MULTI-TENANT | Q2 2026

Northmarq

Office

Commercial Real Estate Debt + Equity | Investment Sales | Loan Servicing | Fund Management

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MULTI-TENANT OFFICE

Market Fundamentals

Q2 2026 Investment Sales Volume	**$16.46B**
Change from Last Quarter (Q1 '26)	**-12.8%**
Change from Last Year (Q2 '25)	**-8.0%**

Q2 2026 Overall Average Cap Rate	**7.50%**
Change from Last Quarter (Q1 '26)	**+3 bps**
Change from Last Year (Q2 '25)	**-1 bp**

Source: Northmarq, Real Capital Analytics; analysis includes sales greater than $2.5M

Overview | Multi-Tenant Office

The multi-tenant office sector recorded nearly $16.5 billion in investment sales during the second quarter, representing a 12.8% decline from the previous quarter and an 8.0% decrease year over year.

The West and Northeast regions led in transaction volume for the quarter, recording $4.5 billion and $4.2 billion in sales and accounting for 23.9% and 22.2% of total volume, respectively. The Southwest followed with $2.9 billion, representing 15.6%, while the Southeast recorded $2.3 billion, or 12.4%. The Midwest and Mid-Atlantic regions rounded out the quarter with $1.4 billion and $1 billion in transactions, accounting for 7.6% and 5.5% of total volume, respectively.

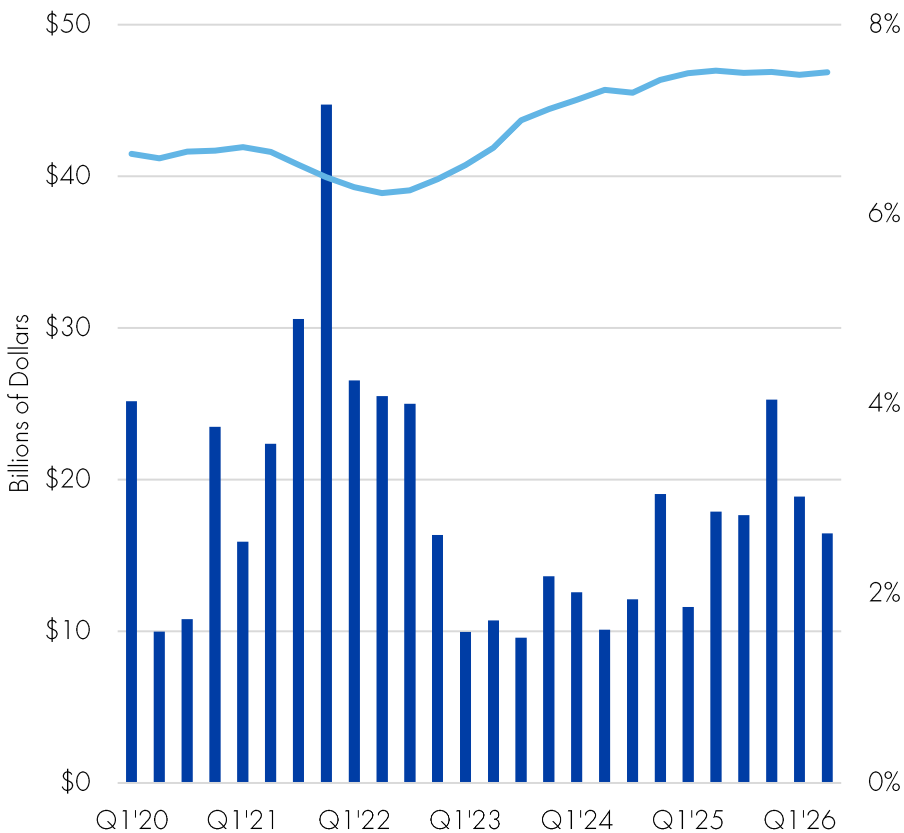
The average cap rate increased by 3 basis points to 7.50%, suggesting that the sharp increases seen in recent years are beginning to plateau, and are currently 1 basis point lower than one year ago.

Private buyers accounted for 52% of multi-tenant office acquisitions through the second quarter of 2026, followed by institutional investors at 23%. The share of institutional acquisitions has been gradually increasing since 2023, while private investment activity has declined by 9% over the same period.

