

Colliers

OFFICE

Q3 2026

Nashville



Nashville's office market continues to find its footing, with suburban submarkets anchoring demand and leasing activity broadening beyond Class A — even as a shrinking development pipeline sets the stage for tighter conditions ahead.

Momentum Broadens as the Pipeline Tightens

OVERALL VACANCY RATE
17.4% ▼ YOY ▼ Forecast

NET ABSORPTION (SF)
225K ▲ YOY ▲ Forecast

UNDER CONSTRUCTION (SF)
60K ▼ YOY ▼ Forecast

OVERALL CLASS A ASKING LEASE RATES (FSG)
$42.08/SF ▲ YOY ▲ Forecast

MARKET TRENDS

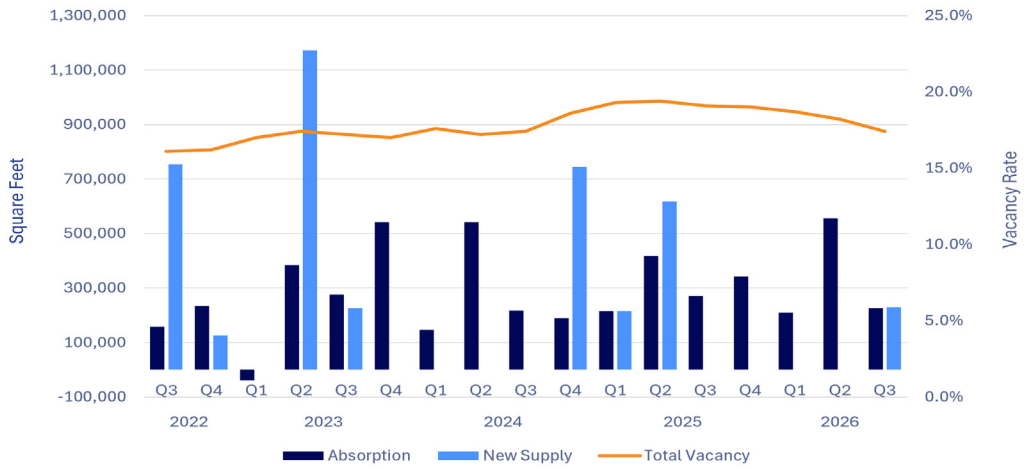
- **Suburban submarkets anchor absorption** as demand broadens beyond Class A. Nashville recorded 225,815 SF of positive net absorption in Q3, bringing the YTD total to 961,229 SF.
- **Vacancy declined for a fifth consecutive quarter,** falling to 17.4% as limited new deliveries continued to help the market work through available space. Asking rents grew a modest 2.7% YOY to $38.22, while Class A rents ($42.08) continued to command a premium over the market average.
- **Leasing activity remained healthy but disciplined,** with approximately 1.0 million square feet leased during the quarter. Volume was driven by steady mid-sized demand (mostly 4,000–12,000 SF), with Downtown and Green Hills capturing much of the larger-deal activity.
- **The development pipeline tightened further.** Three Q3 deliveries — 507 Houston, 439 Humphreys, and 430 Chestnut — totaling 230,000 SF reduced the amount of space under construction to just 60,000 SF, the lowest level in recent memory and a setup for constrained near-term supply.

HISTORIC COMPARISON

	Q3 2026	Q2 2026	Q3 2025
Total Inventory (in millions of SF)	56.0*	55.2	55.2
New Supply (in thousands of SF)	230.0	0	618.3
Net Absorption (in thousands of SF)	225.8	526.0	418.1
Overall Vacancy Rate	17.4%	18.2%	19.5%
Under Construction (in thousands of SF)	60.0	290.0	290.0
Overall Asking Lease Rates (FSG)	$38.22	$39.12	$37.22

**Q3 Inventory and subsequent historical market data have been revised to reflect Colliers' current market definitions and reporting methodology*

