AI in leasing: A landlord's report & a ghost story

Seven years ago, I wrote an article for CREJ about the technology beginning to reshape our business: foot-traffic analytics, review monitoring, portfolio management software. What strikes me rereading it today isn't what I got wrong – it's how fast "emerging" became "expected." Nearly every tool on that list is now "table stakes." The interesting question in 2026 is no longer who has the data. Everyone does. The question now is who's putting artificial intelligence to work on it.

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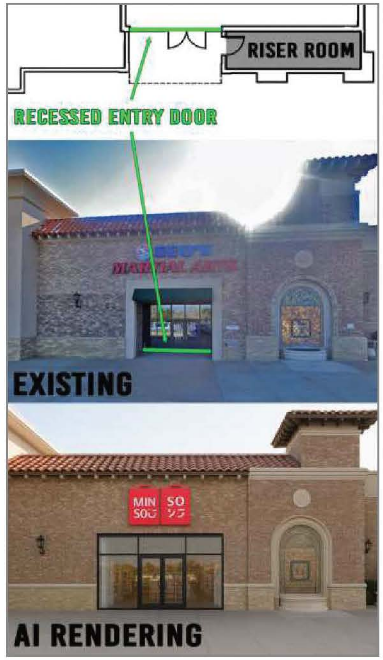
The industry is certainly trying. Most of us started with a party trick, not a strategy. Who among us hasn't popped a lease agreement into ChatGPT and asked it who's on the hook for HVAC replacement? That's the gateway drug. The hard part comes next: JLL's 2025 technology survey found 88% of owners and investors piloting AI, yet only 5% report achieving their goals. To borrow a favorite phrase from our CEO, Sandy Sigal: "AI gets you 70% of the way, and the last 30% is hard." Everyone is experimenting; almost no one has scaled; the advantage belongs to operators who aim AI at narrow, specific problems.

In our leasing department, AI now produces tenant target lists from multiple data sources that we check against our team's instincts. Occasionally it embarrasses us. A fashion tenant had said "no" to one of our shopping centers in California several times, but our AI recommended pursuing it anyway. It helped build the pitch, the outreach plan, and eventually the tenant agreed and signed a lease. In turn, potential tenants are also pointing the same tools back at us during negotiations. Site-selection platforms like GrowthFactor and retail sales data providers like CenterCheck let expanding retailers model their projected performance at your center before they return your call.

Historically, however, our business is anchored in relationships, and few have ever been moved by a stat sheet alone. What drives us is deal making. So let me tell you one – a true story about a friend of mine who exorcised a haunted storefront with an AI image generator and half a cup of coffee.

■ **The ghost in the storefront.** Gavin Gray awoke in the middle of the night, sweating. The most tenured leasing rep in the Colorado market for Brixmor Property Group had plenty to feel good about – just a year earlier he had closed a famously difficult Trader Joe's deal at the beautifully re-tenanted Westminster City Center – but none of that was keeping him company at 3 a.m. His 6,000-square-foot karate tenant was now several months behind on rent. Another storefront was about to go dark. When he closed his eyes, he saw the long roll call of names that had already come and gone from that space in various forms: CompUSA. Circuit City. Gordman's. Buy Buy Baby. Linens 'N Things. Joann. He had a haunting feeling that this difficult space was making its way back into his deal pipeline.

Leasing pros anticipate issues like this, and Gavin had already been



Pictured: The infamous existing floor plan, elevation, and the actual AI-generated image that put Gavin's Miniso deal in motion.

marketing the space for weeks to one of the hottest new concepts in retail, Miniso. It had rejected the space, however, due to a wonky storefront. The entry sat recessed 6 feet behind the main facade, and Miniso couldn't see past it. Gavin knew the math cold. The likelihood of this type of national tenant taking such a uniquely configured space was low – too low to justify the cost and the weeks it would take to have an architect draw up plans illustrating a potential solution to satisfy one tenant's one-off request. Lying there in the dark, he remembered something. He had been dabbling in Microsoft Copilot's image-generation feature to adjust real estate photos. It was worth a shot. Sunday morning, coffee in hand, he fed it a photo of the storefront and started iterating. A handful of minutes and a couple of revisions later, he had something usable: an image of the front entry built out flush with the brick wall.

He sent it to Miniso's broker without thinking much of it; the total investment in his "Hail Mary" attempt was limited to just few minutes and zero dollars. The response shocked him. The image was provocative enough to do what weeks of conversation hadn't. With a letter of intent in hand, Gavin felt comfortable investing the time and money to produce more detailed plans with a human architect, and the rest is history.

We'll never know the exact numbers, but run any reasonable market math on a signed lease that wasn't going to happen – the rent, the credit, the value of a hot name on the pylon – and that one image a computer generated in minutes on a Sunday morning may have also generated a couple million dollars in value for Brixmor.

That is the pattern in everything above: not machines replacing dealmakers, but a narrow tool aimed at a specific problem by a craftsman who knows the business. The AI drew the picture, but Gavin knew where to start the sketch and who needed to see it. The last 30% and the handshake still belong to us. ▲

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