

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 text are three horizontal bars in yellow, red, and blue from top to bottom.

Colliers

OFFICE

Q4 2025

Nashville

Nashville's office market continued to stabilize in Q4 2025, with declining vacancy, improved investment performance, and a slowdown in construction.



Nashville Office Year-End 2025: Recovery Gains Momentum Amid Evolving Conditions

OVERALL VACANCY RATE

17.4% ▲ YOY ▼ Forecast

NET ABSORPTION (SF)

342K ▲ YOY ▲ Forecast

UNDER CONSTRUCTION (SF)

230K ▲ YOY ▼ Forecast

OVERALL CLASS A ASKING LEASE RATES (FSG)

\$42.61/SF ▲ YOY - Forecast

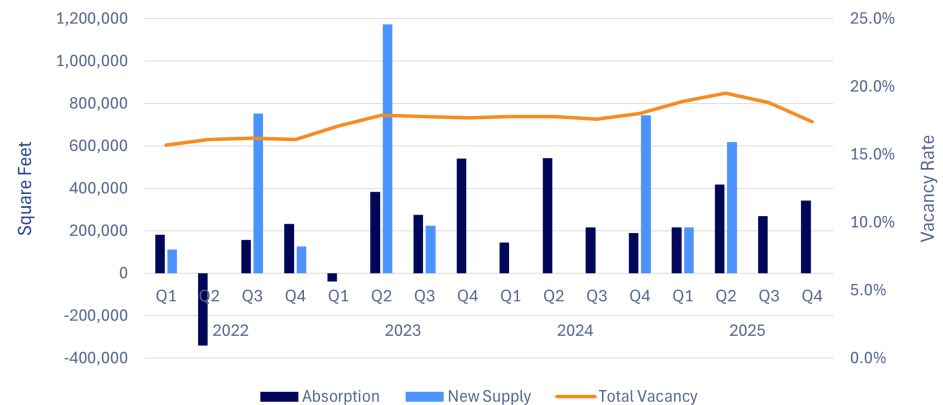
MARKET TRENDS

- Q4 posted 342,836 SF of positive net absorption, bringing 2025 to 1.25M SF. Total leasing reached 3.5M SF, led by Downtown (35% of activity), with continued demand for newer product.
- Availability stands at 21.1% and vacancy at 17.4%, keeping rent growth muted at 1.0%—well below the 10-year average. Trophy/Class A assets continue to outperform.
- Over 14M SF has been delivered in the past decade, including 1.1M SF in 2025. The pipeline has slowed sharply, with just 230,000 SF under construction.
- Office led all asset classes in 2025 sales growth, with Q4 volume up 453% year-over-year, though much of the activity reflects distressed and recapitalization-driven transactions.

HISTORIC COMPARISON

	Q4 2025	Q3 2025	Q4 2024
Total Inventory (in millions of SF)	58.6	58.6	57.1
New Supply (in thousands of SF)	0	0	820,700
Net Absorption (in thousands of SF)	342.8	270.3	201.0
Overall Vacancy Rate	17.4%	18.8%	18.0%
Under Construction (in thousands of SF)	230.0	230.0	203.0
Overall Asking Lease Rates (FSG)	\$38.26	\$38.42	\$36.12

MARKET GRAPH



Net absorption totaled 342,000 square feet in Q4, bringing the year-to-date figure to 1,248,137 square feet. Although vacancy remains elevated compared to pre-pandemic levels, it continues to trend downward, closing Q4 2025 at 17.4%.