MARKET GRAPH



Source: Colliers

Q3 Market Activity

ABSORPTION + DEMAND

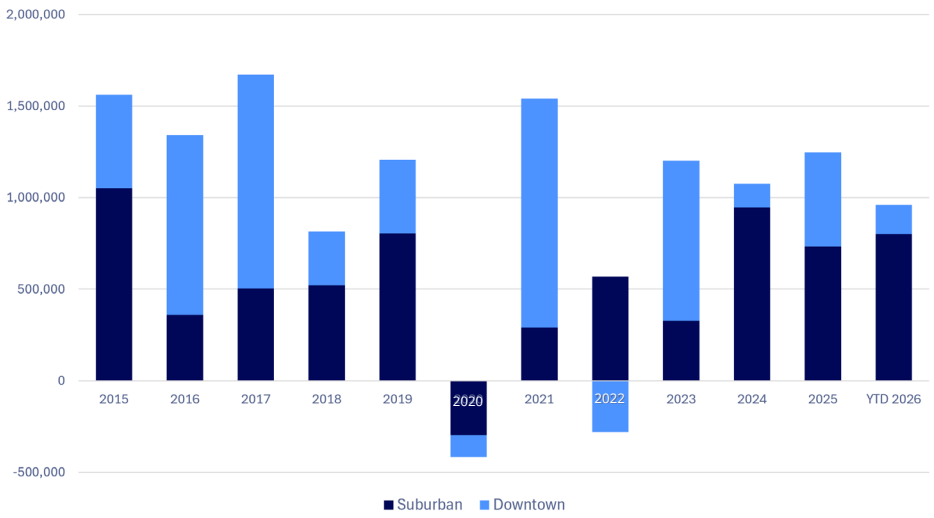
Nashville's suburban submarkets carried the market in Q3, posting 239,003 square feet of positive net absorption even as Downtown pulled the overall total down to 225,815 square feet. Cool Springs (123,555 SF) and Brentwood (104,247 SF) led suburban gains, with solid contributions from West End (51,843 SF) and MetroCenter (53,936 SF, driven entirely by Class B). Downtown, by contrast, posted -13,188 square feet overall, weighed down by a sharp -92,568 square feet in Class A space as large blocks of availability hit the market. Unlike Q2, when Class A properties accounted for nearly all of the market's gains, Q3 absorption was led by Class B space (107,199 SF), followed by Class A (90,845 SF) and Class C (27,771 SF) — a signal that demand broadened out somewhat this quarter even as it remains concentrated in top-tier product. The quarter underscored that demand remains active on both sides of the market, with Cool Springs and Brentwood anchoring suburban gains while Downtown continues to work through larger blocks of second generation available space, even as its newer, amenitized product still performs well.

LEASING ACTIVITY

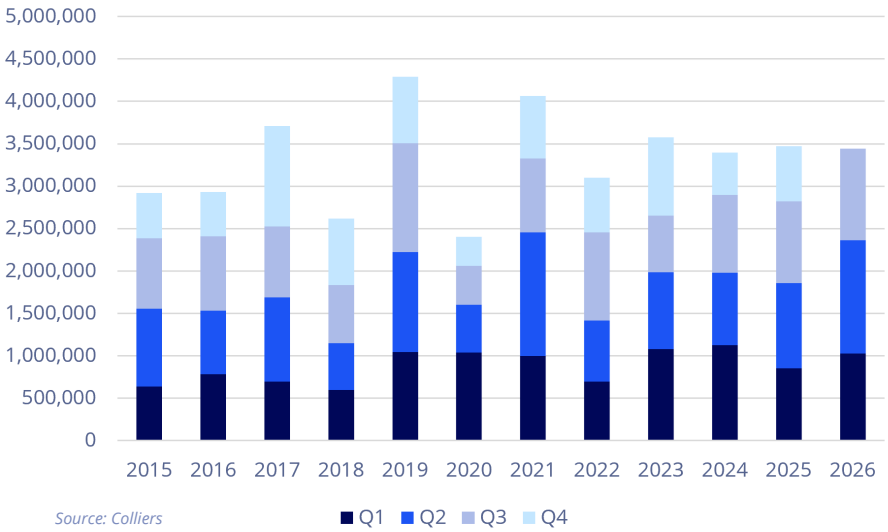
Nashville recorded approximately 1.0 million square feet of significant office leasing activity in Q3, though the quarter's volume was shaped by a handful of sizable transactions rather than one dominant deal. Tenant demand remained measured, with most leases ranging from 4,000 to 12,000 square feet. Renewals accounted for a meaningful share of activity, particularly in suburban submarkets, reflecting stable occupancy needs.

Downtown and Green Hills captured much of Q3's larger-deal volume, anchored by One22One and 18th & Chet, reinforcing the market's ongoing flight-to-quality trend. Meanwhile, Airport North and Brentwood generated solid activity through a mix of new leases and renewals. Government, financial, and healthcare tenants remained active during the quarter, while professional services and technology users continued to support demand across the broader market. Overall, Q3 leasing activity points to a healthy but disciplined market, with steady mid-sized demand continuing to drive volume rather than another standout transaction on the scale of Starbucks' 250,000 SF lease at Peabody Union in Q2.

