Nashville

Retail market snapshot | Q3 2025

Nashville's above average economic and population growth, thriving tourism sector and rising millennial and Gen Z population are driving the city's flourishing retail sector, which remains one of the most dynamic and resilient within the Southeast. Nashville's retail market is expected to remain strong with supply remaining tight and above-average rent growth. The shift towards experiential and service-based retail is anticipated to continue, with e-commerce resistant tenants still dominating leasing activity.

1.5 msf

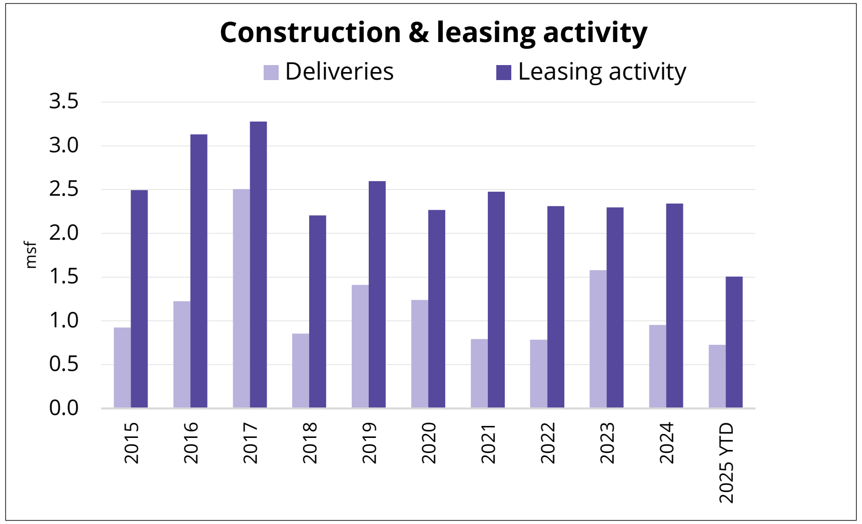
Competition for prime locations has intensified in the market. **Deliveries have not kept pace with sustained demand**, with YTD leasing activity reaching 1.5 msf.

$356 psf

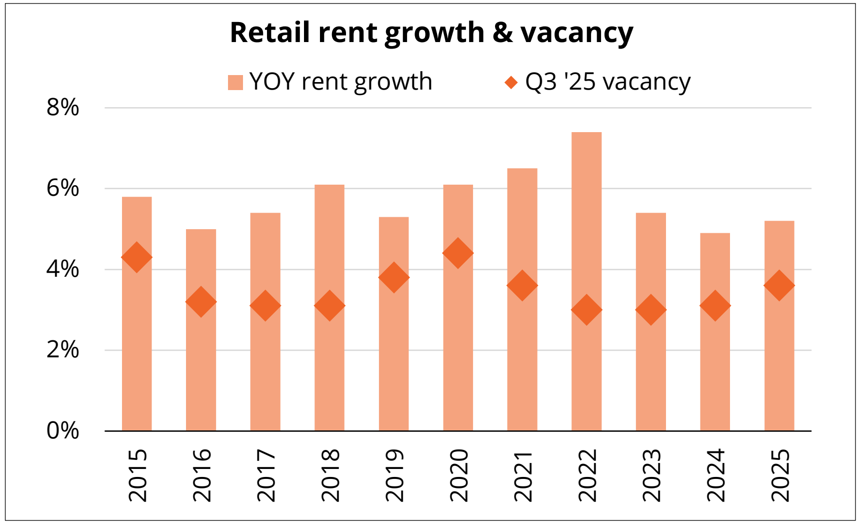
Investor confidence in the retail sector has driven YTD investment sales to $360M, with **asset pricing reaching a near record high of $356 psf**.

5.2%

Nashville continues to see strong population growth and tight retail vacancy, allowing **rent growth to see consistent annual increases.**



Competition for prime locations has intensified across the market, as new construction has not kept pace with sustained demand. Retailers continue to prioritize walkable, mixed-use environments that offer strong foot traffic, proximity to residential growth, and connectivity to entertainment and dining destinations. This has placed additional pressure on available inventory in established areas such as downtown, The Gulch, and the Vanderbilt/West End corridor, where limited new deliveries have further constrained supply.



Supported by record population growth over the last decade, Nashville's retail sector has experienced steady and robust rent growth. Vacancy rates have remained below 5% and a disciplined level of new supply has further reinforced upward pressure on rents, driving consistent annual gains across the market.

