



DowntownRaleigh  
Alliance



Photo: AK Photography

# Q4 2023 MARKET REPORT

## DOWNTOWN RALEIGH SUMMARY AND HIGHLIGHTS:

There are **18 developments under construction** and when completed they will add 2,230 residential units, 410 hotel rooms, and 116,616 square feet of retail.<sup>1</sup> There are **44 planned or proposed developments** that would bring an additional 7,221 residential units, 1,840 hotel rooms, 587,220 square feet of office space, and 242,241 square feet of retail space.<sup>1</sup>

Downtown Raleigh’s stabilized **apartment occupancy rate is 94.1%** and effective rent ended the year at \$2.13 per square foot.<sup>3\*</sup> Downtown’s newest residential tower, **400H at 9 N Harrington Street, welcomed its first residents** to move into the 242-unit apartment building at the end of 2023.

### + SPECIAL REPORT: WEEKDAY POPULATION STUDY

Don’t miss a special report starting on page 4 analyzing Downtown Raleigh’s weekday, daytime recovery. Using data from Placer.ai, Downtown Raleigh Alliance analyzed employee, resident, and visitor activity in Downtown Raleigh as well as how that population has changed since 2019.

**3,221**  
RESIDENTIAL  
UNITS UNDER  
CONSTRUCTION  
AND DELIVERED  
IN 2023<sup>1</sup>  
Q4 2023

**77.9%**  
WEEKDAY DAYTIME  
POPULATION  
RECOVERY<sup>5</sup>  
Q4 2023

**+31**  
NET GAIN IN  
STOREFRONT  
BUSINESSES<sup>1</sup>  
2023

<sup>1</sup>DRA

<sup>2</sup>CBRE

<sup>3</sup>CoStar

<sup>4</sup>JLL

<sup>5</sup>Placer.ai

\*Stabilized occupancy does not include recently completed

400H also adds 144,410 square feet of Class A office space to Downtown Raleigh.<sup>1</sup> Total Class A occupancy ended the year at 82.9% with an average rent of \$37.35 per square foot.<sup>5,6</sup> **Class A net absorption for the fourth quarter was +63,514 square feet as Downtown Raleigh absorbed +22,612 square feet in 2023.**<sup>6</sup>

Downtown Raleigh added **15 new storefront businesses** in the fourth quarter, bringing the total for the year to 54 new businesses.<sup>1</sup> Twenty-five downtown businesses closed in 2023, nine in the fourth quarter.<sup>1</sup> There was a **net gain of +31 storefront businesses** for the year.<sup>1</sup> Among the new businesses that opened in Q4 are: Incendiary Brewing, The Self Care Marketplace, Gussies, Umbrella Dry Bar, and Prospects.<sup>1</sup>

Average monthly **food and beverage sales for the year through November 2023 were up +4.6%** over the same period last year.<sup>2</sup> Total sales across downtown in the first two months of Q4 decreased -7.2% year over year.<sup>2</sup> Food and beverage sales for the **Fayetteville Street District are up +6.7% year to date** versus the same period last year.<sup>2</sup>

Average daily pedestrian counts across six downtown counting locations decreased by -7.7% in the fourth quarter year over year.<sup>3</sup> Total visitor visits to Downtown Raleigh decreased by -2.3% year over year for the fourth quarter.<sup>4</sup> There were **19 million total visitor visits to downtown in 2023, up +3.7% year over year**, and 3.75M unique visitors to downtown in 2023.<sup>4</sup>

**Hotel room tax revenue year to date through November has increased +29.9%.**<sup>2</sup> Average monthly hotel room tax revenue increased +26.2% year over year for the two months of October and November, the only two months available.<sup>2</sup>

**227 Fayetteville Street has been purchased** by Lou Moshakos, owner of LM Restaurants, **for \$14,994,000**, or \$147.77 per square foot.<sup>7</sup> The 101,466 square foot office building also houses the Poyner YMCA and Amitie Macron on the ground floor.

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**94.1%**

Stabilized Apartment  
Occupancy  
Q4 2023<sup>5</sup>

**+22,614 SF**

Class A Office  
Net Absorption  
2023<sup>6</sup>

**\$280M**

Estimated Food &  
Beverage Sales  
January to November

**+26.2%  
INCREASE**

\*Average Monthly Hotel  
Room Sales Revenue  
From Q4 2022<sup>2</sup>

**1.7M  
UNIQUE VISITORS**

Q4 2023<sup>4</sup>

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<sup>1</sup>DRA

<sup>2</sup>Wake County Tax  
Administration

<sup>3</sup>Eco-Counter

<sup>4</sup>Placer.ai

<sup>5</sup>CBRE

<sup>6</sup>JLL

<sup>7</sup>CoStar

## DEVELOPMENT UPDATES:

Overall, there is **\$7.1 billion** of investment in the current Downtown Raleigh development pipeline.<sup>1</sup> This includes an estimated **\$2.4 billion** in projects completed since 2015, **\$911 million** in projects under construction, and **\$3.8 billion** in proposed or planned developments.<sup>1</sup>

**\$2.4**  
BILLION  
Completed  
(since 2015)

**\$911**  
MILLION  
Under Construction  
as of Q4

**\$3.8**  
BILLION  
in Site Preparation/  
Proposed/Planned  
Developments

**\$7.1**  
BILLION  
Completed since 2015,  
Under Construction, in Site  
Preparation, and Planned  
Developments

## 400H

Downtown's newest mixed-use development has significantly **completed construction** adding 242 residential units, 144,410 square feet of Class A office space, and 16,935 square feet of retail space.

Residential amenities include a fitness center and a pool on the 9th floor with expansive views of Downtown Raleigh. **Residents began moving in** around the start of 2024. Press Coffee & Crepes is an announced restaurant tenant for the ground floor and is expected to open later in 2024.



Image: rendering of 400H  
Credit: 400Hraleigh.com



Photo: rendering of East Civic Tower  
Credit: City of Raleigh

## East Civic Tower

**Site preparation work has begun** on the City of Raleigh's new office building, East Civic Tower. The project's **construction budget is \$206 million.**

When completed, the building will provide new offices for city staff and City Council as well as a new public meeting space for City Council, city boards and commissions. The project is **17 stories** and is anticipated to be **completed by 2027.**

## The Bend

**Construction has begun** on The Bend, a retail development located along Morgan Street, that when completed will add **3,350 square feet of renovated retail and restaurant space** in three converted houses.

The 100+ year old houses will be connected via a large shared porch and patio space.



