

# Raleigh

Powered by Savills Research & Data Services

Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate*	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
<b>92.5</b> msf	↗	<b>5.6</b> %	↗	<b>\$9.48</b> psf (NNN)	↗	<b>0.0</b> msf	↘	<b>3.8</b> msf	↘	<b>0.3</b> msf	↘
Q3 2023: 87.3 msf		Q3 2023: 3.5%		Q3 2023: \$7.82		Q3 2023: 0.5 msf		Q3 2023: 5.2 msf		Q3 2023: 0.6 msf	

\*Based on all classes of available inventory

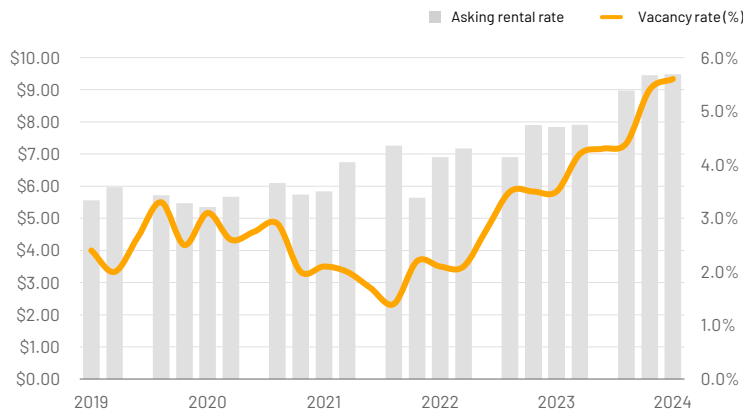
## Market Trends

**01** The Raleigh vacancy rate rose 20 basis points (bps) quarter over quarter to 5.6%, the highest in seven years, driven by weak year-to-date net absorption of 850,000 square feet (sf), just 40% of the 2.1 million square foot (msf) year-to-date average over the last five years.

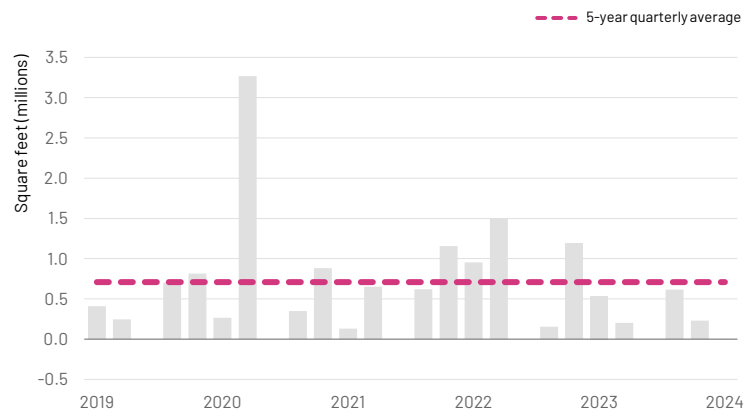
**02** Asking rental rates in Raleigh increased for the fourth consecutive quarter, reaching \$9.48 per square foot (psf), the highest level ever. However, rent growth has slowed significantly over the past two quarters and is expected to remain flat until vacancy rates stabilize.

**03** Construction starts increased this quarter, with the pipeline rising 21.6% to 3.8 msf, highlighting developer confidence and growing appeal to biomanufacturing occupiers like Novo Nordisk, following their recent investment in Johnston County.

## Asking Rent and Vacancy



## Net Absorption



## Top Leases

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Aisin	286,112	Orange County	7110 E Washington Street	New Lease	Automotive
Siemens	78,712	Eastern Wake County	421 Milburnie Lake Drive	New Lease	Industrial Machinery & Supplies
Pactiv	74,927	Eastern Wake County	5100 Jones Sausage Road	New Lease	Paper & Packaging
Conklin Metal	66,254	Chatham County	895 Gateway Drive	New Lease	Construction Materials & Building Fixtures
Garner Appliance & Mattress	27,298	Eastern Wake County	4900 Jones Sausage Road	New Lease	Consumer Goods

For more information, please contact us:

[savills.us](https://savills.us)

**Savills Raleigh**  
PNC Plaza  
301 Fayetteville St  
15th Floor  
Raleigh, NC 27601  
+1 919 827 1818

**James Cataldo**  
Research Analyst,  
Industrial  
[jcataldo@savills.us](mailto:jcataldo@savills.us)

**Gregg Healy**  
Executive Vice President,  
Head of Industrial Services  
[ghealy@savills.us](mailto:ghealy@savills.us)

**Mark Russo**  
Vice President,  
Industrial Research  
[mrusso@savills.us](mailto:mrusso@savills.us)

Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

Copyright © 2024 Savills