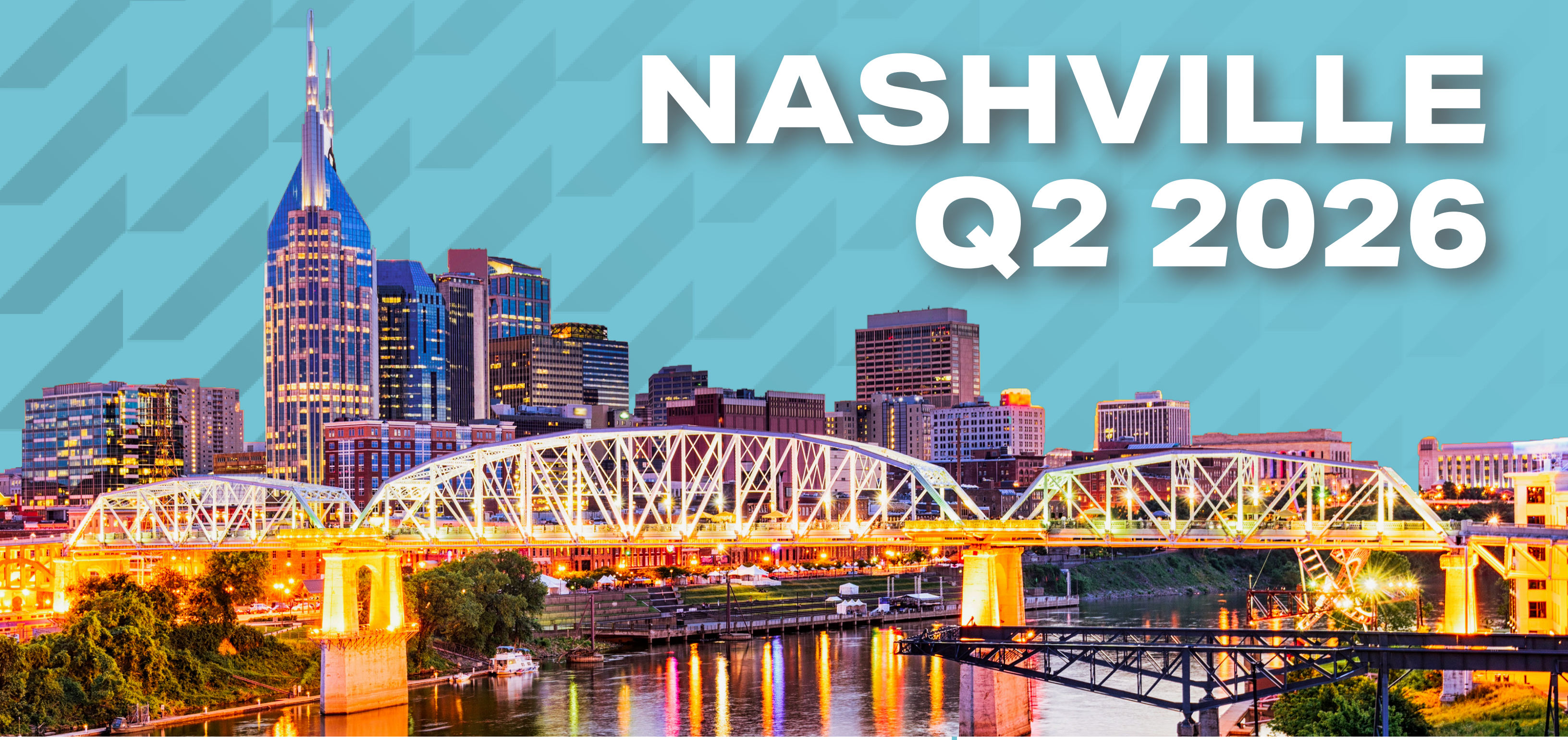


NASHVILLE Q2 2026

Q2 2026 MULTIFAMILY MARKET SNAPSHOT

KEY TAKEAWAYS

1. Trailing 12-month absorption of 8,512 units continues to outpace the 6,645 units delivered, with Q2 2026 leasing of 2,911 units returning to roughly the same pace recorded a year ago.

2. The construction pipeline is downshifting, with trailing 12-month starts declining to 5,695 units from 7,575 one year ago, while 11,724 units remain under construction (6.2% of inventory), pointing to continued but moderating delivery pressure.

3. Effective rents fell 2.8% year-over-year to $1,586 but rose 1.5% quarter-over-quarter, the second straight quarterly gain, while stabilized occupancy of 92.3% held flat on an annual basis.

