



DowntownRaleigh
Alliance



Photo: The playground at Chavis Park
Credit: Bryan Regan

Q1 2025 MARKET REPORT

DOWNTOWN RALEIGH SUMMARY AND HIGHLIGHTS:

There are **13 developments under construction** which when completed will deliver 1,139 residential units and 30,365 square feet of retail.¹ There are an additional **37 projects planned or proposed** that if completed would add 7,767 residential units, 1,590 hotel rooms, 348,392 square feet of office and 245,845 square feet of retail.¹ There are currently no hotel or office developments underway.

Two apartment developments, The Row and Maeve, delivered 633 apartments in total to the southwest corner of Downtown Raleigh. In total, **2,334 residential units have been delivered downtown since Q2 2023, a 29.5% increase in Downtown's total inventory.**¹ Downtown Raleigh now has over 10,000 residential units in total.¹ Downtown's stabilized apartment occupancy rate is 92.3% and the average asking rent per unit in Downtown Raleigh is \$1,829.²

Class A office net absorption in Q1 totalled +44,581 square feet and **Downtown Raleigh's direct vacancy rate, 14.6%, is the lowest of major submarkets in the larger Raleigh-Durham Market.**³ Class A asking rent per square foot is \$39.38, \$6.41 higher than the market average.³ Notable leasing activity includes architecture firm HKS signing a 4,763 square foot lease in 400H and software firm Atmoic Object expanded into a 6,000 square foot space at 150 Fayetteville.³

DOWNTOWN RALEIGH Q1 2025 MARKET REPORT

13
PROJECTS
UNDER
CONSTRUCTION¹
Q1 2025

2,334
RESIDENTIAL
UNITS DELIVERED
SINCE
Q2 2023

23
NEW STOREFRONT
BUSINESS OPENINGS¹
Q1 2025

¹DRA
²CoStar
³JLL

*Stabilized occupancy
does not include recently
completed projects

Downtown Raleigh’s storefront economy saw **23 new storefront businesses open** and 13 close for a **net gain of 10 businesses** in Q1.² Another **28 storefront businesses** have publicly announced plans to open in the near future.¹ The recent completion of The Row and Maeve apartment developments has added 27,526 square feet of new retail space in Q1.¹

Average monthly food and beverage sales for the first two months of Q1 were flat year over year at \$24M.² The monthly average for **Glenwood South increased by +9.8% year over year**, the most of any district.²

Total visitor visits to Downtown Raleigh in Q1 were flat year over year at 4.6M visits and were 90.1% of Q1 2019’s total.³ **Glenwood South saw the largest year over year increase in total quarterly visits with a 5.9% increase.**³

Average monthly **hotel room revenue** between January and February was **6.6% higher than last year.**² After seeing 410 hotel rooms delivered in the second half of 2024, there are no hotel developments currently under construction.¹

The apartments at **417 W Peace Street**, formerly known as Peace Apartments, **sold for \$152M** and has been rebranded as Courtland Glenwood South.⁴ The Casso, A Tribute Portfolio Hotel, at 603 W Morgan St sold for \$38M, or \$302K per hotel room.⁴

+44,581

Class A Office Total
Net Absorption Q1 2025⁵

**+5.9%
INCREASE**

Total Visits To
Glenwood South
Year Over Year
Q1 2025³

\$24M

Estimated Average
Monthly Food &
Beverage Sales²

**+6.6%
INCREASE**

Average Monthly Hotel
Room Sales Revenue
From Q1 2024²

**1.5M
UNIQUE
VISITORS**

Q1 2025³

¹DRA

²Wake County

³Placer.ai

⁴CoStar

⁵JLL

DEVELOPMENT UPDATES:

Overall, there is **\$7.3 billion** of investment in the current Downtown Raleigh development pipeline.¹ This includes an estimated **\$2.9 billion** in projects completed since 2015, **\$1.2 Billion** in projects under construction, and **\$3.2 billion** in proposed or planned developments.¹

\$2.9

BILLION
Completed
(since 2015)

\$1.2

BILLION
Under Construction
as of Q1

\$3.2

BILLION
in Site Preparation/
Proposed/Planned
Developments

\$7.3

BILLION
Completed since 2015,
Under Construction, and Planned
Developments

The Row Delivers

The first phase of Rockway Raleigh, The Row, has delivered 335 apartment units at the edge of Dorothea Dix Park and the Rocky Branch Greenway Trail. Amenities include a large pool and sundeck, a rooftop lounge, and a terrace overlooking Dorothea Dix Park. A portion of the 16,800 square feet of retail fronts the Greenway itself.



Image: The Row looking south on S Saunders St
Credit: Kane Realty Corporation



Image: 20-story Maeve
Credit: Capital Square

Maeve Delivers

Downtown's newest-highrise development, the 20-story Maeve, has delivered 297 apartment units in the Warehouse District.

The development was built within a federally designated Opportunity Zone, adding over 10,000 square feet of retail space to South Street and Dawson Street.

