



SINGLE-TENANT | Q1 2026

Overall Market

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

northmarq.com

SINGLE-TENANT OVERALL MARKET

Market Fundamentals



Q1 2026 Investment Sales Volume	\$12.85B
Change from Last Quarter (Q4 '25)	-24.1%
Change from Last Year (Q1 '25)	+0.9%



Q1 2026 Overall Average Cap Rate	6.81%
Change from Last Quarter (Q4 '25)	-3 bps
Change from Last Year (Q1 '25)	-4 bps

Overview | Single-Tenant Overall Market

Single-tenant investment sales totaled nearly \$12.9 billion in the first quarter of 2026. Activity slowed 24.1% from the previous quarter but increased 0.9% from the same period last year.

Industrial transactions totaled \$7.7 billion in volume, continuing to represent the largest share of activity at 59.9%, increasing from 48.6% one year ago. Retail transactions followed at \$2.7 billion, or 20.9% of total deal volume, down from 27.2% last year. Office transactions accounted for \$2.5 billion, or 19.2%, a slight decline from 24.2% one year earlier.

Cap rates edged lower by 3 basis points from the previous quarter to an average of 6.81%, consistent with averages throughout 2025. The overall average is 4 basis points higher than one year ago, with industrial properties posting the largest year-over-year decline.

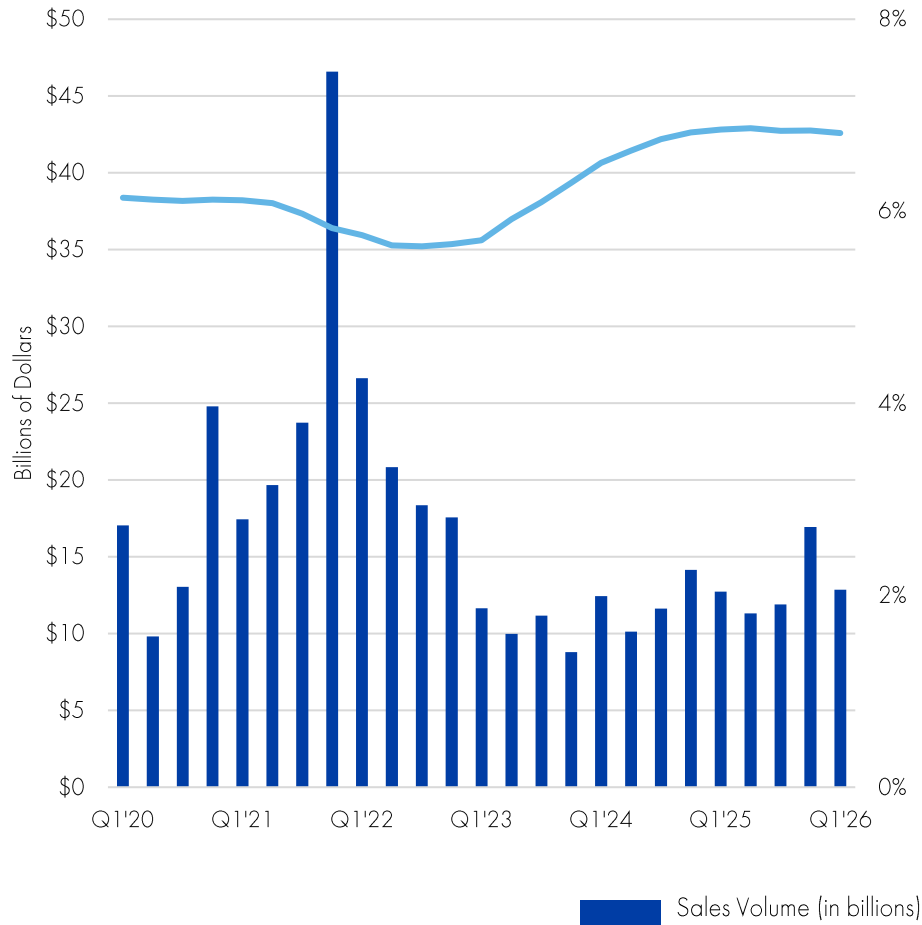
Private buyers accounted for 46% of single-tenant acquisition volume through the first quarter of 2026, down from 52% in 2025, followed by institutional investors at 28%, or about 8% higher than last year. REIT/Listed activity as a share of total transaction volume edged lower by 1% from 2025 to 8% of activity. Cross-border activity increased modestly, accounting for 11% of first-quarter volume, but remains in line with historical trends.



