

The Colliers logo is positioned at the top center of the dark blue background. It consists of the word "Colliers" in a white serif font, enclosed within a white-bordered rectangle. Below the rectangle are three horizontal stripes in yellow, red, and blue from top to bottom.

Colliers

INDUSTRIAL

Q4 2025

Nashville

*Nashville's industrial sector continues to demonstrate robust performance with record-high investment volumes, steady leasing activity, and sustained rent growth.*



# Investor Confidence and Stable Demand Anchor Nashville Industrial Market: Q4 2025

OVERALL VACANCY RATE

4.3% ▲ YOY ▼ Forecast

NET ABSORPTION (SF)

2.18M ▲ YOY ▲ Forecast

UNDER CONSTRUCTION (SF)

4.2M ▲ YOY ▼ Forecast

OVERALL ASKING LEASE RATES (NNN)

\$10.56/SF ▲ YOY - Forecast

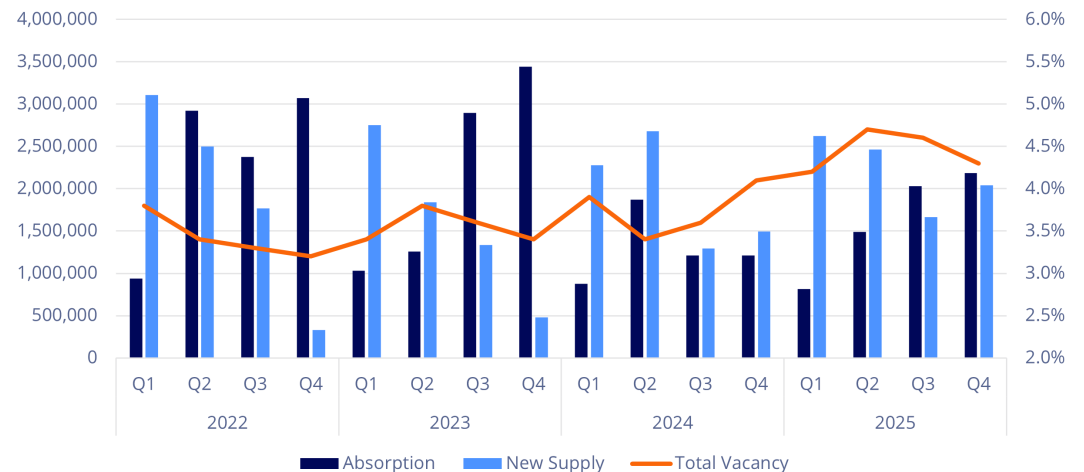
## MARKET TRENDS

- Q4 2025 experienced 2,187,097 square feet of industrial absorption, bringing the year-to-date total to 6,550,174 square feet.
- Nashville’s overall vacancy rate fell to 4.3% at the end of Q4, a 20-basis-point decline from Q3 and the second consecutive quarterly decrease—signaling renewed tightening in market conditions.
- Leasing volume totaled 13 million square feet in 2025, marking a 4.8% increase over 2024’s total. Nashville recorded over 2.9 million square feet leased in Q4, with an average deal size of 35,680 square feet.
- Nashville’s industrial investment volume reached \$372,642,169 in Q4, bringing 2025’s total to \$1.8 billion—a new record for the metro.

## HISTORIC COMPARISON

	Q4 2025	Q3 2025	Q4 2024
<b>Total Inventory (in millions of SF)</b>	233.4	231.0	227.6
<b>New Supply (in thousands of SF)</b>	2,039.2	1,663.9	1,496.4
<b>Net Absorption (in millions of SF)</b>	2.18	2.03	1.20
<b>Overall Vacancy Rate</b>	4.3%	4.6%	4.1%
<b>Under Construction (in millions of SF)</b>	4.2	4.4	4.0
<b>Overall Asking Lease Rates (NNN)</b>	\$10.56	\$10.45	\$9.94

