



# 2025 Market Report

Nashville, Tennessee

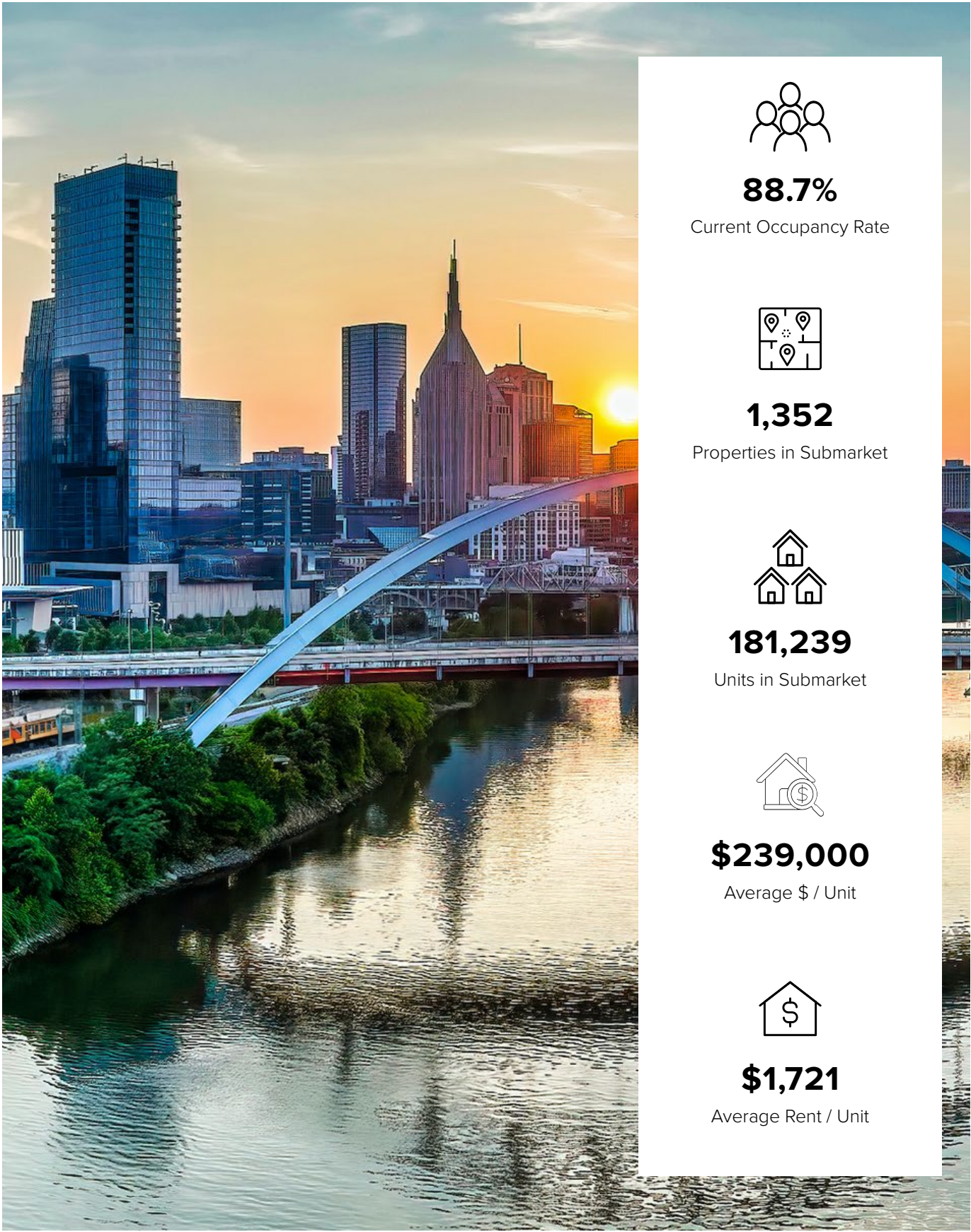


# Market Overview

Nashville’s multifamily sector is demonstrating signs of healthy normalization following a period of extraordinary growth. The last several years saw an unprecedented influx of new apartment deliveries, which temporarily pushed vacancy rates higher. However, the tide is turning. In the most recent 12-month period, net absorption reached an impressive 9,900 units, outpacing the 9,300 units delivered during the same time—a clear signal that demand remains robust and is once again surpassing supply.