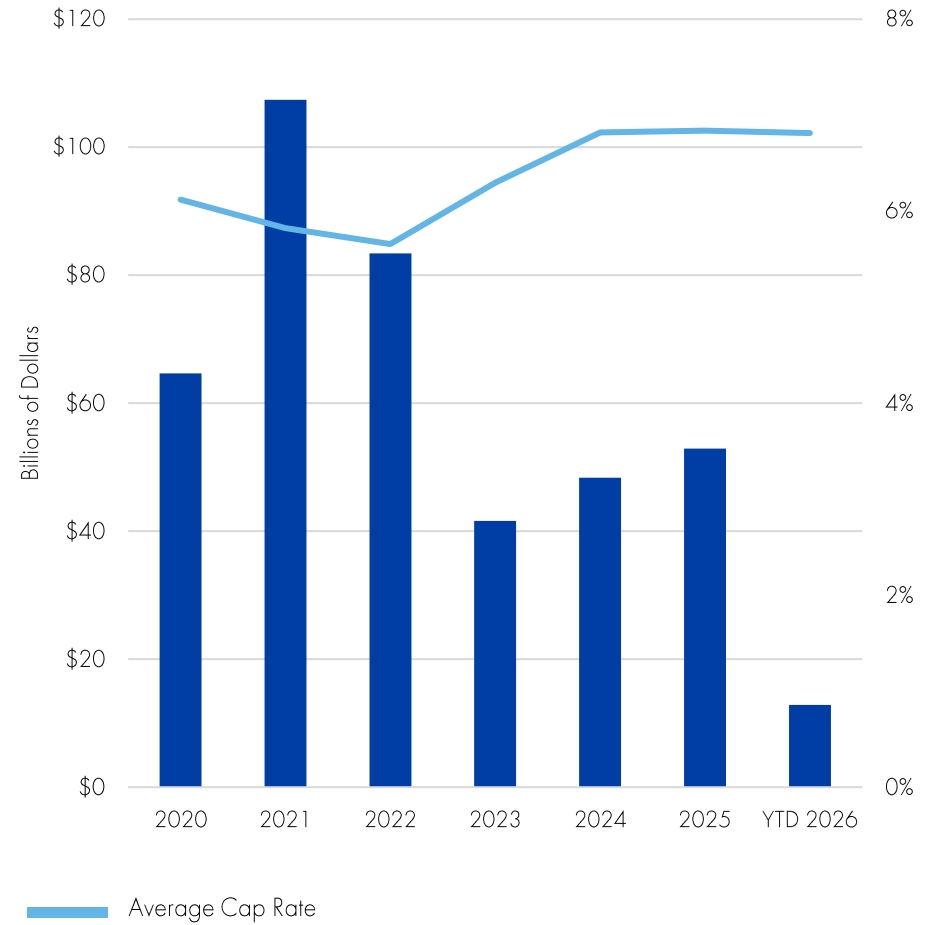
SINGLE-TENANT OVERALL MARKET

Investment Sales Volume & Average Cap Rates

Quarterly



Annual



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



SINGLE-TENANT OVERALL MARKET

Quarterly & Annual Market Statistics By Property Type

Investment Sales Volume (in billions)



Quarterly

Type	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Office	\$3.09	\$2.30	\$2.56	\$3.16	\$2.47
Industrial	\$6.19	\$6.33	\$6.85	\$9.72	\$7.70
Retail	\$3.46	\$2.69	\$2.49	\$4.06	\$2.69
Total	\$12.74	\$11.33	\$11.90	\$16.95	\$12.85

Annual

Type	2022	2023	2024	2025	YTD 2026
Office	\$22.65	\$7.43	\$10.30	\$11.12	\$2.47
Industrial	\$42.53	\$21.83	\$26.00	\$29.10	\$7.70
Retail	\$18.24	\$12.34	\$12.08	\$12.71	\$2.69
Total	\$83.41	\$41.59	\$48.38	\$52.92	\$12.85