Source: Avison Young Market Intelligence, CoStar

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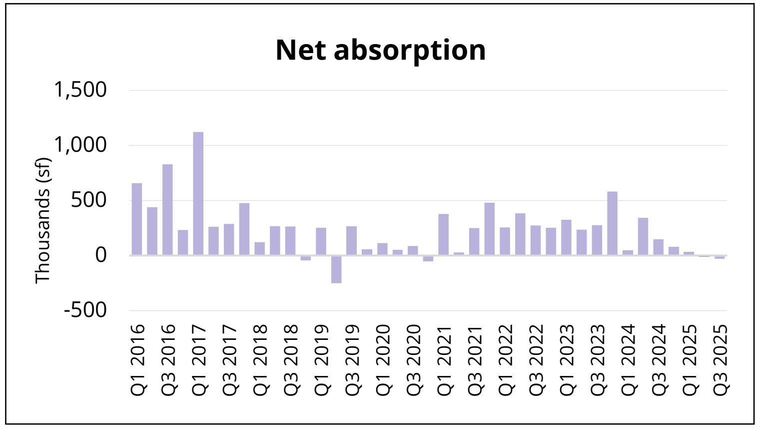

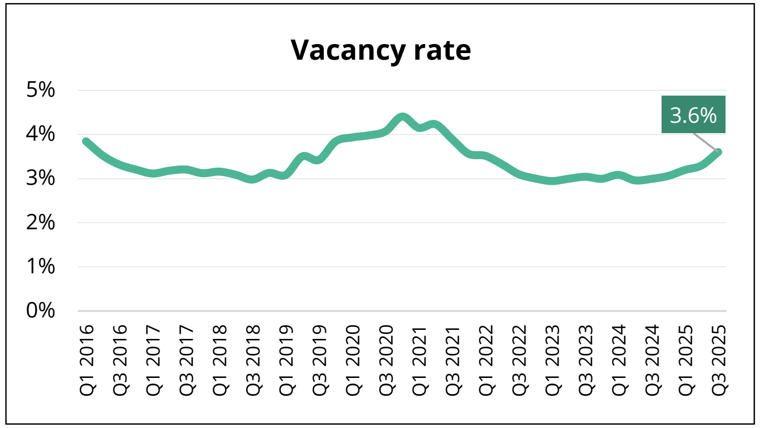

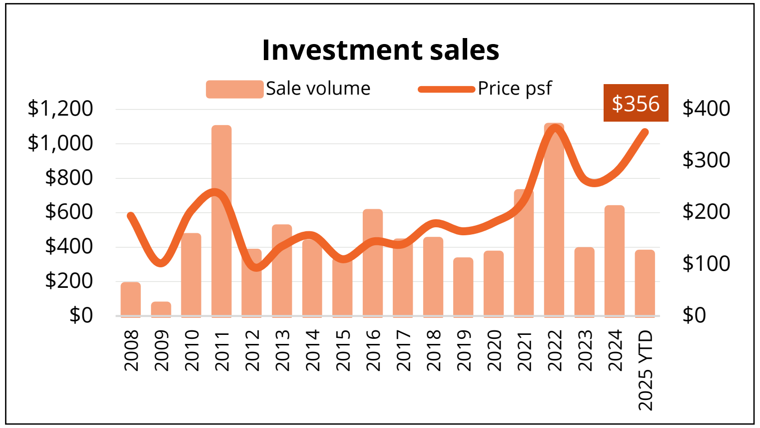

A quick note on absorption

Disciplined and limited new construction across Nashville, combined with steady tenant demand, has supported continued strength in the retail market. Although recent bankruptcies and closures among big-box retailers caused temporary negative absorption during the quarter, Nashville retail demand remains solid.

A quick note on vacancy

Retail vacancy in the Nashville market increased slightly during the third quarter- reaching 3.6%- 60 basis points higher year-over-year. Even still, Nashville's retail vacancy remains among the tightest in the nation. The city's retail market has benefited from above average economic and population growth in the region despite elevated borrowing costs and rising inflation, as slowing construction activity has kept availability sub-4% for 4 years.

A quick note on investment sales

Nashville's retail investment sales have reached $360 million in investment sales year-to-date, with asset pricing climbing to a near-record high of $356 psf. Investment sales totaled almost $75 million during the third quarter, representing a 23% decrease from the previous quarter. Investor sentiment in Nashville's retail sector remains positive, supported by population in-migration, strong consumer fundamentals, or resilient retail occupancy rates.

Select top leasing activity

Tenant	Property Name	Size (sf)	Transaction type	Lease type
Equinox	700 8th Ave S	36,999	New	Direct
Haverty's	401 S Mount Juliet Rd	35,320	New	Direct

Select top sales activity

Buyer	Property Name	Sale price	Sale price psf	Seller
615 Ventures	Burkit Commons*	$11,000,000	$421	Coro Realty Advisors
GBT Realty	Brentwood Corners	$10,400,000	$424	CenterSquare Investment Mgmt

