LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 2026
NASHVILLE, TN

INDUSTRIAL MARKET OVERVIEW

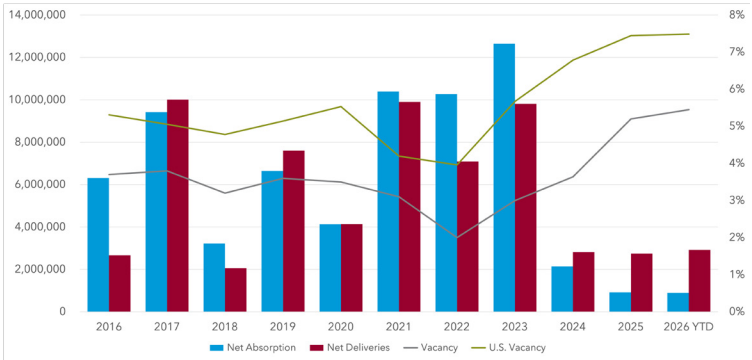
JIM RODRIGUES, SIOR, *President*

Nashville's industrial market posted a strong second quarter, with leasing activity rebounding and quarterly net absorption exceeding 1 million square feet. While the trailing 12-month absorption remains negative, recent leasing momentum points to improving tenant demand following a slower stretch in 2025. Vacancy remained relatively stable during the quarter, increasing by only 5 basis points. Owners remain focused on renewing tenants and avoiding competition with approximately 8.1 million total square feet projected to deliver in 2026. Given the 13.5 million to 19.5 million square feet of tenant requirements currently in the market, there are positive signs of a healthy supply and demand balance.

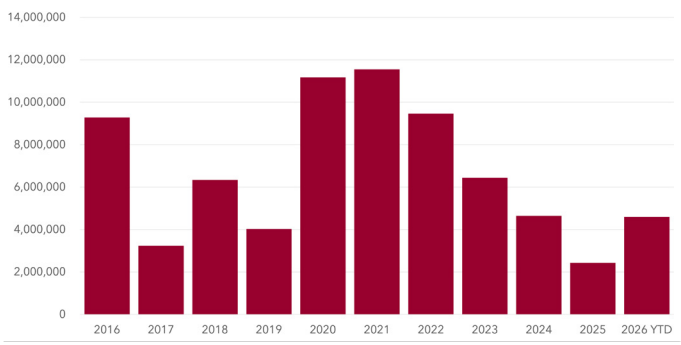
MARKET INDICATORS	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
▼ 12 Mo. Net Absorption SF	(670,289)	(209,165)	925,136	2,585,470	3,301,348
▲ Vacancy Rate	5.45%	5.40%	5.20%	5.01%	4.79%
▼ Avg NNN Asking Rate PSF	$9.54	$9.81	$9.54	$9.81	$9.31
◄ ► Sale Price PSF	*	*	*	*	*
◄ ► Cap Rate	*	*	*	*	*
▲ Under Construction SF	4,599,177	4,177,530	2,432,547	3,074,266	3,711,565
▲ Inventory SF	278,674,167	276,860,513	276,178,441	275,683,028	276,246,746

**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
501-994 Hixson Boulevard Lebanon, TN	491,932 SF	$53,500,000 $108.75 PSF	Averitt Express BGO	Class A
1040 Turkey Creek Road Dickson, TN	300,891 SF	$30,863,000 $102.57 PSF	Stonelake Capital Partners Broadstone	Class B
191-195 Polk Avenue Nashville, TN	282,500 SF	$30,350,000 $107.43 PSF	Strato Capital Smith/Hallemann Partners	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
13 Athlete's Way Mount Juliet, TN	1,079,500 SF	Clarion	Under Armour	Apparel Distribution
578 Aldi Boulevard Mount Juliet, TN	551,558 SF	Prologis	Geodis	Distribution
501 Darrell Waltrip Drive Lebanon, TN	355,488 SF	Panattoni	Hill's Pet Nutrition	Pet Food Distribution

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