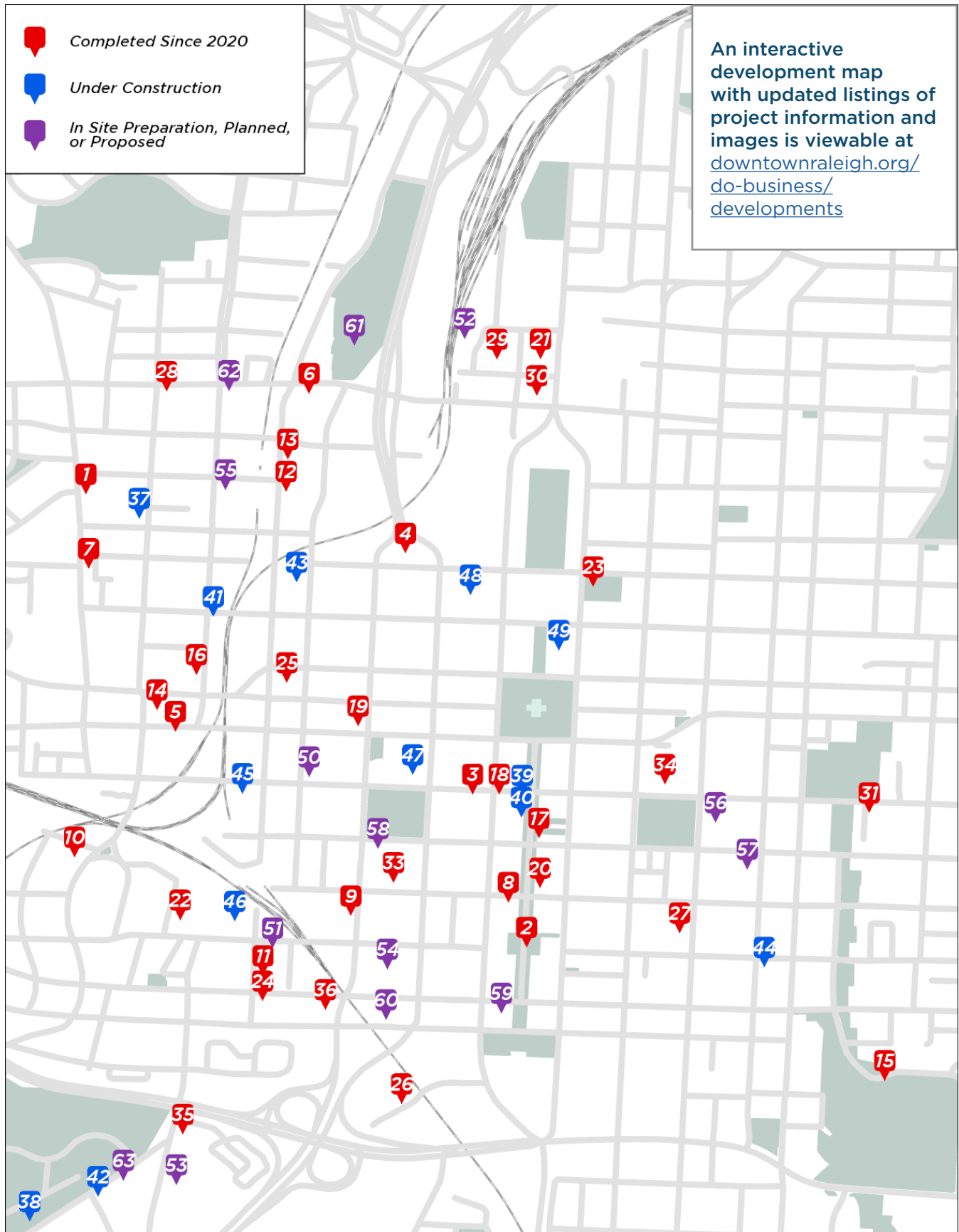
Bath Building Demo Underway

The Bath Building on Wilmington Street is actively being demolished by the State of North Carolina. The distinct brutalist building originally housed the State Laboratory of Public Health. The property, directly across the street from Freedom Park, will temporarily become open space after the demolition.



