

NAI Koella
RM Moore

Q1 2026

Knoxville Market Report

94 M
Inventory SF

515 K
12 Mo Net Absorption SF

2.2%
Vacancy Rate

\$9.09
Market Rent/SF

ROBUST INDUSTRIAL BASE

Knoxville has a robust industrial base, with manufacturing sectors producing automotive parts, metals, and machinery. Major companies, such as 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 intersection of I-75, I-40, and I-81 have attracted numerous national companies to Knoxville, including 3M and Newell.

Knoxville's industrial market remains one of the tightest in the nation. At 2.2%, the metro's vacancy rate is significantly lower than the national average of approximately 7.6% and aligns with the market's impressive long-term average of 2.0%. Anchoring the metro's historically strong performance has been steady demand.

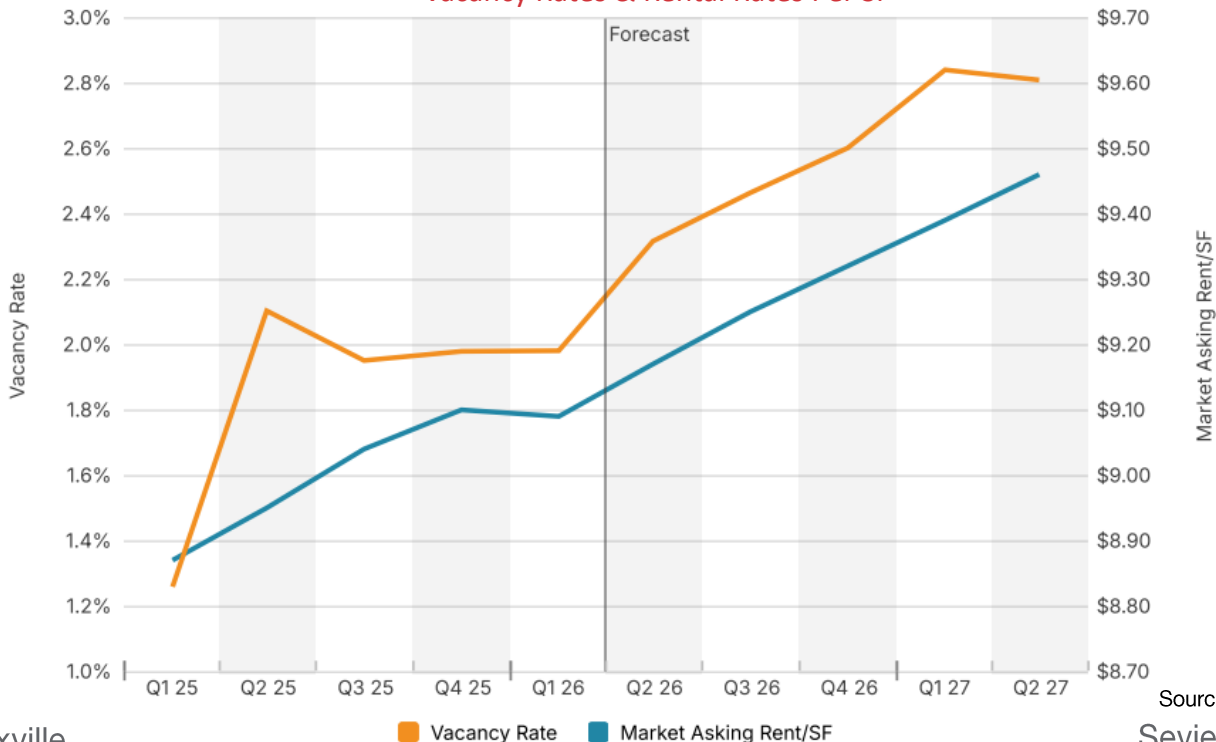
However, the first half of 2025 saw negative absorption, particularly in 25Q2, which recorded the lowest quarterly absorption in over 10 years. These two quarters pushed the annual total into negative territory, bringing net absorption to -520,000 SF over the past year. The second half of 2025 rebounded with some positive demand, with most leasing activity coming from logistics properties.

Despite tight availability, leasing activity has remained below the robust demand that reached record highs in 2021, 2022, and the early part of 2023. Some of the larger leases executed over the past year include the United States Postal Service which subleased 127,000 SF in Andersonville. The lease has two years remaining at \$7.00 per SF. Tjoapack, a supplier of pharmaceutical packaging, signed a 15-year lease for 165,000 square feet of industrial space along JD Yarnell Industrial Parkway. Also, Packaging Corporation of America renewed its lease within the 130,500 SF warehouse in Mascot. They reupped for five more years at \$6.00/SF MG.

With limited industrial availability in Knoxville, pricing power has declined primarily due to the limited available inventory. Over the past year, asking rents increased by 2.5%, which is less than the pre-2020 annual average growth rate of approximately 5% and down from the 10% increase just a few years ago. Construction activity has been steadily declining since it peaked in early 2023; however, it has increased after over 360,000SF of new development broke ground. Currently, only 630,000 SF is under development, including the 280,000 SF distribution center which broke ground during 25Q2 in Mascot. It is estimated to be completed in 2027.

