



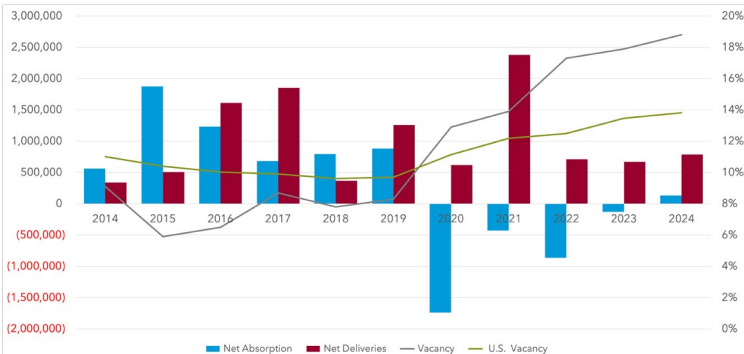
OFFICE MARKET OVERVIEW

KYLE NEVEAU, *Director*

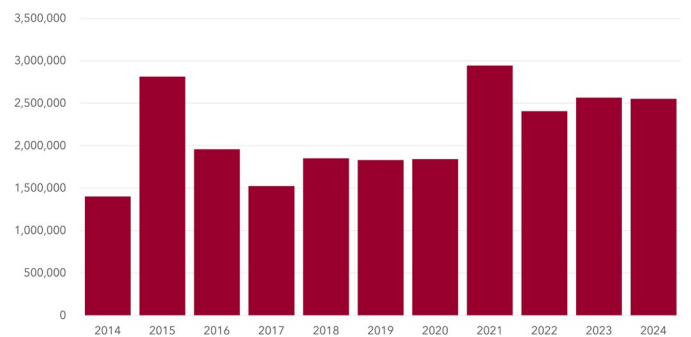
The Nashville office market showed resilience in Q4 2024, with 133,511 SF of 12-month net absorption, building on the momentum from earlier in the year. Vacancy rates edged up slightly to 18.8%, reflecting modest fluctuations typical in the market. The average asking rent remained strong at \$30.37 PSF, continuing its steady rise from \$29.41 in Q4 2023. Sales prices also saw growth, reaching \$238 PSF, signaling confidence in the market. Development activity remains robust, with over 2.5 million SF under construction, underscoring Nashville's continued appeal as a growing business hub. With a stable local economy, job growth, and a thriving business environment, Nashville's office market is poised for continued strength despite minor fluctuations in the short term.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▼ 12 Mo. Net Absorption SF	133,511	390,713	279,693	(293,271)	(127,970)
▲ Vacancy Rate	18.80%	18.29%	18.57%	19.50%	17.90%
▼ Avg NNN Asking Rate PSF	\$30.37	\$30.48	\$30.61	\$29.92	\$29.41
▲ Sale Price PSF	\$238	\$221	\$221	\$224	\$226
▲ Cap Rate	8.39%	8.10%	8.10%	8.10%	8.00%
▼ Under Construction SF	2,552,618	2,584,818	2,562,957	2,740,059	2,565,114
▲ Inventory SF	56,624,490	53,637,865	54,021,376	54,186,663	53,056,998

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3401 Mallory Ln	182,125	\$49,500,000	Strato Capital LLC	Class A
14446 Old Hickory Blvd*	48,247	\$35,302,663.00	ReThink Foward	Class B
2817 West End Ave*	30,100	\$21,617,570.00	The Vanderbilt University	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21 Platform Way, S Nashville, TN	30,571 SF	Southwest Value Partners	Industrious	Property Lessor
4020 Aspen Grove Drive Franklin, TN	29,780 SF	Boyle Investment Company	Undisclosed	Undisclosed
1320 Adams Street Nashville, TN	19,596 SF	Cousins Properties	Undisclosed	Undisclosed

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