



SINGLE-TENANT | Q4 2025

Industrial

SINGLE-TENANT INDUSTRIAL

Market Fundamentals



Q4 2025 Investment Sales Volume	\$8.83B
Change from Last Quarter (Q3 '25)	+34.4%
Change from Last Year (Q4 '24)	+1.6%



Q4 2025 Overall Average Cap Rate	6.37%
Change from Last Quarter (Q3 '25)	-2 bps
Change from Last Year (Q4 '24)	-8 bps

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 \$8.8 billion in fourth quarter investment sales. Sales volume improved 34.4% from the third quarter and 1.6% year-over-year. Annual volume is up 6.6% from 2024. Cap rates compressed slightly by 2 basis points from the third quarter and by 8 basis points year-over-year.

The West region led transaction activity in the fourth quarter, recording \$2.4 billion in volume and accounting for 27.6% of the total. The Southeast followed with \$2.2 billion, representing 25.3% of overall volume. The Midwest ranked third with \$1.3 billion, or 15.3%, while the Southwest recorded \$1.3 billion, representing 14.8%. The Mid-Atlantic contributed \$1.1 billion, or 12.5% of total volume, and the Northeast region trailed with \$0.4 billion, accounting for 4.4%.

By region, cap rates ranged from a low of 5.68% in the West to a high of 7.18% in the Midwest. All regions, except the Mid-Atlantic, Southwest and West, recorded a modest decline over the prior quarter. Average cap rates are up 116 basis points from the recent low of 5.21% recorded in the second quarter of 2022.

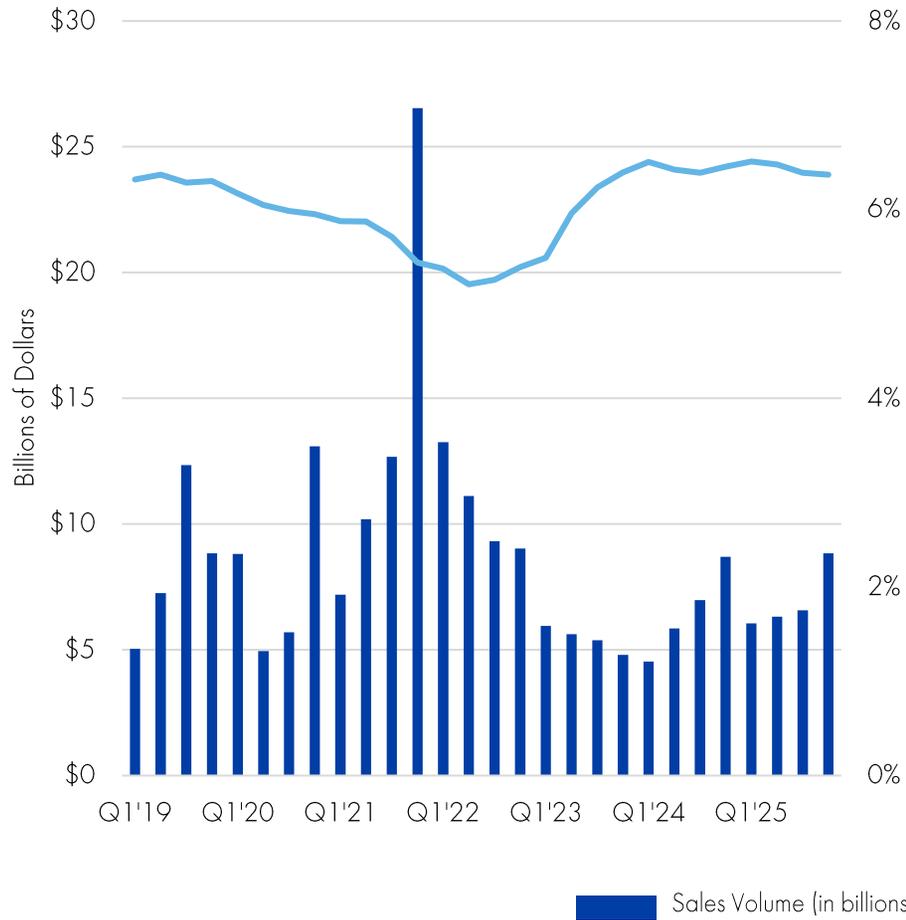
Private buyers accounted for 47% of single-tenant industrial acquisitions through the fourth quarter of 2025, followed by institutional investors at 24%. The private share rose by 5% from 2024, while institutional investment activity increased by 2% over the same period. REIT/Listed acquisitions fell from 11% of investment activity in 2024 to 8% as of the fourth quarter of 2025. The share of cross-border investment activity fell to 13% of deal volume, down from 20% in 2024.