Source: Colliers

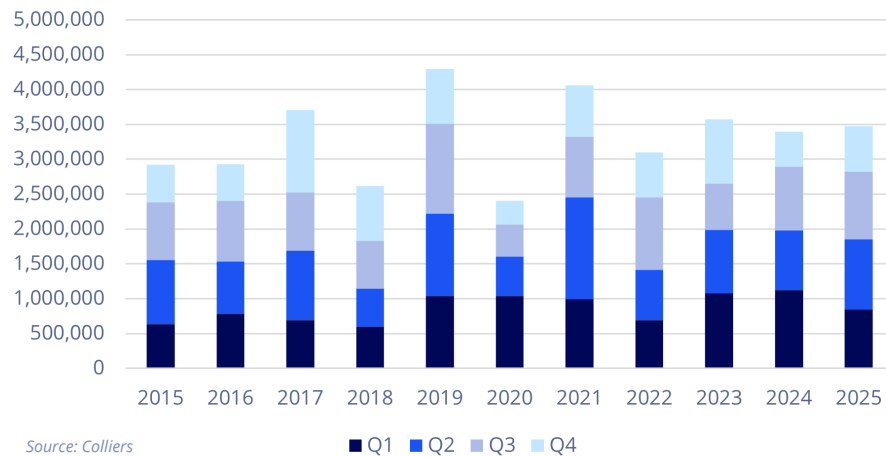
Q4 Market Activity

AVAILABILITY + DEMAND

Nashville's office market closed the quarter with 342,836 square feet of positive net absorption, bringing the 2025 total to 1,248,137 square feet. Over the past three years, annual net absorption in office properties delivered since 2020 has consistently ranged between 1.2 million and 1.4 million square feet, underscoring continued demand for newer product. Overall market availability stands at 21.1%, with the majority of available space concentrated in the suburban submarkets.

Total leasing activity—including new leases, expansions, and renewals—reached 3.5 million square feet in 2025, with an average deal size of 8,327 square feet. Over the past decade, Nashville's office market has demonstrated cyclical quarterly patterns, with notable peaks in 2019 and again in 2021 following the pandemic-related decline in 2020. After softening in 2022, leasing activity has steadily recovered through 2023–2025. Downtown led all submarkets in 2025 with 816,301 square feet of activity, representing 35% of total leasing volume. Airport North followed with 454,110 square feet, and Cool Springs ranked third with 374,845 square feet, rounding out the year's strongest-performing areas.

Significant Leasing Activity - 2025



Source: Colliers

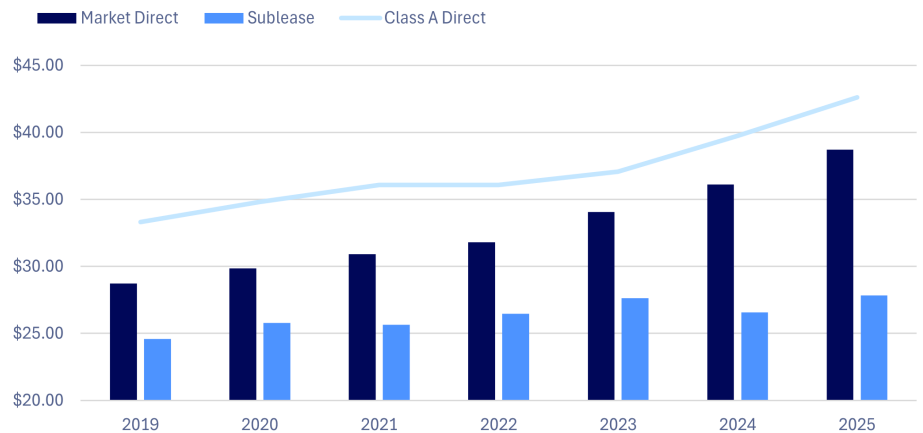
RENTAL RATES + VACANCY RATES

Nashville's office rent growth has slowed considerably from its 10-year average of 3.4%, with annual growth now at 1.0%—the lowest level in more than a decade. The metro's elevated 17.4% vacancy rate has intensified competition for tenants, limiting landlords' pricing power.

While trophy towers continue to command the strongest rent gains and attract the highest demand, growth has been relatively uniform across urban and suburban submarkets. Over the past year, rents increased approximately 0.9% in Downtown, Music Row, and West End, compared to roughly 0.8% in Cool Springs and Brentwood, despite most new construction being concentrated in the urban core.

If demand continues to tighten availability within Class A properties, rent growth in trophy assets could accelerate and ultimately lift overall market averages. This would mark a shift from the pre-pandemic period, when asking rents surged alongside the metro's strong economic expansion.