Image: Bath Building

Q1 2025 DEVELOPMENT MAP



RECENTLY COMPLETED (SINCE 2020)					
#	NAME	Investment	SF	Units/Rooms	Type
2020					
1	CAMERON CREST	\$4,207,192	16,200 SF	6 units	Townhome
2	CITY PLAZA RENOVATION	\$3,100,000	N/A	N/A	Public Space
3	HARGETT WEST	\$4,000,000	25,500 SF	N/A	Office/Retail
4	LONGLEAF HOTEL	\$6,500,000	20,812 SF	56 rooms	Hotel/Retail
5	THE CASSO	\$22,702,726	71,794 SF	126 rooms	Hotel/Retail
6	PEACE (SMOKY HOLLOW PHASE I)	\$150,000,000	652,500 SF	417 units	Apartment/Retail
7	THE SAINT	\$23,000,000	53,199 SF	17 units	Townhome
8	SIR WALTER APARTMENTS (RENOVATION)	\$15,000,000	20,000 SF	18 new units	Apartment
9	SOUTH DAWSON RETAIL RENOVATIONS	\$471,857	9,746 SF	N/A	Retail
2021					
10	HEIGHTS HOUSE HOTEL	Not available	10,000 SF	9 rooms	Hotel
11	THE FAIRWEATHER	\$28,000,000	103,250 SF	45 units	Condo/Retail
12	THE LINE APARTMENTS (SMOKY HOLLOW PHASE II)	\$95,000,000	271,589 Residential SF / 30,000 Retail SF	283 units	Apartment/Retail
13	421 N. HARRINGTON ST (SMOKY HOLLOW PHASE II)	\$95,000,000	225,000 Office SF / 20,000 Retail SF	N/A	Office/Retail
14	TOWER TWO AT BLOC[83]	\$108,000,000	241,750 Office SF / 30,000 Retail SF	N/A	Office/Retail
15	JOHN CHAVIS MEMORIAL PARK IMPROVEMENTS	\$12,000,000	N/A	N/A	Public Space
16	AC HOTEL RALEIGH DOWNTOWN	\$25,000,000	88,454 Hotel SF / 3,860 SF Retail	147 rooms	Hotel
17	FIRST CITIZENS BANK BUILDING (RENOVATION)	\$9,000,000	N/A	N/A	Public Space
18	208 FAYETTEVILLE (RENOVATION)	Not available	18,000 Office SF / 9,000 Retail SF	N/A	Office/Retail
19	RALEIGH CROSSING PHASE I	\$160,000,000	287,252 Office SF / 12,100 Retail SF	N/A	Office/Retail
20	333 FAYETTEVILLE (RENOVATION)	\$750,000	N/A	N/A	Office
2023					
21	THE SIGNAL	\$95,000,000	30,000 Retail SF	298 units	Apartment/Retail
22	THE PLATFORM (WEST END PHASE I)	Not announced	26,000 Retail SF	442 units	Apartment/Retail
23	NC FREEDOM PARK	\$5,400,000	N/A	N/A	Public Space
24	DUKES AT CITY VIEW	Not announced	N/A	8 units	Townhome
25	400H	\$130,000,000	144,410 Office SF, 16,935 Retail SF	242 units	Apartment/Office/Retail
2024					
26	MIRA RALEIGH	Not announced	221,608 SF	288 units	Apartment/Retail
27	THE ACORN ON PERSON STREET	Not announced	92,229 SF	107 units	Apartment
28	615 PEACE	\$7,000,000	32,578	24 units	Condo/Retail
29	THE MILES	Not announced	295,597 SF	204 units	Apartment/Retail
30	THE POINT & HYATT HOUSE	Not announced	194,240 SF	75 units / 149 rooms	Apartment/Hotel/Retail
31	ROW 12	Not announced	Not announced	12 units	Townhome
32	THE BEND	Not announced	Not announced	N/A	Retail
33	TEMPO BY HILTON & HOMEWOOD SUITES	Not announced	260,890 SF	261 rooms	Hotel
34	MARBLES PLAYWAY	Not announced	Not announced	N/A	Civic
2025					
35	THE ROW (ROCKWAY RALEIGH PHASE I)	Not announced	371,640 SF	336 units	Apartment/Retail
36	MAEVE	Not announced	400,593 SF	297 units	Apartment/Retail
TOTALS:		\$1,797,141,775	937,512 Office SF / 367,413 Retail SF	3,120 Units / 748 Rooms	
UNDER CONSTRUCTION					
37	NOBLE PLACE	Not announced	Not announced	16 units	Townhome
38	GIPSON PLAY PLAZA (DIX PARK)	\$72,000,000	Not announced	N/A	Public Space
39	210 FAYETTEVILLE ST (RENOVATION)	Not announced	Not announced	N/A	Retail
40	216 FAYETTEVILLE STREET (RENOVATION)	Not announced	Not announced	N/A	Retail
41	122 GLENWOOD (RENOVATION)	Not announced	19,200 SF	N/A	Office/Retail
42	THE WELD (PHASE I)	Not announced	1,106,548 SF	675 units	Apartment/Retail
43	ALEXAN MOTO	Not announced	235,622 SF	186 units	Apartment/Retail
44	IDYLE	Not announced	Not announced	12 units	Townhome
45	RALEIGH UNION STATION BUS FACILITY	Not announced	Not announced	N/A	Government - Transit Inf.
46	OLDHAM & WORTH (WEST END PHASE II)	Not announced	397,755 SF	252 units	Apartment/Retail
47	CIVIC TOWER (CIVIC CAMPUS PHASE I)	\$170,000,000	362,396 SF	N/A	Government - Office
48	EDUCATION CAMPUS	Not announced	Not announced	N/A	Government - Education
49	NC MUSEUM OF HISTORY	Not announced	Not announced	N/A	Government - Museum
TOTALS:		\$1,215,700,000*	11,200 Office SF / 30,365 Retail SF	1,139 Units	
IN SITE PREPARATION, PLANNED, & PROPOSED					
50	330 W HARGETT ST	Not announced	621,260 SF	372 units	Apartment/Retail
51	401 CABARRUS ST	Not announced	389,229 SF	298 units	Apartment/Retail
52	707 SEMART DR	\$200,000,000	1,018,202 SF	680 units	Apartment/Retail
53	THE HEATH (ROCKWAY RALEIGH PHASE II)	Not announced	418,639 SF	386 units	Apartment/Retail
54	CONVENTION CENTER EXPANSION	\$350,000,000	500,000 SF	N/A	Government - Convention
55	HIGHLINE GLENWOOD (THE CREAMERY PHASE I)	Not announced	Not announced	299 units	Apartment/Retail
56	MOORE SQUARE EAST	Not announced	1,374,826 SF	560 units / 135 rooms	Apartment/Hotel/Retail
57	MOORE SQUARE SOUTH	Not announced	170,900 SF	150 rooms	Hotel/Retail
58	NASH SQUARE APARTMENTS	Not announced	854,066 SF	403 units	Apartment/Retail
59	OMNI CONVENTION HOTEL	Not announced	Not announced	550 rooms	Hotel
60	RED HAT AMPHITHEATER	\$32,000,000	Not announced	N/A	Government - Entertainment
61	SMOKY HOLLOW PARK	\$18,000,000	Not announced	N/A	Civic
62	THE MADISON	\$150,000,000	Not announced	313 units	Apartment/Retail
63	THE WELD (PHASE II)	Not announced	Not announced	525 units	Apartment/Retail
TOTALS: **		\$3,151,525,000*	348,392 Office SF / 245,845 Retail SF**	7,767 Units / 1,590 Rooms	

27 ADDITIONAL PLANNED & PROPOSED PROJECTS CAN BE FOUND AT downtownraleigh.org/do-business/developments

*Totals based on investment estimates

**Totals for Planned & Proposed projects include projects not listed in table. See website for full list of these projects.

