LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q3 2026
NASHVILLE, TN

RETAIL MARKET OVERVIEW

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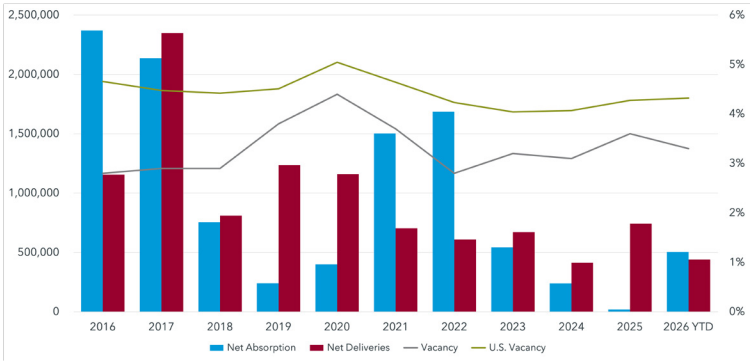
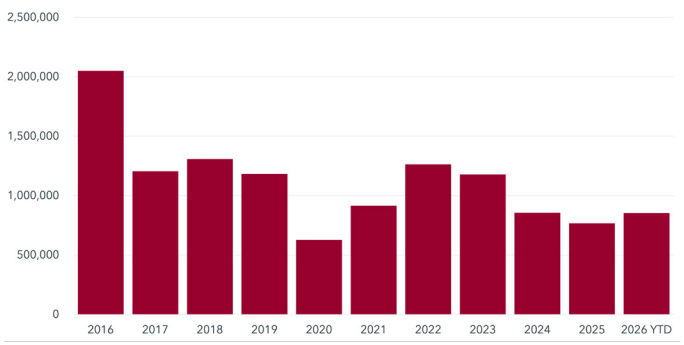
Nashville's retail market continued to strengthen in Q3 2026. Vacancy edged lower, while average NNN asking rents continued to rise, and the market recorded solid net absorption over the past year. Construction activity also increased, though overall availability remained limited. Franklin stood out for leasing activity: the two largest reported leases were both in the Cool Springs submarket, with Dick's House of Sport and Harbor Freight Tools taking space there. The quarter's notable sales included Stateline and Breeze Block, both sold by local developer Vintage South. Together, these trends point to continued tenant demand and a strong leasing environment in Franklin and across the Nashville market.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	775,904	117,681	9,683	19,507	(220,908)
▼ Vacancy Rate	3.30%	3.40%	3.50%	3.60%	3.60%
▲ Avg NNN Asking Rate PSF	$31.35	$30.79	$30.32	$29.97	$29.59
▼ Sale Price PSF	$298.00	$299.00	$291.00	$294.00	$283.00
▲ Cap Rate	6.40%	6.30%	6.30%	6.20%	6.30%
▲ Under Construction SF	853,975	790,048	758,364	766,665	1,185,047
▲ Inventory SF	124,875,204	124,660,035	124,731,998	125,020,684	123,918,021

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY PRICE	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
Stateline Nashville, TN	94,661 SF	$37,500,000 $396 PSF	LBX Investments Vintage South Development	Multitenant
Breeze Block Nasvhille, TN	39,452 SF	$16,800,000 $426.00 PSF	LBX Investments Vintage South Development	Multitenant
1102 Grundy Street Nashville, TN	24,080 SF	$15,000,000 $622.92 PSF	The Becker Organization Somera Road Holdings, LLC	Multitenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Cool Springs Galleria Franklin, TN	103,545 SF	CBL Properties	Dick's House of Sports	Retailer
Cool Springs Crossing Franklin, TN	17,500 SF	Electronics Express Inc.	Harbor Freight Tools	Retailer
Albion Music Row Nashville, TN	10,000 SF	Albion Music Row	Dragon Alley	Restaurant

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