



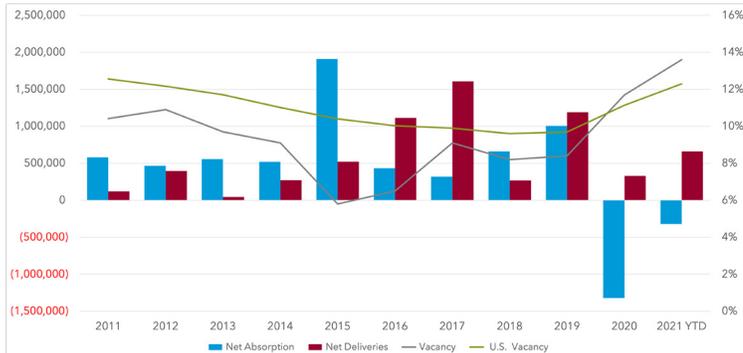
### OFFICE MARKET OVERVIEW

KYLE NEVEAU, Associate

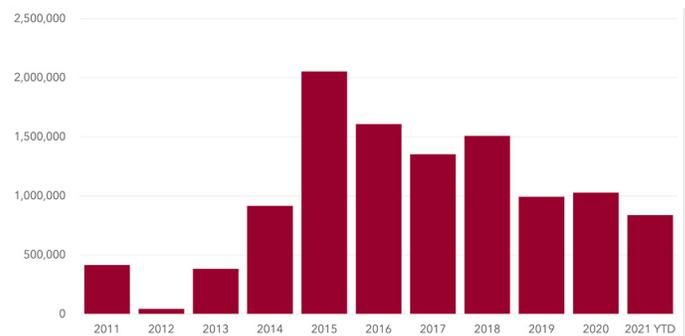
The Nashville Office market continues to gain traction as the impact of COVID-19 lingers. The last two quarters have had positive net absorption and maintained a vacancy rate of 13.6% with asking rental rates hovering around \$29 per square foot. Under construction activity has continued to increase with strong preleasing in most cases. Pricing for office sales has remained strong with cap rates driving the economics of these deals. Nashville continues to benefit from major corporate relocations such as Kaiser Aluminum in Williamson County and investments such as Oracle's campus in downtown Nashville. Tennessee has benefitted from the second most HQ relocations, behind Texas, due to taxes, connectivity, and a strong workforce.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	(859,517)	(903,850)	(1,978,574)	(1,321,334)	(782,556)
◀▶ Vacancy Rate	13.6%	13.6%	13.9%	11.7%	10.6%
▼ Avg NNN Asking Rate PSF	\$29.19	\$29.28	\$29.20	\$29.35	\$29.67
▲ SF Under Construction	836,629	756,629	1,191,841	1,026,202	1,026,202
◀▶ Inventory SF	49,048,055	49,048,055	48,386,843	48,386,843	48,386,843

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2200 Rosa L Parks Boulevard Nashville, TN	96,237 SF	\$17,689,999 \$183.82 PSF	R2 Companies United Methodist Publishing House	Class C
4205-4219 Hillsboro Pike Nashville, TN	70,000 SF	\$16,721,738 \$238.88 PSF	The Mathews Company The Allen Company	Class C
1984 Providence Pky Mount Juliet, TN	22,659 SF	\$7,880,000 \$347.76 PSF	Shabbir & Zarina Bahora Rev Trust South Mt. Juliet Holdings	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
455 Great Circle Road Nashville, TN	94,090 SF	Continental Capital Partners LLC	Undisclosed	Undisclosed
500 11th Avenue N Nashville, TN	62,368 SF	Boyle Investment Company	Undisclosed	Undisclosed
1222 Demonbreun Street Nashville, TN	30,591 SF	Endeavor Real Estate Group	Revance Therapeutics Inc	Pharmaceutical Manufacturing

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