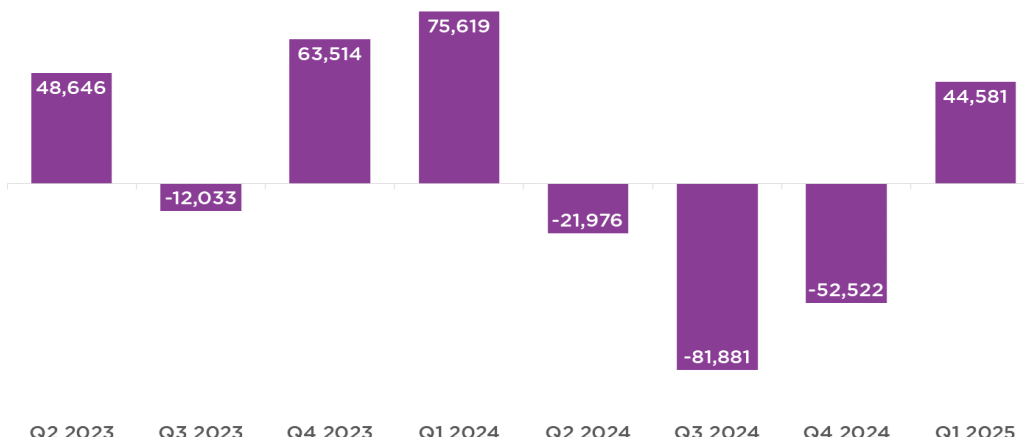
MARKET HIGHLIGHTS OFFICE



Photo: a cluster of office towers in the Fayetteville Street District
Credit: Bryan Regan

Architecture firm **HKS** has signed a **4,763 square foot lease in 400H**, Downtown Raleigh's newest Class A office tower.⁴ Software firm Atmoic Object expanded into a 6,000 square foot space at 150 Fayetteville.⁴ Class A net absorption in Q1 totalled +44,581 square feet and **Downtown Raleigh's direct vacancy rate, 14.6%, is the lowest** of major submarkets in the larger Raleigh-Durham Market.¹ Average asking rent is \$39.38 per square foot for Class A space and \$29.06 for Class B space.¹

+ PERFORMANCE INDICATOR: CLASS A TOTAL NET ABSORPTION (SF)¹



OFFICE MARKET Q1 2025

Class A Office Average Rent PSF¹
\$39.38

Class A Office Occupancy Rate¹
85.4%

Class A Office Net Absorption¹
+44,581 SF

Total Office Inventory²
6,424,512 SF

Class A Delivered Since 2020³
898,412 SF

¹JLL

²CBRE

³DRA

⁴CoStar

+63,948
CLASS A OFFICE NET ABSORPTION SINCE Q2 2023¹

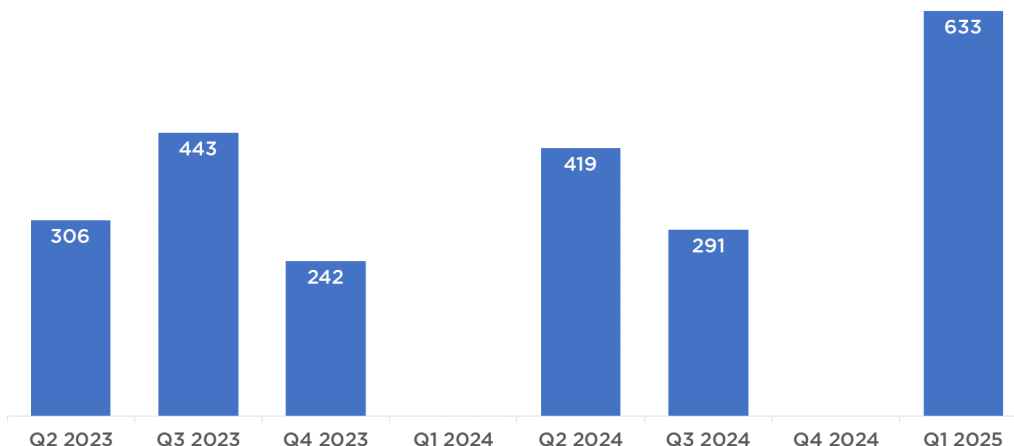
MARKET HIGHLIGHTS RESIDENTIAL



Photo: Golf simulator in the recently completed Maeve
Credit: Maeve

Q1 saw two developments, The Row and Maeve, deliver 633 apartment units.² With **1,343 residential units delivering over the last 12 months**, Downtown Raleigh's residential inventory has increased 15% year over year.² Downtown Raleigh now has over 10,000 residential units.¹ There are **1,139 units under construction in 5 developments** and another 7,767 units have been proposed or are in planning across 23 developments.² Average monthly rent per unit is \$1,829, or \$2.27 per square foot.¹

+ PERFORMANCE INDICATOR: RESIDENTIAL UNITS DELIVERED²



RESIDENTIAL MARKET Q1 2025

Stabilized
Occupancy¹

92.3%

Average Asking
Rent per Unit¹

\$1,829

Residential Units
Delivered Q1 2025²

633

Units Under
Construction²

1,139

Residential
Inventory²

10,240 units

¹CoStar

²DRA

**2,334 units
DELIVERED
SINCE
Q2 2023²**

#5 BEST PLACE
FOR QUALITY OF
LIFE IN THE U.S.

