



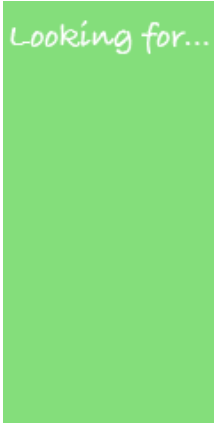
ALABAMA • ARKANSAS • FLORIDA • GEORGIA • KENTUCKY • LOUISIANA • MARYLAND • MISSISSIPPI
 NORTH CAROLINA • SOUTH CAROLINA • TENNESSEE • VIRGINIA • WASHINGTON, D.C. • WEST VIRGINIA



- HOME
- ARCHIVES
- SUBSCRIBE
- AD SPECS
- ADVERTISE
- PAST ISSUES
- CONTACT US



**REACH
MORE**



SOUTHEAST SNAPSHOT, NOVEMBER 2006

Nashville, Tennessee Retail Market

Nashville may be known as the country music capital but it's quickly climbing the charts for retailers, developers and investors. According to national research, Nashville has one of the nation's lowest retail vacancy rates.

Developers have noticed the city's dynamic growth, thanks in large part to Nashville's ability to attract major corporations such as Nissan, Dell, Caremark, Louisiana-Pacific, Asurion and Clarcor. Consequently, the retail sector is booming, with demand outpacing supply. Some 2.3 million square feet of space was either under construction or planned heading into this year, making retail the strongest of all the real estate markets.

New developers such as South Carolina-based Carolina Holdings, North Carolina-based Crosland and the Barclay Group of Florida are involved in projects. Additionally, regional developers such as Parker Grass Co., GBT Realty, H.G. Hill, Alex S. Palmer & Co. and Newton Oldacre McDonald remain active in the market.

Projects include urban redevelopments in higher-end markets such as Green Hills and Belle Meade. In the east and north suburban submarkets, developers are targeting retailers and consumers with power centers ranging in size from 700,000 to 1 million square feet to draw regional shoppers.

Additionally, the banking industry has taken notice, with more than 50 branches opening in the Nashville area during the past 2 years. These have been primarily in Davidson, Williamson and Sumner counties, areas showing population growth and high-income demographics.

Among new shopping center developments, Providence Marketplace opened this August in Mt. Juliet. The 700,000-plus square-foot development by Carolina Holdings and Crosland drew national and regional retailers such as Target, Kroger, Belk Department Store, JC Penney, Best Buy and Old Navy. The \$75 million, 103-acre retail center also is the gateway to Providence community, a 1,000-acre residential development

Redevelopment projects include Nashville West on Charlotte Avenue. When completed, the multiuse development will include more than 1 million square feet, with Costco and Target serving as anchors, and Best Buy, Old Navy, Dick's Sporting Goods and Cost Plus World Market taking space.

Two other notable multiuse projects should break ground early next year in the north submarket.

The Streets at Indian Lake in Hendersonville will be a 500,000-square-foot lifestyle center. Its target market includes a mix of upscale national men's and women's retailers, fine dining restaurants and entertainment.

Kennesaw Farms in nearby Gallatin is a long-range development expected to be completed during the next 5 to 7 years. Highlights will include Thoroughbred Park, an open plaza with 350,000 square feet of retail space; a 43-acre business park suitable for building Class A office space; and more than 700 residential units ranging from \$180,000-plus town homes to single-family homes priced up to \$400,000.

Nashville's active retail development has drawn several new retailers. Louis Vuitton, Tiffany, Cole Haan and Whole Foods, which leased 50,000 square feet in the recently completed Hill Center, have all landed in Green Hills. Additionally, Cost

[Requirements for News Sections](#)

[City Highlights and Snapshots](#)

[Editorial Calendar](#)

[Upcoming Resource Guides](#)

[Search Real Estate Jobs](#)

[Search](#)



[Today's Real Estate News](#)

Plus World Market leased its first spot in Nashville in Providence Marketplace, and Dick's Sporting Goods has made a major entrance by opening stores in several of the new suburban power centers.

Looking ahead, the downtown market should be ripe for retail development as urban renewal attracts people to the CBD with new homes, condominiums and penthouses coming out of the ground during the next 2 years. The downtown area should see retail follow during the next 5 years.

The West End/Vanderbilt University corridor will gain attention, too. Alex Palmer will trigger more retail development as its West End Summit proceeds. This 900,000-square-foot development will include high-end retail, office, residential units and the Intercontinental Hotel in the heart of the city.

As development continues at a breakneck pace, the only constraint is the availability of affordable land. In many of Nashville's most desired locations, developers may have to level older centers and start fresh as H.G. Hill did with its Hill Center in Green Hills.

— *Peggy Sells is the retail division leader for Colliers Turley Martin Tucker's regional office in Nashville, Tennessee.*

©2006 France Publications, Inc. Duplication or reproduction of this article not permitted without authorization from France Publications, Inc. For information on reprints of this article contact [Barbara Sherer](#) at (630) 554-6054.

