



SINGLE-TENANT | Q3 2025

# Industrial

## SINGLE-TENANT INDUSTRIAL

### Market Fundamentals



Q3 2025 Investment Sales Volume	<b>\$5.16B</b>
Change from Last Quarter (Q2 '25)	<b>-17.3%</b>
Change from Last Year (Q3 '24)	<b>-26.3%</b>



Q3 2025 Overall Average Cap Rate	<b>6.48%</b>
Change from Last Quarter (Q2 '25)	<b>-4 bps</b>
Change from Last Year (Q3 '24)	<b>+9 bps</b>

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

### Overview | Single-Tenant Industrial

Industrial remains the most active single-tenant sector, with nearly \$5.2 billion in third quarter investment sales. However, volume declined 17.3% from the second quarter and 26.3% year-over-year. Cap rates compressed slightly by 4 basis points from the second quarter but increased by 9 basis points year-over-year.

The Southwest region led transaction activity in the third quarter, recording \$1.3B in volume and accounting for 26.0% of the total. The Southeast followed with \$1.2B, representing 23.3% of overall volume. The Midwest ranked third with \$1.0B, or 20.3%, while the West recorded \$0.9B, representing 17.5%. The Northeast contributed \$0.4B, or 8.4% of total volume, and the Mid-Atlantic region trailed with \$0.2B, accounting for 4.5%.

By region, cap rates ranged from a low of 5.64% in the West to a high of 7.43% in the Midwest. All regions, except the Midwest, recorded a modest decline over the prior quarter. Average cap rates are up 127 basis points from the recent low of 5.21% recorded in the second quarter of 2022.

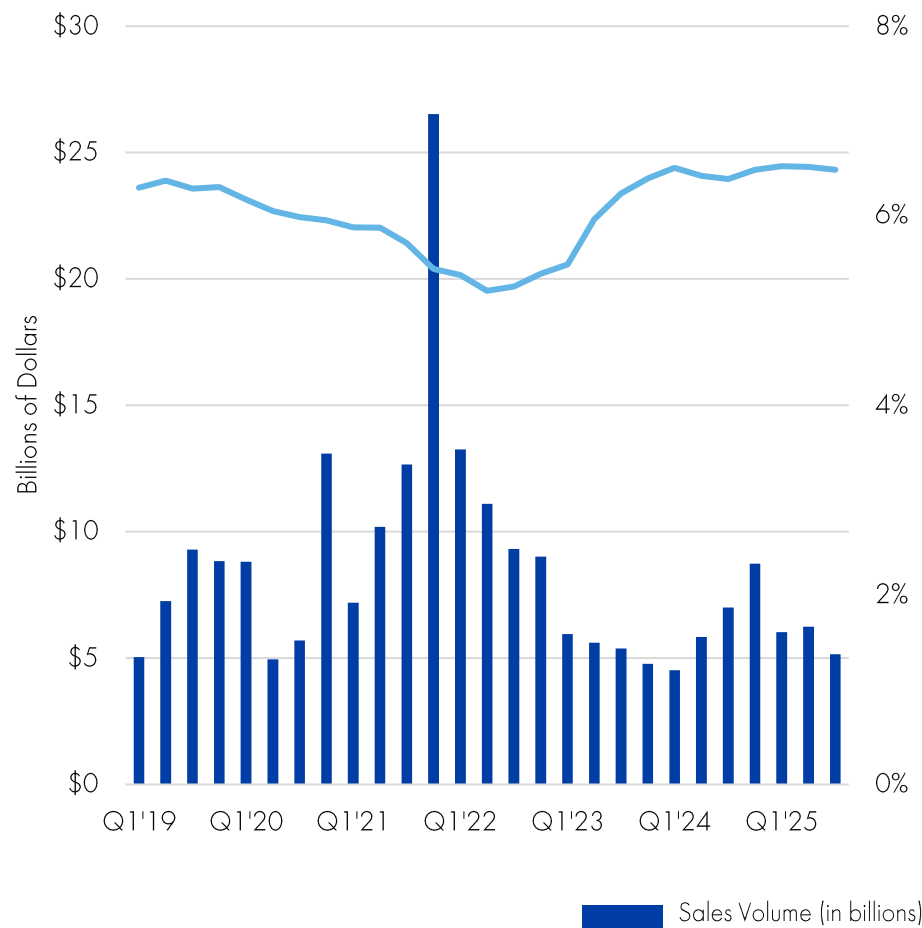
Private buyers accounted for 48% of single-tenant industrial acquisitions through the third quarter of 2025, followed by institutional investors at 23%. The private share rose by 6% from 2024, while institutional investment activity increased by 1% over the same period. REIT/Listed acquisitions fell from 11% of investment activity in 2024 to 8% as of the third quarter of 2025. The share of cross-border investment activity fell to 11% of deal volume, down from 20% in 2024.



