MULTI-TENANT | Q2 2026

Northmarq

Retail

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

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MULTI-TENANT RETAIL

Market Fundamentals

Q2 2026 Investment Sales Volume	**$14.32B**
Change from Last Quarter (Q1 '26)	**-5.6%**
Change from Last Year (Q2 '25)	**+10.5%**

Q2 2026 Overall Average Cap Rate	**7.08%**
Change from Last Quarter (Q1 '26)	**+8 bps**
Change from Last Year (Q2 '25)	**+5 bps**

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

Overview | Multi-Tenant Retail

The multi-tenant retail sector posted $14.3 billion in second quarter sales volume, down 5.6% from the prior quarter but up 10.5% year over year. Cap rates increased 8 basis points during the quarter to 7.08% and edged up 5 basis points compared with a year ago.

The Southeast region led transaction activity in the second quarter, recording $3.8 billion in volume and accounting for 26.2% of the total. The Southwest followed with $2.7 billion, representing 19.0% of overall volume. The West ranked third with $2.5 billion, or 17.4%, while the Northeast recorded $1.9 billion, representing 13.0%. The Midwest contributed $1.8 billion, or 12.8% of total volume, and the Mid-Atlantic region trailed with $1.7 billion, accounting for 11.6%.

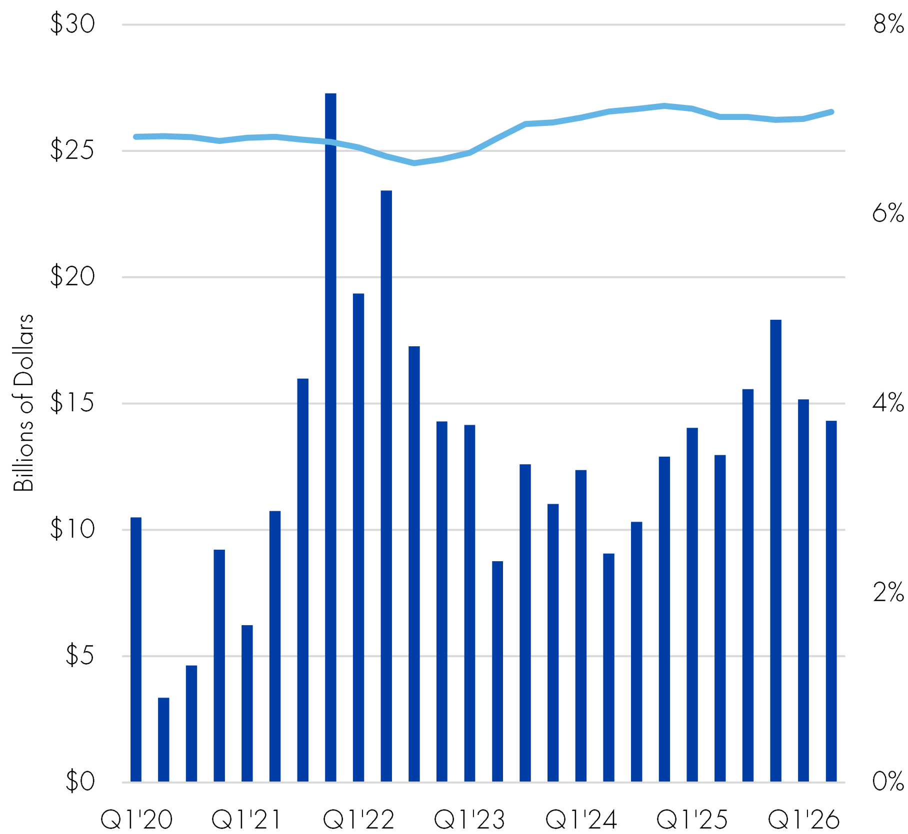
By region, cap rates ranged from a low of 6.27% in the West to a high of 7.87% in the Midwest. All regions, except the Southeast, recorded an increase over the prior quarter. Average cap rates are up 54 basis points from the recent low of 6.54% recorded in the third quarter of 2022.

Private buyers accounted for 57% of multi-tenant retail acquisitions during the second quarter of 2026, followed by institutional investors at 24%. The institutional share has risen sharply from 7% in 2024, while private investment activity has declined 11% over the same period.

