



DEVELOPMENT UPDATE
BUSINESS

3Q Office Vacancy is 7.9% / Class A vacancy is 3.2%
Total Downtown Commercial Inventory: 8.5 million SF

Recently Completed:

1201 Demonbreun:	285,000 SF (90% leased)
222:	362,000 SF (70% leased)
Bridgestone:	514,000 SF (100% leased)
Gulch Crossing:	205,000 SF (95% leased)

Under Construction:

Capitol View	300,000 SF / (22% leased) / 1Q 2019
Capitol View (loft office)	40,000 SF / 4Q 2018
Lifeway HQ:.....	250,000 SF (100% leased) / 4Q 2017
BWSC, Mathews, Colliers.....	125,000 SF (69% leased) / December 2017

Planned:

501 Commerce	385,000 SF / 4Q 2019
KVB Roundabout.....	475,000 SF
Rolling Mill Hill	XXXXXX SF/3Q 2020
Southwest Value Partners Site	XXXXXX SF

- **Fifth Third Center** hit the market on September 12. It has approximately 490,000 SF and is 90% leased. It is currently owned by Dallas-based Lincoln Property Co. who paid \$89 million for it in mid-2014.
- **Stoltz Real Estate Partners** has a contract on the 4th & Church building. The building is 90% occupied. ServiceSource rents nearly half of the 265,000 SF building Stoltz has also purchased The Stahlman building and Lofts at 160 in the last 10 months.
- Nashville-based **Eakin Partners** announced in early September that financing was in place for its mixed-use project planned for Rolling Mill Hill, and could undertake the project initially with no tenants. MDHA and Eakin Partners are slated to close on the

property on Oct. 31. The developer has increased the floor size from five to nine, with a combined 280,000 SF of office/retail. Construction will begin April 2018 and be completed July 2020.

- **Industrious**, a co-working operation from Chicago, is leasing the 19th floor of the Bank of America Plaza. This is its second location in downtown. Its first is located at Gulch Crossing, and leases 30,000 SF (260 seats) and is 100% full.
- **Houzz Inc.** announced in late August its plans to double the number of its Nashville employees to more than 400 people over the next 12 months. It now leases three floors in the UBS Tower, occupying 56,000 SF.



Downtown currently has 5,548 hotel rooms

Under Construction	# of Rooms	Delivery
Noelle-Tribute Portfolio by Starwood	224	2017
The Holsten House - Hyatt's Unbound Collection.....	191	2017
The Bobby.....	135	2018
Cambria Hotel & Suites	255	2018
Dream Hotel	169	2018
Drury Hotel	390	2018
The Fairlane	72	2018
JW Marriott.....	533	2018
Moxy Hotel.....	161	2018
Tri-branded Marriott	468	2018
Hampton Inn Expansion	50	2018
Holiday Inn & Suites	228	2019
Tru by Hilton/Home2Suites	233	2019

Total # of Rooms: 3,109

- There are 13 hotels with owner/developers actively planning - representing over 4,000 additional rooms.
- Southwest Value Partners received a demolition permit in late September related to their 591-room Hyatt Regency hotel that will be located on the northwest corner of the intersection of Broadway and 10th Avenue. A January groundbreaking and a spring 2020 completion are planned.
- Knoxville-based Safe Harbor Development is now targeting December for a full-scale start on its 12-story Margaritaville Hotel project. The 12-story hotel is fully financed, will offer 215 rooms.
- The Holston House hotel, formerly the James Robertson Apartments, is expected to open in December. New Orleans-based owner HRI Properties say that the 191-room hotel will offer a lobby lounge and rooftop bar as well as meeting and event space.
- Boyle Investments sold a Capitol View parcel to Chartwell Hospitality in late August on which the company will develop a 10-story 168-room Hampton Inn & Suites. Construction is expected to begin late this year with an opening in the summer of 2019. It will be located at the southeast corner of the intersection of 11th Avenue and Lifeway Plaza.



DEVELOPMENT UPDATE

RESIDENTIAL

- Downtown now has 10,000 residents
- 83 resale units available (20 under contract) = **63 available** (3.6 month supply)
- 97% rental occupancy with **2,420** residential units under construction

UNDER CONSTRUCTION	Units	2017	2018	2019	2020
505	543	488	55		
5th + Broadway	350			350	
10th & Jefferson	54	54			
Broadstone Gulch	238			238	
Capitol View Development Phase I	378		378		
City Lights.....	71		71		
The Gossett on Church.....	376	188	188		
Olmsted SoBro	328	164	164		
River House.....	245	245			
Solis North Gulch	271		271		
Studio 154 Luxury Lofts	18	18			
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Total units	2,872	1,345	939	588	

