NAI Koella RM Moore

Q1 2025

Knoxville Market Report

INDUSTRIAL MARKET REPORT

Knoxville – Q1 2025

92.2 M	799 K	1.8%	$8.86
Inventory SF	12 Mo Net Absorption SF	Vacancy Rate	Market Rent/SF

METRO KNOXVILLE VACANCY RATE LOWEST IN NATION

Knoxville's industrial market remains one of the tightest in the nation. At 2.2%, the metro's availability rate is well below the national average of about 9.4%, and the current rate is also less than Knoxville's impressive long-term average rate of 3.6%. Anchoring the metro's recent performance has been steady demand. Absorption has remained firmly in positive territory, reaching 780,000 SF over the past year with most of the leasing activity coming from logistics properties.

Knoxville has a strong industrial base, with manufacturing sectors involved in production such as automotive parts, metals, and machinery. Major companies like Denso Manufacturing (auto parts) and Alcoa (aluminum production) have significant operations in the area. Location also plays a big role in its industrial market as it is at the center of the eastern half of the U.S. and within one day's drive of three-fourths of the U.S. population. Low business costs and a strategic location at the crossroads of I-75, I-40, and I-81 have attracted many national companies to Knoxville, such as 3M and Newell.

Due to the tight availability, leasing activity has slightly declined. During 2024, there was 1.9 million SF of activity which is down about 20% from 2023. The largest lease over the past year was JLG Industries, occupying a 313,500 SF warehouse building within the Forks of the River Industrial Park. The 7-year lease had an asking rate of $8.00 per SF, NNN and was on the market for about 10 months.

With such limited industrial availability in Knoxville, pricing power has held steady from a landlord's perspective. Asking rents grew by 3.9%, close to the pre-2020 annual average growth rate of about 5%. However, annual growth has been declining, down from the almost 11% increase just a few years ago.

Supply-side pressures are limited, given that construction activity has been declining and there is only one building over 100,000 SF that will soon be delivered to the market.. That will likely pave the way for additional rent gains in the coming quarters, even if demand slows due to a slowing economy. Construction activity has been steadily declining since it peaked in early 2023 with over 2.2 million SF under construction. Currently, only 220,000 SF is under development and construction starts have also been declining signaling that new supply will be tight throughout 2025.

Source: CoStar Group

Vacancy Rates & Rental Rates Per SF

Source: CoStar Group

Knoxville
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Sevierville
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Submarket Overview

Anderson County | $752M Asset Value
Knoxville - TN USA

Inventory SF	10.1M	Market Asking Rent/SF	$7.72
Under Constr SF	0	Market Asking Rent Growth	3.6%
12 Mo Net Absorp SF	(347K)	Market Sale Price/SF	$75
Vacancy Rate	5.9%	12 Mo Sales Vol	$20.5M

Bearden/Papermill/W Town | $493M Asset Value
Knoxville - TN USA

Inventory SF	5.6M	Market Asking Rent/SF	$9.59
Under Constr SF	0	Market Asking Rent Growth	4.1%
12 Mo Net Absorp SF	(2.2K)	Market Sale Price/SF	$89
Vacancy Rate	1.7%	12 Mo Sales Vol	$3.1M

Blount County | $1.2B Asset Value
Knoxville - TN USA

Inventory SF	15.5M	Market Asking Rent/SF	$9.20
Under Constr SF	0	Market Asking Rent Growth	3.8%
12 Mo Net Absorp SF	865K	Market Sale Price/SF	$76
Vacancy Rate	0.2%	12 Mo Sales Vol	$10.6M

Campbell Station/Farragut | $15.6M Asset Value
Knoxville - TN USA

Inventory SF	147K	Market Asking Rent/SF	$10.14
Under Constr SF	0	Market Asking Rent Growth	3.7%
12 Mo Net Absorp SF	0	Market Sale Price/SF	$106
Vacancy Rate	0%	12 Mo Sales Vol	$0

Cedar Bluff/Walker Spgs | $40.8M Asset Value
Knoxville - TN USA

Inventory SF	420K	Market Asking Rent/SF	$10.60
Under Constr SF	0	Market Asking Rent Growth	3.9%
12 Mo Net Absorp SF	(6K)	Market Sale Price/SF	$97
Vacancy Rate	1.4%	12 Mo Sales Vol	$5M