Raleigh
U.S. News
August 2024

MARKET HIGHLIGHTS STOREFRONT

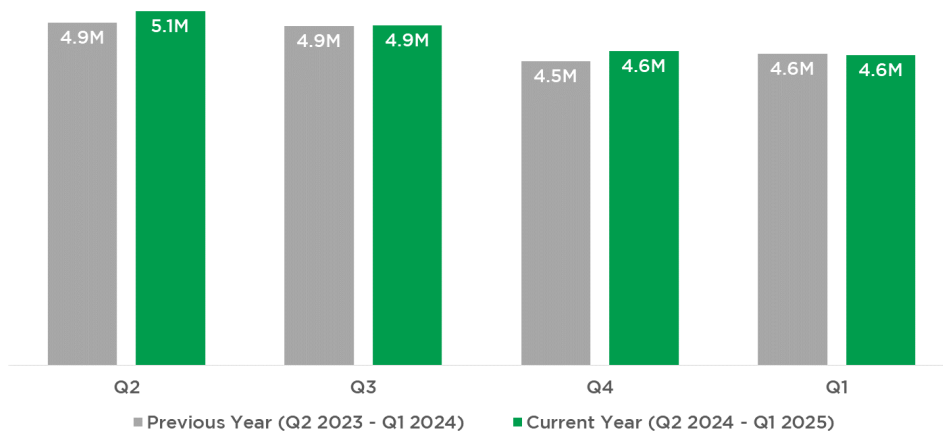


Photo: Bar and liquor selection at The Crunkleton

There were **23 new storefront business openings** and 13 closings for a **net gain of 10 businesses** in Q1.¹ Another 28 storefront businesses have publicly announced plans to open in the near future.¹ Legends, a Downtown Raleigh LGBTQ nightclub, signed a lease for an 8,000 square foot building at 316 W Cabarrus.³

27,526 square feet of new retail space delivered in Q1 with the completion of The Row and Maeve apartment developments.¹ Visitor visits to Downtown Raleigh in Q1 were level year over year at 4.6M visits and were 90.1% of Q1 2019's total.²

+ PERFORMANCE INDICATOR: TOTAL VISITOR VISITS TO DOWNTOWN RALEIGH²



RETAIL MARKET Q1 2025

New Storefront Business Openings & Expansions (Q1)¹
23

Storefront Business Coming Soon¹
28

Retail SF Under Construction¹
30,365

Retail SF Planned or Proposed¹
245,845

¹DRA

²Placer.ai

³News & Observer

#1 BEST CITY TO START A BUSINESS
Raleigh
LendingTree 2023

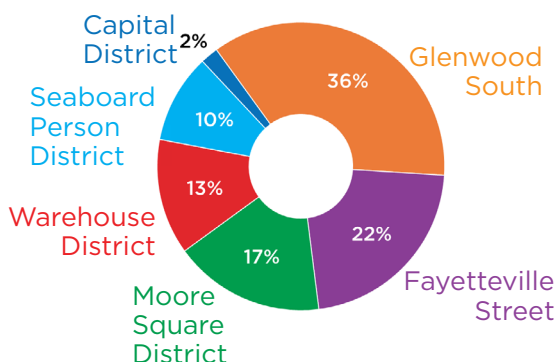
MARKET HIGHLIGHTS STOREFRONT



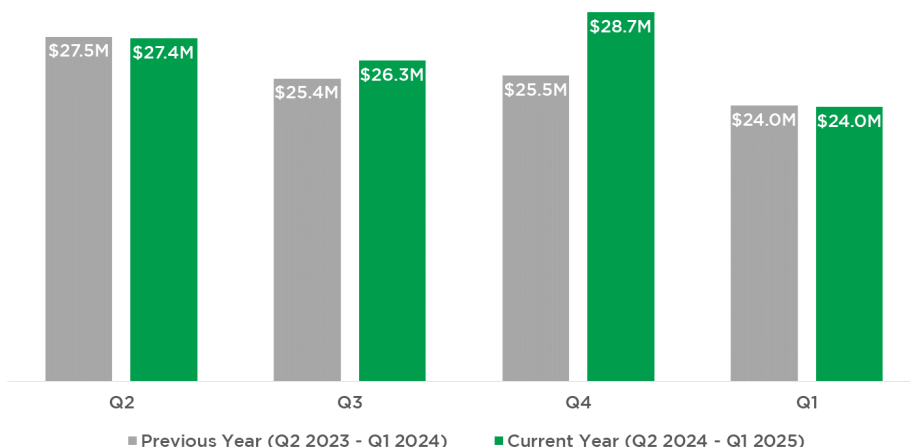
Photo: Interior of Omakase by Kai
Credit: Omakase by Kai

Average monthly food and beverage sales for the first two months of Q1 were flat year over year at \$24M.¹ The monthly average for **Glenwood South increased by +9.8% year over year**, the most of any district, while Fayetteville Street saw a +6.8% increase.¹