Image: rendering of The Bend  
Credit: Carpenter Development





DowntownRaleigh Alliance



Credit: AK Photography

# Q4 2023 SPECIAL REPORT

## DOWNTOWN RALEIGH WEEKDAY POPULATION STUDY:

Using data from Placer.ai, Downtown Raleigh Alliance analyzed weekday, daytime population in Downtown Raleigh and how that population has changed since before the pandemic.

In Q4 2023, Downtown Raleigh averaged 50,309 employee (non-resident worker), visitor, and resident visits each weekday, Monday to Friday, between the hours of 9AM and 5PM. **Average daily visits in Q4 2023 were 77.9% of Q4 2019 and increased +3.9% year over year.** The number of non-resident worker visits downtown in Q4 2023 increased +6.7% year over year and is 59.4% of Q4 2019. Downtown Raleigh’s weekday population makeup in Q4 2023 is 32% employees\*, 51% visitors, and 17% residents.

**50,309**  
AVERAGE DAILY DAYTIME VISITS WEEKDAYS ONLY<sup>1</sup>

**77.9%**  
PERCENT RECOVERED<sup>1</sup>

**+3.9%**  
INCREASE YEAR OVER YEAR<sup>1</sup>

### PERFORMANCE INDICATOR:

#### + AVERAGE DAILY WEEKDAY DAYTIME VISITS<sup>1</sup>



<sup>1</sup>Placer.ai

\*Non-resident workers

# WEEKDAY POPULATION STUDY COMPARING RESULTS SELECT DOWNTOWNS

To better understand how Downtown Raleigh is recovering from the pandemic, the study analyzed weekday, daytime population trends in nine downtowns across the country, including four other North Carolina downtowns, using their locally defined downtown boundary.

**Downtown Raleigh and Downtown Durham lead recovery in this national peer set** including all studied downtowns in North Carolina.

While none of the downtowns in this study have surpassed 100%, the overall trend is steady improvement. **Downtown Raleigh currently sits at 77.9% weekday, daytime recovery as a percentage of 2019 visits** and has made consistent progress in this regard since the onset of the pandemic.\*<sup>1</sup>

\*Includes employee (non-resident worker), resident, and visitor data only visits Monday-Friday between 9AM and 5PM

<sup>1</sup>Placer.ai

*Note: the data source utilized, Placer.ai, uses a proprietary algorithm to extrapolate visitation to a place by normalizing geolocation data from a panel of approximately 30 million U.S. mobile devices. Placer.ai panel data is aggregated, extrapolated, and stripped of any personal identifiers to arrive at estimates of population visitation statistics.*

## Q4 2023 RESULTS<sup>1</sup>

DOWNTOWN	% RECOVERED*
Durham	79.5%
<b>Raleigh</b>	<b>77.9%</b>
Greensboro	77.5%
Charlotte	76.1%
Winston-Salem	73.6%
Denver	71.3%
Atlanta	70.5%
Austin	67.6%
Seattle	59.8%
San Francisco	47.3%

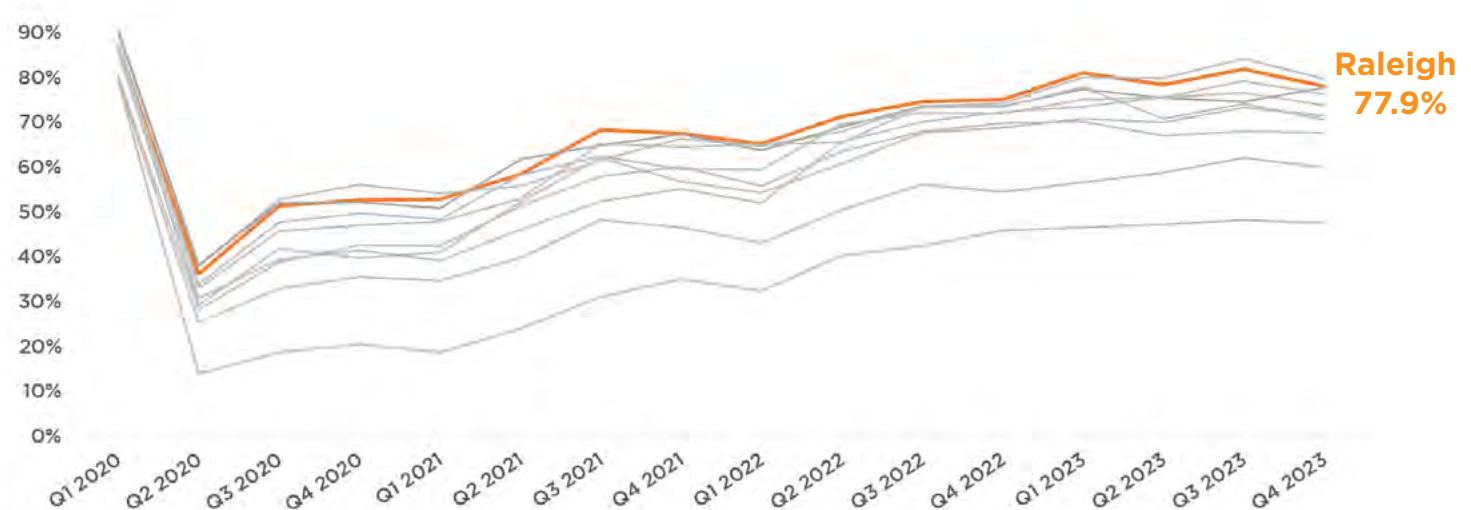
DOWNTOWN	YOY Growth
Seattle	+10%
Durham	+7%
Greensboro	+5%
Charlotte	+5%
<b>Raleigh</b>	<b>+4%</b>
Denver	+4%
San Francisco	+3%
Winston-Salem	+2%
Austin	-3%
Atlanta	-4%



### PERFORMANCE INDICATOR:

### WEEKDAY VISITS AS A PERCENT OF PRE-PANDEMIC<sup>1</sup>

Comparing Downtown Raleigh to N.C. and U.S. Peer Downtowns



# WEEKDAY POPULATION STUDY COMPARING TO OTHER AVAILABLE DATA SOURCES

**81%**  
**RECOVERY RATE**  
DOWNTOWN  
RALEIGH  
March-June 2023  
(latest available)<sup>1</sup>

This study differs from the commonly used University of Toronto Downtown Recovery Index in several ways:

The downtown boundaries used in the the Downtown Recovery Index have changed several times since first publishing results. Initial boundaries used ZIP Code analysis and have since evolved to use a custom polygon focused on areas with the greatest employment density. In November 2023, an update was published which looked at recovery rate variations using new geographic boundaries, including a 'city-defined' boundary which matches the boundary used by the City of Raleigh and DRA to define Downtown Raleigh (see subsequent page for a map comparison of boundaries).

