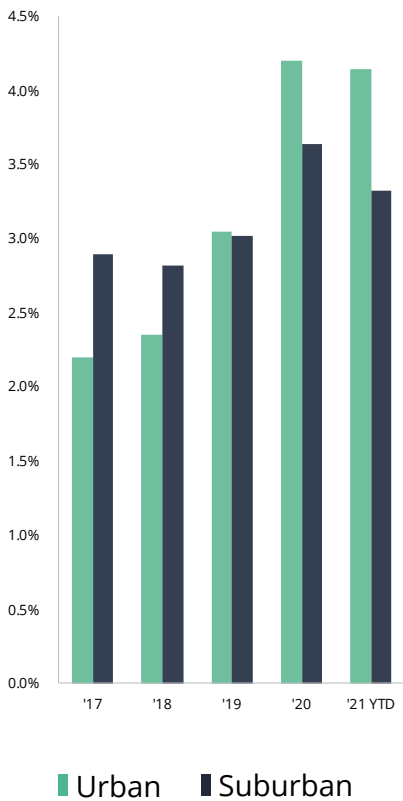


# Nashville

Nashville Urban vs Suburban Retail Vacancy



Nashville's overall retail vacancy remains among the lowest in the county, with suburban submarkets recording the lowest vacancies in the market.

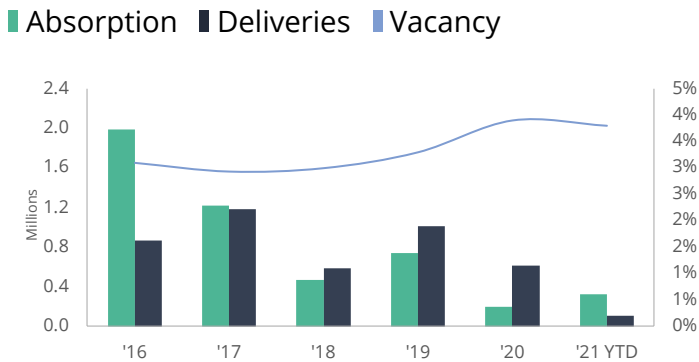
## Growing population and strong demographics in region support Nashville retail market during pandemic

- The negative impacts of the COVID-19 pandemic on Nashville's retail market have been mitigated by the area's strong demographics, expanding workforce and modest retail development activity. However, a sharp drop in tourism foot traffic, social distancing mandates and economic shifts in consumer shopping behavior have softened the retail landscape over the last year.
- The Nashville retail market ended the first quarter at 3.8%, up 40 basis points year-over-year. Nashville's growing suburban submarkets continue to record the lowest vacancies across the market.
- Heavily dependent on tourism, Nashville's urban retailers were dealt another blow when CMA Fest, one of Nashville's largest annual tourism draws, was canceled for the second year in a row due to the pandemic. In 2019, the music festival brought in a record \$65 million in direct visitor spending over the four-day event.
- Two long-time Downtown retailers are closing amid current market struggles. After 40 years in business, The Old Spaghetti Factory is closing due to the extensive damage their building suffered after the Christmas Day bombing and the landlord's decision to terminate the lease. The retailer is reportedly on the market for a new space. Two Old Hippies, located in the heart of the Gulch, will be closing in the coming months due to struggles stemming from the pandemic.
- Construction completions were modest in the first quarter at just over 100,000 sf. Projects totaling 480,000 sf are underway, with the greatest concentration of space currently underway in the Gallatin trade area.
- YTD retail sales volume totaled \$73.3 million, up 21% from this time last year. A notable sale, The Arcade, a historic two-story, covered downtown shopping center sold for \$28 million to the out of state firm, Linfield Capital, and a pool of local investors. The 72,000-sf property opened in 1903 and is considered the first shopping mall in downtown Nashville. Currently the mall houses 50 tenants, including restaurants, art galleries, studios and numerous retailers.



### Market by the numbers

Trade Area	Inventory	Vacancy	Under Construction	Year-to-Date	
				Absorption	Deliveries
Antioch	5,556,977	2.4%	8,000	14,621	2,000
Belle Meade	4,501,883	2.3%	0	5,072	0
Bellevue	1,817,390	2.8%	0	7,889	0
Brentwood	2,310,833	2.2%	8,360	(9,669)	0
Cool Springs/ Franklin	11,781,359	2.8%	54,900	26,748	5,000
Donelson/ Hermitage	6,696,679	3.4%	48,125	(10,308)	0
Downtown/ Midtown/ Hillsboro Village	8,894,748	3.6%	21,696	51,616	50,147
East Nashville	3,501,793	4.7%	6,000	53,042	54,500
Gallatin	3,427,078	2.1%	175,112	2,151	9,000
Green Hills	2,722,326	2.1%	0	(23,167)	0
Hendersonville	5,907,966	3.8%	156,612	23,923	31,000
Lebanon	4,718,444	3.2%	0	5,684	5,840
Mt. Juliet	3,913,220	2.0%	3,500	9,451	14,500
Murfreesboro	12,112,095	4.9%	2,500	168,231	43,000
Nolensville Rd/ Airport	7,513,512	4.6%	3,295	(14,882)	0
Rivergate	8,322,112	11.4%	4,000	(53,365)	0
Smyrna/ La Vergne	3,844,434	1.5%	14,738	(13,840)	4,500
Spring Hill	2,604,208	1.7%	5,000	11,392	0
<b>General Retail</b>	<b>68,205,592</b>	<b>2.3%</b>	<b>342,895</b>	<b>257,582</b>	<b>106,587</b>
<b>Mall</b>	<b>8,910,685</b>	<b>8.0%</b>	<b>0</b>	<b>(29,188)</b>	<b>0</b>
<b>Power Center</b>	<b>6,923,292</b>	<b>3.7%</b>	<b>0</b>	<b>(27,144)</b>	<b>0</b>
<b>Shopping Center</b>	<b>32,406,324</b>	<b>5.4%</b>	<b>139,787</b>	<b>138,761</b>	<b>0</b>
<b>Specialty Center</b>	<b>1,206,757</b>	<b>12.9%</b>	<b>0</b>	<b>(14,512)</b>	<b>0</b>
<b>Totals</b>	<b>117,652,650</b>	<b>3.8%</b>	<b>482,682</b>	<b>325,499</b>	<b>106,587</b>



### Rental Rates



**Get more market information**

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