FOOD AND BEVERAGE SALES BY DISTRICT IN Q1¹



+ PERFORMANCE INDICATOR: AVERAGE MONTHLY FOOD AND BEVERAGE SALES BY QUARTER¹



DOWNTOWN RALEIGH Q1 2025 MARKET REPORT

RETAIL MARKET Q1 2025

Average Monthly
Food & Beverage
Sales in Q1¹*

**\$24.0
MILLION**

\$24.0 Million in Q1 2024

Restaurants & Bars
In Downtown With
Outdoor Seating²

160+

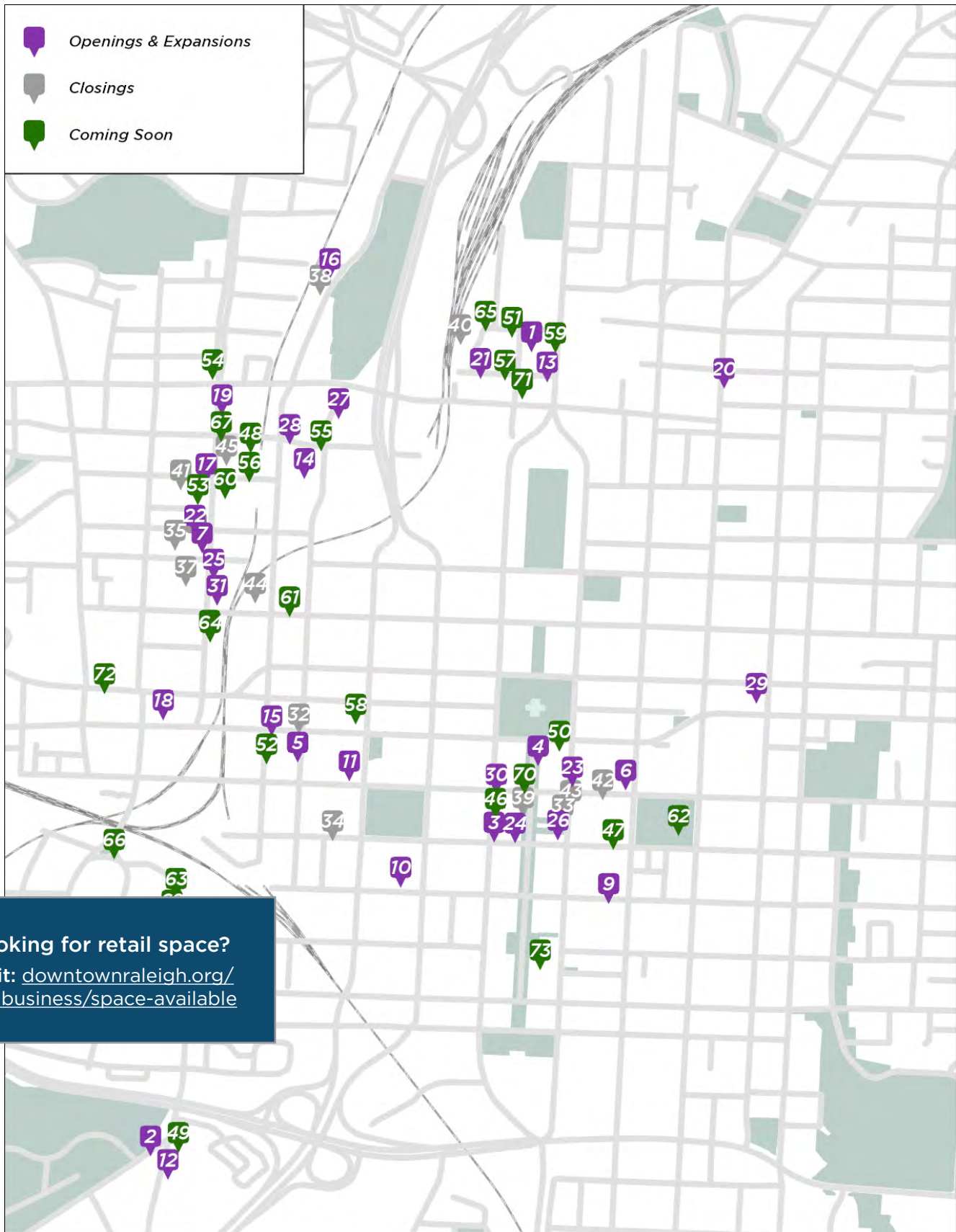
Craft Breweries &
Distilleries
In Downtown²

9

¹Wake County
Tax Administration, DRA
^{*}Only January & February
2025 data available
²DRA

**+11.5%
INCREASE**
Q1 2019 TO Q1 2025^{*1}

Q1 2025 STOREFRONT ACTIVITY



Q1 2025 STOREFRONT BUSINESS ACTIVITY

#	Business Openings in Q1	Type	Date
1	Body Fit Training	Fitness	January
2	Willow House Coffee	Restaurant	January
3	Le Dive	Bar	January
4	PrimoHoagies	Restaurant	January
5	Fresco Veloce (at Morgan Street Food Hall)	Restaurant	January
6	Halftime Lounge	Bar	January
7	Marian Cocktails & Kitchen	Restaurant	January
8	State of Beer (Morgan St)	Bar / Restaurant	January
9	Mazahua Azteca	Restaurant	February
10	Urban Oak (at Tempo Hotel)	Bar / Restaurant	February
11	The Burrow	Retail	February
12	BK Pilates	Fitness	February
13	Omakase by Kai	Restaurant	February
14	Tucker Street Diner	Restaurant	February
15	The Crispy Cod (at Morgan Street Food Hall)	Restaurant	February
16	Paul & Jack	Restaurant	February
17	VICE	Bar	February
18	Simon Says Dip This	Restaurant	March
19	Cortado	Restaurant	March
20	Slice Pie Company	Restaurant	March
21	Ammi's Chaat Chai Cake	Restaurant	March
22	Soul Flavorscape of India	Restaurant	March
23	Piero's Pasta & Wine	Restaurant	March
#	Early Q2 Business Openings		
24	Maison Neue	Retail	April
25	District	Bar	April
26	Angel's Treasures	Retail	April
27	Happy + Hale (70 & Sunny Pop-Up)	Restaurant	April
28	The Crunkleton	Bar / Restaurant	April
29	Oakwood Deli	Restaurant	April
30	Pinky Swear Tattoo	Service	April
31	Westwood	Bar	April
#	Business Closings in Q1		
32	Amitie Macaron (at Morgan Street Food Hall)	Restaurant	January
33	Amitie Macaron (Wilmington St)	Restaurant	January
34	311 Gallery	Art Gallery	January
35	Rocco's Italian Bistro / Strada Ristrobar	Restaurant	January
36	Thaiphon Bistro	Restaurant	January
37	On Board Charcuterie	Retail	January
38	Layered Croissanterie	Restaurant	February
39	VAE (Fayetteville Street)	Art Gallery	February
40	Logan's Garden Shop	Retail	February
41	Cortez	Restaurant	March
42	Architect	Bar	March
43	The Green Monkey	Retail / Bar	March
44	42nd Street Oyster Bar	Restaurant	March
#	Early Q2 Business Closings		
45	Carolina Ale House	Restaurant	April