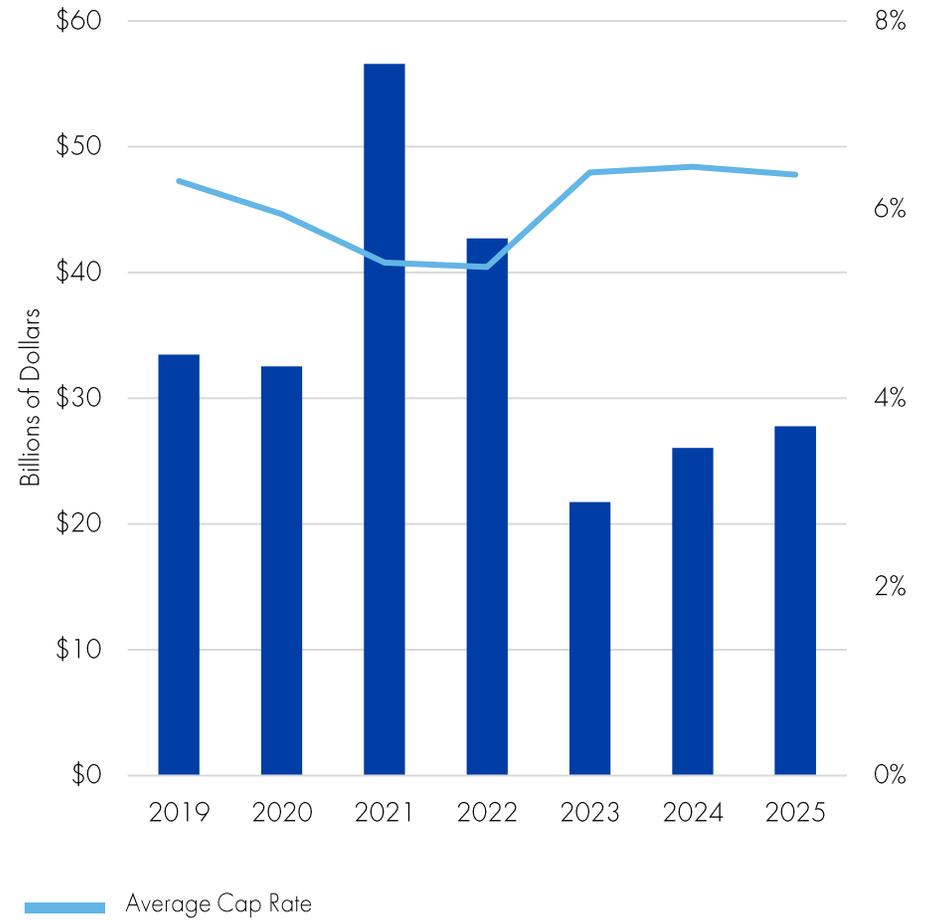
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Investment Sales Volume & Average Cap Rates

Q Quarterly



A Annual



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

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Quarterly & Annual Market Statistics

Investment Sales Volume (in millions)



Quarterly

Type	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Mid-Atlantic	\$596.41	\$454.23	\$524.87	\$322.83	\$1,107.84
Midwest	\$1,384.56	\$1,112.76	\$1,157.80	\$1,125.29	\$1,349.73
Northeast	\$808.05	\$424.92	\$577.81	\$505.34	\$391.92
Southeast	\$1,973.22	\$1,349.37	\$1,362.59	\$1,704.23	\$2,237.02
Southwest	\$1,031.34	\$1,417.96	\$1,296.94	\$1,488.35	\$1,304.23
West	\$2,900.57	\$1,295.09	\$1,392.81	\$1,424.32	\$2,440.55
Total	\$8,694.14	\$6,054.34	\$6,312.82	\$6,570.36	\$8,831.29

Annual

Type	2021	2022	2023	2024	2025
Mid-Atlantic	\$4,919.85	\$4,122.74	\$2,520.76	\$2,332.14	\$2,409.77
Midwest	\$11,038.09	\$8,459.62	\$4,070.79	\$3,811.05	\$4,745.59
Northeast	\$6,684.62	\$4,121.37	\$2,413.38	\$2,294.50	\$1,899.99
Southeast	\$10,905.35	\$9,350.18	\$4,398.46	\$6,585.96	\$6,653.22
Southwest	\$7,573.48	\$5,310.58	\$2,261.87	\$3,928.24	\$5,507.48
West	\$15,466.97	\$11,350.93	\$6,087.48	\$7,107.36	\$6,552.77
Total	\$56,588.37	\$42,715.44	\$21,752.74	\$26,059.25	\$27,768.82