<sup>1</sup>University of Toronto (downtownrecovery.com)  
<sup>2</sup>Placer.ai

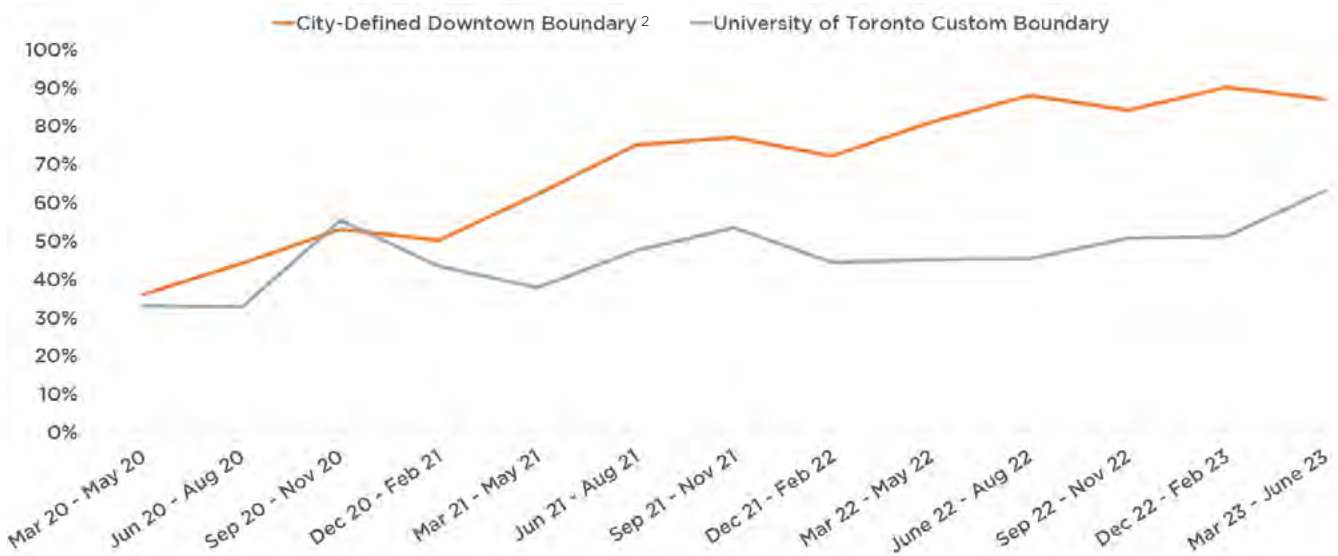
Using the full downtown boundary more accurately captures the diverse districts that make up Downtown Raleigh and includes areas of downtown which have seen significant development activity in the last four years, particularly the Warehouse and Glenwood South districts. When using the 'city-defined' boundary, **the index lists Downtown Raleigh at an 81% recovery rate, significantly higher than the 63% previously published in the rankings table.<sup>1</sup>**

The Downtown Recovery Index looks at overall device activity, without distinguishing between the days of the week or times of day. Downtown Raleigh Alliance uses a different third-party data provider, Placer.ai, to understand visitor, non-resident worker, and resident activity in downtown. This data enables DRA's analysis to look more specifically at total visitor, non-resident worker, and resident visitation data specific to weekday, daytime activity (the conventional "work week") to more closely model the impacts of remote and hybrid work.

A more direct comparison between the Downtown Recovery Index and Placer.ai data irrespective of days or time of day is provided in the graph below. Downtown Raleigh, when using the city-defined Downtown Raleigh boundary and Placer.ai data, has consistently outperformed the Downtown Recovery Index over time.

