



MULTI-TENANT | Q3 2025

Industrial

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

northmarq.com

MULTI-TENANT INDUSTRIAL

Market Fundamentals



Q3 2025 Investment Sales Volume	\$17.70B
Change from Last Quarter (Q2 '25)	-2.8%
Change from Last Year (Q3 '24)	+0.5%



Q3 2025 Overall Average Cap Rate	6.40%
Change from Last Quarter (Q2 '25)	+5 bps
Change from Last Year (Q3 '24)	+20 bps

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

Overview | Multi-Tenant Industrial

The multi-tenant industrial sector recorded \$17.7B in third quarter investment sales, down 2.8% from the previous quarter but up 0.5% year-over-year. While volume moderated slightly, the sector continues to outperform on a relative basis, supported by strong tenant demand and long-term foundational tailwinds.

The Southeast region led the nation in third-quarter transaction volume, reaching \$5.2B and accounting for 29.4% of total activity. The West followed with \$4.3B, representing 23.9% of the total, while the Southwest recorded \$3.8B, or 21.6%. The Midwest recorded \$1.9B in transactions, making up 10.6%, with the Northeast and Mid-Atlantic contributing \$1.4B, or 8.0%, and \$1.2B, or 6.5%, respectively.

The average cap rate rose 5 basis points to 6.40% in the last three months and is now up 20 basis points year-over-year. The Midwest, Northeast, and Southeast experienced declines, while the Mid-Atlantic, Southwest, and West recorded increases.

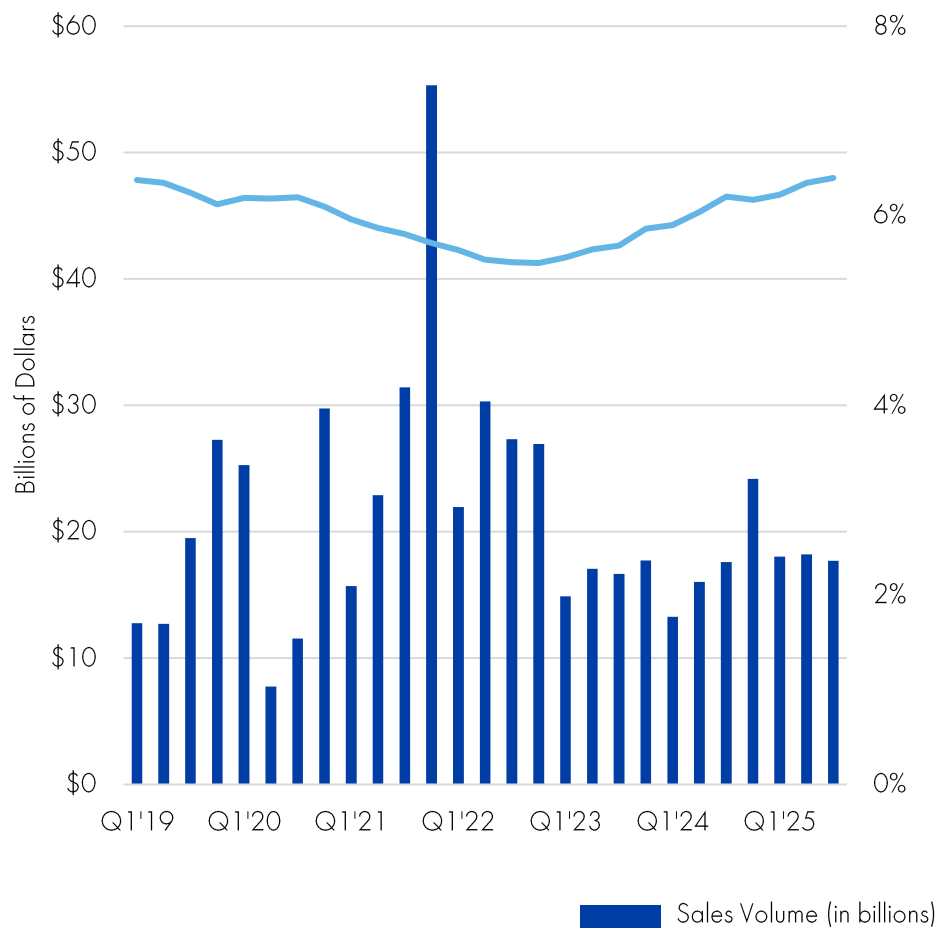
Private buyers accounted for 57% of multi-tenant industrial acquisitions through the third quarter of 2025, followed by institutional investors at 21%. The share of institutional acquisitions has been gradually increasing since 2023, while private investment activity has remained elevated during the same period.



