



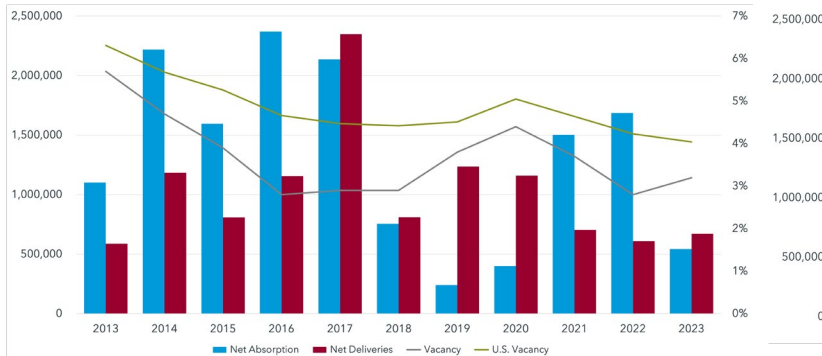
RETAIL MARKET OVERVIEW

LEE ANN JAMES, *Director*, and MILLER CHANDLER, *Director*

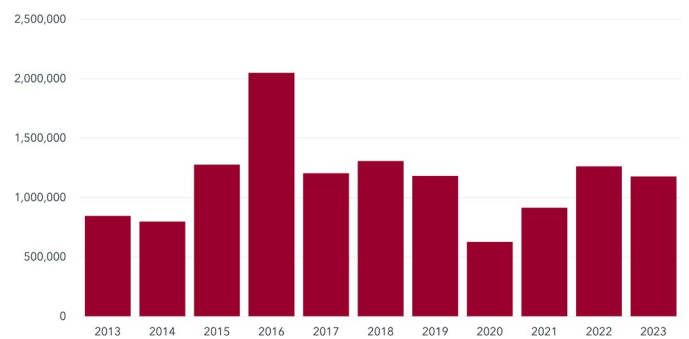
In Nashville, the retail vacancy rate is a low 3.2%. Music City continues to have robust tourism, a growing population, and new retail development that has kept to a modest pace. Consequently, retail is poised to perform very well for at least a while longer. At newer properties in trendy areas such as the Gulch and 12South, asking rents can be double market rents, and rents in some of the hot developments in the suburbs, such as the Factory at Franklin, are creeping up as well. Investment momentum continues to thrive, marked by significant transactions in Q4. The second most substantial sale of the quarter was facilitated through collaboration between Lee & Associates Nashville and NYC offices.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ 12 Mo. Net Absorption SF	542,899	795,314	735,027	1,006,045	1,686,450
◀▶ Vacancy Rate	3.2%	3.2%	3.2%	3.2%	2.8%
▲ Avg NNN Asking Rate PSF	\$24.45	\$23.65	\$23.71	\$23.89	\$23.01
▼ SF Under Construction	1,178,107	1,452,448	1,359,243	1,231,135	1,214,555
▲ Inventory SF	122,245,248	121,238,459	120,641,086	119,979,460	119,888,687

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2920-2946 S. Church Street** Murfreesboro, TN	98,445 SF	\$7,613,520 \$77.34 PSF	Kroger Inland Private Capital Corp.	Multi-Tenant
600 Middleton Avenue* Nashville, TN	26,460 SF	\$21,000,000 \$793.65 PSF	The Natchez Group City Winery Nashville LLC	Single-Tenant
1711 Broadway Nashville, TN	4,719 SF	\$14,100,000 \$2,987.92 PSF	LG Development Group U.S. Bank National Association	Single-Tenant

*Lee Nashville Sale; **Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2156 Gallatin Pike N Madison, TN	25,715 SF	2106 Gallatin LLC	Sprouts Farmers Market	Grocer
1821 Gallatin Pike N Madison, TN	17,903 SF	WHYT Madison LLC & 333 Self Storage LLC	Undisclosed	Auto Dealer
2803 12th Avenue S Nashville, TN	10,000 SF	Titan Development Company LLC	The Henry	Restaurant

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