

MULTI-TENANT | Q4 2025



# Retail



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

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

## MULTI-TENANT RETAIL

### Market Fundamentals



Q4 2025 Investment Sales Volume	<b>\$17.15B</b>
Change from Last Quarter (Q3 '25)	<b>+10.8%</b>
Change from Last Year (Q4 '24)	<b>+33.7%</b>



Q4 2025 Overall Average Cap Rate	<b>7.01%</b>
Change from Last Quarter (Q3 '25)	<b>-3 bps</b>
Change from Last Year (Q4 '24)	<b>-13 bps</b>

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

### Overview | Multi-Tenant Retail

The multi-tenant retail sector posted \$17.2 billion in fourth quarter sales volume, up 10.8% from the third quarter and nearly 34% year-over-year. Cap rates edged down 3 basis points to 7.01%, falling 13 basis points compared with a year ago.

The Southeast region led transaction activity in the fourth quarter, recording \$4.2 billion in volume and accounting for 24.6% of the total. The Southwest followed with \$3.8 billion, representing 22.0% of overall volume. The West ranked third with \$2.9 billion, or 17.0%, while the Midwest recorded \$2.3 billion, representing 13.6%. The Northeast contributed \$2.3 billion, or 13.5% of total volume, and the Mid-Atlantic region trailed with \$1.6 billion, accounting for 9.2%.

By region, cap rates ranged from a low of 6.23% in the West to a high of 7.84% in the Midwest. All regions, except the Midwest, Northeast and Southeast, recorded a modest increase over the prior quarter. Average cap rates are up 77 basis points from the recent low of 6.23% recorded in the third quarter of 2022.

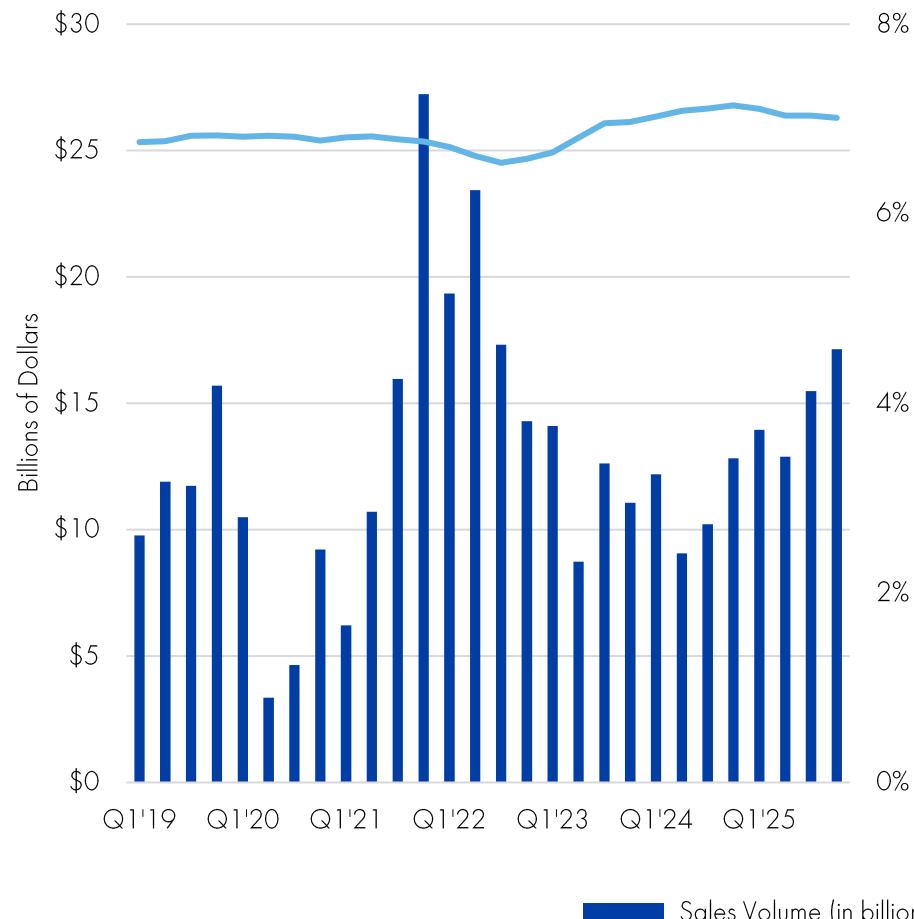
Private buyers accounted for 62% of multi-tenant retail acquisitions through the fourth quarter of 2025, followed by institutional investors at 21%. The institutional share has risen sharply from 8% in 2024, while private investment activity has declined by 6% over the same period.