Downtown | $131M Asset Value
Knoxville - TN USA

Inventory SF	2.1M	Market Asking Rent/SF	$6.70
Under Constr SF	0	Market Asking Rent Growth	4.0%
12 Mo Net Absorp SF	66.7K	Market Sale Price/SF	$62
Vacancy Rate	0%	12 Mo Sales Vol	$3.6M

East | $238M Asset Value
Knoxville - TN USA

Inventory SF	2.7M	Market Asking Rent/SF	$8.11
Under Constr SF	0	Market Asking Rent Growth	4.0%
12 Mo Net Absorp SF	(406K)	Market Sale Price/SF	$88
Vacancy Rate	16.9%	12 Mo Sales Vol	$5.2M

Loudon County | $491M Asset Value
Knoxville - TN USA

Inventory SF	7.4M	Market Asking Rent/SF	$8.15
Under Constr SF	0	Market Asking Rent Growth	3.9%
12 Mo Net Absorp SF	6K	Market Sale Price/SF	$66
Vacancy Rate	0.3%	12 Mo Sales Vol	$4.6M

North/Broadway | $1.5B Asset Value
Knoxville - TN USA

Inventory SF	19.1M	Market Asking Rent/SF	$8.86
Under Constr SF	0	Market Asking Rent Growth	4.0%
12 Mo Net Absorp SF	145K	Market Sale Price/SF	$78
Vacancy Rate	1.5%	12 Mo Sales Vol	$27.8M

North/Emory Road | $192M Asset Value
Knoxville - TN USA

Inventory SF	2.2M	Market Asking Rent/SF	$10.45
Under Constr SF	0	Market Asking Rent Growth	3.9%
12 Mo Net Absorp SF	3.9K	Market Sale Price/SF	$89
Vacancy Rate	0.3%	12 Mo Sales Vol	$1.8M

Pellissippi/Lovell | $1B Asset Value
Knoxville - TN USA

Inventory SF	9.9M	Market Asking Rent/SF	$11.63
Under Constr SF	0	Market Asking Rent Growth	4.1%
12 Mo Net Absorp SF	(55.1K)	Market Sale Price/SF	$102
Vacancy Rate	1.1%	12 Mo Sales Vol	$31.7M

South | $746M Asset Value
Knoxville - TN USA

Inventory SF	9.5M	Market Asking Rent/SF	$7.88
Under Constr SF	0	Market Asking Rent Growth	4.0%
12 Mo Net Absorp SF	400K	Market Sale Price/SF	$78
Vacancy Rate	0.2%	12 Mo Sales Vol	$6.5M

Union County | $30.1M Asset Value
Knoxville - TN USA

Inventory SF	490K	Market Asking Rent/SF	$10.02
Under Constr SF	0	Market Asking Rent Growth	3.8%
12 Mo Net Absorp SF	0	Market Sale Price/SF	$61
Vacancy Rate	0%	12 Mo Sales Vol	$0

Source: CoStar Group

OFFICE MARKET REPORT

Knoxville – Q1 2025

38.4 M	272 K	22.9%	$22.21
Inventory SF	12 Mo Net Absorption SF	Vacancy Rate	Market Rent/SF

OFFICE DEMAND CONTINUES TO INCREASE

The past year has started and ended with strong quarterly demand. The start of 2024 saw strong demand, with new leases signed by Allcor Staffing, ESS, and Cannon and Cannon Inc. The last quarter of the year also saw strong activity after Type One Energy Group and Aqua-Chem signed new deals. This has given the Knoxville office market an annual net absorption of 270,000 SF over the past year.

One important factor that has contributed to the good health of the local office market is the shortage of new office developments in recent years. The past year had 190,000 SF of newly constructed space delivered with all the available space leases. This includes the new 84,000 SF University of Tennessee Research Park at Cherokee Farm. The building includes a 40,000-square-foot high bay and laboratory space for UT faculty, students and industry collaborators to conceptualize, prototype and test sustainable composite materials for advanced manufacturing, including precision agriculture, architecture and automotive applications.