Average Rental Rates (FSG)



Source: Colliers

Q4 Market Activity

OFFICE DEVELOPMENT

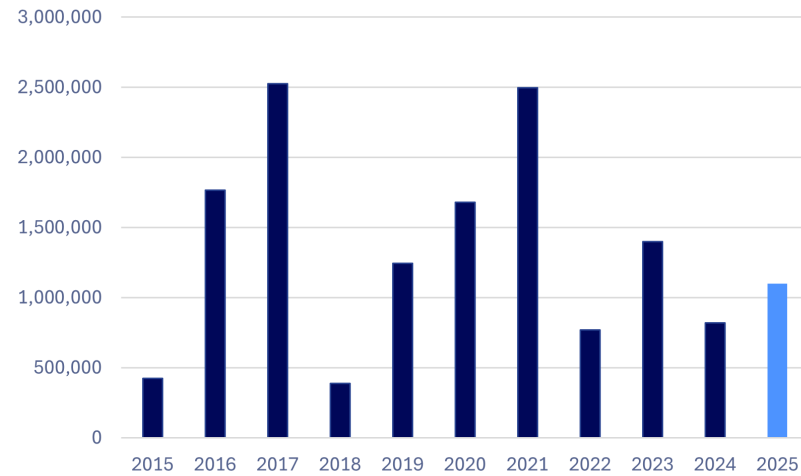
Over the past ten years, Nashville has undergone a significant development surge, delivering more than 14 million square feet of new office space. In just the past year, 1.4 million square feet of speculative office product came online, including Nashville Yards Creative Office (300,000 SF) and Peabody Union (345,980 SF) in the Downtown submarket, along with 5 City (344,000 SF) in the West End submarket. More than 20% of Downtown Nashville's total office inventory has been built since 2010—nearly twice the national benchmark, as only about 10% of U.S. office space was constructed during that same timeframe. Of note, Nashville ranked first in the country for delivering the most new office space as a percentage of its inventory in 2025.

Nashville's office market delivered 1,097,380 square feet in 2025, reflecting continued development activity at a more measured pace. Currently, just 230,000 square feet are under construction, all within the Airport South submarket—the lowest pipeline the city has seen in the past decade.

OFFICE INVESTMENT

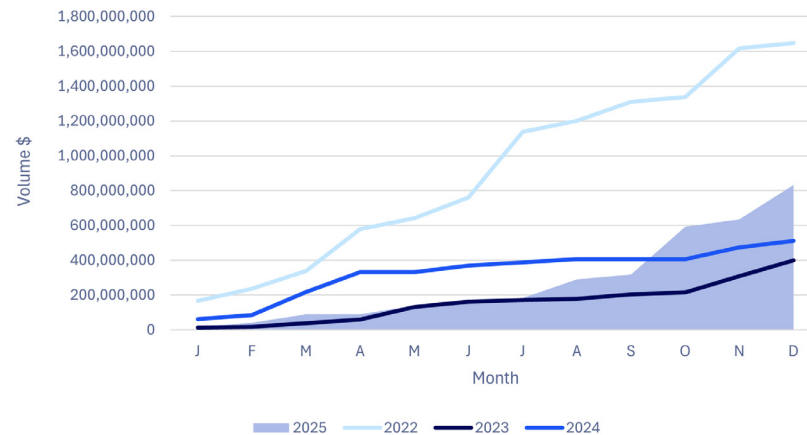
Nashville's office sector emerged as the strongest-performing asset class in 2025 from a sales growth perspective. This momentum is particularly notable given the ongoing headwinds facing the office investment market nationally, including elevated interest rates, tighter lending standards, and evolving space utilization trends. The fourth quarter marked a significant inflection point, with transaction volume surging 453% year-over-year and climbing 253% compared to Q3, signaling renewed investor engagement and improved deal flow to close out the year. An increasing share of transactions is being driven by distressed or motivated sales, as owners facing loan maturities, refinancing challenges, or operational strain bring assets to market. This trend mirrors broader national patterns, where distressed transactions now account for a meaningful portion of total office sales volume. As a result, while deal activity has accelerated, much of the movement is tied to repricing and recapitalization rather than traditional value-driven acquisitions.

Historical Office Deliveries



Source: Colliers

Cumulative Monthly Volume (\$)



Source: RCA Analytics

Nashville Urban Office Development Pipeline

TOTAL TO BE DELIVERED:

2025
951,580 SF

2026+
230,000 SF



Significant Lease + Sales Activity



ADDRESS	SIZE (SF)	TENANT	TYPE
2222 Rosa Parks Boulevard	34,181	Adtalem Global Education Inc.	New Lease
Nashville Yards Pinnacle Tower	27,696	Confidential - Legal	New Lease
1201 Demonbreun Street	26,298	WGU Corporation	New Lease
Cool Springs Commons	17,703	Service Jewelry and Repair	Renewal
McEwen Building	15,514	Universal Music Publishing	Renewal
St. Cloud Corner	14,461	RGN-Nashville IX, LLC	New Lease
Four Corporate Centre	14,251	CMG Mortgage, Inc	Extension
One22One	14,171	NContracts	New Lease
Four Corporate Centre	12,858	Therakos LLC	New Lease
Seven Springs I	12,519	US Bank	New Lease

