



SINGLE-TENANT | Q3 2025

Overall Market

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

northmarq.com

SINGLE-TENANT OVERALL MARKET

Market Fundamentals



Q3 2025 Investment Sales Volume	\$9.89B
Change from Last Quarter (Q2 '25)	-10.5%
Change from Last Year (Q3 '24)	-14.9%



Q3 2025 Overall Average Cap Rate	6.88%
Change from Last Quarter (Q2 '25)	+0 bps
Change from Last Year (Q3 '24)	+13 bps

Overview | Single-Tenant Overall Market

Single-tenant investment sales totaled \$9.9B in the third quarter, bringing year-to-date volume to \$33.3B. Activity was down 10.5% compared to the previous quarter and by 14.9% year-over-year.

Industrial transactions totaled \$5.2B in volume, continuing to represent the largest share of activity at 52.2%, though down from 60.2% one year ago. Office transactions followed at \$2.5B, or 25.6% of total deal volume, up from 17.0% last year. Retail transactions accounted for \$2.2B, or 22.3%, a slight decline from 22.7% one year earlier.

Cap rates were flat from the previous quarter at an average of 6.88%, a pause after a prolonged, gradual upward trend. The overall average is now 13 basis points higher than a year ago, with retail posting the largest year-over-year increase.

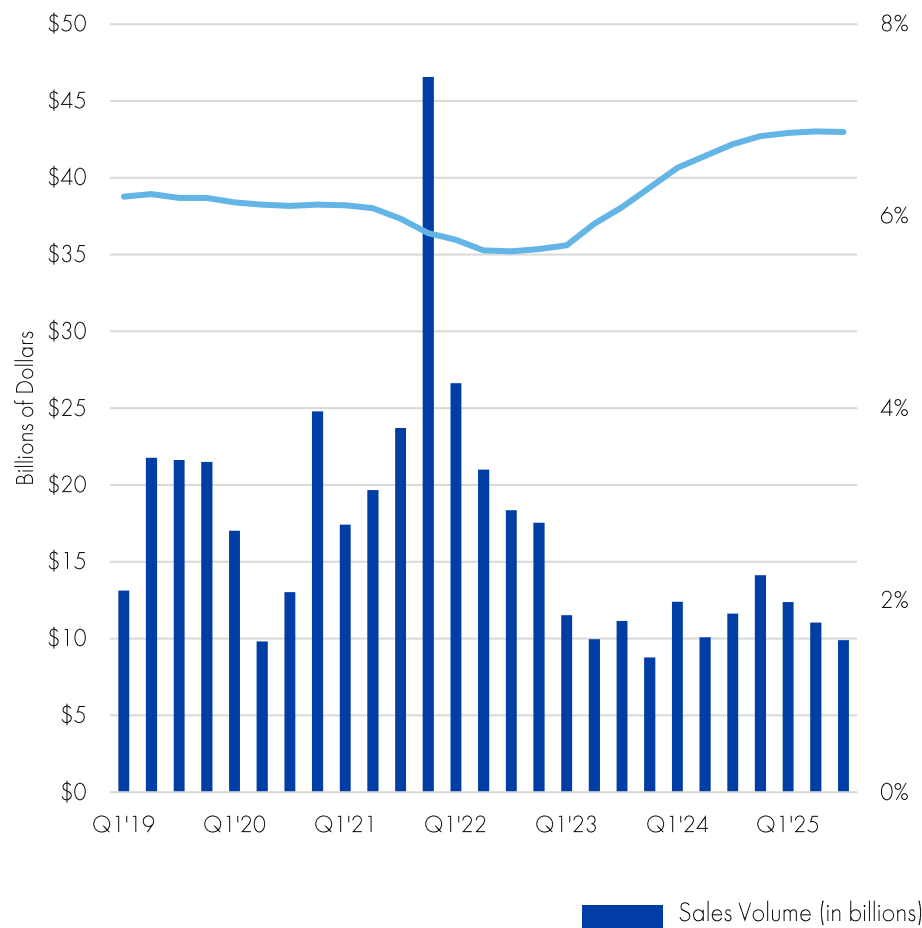
Private buyers accounted for 55% of multi-tenant office acquisition volume through the third quarter of 2025, up from 43% in 2024, followed by institutional investors at 19%, slightly above 17% last year. REIT/listed activity as a share of total transaction volume declined sharply, falling from 18% in 2024 to 8% in 2025.



