



MULTI-TENANT | Q3 2025


# Retail


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

[northmarq.com](https://northmarq.com)

MULTI-TENANT RETAIL

Market Fundamentals

	Q3 2025 Investment Sales Volume	<b>\$14.08B</b>
	Change from Last Quarter (Q2 '25)	<b>+9.2%</b>
	Change from Last Year (Q3 '24)	<b>+37.8%</b>

	Q3 2025 Overall Average Cap Rate	<b>7.11%</b>
	Change from Last Quarter (Q2 '25)	<b>+4 bps</b>
	Change from Last Year (Q3 '24)	<b>+0 bps</b>

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

Overview | Multi-Tenant Retail

The multi-tenant retail sector posted \$14.1B in third quarter sales volume, up 9.2% from the second quarter and nearly 40% year-over-year. Cap rates edged up 4 basis points to 7.11%, remaining flat compared with a year ago.

The Southeast region dominated transaction activity in the third quarter, recording \$3.9B in volume and accounting for 28.0% of the total. The West followed with \$3.4B, representing 24.4% of overall volume. The Southwest ranked third with \$2.3B, or 16.7%, while the Midwest recorded \$2.1B, representing 14.8%. The Northeast contributed \$1.6B, or 11.6% of total volume, and the Mid-Atlantic region trailed with \$0.6B, accounting for 4.5%.

By region, cap rates ranged from a low of 6.30% in the West to a high of 7.95% in the Midwest. All regions, except the West, recorded a modest increase over the prior quarter. Average cap rates are up 82 basis points from the recent low of 6.23% recorded in the third quarter of 2022.

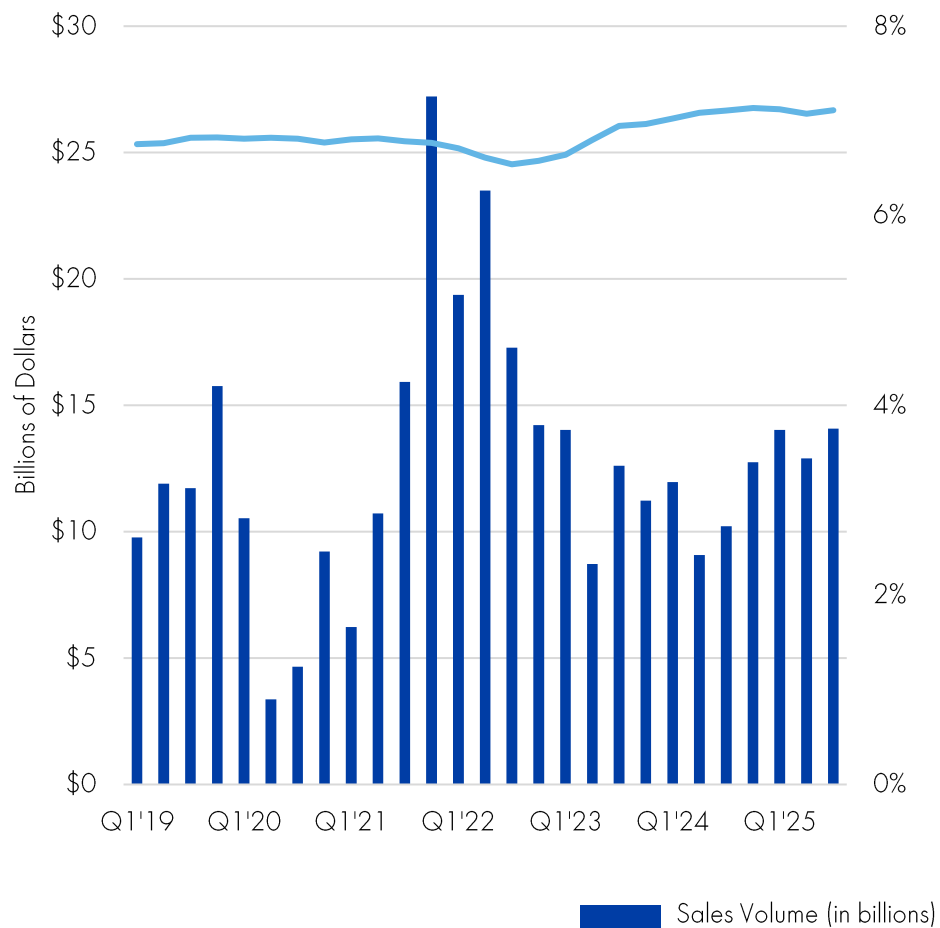
Private buyers accounted for 60% of multi-tenant retail acquisitions through the third quarter of 2025, followed by institutional investors at 23%. The institutional share has risen sharply from 8% in 2024, while private investment activity has declined by 10% over the same period.



