



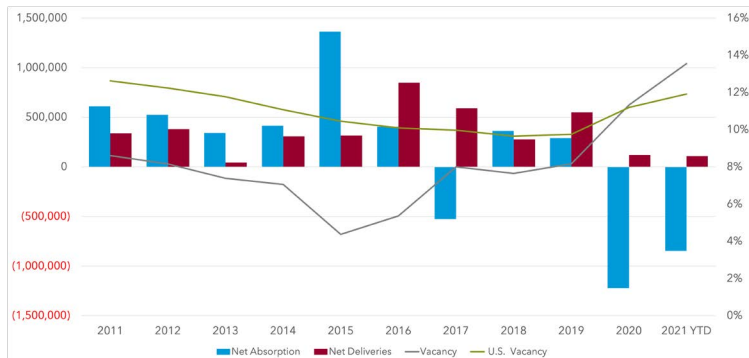
OFFICE MARKET OVERVIEW

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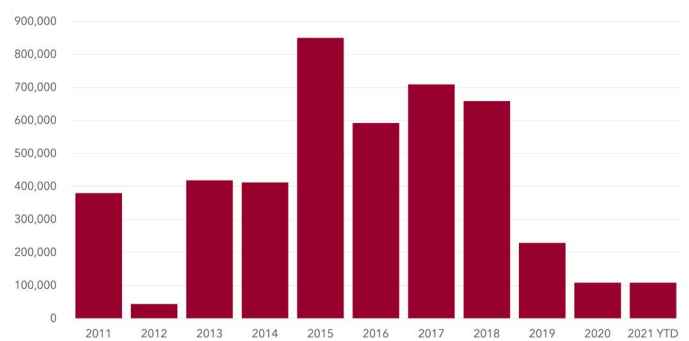
Like many large urban centers, Nashville's office market has been greatly impacted by COVID-19 shutdowns. Nashville's office downtown landscape has grown tremendously over the last decade, and that growth took a big hit in 2020. The vacancy rate, 13.3%, and sublease opportunities are above historical norms, but locally, investors, developers, and city officials are confident the growth will rapidly return. The biggest concern for the Nashville office market is the large surplus of vacant space, but a very positive sign is that rates have held steady over the past 12 months faring much better than the national benchmark.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▼ Net Absorption SF	(822,781)	(560,014)	(263,851)	(224,961)	(173,845)
▲ Vacancy Rate	13.3%	11.3%	10.0%	9.2%	8.7%
▲ Avg NNN Asking Rate	\$26.15 PSF	\$26.07 PSF	\$25.83 PSF	\$25.90 PSF	\$25.62 PSF
◀▶ SF Under Construction	108,212	108,212	108,212	190,187	190,187
◀▶ Inventory SF	42,188,426	42,188,426	42,188,426	42,106,451	42,106,451

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
211 Commerce Street Nashville, TN	232,194 SF	\$50,000,000 \$215.34 PSF	Velocis BentallGreenOak(U.S.) LP	Class A
310 25th Avenue N Nashville, TN	48,360 SF	\$13,400,000 \$277.09 PSF	Healthpeak Properties, Inc. HCA Healthcare, Inc.	Class B
2030 25th Avenue N Nashville, TN	34,000 SF	\$1,750,000 \$51.47 PSF	Five Points Realty Co Towery Holdings	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
500 11th Avenue N Nashville, TN	34,600 SF	Boyle Investment	NTT Data	Information
340 Seven Springs Way Brentwood, TN	29,670 SF	Highwoods	Healthcare Bluebook	Information
720 Cool Springs Blvd Franklin, TN	28,218 SF	Highwoods	Undisclosed	Undisclosed

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