What sets Nashville apart is the consistency of its demand drivers. Strong population growth, bolstered by domestic and international in-migration, continues to position the metro as one of the fastest-growing in the country. The labor market remains a key asset, drawing high-wage jobs across technology, healthcare, and logistics sectors, all of which support a resilient renter base.

While seasonal dips in quarterly absorption were noted in late 2024 and early 2025, this pattern is common and not unique to Nashville. With a stabilized vacancy rate and sustained interest from renters, the fundamentals are realigning in favor of long-term investors.



# Rent Trends

## Rents Stabilizing, Concessions Easing

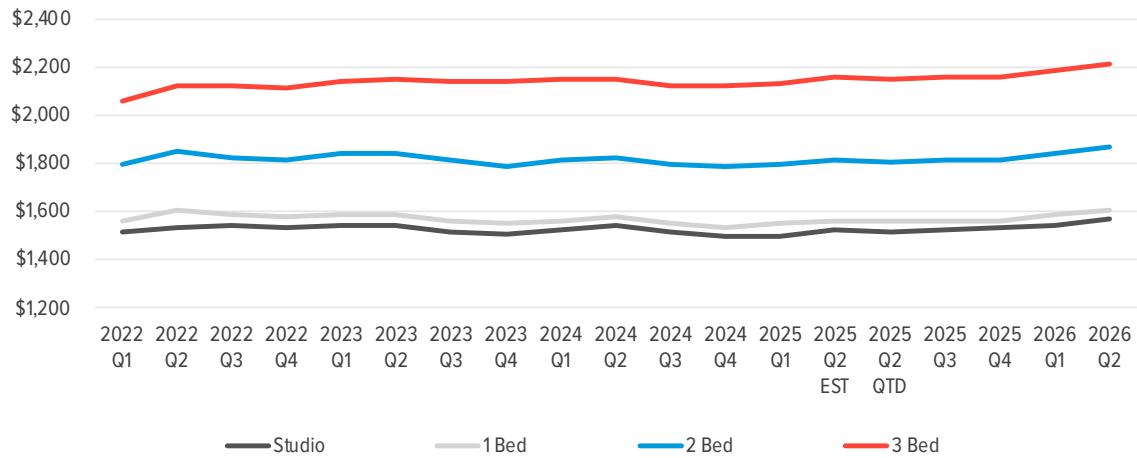
After a sharp correction from the pandemic-era highs, Nashville’s rent trends are entering a more stable phase. While average asking rents declined slightly year-over-year by -0.7%, this trend has shown clear signs of bottoming out. Unlike other markets experiencing deep rent cuts, Nashville’s decline has plateaued, and the competitive positioning of many new properties continues to attract high-quality tenants.

*Rent levels are stabilizing, and the slowdown in new starts sets the stage for meaningful rent growth in the near future.*

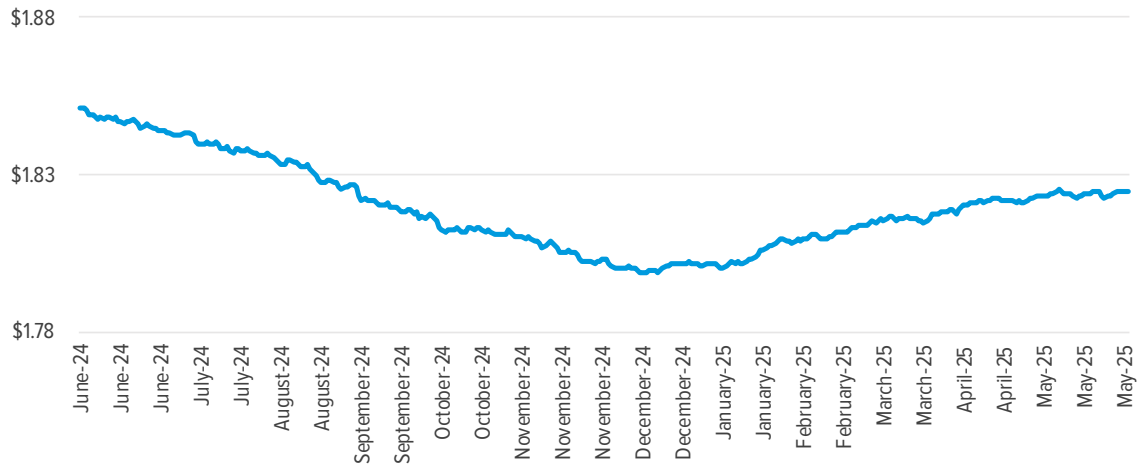
One of the most encouraging signals is that the market is still absorbing a large volume of new units despite this pricing pressure. Concessions have played a role in supporting occupancy—particularly in high-supply submarkets like Downtown—but they also reflect landlords’ flexibility and proactive management strategies. These tools are enabling owners to lease up new inventory quickly while laying the groundwork for future rent growth once concessions roll off.