28
STOREFRONT
BUSINESSES
ANNOUNCED
COMING SOON!

MARKET HIGHLIGHTS

HOTEL & TOURISM

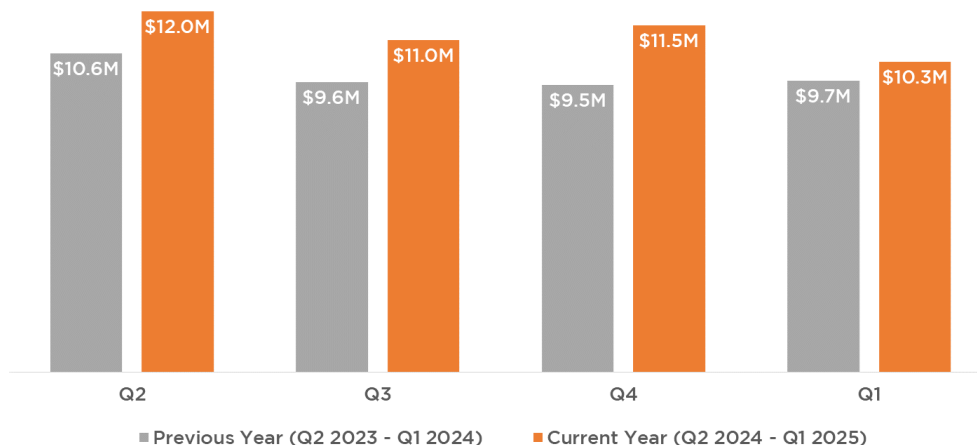


Photo: Rooftop lounge area at Urban Oak above Homewood Suites & Tempo by Hilton
Credit: Urban Oak

In total, **2024 saw 410 hotel rooms deliver** in two developments, Hyatt House at Seaboard Station and the dualbrand Tempo by Hilton & Homewood Suites.³ There are no active hotel projects underway. The City of Raleigh has begun the process of relocating Red Hat Amphitheater with the expansion of the Raleigh Convention Center and development of the 550-key, Omni convention hotel to follow.

Average monthly hotel room revenue between January and February was **6.6% higher than last year**.¹

+ PERFORMANCE INDICATOR: DOWNTOWN AVERAGE MONTHLY HOTEL ROOM REVENUE¹



DOWNTOWN RALEIGH Q1 2025 MARKET REPORT

HOTEL + TOURISM MARKET Q1 2025

1,950
Hotel Room
Inventory³

748
New Hotel
Rooms Added
Since 2020³

1.5M
Unique
Downtown
Visitors in Q1²

\$10.3M
Average Monthly
Hotel Room
Revenue Q1^{1*}

¹Wake County
Tax Administration, DRA
²Placer.ai
³DRA
*Only January & February
Data Available

+6.6%
INCREASE
Q1 2025 AVG
MONTHLY HOTEL
ROOM REVENUE
YEAR OVER YEAR^{1*}

NEWS & EVENTS

Dreamville & A Future Spring Festival

The City of Raleigh has entered into a four-year deal with the organizers of the Dreamville Festival to produce a new festival in Dorothea Dix Park next Spring. Dreamville Festival has brought over 100,000 people to Raleigh annually, and has a major economic impact on downtown restaurants, bars, shops, and hotels.



Image: the main stage at Dreamville Festival
Credit: Visit Raleigh



Image: Moore Square Parking Garage
Credit: City of Raleigh

2-Hour Free Parking Pilot Extended

Raleigh City Council extended a pilot parking program providing 2-hours of free parking in five city-owned parking garages in Downtown Raleigh through the end of 2025. The City Council will review the program in the fall. The pilot program stems from a recommendation within the [Downtown Raleigh Economic Development Strategy](#) and is aimed at attracting more visitors to downtown.

South Street Closure

South Street officially closed to vehicles and pedestrians as of April 14th. This is the first step toward expanding the Raleigh Convention Center and relocating Red Hat Amphitheater. The new amphitheater will open in advance of the convention center expansion with 2025 being the final outdoor concert season operated at the existing amphitheater location.