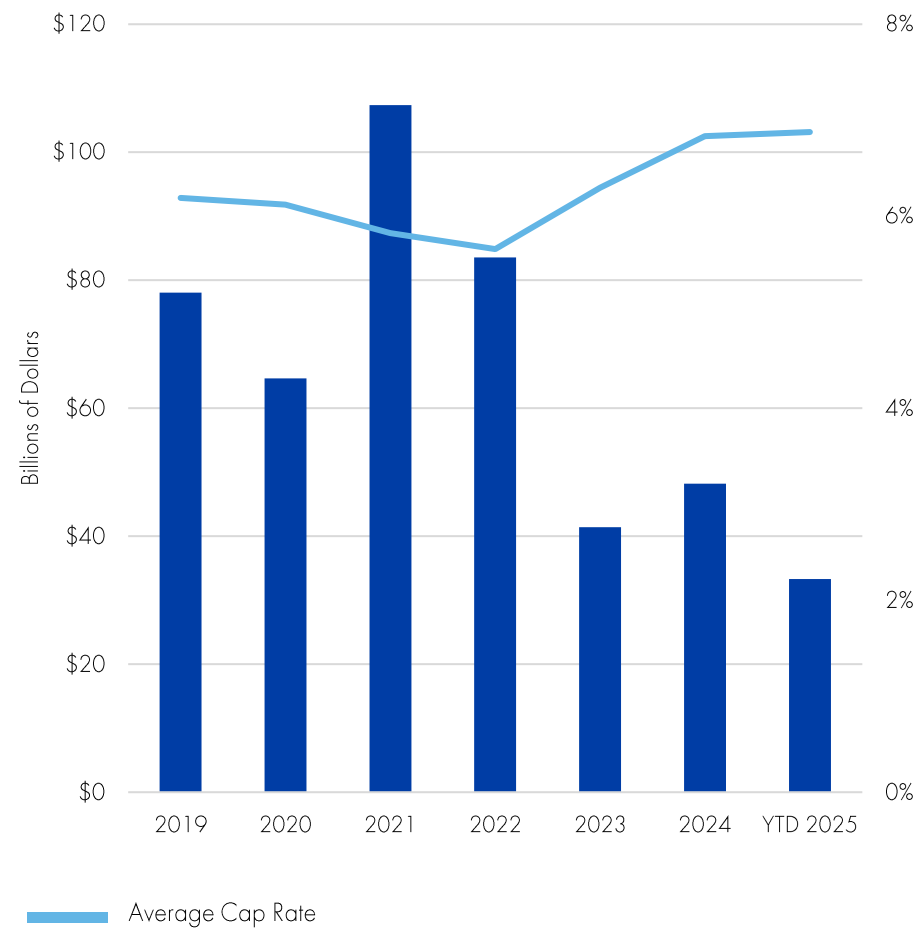
SINGLE-TENANT OVERALL MARKET

Investment Sales Volume & Average Cap Rates

 Quarterly



 Annual



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

SINGLE-TENANT OVERALL MARKET

Quarterly & Annual Market Statistics

By Property Type

Investment Sales Volume (in billions)



Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Office	\$1.98	\$2.54	\$3.04	\$2.27	\$2.53
Industrial	\$7.00	\$8.73	\$6.02	\$6.24	\$5.16
Retail	\$2.64	\$2.85	\$3.32	\$2.55	\$2.20
Total	\$11.62	\$14.12	\$12.38	\$11.05	\$9.89

Annual

Type	2021	2022	2023	2024	YTD 2025
Office	\$28.94	\$22.64	\$7.41	\$10.20	\$7.84
Industrial	\$56.57	\$42.68	\$21.72	\$26.09	\$17.42
Retail	\$21.83	\$18.24	\$12.30	\$11.93	\$8.07
Total	\$107.34	\$83.56	\$41.43	\$48.22	\$33.33

