



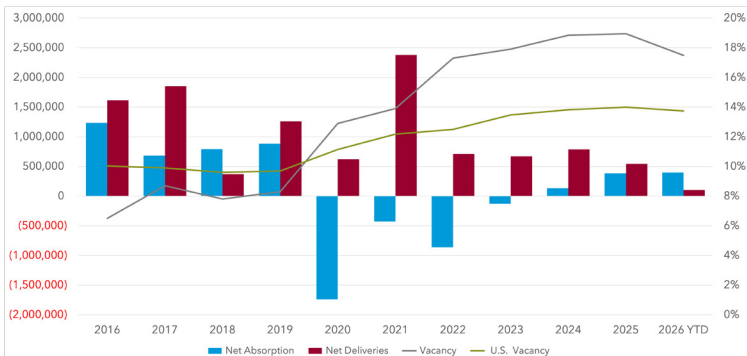
OFFICE MARKET OVERVIEW

HUNTER PILGREEN, Associate and LIS NORTON, Associate

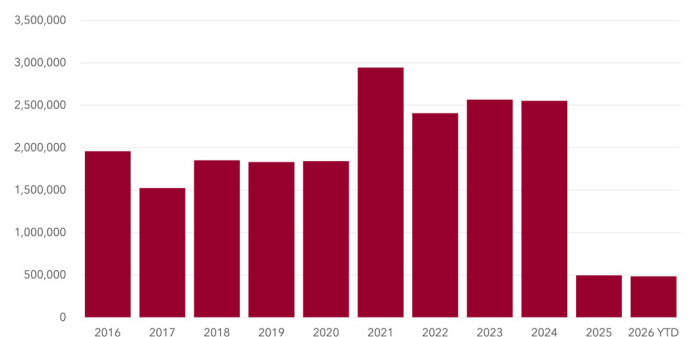
Nashville's office market continued to gain ground in Q3, with vacancy falling to 17.5%, its lowest level in nearly four years and down from 20.2% a year earlier. Performance diverged by building class: Class A posted 264,000 square feet of positive absorption, while Class B gave back more than 534,000 square feet. That split suggests tenants continue to favor newer, higher-quality space even as the broader market works through availability. Recent leases by EY, Metro Nashville and Creative Artists Agency reflect demand from professional services, government and entertainment. Construction remains limited, with about 484,000 square feet underway. Asking rents averaged \$32.89 per square foot, with Class A at \$37.48.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Net Absorption SF	914,666	1,244,365	711,678	385,688	(221,631)
▼ Vacancy Rate	17.48%	18.59%	19.24%	18.94%	20.15%
◀ ▶ Avg NNN Asking Rate PSF	\$32.89	\$32.89	\$33.56	\$32.74	\$31.46
▲ Sale Price PSF	\$272.00	\$266.00	\$246.00	\$243.00	\$199.00
◀ ▶ Cap Rate	7.80%	7.80%	8.20%	8.20%	8.90%
▼ Under Construction SF	483,930	556,370	511,707	495,707	853,093
▲ Inventory SF	58,696,594	57,979,125	59,997,261	59,891,643	59,074,407

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
30 Burton Hills Blvd Nashville, TN	100,630 SF	\$24,870,000 \$247.14 PSF	Concord Companies Eakin Partners	Class A
648 Grassmere Park Dr Nashville, TN	228,887 SF	\$13,212,764 \$57.73 PSF	DC BLOX Market Street Enterprises	Class B
5121 Maryland Way Brentwood, TN	30,123 SF	\$7,900,000 \$262.26 PSF	WesBanco Bank, Inc. Ozburn & Company	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
818 18th Ave S Nashville, TN	63,188 SF	AEW Capital Management	Ernst & Young	Accounting & Bookkeeping
1283 Murfreesboro Pike Nashville, TN	63,136 SF	Private Ownership	Metropolitan Government of Nashville & Davidson	Government
21 Platform Way S Nashville, TN	60,747 SF	Southwest Value Partners	Creative Artists Agency	Business Services

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