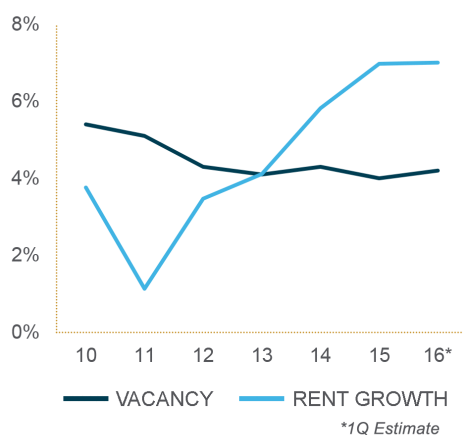
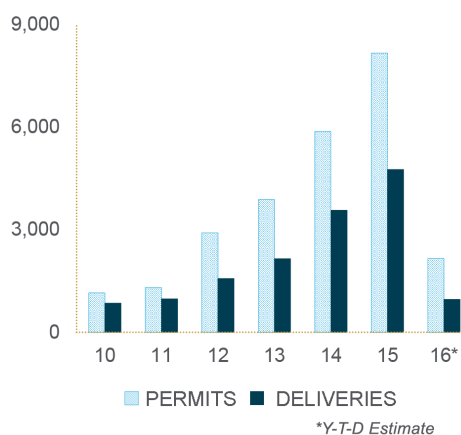




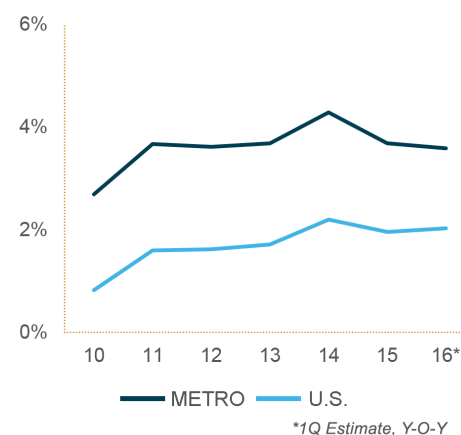
### VACANCY & RENT



### PERMITS & DELIVERIES



### EMPLOYMENT GROWTH



### VACANCY & RENT COMPARISON

SUBMARKETS	VACANCY		AVERAGE RENT INCREASE		AVERAGE RENT	
	1Q 2016	1Q 2015	1Q 2016	1Q 2015	1Q 2016	1Q 2015
Airport/Briley Parkway	5.3%	4.6%	10.4%	2.9%	\$985	\$892
Belle Meade/West Nashville	5.2%	4.1%	7.0%	9.9%	\$1,143	\$1,068
Brentwood/Williamson County	4.6%	6.4%	1.9%	4.9%	\$1,329	\$1,304
Dickson County	9.9%	9.9%	-	-	\$718	-
Donelson/Hermitage/Wilson County	3.6%	4.9%	8.0%	7.2%	\$1,023	\$947
Downtown/West End/Green Hills	3.5%	3.6%	4.2%	3.0%	\$1,705	\$1,637
Hickory Hollow	4.7%	3.7%	8.1%	6.7%	\$1,031	\$954
Murfreesboro Pike/Antioch	3.8%	3.9%	7.7%	8.5%	\$883	\$820
Murfreesboro/Smyrna	2.9%	4.0%	6.9%	4.5%	\$965	\$903
NE/Madison/Rivergate/Hendersonville	3.7%	4.0%	8.1%	5.2%	\$976	\$903
<b>TOTALS</b>	<b>4.2%</b>	<b>4.4%</b>	<b>7.0%</b>	<b>6.1%</b>	<b>\$1,100</b>	<b>\$1,028</b>

- Surging hiring in the professional and business services sector underpinned 3.6% overall annual job growth as 32,300 workers were hired through March. Expansion of 8.5% was tallied in the professional and business segment with the creation of 12,700 jobs. White-collar growth was also recorded in the financial services industry as 2,300 positions were filled, hundreds of which were at the UBS office in Nashville. At the corporate office of Tractor Supply Company, 100 workers were hired, supporting overall growth of 2.5% in the trade, transportation and utilities sector.
- The metrowide unemployment rate was 4.9% in March of 2015. By March of this year, the local jobless rate fell 90 basis points to 4%.
- Home buyers purchased 41,300 annualized single-family homes in March, a 22.8% year-over-year increase and the greatest number in more than eight years. Home values rose 8.2% in the last 12 months, reaching a median price of \$211,600 at the end of the first quarter.
- Robust job growth buoyed apartment demand. Renters occupied 4,520 additional apartments in the last four quarters, a 23.6% increase over the prior four quarters. Nearly one-third of leasing activity occurred in the Downtown/West End/Green Hills submarket. Apartment demand was also significant in the Murfreesboro/Smyrna submarket.
- New multifamily inventory in the Downtown/West End/Green Hills submarket accounted for nearly one-half of the 960 metrowide completions in the first quarter. Builders expect to deliver another 8,480 apartments in the metro area by year-end. In the last 20 years, annual multifamily completions have never exceeded 4,800 units.
- Multifamily planning activity remains elevated, evidence of developers' confidence in the local economy. Developers requested 8,630 permits on an annualized basis in March of this year. One year ago, annualized issuance totaled 7,010 permits.
- Metrowide vacancy decreased 20 basis points over the last 12 months to 4.2% in March. Healthy demand persisted in the inner core, as vacancy in the Downtown/West End/Green Hills submarket dipped 10 basis points amid a substantial increase in multifamily inventory.
- Asking rent surged 7% since the first quarter of 2015, reaching \$1,100 per month in March of this year. Nashville-area rent appreciation was among the top 10 metros in the country.