Source: CoStar Group

Vacancy Rates & Rental Rates Per SF



Source: CoStar Group

Submarket Overview

Anderson County | \$789M Asset Value

Knoxville - TN USA

Inventory SF	9.8M ↑	Market Asking Rent/SF	\$7.90 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.2% ↑
12 Mo Net Absorp SF	481K	Market Sale Price/SF	\$81 ↑
Vacancy Rate	1.3% ↓	12 Mo Sales Vol	\$3.7M ↓

Bearden/Papermill/W Town | \$538M Asset Value

Knoxville - TN USA

Inventory SF	5.6M ↓	Market Asking Rent/SF	\$9.94 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.2% ↑
12 Mo Net Absorp SF	(117K)	Market Sale Price/SF	\$96 ↑
Vacancy Rate	3.5% ↑	12 Mo Sales Vol	\$11.1M ↑

Blount County | \$1.3B Asset Value

Knoxville - TN USA

Inventory SF	15.6M ↓	Market Asking Rent/SF	\$9.30 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.5% ↑
12 Mo Net Absorp SF	19.9K	Market Sale Price/SF	\$84 ↑
Vacancy Rate	0.1% ↓	12 Mo Sales Vol	\$10.7M ↓

Campbell County | \$88M Asset Value

Knoxville - TN USA

Inventory SF	1.7M ↓	Market Asking Rent/SF	\$7.91 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.4% ↑
12 Mo Net Absorp SF	(18.8K)	Market Sale Price/SF	\$53 ↑
Vacancy Rate	1.2% ↑	12 Mo Sales Vol	\$1.2M ↓

Cedar Bluff/Walker Spgs | \$44.4M Asset Value

Knoxville - TN USA

Inventory SF	426K ↓	Market Asking Rent/SF	\$11.03 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.1% ↑
12 Mo Net Absorp SF	0	Market Sale Price/SF	\$104 ↑
Vacancy Rate	1.4% ↓	12 Mo Sales Vol	\$0 ↓

Downtown | \$162M Asset Value

Knoxville - TN USA

Inventory SF	2.4M ↓	Market Asking Rent/SF	\$6.94 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.3% ↑
12 Mo Net Absorp SF	(4.2K)	Market Sale Price/SF	\$67 ↑
Vacancy Rate	0.2% ↑	12 Mo Sales Vol	\$0 ↓

East | \$300M Asset Value

Knoxville - TN USA

Inventory SF	2.7M ↓	Market Asking Rent/SF	\$8.20 ↑
Under Constr SF	471K	Market Asking Rent Growth	2.7% ↑
12 Mo Net Absorp SF	(394K)	Market Sale Price/SF	\$93 ↑
Vacancy Rate	16.4% ↑	12 Mo Sales Vol	\$6M ↓

Loudon County | \$546M Asset Value

Knoxville - TN USA

Inventory SF	7.5M ↓	Market Asking Rent/SF	\$8.49 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.7% ↑
12 Mo Net Absorp SF	(401K)	Market Sale Price/SF	\$72 ↑
Vacancy Rate	5.5% ↑	12 Mo Sales Vol	\$2M ↓

North/Broadway | \$1.6B Asset Value

Knoxville - TN USA

Inventory SF	19.5M ↑	Market Asking Rent/SF	\$9.24 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.3% ↑
12 Mo Net Absorp SF	(21.4K)	Market Sale Price/SF	\$84 ↑
Vacancy Rate	1.8% ↑	12 Mo Sales Vol	\$35.8M ↑

North/Emory Road | \$203M Asset Value

Knoxville - TN USA

Inventory SF	2.2M ↓	Market Asking Rent/SF	\$10.59 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.6% ↑
12 Mo Net Absorp SF	6K	Market Sale Price/SF	\$94 ↑
Vacancy Rate	0% ↓	12 Mo Sales Vol	\$10.6M ↑

Pellissippi/Lovell | \$1.1B Asset Value

Knoxville - TN USA

Inventory SF	10M ↑	Market Asking Rent/SF	\$11.70 ↑
Under Constr SF	85K ↑	Market Asking Rent Growth	2.4% ↑
12 Mo Net Absorp SF	(144K)	Market Sale Price/SF	\$108 ↑
Vacancy Rate	2.2% ↑	12 Mo Sales Vol	\$43.8M ↑

South | \$841M Asset Value

Knoxville - TN USA

Inventory SF	9.8M ↓	Market Asking Rent/SF	\$8.16 ↑
Under Constr SF	74.2K ↑	Market Asking Rent Growth	2.9% ↑
12 Mo Net Absorp SF	15K	Market Sale Price/SF	\$85 ↑
Vacancy Rate	0.2% ↓	12 Mo Sales Vol	\$2M ↓

Union County | \$32.1M Asset Value

Knoxville - TN USA

Inventory SF	490K ↓	Market Asking Rent/SF	\$10.38 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.2% ↑
12 Mo Net Absorp SF	0	Market Sale Price/SF	\$66 ↑
Vacancy Rate	0% ↓	12 Mo Sales Vol	\$0 ↓

Source: CoStar Group

38.8 M
Inventory SF

(132) K
12 Mo Net Absorption SF

3.3%
Vacancy Rate

\$23.23
Market Rent/SF

OFFICE MARKET FUNDAMENTALS REMAIN STRONG

Knoxville's office market fundamentals remain strong after previous volatility. Over the past several years, the market has seen overall strong demand, with 13 of the past 17 quarters showing positive net absorption. Strong demand has come from new leases signed by the University of Tennessee, Pilot Flying J, and APTIM Federal Services, which are all at least 15,000 square feet.

The only recent negative absorption occurred during 25Q2. Apex Bank purchased the Discovery office park for its new campus headquarters. The 345,000 SF campus previously served as Scripps Networks' headquarters. Apex Bank will relocate its corporate headquarters and national mortgage-servicing division to the campus. For the move, Apex no longer leases 180,000 SF within the park, and since this is no longer speculative space, it counts as negative absorption. Over the past year, net absorption totaled -130,000 SF.