Average Cap Rates



Quarterly

Type	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Office	7.22%	7.29%	7.24%	7.29%	7.23%
Industrial	6.49%	6.48%	6.39%	6.37%	6.39%
Retail	6.89%	6.90%	6.89%	6.89%	6.84%
Total	6.85%	6.86%	6.84%	6.84%	6.81%

Annual

Type	2022	2023	2024	2025	YTD 2026
Office	6.16%	6.67%	7.19%	7.29%	7.23%
Industrial	5.39%	6.39%	6.44%	6.37%	6.39%
Retail	5.60%	6.15%	6.87%	6.89%	6.84%
Total	5.66%	6.30%	6.82%	6.84%	6.81%



SINGLE-TENANT OVERALL MARKET

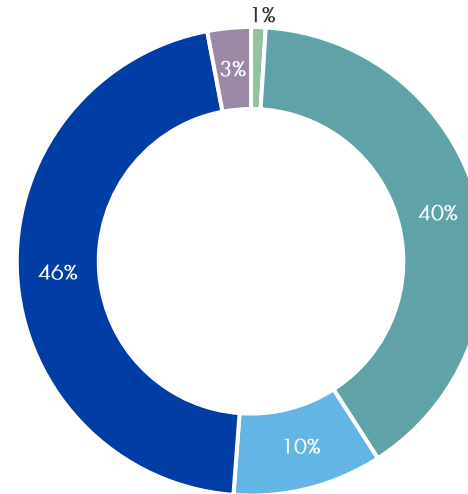
Buyer Distribution

Quarterly, by Property Type

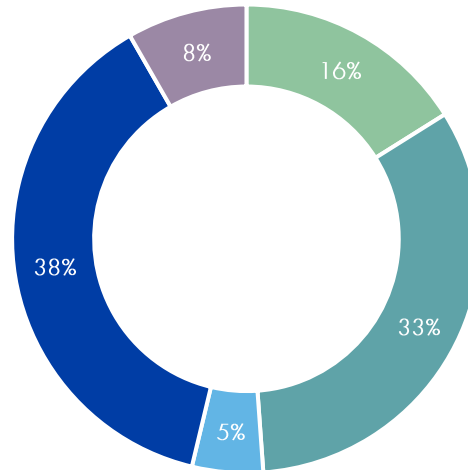
YTD as of Q1 2026

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