Additionally, Knoxville's office inventory has decreased over the past five years due to the high number of conversions and demolitions, which led to the removal of existing space. Several office buildings have been demolished including Dunford Hall to make way for the Haslam College of Business building. The building was built in 1963 and served as a dorm and office space. The old Public Safety Center at 800 Howard Baker Jr. Ave. was demolished for a science museum. The Knoxville Police Department used the building as its headquarters for decades.

Despite a tight vacancy rate of 2.9% and slowing construction activity, uncertainty surrounding future office-using needs has slowed rent growth. For example, asking rents over the past year grew by 1.8%, below the metro's rate of 4.6% from this time last year. However, growth has outpaced the national average by about 100 basis points as conditions are much tighter in Knoxville than in many other parts of the country.

Source: CoStar Group

Vacancy Rates & Rental Rates Per SF

Source: CoStar Group

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Submarket Overview

Anderson County | $321M Asset Value
Knoxville - TN USA

Inventory SF	3.4M	Market Asking Rent/SF	$20.55
Under Constr SF	0	Market Asking Rent Growth	1.8%
12 Mo Net Absorp SF	20.8K	Market Sale Price/SF	$95
Vacancy Rate	2.7%	12 Mo Sales Vol	$5.2M

Bearden/Papermill/W Town | $819M Asset Value
Knoxville - TN USA

Inventory SF	6M	Market Asking Rent/SF	$23.86
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	59.6K	Market Sale Price/SF	$136
Vacancy Rate	4.0%	12 Mo Sales Vol	$49.9M

Blount County | $427M Asset Value
Knoxville - TN USA

Inventory SF	3.4M	Market Asking Rent/SF	$22.19
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	14.6K	Market Sale Price/SF	$127
Vacancy Rate	1.6%	12 Mo Sales Vol	$11M

Campbell Station/Farragut | $160M Asset Value
Knoxville - TN USA

Inventory SF	1M	Market Asking Rent/SF	$25.29
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	52.3K	Market Sale Price/SF	$152
Vacancy Rate	6.2%	12 Mo Sales Vol	$1.4M

Cedar Bluff/Walker Spgs | $370M Asset Value
Knoxville - TN USA

Inventory SF	3M	Market Asking Rent/SF	$21.37
Under Constr SF	0	Market Asking Rent Growth	1.5%
12 Mo Net Absorp SF	(11.5K)	Market Sale Price/SF	$122
Vacancy Rate	4.9%	12 Mo Sales Vol	$7.3M

Downtown | $719M Asset Value
Knoxville - TN USA

Inventory SF	5.2M	Market Asking Rent/SF	$22.30
Under Constr SF	0	Market Asking Rent Growth	1.8%
12 Mo Net Absorp SF	11.4K	Market Sale Price/SF	$137
Vacancy Rate	1.4%	12 Mo Sales Vol	$28.1M

East | $31.2M Asset Value
Knoxville - TN USA

Inventory SF	287K	Market Asking Rent/SF	$16.27
Under Constr SF	0	Market Asking Rent Growth	1.5%
12 Mo Net Absorp SF	378	Market Sale Price/SF	$109
Vacancy Rate	0.6%	12 Mo Sales Vol	$1.5M

Loudon County | $121M Asset Value
Knoxville - TN USA

Inventory SF	976K	Market Asking Rent/SF	$23.11
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	38.2K	Market Sale Price/SF	$124
Vacancy Rate	2.5%	12 Mo Sales Vol	$3.2M

North/Broadway | $561M Asset Value
Knoxville - TN USA

Inventory SF	4.8M	Market Asking Rent/SF	$20.17
Under Constr SF	0	Market Asking Rent Growth	1.8%
12 Mo Net Absorp SF	59.9K	Market Sale Price/SF	$117
Vacancy Rate	0.8%	12 Mo Sales Vol	$3.1M

North/Emory Road | $95.7M Asset Value
Knoxville - TN USA

Inventory SF	692K	Market Asking Rent/SF	$23.79
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	1.9K	Market Sale Price/SF	$138
Vacancy Rate	2.8%	12 Mo Sales Vol	$150K

Pellissippi/Lovell | $732M Asset Value
Knoxville - TN USA

Inventory SF	5.5M	Market Asking Rent/SF	$23.63
Under Constr SF	0	Market Asking Rent Growth	1.8%
12 Mo Net Absorp SF	72.5K	Market Sale Price/SF	$133
Vacancy Rate	4.6%	12 Mo Sales Vol	$21.8M