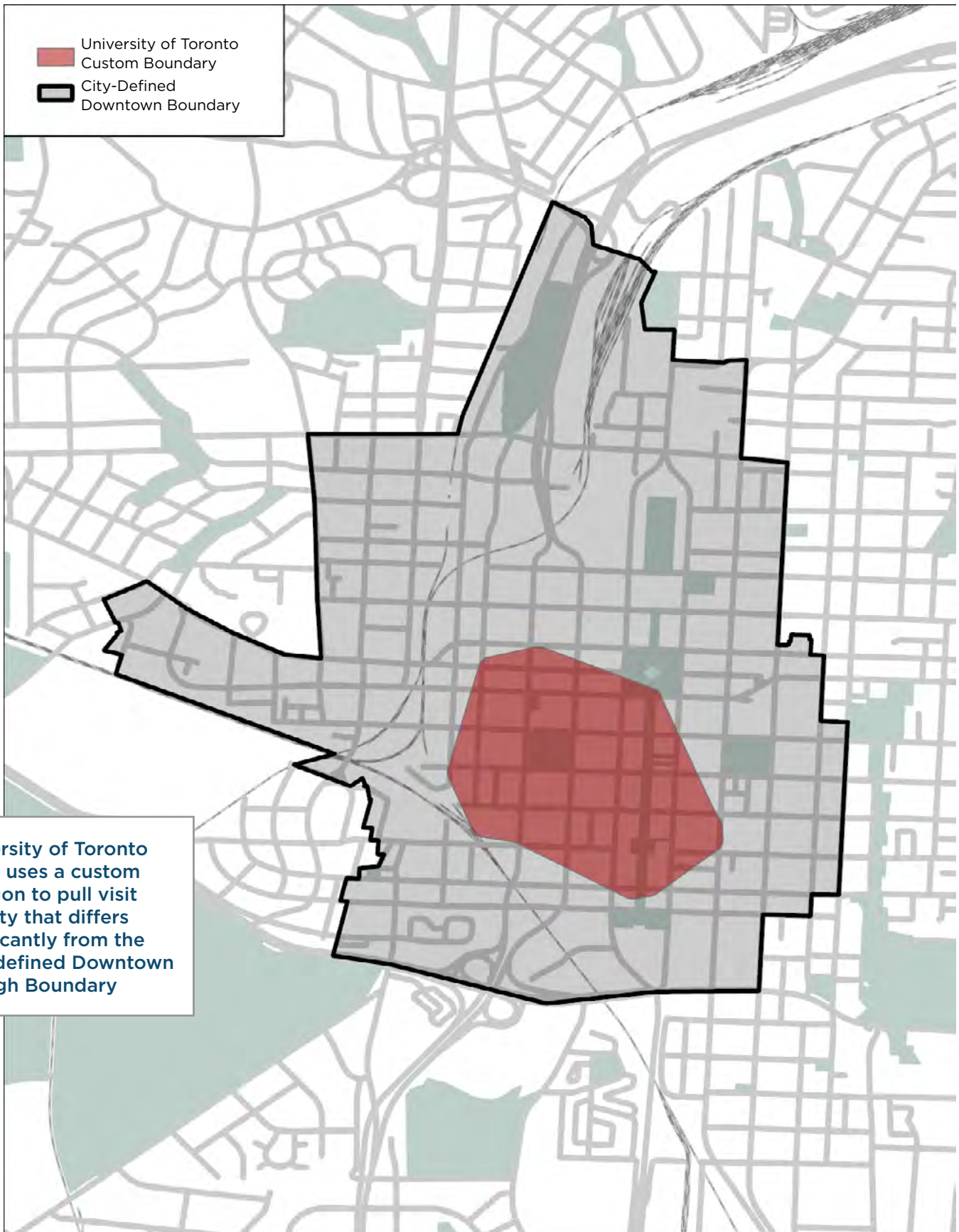
## + PERFORMANCE INDICATOR: VISITS AS A PERCENT OF PRE-PANDEMIC\*

\*Includes all weekdays and times

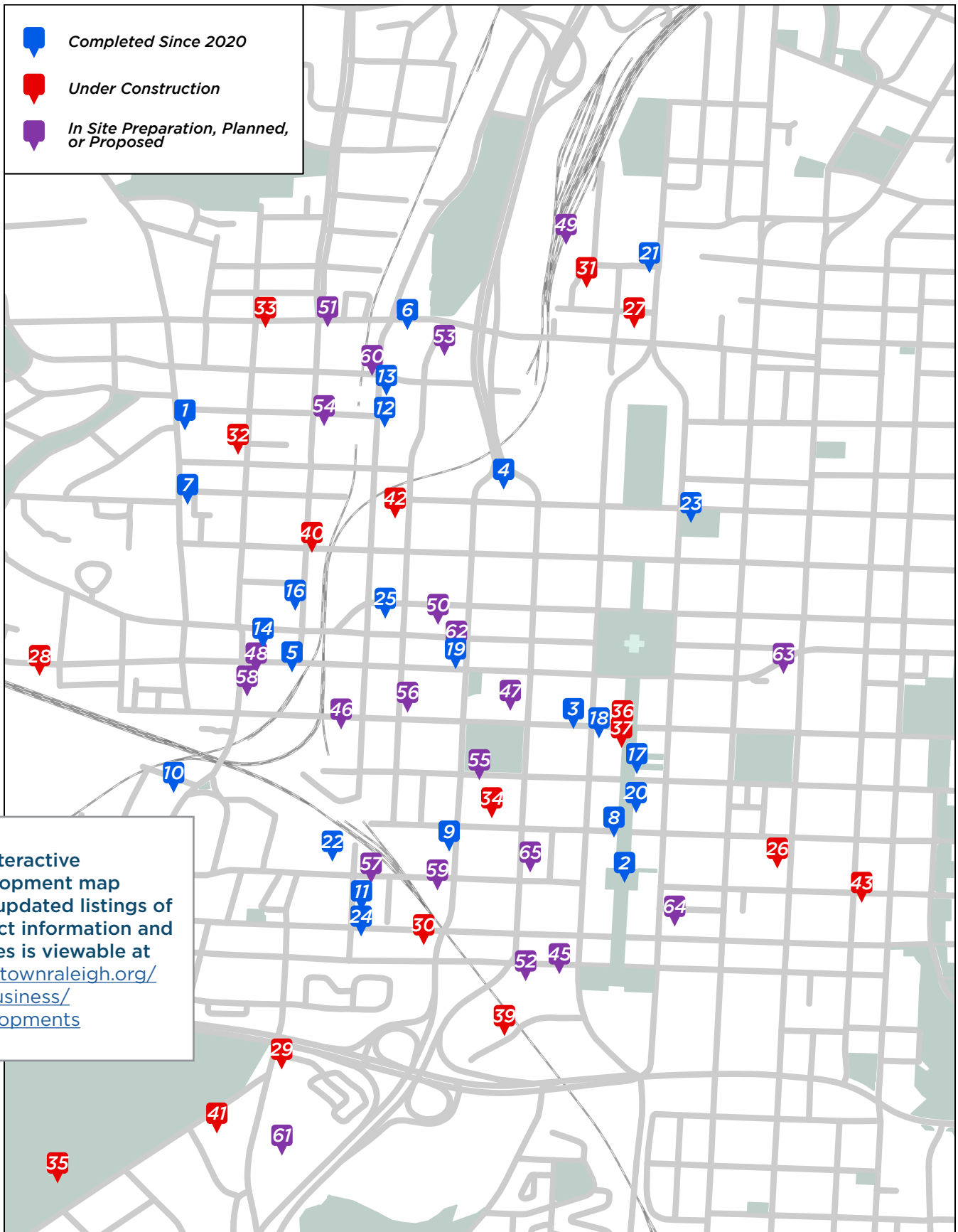




# Q4 2023 WEEKDAY POPULATION STUDY



# Q4 2023 DEVELOPMENT MAP





RECENTLY COMPLETED (SINCE 2020)

#	NAME	Investment	SF	Units/Rooms	Type
<b>2020</b>					
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
<b>2021</b>					
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
<b>2023</b>					
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
<b>TOTALS:</b>		<b>\$1,236,366,775</b>	<b>937,512 Office SF / 250,405 Retail SF</b>	<b>1,777 units / 338 rooms</b>	