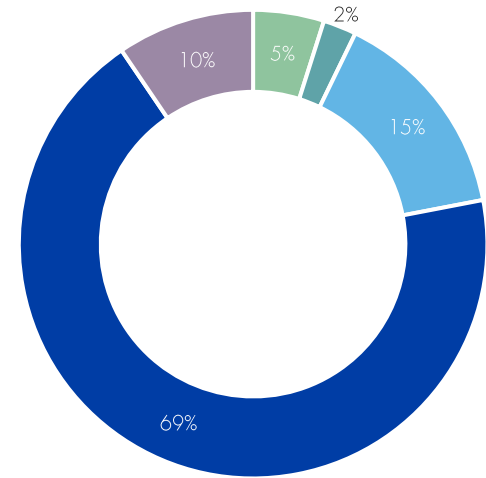
Single-Tenant Office



Single-Tenant Industrial



Single-Tenant Retail



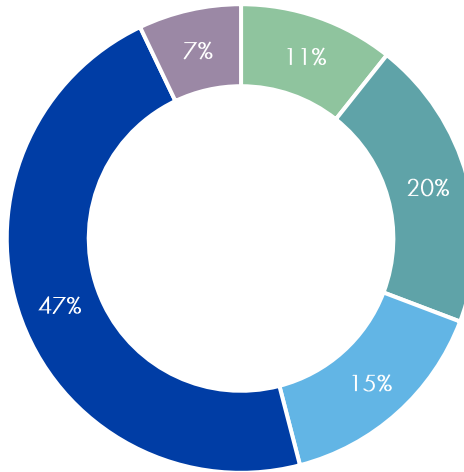
SINGLE-TENANT OVERALL MARKET

Buyer Distribution Annual, Overall Market

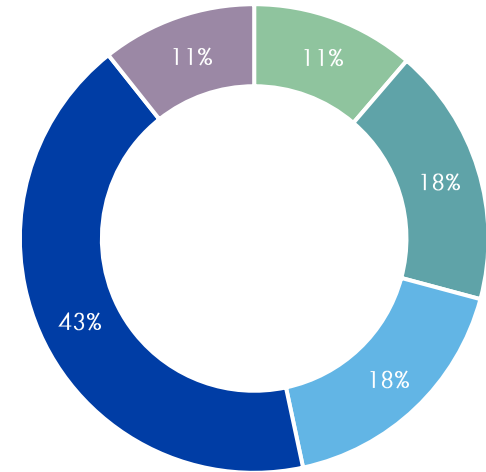
Annual

- International Buyer
- Domestic Institutional
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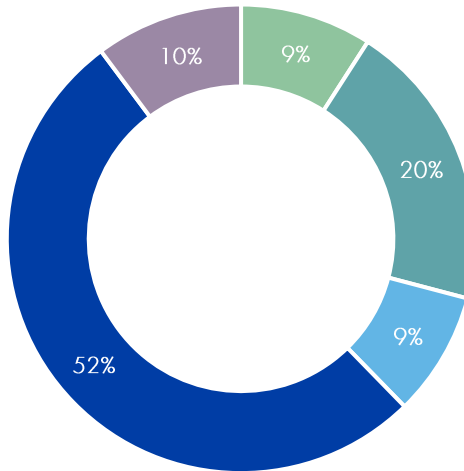
2023



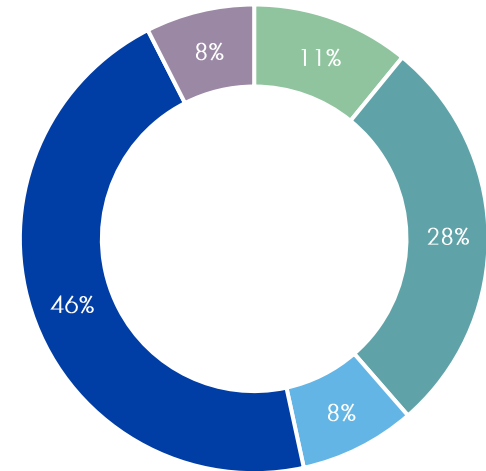
2024



2025



YTD 2026

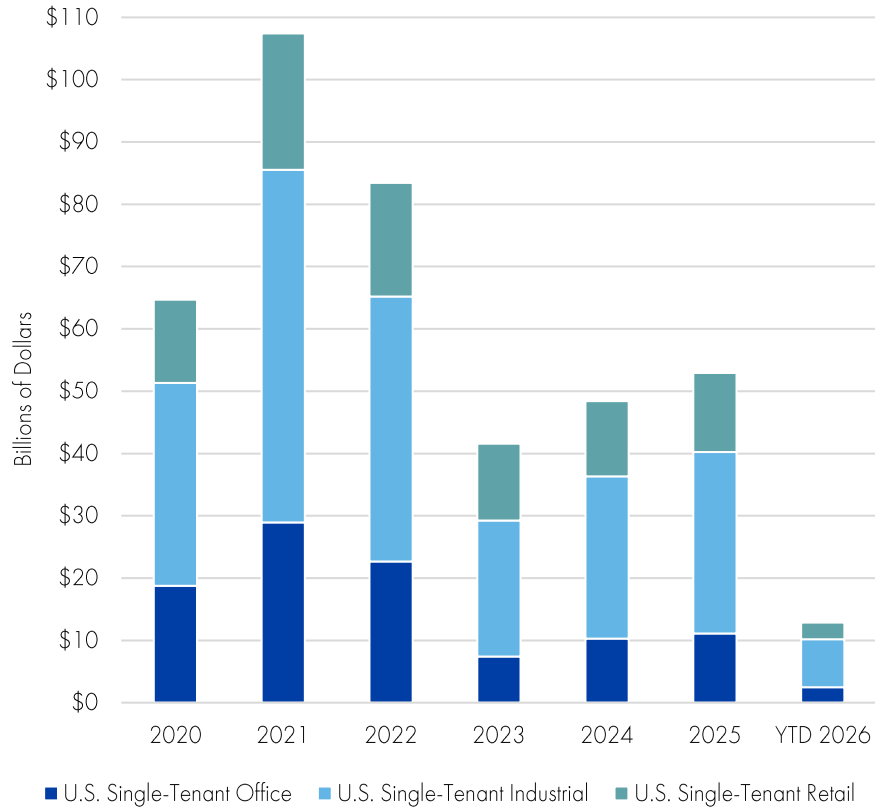


Source: Northmarq, Real Capital Analytics; analysis includes sales greater than \$2.5M; graphs may not total 100 percent due to rounding