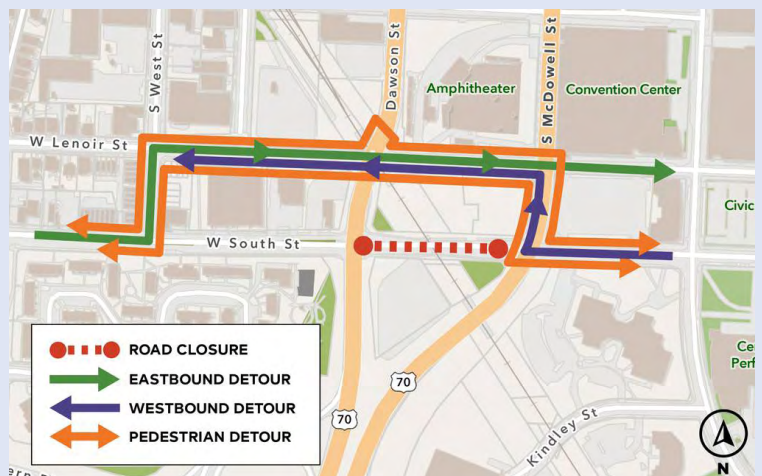


Image: Detour map for South Street Closure
Credit: City of Raleigh

DOWNTOWN DEMOGRAPHICS¹



13,700+

Resident
Population¹

48,500+

Employees
Within 1 Mile
of the State
Capitol¹

19.1M

Visitor Visits
Per Year²

32.8

Median Age¹

149K

Average
Household
Income¹

71.1%

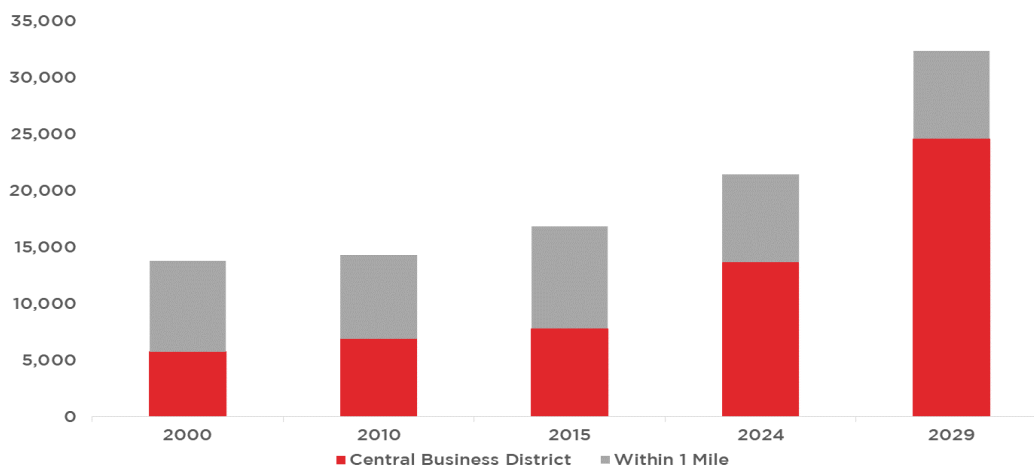
Bachelor's
Degree or
Higher¹

44.7%

Of population
between ages
20-34¹

¹ESRI, DRA ²Placer.ai

DOWNTOWN POPULATION GROWTH [2000-2029]*



*Assumes 75% of residential pipeline delivers within the next 5 years

DOWNTOWN POPULATION BY AGE



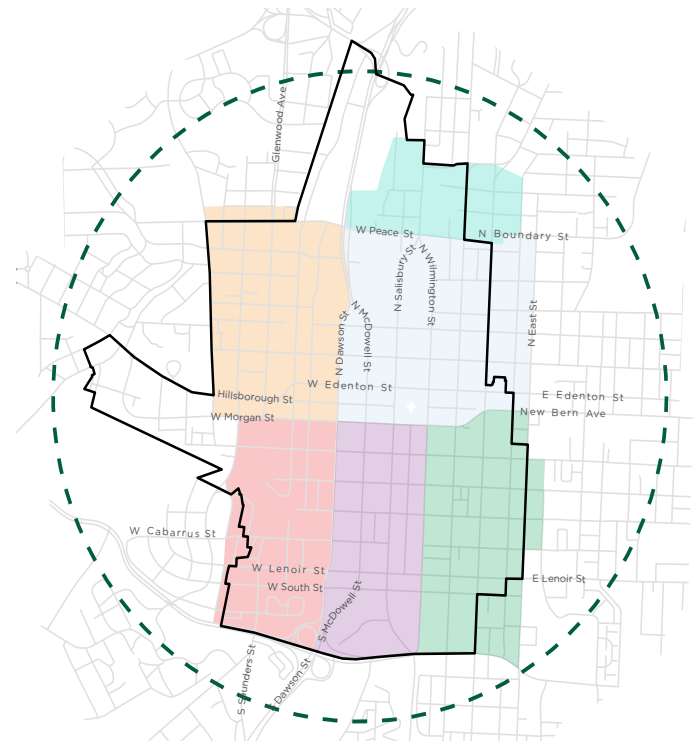


DowntownRaleigh
Alliance

ABOUT DOWNTOWN RALEIGH ALLIANCE (DRA)

DRA has a mission of **advancing the vitality of Downtown Raleigh for everyone**. DRA facilitates this mission through five goals:

- 1** Improve downtown economy through recruitment, pop-ups, financial support, research, marketing & promotions;
- 2** Advocate to make downtown a place for everyone that reflects evolving needs and interests of the community and lessons learned from the recent past;
- 3** Make downtown an engaging place to live, work, and visit through safe activations that appeal to a wide variety of stakeholders;
- 4** Improve and maintain a sense of safety and security in downtown through our Ambassador program, Social Services and work with RPD; and,
- 5** Elevate and improve DRA's internal organization and processes through improved database, project management, communication, financial stewardship, and planning.



For additional information and resources visit:
downtownraleigh.org/do-business

CONTACT FOR QUESTIONS:

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DOWNTOWN BOUNDARY AND DISTRICT MAP

LEGEND

- Downtown Boundary
- 1-Mile Radius



Photo by Patrick Maxwell



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