Average Cap Rates



Quarterly

Type	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Office	7.13%	7.18%	7.21%	7.25%	7.18%
Industrial	6.39%	6.48%	6.52%	6.52%	6.48%
Retail	6.80%	6.88%	6.91%	6.92%	6.93%
Total	6.75%	6.84%	6.87%	6.88%	6.88%

Annual

Type	2021	2022	2023	2024	YTD 2025
Office	6.18%	6.15%	6.67%	7.18%	7.18%
Industrial	5.44%	5.39%	6.39%	6.48%	6.48%
Retail	5.92%	5.60%	6.15%	6.88%	6.93%
Total	5.82%	5.66%	6.30%	6.84%	6.88%



SINGLE-TENANT OVERALL MARKET

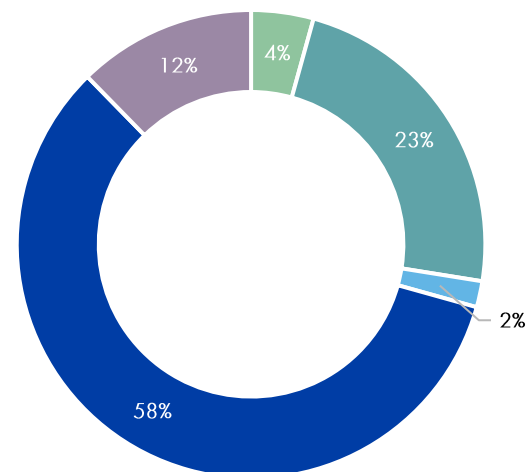
Buyer Distribution

Quarterly, by Property Type

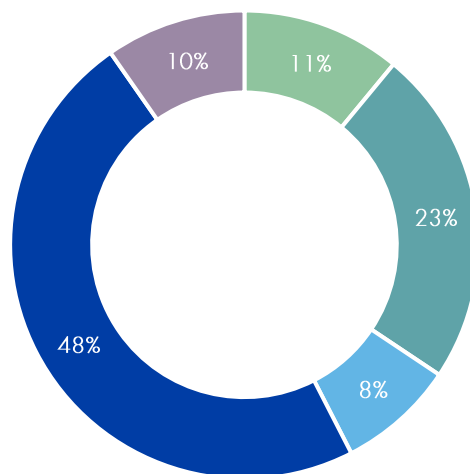
YTD as of Q3 2025



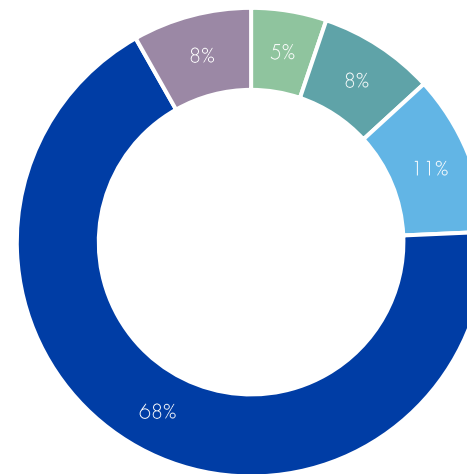
Single-Tenant Office



Single-Tenant Industrial



Single-Tenant Retail



SINGLE-TENANT OVERALL MARKET

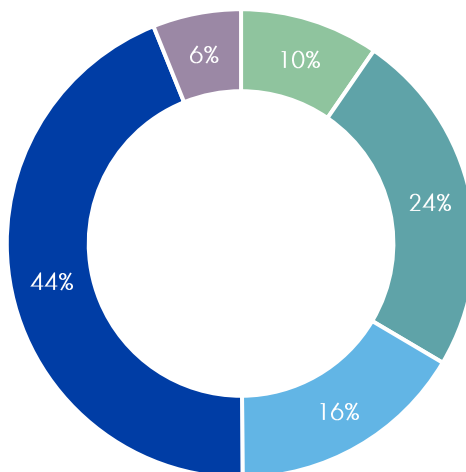
Buyer Distribution

Annual, Overall Market

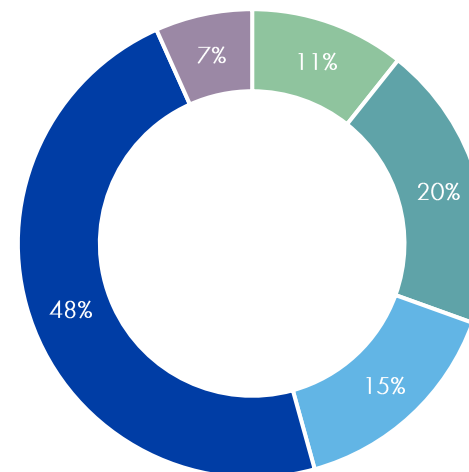
Annual



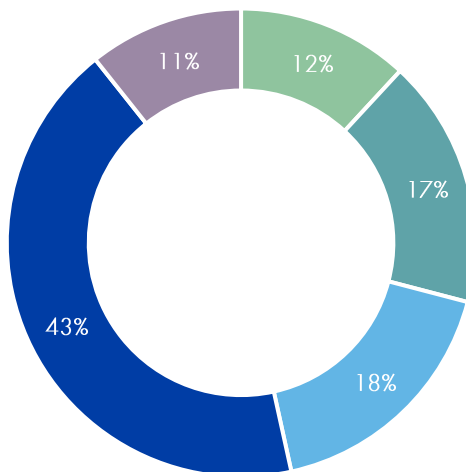
2022



