?

Steve Gallagher

I think it's similar to other years, the high-end of the range is really where we're focused is getting those tenants that we have in that signed but not commenced pool open as soon as possible. Obviously, bad debt and the revenues deemed uncollectible line, to the extent we perform to the lower end of that range, will obviously push us to the higher end of the range. And then ultimately, I think it's exactly what Jim just said, it's going to be the impact of tenant disruption and the magnitude and timing of any additional disruption that we see.

Ki Bin Kim – Truist

I have just a broad question, so for your tenants that are perhaps more impacted by tariffs, who are bringing goods from overseas, do you have kind of a general view on how much pre-tariff inventory they have and how many months does that last?

Brian Finnegan

I mean, that's not really come up in the leasing discussion. I think to Jim's point, several retailers were prepared for some type of tariff impact. I think the announcement was more than a lot of folks were expecting, but they had identified alternative sourcing opportunities. They were prepared at some point from an inventory perspective as well, but it really remains to be seen in terms of what the total impact is. What we're encouraged by is what we continue to see real-time in terms of the traffic to our centers, the performance of our existing tenants, the renewal conversations that we're having that are coming through in our spreads, and the new tenants that we continue to add to the portfolio and continue to add to the new leasing pipeline, so there certainly will be some tenants that are more impacted than others. We feel as though our best retailers have really done a great job of preparing for the impact, but really remains to be seen, but overall we like how we're positioned to be able to navigate it.

James Feldman – Wells Fargo

I was hoping you can just talk more about the transaction market, given higher uncertainty out there. Have you seen the number of buyers or sellers change recently, foreign versus domestic, and then any changes to underwriting assumptions you're seeing out there in terms of leasing spreads, occupancy? And does it cause you to get more or less aggressive on your investment plans?

Mark Horgan

What I would say is, at Brixmor, when we think about finding deals, we look for ones that have high conviction where we can drive strong returns through our platform and that resonates with well below market rent, vacancies and redevelopment opportunities. It's one of the reasons why you didn't see us put capital out in Q1. It's always going to be really lumpy as we try to find the right deal to put on our platform. With respect to the impact that you're asking about, it's been a couple of weeks. As I mentioned earlier, you're certainly seeing a slowing market, but what I would say is that there has been very, very strong demand from a variety of capital sources to be in open-air retail. Q1 was particularly strong from a demand perspective. We haven't necessarily seen capital pull back and say they're out of the market. We've seen people more say, hey, this is going to take a couple of weeks longer to figure out as we work through the volatility.

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