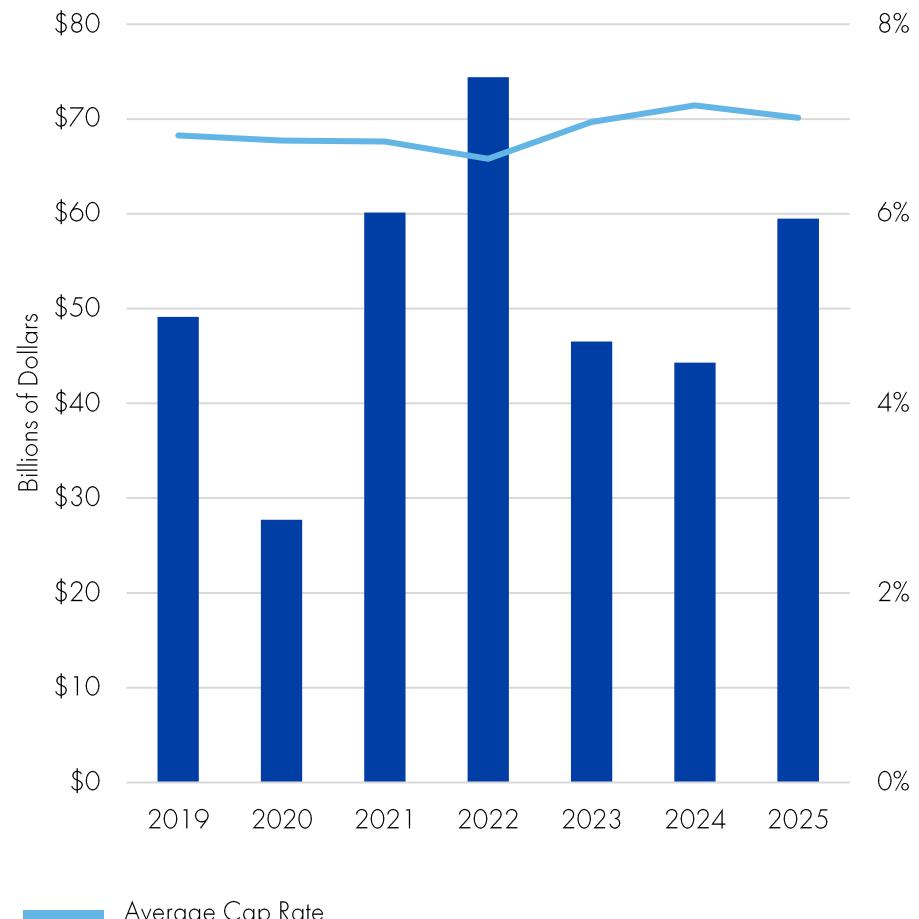
## MULTI-TENANT RETAIL

### Investment Sales Volume & Average Cap Rates

Q Quarterly



A 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	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Mid-Atlantic	\$1,156.78	\$788.08	\$658.43	\$824.58	\$1,582.01
Midwest	\$1,591.24	\$1,260.67	\$1,352.96	\$2,192.50	\$2,330.12
Northeast	\$1,761.09	\$1,486.59	\$1,544.84	\$1,963.49	\$2,313.04
Southeast	\$3,777.85	\$2,875.73	\$3,811.40	\$4,167.28	\$4,220.94
Southwest	\$1,507.96	\$1,505.90	\$3,140.98	\$2,503.78	\$3,778.00
West	\$3,031.19	\$6,039.43	\$2,367.48	\$3,826.80	\$2,923.10
<b>Total</b>	<b>\$12,826.11</b>	<b>\$13,956.40</b>	<b>\$12,893.33</b>	<b>\$15,478.42</b>	<b>\$17,147.22</b>

##### Annual

Type	2021	2022	2023	2024	2025
Mid-Atlantic	\$4,977.14	\$6,191.43	\$3,241.93	\$3,463.69	\$3,853.10
Midwest	\$8,223.97	\$9,003.92	\$10,147.02	\$6,727.59	\$7,136.26
Northeast	\$6,581.54	\$8,283.81	\$7,632.57	\$7,012.91	\$7,307.96
Southeast	\$14,566.29	\$18,892.24	\$10,029.77	\$11,449.64	\$15,075.35
Southwest	\$11,682.53	\$11,585.17	\$6,667.05	\$6,721.53	\$10,928.65
West	\$14,097.89	\$20,433.94	\$8,800.71	\$8,923.72	\$15,156.82
<b>Total</b>	<b>\$60,129.36</b>	<b>\$74,390.52</b>	<b>\$46,519.05</b>	<b>\$44,299.07</b>	<b>\$59,475.38</b>

