



DEVELOPMENT UPDATE BUSINESS

3Q Office Vacancy is 5.8 % / Class A Vacancy is 5.6 %

Recently Completed:

615 3rd Avenue S:	125,000 SF (73.7% leased)
1201 Demonbreun:	285,000 SF (100% leased)
222:	362,000 SF (95% leased)
Bridgestone:	514,000 SF (100% leased)
Lifeway HQ:	250,000 SF (100% leased)
Sarah Cannon/Health Trust HQ:	500,000 SF (100% leased)

Under Construction:

501 Commerce	385,000 SF / 2020
Capitol View (Block D - loft office)	40,000 SF / 4Q 2018
Capitol View (Block E)	300,000 SF (34% leased) / 1Q 2019
Gulch Union.....	324,000 SF / 2020
Peabody Plaza.....	280,000 SF / 2021
1200 Broadway.....	66,150 SF (27.8% leased) / 2Q 2019

Planned:

One KVB	425,000 SF / 2020
Asurion HQ	470,000 SF / 2021
1000 Church Street	750,000 SF / 2022
1001 Church Street.....	225,000 SF / 2021
200 10th Avenue N	470,000 SF / 2023
Three Thirty Three	69,000 SF / 2020
Peabody Union	170,000 SF / 2023

- **One Nashville Place**, the 24-story tower that bears WeWork and Regions Bank logos, sold to Unico Properties, a Seattle-based real-estate investment firm, for \$139.5 million.

- The **UBS Tower**, which is 602,000 SF, is on the market as well as the Nashville City Center, with more than 480,000 SF and 27-stories. Also, the 20-story building located at 414 Union Street with 430,000 SF is on the market. In the last nine months, five of downtown's eight largest office towers have either sold or been marketed for sale.

- **MarketStreet Enterprises** released plans for a five-story neo-traditional mixed-use building to be located at 333 11th Avenue South. Three Thirty-Three will have approximately 69,000 SF of office space, 11,000 SF of ground level retail space and will include a small public green space. A late 2019 opening is scheduled.

- **Endeavor Real Estate** broke ground on a 20-story office building at 1222 Demonbreun Street, which will contain 324,000 SF of office space and ground floor retail. Slated opening of the building is June 2020.

- The nation's fifth-largest accounting firm, **RSM**, plans to have a large presence in downtown Nashville and employee at least 125 people by 2022, with the goal of having 200 people overall. The current team of 25 is working out of a coworking space within SoBro's 222 2nd Avenue South tower.

- **AllianceBernstein**, announced that it had commitments from 120 employees to come to Nashville over the next year as a part of its first wave of relocations. Fifteen employees have already relocated. The company is slated to create 1,050 jobs downtown, and the majority will be in finance, IT, operations, compliance and auditing. AllianceBernstein has signed a lease to occupy space in 501 Commerce, a 25-story tower that is part of the Fifth + Broadway.

* As of December 2017, all office and retail statistics are from CoStar commercial real estate database. Numbers may vary from previous quarterly reports.

Downtown currently has 7,017 hotel rooms

Under Construction	# of Rooms	Delivery
Dream Hotel	169	2018
Tri-branded Marriott	468	2018
Drury Hotel	390	2019
Margaritaville Hotel	217	2019
Hampton Inn & Suites	169	2019
Holiday Inn & Suites	228	2019
Moxy Hotel.....	168	2019
SoBro Hyatt House	217	2019
Tru by Hilton/Home2Suites	232	2019
The Joseph	297	2020
Hyatt Regency.....	591	2020

Total # of Rooms: 3,147

- There are 13 hotels with owner/developers actively planning - representing over 3,166 additional rooms.
- Tru by Hilton and Home2 Suites announced their "topping off" in late August. The dual-brand hotel will open by the second quarter of 2019 at 500 5th Avenue South, will be 10-stories and have 232 total rooms.
- Full financing is in place for the 14-story W Hotel which will have 346 rooms and open later in 2020. The hotel, which is a Marriott brand, will feature rooftop amenities and a pair of restaurants from a James Beard-award winning chef.
- Hyatt plans to open one of its upscale Centric hotels at 217 2nd Avenue South, and have 252 rooms, a 120-seat restaurant and another 4,000 SF of retail space.
- Charlotte-based Tara Investments group plans a Canopy by Hilton hotel at 910 Division Street, where Yazoo Brewing Co. taproom currently sits. The 10-story hotel will have 175 rooms at least, will have no less than 5,000 SF of meeting space and a rooftop bar. The development group would like to incorporate Yazoo tap room into the hotel design. Construction should begin in early 2020.