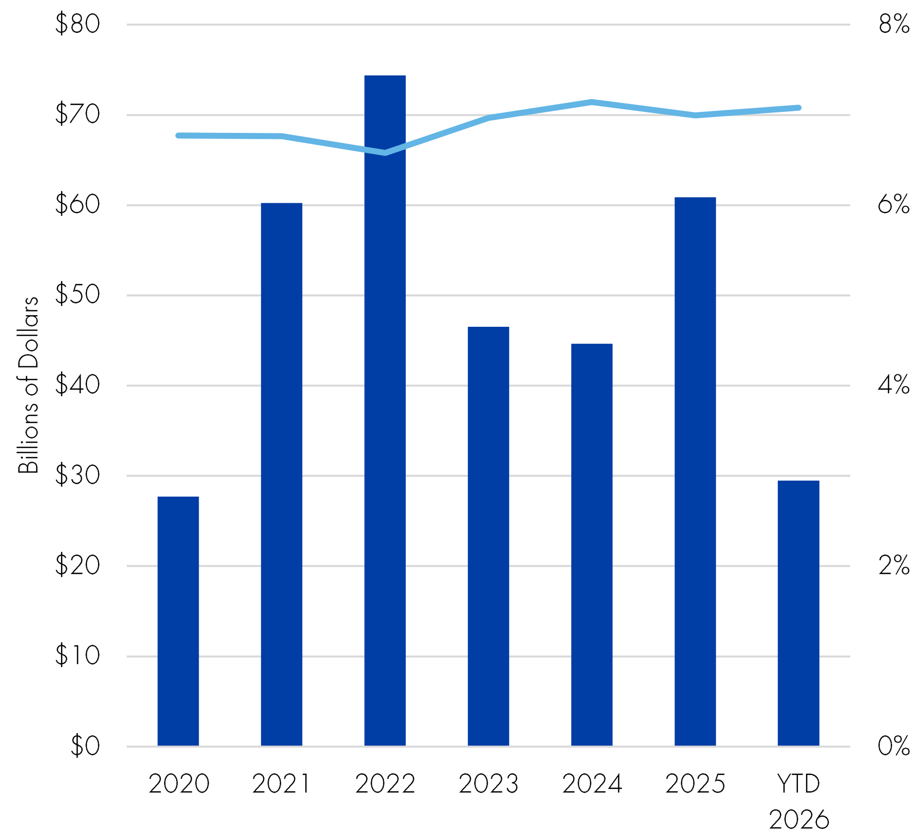
MULTI-TENANT RETAIL

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	$680.11	$830.48	$1,541.34	$1,080.76	$1,665.25
Midwest	$1,328.72	$2,163.27	$2,552.20	$1,553.38	$1,826.69
Northeast	$1,547.39	$2,004.88	$2,805.08	$1,941.35	$1,867.32
Southeast	$3,829.06	$4,177.58	$4,330.02	$2,764.98	$3,752.14
Southwest	$3,164.84	$2,515.26	$3,996.48	$3,020.73	$2,721.77
West	$2,393.62	$3,877.43	$3,089.20	$4,781.98	$2,487.19
Total	**$12,960.96**	**$15,568.90**	**$18,314.31**	**$15,166.80**	**$14,320.36**

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	$6,209.54	$3,247.02	$3,471.19	$3,840.83	$2,746.01
Midwest	$9,005.53	$10,161.27	$6,755.69	$7,322.86	$3,380.07
Northeast	$8,228.51	$7,658.47	$7,018.97	$7,846.44	$3,808.66
Southeast	$18,907.64	$10,052.70	$11,488.59	$15,237.75	$6,517.12
Southwest	$11,577.18	$6,646.20	$6,903.82	$11,223.72	$5,742.49
West	$20,438.09	$8,775.39	$9,008.84	$15,389.87	$7,269.17
Total	**$74,366.49**	**$46,541.04**	**$44,647.10**	**$60,878.71**	**$29,487.16**

Average Cap Rates

Quarterly

Type	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Mid-Atlantic	7.35%	7.41%	7.67%	7.59%	7.71%
Midwest	7.87%	7.90%	7.83%	7.78%	7.87%
Northeast	6.73%	6.76%	6.73%	6.79%	6.87%
Southeast	7.14%	7.21%	7.11%	7.07%	7.04%
Southwest	6.98%	6.94%	6.94%	6.93%	7.01%
West	6.25%	6.16%	6.20%	6.22%	6.27%
Total	**7.03%**	**7.02%**	**6.99%**	**7.00%**	**7.08%**