ADDRESS	SIZE (SF)	BUYER	SALES PRICE
Gulch Union	330,475	Shorenstein	\$217,750,000
Brentwood Commons Portfolio	440,000	Magnolia Investment	\$88,300,000
Woodmont Centre	156,000	Boyle Investment Company	\$50,970,857
Lakeview Place I, II, & III	380,963	Evelyn Capital	\$30,000,000
500 Great Circle Road	170,515	Lane Partners	\$30,000,000
Donelson Corporate Centre	233,393	Holladay Properties	\$15,400,000

Nashville | Q4 2025 | Office | Market Statistics

SUBMARKET/ CLASS	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	VACANCY RATE PREVIOUS	NET ABSORPTION CURRENT	NET ABSORPTION 2025	UNDER CONSTRUCTION	DELIVERIES 2025	AVG DIRECT ASKING RATE (FSG)
Downtown/Urban Core											
A	12,341,814	23.9%	2.4%	26.3%	22.0%	23.0%	129,459	505,232	0	545,380	\$47.25
B	2,699,279	15.9%	0.9%	16.8%	17.8%	16.4%	-37,365	27,504	0	0	\$33.92
C	1,692,694	3.2%	0.5%	3.7%	6.7%	6.4%	-4,302	-16,245	0	0	\$27.84
Total	16,733,787	20.5%	1.3%	21.8%	19.8%	20.3%	87,792	516,491	0	545,380	\$40.58
Suburban											
A	18,263,793	21.7%	4.3%	26.0%	23.4%	24.2%	149,135	386,168	230,000	552,000	\$35.98
B	17,946,200	14.6%	3.1%	17.7%	11.8%	12.2%	74,086	384,476	0	0	\$28.46
C	5,210,996	11.2%	1.1%	12.3%	8.0%	8.6%	31,823	-38,998	0	0	\$24.89
Total	41,420,989	17.3%	2.2%	19.5%	16.4%	17.0%	255,044	731,646	230,000	552,000	\$31.55
Total											
A	30,605,607	22.6%	3.5%	26.1%	22.8%	23.7%	278,594	891,400	230,000	1,097,380	\$42.61
B	20,645,479	14.7%	2.7%	17.4%	12.6%	12.8%	36,721	411,980	0	0	\$30.05
C	6,903,690	9.2%	1.0%	10.2%	7.7%	8.1%	27,521	-55,243	0	0	\$29.02
Total	58,654,776	18.2%	2.9%	21.1%	17.4%	18.8%	342,836	1,248,137	230,000	1,097,380	\$38.26

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Office Disclaimer

Colliers' statistical tracked set for Nashville includes single and multi-tenant office properties above 10,000 square feet. Banks, medical, religious and government buildings, as well as owner-occupied properties where owners occupy 75 percent or more of the building, are excluded from the total tracked inventory.