DEVELOPMENT UPDATE

RESIDENTIAL

- Downtown has 10,000+ residents
- 85 resale units available (22 under contract) = 63 available (2.78 month supply)
- 1,664 residential units under construction
- 86% occupancy rate (2Q 2018)*

UNDER CONSTRUCTION	Units	Rental	Condo	Area	2018	2019	2020
5 th + Broadway	380	380		Core			380
LC SoBro	266	266		SoBro			266
Broadstone Gulch	238	238		Gulch	238		
Endeavor Mixed-Use Tower	313	313		North Gulch		313	
Residences at Capitol View	378	378		North Gulch	378		
City Lights	71		71	Rutledge Hill		71	
Studio 154 Luxury Lofts	18	18		Core	18		
Total units	1,664	1,593	71		634	384	646

- There are 12 more residential projects that are planned that could deliver another 2,756 units to downtown by 2021.

* Occupancy rates are from Greater Nashville Apartment Association quarterly reports



RETAIL

2018 NEW RETAIL

- Dierks Bentley's Whiskey Row
- Geist
- Woolworth on 5th
- M. L. Rose
- Starbucks
- Rooted
- Mile End Deli
- Cork & Barrel Wine and Spirits
- Kona Coffee
- Tiff's Treats
- Your Pie
- Gertie's Bar
- House of Cards
- Uncommon James
- TENN
- Bar TENN
- TENN on Top
- Sunda
- TRUE
- The Chef and I on Ninth
- Emmy Squared
- Ole Red
- Tavern at Bobby
- Rooftop Lounge at Bobby
- Bobby's Garage
- Café at Bobby
- Jason Aldean's Kitchen + Rooftop Bar
- Design Within Reach
- Redneck Riviera
- Red Perch
- Luke's 32 Bridge Food + Drink
- Vintage Creek Boutique
- Neighbors Germantown
- Legendary Milkshake Bar
- Ellington's Mid Way Bar & Grill
- Union Teller Coffee Counter
- Little Fib
- JW Marriot Nashville
- Bourbon Steak
- Bourbon Sky
- Stompin Grounds
- Stompin Grounds Market
- Cumberland Bar

COMING SOON

- Craft Bar and Bistro
- Watermark
- Corner Pub
- H&M
- The Blue Parrot
- Yee-Haw Brewing Co.
- Merle's Meat + Three Saloon
- Merle Haggard Museum
- Liberty Common
- Subway
- The Rutledge
- Little Prints
- Nashhouse Southern Spoon & Saloon
- Farm City Coffee
- Rise
- The Green Pheasant
- Café Intermezzo
- Duluth Trading Men's and Women's Gear
- Music City Chicken Co.
- Gino's East
- Valerie Boutique

So far in 2018:

52 restaurants, 8 shopping options & 3 nightlife options have opened or announced

NEW RETAILERS!

- Luke Bryan's restaurant, **Luke's 32 Bridge Food + Drink**, has opened its doors at 301 Broadway. The six-story restaurant features eight bars, four stages and two restaurants, including a rooftop sushi bar.
- **Design Within Reach** recently opened an 8,000-sf store at 303 11th Ave. S. in the Gulch. The modernist furniture and home accessories retailer operates 33 stores across 14 states.
- The JW Marriot Nashville opened with six food and beverage offerings; **Bourbon Steak** a fine dining eatery by Michael Mina; **Bourbon Sky**, rooftop bar and lounge; **Stompin Grounds**, a sit down American café; **Stompin Grounds Market**, selling baked goods and takeout items; **Cumberland Bar**, the lobby bar; and **Cabana Club**, a bar and eatery for the pool and patio.
- **Little Fib** has opened, the new lobby eatery at the Renaissance Nashville Hotel. The restaurant serves southern cuisine and will have live music.

COMING SOON!

- The owners of Nashville Underground are planning a two-level bowling alley on the 3rd and 4th floor of their building at 105 Broadway. The space will be called **Broadway Bowl and Bull**.
- **The Hampton Social**, a Chicago-based restaurant, will occupy 16,000 sf of space at 222 2nd Ave. S, including at 2,000 sf patio. The restaurant will occupy 3 floors and will have "coastal fare".
- Chicago based pizza chain, **Gino's East**, is planning to open in early 2019 in the SoBro building formally home to Sole Mio at 311 3rd Ave. S. The building will feature a walk-up window from which patrons can buy pizza by the slice.
- **Valerie Boutique** will open in December in Capitol View near M.L. Rose and HCA's Parallon offices. This is the second location for this women's clothing store which offers 45 brands, private shopping parties and complimentary in store stylists.
- **Corner Pub** restaurant will open late September inside the MDHA garage on 5th Avenue taking 6,000 sf. This is Corner Pub's 5th location.

NEW BUSINESS!

- Nashville Downtown Partnership has announced **FirstBank** as the primary sponsor for First Saturday Art Crawl Downtown! The new name is "FirstBank First Saturday Art Crawl Downtown" and will elevate the art community downtown.

DOWNTOWN NASHVILLE HAS:

284 Dining Options

107 Shopping Options

115 Nightlife Options

Retail Vacancy Rate: 2.4%

Total Retail Downtown SF: 3,153,776

