

MARKET OVERVIEW

Although the overall vacancy rate increased 105 basis points from 2.2% to 3.25% in the last quarter, the Nashville Industrial market continues to expand and show positive growth. The increase in vacancy is understandable due the nearly 2 MSF of net deliveries for Q1-22. The market is still growing as the under-construction product inches towards 10 MSF and the market inventory surpassed 241 MSF. As more Downtown/infill industrial product gets rezoned for Commercial/Multi-Use projects, developers are realizing they need to look at tertiary markets in Maury, Montgomery, Robertson, and Putnam counties to sustain the growth and meet the market demand.

ABSORPTION

As projected, absorption was slightly down from Q4 2021 because of the amount of delivered square feet. However, the overall absorption square feet was higher than anticipated as more institutional and corporate tenants entered the Nashville market.

VACANCY

In line with absorption, the vacancy rate increased in Q1 2022 because of the new product that came online. Only three submarkets currently sit above 4.0% vacancy, all of which saw the bulk of deliveries.

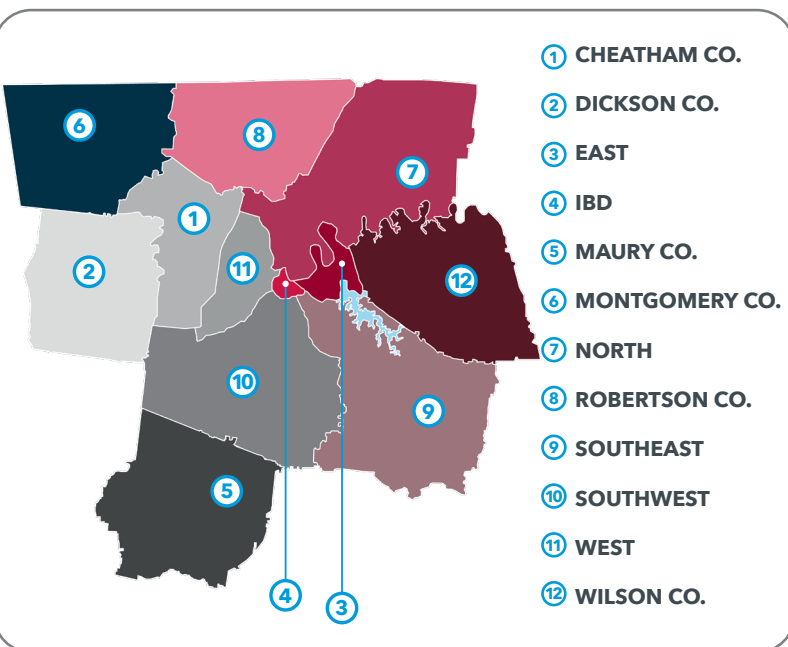
RENTAL RATES

Large lease transactions have been the driving force behind rental rates and as Class A product continues to be absorbed, rental rates will continue to rise.

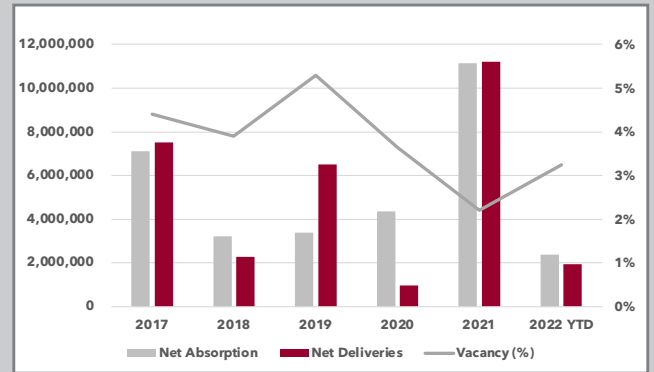
DEVELOPMENT

Development continued to rise from Q4 2021 as the market currently has almost 10M SF under construction. Although some municipalities are trying to pump the brakes, developers are thinking outside the traditional submarkets and exploring more tertiary locations for future growth.