With construction starts now slowing, the balance of supply and demand is likely to swing back in landlords’ favor. The groundwork being laid today in stabilizing rents and occupancy should translate into stronger rent performance through late 2025 and beyond.

Market Rent per Unit by Bedroom



Daily Asking Rent per SF



# Inventory & Development

## Construction Cools, Outlook Strengthens

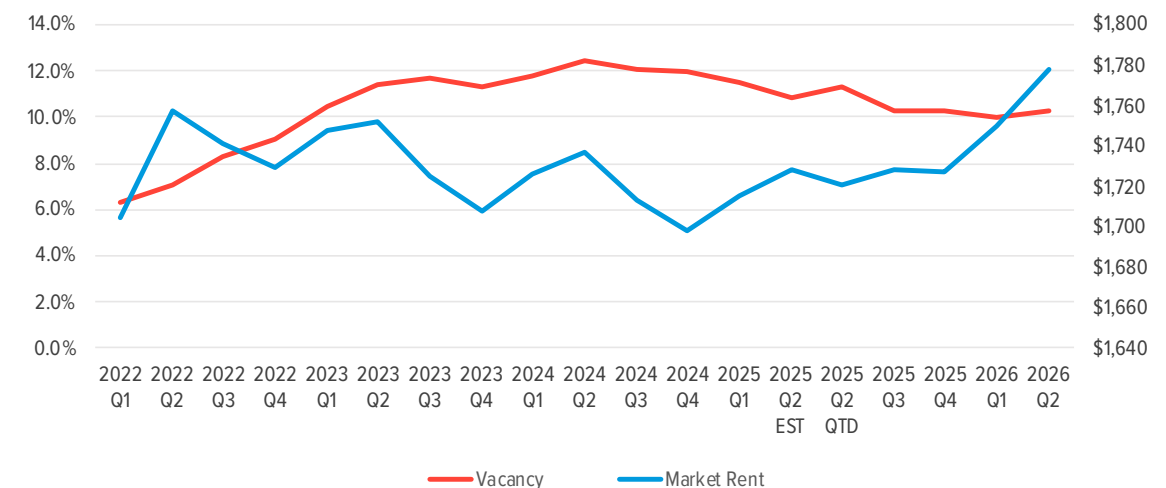
Nashville continues to be a top-tier development market, but the pace of new construction is becoming more disciplined—an encouraging trend for long-term investors. The number of units currently under construction has decreased to 14,000, down significantly from the peak of more than 25,000 in 2022. This reduction in active projects reflects market maturity and prudent decision-making by developers amid higher capital costs.

Downtown Nashville remains a construction hot spot, accounting for nearly 8,000 of those units—affirming strong confidence in the long-term desirability of the urban core. Other areas, like Southeast Nashville, are also seeing targeted growth, with over 5,000 units delivered there in the past three years alone. This geographic diversification adds resiliency to the market and opens the door to a range of investment opportunities across asset classes.

Importantly, the current slowdown in construction starts is not a sign of weakness—it is a rebalancing that supports the health of the market. As supply pressure eases, stabilized occupancy and rent growth are expected to improve, supporting better cash flow performance for owners.