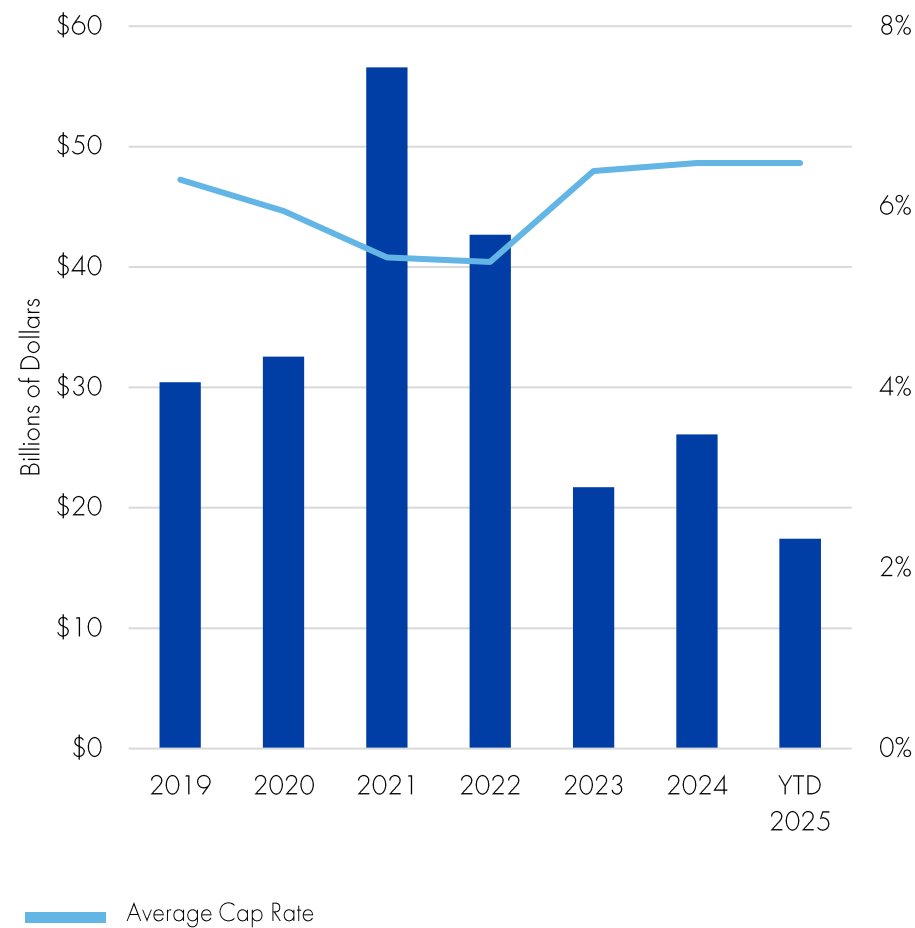
## SINGLE-TENANT INDUSTRIAL

### Investment Sales Volume & Average Cap Rates

#### Quarterly



#### Annual



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



## SINGLE-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	\$898.13	\$565.90	\$454.23	\$514.50	\$232.42
Midwest	\$1,057.00	\$1,379.05	\$1,093.64	\$1,104.03	\$1,045.13
Northeast	\$441.80	\$771.18	\$424.92	\$577.81	\$434.90
Southeast	\$1,783.47	\$2,081.71	\$1,349.37	\$1,352.51	\$1,201.33
Southwest	\$1,310.37	\$1,031.34	\$1,414.67	\$1,295.58	\$1,341.59
West	\$1,511.43	\$2,900.58	\$1,285.50	\$1,392.81	\$903.18
<b>Total</b>	<b>\$7,002.20</b>	<b>\$8,729.75</b>	<b>\$6,022.33</b>	<b>\$6,237.24</b>	<b>\$5,158.55</b>

##### Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	\$4,919.85	\$4,108.44	\$2,517.16	\$2,301.63	\$1,201.15
Midwest	\$11,040.62	\$8,459.62	\$4,068.38	\$3,796.96	\$3,242.80
Northeast	\$6,684.62	\$4,121.37	\$2,413.38	\$2,257.64	\$1,437.63
Southeast	\$10,899.70	\$9,329.68	\$4,391.19	\$6,702.83	\$3,903.21
Southwest	\$7,573.48	\$5,307.08	\$2,236.88	\$3,925.02	\$4,051.84
West	\$15,452.25	\$11,350.93	\$6,093.48	\$7,107.36	\$3,581.49
<b>Total</b>	<b>\$56,570.52</b>	<b>\$42,677.14</b>	<b>\$21,720.46</b>	<b>\$26,091.43</b>	<b>\$17,418.12</b>