Annual

Type	2022	2023	2024	2025	YTD 2026
Mid-Atlantic	7.21%	7.55%	7.36%	7.67%	7.71%
Midwest	7.35%	7.87%	8.00%	7.83%	7.87%
Northeast	6.37%	6.40%	6.88%	6.73%	6.87%
Southeast	6.79%	7.16%	7.20%	7.11%	7.04%
Southwest	6.38%	7.03%	7.17%	6.94%	7.01%
West	5.72%	6.03%	6.29%	6.20%	6.27%
Total	**6.58%**	**6.97%**	**7.14%**	**6.99%**	**7.08%**

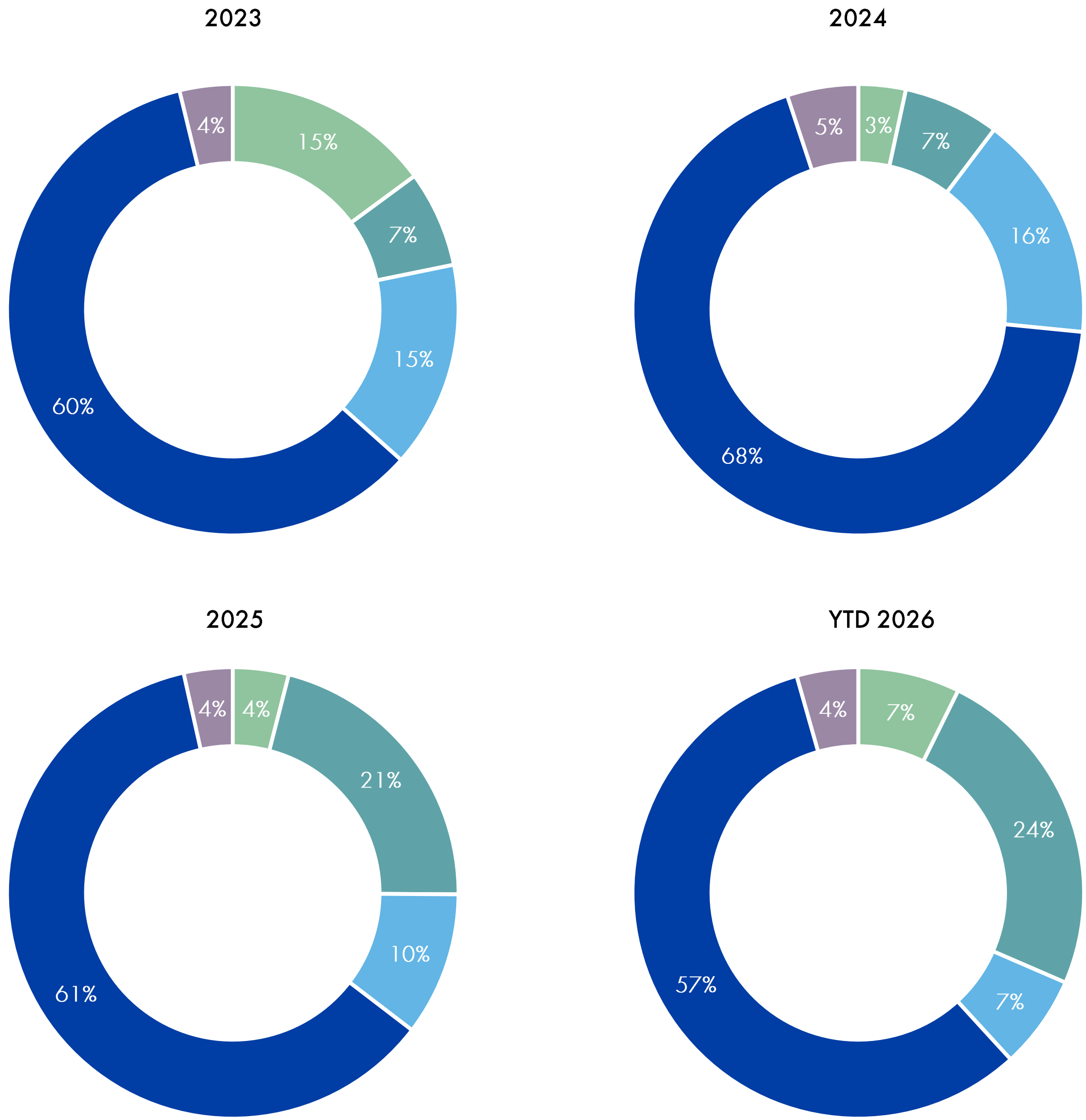
Source: Northmarq, Real Capital Analytics; analysis includes sales greater than $2.5M; totals may not equal the sum of individual property types due to rounding

MULTI-TENANT RETAIL

Buyer Distribution

Annual

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



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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