



INDUSTRIAL MARKET OVERVIEW

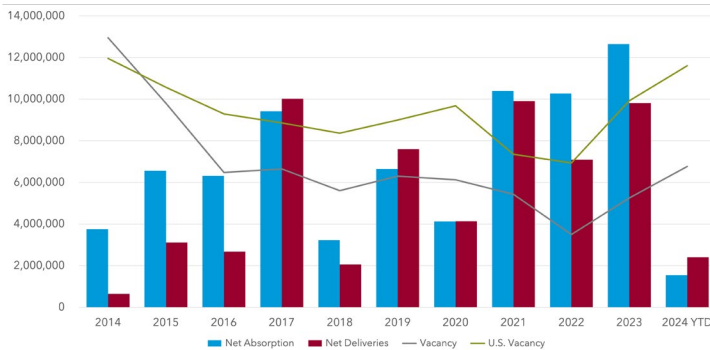
JIM RODRIGUES, SIOR, *President*

Tenants and buyers did not shy away from making decisions in Q3. Institutional investors are still actively pursuing Nashville opportunities which is keeping CAP Rates for Class A product below 5.5%. Additionally, there was an uptick in new market activity and several companies signed renewals, two of which were greater than 500,000 SF. The new activity reduced vacancy from 3.96% in Q2 to 3.86% in Q3. Construction activity remained steady and is expected to increase with multiple projects set to break ground in Q4 2024 and in early/mid 2025. Tenants and Investors remain active in most size ranges seeking opportunities in Middle Tennessee as its population continues to grow.

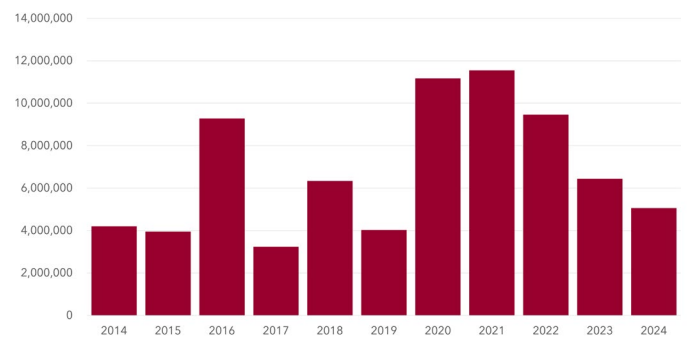
**Please contact Lee & Associates Nashville for Sale Price and Cap Rate Information*

MARKET INDICATORS	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
▼ 12 Mo. Net Absorption SF	4,737,036	8,080,353	13,801,040	12,647,506	12,333,013
▼ Vacancy Rate	3.86%	3.96%	3.3%	3.0%	2.7%
▼ Avg NNN Asking Rate PSF	\$9.57	\$9.94	\$10.64	\$9.07	\$7.48
◀ ▶ Sale Price PSF	*	*	*	*	*
▲ Cap Rate	*	*	*	*	*
▲ Under Construction SF	5,061,612	4,875,492	5,213,712	6,446,236	9,553,208
▲ Inventory SF	274,058,652	272,872,241	264,921,078	266,128,523	260,190,193

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1500 Shoals Way Portland, TN	638,400 SF	\$75,000,000 \$117.48 PSF	EQT Exeter Al Neyer	Class A
521-551 Harding Industrial Drive Nashville, TN	392,000 SF	\$41,750,000 \$106.51 PSF	Stoltz Real Estate Dogwood Industrial Properties	Class B
407 Craighead Street Nashville, TN	330,000 SF	\$56,000,000 \$169.70 PSF	Coca-Cola Beverages Ragland Corporation	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
301 Salyers Drive La Vergne, TN	254,912 SF	Panattoni/Clarion	Engineered Foam Packaging	Fabrication
1440 Airport Road Gallatin, TN	160,800 SF	Al Neyer	Simpson Strong Tie	Construction Products/Technology
1444 Airport Road* Gallatin, TN	112,000 SF	Al Neyer	Alexander's Mobility Solutions	Moving and Storage

* Lee Nashville Deal

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2024 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com