South | $218M Asset Value
Knoxville - TN USA

Inventory SF	1.8M	Market Asking Rent/SF	$20.81
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	(51K)	Market Sale Price/SF	$119
Vacancy Rate	3.0%	12 Mo Sales Vol	$0

Union County | $16.2M Asset Value
Knoxville - TN USA

Inventory SF	165K	Market Asking Rent/SF	$20.40
Under Constr SF	0	Market Asking Rent Growth	1.5%
12 Mo Net Absorp SF	0	Market Sale Price/SF	$98
Vacancy Rate	0%	12 Mo Sales Vol	$375K

Source: CoStar Group

RETAIL MARKET REPORT

Knoxville – Q1 2025

61.5 M	319 K	2.3%	$19.26
Inventory SF	12 Mo Net Absorption SF	Vacancy Rate	Market Rent/SF

LOW VACANCY RATES

The Knoxville retail market has a vacancy rate of 2.3% as of the second quarter of 2025. Over the past year, the market's vacancy rate has changed by -0.1%, a result of 250,000 SF of net delivered space and 320,000 SF of net absorption.

Knoxville's vacancy rate of 2.3% compares to the market's five-year average of 3.0% and the 10-year average of 3.2%.

Among the retail subtypes, neighborhood center vacancy stands at 5.1%, power center vacancy is 4.2%, strip center vacancy is 1.7%, mall vacancy is 3.3%, and general retail vacancy is 0.8%. The Knoxville retail market has roughly 1.8 million SF of space listed as available, for an availability rate of 2.9%.

As of the second quarter of 2025, there is 42,000 SF of retail space under construction in Knoxville. In comparison, the market has averaged 270,000 SF of under construction inventory over the past 10 years. The Knoxville retail market contains roughly 61.5 million SF of inventory. The market has approximately 16.5 million SF of neighborhood center inventory, 4.1 million SF of power center inventory, 2.7 million SF of strip center inventory, 2.6 million SF of mall inventory, and 35.5 million SF of general retail.

Market rents in Knoxville are $19.30/SF. Rents have changed by 3.4% year over year in Knoxville, compared to a change of 1.8% nationally. Market rents have changed by 3.9% in neighborhood center properties year over year, 3.9% in power center properties, 3.2% in strip center properties, 3.7% in mall properties, and 3.1% in general retail properties. In Knoxville, five-year average annual rent growth is 4.3% and 10-year average annual rent growth is 3.4%.

Source: CoStar Group

Vacancy Rates & Rental Rates Per SF

Source: CoStar Group

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Submarket Overview

Anderson County | $1.1B Asset Value
Knoxville - TN USA

Inventory SF	6.1M	Market Asking Rent/SF	$17.96
Under Constr SF	0	Market Asking Rent Growth	3.4%
12 Mo Net Absorp SF	41.1K	Market Sale Price/SF	$180
Vacancy Rate	1.0%	12 Mo Sales Vol	$27.2M

Bearden/Papermill/W Town | $1.3B Asset Value
Knoxville - TN USA

Inventory SF	6.5M	Market Asking Rent/SF	$25.65
Under Constr SF	0	Market Asking Rent Growth	3.7%
12 Mo Net Absorp SF	(37.4K)	Market Sale Price/SF	$198
Vacancy Rate	2.7%	12 Mo Sales Vol	$8.1M

Blount County | $1.3B Asset Value
Knoxville - TN USA

Inventory SF	7.6M	Market Asking Rent/SF	$18.24
Under Constr SF	0	Market Asking Rent Growth	3.4%
12 Mo Net Absorp SF	229K	Market Sale Price/SF	$176
Vacancy Rate	1.9%	12 Mo Sales Vol	$29.7M

Campbell Station/Farragut | $855M Asset Value
Knoxville - TN USA

Inventory SF	4M	Market Asking Rent/SF	$26.81
Under Constr SF	33K	Market Asking Rent Growth	2.9%
12 Mo Net Absorp SF	45.6K	Market Sale Price/SF	$213
Vacancy Rate	2.5%	12 Mo Sales Vol	$63.8M