UNDER CONSTRUCTION

26	THE ACORN AT PERSON ST	Not announced	N/A	107 units	Apartment
27	SEABOARD STATION BLOCK A	Not announced	11,400 Retail SF	75 units / 149 rooms	Apartment/Hotel/Retail
28	THE BEND	Not announced	3,350 Retail SF	N/A	Apartment/Office/Retail
29	ROCKWAY RALEIGH - PARK CITY SOUTH PHASE I	Not announced	16,800 Retail SF	336 units	Apartment/Retail
30	320 W SOUTH	Not announced	10,000 Retail SF	296 units	Apartment/Retail
31	SEABOARD STATION BLOCK C	\$125,000,000	34,656 Retail SF	204 units	Apartment/Retail
32	NOBLE PLACE	Not announced	N/A	16 units	Condo
33	615 PEACE	\$7,000,000	2,200 Retail SF	24 units	Condo/Retail
34	TEMPO BY HILTON/HOMEWOOD SUITES	Not announced	1,810 Retail SF	259 rooms	Hotel/Retail
35	GIPSON PLAY PLAZA (DIX PARK)	\$55,000,000	N/A	N/A	Public Space
36	210 FAYETTEVILLE ST (RENOVATION)	Not announced	Not announced	Not announced	Retail
37	216 FAYETTEVILLE ST (RENOVATION)	Not announced	Not announced	Not announced	Retail
38	ROW 12	Not announced	N/A	12 units	Townhome
39	MIRA RALEIGH	Not announced	4,000 Retail SF	286 units	Apartment/Retail
40	122 GLENWOOD AVE (RENOVATION)	Not announced	11,200 Office SF / 10,505 Retail SF	N/A	Office/Retail
41	THE WELD (PHASE I)	\$700,000,000	9,700 Retail SF	675 units	Apartment/Retail
42	ALEXAN GLENWOOD SOUTH	\$63,000,000	8,000 Retail SF	186 units	Apartment/Retail
43	IDYLE	Not announced	N/A	10 units	Townhome
<b>TOTALS:</b>		<b>\$911,15,000*</b>	<b>11,200 Office SF / 116,616 Retail SF</b>	<b>2,230 units / 410 rooms</b>	

IN SITE PREPARATION, PLANNED, & PROPOSED

44	865 MORGAN	Not announced	900 Retail SF	401 units	Apartment/Retail
45	SALISBURY SQUARE PHASE I	Not announced	13,720 Office SF	366 units	Apartment/Retail
46	UNION WEST - RUS BUS	\$200,000,000	18,000 Retail SF	587 units	Apartment/Retail/Transit
47	CIVIC TOWER EAST	\$206,000,000	Not announced	N/A	Government
48	TOWER THREE AT BLOC[83]	Not announced	Not announced	N/A	Not Announced
49	707 SEMART DR	Not announced	11,000 Retail SF	680 units	Apartment/Retail
50	KIMPTON MIXED-USE	Not announced	Not announced	350 units / 179 rooms	Apartment/Hotel/Retail
51	MADISON MIXED-USE	Not announced	13,000 Retail SF	313 units	Apartment/Retail
52	SALISBURY SQUARE PHASE II	Not announced	3,850 Retail SF	300 units	Apartment/Retail
53	SMOKY HOLLOW PHASE III	Not announced	Not announced	Not announced	Apartment/Office/Retail
54	THE CREAMERY MIXED-USE	Not announced	242,000 Office SF / 17,212 Retail SF	295 units	Apartment/Office/Retail
55	221 W MARTIN	Not announced	Not announced	450 units	Apartment/Retail
56	330 W HARGETT	Not announced	17,381 Retail SF	372 units	Apartment/Retail
57	401 CABARRUS	Not announced	7,964 Retail SF	298 units	Apartment/Retail
58	BLOOMSBURY APARTMENTS	Not announced	2,475 Retail SF	237 units	Apartment/Retail
59	CABARRUS AND DAWSON RESIDENCES	Not announced	Not announced	261 units	Apartment/Retail
60	MOXY HOTEL	Not announced	Not announced	169 rooms	Hotel
61	PARK CITY SOUTH PHASE II	Not announced	Not announced	386 units	Apartment/Retail
62	RALEIGH CROSSING PHASE II	Not announced	Not announced	275 units	Apartment/Retail
63	VELA LONGVIEW	\$170,000,000	10,268 Retail SF	374 units	Apartment/Retail
64	WILMINGTON STREET MIXED USE	Not announced	Not announced	387 units	Apartment/Retail
65	COURTYARD MARRIOTT	Not announced	Not announced	179 rooms	Hotel

**TOTALS: \*\*** **\$3,791,838,000\*** **587,220 Office SF / 257,841 Retail SF\*\*** **7,781 units / 1,840 rooms**

24 ADDITIONAL PLANNED & PROPOSED PROJECTS CAN BE FOUND AT [downtownraleigh.org/do-business/developments](http://downtownraleigh.org/do-business/developments)

# MARKET HIGHLIGHTS OFFICE



Photo: Office tenant amenity space at 421 N Harrington  
Credit: Smokey Hollow

**Class A office net absorption** for the fourth quarter in Downtown Raleigh was **+63,514** square feet and **+22,612** square feet for the year (2023).<sup>1</sup> Total Class A occupancy ended the year at 82.9% and an average rent of \$37.35 per square foot.<sup>1,2</sup> **Direct vacancy for Class A**, which does not include sublease space available for immediate occupancy, ended the year at **11.7%**.<sup>1</sup>

Downtown's newest mixed-use development, **400H**, significantly **completed construction** at the beginning of 2024, including of 144,410 square feet of Class A office space, 242 apartment units, and 16,935 square feet of retail space.<sup>3</sup>

## + PERFORMANCE INDICATOR: CLASS A TOTAL NET ABSORPTION (SF)<sup>1</sup>



## OFFICE MARKET Q4 2023

Class A Office Average Rent PSF<sup>2</sup>  
**\$37.35**

Class A Office Occupancy Rate<sup>1</sup>  
**82.9%**

Class A Office Net Absorption<sup>1</sup>  
**+63,514 SF**

Total Office Inventory<sup>2</sup>  
**6,297,997 SF**

Office Delivered Since 2015<sup>3</sup>  
**1,972,889 SF**

Office Sublease Space Available<sup>1</sup>  
**442,048 SF**

<sup>1</sup>JLL  
<sup>2</sup>CBRE  
<sup>3</sup>DRA

**+ 22,612 SF**  
NET CLASS A OFFICE SPACE ABSORBED IN 2023

# MARKET HIGHLIGHTS RESIDENTIAL



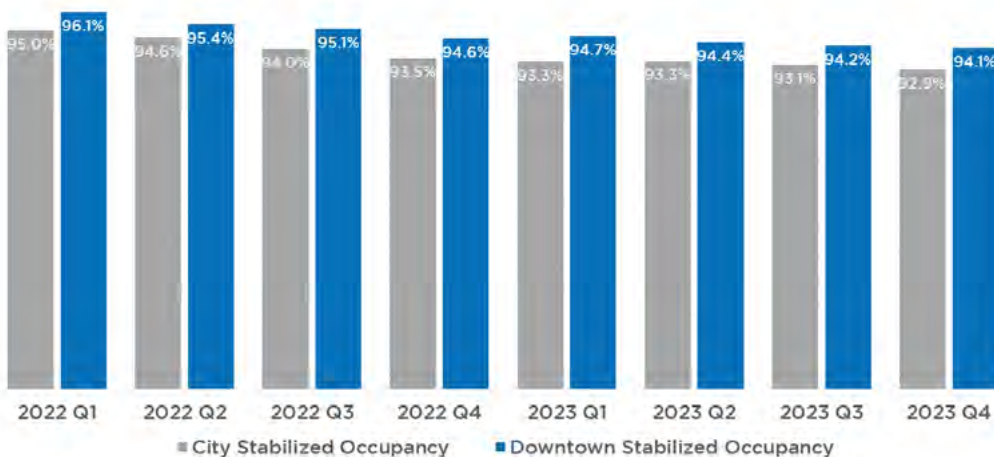
Photo: The 9th floor residential terrace and pool at the recently completed 400H