## MARKET GRAPH



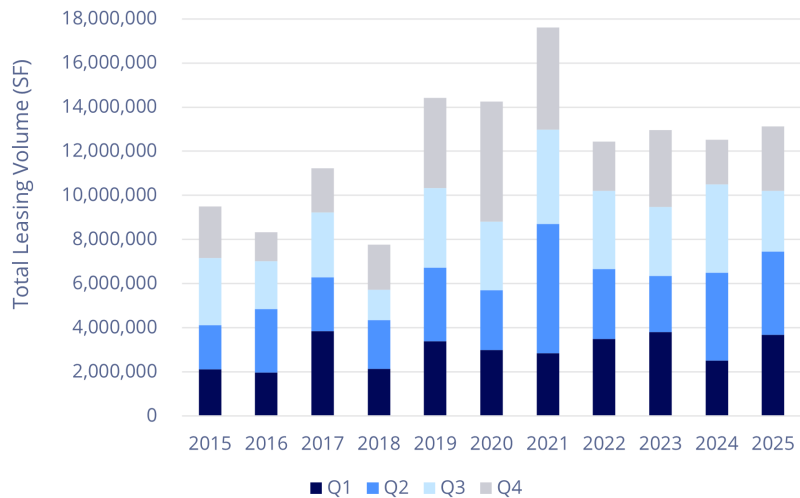
Source: Colliers Nashville

# Q4 Market Activity

## LEASING + AVAILABILITY

Leasing activity has moderated from its 2021 peak of nearly 19 million square feet but continues at a healthy pace, with more than 13 million square feet leased by year-end 2025, including 2.9 million square feet in Q4 alone. The average deal size of 35,680 square feet reflects steady demand from small- to mid-sized users, particularly in the 10,000 to 49,999 SF range, which accounts for the greatest share of available options and active requirements. While direct warehouse and distribution availability has risen to 10.0%—or roughly 18 million square feet—much of the space is concentrated in larger blocks, leaving comparatively fewer options for tenants pursuing requirements in the 150,000 to 250,000 SF range. Overall, activity points to a market recalibrating from record highs yet still supported by durable demand from regional distributors, third-party logistics firms, and manufacturing users.

## Historical Leasing Volume



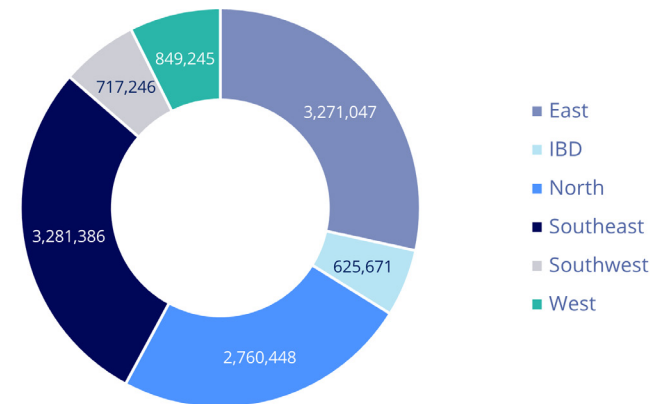
Source: Colliers

## VACANCY + RENTAL RATES

Nashville recorded an overall vacancy rate of 4.3% at year-end 2025. While this marks an uptick from the market’s historically tight levels, it remains below the national average across all building sizes. For spaces 100,000 square feet and under, vacancy is roughly 120 basis points lower than the U.S. rate, and for properties exceeding 100,000 square feet, Nashville’s vacancy runs approximately 280 basis points below the national benchmark.

At \$10.56 per square foot in Q4, Nashville’s asking rents exceed those in peer markets such as Atlanta, Charlotte, and Memphis. Although rent growth has cooled significantly from its mid-2022 peak—easing some pressure on tenants—the metro’s four-quarter trailing growth rate has slowed to roughly 1.5%, one of the lowest readings since 2014. Even so, with vacancy still well below the national average, Nashville’s rent growth continues to outperform the U.S. pace by more than 200 basis points.