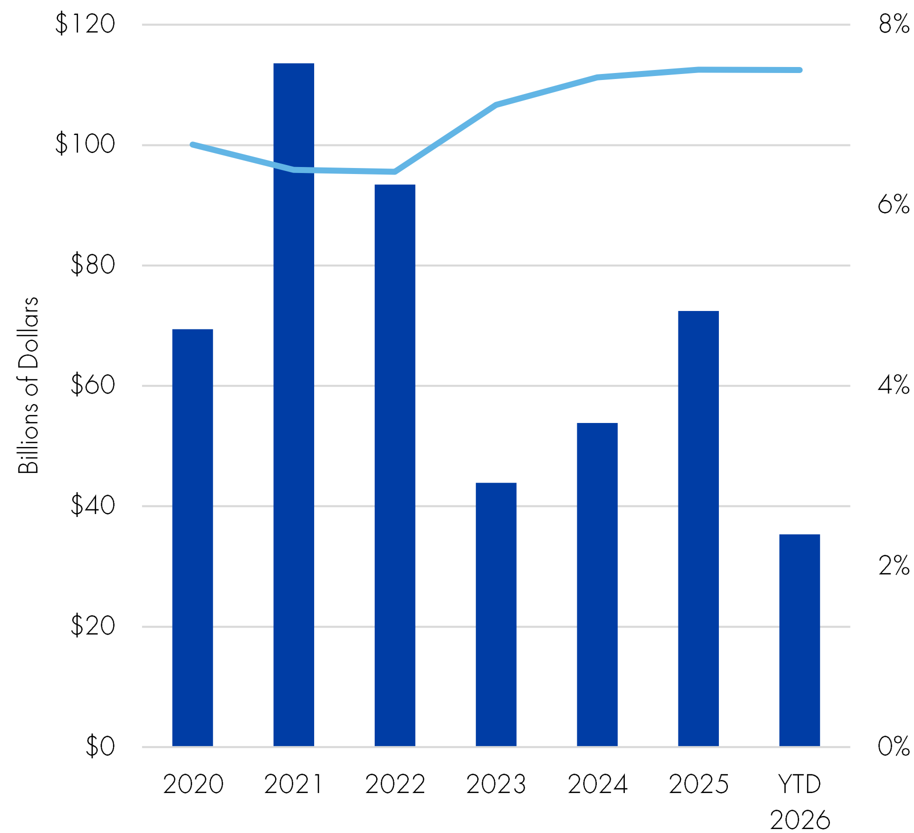
MULTI-TENANT OFFICE

Investment Sales Volume & Average Cap Rates

Quarterly



Annual



Sales Volume (in billions) Average Cap Rate

Source: Northmarq, Real Capital Analytics; analysis includes sales greater than $2.5M

Quarterly & Annual Market Statistics

Investment Sales Volume (in millions)

Quarterly

Type	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Mid-Atlantic	$2,812.60	$1,047.28	$1,820.16	$1,472.50	$1,036.06
Midwest	$955.94	$1,045.25	$1,996.83	$1,158.97	$1,430.24
Northeast	$3,026.26	$4,665.14	$6,621.68	$3,082.40	$4,200.80
Southeast	$2,317.46	$3,018.27	$4,633.17	$4,331.56	$2,337.95
Southwest	$3,627.16	$3,090.91	$2,975.21	$2,972.19	$2,943.91
West	$5,151.13	$4,785.17	$6,498.30	$5,866.01	$4,514.82
Total	**$17,890.56**	**$17,652.03**	**$25,272.20**	**$18,883.63**	**$16,463.78**

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	$8,433.88	$4,765.00	$4,753.05	$6,761.59	$2,508.56
Midwest	$9,936.37	$3,905.27	$5,378.90	$4,932.70	$2,589.21
Northeast	$18,818.20	$9,918.60	$13,352.70	$16,868.06	$7,283.19
Southeast	$17,031.31	$7,624.42	$10,038.54	$12,166.98	$6,669.51
Southwest	$17,848.81	$7,448.23	$8,121.22	$11,450.76	$5,916.10
West	$21,363.07	$10,232.19	$11,936.45	$19,513.06	$10,380.83
Total	**$93,431.64**	**$43,893.71**	**$53,844.74**	**$72,420.01**	**$35,347.41**

Average Cap Rates

Quarterly

Type	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Mid-Atlantic	8.07%	8.23%	7.70%	7.88%	8.07%
Midwest	8.25%	8.35%	8.46%	8.52%	8.50%
Northeast	7.02%	7.01%	7.11%	7.15%	7.02%
Southeast	7.36%	7.29%	7.47%	7.48%	7.60%
Southwest	7.84%	7.57%	7.54%	7.43%	7.33%
West	7.28%	7.27%	7.23%	7.10%	7.22%
Total	**7.51%**	**7.49%**	**7.50%**	**7.47%**	**7.50%**

