



MULTI-TENANT | Q1 2026

Retail

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

northmarq.com

MULTI-TENANT RETAIL

Market Fundamentals



Q1 2026 Investment Sales Volume	\$15.11B
Change from Last Quarter (Q4 '25)	-15.4%
Change from Last Year (Q1 '25)	+7.7%



Q1 2026 Overall Average Cap Rate	7.01%
Change from Last Quarter (Q4 '25)	+1 bp
Change from Last Year (Q1 '25)	-10 bps

Overview | Multi-Tenant Retail

The multi-tenant retail sector posted \$15.1 billion in first quarter sales volume, down 15.4% from the prior quarter but up 7.7% year over year. Cap rates edged up 1 basis point during the quarter to 7.01% but fell 10 basis points compared with a year ago.

The West region led transaction activity in the first quarter, recording \$4.8 billion in volume and accounting for 31.8% of the total. The Southwest followed with \$3.0 billion, representing 19.6% of overall volume. The Southeast ranked third with \$2.7 billion, or 17.6%, while the Northeast recorded \$2.3 billion, representing 14.9%. The Midwest contributed \$1.5 billion, or 10.0% of total volume, and the Mid-Atlantic region trailed with \$0.9 billion, accounting for 5.9%.

By region, cap rates ranged from a low of 6.21% in the West to a high of 7.76% in the Midwest. All regions, except the Northeast and West, recorded a modest decrease over the prior quarter, while rates in the Southwest were flat. Average cap rates are up 47 basis points from the recent low of 6.54% recorded in the third quarter of 2022.

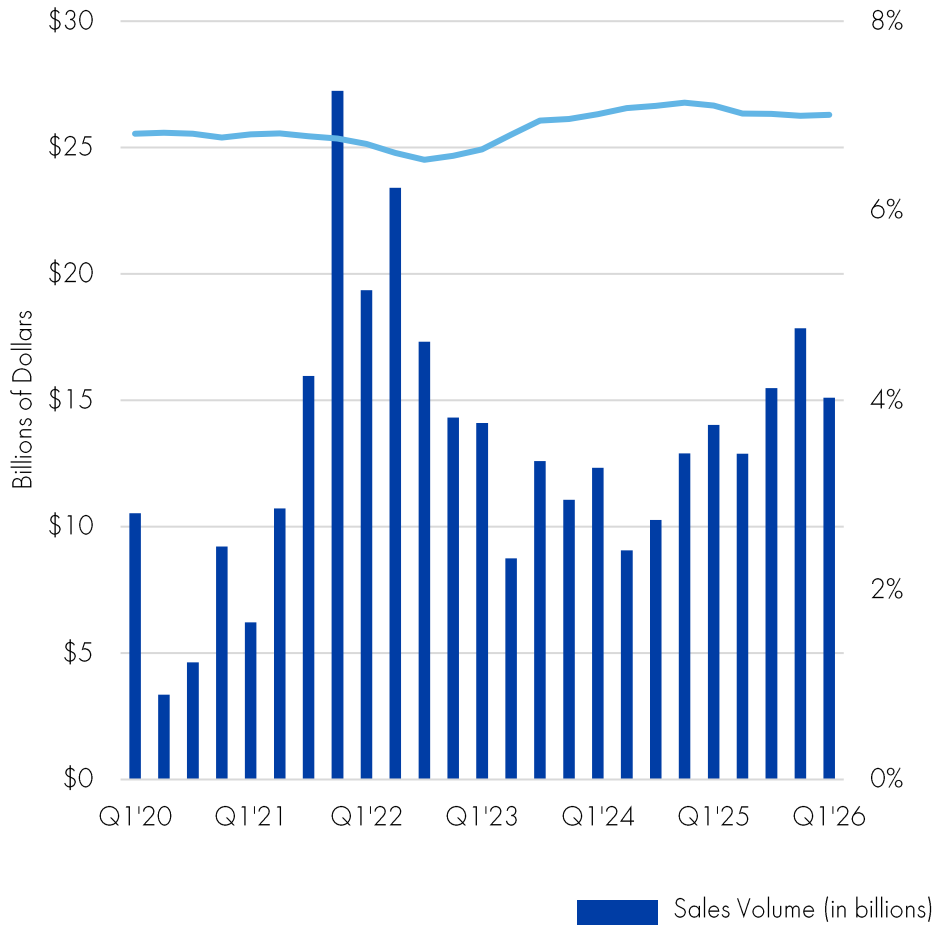
Private buyers accounted for 53% of multi-tenant retail acquisitions during the first quarter of 2026, followed by institutional investors at 35%. The institutional share has risen sharply from 7% in 2024, while private investment activity has declined 15% over the same period.



