



INDUSTRIAL MARKET OVERVIEW

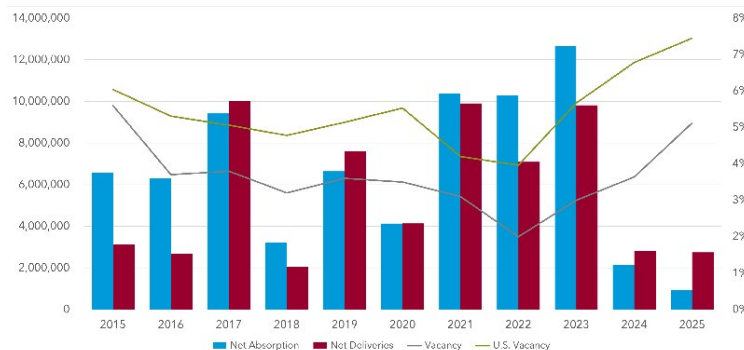
JIM RODRIGUES, SIOR, *President*

The Nashville industrial market remained fundamentally strong in Q4 2025, supported by solid long-term demand and continued tenant interest, even as conditions moderated. Vacancy edged up slightly above 5% as recent deliveries outpaced absorption, reflecting a market transitioning from rapid expansion to normalization. While trailing 12-month absorption slowed from earlier peaks, it remained positive, underscoring Nashville's resilience as a regional distribution and logistics hub. With construction activity tapering from prior highs, supply pressure is expected to ease, positioning the market for healthier balance as demand stabilizes in 2026.

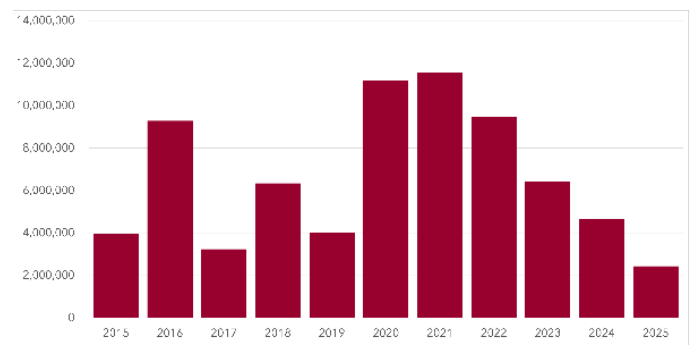
MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	925,136	2,585,470	3,301,348	220,450	2,146,060
▲ Vacancy Rate	5.12%	5.01%	4.79%	4.7%	3.6%
▼ Avg NNN Asking Rate PSF	\$9.54	\$9.81	\$9.31	\$9.34	\$9.40
◀ ▶ Sale Price PSF	*	*	*	*	*
◀ ▶ Cap Rate	*	*	*	*	*
▼ Under Construction SF	2,432,547	3,074,266	3,711,565	4,584,559	4,642,920
▲ Inventory SF	276,178,441	275,683,028	276,246,746	273,871,264	274,538,669

*Please contact Lee & Associates Nashville for Sale Price and Cap Rate Information

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 - 121 Airpark Center, E Nashville, TN	622,750 SF	\$128,400,000 \$206.18 PSF	Ares EQT Real Estate	Class A
3150 Barry Drive Portland, TN	338,000 SF	\$31,000,000 \$91.72 PSF	Create Energy Puritan Medical Products	Class A
941 - 953 Esther Lane Murfreesboro, TN	99,561 SF	\$17,400,000 \$174.77 PSF	STAG Industrial Brennan Investment Group	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Walden Books Drive* Nashville, TN	564,300 SF	Prologis	Quanta Manufacturing	Manufacturing
538 Myatt Drive Madison, TN	209,204 SF	STAG Industrial	Magnera	Specialty Materials
423 Liberator Lane Smyrna, TN	148,822 SF	Stockbridge Capital Group	UPS	Shipping

*Lee & Associates Nashville Transaction

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