Historical Absorption: Suburban vs. Downtown



Significant Leasing Activity - 2026



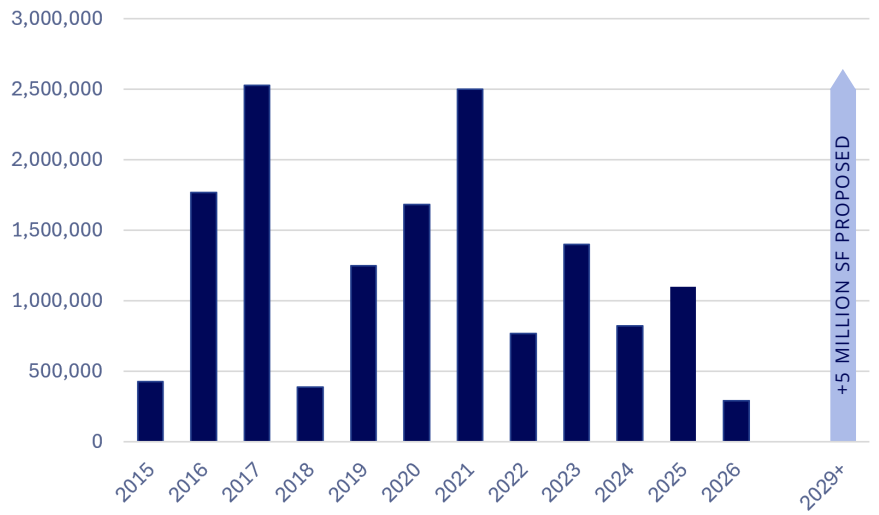
Source: Colliers

Q3 Market Activity

OFFICE DEVELOPMENT

Nashville's office development pipeline remains historically constrained as recent deliveries continue to outpace new construction starts. During the third quarter, 507 Houston Street (51,000 SF), 439 Humphreys Street (44,000 SF), and 430 Chestnut Street (135,000 SF) delivered a combined 230,000 square feet of office space, further reducing the amount of product under construction. While elevated vacancy has tempered speculative development activity, premier office environments continue to attract tenant interest. Higher construction costs, elevated borrowing rates, and tighter capital markets have delayed or reconfigured many planned projects, leaving the future pipeline largely concentrated in a handful of major developments. The proposed 1.2-million-square-foot Station East project remains Nashville's largest planned office development, while Nashville Yards continues to include an additional 620,000-square-foot office tower in its long-term development plans. These projects highlight where future office growth could occur as market conditions become more supportive of new construction.

Historical Office Deliveries



Source: Colliers

NASHVILLE ECONOMY

Nashville's economy continues to outperform national benchmarks, with YTD job growth of 0.6% (vs. 0.4% nationally) and GDP growth of 1.9% (vs. 1.6% nationally), trends that support healthy office-using employment. Growth is concentrated in sectors that drive office demand: professional/technical services and real estate are leading GDP gains, while tech and education posted solid job gains of 0.6% and 1.2%, respectively. The notable exception is finance, a major office-occupying sector, which shed 1.8% of jobs YTD despite housing large employers like AllianceBernstein, Asurion, and Pinnacle Financial. Looking ahead, Oracle's 82-acre campus—projected to add 8,500 jobs—represents a significant future driver of office-adjacent demand, reinforcing Nashville's position as a growing tech and corporate hub even as finance sector softness bears watching.



Nashville Urban Office Development

TOTAL DELIVERED:

2023-2025
3,306,075 SF

2026
230,000 SF



Moore Building
Q1 2023
276,216 SF
Green Hills/MR



T3
Q2 2023
191,850 SF
Airport South



Nashville Yards Pinnacle Tower
Q4 2025
742,241 SF
Downtown



Nashville Yards Creative Office
Q2 2025
300,000 SF
Downtown



Peabody Union
Q2 2025
250,000 SF
Downtown



439 Humphreys
Q3 2026
44,000 SF
Airport South



Amazon Tower II
Q2 2023
588,000 SF
Downtown



Neuhoff Tower + Creative Office
Q2 2023
396,000 SF
Downtown



The Pitch
Q4 2024
76,000 SF
Airport South



Landings at River North
Q4 2024
78,755 SF
Downtown



5 City
Q2 2025
334,013 SF
West End



Ashwood 12 South
Q1 2025
73,000 SF
Green Hills / MR



507 Houston
Q3 2026
51,000 SF
Airport South



430 Chestnut
Q3 2026
135,000 SF
Airport South

2023 2024 2025 2026

Significant Lease + Sales Activity



ADDRESS	SIZE (SF)	TENANT	TYPE
Metropolitan Airport Center	50,612	Koniag Government Services	New Lease
Seven Springs West	29,670	Surgery Partners	New Lease
Seven Corporate Centre	23,122	E|Spaces	Expansion
Highland Ridge Tower	20,226	Resound Credit Union	New Lease
6 Cadillac Dr	17,669	Beecher Carlson Insurance Services	Renewal
One22One	14,515	RubinBrown LLP	New Lease

ADDRESS	SIZE (SF)	BUYER	SALES PRICE
Grassmere Plaza	244,930	DC Blox	$23,000,000
5121 Maryland Way	32,000	Confidential	$7,900,000
Nations 57	18,000	The Freeman Group	$6,000,000
446 Metroplex Drive	52,920	Lead Real Estate Holdings Nonprofit LLC	$4,450,000
Stagepost Studios	20,824	Leigh Ann Shockey Trust	$4,100,000
240 Venture Circle	20,345	Purpose Preparatory Academy Inc.	$3,850,000

Nashville | Q3 2026 | Office | Market Statistics

SUBMARKET/ CLASS	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	NET ABSORPTION CURRENT	NET ABSORPTION YTD	UNDER CONSTRUCTION	DELIVERIES 2026	AVG DIRECT ASKING RATE (FSG)
Downtown/Urban Core										
A	11,604,219	17.3%	2.3%	19.5%	17.6%	-92,568	140,325	0	0	$52.39
B	4,113,697	20.2%	1.7%	21.9%	23.5%	82,084	19,705	0	0	$34.25
C	1,018,630	4.6%	0.8%	5.4%	3.8%	-2,704	-804	0	0	$27.29
Total	**16,736,546**	**17.2%**	**2.0%**	**19.3%**	**18.2%**	**-13,188**	**159,226**	**0**	**0**	**$46.40**
Suburban										
A	15,928,491	22.0%	2.3%	24.2%	24.6%	183,413	784,445	60,000	230,000	$36.68
B	18,579,418	14.8%	2.7%	17.5%	13.2%	25,115	-82,407	0	0	$28.81
C	4,835,104	7.2%	0.4%	7.7%	6.7%	30,475	99,965	0	0	$23.16
Total	**39,343,013**	**16.8%**	**2.2%**	**19.0%**	**17.0%**	**239,003**	**802,003**	**60,000**	**230,000**	**$34.74**
Total										
A	27,532,710	20.0%	2.3%	22.3%	21.6%	90,845	924,770	60,000	230,000	$42.08
B	22,693,115	15.7%	2.5%	18.3%	15.0%	107,199	-62,702	0	0	$29.73
C	5,853,734	6.8%	0.5%	7.3%	6.2%	27,771	99,161	0	0	$24.60
Total	**56,079,559**	**16.9%**	**2.2%**	**19.1%**	**17.4%**	**225,815**	**961,229**	**60,000**	**230,000**	**$38.22**