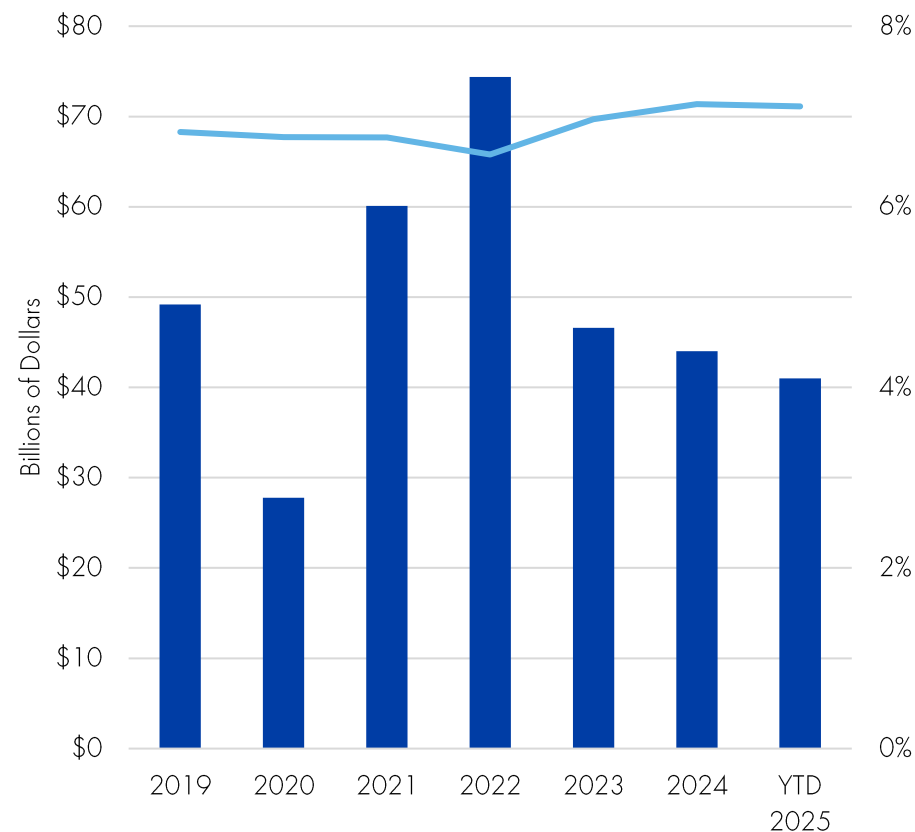
## MULTI-TENANT RETAIL

### 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	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Mid-Atlantic	\$861.73	\$1,156.76	\$843.01	\$759.36	\$639.27
Midwest	\$1,298.25	\$1,544.49	\$1,261.92	\$1,348.53	\$2,081.47
Northeast	\$1,459.33	\$1,765.68	\$1,580.36	\$1,559.47	\$1,637.74
Southeast	\$2,754.07	\$3,767.55	\$2,816.39	\$3,770.72	\$3,938.77
Southwest	\$1,831.11	\$1,490.58	\$1,482.22	\$3,108.82	\$2,344.84
West	\$2,013.30	\$3,018.29	\$6,041.23	\$2,326.92	\$3,438.76
<b>Total</b>	<b>\$10,217.78</b>	<b>\$12,743.35</b>	<b>\$14,025.13</b>	<b>\$12,896.49</b>	<b>\$14,080.84</b>

##### Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	\$4,981.14	\$6,169.73	\$3,420.23	\$3,288.67	\$2,241.64
Midwest	\$8,223.97	\$8,998.95	\$10,121.01	\$6,671.28	\$4,691.92
Northeast	\$6,581.54	\$8,266.81	\$7,637.78	\$7,030.68	\$4,777.57
Southeast	\$14,540.92	\$18,864.31	\$10,015.74	\$11,435.22	\$10,525.88
Southwest	\$11,675.48	\$11,643.17	\$6,668.57	\$6,687.87	\$6,935.87
West	\$14,106.34	\$20,420.61	\$8,729.11	\$8,889.56	\$11,806.91
<b>Total</b>	<b>\$60,109.39</b>	<b>\$74,363.59</b>	<b>\$46,592.44</b>	<b>\$44,003.27</b>	<b>\$41,002.46</b>

#### Average Cap Rates



##### Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Mid-Atlantic	7.46%	7.34%	7.38%	7.26%	7.35%
Midwest	7.98%	7.96%	7.99%	7.90%	7.95%
Northeast	6.73%	6.89%	6.79%	6.77%	6.79%
Southeast	7.18%	7.20%	7.25%	7.19%	7.24%
Southwest	7.20%	7.15%	7.03%	6.95%	6.98%
West	6.22%	6.29%	6.34%	6.32%	6.30%
<b>Total</b>	<b>7.11%</b>	<b>7.14%</b>	<b>7.12%</b>	<b>7.07%</b>	<b>7.11%</b>

##### Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	7.06%	7.21%	7.55%	7.34%	7.35%
Midwest	7.58%	7.34%	7.88%	7.96%	7.95%
Northeast	6.39%	6.36%	6.40%	6.89%	6.79%
Southeast	7.06%	6.79%	7.16%	7.20%	7.24%
Southwest	6.64%	6.38%	7.03%	7.15%	6.98%
West	5.98%	5.72%	6.03%	6.29%	6.30%
<b>Total</b>	<b>6.77%</b>	<b>6.58%</b>	<b>6.97%</b>	<b>7.14%</b>	<b>7.11%</b>

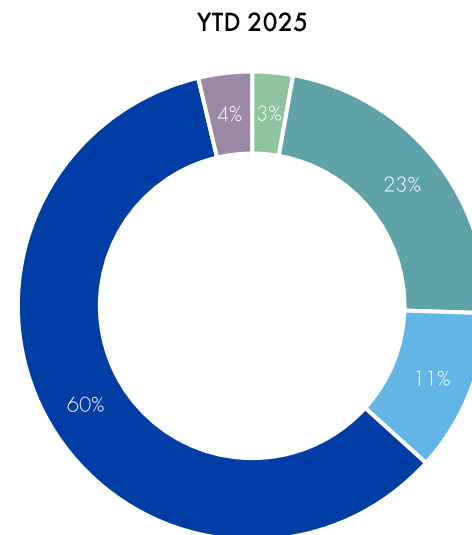
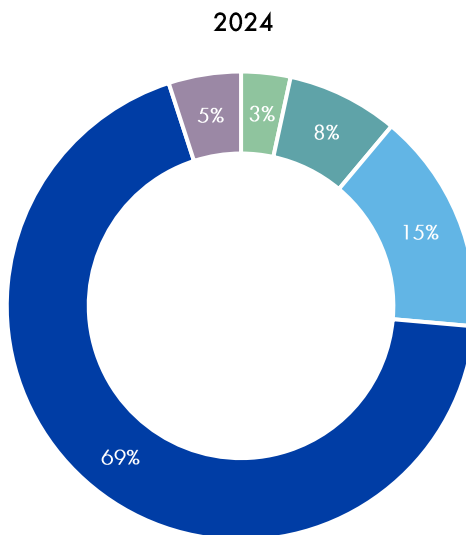
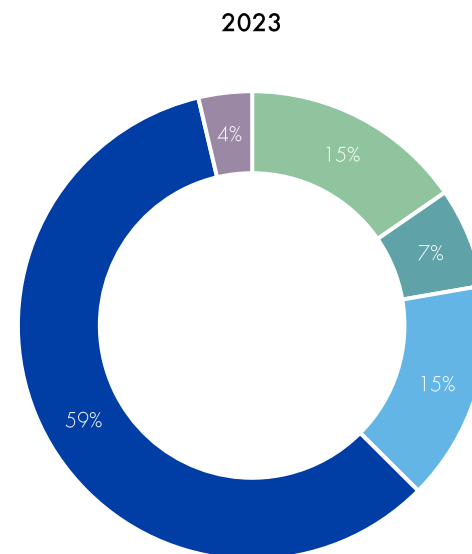
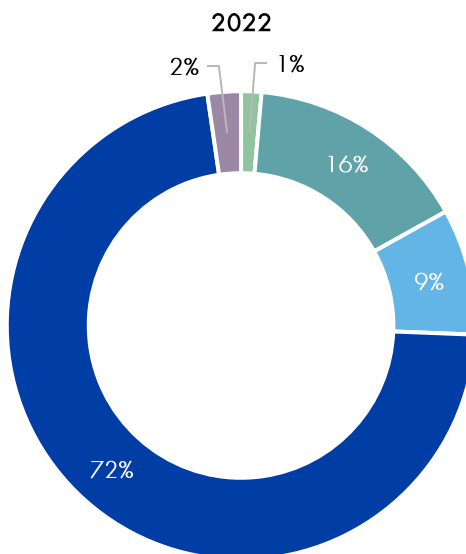
Source: Northmarq, Real Capital Analytics; analysis includes sales greater than \$2.5m; totals may not equal the sum of individual property types due to rounding



## MULTI-TENANT RETAIL

### Buyer Distribution

#### Annual





## JOHN TAGG

*Research Manager*

[jtagg@northmarq.com](mailto:jtagg@northmarq.com)

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[northmarq.com/trends-insights/research-library/marketsnapshot](https://northmarq.com/trends-insights/research-library/marketsnapshot)

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