*Development is decelerating in a controlled and strategic way, enhancing investment prospects as the market shifts back toward equilibrium.*

Vacancy & Market Asking Rent / Unit





# Sales Volume

## Buying Opportunities Emerge

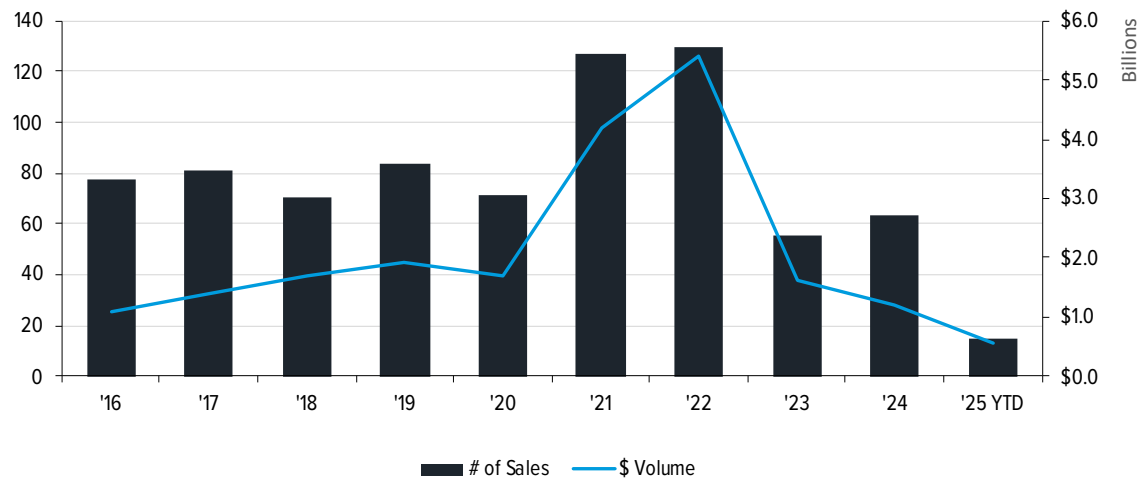
Multifamily investment volume in Nashville totaled \$1.4 billion over the past 12 months—a slowdown from peak years, but one that has opened the door for private buyers to step in with less competition. The buyer pool is now dominated by private capital, with institutional and REIT buyers remaining largely on the sidelines. This has reduced competitive pressure and led to more flexible pricing negotiations, particularly for well-located, cash-flowing assets.

Cap rates have edged upward to just over 5.5%, offering improved yield profiles compared to the ultra-compressed rates seen in prior cycles. Pricing has also reset from 2022 highs, with average per-unit sale prices declining from \$253,000 to \$230,000 in 2025. This recalibration is presenting investors with attractive entry points, especially as leasing fundamentals begin to stabilize and construction slows.

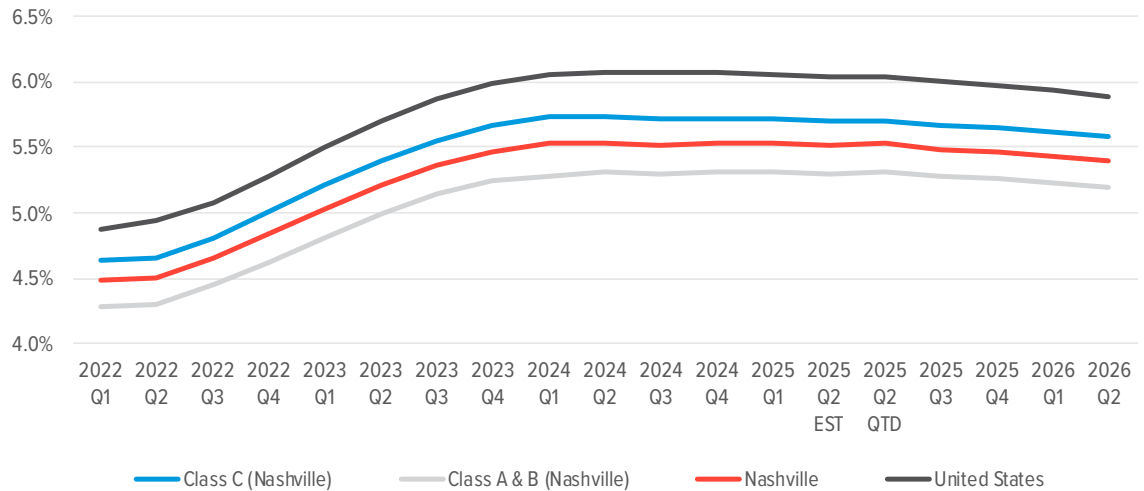
Nashville's operating expense environment continues to support favorable long-term returns. Even in premium submarkets like Downtown, cost levels remain efficient relative to income potential. This cost structure, paired with rising cap rates and softening asset prices, enhances the ability for investors to generate solid cash-on-cash returns and positions Nashville as a compelling value market for multifamily acquisition.

