

PROSPECTUS SUPPLEMENT DATED FEBRUARY 28, 1997

Regency Realty Corporation

1,475,178 Shares
Common Stock

All of the shares of Common Stock offered hereby are being sold directly by Regency Realty Corporation (the "Company") pursuant to the terms of a Stock Purchase Agreement dated as of June 11, 1996, by and among the Company, Security Capital Holdings S.A. and Security Capital U.S. Realty, as amended. The shares are being sold at a price of \$17.625 per share. Substantially all the aggregate proceeds of \$26.0 million will be contributed by the Company to a subsidiary for contribution in turn to a limited partnership that has been formed to acquire substantially all the assets of Branch Properties, L.P. ("Branch"). The partnership will use the funds to repay borrowings encumbering shopping centers being acquired from Branch and to pay transaction costs incurred in connection with the acquisition.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.