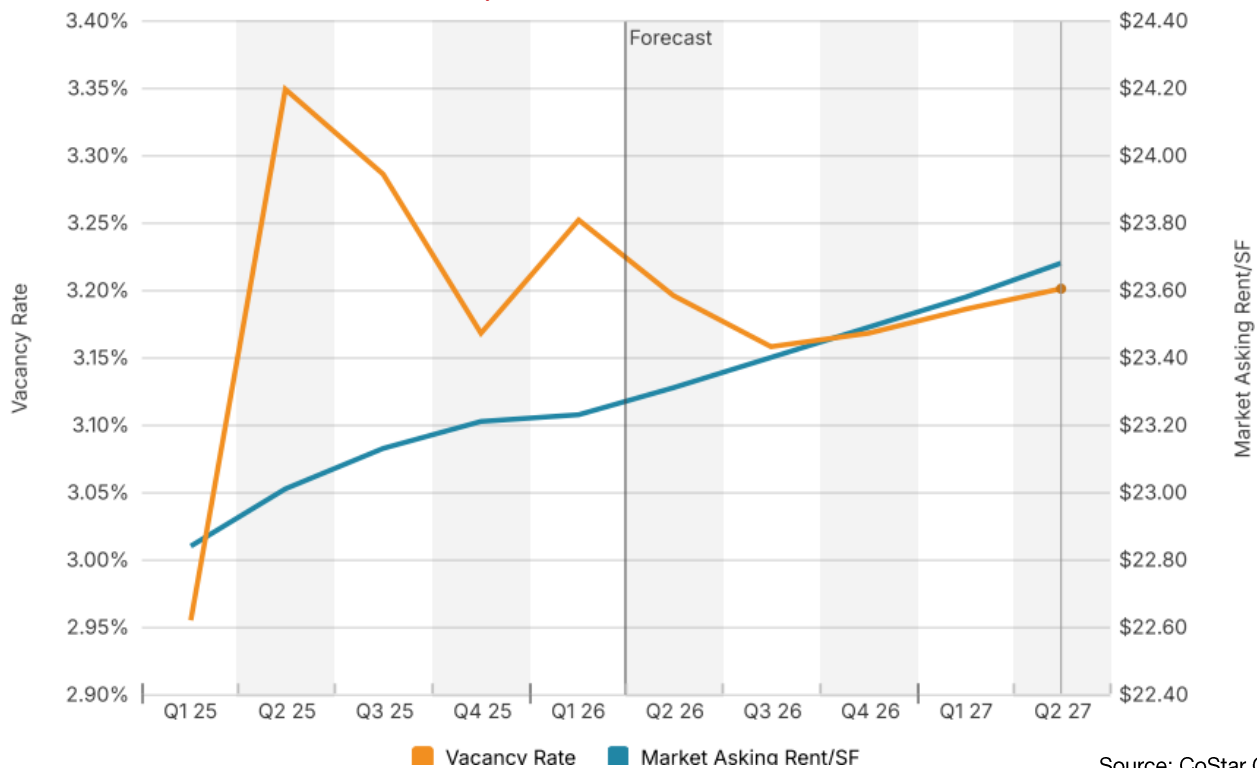
Additionally, Knoxville's office inventory has decreased over the past five years due to a high number of conversions and demolitions, resulting in the loss of existing space. Several office buildings, including Dunford Hall, have been demolished to make way for the Haslam College of Business building. 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.

Additionally, the office tower at 607 Market Street will likely soon be sold to LawlerWood LLC with plans to turn the top half of the building into residential units. The 123,000 SF building was constructed in 1965 and is anchored by US Bank. The bottom half of the building will continue to operate as office space. One important factor contributing to the good health of the local office market is the shortage of new office developments over the past few years. In the past year, -25,000 SF of newly constructed space was delivered, and all available space was leased. There is currently 35,000 SF of office construction within the market.

Despite a tight vacancy rate of 3.2% and slowing construction activity, uncertainty surrounding future office-using needs has slowed rent growth. Asking rent growth has been declining, as that rate over the past year grew by 1.6%, below the metro's historical rate of about 3.7%. However, the market outpaced the national average by about 50 basis points as conditions are much tighter in Knoxville than in many other parts of the country.

Vacancy Rates & Rental Rates Per SF

Source: CoStar Group



Source: CoStar Group

Submarket Overview

Anderson County | \$377M Asset Value Knoxville - TN USA

Inventory SF	3.4M	Market Asking Rent/SF	\$21.93
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	(63.3K)	Market Sale Price/SF	\$110
Vacancy Rate	4.1%	12 Mo Sales Vol	\$10.3M

Bearden/Papermill/W Town | \$929M Asset Value Knoxville - TN USA

Inventory SF	5.9M	Market Asking Rent/SF	\$25.43
Under Constr SF	0	Market Asking Rent Growth	1.5%
12 Mo Net Absorp SF	28.1K	Market Sale Price/SF	\$156
Vacancy Rate	3.4%	12 Mo Sales Vol	\$19.6M

Blount County | \$552M Asset Value Knoxville - TN USA

Inventory SF	3.9M	Market Asking Rent/SF	\$22.71
Under Constr SF	19.4K	Market Asking Rent Growth	1.6%
12 Mo Net Absorp SF	(132K)	Market Sale Price/SF	\$139
Vacancy Rate	4.7%	12 Mo Sales Vol	\$3.5M

Campbell Station/Farragut | \$175M Asset Value Knoxville - TN USA

Inventory SF	1.1M	Market Asking Rent/SF	\$26.86
Under Constr SF	0	Market Asking Rent Growth	1.6%
12 Mo Net Absorp SF	47.6K	Market Sale Price/SF	\$167
Vacancy Rate	2.8%	12 Mo Sales Vol	\$5.3M

