

WEEKLY NEWSLETTER



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Public Storage Reports Q4 2025 Results

- Public Storage was the first self-storage REIT to report Q4 2025 earnings, with net income per share down 19% to \$2.60 and Core Funds from Operations per share up 1.2% to \$4.26.
- Same-store revenue declined 0.2% and same-store NOI fell 1.5%, though quarter-end occupancy improved 0.5% year-over-year, the first increase in more than four years.
- The company also introduced PS4.0, a new strategic phase focused on its digital operating platform, AI-driven revenue management, accelerated acquisitions, leadership transitions, and relocating its headquarters to Frisco, Texas.

U.S. Job Growth Surges in January, Beating Expectations

- Employers added 130,000 jobs in January, more than double economist expectations of approximately 55,000.
- The unemployment rate declined to 4.3%, below the 4.4% projected by economists.
- Job gains occurred in health care, social assistance, and construction, while federal government and financial activities lost jobs.

Our Thoughts

- Public Storage's earnings remain under pressure, but steady operating cash flow and improving occupancy are encouraging signs for investors. Results from the remaining public REITs later this month will clarify whether the sector is showing similar trends.
- Healthy job growth supports steady income levels and reduces demand volatility for storage owners. For investors, this provides greater confidence in cash flow durability and lowers near-term downside risk.