

YoY Chg 12-Mo. Forecast

2.6%
Vacancy Rate



1.7K
Net Absorption, units



\$1.63
Effective Rent, PSF



(Overall, All Property Classes)

Source: RealPage

ECONOMIC INDICATORS Q1 2022

YoY Chg 12-Mo. Forecast

1.09M
Nashville Employment



2.9%
Nashville Unemployment Rate



3.6%
U.S. Unemployment Rate



Source: BLS, Census Bureau, Moody's Analytics

ECONOMY: Unemployment Rate Continues to Decline

Nashville's economy returned to pre-pandemic levels with unemployment posting at 2.9%, down 1,290 basis-points (bps) from the pandemic high of 15.8%. This impressive downward trend marks the second lowest rate of unemployment in the Southeast. Nonfarm employment increased by 59,000 jobs in the past year, and more than 400 new jobs were announced in corporate relocations by the Nashville Chamber of Commerce. The economy is poised to maintain an upward trend with employees returning to the office, relocations remaining consistent, and strong population migration from northern and western states.

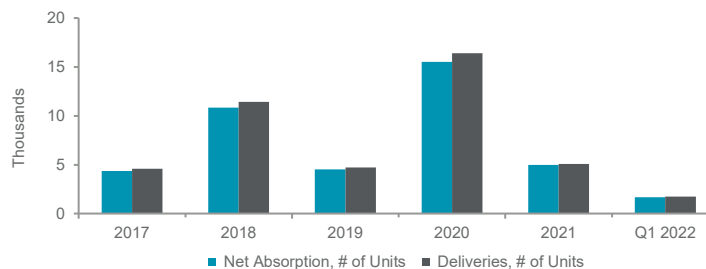
SUPPLY: Construction Continues While Vacancy Remains Low

Nashville's multifamily market continued its trend of high demand throughout Q1 2022. Vacancy increased slightly by 20 bps to 2.6%, which is an impressive metric to maintain during the historically slow winter months for in-migration. In Q1 2022, Nashville absorbed 1,741 total units, the bulk of which are in the Central and East Nashville submarkets. As Nashville continues to expand with corporate relocations and population growth, many significant mixed-use developments are slated across the Nashville market. To start 2022, MRP Realty broke ground on the Landings at River North which will contain 651 units and (83,000 sf of office and 85,000 sf of retail). This development is one of the first movers across the river and will expand Nashville's skyline along with GBT, Oracle, and a redesigned Titans stadium. As rapid growth continues in the Central submarket, apartments in suburban areas offer more flexible and affordable options. West Nashville delivered 298 units, Sterling Nashville West, adding to the large pool of new development along Charlotte Ave after recent popularization of the Nations, Sylvan Park, and West Nashville. Class A garden-style assets provide a blend of amenities and larger unit options to appeal to a wider tenant pool. Inventory in Nashville is expected to double in the next three years as construction delays begin to stabilize.

PRICING: Quarterly Rise & Year-over-Year Rise

The effective monthly rental rate for Q4 2021 posted at \$1.63 per square foot (psf), with a rent growth rate of 19.0%. The steep jump in rates is due to the temporary setback from the pandemic. Concessions posted at 6.3% of average rent for Q4, which is a sharp decline from 2021's peak of 31.6%. Average rent is at an all-time high due to lack of supply, which affected concession rates for new and existing product. The combination of low concessions and high rent encourages investors to underwrite record levels investment sales across the market in urban and suburban assets, totaling more than 954M in sales volume for Q1 2022.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	Q1 2022 VACANCY RATE	Q1 2022 UNITS DELIVERED	2022 YTD UNITS DELIVERED	ASKING RENTAL RATE / UNIT	UNDER CONSTRUCTION (UNITS)	PLANNED (UNITS)
(1) Central Nashville	23,597	3.36%	518	518	\$2,036	9,277	12,392
(2) East Nashville	9,853	2.75%	494	494	\$1,420	591	490
(3) Franklin/Brentwood	13,051	2.45%	0	0	\$1,759	1,034	447
(4) North Nashville	7,583	2.48%	151	151	\$1,321	104	247
(5) South Nashville	11,523	3.21%	71	71	\$1,441	758	900
(6) Southeast Nashville	36,490	1.99%	360	360	\$1,291	1,651	950
(7) West Nashville	13,753	1.95%	147	147	\$1,656	1,367	552
TOTAL	115,850	2.64%	1,741	1,741	\$1,602	14,782	15,978

Q1 2022 KEY SALES TRANSACTIONS

PROPERTY NAME	CITY	SALE DATE	UNITS	YEAR BUILT	PRICE	PRICE/UNIT	CLASS	SELLER/BUYER
Cortland at the Nations	Nashville	Mar – 2022	342	2022	\$128,600,000	\$376,089	A	Alliance Residential/Cortland
1200 Broadway	Nashville	Jan – 2022	313	2019	\$164,300,000	\$295,000	A	Endeavor/Intercontinental
The Reserve at Oakleigh	Antioch	Feb – 2022	264	2016	\$70,500,000	\$267,045	A	Cedar Grove Capital/GVA Mngmt
Vue at Warner Park	Nashville	Feb – 2022	379	1971	\$85,800,000	\$226,385	B	Covenant Capital/FPA Multifamily
The Eastland	Nashville	Mar – 2022	49	2017	\$14,900,000	\$303,571	A	Lion RE Group/Cherner Development

Q1 2022 KEY UNDER CONSTRUCTION PROJECTS

PROPERTY NAME	ADDRESS	CITY	SUBMARKET	UNITS	OWNER
Landings at River North	Cowan St	Nashville	Central Nashville	651	MRP Realty
Alta Riverwalk	200 Cumberland Bend	Nashville	Central Nashville	601	Wood Partners
Albion in the Gulch	645 Division St	Nashville	Central Nashville	430	Albion Residential
Legacy Cool Springs	2000 Aureum Dr	Franklin	Franklin/Brentwood	424	Goldberg Companies
Modera Germantown	1420 Adams St	Nashville	Central Nashville	400	Mill Creek Residential

2022 KEY CONSTRUCTION DELIVERIES

PROPERTY NAME	ADDRESS	CITY	SUBMARKET	UNITS	OWNER
Town Center at Berry Farms	6001 Hughes Crossing	Franklin	Franklin/Brentwood	331	Boyle Investment Company
Views of Music City	6210 Nolensville Pike	Nashville	North Nashville	305	Ramston Capital
Sterling Nashville West	7116 Charlotte Pike	Nashville	West Nashville	298	Nicol Investment Company
Accent Edgewood	2165 Nolensville Pike	Nashville	North Nashville	236	Westplan Investors
North Lights	509 W Trinity Lane	Nashville	North Nashville	210	Aerial Development

MULTIFAMILY SUBMARKETS



Zander El-Hindi

Research Manager

Tel: +1 615 301 2826

zander.elhindi@cushwake.com

Christopher Bland

Research Analyst

Tel: +1 615 301 2910

christopher.bland@cushwake.com

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