Cedar Bluff/Walker Spgs | \$392M Asset Value Knoxville - TN USA

Inventory SF	3M	Market Asking Rent/SF	\$21.47
Under Constr SF	0	Market Asking Rent Growth	1.5%
12 Mo Net Absorp SF	(52.7K)	Market Sale Price/SF	\$129
Vacancy Rate	7.1%	12 Mo Sales Vol	\$14.5M

Downtown | \$788M Asset Value Knoxville - TN USA

Inventory SF	5.2M	Market Asking Rent/SF	\$23.02
Under Constr SF	0	Market Asking Rent Growth	1.6%
12 Mo Net Absorp SF	(49.2K)	Market Sale Price/SF	\$150
Vacancy Rate	2.4%	12 Mo Sales Vol	\$30.6M

East | \$36.6M Asset Value Knoxville - TN USA

Inventory SF	290K	Market Asking Rent/SF	\$19.02
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	(5.5K)	Market Sale Price/SF	\$126
Vacancy Rate	2.5%	12 Mo Sales Vol	\$375K

Loudon County | \$130M Asset Value Knoxville - TN USA

Inventory SF	974K	Market Asking Rent/SF	\$23.40
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	(19.2K)	Market Sale Price/SF	\$133
Vacancy Rate	4.9%	12 Mo Sales Vol	\$6.8M

North/Broadway | \$590M Asset Value Knoxville - TN USA

Inventory SF	4.6M	Market Asking Rent/SF	\$21.88
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	(91.2K)	Market Sale Price/SF	\$129
Vacancy Rate	2.9%	12 Mo Sales Vol	\$16.8M

North/Emory Road | \$94.7M Asset Value Knoxville - TN USA

Inventory SF	635K	Market Asking Rent/SF	\$26.36
Under Constr SF	0	Market Asking Rent Growth	1.9%
12 Mo Net Absorp SF	17.8K	Market Sale Price/SF	\$149
Vacancy Rate	0%	12 Mo Sales Vol	\$13.8M

Pellissippi/Lovell | \$840M Asset Value Knoxville - TN USA

Inventory SF	5.6M	Market Asking Rent/SF	\$24.32
Under Constr SF	9.3K	Market Asking Rent Growth	1.6%
12 Mo Net Absorp SF	164K	Market Sale Price/SF	\$150
Vacancy Rate	2.0%	12 Mo Sales Vol	\$35.9M

South | \$236M Asset Value Knoxville - TN USA

Inventory SF	1.9M	Market Asking Rent/SF	\$21.96
Under Constr SF	0	Market Asking Rent Growth	1.7%
12 Mo Net Absorp SF	43.6K	Market Sale Price/SF	\$127
Vacancy Rate	0.6%	12 Mo Sales Vol	\$4.3M

Union County | \$17.2M Asset Value Knoxville - TN USA

Inventory SF	167K	Market Asking Rent/SF	\$21.73
Under Constr SF	6.7K	Market Asking Rent Growth	2.0%
12 Mo Net Absorp SF	(2.3K)	Market Sale Price/SF	\$99
Vacancy Rate	1.4%	12 Mo Sales Vol	\$0

Source: CoStar Group

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Sevierville
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61.2 M
Inventory SF

256 K
12 Mo Net Absorption SF

2.2%
Vacancy Rate

\$19.84
Market Rent/SF



LOW VACANCY RATES

The Knoxville retail market has a vacancy rate of 2.2% as of the second quarter of 2026. Over the past year, the market's vacancy rate has changed by -0.1%, a result of 200,000 SF of net delivered space and 260,000 SF of net absorption.

Knoxville's vacancy rate of 2.2% compares to the market's five-year average of 2.5% and the 10-year average of 2.9%. Overall market vacancy is forecast to end 2026 at 2.3%.