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	7.06%	7.67%	8.56%	7.70%	8.07%
Midwest	7.41%	8.20%	7.88%	8.46%	8.50%
Northeast	6.21%	6.95%	6.61%	7.11%	7.02%
Southeast	6.55%	7.32%	7.38%	7.47%	7.60%
Southwest	6.44%	7.40%	8.01%	7.54%	7.33%
West	5.59%	6.20%	7.21%	7.23%	7.22%
Total	**6.37%**	**7.11%**	**7.42%**	**7.50%**	**7.50%**

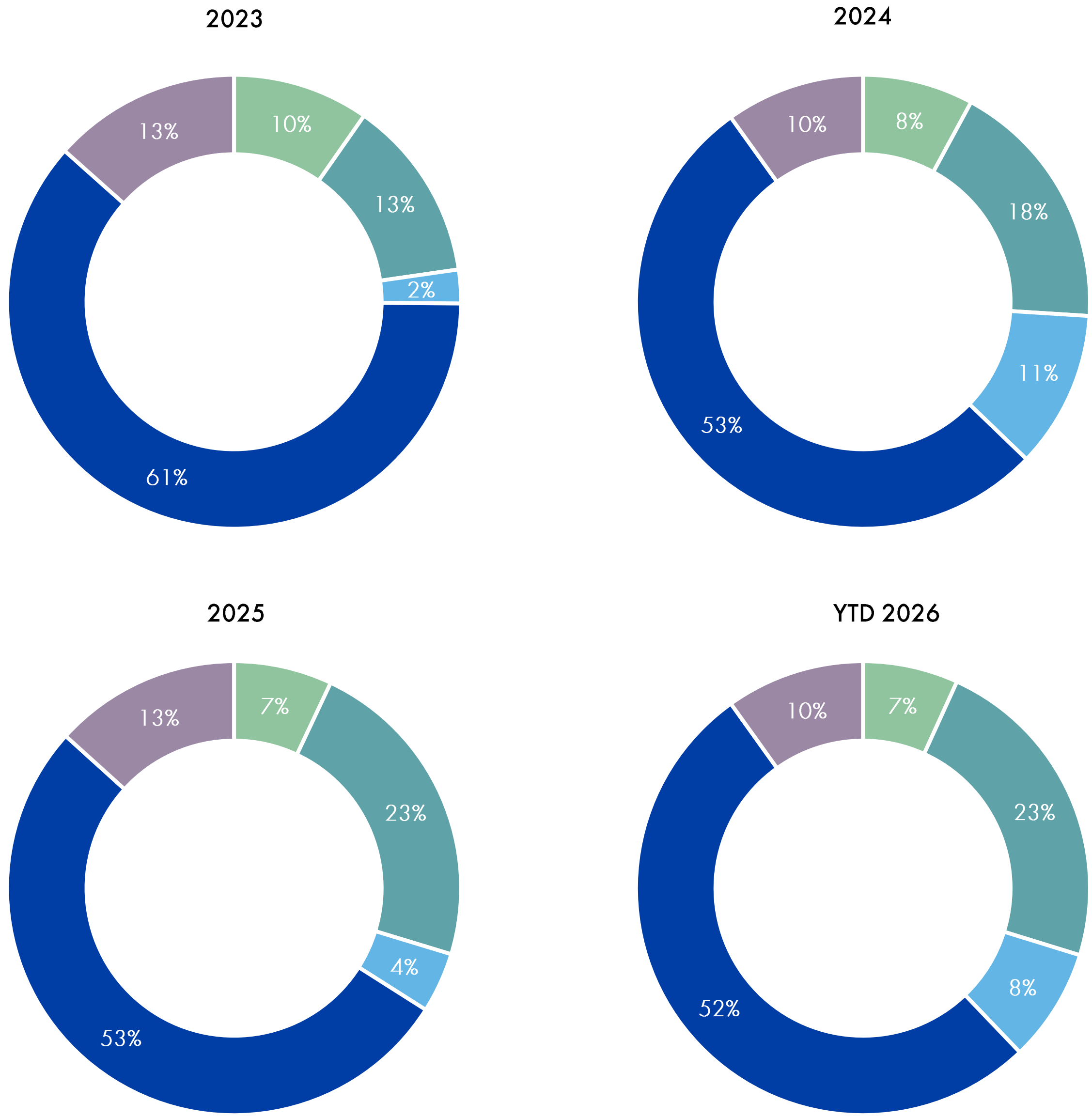
Source: Northmarq, Real Capital Analytics; analysis includes sales greater than $2.5M; totals may not equal the sum of individual property types due to rounding

MULTI-TENANT OFFICE

Buyer Distribution

Annual

- International Buyer
- Domestic Institutional
- Domestic Public REIT
- Domestic Private Buyer
- Domestic User/Other



Source: Northmarq, Real Capital Analytics; analysis includes sales greater than $2.5M; graphs may not total 100 percent due to rounding

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