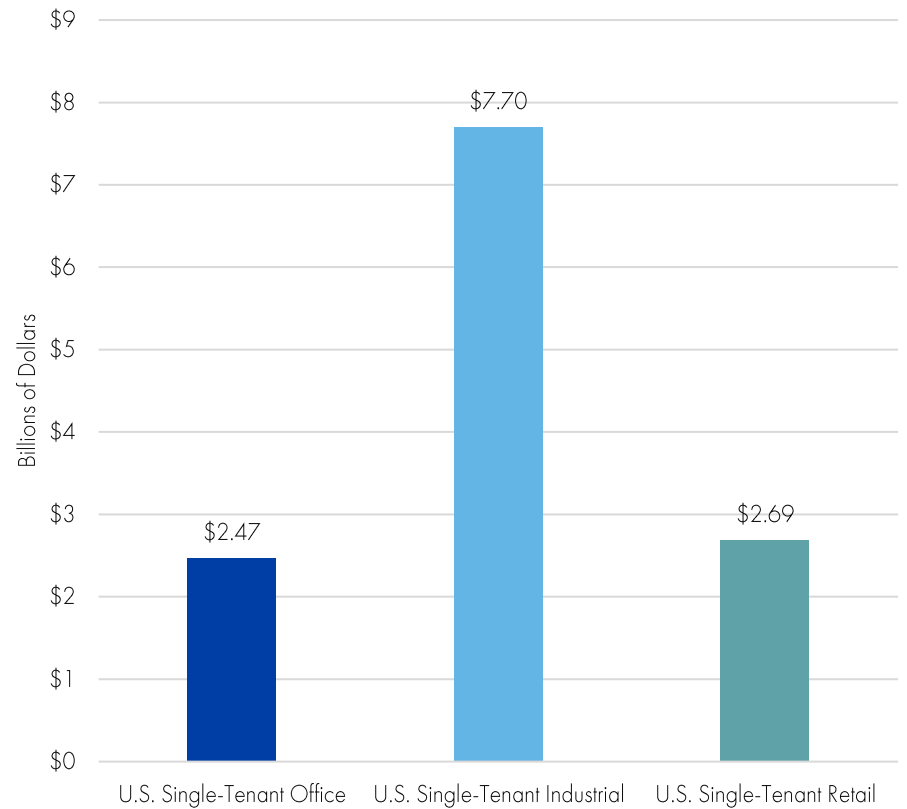
SINGLE-TENANT OVERALL MARKET

Investment Sales Volume By Property Type

Annual



Q1 2026



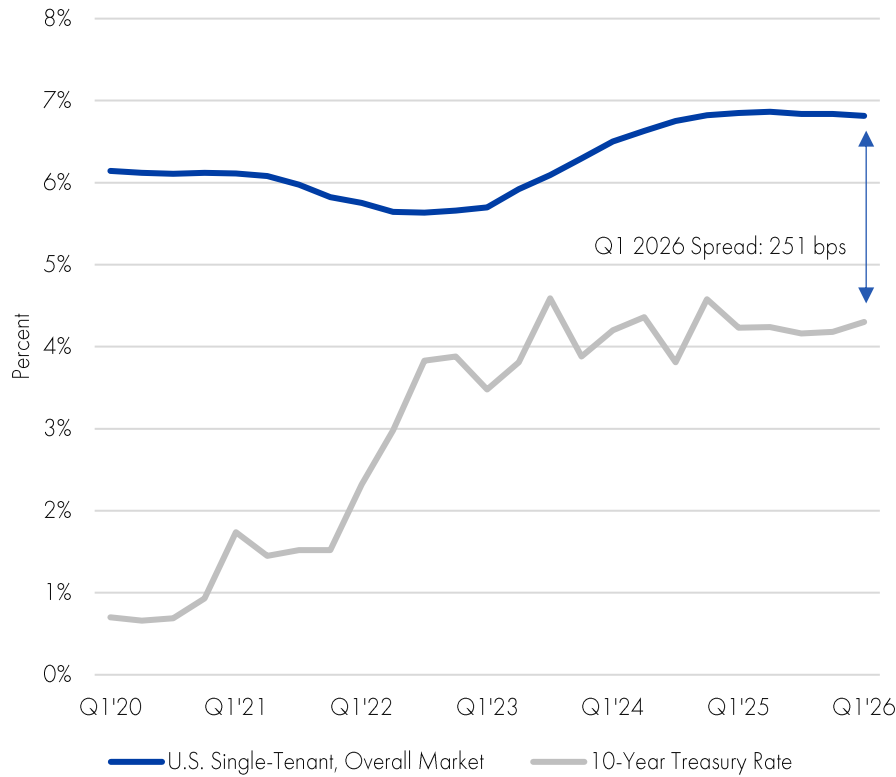
Source: Northmarq, Real Capital Analytics; analysis includes sales greater than \$2.5M



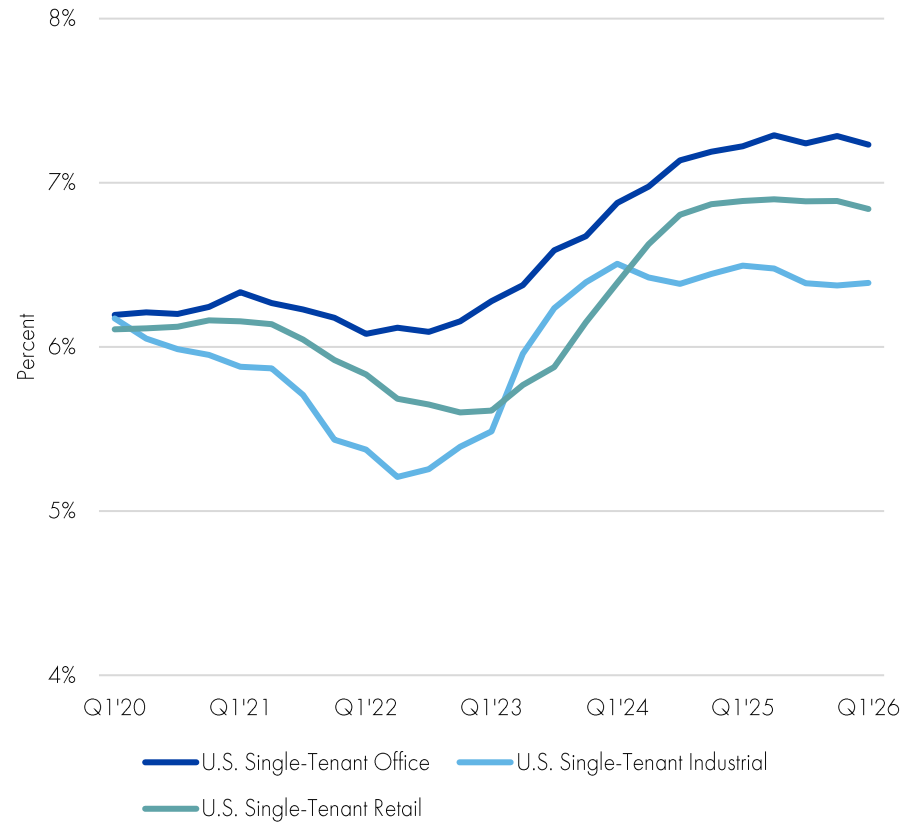
SINGLE-TENANT OVERALL MARKET

Average Cap Rates

Overall Average Cap Rate vs. 10-Year Treasury, with Current Spread



Average Cap Rates, by Property Type



Source: Northmarq, Real Capital Analytics, U.S. Federal Reserve; analysis includes sales greater than \$2.5M; 10-year treasury graph includes quarter-end values and may not illustrate actual daily high or low points



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