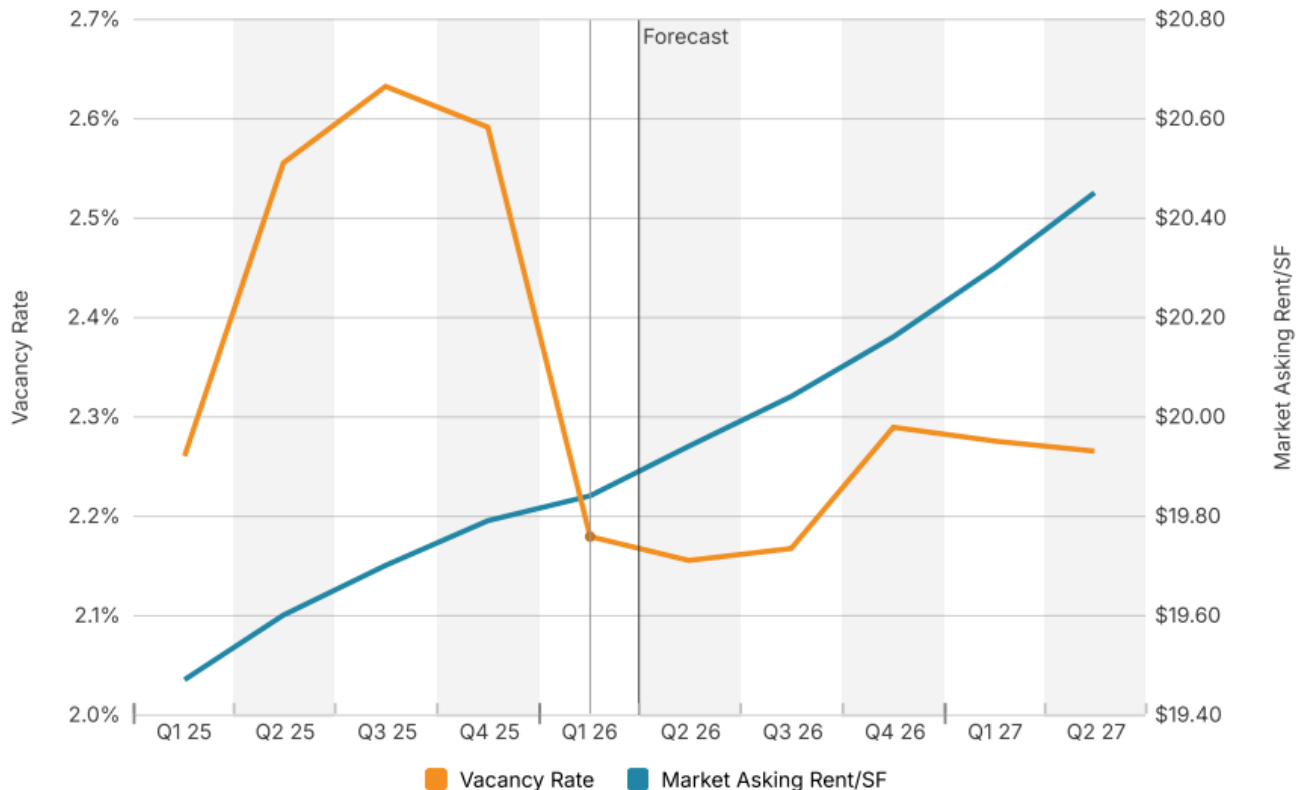
Among the retail subtypes, neighborhood center vacancy stands at 5.0%, power center vacancy is 0.8%, strip center vacancy is 1.6%, mall vacancy is 3.3%, and general retail vacancy is 1.0%. The Knoxville retail market has roughly 1.5 million SF of space listed as available, for an availability rate of 2.5%.

As of the second quarter of 2026, there is 220,000 SF of retail space under construction in Knoxville. In comparison, the market has averaged 250,000 SF of under construction inventory over the past 10 years. The Knoxville retail market contains roughly 61.2 million SF of inventory. The market has approximately 16.5 million SF of neighborhood center inventory, 3.4 million SF of power center inventory, 2.6 million SF of strip center inventory, 2.6 million SF of mall inventory, and 36.0 million SF of general retail.

Market rents in Knoxville are \$19.80/SF. Rents have changed by 1.8% year over year in Knoxville, compared to a change of 1.9% nationally. Market rents have changed by 2.6% in neighborhood center properties year over year, 1.1% in power center properties, 2.0% in strip center properties, 1.3% in mall properties, and 1.6% in general retail properties. In Knoxville, five-year average annual rent growth is 4.2% and 10-year average annual rent growth is 3.4%. Overall annual rent growth in the Knoxville retail market is forecast to end 2026 at 1.9% compared to the national average of 2.2%.

Source: CoStar Group

Vacancy Rates & Rental Rates Per SF



Source: CoStar Group

Submarket Overview

Anderson County | \$1.1B Asset Value

Knoxville - TN USA

Inventory SF	6.1M ↓	Market Asking Rent/SF	\$18.88 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.3% ↑
12 Mo Net Absorp SF	(40.1K)	Market Sale Price/SF	\$182 ↑
Vacancy Rate	1.7% ↑	12 Mo Sales Vol	\$9.7M ↓

Bearden/Papermill/W Town | \$1.2B Asset Value

Knoxville - TN USA

Inventory SF	6.5M ↓	Market Asking Rent/SF	\$26.44 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	1.6% ↑
12 Mo Net Absorp SF	67.2K	Market Sale Price/SF	\$188 ↑
Vacancy Rate	1.7% ↓	12 Mo Sales Vol	\$28M ↑

Blount County | \$1.3B Asset Value

Knoxville - TN USA

Inventory SF	7.8M ↑	Market Asking Rent/SF	\$18.89 ↑
Under Constr SF	132K ↑	Market Asking Rent Growth	2.1% ↑
12 Mo Net Absorp SF	44.7K	Market Sale Price/SF	\$165 ↑
Vacancy Rate	2.5% ↑	12 Mo Sales Vol	\$29.2M ↓

Campbell Station/Farragut | \$857M Asset Value

Knoxville - TN USA

Inventory SF	4M ↑	Market Asking Rent/SF	\$27.14 ↑
Under Constr SF	57K ↑	Market Asking Rent Growth	1.2% ↑
12 Mo Net Absorp SF	(31.9K)	Market Sale Price/SF	\$210 ↑
Vacancy Rate	3.7% ↑	12 Mo Sales Vol	\$7.5M ↑

Cedar Bluff/Walker Spgs | \$455M Asset Value

Knoxville - TN USA

Inventory SF	2.5M ↓	Market Asking Rent/SF	\$21.75 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	1.3% ↑
12 Mo Net Absorp SF	59K	Market Sale Price/SF	\$180 ↑
Vacancy Rate	0.1% ↓	12 Mo Sales Vol	\$2.1M ↓

Downtown | \$435M Asset Value

Knoxville - TN USA

Inventory SF	1.7M ↓	Market Asking Rent/SF	\$24.06 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	1.8% ↑
12 Mo Net Absorp SF	102K	Market Sale Price/SF	\$250 ↑
Vacancy Rate	1.1% ↓	12 Mo Sales Vol	\$43.7M ↑

East | \$257M Asset Value

Knoxville - TN USA

Inventory SF	1.7M ↓	Market Asking Rent/SF	\$15.08 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.2% ↑
12 Mo Net Absorp SF	2.6K	Market Sale Price/SF	\$153 ↑
Vacancy Rate	1.1% ↓	12 Mo Sales Vol	\$9.4M ↑

