



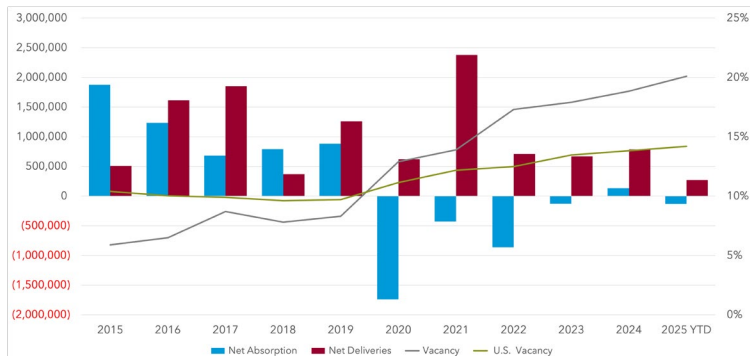
OFFICE MARKET OVERVIEW

CHARLES HOLLAND, Associate

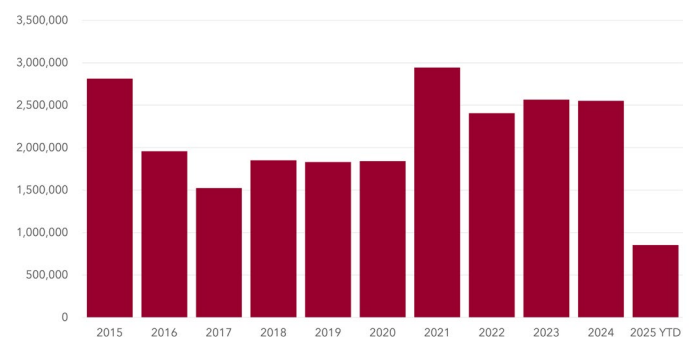
The Nashville office market continues to see a rise in vacancy in Q3 2025, largely driven by corporate consolidations and space reductions. While vacancies have increased, the sharp retreat in new supply-construction has fallen to under one million square feet from more than 2.5 million earlier this year-may help temper further upward pressure on availability. Investment activity has also slowed as buyers take a more cautious stance, signaling a period of adjustment for the market.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Net Absorption SF	(221,631)	(127,506)	133,511	390,713	279,693
▲ Vacancy Rate	20.15%	19.59%	18.84%	18.29%	18.57%
▲ Avg NNN Asking Rate PSF	\$31.46	\$30.78	\$30.37	\$30.48	\$30.61
▼ Sale Price PSF	\$199.00	\$212.00	\$215.00	\$215.00	\$214.00
▲ Cap Rate	8.90%	8.30%	-	7.80%	8.10%
▼ Under Construction SF	853,093	1,557,253	2,552,618	2,584,818	2,562,957
▲ Inventory SF	59,074,407	58,263,241	56,624,490	53,637,865	54,021,376

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
414 Union Street Nashville, TN	444,770 SF	\$28,999,004 \$65.20 PSF	TC 414 Union Holdings LLC Evelyn Capital	Class A
608 Norris Avenue Nashville, TN	18,000 SF	\$6,300,000 \$359.00 PSF	The BRC3 Family LP Norris Avenue LLC	Class C
107 Kenner Avenue Nashville, TN	7,203 SF	\$4,504,972.29 \$625.43 PSF	Crosslin & Associates Cherry & Associates	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
26 Century Boulevard Nashville, TN	104,992 SF	Private Owner	The General	Finance & Insurance
26 Century Boulevard Nashville, TN	81,221 SF	Private Owner	Undisclosed	Undisclosed
735 E. Main Street Hendersonville, TN	61,000 SF	Private Owner	Sumner County School District	Educational Services

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