## Total Vacant Space by Submarket



Source: Colliers

# Q4 Market Activity

## INDUSTRIAL INVESTMENT VOLUME

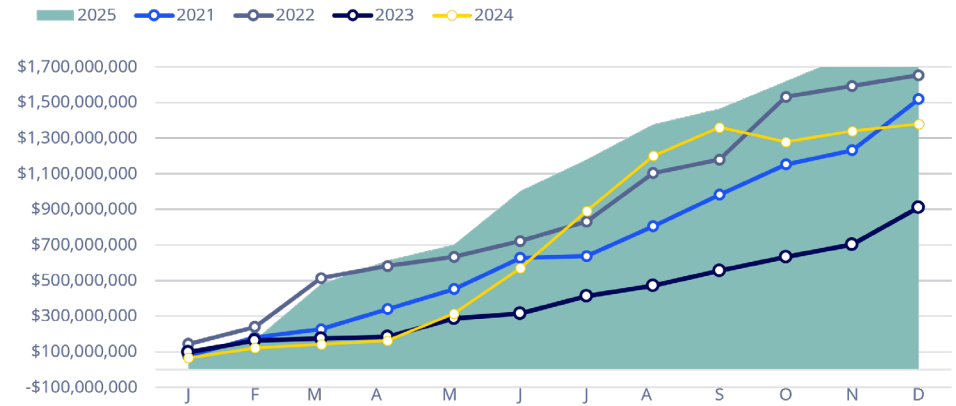
Middle Tennessee’s expanding population and central location—within a one-day drive of more than half of the U.S.—continue to spur demand for last-mile distribution facilities. Those fundamentals have drawn a wave of new development and national tenants across e-commerce, logistics, and consumer goods, pushing investment activity to historic highs. Nashville’s industrial investment volume reached \$372,642,169 in Q4, lifting the 2025 total to \$1.8 billion—the highest year-to-date volume ever recorded in the Nashville MSA.

The quarter’s largest transaction was Ares Management’s \$128.4 million purchase of the three-building Airpark East industrial park near Nashville International Airport. Spanning 622,750 square feet across approximately 35 acres, the portfolio traded for \$44 million more than its prior sale three years ago, highlighting sustained out-of-state investor appetite for Nashville industrial product amid limited vacancy and climbing rents.

## NASHVILLE ECONOMY

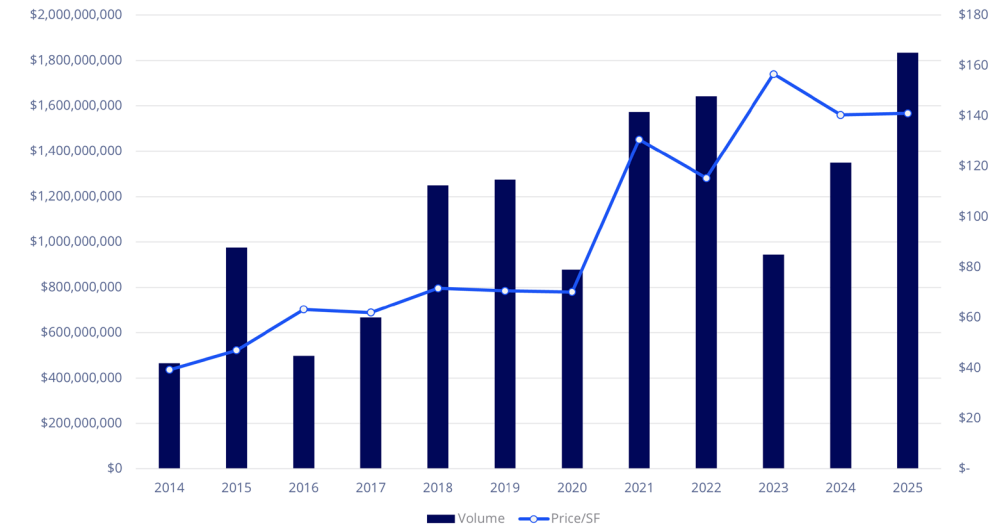
According to Oxford Economics, Nashville continues to post steady economic gains, with 2025 job growth of 1.1% outpacing the U.S. rate of 0.9%, led by state and local government, restaurants, and retail trade. *Moody’s Analytics* reports that factory and logistics employment in the Nashville area is positioned for measured growth as trade conditions stabilize. Transportation equipment manufacturing will anchor gains, with major automakers increasing domestic production to reduce tariff exposure and suppliers adding headcount to meet stronger auto parts demand. Rising factory output and improved trade clarity should also lift logistics activity, prompting distribution centers and freight operators to expand payrolls. Planned expansion of air freight capacity at Nashville International Airport in 2027 will further enhance cargo throughput, reinforcing the region’s long-term role as a key logistics hub supported by its central location, robust highway network, and growing labor force.