*With pricing down, yields up, and operating costs in check, Nashville presents a rare moment of upside for well-positioned buyers.*

Sales Volume by Year



Market Cap Rate





# Overview

— WHO WE ARE

GRE is an investment sales platform led by a nationwide network of top advisors with decades of experience arranging the purchase, sale and financing of multifamily properties. United by a shared mission, we offer investors a boutique brokerage model on a national scale. Through our unified platform, we provide unrivaled local market insights and contacts, delivering superior results across the United States.

— WHAT SETS US APART

- **National Network of Local Experts:** our focus is deep and our expertise is wide providing you with specialized knowledge of local markets.
- **Entrepreneurial Flexibility:** We're nimble and independent, equipped with the experience and skills to craft flexible solutions that traditional corporate models can't match.
- **Tailored Service:** our marketing strategies are customized to meet your specific needs, ensuring success in achieving your investment objectives.

— WHY GRE

- **Multifamily Specialists:** we're exclusively dedicated to multifamily investments, offering guidance tailored to this unique asset class.
- **Unmatched Market Insights:** With extensive local experience, we provide valuable insights into trends and potential opportunities.
- **Client Centric Approach:** Clients always come first. We're independent, meaning our loyalty is solely with you. We work relentlessly to meet your goals and exceed expectations.
- **National Reach:** Our consistently high-quality brokerage services are available nationwide to support your needs.

— BY THE NUMBERS

13  
OFFICES

100+  
BROKERS

\$14 Billion+  
SALES VOLUME 2021-2024

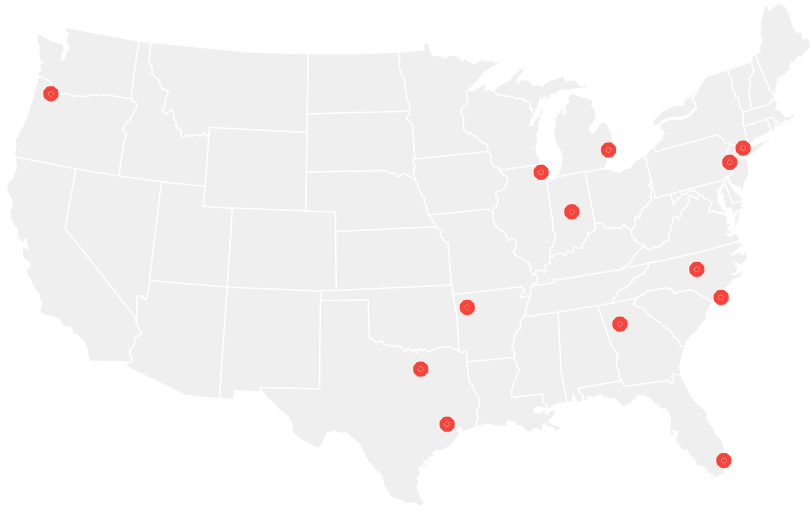
\$1.5 Billion+  
DEBT VOLUME 2021-2024

— SERVICES

- |                  |             |                 |
|------------------|-------------|-----------------|
| • Conventional   | • SFR / BTR | • Affordable    |
| • Pre-Stabilized | • Senior    | • NNN           |
| • Student        | • Land      | • Debt & Equity |

— OFFICES

- Atlanta
- Chicago
- Dallas
- Detroit
- Fayetteville
- Hilton Head Island
- Houston
- Indianapolis
- Miami
- New York City
- Philadelphia
- Portland
- Raleigh





## GET IN TOUCH

**(479) 388.0947**

[www.grea.com](http://www.grea.com)

### **ZAC THOMAS**

Managing Director

**(479) 388.0947**

[zthomas@grea.com](mailto:zthomas@grea.com)

©2025 Global Real Estate Advisors (GREA®)

Sources: GREA Research; RealPage; National Multifamily Housing Council; Moody's; CoStar; TREPP; YARDI

The information contained in this flyer has been obtained from sources we believe to be reliable; however, we have not conducted any investigation regarding these matters and make no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. While we do not doubt its accuracy, we have not verified it and neither we, nor the Owner, make any guarantee, warranty or representation of any kind or nature about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example and do not necessarily represent past, current or future performance of the property. Last Updated: 06/16/2025 09:54 AM