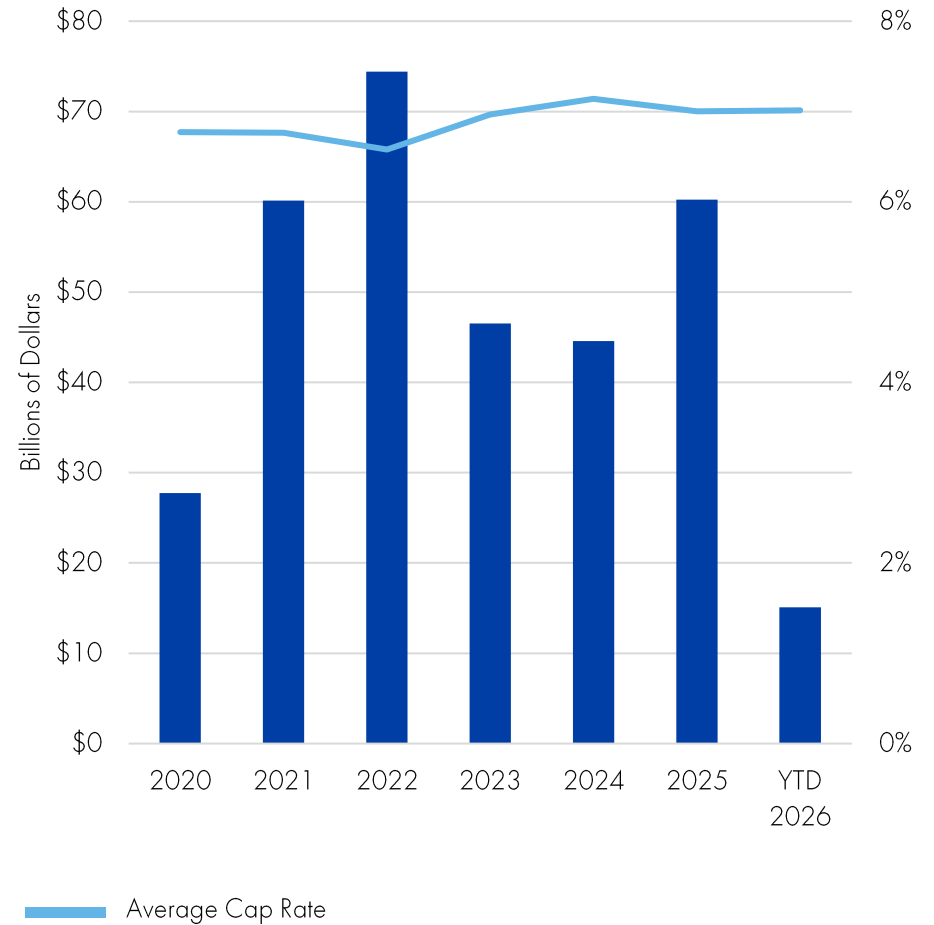
MULTI-TENANT RETAIL

Investment Sales Volume & Average Cap Rates

Quarterly



Annual



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



MULTI-TENANT RETAIL

Quarterly & Annual Market Statistics

Investment Sales Volume (in millions)



Quarterly

Type	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Mid-Atlantic	\$789.10	\$680.11	\$830.48	\$1,585.40	\$896.37
Midwest	\$1,273.49	\$1,328.72	\$2,159.79	\$2,548.09	\$1,511.25
Northeast	\$1,486.56	\$1,547.39	\$1,987.78	\$2,374.55	\$2,250.00
Southeast	\$2,883.17	\$3,826.72	\$4,173.26	\$4,330.02	\$2,655.77
Southwest	\$1,565.80	\$3,122.86	\$2,511.12	\$3,946.40	\$2,962.48
West	\$6,025.43	\$2,367.54	\$3,819.46	\$3,064.93	\$4,805.24
Total	\$14,023.55	\$12,890.57	\$15,481.88	\$17,849.40	\$15,107.38

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	\$6,211.47	\$3,247.02	\$3,473.74	\$3,885.08	\$896.37
Midwest	\$8,987.27	\$10,149.27	\$6,740.18	\$7,310.08	\$1,511.25
Northeast	\$8,267.56	\$7,617.47	\$7,018.97	\$7,396.29	\$2,250.00
Southeast	\$18,897.44	\$10,029.77	\$11,511.12	\$15,213.17	\$2,655.77
Southwest	\$11,615.17	\$6,666.17	\$6,871.53	\$11,146.19	\$2,962.48
West	\$20,433.94	\$8,806.71	\$8,946.56	\$15,277.36	\$4,805.24
Total	\$74,412.86	\$46,516.41	\$44,562.10	\$60,245.40	\$15,107.38