## Cumulative Monthly Value (\$)



Source: RCA Analytics

## Annual Volume + Price Per Square Foot



Source: RCA Analytics

## Significant Lease Activity

TENANT	PROPERTY	LEASE TYPE	SIZE (SF)	SUBMARKET
<a href="#">Quanta Manufacturing</a>	1 Walden Books Drive	New Lease	564,300	Southeast
<a href="#">Confidential</a>	Northpark Logistics	New Lease	530,880	North
<a href="#">Sims Recycling Solutions Inc.</a>	417 Sanford Road	Renewal	198,250	Southeast
<a href="#">SPX</a>	Creekside Logistics - 8120 Tridon Drive	New Lease	147,260	Southeast
<a href="#">ALX Electronic Materials</a>	575 Maddox Simpson Parkway	New Lease	90,896	East
<a href="#">White Cap</a>	Beckwith Point - Building III	New Lease	72,808	East

## Significant Sales Activity

PROPERTY	SIZE (SF)	PRICE	PRICE/SF	BUYER	SUBMARKET
<a href="#">Airpark East Portfolio</a>	622,750	\$128,400,000	\$206	Ares Management	Southeast
<a href="#">Nordic Nashville - 918 Arctic Drive</a>	188,818	\$38,200,000	\$202	North Haven Net REIT	East
<a href="#">RB Distribution</a>	414,043	\$31,000,000	\$75	Create Reimagining Renewables	North
<a href="#">Fulcrum Business Park</a>	104,000	\$15,200,000	\$146	Bac/cb Fulcrum LLC	Southeast
<a href="#">317 Fesslers Lane</a>	30,953	\$12,500,000	\$404	Ralph Hollow Farms LLC	East
<a href="#">7121 Cockrill Bend Boulevard</a>	23,612	\$5,250,000	\$222	AHST 479 LLC	West