Loudon County | \$495M Asset Value

Knoxville - TN USA

Inventory SF	2.7M ↓	Market Asking Rent/SF	\$18.95 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.0% ↑
12 Mo Net Absorp SF	11.4K	Market Sale Price/SF	\$183 ↑
Vacancy Rate	1.4% ↓	12 Mo Sales Vol	\$14.7M ↓

North/Broadway | \$1.9B Asset Value

Knoxville - TN USA

Inventory SF	10.8M ↑	Market Asking Rent/SF	\$19.23 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.1% ↑
12 Mo Net Absorp SF	20.6K	Market Sale Price/SF	\$172 ↑
Vacancy Rate	2.9% ↓	12 Mo Sales Vol	\$59.5M ↑

North/Emory Road | \$323M Asset Value

Knoxville - TN USA

Inventory SF	1.5M ↑	Market Asking Rent/SF	\$21.38 ↑
Under Constr SF	5.2K ↑	Market Asking Rent Growth	2.1% ↑
12 Mo Net Absorp SF	(965)	Market Sale Price/SF	\$213 ↑
Vacancy Rate	0.9% ↑	12 Mo Sales Vol	\$7M ↑

Pellissippi/Lovell | \$1B Asset Value

Knoxville - TN USA

Inventory SF	5M ↑	Market Asking Rent/SF	\$22.89 ↑
Under Constr SF	18.1K ↑	Market Asking Rent Growth	1.4% ↑
12 Mo Net Absorp SF	33.6K	Market Sale Price/SF	\$202 ↑
Vacancy Rate	1.0% ↓	12 Mo Sales Vol	\$6.2M ↓

South | \$584M Asset Value

Knoxville - TN USA

Inventory SF	4.4M ↓	Market Asking Rent/SF	\$14.40 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	2.4% ↑
12 Mo Net Absorp SF	(1.4K)	Market Sale Price/SF	\$133 ↑
Vacancy Rate	4.9% ↑	12 Mo Sales Vol	\$5.6M ↓

Union County | \$95.5M Asset Value

Knoxville - TN USA

Inventory SF	561K ↑	Market Asking Rent/SF	\$16.60 ↑
Under Constr SF	0 ↓	Market Asking Rent Growth	1.4% ↑
12 Mo Net Absorp SF	5.1K	Market Sale Price/SF	\$170 ↑
Vacancy Rate	0.7% ↑	12 Mo Sales Vol	\$4.3M ↑

Source: CoStar Group

48,264
Inventory Units

1,792
12 Mo Net Absorption Units

9.7%
Vacancy Rate

\$1,467
Market Rent/Unit

ROBUST CONSTRUCTION COMPLETIONS

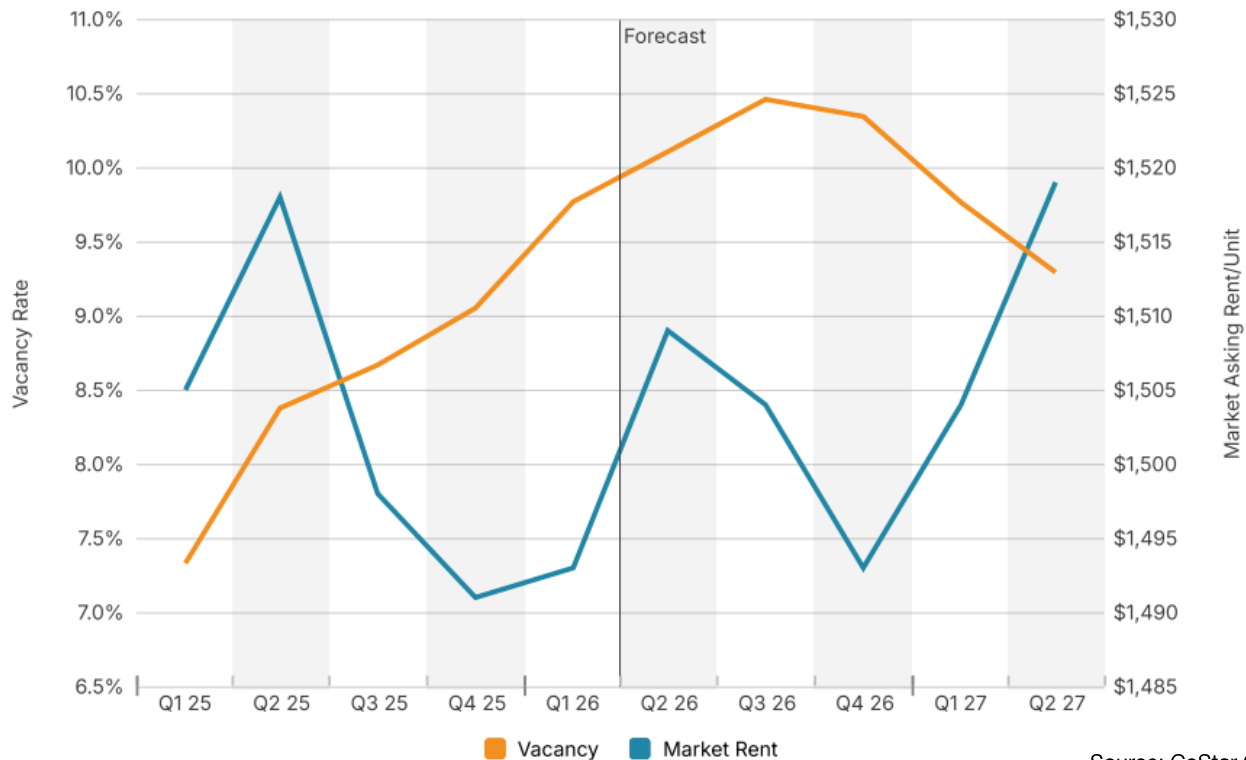
Several recent quarters of robust construction completions have driven Knoxville's multifamily vacancy rate to its highest level in over a decade. About 2,500 units were delivered over the past year, outpacing the market's strong demand. Thus, overall vacancy jumped from 8.4% a year ago to 9.7% today. 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 by nearly 13,000 individuals on average over the past three years, a growth rate that has almost doubled pre-pandemic norms.

