

# Stiles, Hensler, PGIM Top Out Mixed-Use Nashville Project

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Wells Fargo originated the \$247 million construction loan.

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A joint venture of Hensler Development Group, Stiles and PGIM Real Estate has topped out Peabody Union, a mixed-use development comprising a 455,000-square-foot, 354-unit luxury multifamily tower, a 250,000-square-foot office building and 50,000 square feet of retail space. Completion is expected in the fall of 2024.

Hastings provided architectural services while Turner Construction serves as general contractor. The development team also includes Barge Cauthen & Associates, enlisted for civil engineering, along with Hawkins Partners for landscape architecture.

The venture secured \$247 million in construction financing, originated by Wells Fargo in 2022, according to Davidson County records. The note's maturity date is set for June 2026.



Peabody Union's apartments will provide views of the Cumberland River. *Image courtesy of Stiles|Hensler and PGIM Real Estate*

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Hensler and Stiles purchased the 4.6-acre Rolling Mill Hill property for \$16 million in March 2022, according to *Nashville Post*. Metro Development and Housing Agency sold the land, after approving the final plan a month prior.

Rising 27 stories, Peabody Union's multifamily tower encompasses a mix of rental and for-sale units. Amenities will include a gym, a rooftop pool, outdoor spaces, as well as concierge services, among others. The developers are targeting WiredScore, Fitwel and LEED certifications.

Located at 30 Peabody St., the project is bordered by U.S. Route 70 to the east, while Interstate 40 is less than a mile south. Downtown Nashville is roughly 1 mile northwest and the Cumberland River is a 6-minute walk away.

Peabody Union is neighbored by Ascend Amphitheater, an open-air venue with a 6,800-seat capacity, as well as Peabody Plaza—which provides 290,000 square feet of Class A office and 10,000 square feet of retail—and Trolley Barns, which encompasses 90,000 square feet of retail and creative office space.

## Delving into Nashville's development pipeline

As of April, Nashville's multifamily pipeline comprised more than 29,000 units under construction, along with an additional 63,000 units in the planning and permitting stages, according to Yardi Matrix data. Music City developers broke ground on 12,000 units in 2023 and delivered 10,000 that same year, the same source reveals.

One of the largest projects that came online last year was NOVEL Harpeth Heights, a 322-unit community in Nashville. Crescent Communities and Pearl Street Partners co-developed the project, taking out a \$42.4 million construction loan in 2021.

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