# Nashville | Q4 2025 | Industrial | Market Statistics

SUBMARKET/ TYPE	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	NET ABSORPTION CURRENT	NET ABSORPTION 2025	UNDER CONSTRUCTION	AVG DIRECT ASKING RATE (NNN)
<b>East</b>									
WD	54,437,400	8.9%	1.1%	10.0%	5.6%	436,808	1,723,538	3,110,414	\$11.07
MFG	7,916,328	3.1%	0.0%	3.1%	1.5%	78,283	731,933	520,000	\$7.61
OS	1,943,490	6.3%	0.1%	6.4%	6.2%	-1,298	64,957	0	\$15.22
<b>Total</b>	<b>64,297,218</b>	<b>8.1%</b>	<b>0.9%</b>	<b>9.0%</b>	<b>5.1%</b>	<b>513,793</b>	<b>2,520,428</b>	<b>3,630,414</b>	<b>\$10.68</b>
<b>IBD</b>									
WD	8,002,969	7.5%	0.3%	7.8%	6.7%	-22,872	43,050	0	\$12.82
MFG	2,923,690	2.5%	1.1%	3.6%	0.0%	53,226	50,178	0	\$10.43
OS	1,306,252	11.7%	0.0%	11.7%	7.1%	-7,200	-12,600	0	\$25.34
<b>Total</b>	<b>12,232,911</b>	<b>6.1%</b>	<b>0.2%</b>	<b>6.3%</b>	<b>5.1%</b>	<b>23,154</b>	<b>80,628</b>	<b>0</b>	<b>\$14.20</b>
<b>North</b>									
WD	44,731,324	5.8%	0.2%	6.0%	4.8%	924,849	2,776,798	268,300	\$9.75
MFG	10,632,287	6.3%	0.0%	6.3%	4.9%	327,035	245,882	0	\$7.61
OS	2,890,301	2.9%	0.0%	2.9%	3.5%	-23,948	1,943	0	\$16.09
<b>Total</b>	<b>58,253,912</b>	<b>5.9%</b>	<b>0.2%</b>	<b>6.1%</b>	<b>4.7%</b>	<b>1,227,936</b>	<b>3,024,623</b>	<b>268,300</b>	<b>\$9.62</b>
<b>Southeast</b>									
WD	54,221,847	7.9%	1.8%	9.7%	5.6%	257,015	845,800	1,028,016	\$8.59
MFG	16,468,923	0.7%	0.1%	0.8%	0.4%	28,554	-66,685	0	\$10.13
OS	2,962,926	7.5%	0.5%	8.0%	6.4%	-4,482	-65,653	0	\$16.95
<b>Total</b>	<b>73,653,696</b>	<b>6.1%</b>	<b>1.4%</b>	<b>7.5%</b>	<b>4.5%</b>	<b>281,087</b>	<b>713,462</b>	<b>1,028,016</b>	<b>\$10.15</b>
<b>Southwest</b>									
WD	7,944,939	6.3%	0.6%	6.9%	7.9%	-63,315	38,575	0	\$11.90
MFG	2,813,348	6.6%	0.0%	6.6%	0.3%	33,374	32,423	0	\$14.24
OS	3,217,016	1.5%	2.1%	3.6%	2.4%	45,832	31,002	0	\$24.95
<b>Total</b>	<b>13,975,303</b>	<b>5.7%</b>	<b>0.7%</b>	<b>6.4%</b>	<b>5.1%</b>	<b>15,891</b>	<b>102,000</b>	<b>0</b>	<b>\$15.72</b>

# Nashville | Q4 2025 | Industrial | Market Statistics

SUBMARKET/ TYPE	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	NET ABSORPTION CURRENT	NET ABSORPTION 2025	UNDER CONSTRUCTION	AVG DIRECT ASKING RATE (NNN)
<b>West</b>									
<b>WD</b>	6,164,785	4.6%	0.2%	4.8%	12.0%	73,353	270,996	42,000	\$13.92
<b>MFG</b>	3,550,515	2.8%	0.0%	2.8%	2.8%	0	-100,385	0	\$13.50
<b>OS</b>	357,129	2.7%	0.0%	2.7%	2.8%	48,807	48,807	0	\$16.00
<b>Total</b>	<b>10,072,429</b>	<b>2.6%</b>	<b>0.1%</b>	<b>2.7%</b>	<b>8.4%</b>	<b>122,160</b>	<b>219,418</b>	<b>42,000</b>	<b>\$15.53</b>
<b>Total</b>									
<b>WD</b>	175,503,264	10.0%	1.0%	11.0%	5.8%	1,605,838	5,588,372	4,448,730	\$9.84
<b>MFG</b>	44,305,091	6.2%	0.0%	6.2%	1.8%	520,472	893,346	0	\$8.37
<b>OS</b>	12,677,114	5.5%	0.5%	6.0%	4.7%	57,711	68,456	0	\$18.02
<b>Total</b>	<b>233,485,469</b>	<b>7.2%</b>	<b>0.7%</b>	<b>7.9%</b>	<b>4.3%</b>	<b>2,184,021</b>	<b>6,550,174</b>	<b>4,448,730</b>	<b>\$10.56</b>

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## Industrial Disclaimer

Colliers' statistical tracked set for Nashville includes all single and multi-tenant industrial properties above 10,000 square feet. Heavy manufacturing and data center facilities are excluded from the total tracked inventory.



\$5.0B+

ANNUAL  
REVENUE

70

COUNTRIES WE  
OPERATE IN

\$100B+

ASSETS UNDER MANAGEMENT

46,000

LEASE AND SALE  
TRANSACTIONS

2B

SQUARE FEET  
MANAGED

24,000

PROFESSIONALS

*Number of countries includes affiliates*

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