After robust apartment demand approached 2021's record highs, quarterly absorption cooled through much of 2025. The year ended with 25Q4 having the lowest quarterly absorption since the end of 2023. Over the past 12 months, net absorption totaled 1,200 units, in line with the market's historical average.

Recent deliveries, along with the 1,800 units currently under construction, indicate that supply-side pressures will likely persist through 2026. That has already removed some pricing power, as asking rents have steadily declined over the last several years. Annual rent growth changed by about -0.6% over the past year. This is down from the mid-2022 peak of almost 13% and is about 400 basis points below the market's average over the past five years. Despite a decline in rent growth and elevated vacancy rates, sales volume over the previous 12 months was higher than the decade-long annual average. Annual sales volume has increased quarterly throughout much of the past year, with the four-quarter trailing investment activity totaling \$330 million. Looking ahead, after a record-setting wave of new apartment supply in Knoxville, construction activity has started to decrease, albeit slowly. Due to elevated construction costs, including borrowing costs, and an already saturated market, fewer projects have been breaking ground. In turn, construction starts have been at the lowest levels since early 2021. This will help to ease future supply and tighten vacant supply.

Source: CoStar Group

Vacancy Rates & Rental Rates Per Unit



Source: CoStar Group

Submarket Overview

Outlying Anderson County | \$114M Asset Value

Knoxville - TN USA

Inventory Units	857 ↓	Market Asking Rent/Unit	\$987 ↑
Under Constr Units	0 ↓	Annual Rent Growth	1.0% ↑
12 Mo Absorp Units	(2)	Market Sale Price/Unit	\$133K ↑
Vacancy Rate	0.7% ↑	12 Mo Sales Vol	\$0 ↓

Downtown Knoxville | \$787M Asset Value

Knoxville - TN USA

Inventory Units	3,207 ↑	Market Asking Rent/Unit	\$1,802 ↓
Under Constr Units	0 ↓	Annual Rent Growth	-3.4% ↓
12 Mo Absorp Units	119	Market Sale Price/Unit	\$245K ↑
Vacancy Rate	11.9% ↑	12 Mo Sales Vol	\$46M ↑

Eastern Knox County | \$87.6M Asset Value

Knoxville - TN USA

Inventory Units	139 ↓	Market Asking Rent/Unit	\$1,553 ↑
Under Constr Units	349 ↓	Annual Rent Growth	0.3% ↑
12 Mo Absorp Units	(3)	Market Sale Price/Unit	\$179K ↑
Vacancy Rate	5.7% ↑	12 Mo Sales Vol	\$0 ↓

Loudon County | \$262M Asset Value

Knoxville - TN USA

Inventory Units	1,318 ↑	Market Asking Rent/Unit	\$1,603 ↓
Under Constr Units	0 ↓	Annual Rent Growth	-0.6% ↓
12 Mo Absorp Units	249	Market Sale Price/Unit	\$199K ↑
Vacancy Rate	19.3% ↑	12 Mo Sales Vol	\$6.5M ↑

Maryville/Alcoa | \$806M Asset Value

Knoxville - TN USA

Inventory Units	4,519 ↓	Market Asking Rent/Unit	\$1,375 ↑
Under Constr Units	288	Annual Rent Growth	0.7% ↑
12 Mo Absorp Units	137	Market Sale Price/Unit	\$168K ↓
Vacancy Rate	4.3% ↓	12 Mo Sales Vol	\$80M ↑

North Knoxville | \$1.8B Asset Value

Knoxville - TN USA

Inventory Units	10,163 ↑	Market Asking Rent/Unit	\$1,369 ↓
Under Constr Units	667 ↓	Annual Rent Growth	-1.0% ↓
12 Mo Absorp Units	153	Market Sale Price/Unit	\$162K ↑
Vacancy Rate	11.0% ↑	12 Mo Sales Vol	\$74.8M ↑

Oak Ridge | \$477M Asset Value

Knoxville - TN USA

Inventory Units	2,578 ↑	Market Asking Rent/Unit	\$1,444 ↑
Under Constr Units	0 ↓	Annual Rent Growth	8.0% ↑
12 Mo Absorp Units	19	Market Sale Price/Unit	\$185K ↑
Vacancy Rate	8.2% ↑	12 Mo Sales Vol	\$14M ↑

South Knoxville | \$268M Asset Value

Knoxville - TN USA

Inventory Units	2,100 ↓	Market Asking Rent/Unit	\$1,180 ↓
Under Constr Units	0 ↓	Annual Rent Growth	-0.5% ↓
12 Mo Absorp Units	(45)	Market Sale Price/Unit	\$127K ↑
Vacancy Rate	7.3% ↑	12 Mo Sales Vol	\$0 ↓