*4-building retail portfolio in Nolensville

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Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Vacancy rate	Total vacancy change (YoY)	Net absorption (QTD)	Net absorption (YTD)
Bellevue/ West Nashville	7,745,056	0	0	3.2%	0.3%	(90,018)	(82,253)
Brentwood	3,491,044	0	5,915	1.4%	(0.8%)	(1,012)	19,431
Columbia	6,251,634	96,339	4,500	6.2%	2.0%	(32,178)	(21,951)
Cool Springs/ Franklin	13,151,440	47,877	256,098	2.1%	0.6%	(25,121)	(13,585)
Donelson/ Hermitage	7,103,087	0	0	2.3%	-	(143)	(1,393)
Downtown	3,928,883	90,667	0	4.4%	(0.1%)	11,232	108,852
Green Hills/ Belle Meade	3,796,449	0	0	1.6%	(0.6%)	(11,734)	21,476
Hendersonville/ Gallatin	10,191,004	21,439	29,031	1.3%	(0.3%)	36,875	25,810
Mt Juliet/ Lebanon	10,146,773	198,653	84,563	1.4%	0.5%	168,820	147,116
North Nashville	12,596,834	2,125	15,750	7.8%	1.5%	(90,073)	(191,572)
Rutherford County	18,962,784	98,694	495,126	3.3%	1.8%	1,003	(180,861)
Southeast Corridor	13,390,413	69,931	107,534	7.2%	0.5%	20,095	38,671
Vanderbilt/ West End	3,758,340	8,200	0	4.0%	(0.1%)	5,582	40,563
General retail	75,817,226	664,608	786,508	1.8%	-	249,179	669,231
Mall	8,459,787	0	0	20.6%	4.0%	(96,013)	(340,721)
Power center	6,346,787	0	0	2.2%	0.3%	(27,902)	(59,240)
Shopping center	33,010,052	63,209	204,926	2.2%	0.2%	(152,587)	(273,436)
Total	**123,878,337**	**726,817**	**1,100,782**	**3.6%**	**0.6%**	**(29,869)**	**(6,336)**

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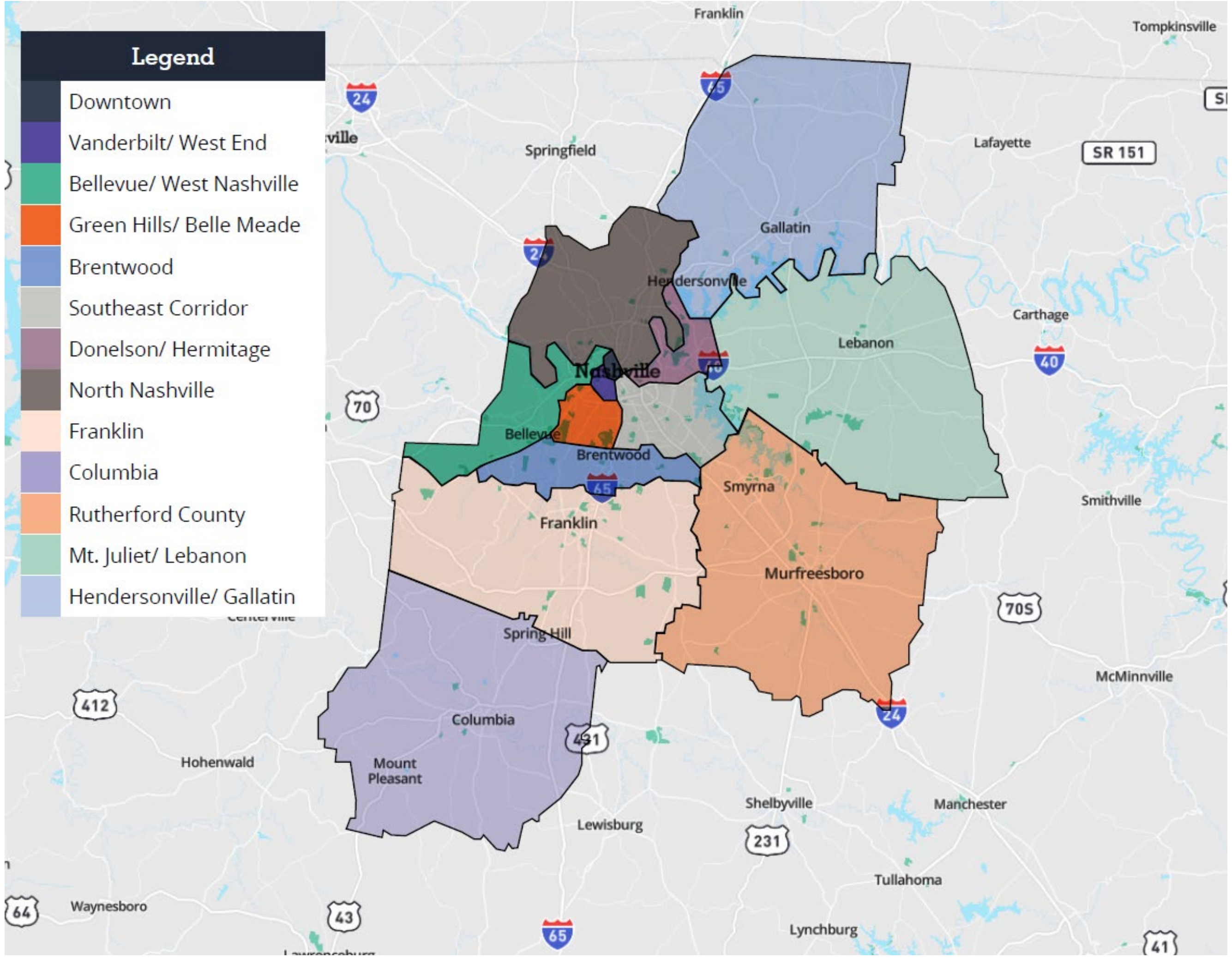

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