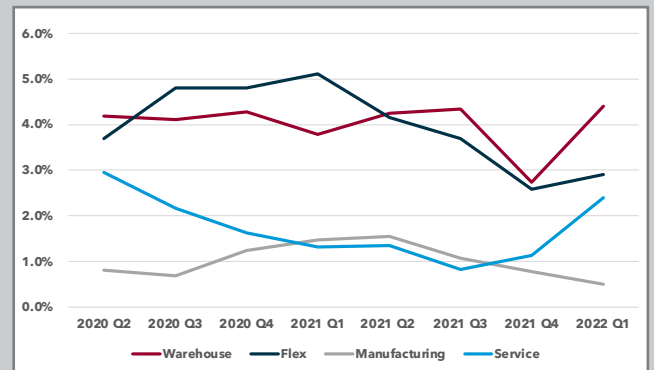
SUBMARKET MAP



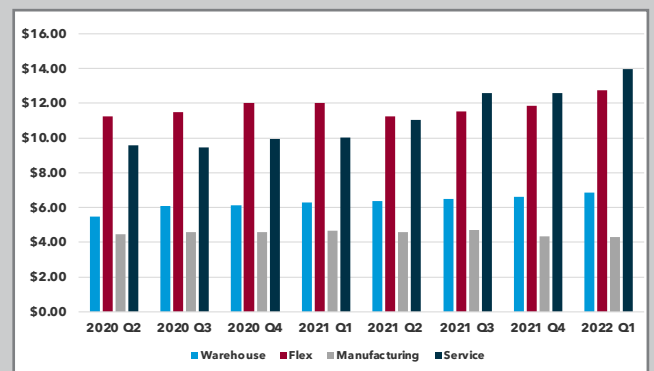
ABSORPTION & DELIVERIES



VACANCY BY PROPERTY TYPE



NASHVILLE RENTAL RATES COMPARISON



SUBMARKET BREAKDOWN

SUBMARKET	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONST SF
	Total RBA	Total SF	Vac %		
Cheatham Co	2,002,324	-	0.0%	-	-
Dickson Co.	4,530,528	174,107	3.8%	-	-
East	12,168,830	716,304	5.9%	(332,278)	-
IBD	13,354,173	205,375	1.5%	(41,363)	-
Maury Co.	12,482,805	252,250	2.0%	(69,200)	229,877
Montgomery Co.	10,654,552	95,400	0.9%	50,000	251,000
North	41,490,446	536,628	1.3%	(69,793)	15,000
Robertson Co.	10,873,367	55,727	0.5%	-	-
Southeast	70,521,997	3,134,980	4.4%	1,043,301	3,458,750
Southwest	13,525,845	281,564	2.1%	10,240	-
West	7,417,518	187,519	2.5%	(1,270)	297,500
Wilson Co.	42,318,040	2,198,476	5.2%	1,808,985	5,409,864
TOTAL	241,340,425	7,838,330	3.2%	2,398,622	9,661,991

WAREHOUSE	PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONST SF
		Total RBA	Total SF	Vac %		
	2022 Q1	159,946,463	7,006,865	4.4%	2,370,408	9,661,991
	2021 Q4	157,717,224	4,307,825	2.73%	9,254,297	9,016,520
	2021 Q3	158,913,570	6,902,936	4.3%	1,156,277	6,226,832
	2021 Q2	155,483,000	6,610,733	4.3%	4,249,178	-

MANUFACTURING	PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONST SF
		Total RBA	Total SF	Vac %		
	2022 Q1	62,500,403	314,901	0.5%	83,921	-
	2021 Q4	63,315,021	491,627	0.78%	950,833	-
	2021 Q3	63,032,115	674,000	1.1%	299,288	-
	2021 Q2	63,032,115	973,288	1.5%	(48,966)	-

FLEX	PERIOD	EXISTING INVENTORY	VACANCY		YTD NET ABSORPTION	UNDER CONST SF
		Total RBA	Total SF	Vac %		
	2022 Q1	13,660,862	389,483	2.9%	8,979	-
	2021 Q4	13,897,620	358,327	2.58%	474,804	-
	2021 Q3	14,069,109	520,062	3.7%	65,236	-
	2021 Q2	14,069,109	585,298	4.2%	155,719	-

NOTABLE LEASES *LEE DEAL



LEASE

135 LOGISTICS DRIVE
WILSON COUNTY
TOTAL SF 600,388 SF
TENANT HelloFresh
TYPE New



LEASE

109 KIRBY DRIVE
NORTH
TOTAL SF 219,767 SF
TENANT Shoal Technologies
TYPE New



LEASE

***1420 TOSHIBA DRIVE**
WILSON COUNTY
TOTAL SF 181,000 SF
TENANT Tritium
TYPE New

NOTABLE UNDER CONSTRUCTION

CENTRAL 840 LOGISTICS CENTER

WILSON COUNTY
TOTAL SF 925,336 SF
DEVELOPER Core5
DELIVERY Q3-2022

PARKWAY PLACE

WILSON COUNTY
TOTAL SF 844,480 SF
DEVELOPER Granite
DELIVERY Q3-2022

FIRST ROCKDALE V - CHEWY.COM

WILSON COUNTY
TOTAL SF 691,000 SF
DEVELOPER First Industrial
DELIVERY Q1-2022

NOTABLE SALE TRANSACTIONS

SPACE PARK NORTH (PORTFOLIO)

NORTH
SIZE 961,657 SF
PRICE \$76,500,000 (\$79.55 PSF)
BUYER Stonelake Capital Partners
SELLER Kaufman Jacobs

121 AIRPARK CENTER EAST

SOUTHEAST
SIZE 231,250 SF
PRICE \$31,218,750 (\$135 PSF)
BUYER EQT Exeter
SELLER Strategic Capital Partners

1958-1962 ALMAVILLE ROAD

SOUTHEAST
SIZE 172,420 SF
PRICE \$21,000,000 (\$121.80 PSF)
BUYER Kohlberg Kravis Roberts & Co. L.P.
SELLER GLP Capital Partners

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