AVERAGE RENT
$1,586

ANNUAL RENT CHANGE
-2.8%

AVERAGE OCCUPANCY
92.3%

YOY OCCUPANCY CHANGE
0 BASIS POINTS

NET ABSORPTION
8,512 T4Q

UNIT COMPLETIONS
6,645 T4Q

DEMAND TRENDS

Nashville absorbed 2,911 units in Q2 2026, a sharp acceleration from 1,788 units in Q1 and roughly in line with the 2,912 units absorbed in the same quarter last year. Trailing 12-month absorption of 8,512 units continues to run well ahead of the 6,645 units delivered over the same period, a healthy signal that renter demand is keeping pace with, and increasingly outpacing, one of the market's heaviest delivery cycles on record. That pace also sits roughly 7% above Nashville's own five-year average of 7,955 units, suggesting current demand reflects durable underlying growth rather than a temporary rebound off a weak prior quarter.

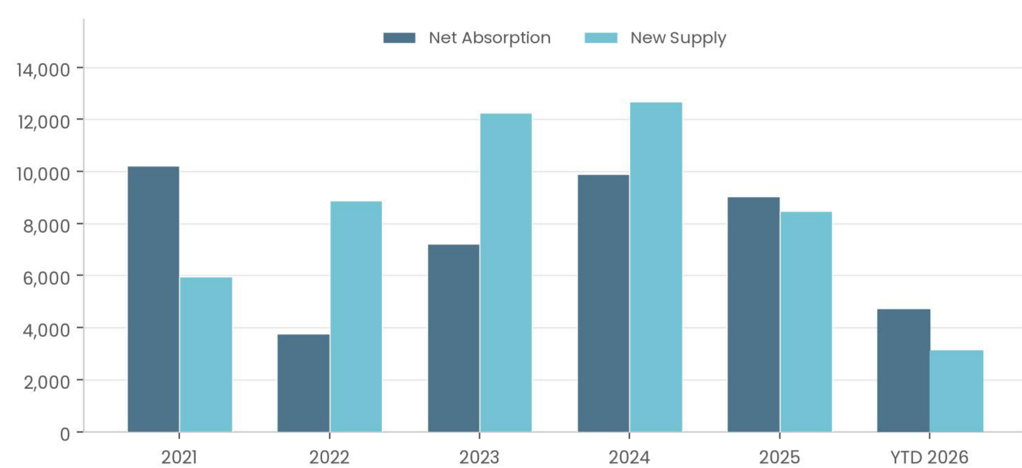
Downtown Nashville led all submarkets with 3,697 units of trailing 12-month absorption, more than 43% of the metro total, as renters continued filling the urban core's substantial new supply. Downtown, Madison/Rivergate (896 units), and Williamson County (702 units) together accounted for 62% of all trailing 12-month demand. Fifteen of sixteen tracked submarkets posted positive annual absorption, with Outlying West the lone exception at a net loss of 7 units.

CONSTRUCTION TRENDS

Nashville added 1,224 units in Q2 2026, bringing trailing 12-month completions to 6,645 units. The under-construction pipeline has fallen to 11,724 units, roughly 34% below the market's five-year average of 17,834 units, and trailing 12-month starts of 5,695 units now sit below the 6,645 units completed over the same period. With fewer units breaking ground than are being delivered, the heaviest phase of Nashville's delivery cycle appears to be behind it, setting up a meaningfully lighter supply environment over the next several quarters.

Downtown Nashville alone accounts for 4,911 units under construction, 42% of the metro total and equal to 14% of its own existing inventory. Madison/Rivergate (1,477 units, 11% of its inventory), Sumner County (888 units, 7%), and Wilson County (839 units, 9%) round out the submarkets with the most active development. Together, these four submarkets represent the large majority of Nashville's remaining delivery pipeline.