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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	NET ABSORPTION CURRENT	NET ABSORPTION YTD	UNDER CONSTRUCTION	DELIVERIES 2026	AVG DIRECT ASKING RATE (FSG)
Airport North										
A	1,722,809	27.7%	2.2%	29.9%	26.1%	-10,593	200,402	0	0	$27.55
B	2,134,324	15.3%	1.1%	16.4%	10.2%	4,328	38,172	0	0	$25.53
C	672,154	6.1%	0.1%	6.3%	6.0%	1,433	5,168	0	0	$24.44
Total	**4,529,287**	**18.7%**	**1.4%**	**20.0%**	**15.6%**	**-4,832**	**243,742**	**0**	**0**	**$26.27**
Airport South										
A	898,441	40.3%	0.0%	40.3%	45.0%	-11,932	53,166	0	230,000	$36.73
B	4,490,855	14.5%	4.4%	18.9%	17.0%	-13,191	-137,704	0	0	$26.03
C	1,247,679	11.2%	1.5%	12.7%	11.9%	10,875	36,859	0	0	$22.30
Total	**6,636,975**	**17.3%**	**3.3%**	**20.6%**	**19.9%**	**-14,248**	**-47,679**	**0**	**230,000**	**$28.23**
Brentwood										
A	2,763,485	17.7%	1.7%	19.5%	22.2%	88,678	155,079	0	0	$34.21
B	3,509,614	18.7%	2.9%	21.5%	11.4%	14,816	-2,418	0	0	$31.87
C	283,455	4.0%	0.0%	4.0%	2.1%	753	11,806	0	0	$31.29
Total	**6,556,554**	**17.6%**	**2.3%**	**19.9%**	**15.6%**	**104,247**	**164,467**	**0**	**0**	**$32.32**
Cool Springs										
A	5,427,135	24.2%	4.3%	28.5%	28.1%	100,545	270,340	0	0	$38.60
B	3,636,957	14.1%	2.1%	16.1%	14.0%	27,630	17,532	0	0	$33.80
C	237,787	6.0%	0.0%	6.0%	6.4%	-4,620	-150	0	0	$23.35
Total	**9,301,879**	**19.8%**	**3.3%**	**23.1%**	**22.0%**	**123,555**	**287,722**	**0**	**0**	**$37.02**
Downtown										
A	11,604,219	17.3%	2.3%	19.5%	17.6%	-92,568	140,325	0	0	$52.39
B	4,113,697	20.2%	1.7%	21.9%	23.5%	82,084	19,705	0	0	$34.25
C	1,018,630	4.6%	0.8%	5.4%	3.8%	-2,704	-804	0	0	$27.29
Total	**16,736,546**	**17.2%**	**2.0%**	**19.3%**	**18.2%**	**-13,188**	**159,226**	**0**	**0**	**$46.40**

Submarkets by Class

SUBMARKET/ CLASS	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	NET ABSORPTION CURRENT	NET ABSORPTION YTD	UNDER CONSTRUCTION	DELIVERIES 2026	AVG DIRECT ASKING RATE (FSG)
Green Hills / Music Row										
A	1,570,022	10.2%	0.2%	10.4%	15.5%	-70,782	-50,539	60,000	0	$44.10
B	1,460,010	6.6%	0.5%	7.1%	7.1%	454	6,279	0	0	$36.98
C	874,907	4.2%	0.0%	4.2%	6.4%	-4,458	12,588	0	0	$32.11
Total	**3,904,939**	**7.5%**	**0.3%**	**7.8%**	**10.3%**	**-74,786**	**-31,672**	**60,000**	**0**	**$39.63**
MetroCenter										
A	305,113	0.0%	0.0%	0.0%	0.0%	0	0	0	0	$28.43
B	1,294,749	21.1%	5.1%	26.2%	18.7%	53,936	36,557	0	0	$27.46
C	238,115	0.0%	0.0%	0.0%	0.0%	0	0	0	0	$26.26
Total	**1,837,977**	**14.8%**	**3.6%**	**18.4%**	**13.2%**	**53,936**	**36,557**	**0**	**0**	**$27.41**
Rivergate / Hendersonville										
A	276,687	10.0%	3.7%	13.7%	10.0%	-954	-20,958	0	0	$33.57
B	888,120	6.6%	0.0%	6.6%	4.6%	242	-7,757	0	0	$26.82
C	783,588	9.0%	0.0%	9.0%	3.1%	0	6,197	0	0	$23.75
Total	**1,948,395**	**8.0%**	**0.5%**	**8.6%**	**4.7%**	**-712**	**-22,518**	**0**	**0**	**$27.60**
West End										
A	2,964,799	22.6%	0.8%	23.4%	21.9%	88,451	176,955	0	0	$38.58
B	1,164,789	14.6%	2.9%	17.5%	14.3%	-63,100	-33,068	0	0	$33.77
C	497,419	7.4%	0.0%	7.4%	7.0%	26,492	27,497	0	0	$28.00
Total	**4,627,007**	**19.0%**	**1.3%**	**20.2%**	**18.4%**	**51,843**	**171,384**	**0**	**0**	**$34.52**
Total										
A	27,532,710	20.0%	2.3%	22.3%	21.6%	90,845	924,770	60,000	230,000	$42.08
B	22,693,115	15.7%	2.5%	18.3%	15.0%	107,199	-62,702	0	0	$29.73
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$5.7B+
ANNUAL REVENUE

70
COUNTRIES WE OPERATE IN

$109B+
ASSETS UNDER MANAGEMENT

44,000
LEASE AND SALE TRANSACTIONS

2B
SQUARE FEET MANAGED

24,000
PROFESSIONALS

Number of countries includes affiliates

About Colliers

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