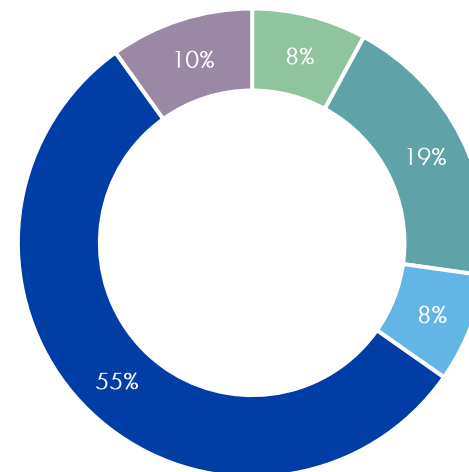
2023



2024



YTD 2025

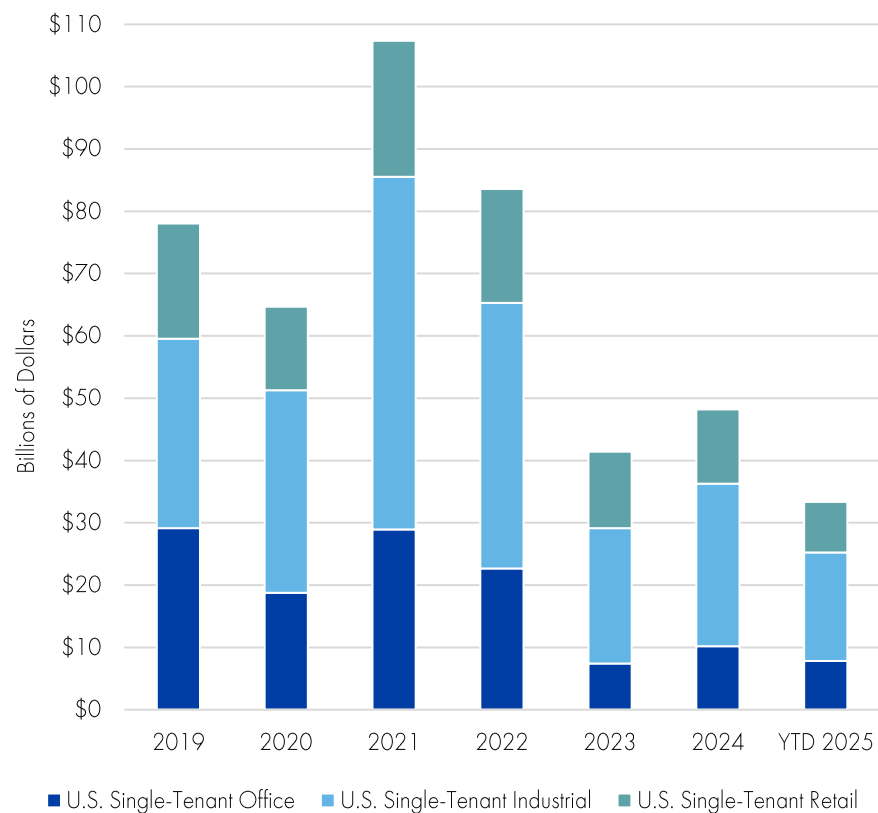


SINGLE-TENANT OVERALL MARKET

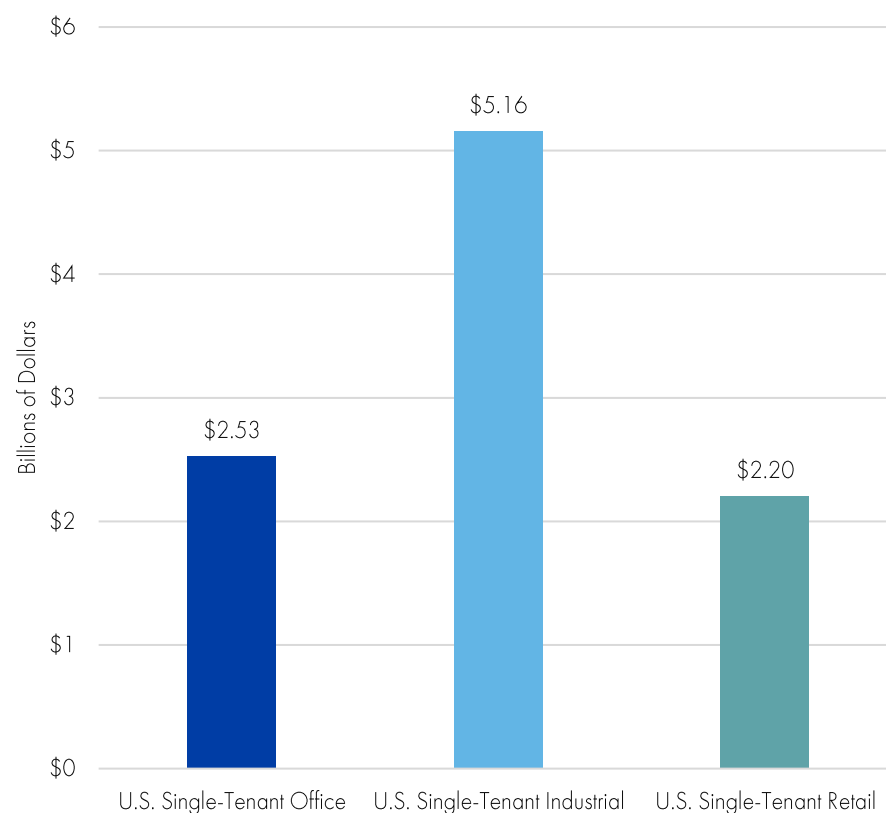
Investment Sales Volume

By Property Type

 Annual



 Q3 2025



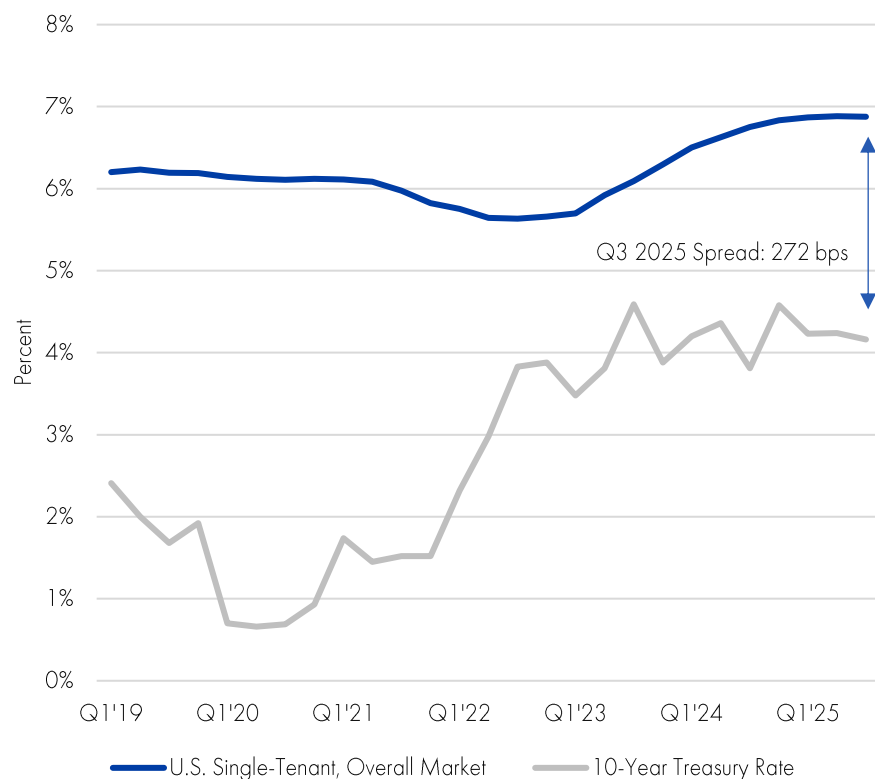
Source: Northmarq, Real Capital Analytics; analysis includes sales greater than \$2.5m



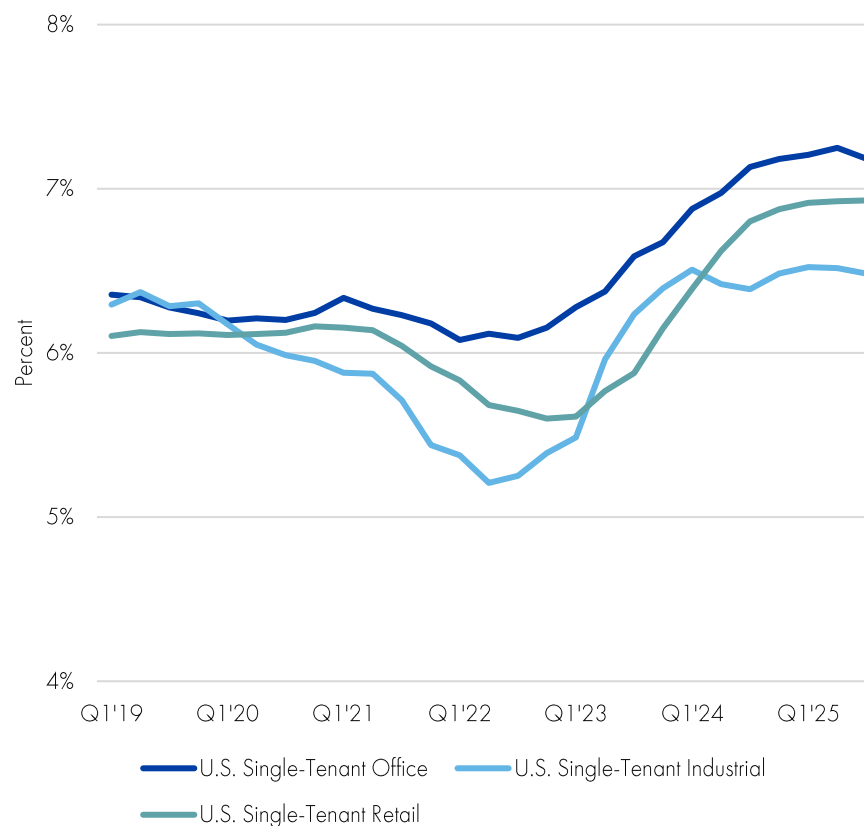
SINGLE-TENANT OVERALL MARKET

Average Cap Rates

Overall Average Cap Rate vs. 10-Year Treasury, with Current Spread



Average Cap Rates, by Property Type



Source: Northmarq, Real Capital Analytics, U.S. Federal Reserve; analysis includes sales greater than \$2.5m; 10-year treasury graph includes quarter-end values and may not illustrate actual daily high or low points





JOHN TAGG

Research Manager

jtagg@northmarq.com

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

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