Downtown Raleigh's current **stabilized occupancy rate is 94.1%**, which does not include recently completed developments.<sup>1</sup> Downtown Raleigh occupancy remains above city-wide stabilized occupancy as new deliveries continue downtown and Triangle-wide.

Effective rent per square foot ended the year at \$2.13 per square foot, decreasing -7.4% year over year, as the region absorbs significant new supply.<sup>1</sup>

Downtown Raleigh saw **991 residential units delivered in 2023** and there are 2,230 units under construction. Another 7,221 units have either been proposed or are in planning.<sup>2</sup>

**PERFORMANCE INDICATOR:**  
+ **APARTMENT STABILIZED OCCUPANCY RATE** <sup>1</sup>



## RESIDENTIAL MARKET Q4 2023

Stabilized Occupancy<sup>1</sup>  
**94.1%**

Effective Rent per SF<sup>1</sup>  
**\$2.13**

Residential Inventory<sup>2</sup>  
**8,897 units**

Units Under Construction <sup>2</sup>  
**2,230**

<sup>1</sup>CoStar  
<sup>2</sup>DRA

**#3 BEST PLACE TO LIVE IN THE U.S.**  
 Raleigh-Durham  
*U.S. News*  
 March 2023

**#1 HOTTEST HOUSING MARKET IN THE U.S.**  
 Raleigh  
*U.S. News*  
 February 2023



# MARKET HIGHLIGHTS STOREFRONT

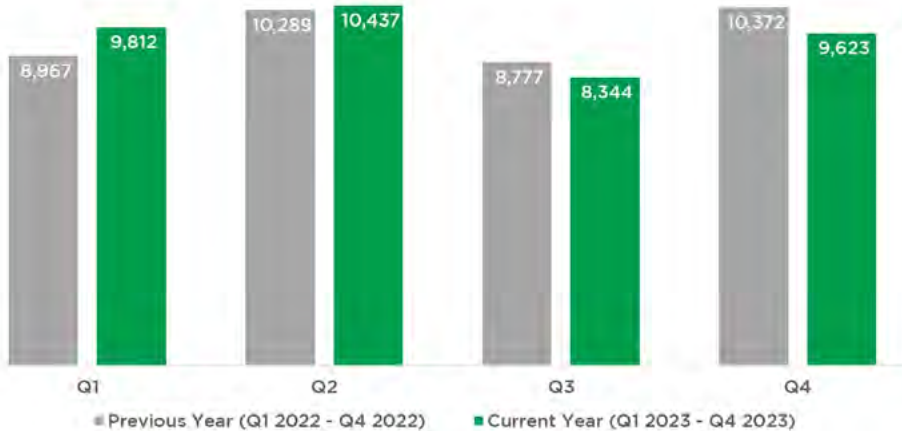


Photo: Grand opening of Flavor Hills on Fayetteville Street

There were **16 storefront openings and expansions** in the fourth quarter. An additional **27 storefronts businesses have publicly announced** plans to open in the future.<sup>1</sup> After a soft opening on New Years Eve, Flavor Hills fully opened at 319 Fayetteville Street. Additional new business openings in Q4 include: Incendiary Brewing, The Self Care Marketplace, Gussies, Umbrella Dry Bar, and Prospects.

Average daily pedestrian counts across six downtown locations decreased year over year by -7.7%.<sup>2</sup> Across ten counting locations, **New Year's Eve in Downtown Raleigh had the highest total daily count of the quarter** and second highest for the year behind Saturday, September 30th during the IBMA World of Bluegrass Festival.<sup>2</sup>

**+ PERFORMANCE INDICATOR:**  
**AVERAGE DAILY COMBINED PEDESTRIAN COUNT ACROSS SIX COUNTER SITES IN DOWNTOWN<sup>1</sup>**



## RETAIL MARKET Q4 2023

Retail SF Under Construction<sup>1</sup>  
**116,616**

Retail SF Planned or Proposed<sup>1</sup>  
**242,241**

New Storefront Business Openings & Expansions (Q4)<sup>1</sup>  
**16**

Storefront Business Openings & Expansions 2023<sup>1</sup>  
**66**

<sup>1</sup>DRA  
<sup>2</sup>Eco-Counter

**#1 BEST CITY TO START A BUSINESS**  
 Raleigh  
*LendingTree 2021*

# MARKET HIGHLIGHTS STOREFRONT

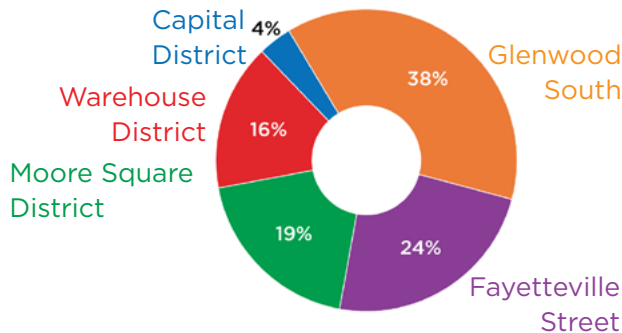


Photo: Streetery at Raleigh Times  
Credit: Brian Mullins

Average monthly food and beverage sales in downtown for Q4 decreased by -7.2% year over year but **increased +4.6% year to date through November<sup>1</sup>**.