West Knoxville | \$2.6B Asset Value

Knoxville - TN USA

Inventory Units	15,346 ↑	Market Asking Rent/Unit	\$1,461 ↓
Under Constr Units	0 ↓	Annual Rent Growth	-1.9% ↓
12 Mo Absorp Units	83	Market Sale Price/Unit	\$168K ↑
Vacancy Rate	9.0% ↑	12 Mo Sales Vol	\$49.8M ↓

Western Knox County | \$1.9B Asset Value

Knoxville - TN USA

Inventory Units	6,980 ↑	Market Asking Rent/Unit	\$1,862 ↓
Under Constr Units	488 ↓	Annual Rent Growth	0% ↓
12 Mo Absorp Units	481	Market Sale Price/Unit	\$261K ↑
Vacancy Rate	12.7% ↓	12 Mo Sales Vol	\$58.5M

Union County | \$1.8M Asset Value

Knoxville - TN USA

Inventory Units	42 ↓	Market Asking Rent/Unit	\$493 ↑
Under Constr Units	0 ↓	Annual Rent Growth	1.2% ↑
12 Mo Absorp Units	0	Market Sale Price/Unit	\$43.9K ↑
Vacancy Rate	5.5% ↑	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.

\$275+

Million in Total Volume
(2025)

#1

East Tennessee's Largest
Commercial Real Estate Firm

21

Brokers

4.75 M+

Square Feet of
Property Managed



POWER BROKER

2018 Top Firm Award




POWER BROKER


2018 Top Broker Award

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  of US Population
 within a day's drive

Directly LINKED to Great Lakes & Gulf of Mexico!



Knoxville MSA Businesses: **34,795**

INCLUDING:



Producers of:



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

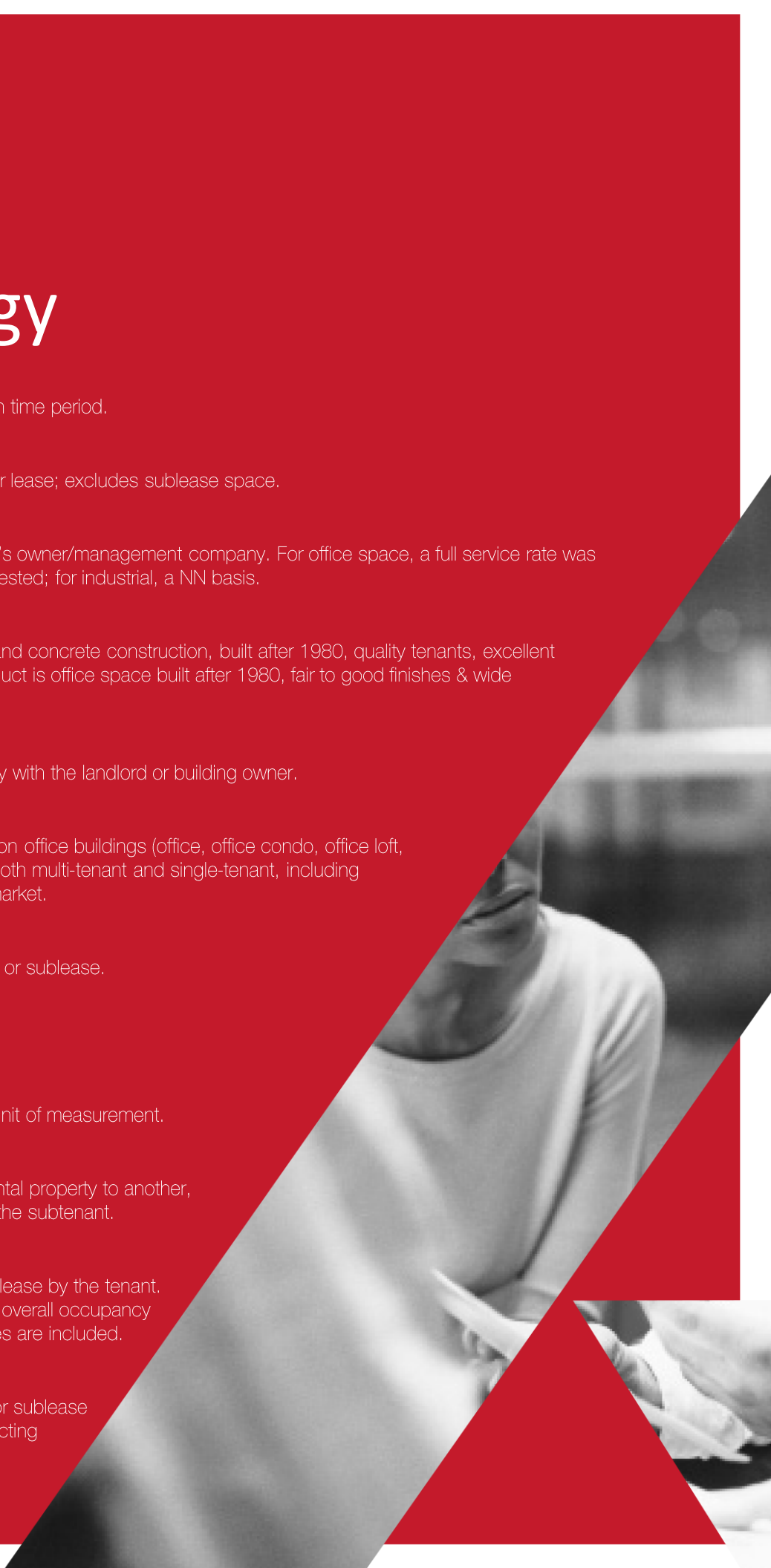
Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.

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.



Q1'26

Knoxville Market Report

The world's largest commercial real estate network.

Over 6,000+ professionals in more than 375+ offices worldwide.
All actively managed to work wherever you do.

Around the world, around the corner!

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