UNIT COMPLETIONS VS NET ABSORPTION



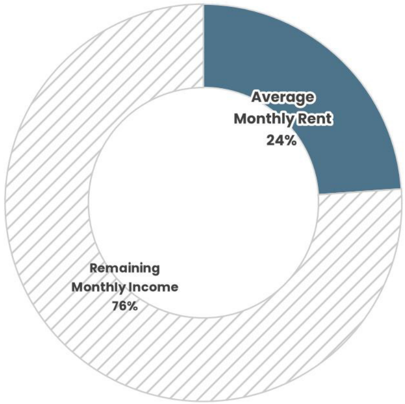
NET ABSORPTION
2,911

UNIT COMPLETIONS
1,224 Q2 2026

RENT TRENDS

Average effective rents stood at $1,586 per unit in Q2 2026, up 1.5% quarter-over-quarter and down 2.8% year-over-year, as the metro continues working through pricing pressure built up during its recent delivery wave. With the construction pipeline now well below its long-run average, rents are increasingly positioned to benefit as competitive pressure from new supply continues to ease. Nashville's annual decline compares favorably to Charlotte, NC (-3.9%) but trails Knoxville (-1.7%), even though Nashville's average rent remains well above both peers. Williamson County (1.3% YoY) and Wilson County (1.1% YoY) lead the market, reflecting tighter conditions in suburban locations with limited recent deliveries. Bellevue (-6.8%), Maury County (-6.5%), and Downtown Nashville (-6.1%) remain under the most pricing pressure. Ten of sixteen submarkets still report negative annual rent growth, and those submarkets account for roughly 73% of metro inventory, meaning the pricing pressure is concentrated in Nashville's largest submarkets rather than spread evenly.