Cedar Bluff/Walker Spgs | $471M Asset Value
Knoxville - TN USA

Inventory SF	2.5M	Market Asking Rent/SF	$21.64
Under Constr SF	0	Market Asking Rent Growth	2.8%
12 Mo Net Absorp SF	(19.9K)	Market Sale Price/SF	$185
Vacancy Rate	2.4%	12 Mo Sales Vol	$4.6M

Downtown | $503M Asset Value
Knoxville - TN USA

Inventory SF	2.1M	Market Asking Rent/SF	$23.92
Under Constr SF	0	Market Asking Rent Growth	3.6%
12 Mo Net Absorp SF	62.9K	Market Sale Price/SF	$234
Vacancy Rate	5.6%	12 Mo Sales Vol	$11.9M

East | $251M Asset Value
Knoxville - TN USA

Inventory SF	1.6M	Market Asking Rent/SF	$14.13
Under Constr SF	0	Market Asking Rent Growth	3.2%
12 Mo Net Absorp SF	4.4K	Market Sale Price/SF	$154
Vacancy Rate	0.8%	12 Mo Sales Vol	$3.7M

Loudon County | $503M Asset Value
Knoxville - TN USA

Inventory SF	2.8M	Market Asking Rent/SF	$18.20
Under Constr SF	0	Market Asking Rent Growth	3.4%
12 Mo Net Absorp SF	(24.6K)	Market Sale Price/SF	$181
Vacancy Rate	1.7%	12 Mo Sales Vol	$11.4M

North/Broadway | $1.9B Asset Value
Knoxville - TN USA

Inventory SF	10.8M	Market Asking Rent/SF	$18.72
Under Constr SF	0	Market Asking Rent Growth	3.3%
12 Mo Net Absorp SF	11.4K	Market Sale Price/SF	$176
Vacancy Rate	3.0%	12 Mo Sales Vol	$53.3M

North/Emory Road | $307M Asset Value
Knoxville - TN USA

Inventory SF	1.4M	Market Asking Rent/SF	$20.88
Under Constr SF	0	Market Asking Rent Growth	3.3%
12 Mo Net Absorp SF	26.9K	Market Sale Price/SF	$212
Vacancy Rate	0.6%	12 Mo Sales Vol	$2.4M

Pellissippi/Lovell | $1B Asset Value
Knoxville - TN USA

Inventory SF	5.2M	Market Asking Rent/SF	$21.91
Under Constr SF	5K	Market Asking Rent Growth	3.3%
12 Mo Net Absorp SF	(17.8K)	Market Sale Price/SF	$201
Vacancy Rate	1.7%	12 Mo Sales Vol	$15.4M

South | $589M Asset Value
Knoxville - TN USA

Inventory SF	4.4M	Market Asking Rent/SF	$13.73
Under Constr SF	0	Market Asking Rent Growth	3.9%
12 Mo Net Absorp SF	(15.5K)	Market Sale Price/SF	$133
Vacancy Rate	5.0%	12 Mo Sales Vol	$5.8M

Union County | $91.6M Asset Value
Knoxville - TN USA

Inventory SF	536K	Market Asking Rent/SF	$16.08
Under Constr SF	0	Market Asking Rent Growth	2.9%
12 Mo Net Absorp SF	10.6K	Market Sale Price/SF	$171
Vacancy Rate	0%	12 Mo Sales Vol	$3M

Source: CoStar Group

MULTIFAMILY MARKET REPORT

Knoxville – Q1 2025

45,179	1266	7.2%	$1,467
Inventory Units	12 Mo Net Absorption Units	Vacancy Rate	Market Rent/Unit

DEMAND COOLING

Knoxville's apartment market performance has been shifting lately, as a record-setting wave of supply has been the central theme. After robust demand for apartments was close to matching 2021's record highs, quarterly absorption has started to cool. Over the past 12-months, net absorption is 1,300 units which aligns with the historical average for the market. Yet, construction activity has also slowed in that same timeframe after 1,300 units have been constructed over the past year. This is a steep decline from the annual new construction from a year ago.

