



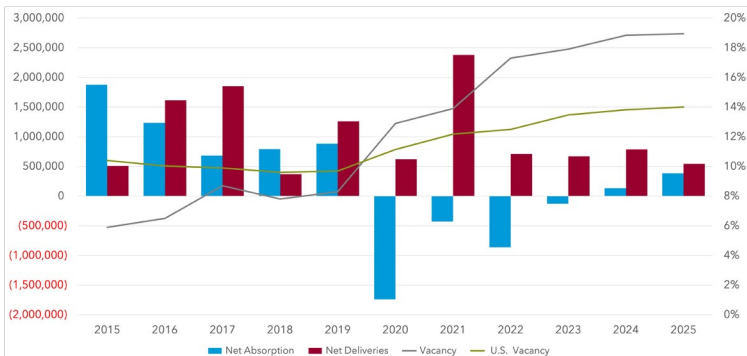
OFFICE MARKET OVERVIEW

CHARLES HOLLAND, Associate

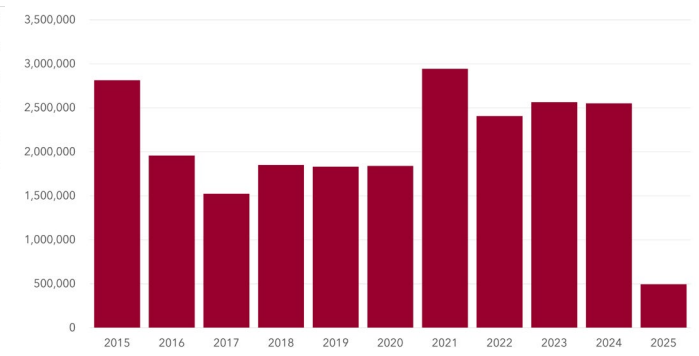
The Nashville office market strengthened in Q4 2025 as 12-month net absorption rebounded to positive, marking a clear reversal from mid-year losses and signaling renewed tenant activity. Vacancy declined to 18.94% from 20.15% in Q3, reflecting improving space utilization and a gradual tightening of market conditions. Rising demand has supported continued rent growth, with average asking rates reaching \$32.74 PSF. At the same time, office construction has slowed, limiting new supply. Investment activity improved, with pricing increasing to \$243 PSF and cap rates compressing to 8.20% amid Nashville's stable, diversified economy.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	385,688	(221,631)	(127,506)	133,511	390,713
▼ Vacancy Rate	18.94%	20.15%	19.59%	18.84%	18.29%
▲ Avg NNN Asking Rate PSF	\$32.74	\$31.46	\$30.78	\$30.37	\$30.48
▲ Sale Price PSF	\$243.00	\$199.00	\$212.00	\$215.00	\$215.00
▼ Cap Rate	8.20%	8.90%	8.30%	-	7.80%
▼ Under Construction SF	495,707	853,093	1,557,253	2,552,618	2,584,818
▲ 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
Lakeview Place* Nashville, TN	396,556 SF	\$30,000,000 \$75.65 PSF	Evelyn Capital Gemini Rosemont	Class A
1222 Demonbreun Street Nashville, TN	330,475 SF	\$217,750,000 \$658.90 PSF	Shorenstein Properties Granite Properties, Inc.	Class A
404 James Robertson Parkway Nashville, TN	204,574 SF	\$9,730,000 \$47.56 PSF	Undisclosed REALM	Class C

*Part of a 3-Property Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2200-2222 Rosa L Parks Boulevard Nashville, TN	32,700 SF	R2 Companies	Undisclosed	Undisclosed
5 City Boulevard Nashville, TN	30,750 SF	DRW	Undisclosed	Undisclosed
2105 Elm Hill Pike Nashville, TN	27,797 SF	Private Owner	BlueTown	Technology

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