#### Average Cap Rates



##### Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Mid-Atlantic	6.27%	6.34%	6.21%	5.89%	5.74%
Midwest	6.78%	7.13%	7.25%	7.27%	7.43%
Northeast	5.66%	6.00%	6.08%	6.10%	6.10%
Southeast	6.50%	6.52%	6.53%	6.77%	6.67%
Southwest	6.77%	6.74%	6.77%	6.76%	6.57%
West	6.03%	5.98%	5.81%	5.72%	5.64%
<b>Total</b>	<b>6.39%</b>	<b>6.48%</b>	<b>6.52%</b>	<b>6.52%</b>	<b>6.48%</b>

##### Annual

Type	2021	2022	2023	2024	YTD 2025
Mid-Atlantic	5.71%	5.63%	6.40%	6.34%	5.74%
Midwest	6.36%	6.38%	6.88%	7.13%	7.43%
Northeast	5.41%	5.45%	5.91%	6.00%	6.10%
Southeast	5.53%	5.50%	6.74%	6.52%	6.67%
Southwest	5.54%	5.02%	6.46%	6.74%	6.57%
West	4.70%	4.52%	5.72%	5.98%	5.64%
<b>Total</b>	<b>5.44%</b>	<b>5.39%</b>	<b>6.39%</b>	<b>6.48%</b>	<b>6.48%</b>



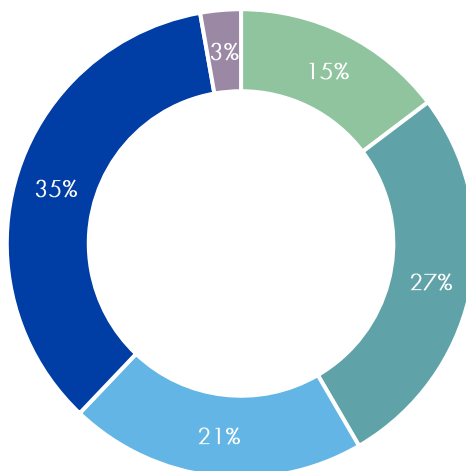
## SINGLE-TENANT INDUSTRIAL

### Buyer Distribution

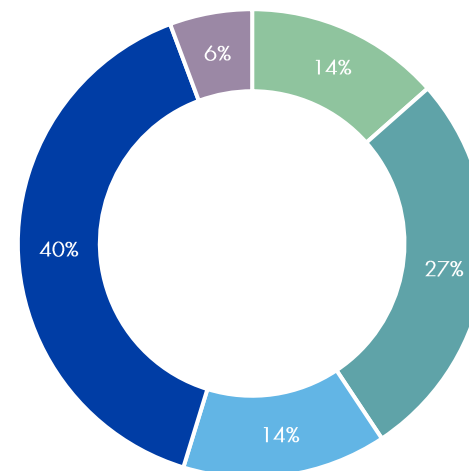
#### Annual



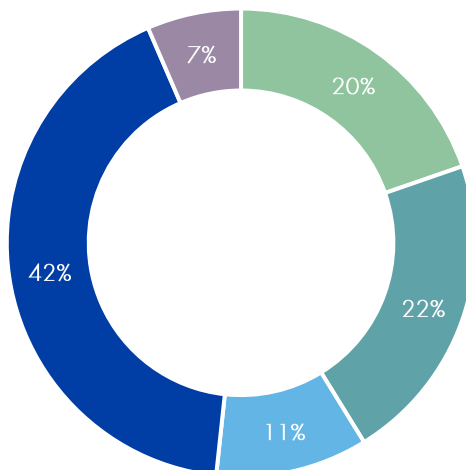
2022



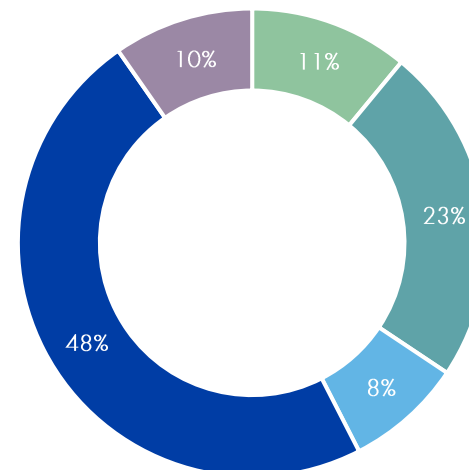
2023



2024



YTD 2025





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