Submarkets by Class

SUBMARKET/ CLASS	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	VACANCY RATE PREVIOUS	NET ABSORPTION CURRENT	NET ABSORPTION 2025	UNDER CONSTRUCTION	DELIVERIES 2025	AVG DIRECT ASKING RATE (FSG)
Airport North											
A	2,358,243	20.0%	3.1%	23.1%	15.0%	15.0%	798	92,869	0	0	\$28.22
B	1,506,955	17.7%	1.2%	18.9%	18.1%	17.4%	-10,526	-28,729	0	0	\$24.58
C	594,235	8.1%	0.2%	8.3%	10.1%	8.5%	-9,280	-22,400	0	0	\$22.95
Total	4,459,433	17.6%	2.0%	19.6%	15.4%	18.0%	-19,008	41,740	0	0	\$26.04
Airport South											
A	938,959	26.9%	2.6%	29.5%	35.3%	39.5%	38,974	56,537	230,000	0	\$36.50
B	3,858,744	20.0%	5.1%	25.1%	19.6%	20.4%	32,688	238,690	0	0	\$26.39
C	941,971	20.2%	0.8%	21.0%	17.0%	17.3%	2,922	-27,190	0	0	\$23.12
Total	5,739,674	21.2%	4.4%	25.6%	21.7%	23.0%	74,584	268,037	230,000	0	\$28.93
Brentwood											
A	3,112,161	18.5%	2.2%	20.7%	21.6%	21.9%	10,070	-16,190	0	0	\$32.23
B	3,626,994	13.8%	1.8%	15.6%	10.7%	11.1%	13,816	81,575	0	0	\$31.07
C	316,775	6.9%	0.0%	6.9%	5.5%	2.1%	-10,850	-6,515	0	0	\$25.17
Total	7,055,930	15.5%	1.5%	17.0%	15.3%	15.5%	13,036	58,870	0	0	\$32.01
Cool Springs											
A	6,037,566	27.2%	8.4%	35.6%	30.8%	31.2%	21,464	111,839	0	272,000	\$36.63
B	3,334,476	12.1%	3.0%	15.1%	10.8%	11.8%	31,855	114,433	0	0	\$31.19
C	291,863	3.7%	0.0%	3.7%	3.7%	2.0%	-5,090	-11,032	0	0	\$25.40
Total	9,663,905	21.3%	6.0%	27.3%	20.3%	20.8%	48,229	215,240	0	272,000	\$36.17
Downtown											
A	12,341,814	23.9%	2.4%	26.3%	22.0%	23.0%	129,459	505,232	0	545,380	\$47.25
B	2,699,279	15.9%	0.9%	16.8%	17.8%	16.4%	-37,365	27,504	0	0	\$33.92
C	1,692,694	3.2%	0.5%	3.7%	6.7%	6.4%	-4,302	-16,245	0	0	\$27.84
Total	16,733,787	20.5%	1.3%	21.8%	19.8%	20.3%	87,792	516,491	0	545,380	\$40.58

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Green Hills / Music Row											
A	1,462,772	14.3%	1.3%	15.6%	13.6%	16.4%	41,659	86,923	0	0	\$43.20
B	1,886,345	8.4%	1.0%	9.4%	8.3%	9.3%	18,674	10,604	0	0	\$37.04
C	882,181	6.9%	0.5%	7.4%	7.4%	7.9%	4,028	5,599	0	0	\$29.42
Total	4,231,298	10.1%	1.0%	11.1%	9.9%	11.4%	64,361	103,126	0	0	\$39.71
MetroCenter											
A	414,363	0.0%	0.0%	0.0%	0.0%	0.0%	0	0	0	0	\$27.80
B	1,193,812	21.0%	1.7%	22.7%	17.2%	16.3%	-11,202	-21,778	0	0	\$26.90
C	175,090	30.5%	0.0%	30.5%	0.0%	30.5%	53,356	57,074	0	0	\$26.51
Total	1,783,265	17.0%	1.1%	18.1%	11.5%	13.9%	42,154	35,296	0	0	\$27.62
Rivergate / Hendersonville											
A	328,545	8.0%	3.1%	11.1%	4.5%	5.1%	1,904	-4,267	0	0	\$33.91
B	815,721	7.7%	0.1%	7.8%	14.0%	14.2%	1,941	-34,567	0	0	\$26.30
C	1,128,413	9.8%	0.0%	9.8%	2.7%	3.2%	-5,012	-5,258	0	0	\$20.89
Total	2,272,679	8.8%	0.4%	9.2%	7.0%	6.9%	-1,167	-44,092	0	0	\$27.90
West End											
A	3,611,184	22.0%	1.6%	23.6%	23.3%	24.2%	34,266	58,457	0	280,000	\$37.55
B	1,723,153	11.6%	0.5%	12.1%	7.7%	7.5%	-3,160	24,248	0	0	\$32.52
C	880,468	10.0%	0.7%	10.7%	8.5%	8.7%	1,749	-29,276	0	0	\$27.24
Total	6,214,805	17.4%	1.1%	18.5%	16.9%	17.4%	32,855	53,429	0	280,000	\$33.39
Total											
A	30,605,607	22.6%	3.5%	26.1%	22.8%	23.7%	278,594	891,400	230,000	1,097,380	\$42.61
B	20,645,479	14.7%	2.7%	17.4%	12.6%	12.8%	36,721	411,980	0	0	\$30.05
C	6,903,690	9.2%	1.0%	10.2%	7.7%	8.1%	27,521	-55,243	0	0	\$29.02
Total	58,654,776	18.2%	2.9%	21.1%	17.4%	18.8%	342,836	1,248,137	230,000	1,097,380	\$38.26



\$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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