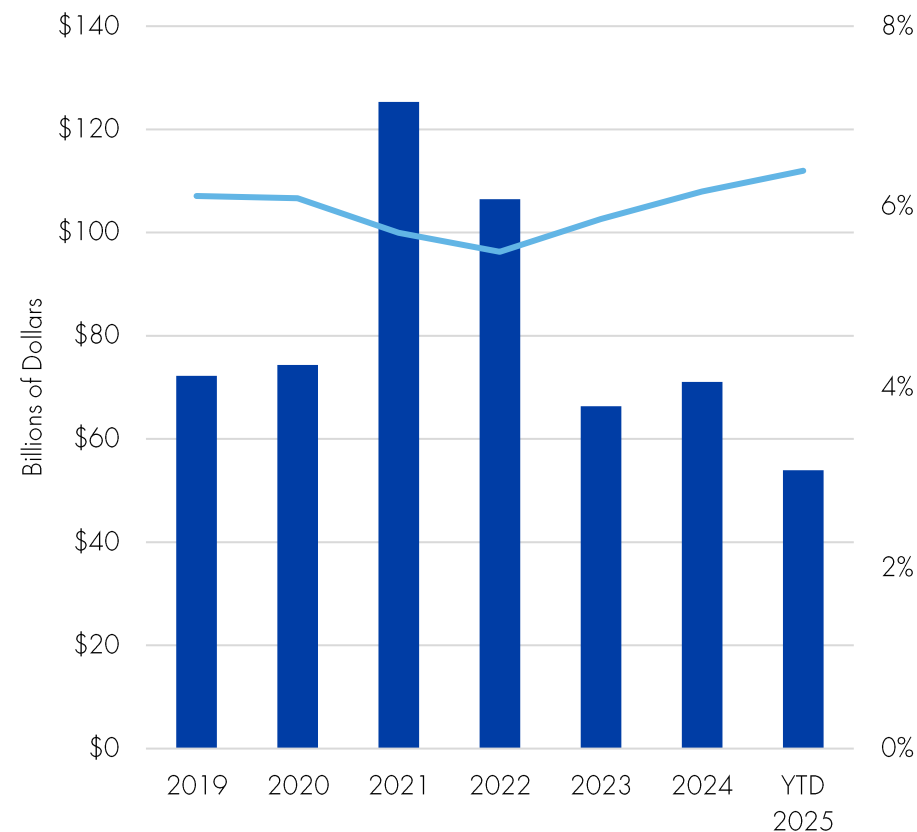
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Investment Sales Volume & Average Cap Rates

 Quarterly



 Annual



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



MULTI-TENANT INDUSTRIAL

Quarterly & Annual Market Statistics

Investment Sales Volume (in millions)



Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Mid-Atlantic	\$1,292.89	\$1,538.91	\$2,077.81	\$986.32	\$1,152.17
Midwest	\$2,280.84	\$3,251.43	\$2,404.68	\$2,365.02	\$1,876.57
Northeast	\$1,714.02	\$2,426.49	\$1,883.93	\$1,790.96	\$1,409.97
Southeast	\$4,453.03	\$6,603.31	\$3,157.04	\$4,694.60	\$5,199.48
Southwest	\$3,836.77	\$5,818.23	\$3,675.74	\$3,503.52	\$3,830.21
West	\$3,767.22	\$4,532.21	\$4,745.47	\$4,518.28	\$4,229.63
Total	\$17,604.64	\$24,170.57	\$18,021.81	\$18,202.90	\$17,698.03

Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	\$10,330.46	\$8,484.74	\$5,251.67	\$4,706.74	\$4,216.30
Midwest	\$22,435.00	\$15,391.14	\$8,881.74	\$10,033.60	\$6,646.27
Northeast	\$11,417.09	\$10,744.72	\$7,126.75	\$6,639.70	\$5,084.87
Southeast	\$26,598.06	\$22,661.90	\$14,309.10	\$17,448.55	\$13,051.11
Southwest	\$21,575.78	\$16,485.52	\$11,190.25	\$15,581.57	\$11,009.48
West	\$32,972.41	\$32,732.49	\$18,967.78	\$16,398.55	\$13,493.38
Total	\$125,328.80	\$106,500.52	\$66,329.64	\$71,068.58	\$53,922.74