Year to date food and beverage sales in the **Fayetteville Street District** were **+6.7% higher** than the same period last year.<sup>1</sup>

## FOOD AND BEVERAGE SALES BY DISTRICT IN Q4<sup>1</sup>



## RETAIL MARKET Q4 2023

Average Monthly Food & Beverage Sales in Q4<sup>\*</sup>

**\$24.6 MILLION**

\$26.3 Million in Q4 2022

Restaurants & Bars In Downtown With Outdoor Seating<sup>2</sup>

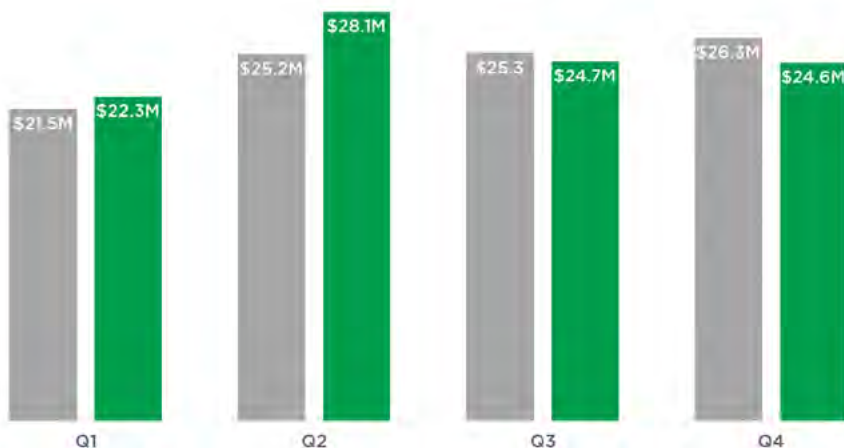
**160+**

Craft Breweries & Distilleries In Downtown<sup>2</sup>

**13**

<sup>1</sup>Wake County Tax Administration, DRA  
<sup>\*</sup>Only October & November data available  
<sup>2</sup>DRA

## + PERFORMANCE INDICATOR: AVERAGE MONTHLY FOOD AND BEVERAGE SALES BY QUARTER<sup>1</sup>



**+4.6% INCREASE**  
2023 YEAR TO DATE THROUGH NOVEMBER FROM 2022<sup>1</sup>

# Q4 2023 STOREFRONT ACTIVITY





# Q4 2023 STOREFRONT BUSINESS ACTIVITY

#	Business Openings in Q4	Type	Date
1	Needle & Thread Co.	Retail	October 2023
2	Sarah Rosa Glickman Art	Retail	October 2023
3	Beauty Solutions RO	Service	October 2023
4	Feature Flora	Service/Retail	October 2023
5	Incendiary Brewing	Brewery	October 2023
6	Devolve	Bar	October 2023
7	Yatai Market at Transfer Co. Food Hall	Restaurant	October 2023
8	Pearl and Peril (Expansion)	Bar	November 2023
9	The Self Care Marketplace	Service/Retail	November 2023
10	Oak City Yoga	Fitness/Retail	November 2023
11	Nomad	Bar	November 2023
12	Pallbearer Vintage (Holiday Pop-Up)	Retail	November 2023
13	Gussie's	Bar/Retail	December 2023
14	Flex	Bar	December 2023
15	Prospects	Restaurant	December 2023
16	Umbrella Dry Bar	Bar	December 2023
#	Early Q1 Openings		
17	The Flavor Hills	Restaurant	January 2024
18	Downtown Kicks	Retail	January 2024
19	The Devereaux	Bar	January 2024
#	Business Closings in Q4		
20	Humble Pie	Restaurant	October 2023
21	Lip Print Beauty Bar	Experiential	October 2023
22	Berkeley Cafe (Temporarily Closing)	Restaurant	October 2023
23	Fiction Kitchen	Restaurant	November 2023
24	OMG! Banana at Poyner YMCA	Retail	November 2023
25	Square Burger	Restaurant	November 2023
26	Black Friday Market	Retail	December 2023
27	Poole'side Pies	Restaurant	December 2023
28	The ZEN Succulent	Retail	December 2023
29	Atlantic Lounge	Bar	December 2023
#	Coming Soon		
30	ABC Store	Retail	
31	Alksha's Indian Bistro	Restaurant	
32	Anthony's La Pizza Italian Restaurant + Bar	Restaurant/Bar	
33	Ashley Christensen Concept	Restaurant	
34	Berkeley Cafe	Restaurant	
35	Biscuit Belly	Restaurant	
36	Body Fit Training	Fitness/Service	
37	Buoy Bowls at Morgan Street Food Hall	Restaurant	
38	Embargo	Bar	
39	Figulina Pasta + Provisions	Restaurant/Retail	
40	Heat Studios	Fitness/Service	
41	La Terrazza	Restaurant	
42	Little Native	Coffee Shop/Retail	
43	LM Full Service Concept	Restaurant	
44	Milk & Sin	Restaurant	
45	Morelia Gourmet Paletas	Restaurant	

11 ADDITIONAL BUSINESSES COMING SOON ARE NOT LISTED DUE TO SPACE CONSIDERATIONS

Needle  
&  
Thread  
Co.



**YATAI**  
BY MAG

Gussie's  
BAR, BOTTLE & BITES

umbrella  
DRY  
BAR  
RAL N.C.

# MARKET HIGHLIGHTS

## HOTEL & TOURISM



Photo: Downtown Raleigh Tree Lighting

Credit: J Cutt Photography

Average monthly **hotel room tax revenue increased +26.2% year over year** for the two months of October and November, the only two months available.<sup>1</sup> Hotel room tax revenue year to date through November has increased +29.9%.<sup>1</sup>

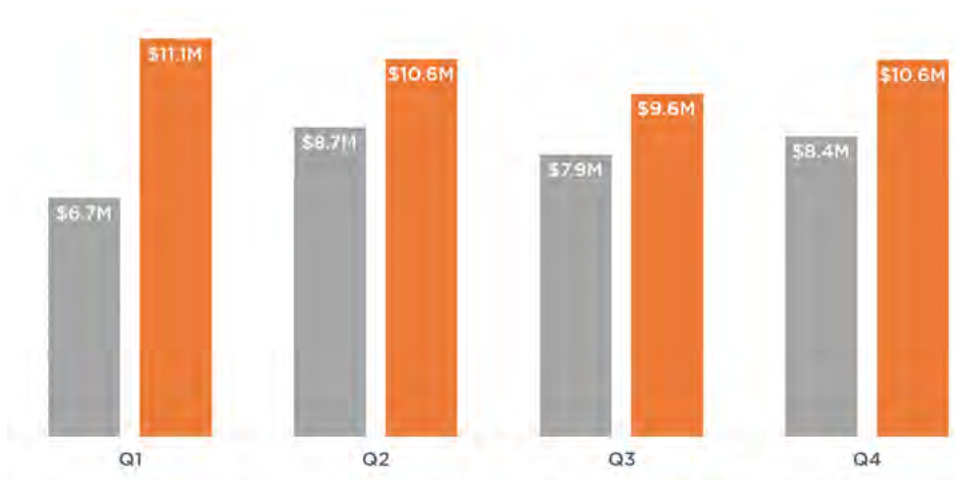
Visitor visits in downtown decreased -2.3% year over year in the fourth quarter.<sup>2</sup> **Total for 2023, there were 19 million visitor visits to downtown, up +3.7% year over year.** Additionally, there were **3.75M unique visitors** to downtown in 2023.<sup>2</sup>