#### Average Cap Rates



##### Quarterly

Type	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Mid-Atlantic	7.36%	7.39%	7.29%	7.36%	7.60%
Midwest	7.98%	7.98%	7.88%	7.91%	7.84%
Northeast	6.89%	6.77%	6.73%	6.73%	6.67%
Southeast	7.20%	7.25%	7.17%	7.20%	7.11%
Southwest	7.17%	7.05%	6.98%	6.95%	6.99%
West	6.30%	6.31%	6.25%	6.21%	6.23%
<b>Total</b>	<b>7.14%</b>	<b>7.11%</b>	<b>7.04%</b>	<b>7.04%</b>	<b>7.01%</b>

##### Annual

Type	2021	2022	2023	2024	2025
Mid-Atlantic	7.06%	7.21%	7.55%	7.36%	7.60%
Midwest	7.58%	7.34%	7.88%	7.98%	7.84%
Northeast	6.35%	6.37%	6.40%	6.89%	6.67%
Southeast	7.05%	6.79%	7.16%	7.20%	7.11%
Southwest	6.64%	6.38%	7.03%	7.17%	6.99%
West	5.98%	5.72%	6.03%	6.30%	6.23%
<b>Total</b>	<b>6.76%</b>	<b>6.58%</b>	<b>6.97%</b>	<b>7.14%</b>	<b>7.01%</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

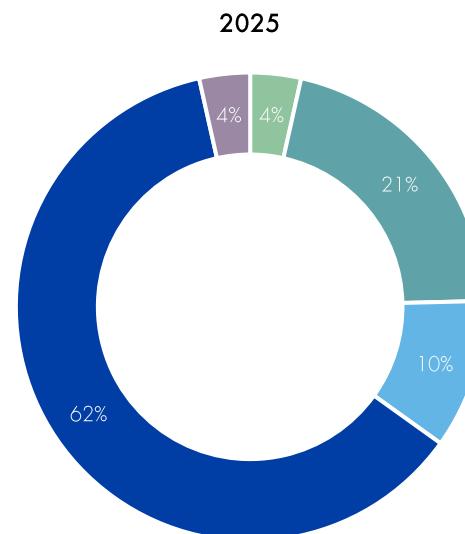
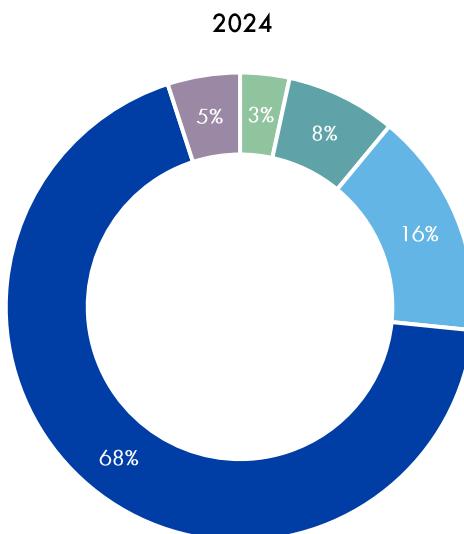
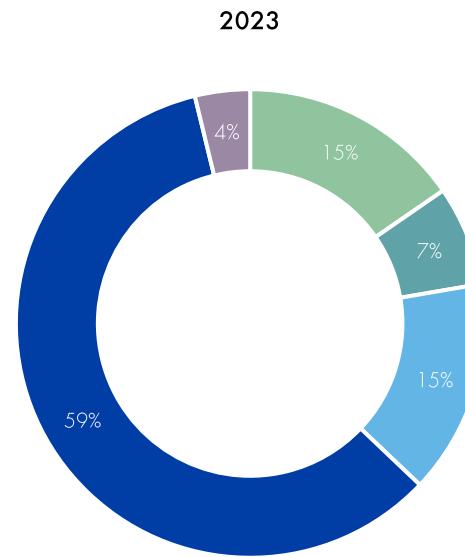
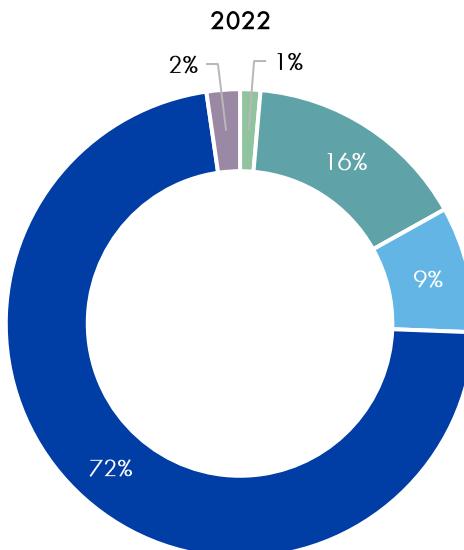


## MULTI-TENANT RETAIL

### Buyer Distribution

Annual

- 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





## JOHN TAGG

*Research Manager*

jtagg@northmarq.com

---

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