Average Cap Rates



Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Mid-Atlantic	6.23%	6.29%	6.13%	6.41%	7.11%
Midwest	7.44%	7.59%	7.62%	7.64%	7.53%
Northeast	5.98%	5.88%	6.07%	6.14%	6.13%
Southeast	6.51%	6.38%	6.42%	6.47%	6.35%
Southwest	5.85%	6.15%	6.28%	6.53%	6.68%
West	5.68%	5.65%	5.52%	5.61%	5.69%
Total	6.20%	6.17%	6.22%	6.35%	6.40%

Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	6.21%	5.72%	6.59%	6.29%	7.11%
Midwest	6.90%	6.66%	7.20%	7.59%	7.53%
Northeast	5.21%	5.31%	6.00%	5.88%	6.13%
Southeast	5.84%	5.71%	5.87%	6.38%	6.35%
Southwest	5.70%	5.32%	5.64%	6.15%	6.68%
West	5.02%	4.81%	5.30%	5.65%	5.69%
Total	5.71%	5.50%	5.86%	6.17%	6.40%

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



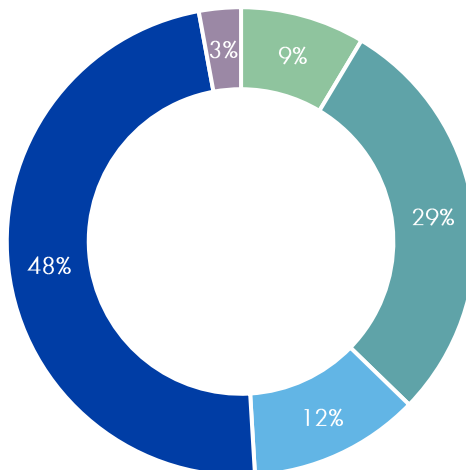
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Buyer Distribution

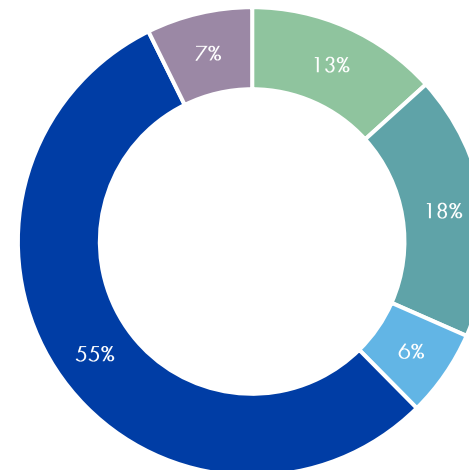
Annual



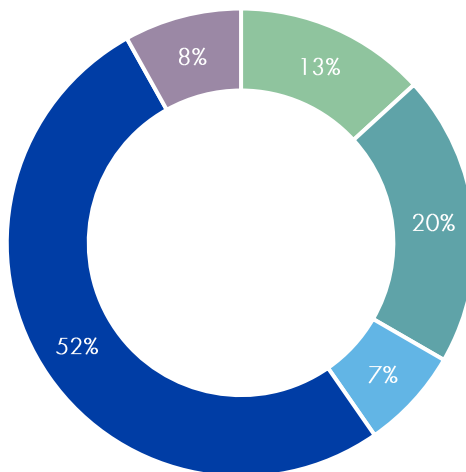
2022



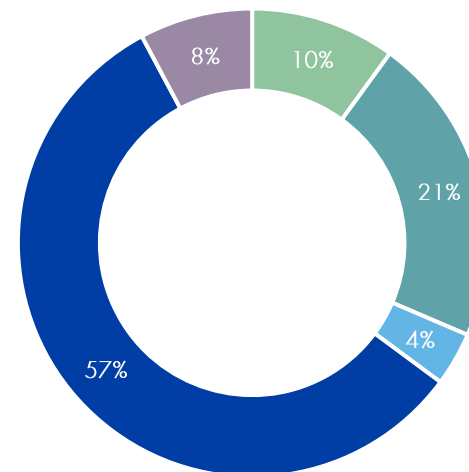
2023



2024



YTD 2025





JOHN TAGG

Research Manager

jtagg@northmarq.com

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

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