Average Cap Rates



Quarterly

Type	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Mid-Atlantic	6.34%	6.33%	6.07%	6.09%	6.16%
Midwest	7.02%	7.18%	7.15%	7.23%	7.18%
Northeast	6.00%	6.08%	6.10%	6.22%	6.17%
Southeast	6.52%	6.53%	6.70%	6.53%	6.34%
Southwest	6.74%	6.79%	6.75%	6.50%	6.59%
West	5.94%	5.80%	5.72%	5.58%	5.68%
Total	6.45%	6.51%	6.48%	6.39%	6.37%

Annual

Type	2021	2022	2023	2024	2025
Mid-Atlantic	5.71%	5.63%	6.40%	6.34%	6.16%
Midwest	6.36%	6.38%	6.88%	7.02%	7.18%
Northeast	5.41%	5.45%	5.91%	6.00%	6.17%
Southeast	5.53%	5.50%	6.74%	6.52%	6.34%
Southwest	5.54%	5.02%	6.46%	6.74%	6.59%
West	4.70%	4.55%	5.72%	5.94%	5.68%
Total	5.44%	5.39%	6.39%	6.45%	6.37%

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



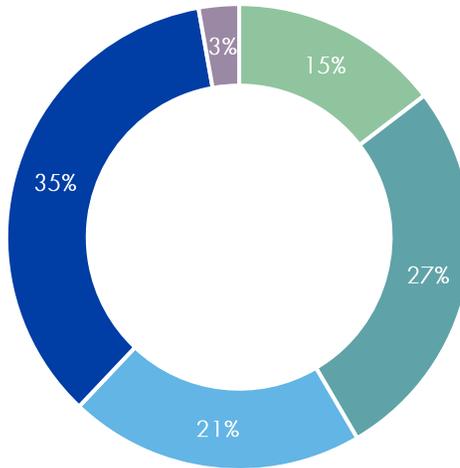
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Buyer Distribution

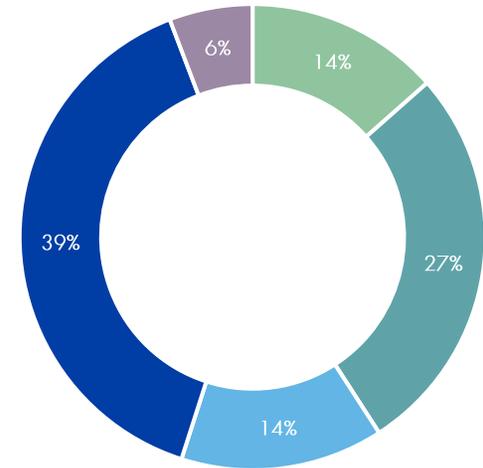
Annual

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

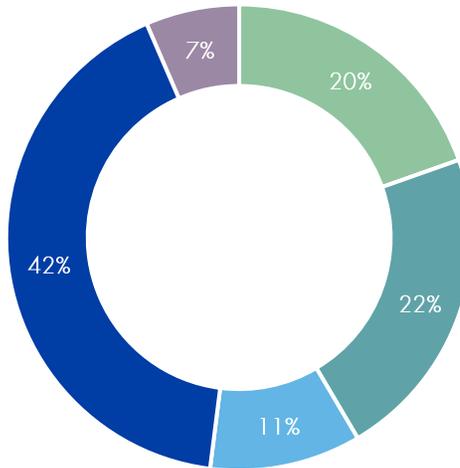
2022



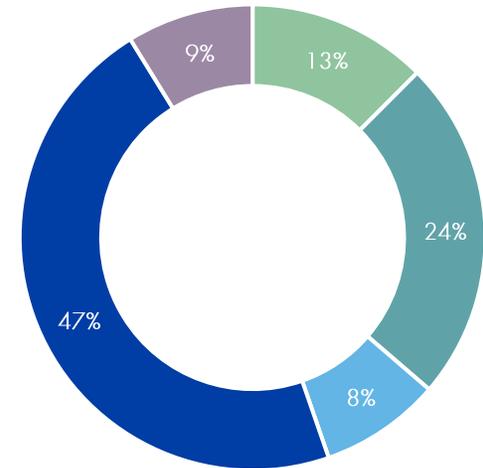
2023



2024



2025



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





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