PLANNED	Units	2019	2020
723 Third Avenue South.....	168	168	
Ballpark Apartments.....	400	400	
Broadway Mixed-Use Tower.....	313	313	
Division Street Project	210	210	
River Tower Condominiums	39	39	
Rolling Mill Hill Parcel	300	300	
Sixth South.....	297	297	
SoBro Mixed-Use (hotel/residential tower) ..	425		425
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Planned TOTAL.....	2,152	1,727	

- Giarratana LLC announced in mid-September that 193 units on the top floors of 505 will be luxury condos and that 126 units of the 45-story skyscraper will be available for short-term leisure and corporate stays via Spokane, Washington-based short-term rental hospitality entity Stay Alfred. With the Stay Alfred partnership and the conversion of the top floors to condos, 505 has only 180 apartments to lease. Move-ins for the tower begin Nov 1.
- A permit for demolition was issued in late September to Austin-based developer Endeavor Real Estate Group to prep for its mixed-use building to feature apartments and a Whole Foods grocery at the intersection of 12th & Broadway. Financing is secured. The tower will be 26-stories, and offer 313 apartments and 66,000 SF of office space.



RETAIL

2017 NEW RETAIL

- The Diner
- Headquarters Beercade Nashville
- Tansuö
- Famous Saloon
- Little Octopus
- City Tap House
- Mellow Mushroom
- Sea Salt
- The Library
- Fannie Mae's
- Arzelle's Bridal Chic
- Ruckle & Rye
- FGL House
- Gray & Dudley
- Scout's Barbershop
- Rudy's Jazz Room
- Casa de Montecristo
- Night Train Pizza
- The Patsy Cline Museum
- Nashville Boot Co.
- Starbucks
- Oak Steakhouse
- Pancho & Lefty's Cantina
- ClycleBar
- Fond Object Records
- LuLu
- Southern Vintage Market
- Blush Boutique
- The Bubbler
- Salon J
- From Nashville with Love
- Jus Dawgs
- Mary Hong Gallery
- 417 BBQ

COMING SOON

- Ole Red
- Café Intermezzo
- Woolworth on 5th
- Deacon's New South
- Sunda
- M. L. Rose
- Rush Bowls
- Bourbon Steak
- Starbucks
- Harry O's Steakhouse
- Redneck Riviera
- SoBro Wines & Premium Spirits
- Milk and Honey
- Craft Bar and Bistro
- Dierks Bentley's Whiskey Row
- The Mockingbird
- Daily Juice
- Moonshine Flats
- Black Rabbit
- Von Elrod's Beer Garden & Sausage House
- Watermark
- Corner Pub
- The Chef and I
- Geist
- H&M
- Drug Store Coffee
- Keep Shop
- Little Prints
- Makeready Libations & Liberation
- Luna Lena

So far in 2017:
38 restaurants, 18 shopping options & 8 nightlife options have opened or announced

NEW RETAILERS

- **Blush Boutique** has opened inside the L&C Parking Garage at 144 5th Avenue N. The store is approximately 740 sf and it is the second downtown location for this women's apparel operator.
- **FGL House** is a new 22,000 sf restaurant, bar and entertainment venue. This is a concept by country duo Florida Georgia Line and will offer live music daily, southern comfort food with a "California flair" and local craft beers and cocktails.
- **The Mockingbird** opened at 1221A 12th Ave. N. This is another concept by celebrity chef, Maneet Chauhan, which is described as a "globally inspired modern diner". Dishes pull inspiration from different cultures including Korean, Mexican and French.
- **Rudy's Jazz Room, Scout's Barbershop, Night Train Pizza** and **Casa De Montecristo** have all opened at 600 9th Avenue South.
- **CycleBar** opened on the ground floor of The James Apartments in the Gulch. The 3,000-sf studio is described as "a concert on a bike".

COMING SOON

- **The Noelle Hotel**, located at 200 Fourth Avenue N, will feature several exciting new retail concepts: **Drug Store Coffee**, a street level coffee shop; **Keep Shop**, a 1,200-sf retail store operated by local designer Libby Callaway; **Little Prints**, an art gallery curated by local artist Bryce McCloud of Isle of Printing and Makeready Libations & Liberation restaurant. The hotel and the retail offerings will be open in November.
- A. Marshall Family Foods will open **Deacon's New South** restaurant on the ground floor of the L&C Tower, scheduled to open mid-October. The restaurant will have an upscale vibe and with an outdoor patio that encircles the second-floor tower. "The vibe will be intriguing, modern, and appealing to millennials and baby boomers alike," says Andy Marshall.
- Tom Morales plans to open **Woolworth on 5th**, a restaurant and live music venue at 221 5th Ave N, formally a Dollar General. The restaurant will pay homage to Nashville's civil rights history and targets a late 2017 opening. "It's where Nashville goes to get its funk," says Morales.

DOWNTOWN NASHVILLE HAS:

247 Dining Options

105 Shopping Options

98 Nightlife Options

Retail Vacancy Rate: 2.32%**Total Retail Downtown SF: 2,959,138**