Recent deliveries, along with the 2,300 units currently under construction, mean supply-side pressures will likely remain through the end of 2025 given that demand keeps cooling. That has already removed some pricing power, as asking rents have steadily declined over the last several years. Annual rent growth grew by about 1.3% in the past year. This is down from the peak of 13.8% in mid-2022 and is about 500 basis points below the market's average over the past three years.

Developers are often driven by the presence of a younger renter cohort, particularly in places like Downtown Knoxville. The area is home to the University of Tennessee, which enrolls 32,000 students. Furthermore, Knoxville's population has grown on average by nearly 13,000 individuals over the past three years, a growth rate that has almost doubled pre-pandemic norms.

Since the cost to borrow capital has doubled over the past two years, fewer projects have been breaking ground. In turn, construction starts are at the lowest levels since the pandemic. The slowing in starts has slowed overall construction activity, especially as new properties are delivered. The slowing of new development should decrease vacancy while increasing rent growth.

The rise in interest rates has impacted capital market investment activity since late 2022. Annual sales volume has decreased throughout the past year. Four-quarter trailing investment activity was roughly $221 million, way down from the market's historical average.

Source: CoStar Group

Vacancy Rates & Rental Rates Per Unit

Source: CoStar Group

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Submarket Overview

Outlying Anderson County | $81.6M Asset Value

Knoxville - TN USA

Inventory Units	809	Market Asking Rent/Unit	$954
Under Constr Units	0	Annual Rent Growth	5.8%
12 Mo Absorp Units	(3)	Market Sale Price/Unit	$101K
Vacancy Rate	0.6%	12 Mo Sales Vol	$0

Downtown Knoxville | $646M Asset Value

Knoxville - TN USA

Inventory Units	2,784	Market Asking Rent/Unit	$1,811
Under Constr Units	348	Annual Rent Growth	1.9%
12 Mo Absorp Units	121	Market Sale Price/Unit	$206K
Vacancy Rate	5.2%	12 Mo Sales Vol	$0

Eastern Knox County | $12.3M Asset Value

Knoxville - TN USA

Inventory Units	116	Market Asking Rent/Unit	$1,590
Under Constr Units	0	Annual Rent Growth	2.3%
12 Mo Absorp Units	59	Market Sale Price/Unit	$106K
Vacancy Rate	2.1%	12 Mo Sales Vol	$0

Loudon County | $223M Asset Value

Knoxville - TN USA

Inventory Units	819	Market Asking Rent/Unit	$1,514
Under Constr Units	442	Annual Rent Growth	5.7%
12 Mo Absorp Units	(5)	Market Sale Price/Unit	$177K
Vacancy Rate	2.6%	12 Mo Sales Vol	$7.3M

Maryville/Alcoa | $804M Asset Value

Knoxville - TN USA

Inventory Units	4,471	Market Asking Rent/Unit	$1,345
Under Constr Units	0	Annual Rent Growth	1.7%
12 Mo Absorp Units	359	Market Sale Price/Unit	$180K
Vacancy Rate	7.6%	12 Mo Sales Vol	$800K

North Knoxville | $1.3B Asset Value

Knoxville - TN USA

Inventory Units	9,454	Market Asking Rent/Unit	$1,315
Under Constr Units	768	Annual Rent Growth	1.2%
12 Mo Absorp Units	111	Market Sale Price/Unit	$130K
Vacancy Rate	7.4%	12 Mo Sales Vol	$183M

Oak Ridge | $351M Asset Value

Knoxville - TN USA

Inventory Units	2,546	Market Asking Rent/Unit	$1,236
Under Constr Units	0	Annual Rent Growth	1.4%
12 Mo Absorp Units	109	Market Sale Price/Unit	$138K
Vacancy Rate	5.2%	12 Mo Sales Vol	$1.4M

South Knoxville | $271M Asset Value

Knoxville - TN USA

Inventory Units	2,045	Market Asking Rent/Unit	$1,150
Under Constr Units	318	Annual Rent Growth	1.6%
12 Mo Absorp Units	(28)	Market Sale Price/Unit	$114K
Vacancy Rate	5.9%	12 Mo Sales Vol	$18.7M