Average Cap Rates



Quarterly

Type	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Mid-Atlantic	7.37%	7.30%	7.41%	7.66%	7.64%
Midwest	7.98%	7.85%	7.89%	7.83%	7.76%
Northeast	6.78%	6.74%	6.75%	6.75%	6.80%
Southeast	7.24%	7.16%	7.20%	7.11%	7.07%
Southwest	7.10%	6.98%	6.95%	6.97%	6.97%
West	6.31%	6.25%	6.15%	6.18%	6.21%
Total	7.11%	7.03%	7.02%	7.00%	7.01%

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	7.21%	7.55%	7.36%	7.66%	7.64%
Midwest	7.35%	7.87%	7.98%	7.83%	7.76%
Northeast	6.37%	6.40%	6.88%	6.75%	6.80%
Southeast	6.79%	7.16%	7.20%	7.11%	7.07%
Southwest	6.38%	7.03%	7.17%	6.97%	6.97%
West	5.72%	6.03%	6.29%	6.18%	6.21%
Total	6.58%	6.97%	7.14%	7.00%	7.01%

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



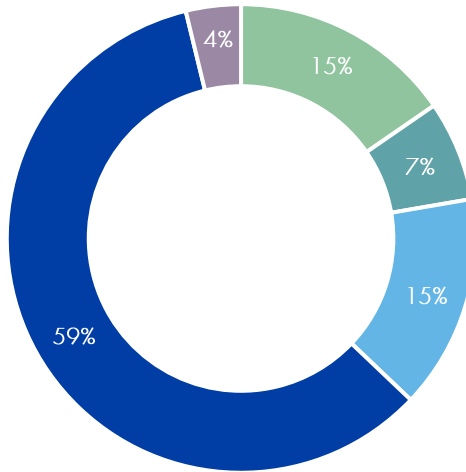
MULTI-TENANT RETAIL

Buyer Distribution

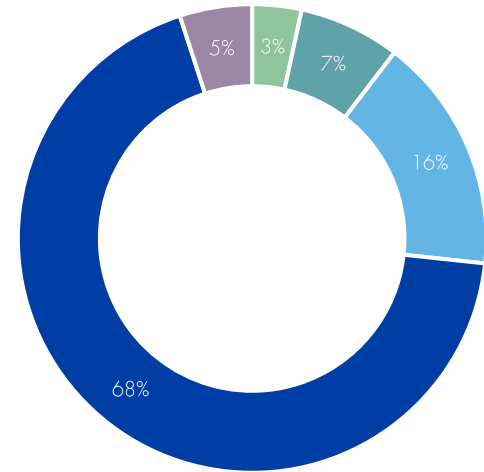
Annual

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

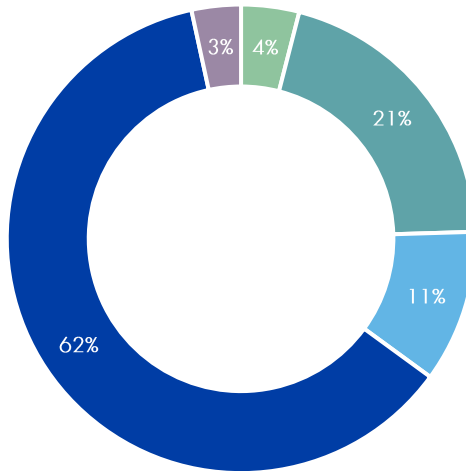
2023



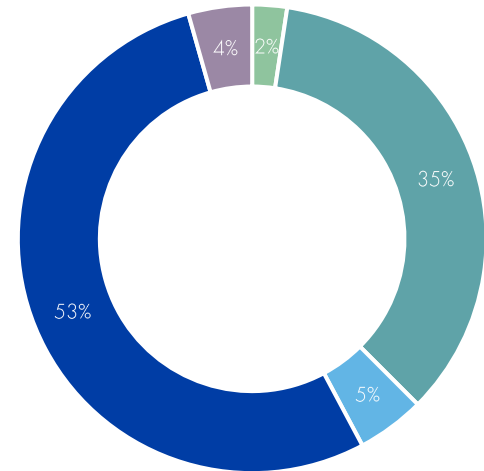
2024



2025



YTD 2026



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





JOHN TAGG

Research Manager

jtagg@northmarq.com

northmarq.com/trends-insights/research-library/marketsnapshot

©2026 Northmarq. All rights reserved. No part of this publication may be reproduced by any means without prior written permission of Northmarq. The information contained in this publication has been compiled from sources believed to be reliable. Northmarq accepts no liability or responsibility for the accuracy or completeness of the information contained herein and no reliance should be placed on the information contained in this publication.