



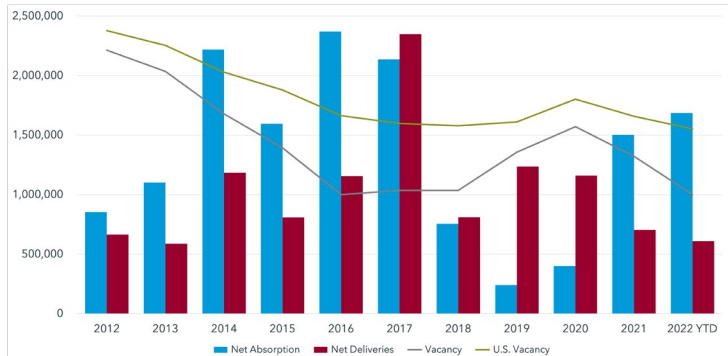
RETAIL MARKET OVERVIEW

GAINES HANKS, Associate

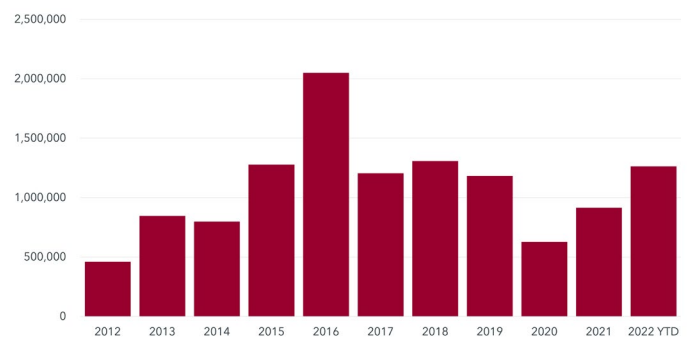
The Nashville retail market has outpaced many comparable markets in the US on both occupancy and rent growth. Annual retail rent growth has clocked in at 10.8%, while over 1.5M SF has been absorbed, pushing the vacancy rate down to an impressive 3.1% in Q4. Even though market conditions have improved substantially since the pandemic, retail development in Nashville has remained tepid. Including the Tanger Outlet development on I-24, there is currently only 1.2M total SF of product under construction. Investment activity has slowed since the beginning of the year with the rise of interest rates. That said, large institutional investors remain bullish on the Nashville retail market as illustrated by the record-breaking sale of Fifth + Broadway.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▲ 12 Mo. Net Absorption SF	1,686,450	1,287,670	1,474,988	1,319,014	1,480,859
▼ Vacancy Rate	2.8%	3.3%	3.4%	3.7%	3.8%
▼ Avg NNN Asking Rate PSF	\$23.01	\$23.08	\$23.14	\$22.45	\$21.63
▼ SF Under Construction	1,214,555	1,129,266	1,229,560	928,281	1,000,246
▲ Inventory SF	119,888,687	119,086,750	118,440,920	118,353,384	118,176,181

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1632-1680 Memorial Boulevard Murfreesboro, TN	77,280 SF	\$17,813,000 \$230.50 PSF	615 Ventures Baker Storey McDonald	Multi-Tenant
261 Indian Lake Boulevard Hendersonville, TN	50,000 SF	\$9,775,925 \$195.52 PSF	Michael Webb J. Scott Lucas	Multi-Tenant
214 Ward Circle Brentwood, TN	24,500 SF	\$6,455,000 \$263.47 PSF	CenterSquare Investment Mgmt The Stanton Group	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
230 Franklin Road Franklin, TN	27,300 SF	Holladay Properties	Diakonia Group	Construction
1584 Gallatin Pike N Madison, TN	16,900 SF	The Home Depot	DD's Discounts	Apparel
1960 Old Fort Parkway Murfreesboro, TN	10,000 SF	PMAT Acquisition	Planet Fitness	Health Clubs