West Knoxville | $2.3B Asset Value

Knoxville - TN USA

Inventory Units	14,719	Market Asking Rent/Unit	$1,471
Under Constr Units	318	Annual Rent Growth	0.9%
12 Mo Absorp Units	(62)	Market Sale Price/Unit	$155K
Vacancy Rate	5.5%	12 Mo Sales Vol	$2.6M

Western Knox County | $1.5B Asset Value

Knoxville - TN USA

Inventory Units	6,374	Market Asking Rent/Unit	$1,848
Under Constr Units	133	Annual Rent Growth	0.8%
12 Mo Absorp Units	594	Market Sale Price/Unit	$235K
Vacancy Rate	14.5%	12 Mo Sales Vol	$0

Union County | $1.9M Asset Value

Knoxville - TN USA

Inventory Units	42	Market Asking Rent/Unit	$489
Under Constr Units	0	Annual Rent Growth	1.3%
12 Mo Absorp Units	0	Market Sale Price/Unit	$44.1K
Vacancy Rate	4.2%	12 Mo Sales Vol	$0

Source: CoStar Group

NAI Koella | RM Moore

NAI Koella | RM Moore has been shaping the East Tennessee commercial real estate landscape for **over 40 years** by providing expert, innovative business solutions to the community.

- NAI Koella | RM Moore is a full-service commercial real estate firm offering brokerage, development, advisory, and property management services.
- Our breadth of offerings and solid foundation in the community allows us to better understand and assist our clients in realizing their business objectives.
- At NAI Koella | RM Moore we are driven to create superior relationships and deliver exceptional results, and it is our people and their experience that make this possible.
- Each assignment and collaboration is different, but the keys to success are always the same - commitment and loyalty to our clients, solution-oriented thinking, and integrity in everything we do.

$232+ Million in Total Volume (2024)	**#1** East Tennessee's Largest Commercial Real Estate Firm
21 Brokers	**4.75 M+** Square Feet of Property Managed

Knoxville Market

Facts & Figures

Build Your Business Here!

Population

907,968 **Live** in Knox Metro

3.7 Million

(Live w/in 100-mile radius)

9

Counties in Knox MSA

Cost of Living

US Average… 100

Knox Metropolitan Area… **85.5**

Labor Force & Employment

Knox County 253,636

2.8% Unemployment Rate

Knox Metro 434,722

3.0% Metro Unemployment Rate

Post-Secondary Education

10 # of 4-Year Institutions (Including TN's LARGEST & OLDEST)

The University of Tennessee

36,304 - Fall 2020 Enrollment

9,813 - # of Faculty & Staff

Transportation

125 Truck Lines

5 Airlines

3 Interstates (40, 75, & 81)

3 Local River Terminals

2 Railroads

Reach 2/3 f US Population within a day's drive

Directly LINKED to Great Lakes & Gulf of Mexico!

Knoxville MSA Businesses: 34,795

INCLUDING:

scrippsnetworks interactive

Pilot Flying J

TVA

Producers of:

food network, HGTV, Great American Country, Cooking Channel, travel channel

Clayton homes

Keurig Green Mountain

Sysco

Bush's Best

Regal Cinemas

Oak Ridge National Laboratory

Arconic

Source: KNOX COUNTY METROPOLITAN PLANNING COMMISSION Facts & Figures 2023

NAI Koella RM Moore

Market Report
Terminology

Absorption (Net)
The change in occupied space in a given time period.

Available Square Footage
Net rentable area considered available for lease; excludes sublease space.

Average Asking Rental Rate
Rental rate as quoted from each building's owner/management company. For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

Building Class
Class A product is office space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office space built after 1980, fair to good finishes & wide range of tenants.

Direct Vacancy
Space currently available for lease directly with the landlord or building owner.

Market Size
Includes all existing and under construction office buildings (office, office condo, office loft, office medical, all classes and all sizes, both multi-tenant and single-tenant, including owner-occupied buildings) within each market.

Overall Vacancy
All unoccupied lease space, either direct or sublease.

RBA
Rentable building area.

SF/PSF
Square foot/per square foot, used as a unit of measurement.

Sublease
Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.

Sublease Space
Total square footage being marketed for lease by the tenant. Sublease space is not considered in the overall occupancy or absorption numbers - only direct leases are included.

Sublease Vacancy
Space currently available in the market for sublease with an existing tenant within a building acting as the landlord.

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