MONTHLY RENT AS SHARE OF INCOME



AVERAGE MONTHLY RENT

$1,586

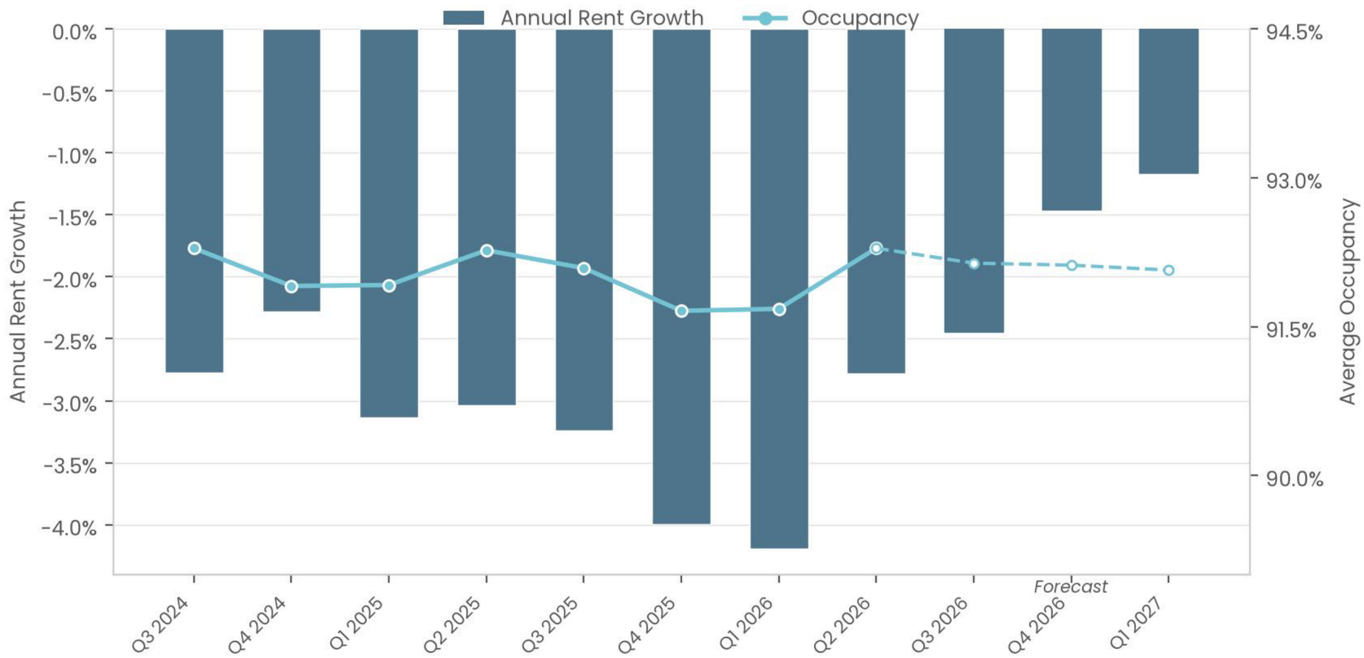
RENT & OCCUPANCY

SUBMARKET TOP 10 EFFECTIVE ANNUAL RENT GROWTH

#	Submarket	Inventory of Units	Q2 2026 Occupancy	Annual Occupancy Change	Q2 2026 Effective Annual Rent Growth	Annual Effective Rent/Unit
1	Williamson County	13,969	93.6%	1.2%	1.3%	$1,946
2	Wilson County	9,382	91.8%	-1.4%	1.1%	$1,594
3	Outlying West	1,535	92.8%	-0.5%	0.8%	$1,350
4	Murfreesboro	19,212	94.1%	0.1%	0.7%	$1,471
5	Smyrna/La Vergne	6,691	94.3%	-0.1%	0.2%	$1,523
6	Outlying Northeast	406	95.6%	-0.5%	0.1%	$864
7	Sumner County	12,142	94.0%	0.5%	-0.4%	$1,486
8	Robertson County	1,145	92.4%	3.9%	-1.8%	$1,393
9	Southeast Nashville	36,116	91.9%	1.0%	-2.0%	$1,307
10	West End Nashville	8,042	92.8%	0.0%	-2.8%	$1,828

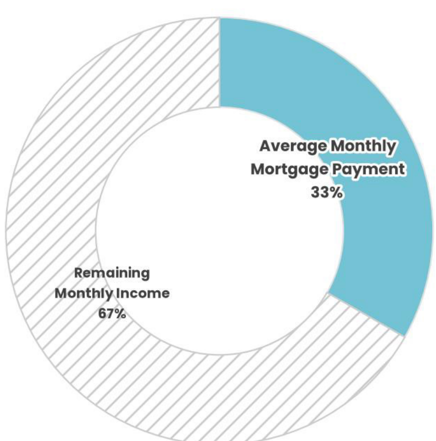
FULL SUBMARKET TABLE IN APPENDIX

ANNUAL RENT GROWTH AND OCCUPANCY



RENT & OCCUPANCY

MONTHLY MORTGAGE AS SHARE OF INCOME



AVERAGE MONTHLY MORTGAGE
$2,231

OCCUPANCY TRENDS

Stabilized occupancy rose to 92.3% in Q2 2026, up 60 bps quarter-over-quarter and flat on an annual basis. The metric has recovered 60 bps off last year's trough over the past two quarters, though it remains roughly 330 bps below its 2022 peak above 95%, a gap that reflects how much ground the market lost through its recent supply wave. At the current pace of improvement, closing that gap would take several years, underscoring that recovery is likely to be gradual rather than swift even as new deliveries slow. Nashville's occupancy trails Knoxville (93.3%) but leads Charlotte, NC (91.6%), placing it in the middle of the pack among nearby Southern peers.

Submarket occupancy spans a 650 bps range, from 95.6% in Outlying Northeast to 89.1% in Maury County. The eight submarkets with the most trailing 12-month deliveries average 92.3% occupancy, roughly 80 bps below the 93.1% average across the eight submarkets with the least delivery activity, showing new supply is still weighing on occupancy at the margin even as the broader pipeline thins. Downtown Nashville and Sumner County are notable exceptions, each holding occupancy above 91% despite carrying some of the market's heaviest delivery volumes.