There are 410 hotel rooms under construction with an additional 1,840 hotel rooms planned or proposed for downtown.<sup>3</sup>

### + PERFORMANCE INDICATOR:

#### DOWNTOWN AVERAGE MONTHLY HOTEL ROOM REVENUE<sup>1</sup>

Hotel revenue increased +26% year over year in Q4 2023<sup>1</sup>



## HOTEL + TOURISM MARKET Q4 2023

**410**  
Hotel Rooms Under Construction<sup>3</sup>

**338**  
New Hotel Rooms Added Since 2020<sup>3</sup>

**1.7M**  
Unique Downtown Visitors in Q4<sup>2</sup>

**\$10.6M**  
Average Monthly Hotel Room Revenue October & November

<sup>1</sup>Wake County Tax Administration, DRA

<sup>2</sup>Placer.ai

<sup>3</sup>DRA

**#1** MOST AFFORDABLE SOUTHERN CITY FOR 2022 FAMILY VACATION  
*Southern Living*

# NEWS & EVENTS

## IKE Kiosks Open Across Downtown

IKE Smart City, in partnership with Downtown Raleigh Alliance and the City of Raleigh, begun deploying new interactive kiosks called IKEs in Fall 2023. The digital kiosks serve as a **wayfinding solution to help residents, visitors, and employees explore downtown** by helping to connect downtown districts, attractions, and businesses.

The double-sided kiosks display a dynamic mix of community art and commercial messaging. In addition to functioning as an interactive tour guide, IKE offers free, public Wi-Fi, information on social services, and ambient lighting with an emergency call system to improve public safety.

**There will be 15-to-16 kiosks deployed across downtown** by mid-2024 as part of an initial deployment.

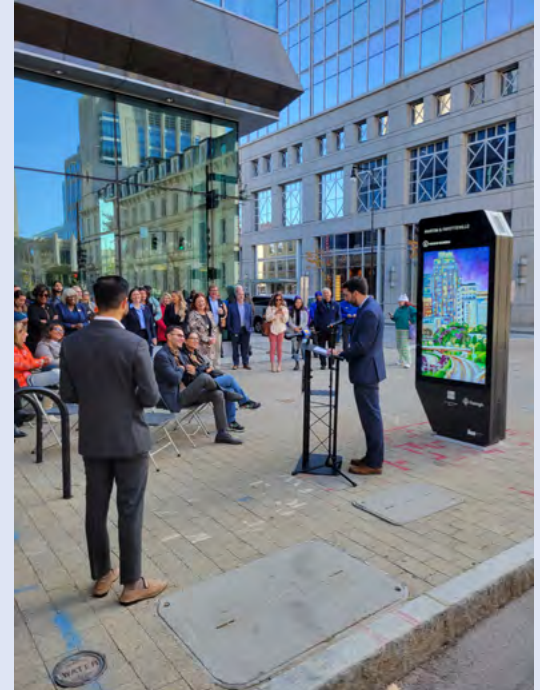


Image: IKE kiosk ribbon cutting on Fayetteville Street

## New Bern BRT Groundbreaking

The New Bern Avenue Bus Rapid Transit (BRT) corridor has broken ground and when complete will connect Downtown Raleigh with fast, reliable, and frequent transit services to WakeMed and New Hope Road.

BRT is a high-capacity bus-based transit system that provides riders with better services through dedicated lanes, signal priority, and enhanced stations.



Image: Rendering of a proposed BRT Station on S Wilmington St  
Credit: City of Raleigh

This is the **first of four BRT corridors** that will connect Downtown Raleigh to the region through approximately 20 miles of enhanced infrastructure in each of the cardinal directions from downtown.

Physical construction on the New Bern Avenue BRT line will begin in earnest in mid-2024 with the **project anticipated to be completed by the end of 2025**.



# DOWNTOWN DEMOGRAPHICS<sup>1</sup>



**11,000+**  
Resident  
Population

**44,000+**  
Employees  
Within 1 Mile  
of the State  
Capitol

**31.7**  
Median Age

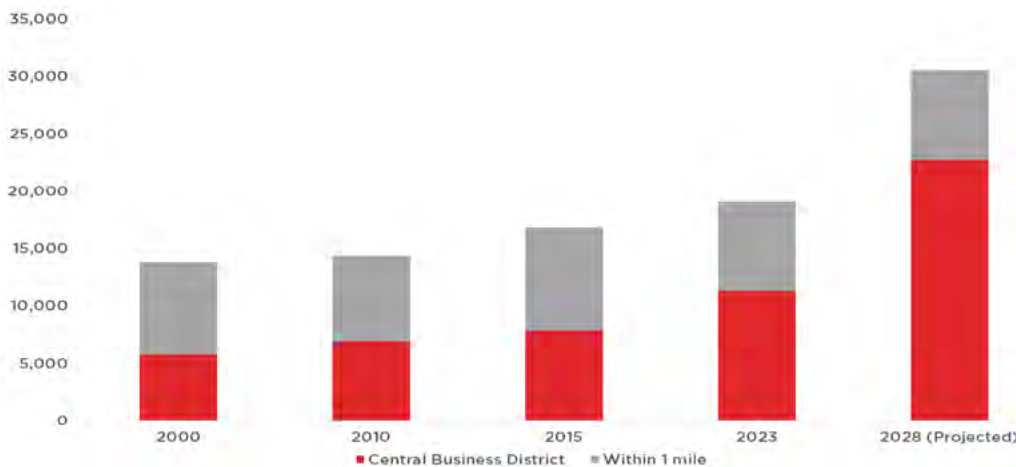
**95K**  
Average  
Household  
Income

**71.1%**  
Bachelor's  
Degree or  
Higher

**40%**  
Of population  
between ages  
20-34

<sup>1</sup>ESRI, DRA

## DOWNTOWN POPULATION GROWTH [2000-2028]



## DOWNTOWN POPULATION BY AGE









Photo by Patrick Maxwell



DowntownRaleigh  
Alliance