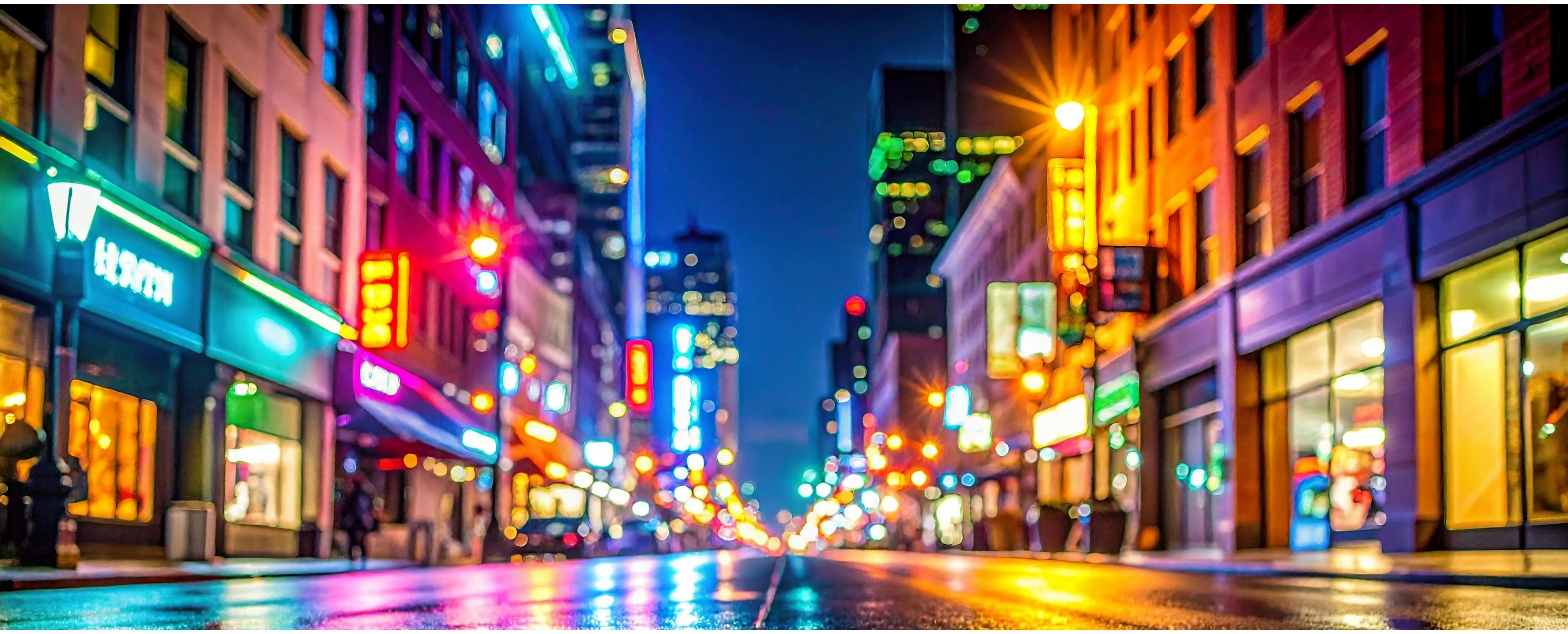
MARKET OUTLOOK

Nashville's supply and demand fundamentals have moved into better balance. The construction pipeline has thinned well below its long-run norm, and with fewer projects breaking ground than are being completed, the heaviest phase of new supply appears to be behind the market. Demand has kept pace throughout the cycle, continuing to run ahead of deliveries and reinforcing the sense that Nashville is working through its supply overhang from a position of relative strength rather than distress.

Pricing and occupancy should benefit as the supply picture continues to improve. Annual rent growth is projected to turn less negative, improving to -1.2% by Q1 2027, while stabilized occupancy is forecast to hold near 92.1%, both consistent with a market that has already absorbed the worst of its delivery wave. Nashville's rent and occupancy levels continue to lag less-supplied peers like Knoxville, but the gap should narrow as new construction falls further below historical norms. An additional 5,569 units are still slated to deliver through Q1 2027, meaning the transition will not be immediate, but the trajectory now favors landlords more than it has in several years.

Performance will remain uneven by submarket in the interim. Downtown Nashville, which still carries the largest share of the metro's remaining pipeline, will likely see the slowest pricing recovery given its outsized exposure to both current and future deliveries. Suburban submarkets with lighter pipelines, including Williamson and Wilson counties, are better positioned to lead on rent growth as the metro-wide supply overhang continues to fade.

Sources: Costar; U.S. Census Bureau; Federal Reserve Bank of St. Louis; National Association of Realtors



To gain further insights into the **Nashville** market, contact our local team:

Austin Fragoletti
MANAGING DIRECTOR
austin.fragoletti@mmgrea.com

Sam Jackson
MANAGING DIRECTOR
sam.jackson@mmgrea.com

Jake Sullivan
SENIOR ADVISOR
jake.sullivan@mmgrea.com

John Endom
ASSOCIATE ADVISOR
john.endom@mmgrea.com

Kellen Warner
ASSOCIATE ADVISOR
kellen.warner@mmgrea.com

APPENDIX

SUBMARKET FUNDAMENTALS

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9	Southeast Nashville	36,116	91.9%	1.0%	-2.0%	$1,307
10	West End Nashville	8,042	92.8%	0.0%	-2.8%	$1,828
11	Madison/Rivergate	13,408	90.9%	0.1%	-2.8%	$1,418
12	Donelson/Hermitage	11,525	90.8%	-1.3%	-3.4%	$1,353
13	West Nashville	7,337	93.8%	-0.7%	-5.8%	$1,610
14	Downtown Nashville	35,154	91.0%	-0.6%	-6.1%	$1,987
15	Maury County	6,793	89.1%	-2.6%	-6.5%	$1,380
16	Bellevue	6,955	93.7%	1.9%	-6.8%	$1,513