

# MARKET SPOTLIGHT

## 2025 Q3 Office

### RALEIGH | NORTH CAROLINA

The Raleigh-Durham office market recorded a 20.9% vacancy rate in Q3 2025, a 41 bps drop from Q2. Class A vacancy sits slightly higher than the market average, 22.94%. Investment sales totaled \$137.7 million in direct investment sales compared with Q3 of 2024 with over \$841 million in direct sales. The current construction pipeline remains cooled as new space is absorbed. Improving capital markets conditions and more than 2.5 million [sq.ft.](#) in demand from active office tenants in the market is expected to spur development in late 2026 or early 2027.

#### Local CRE:

VACANCY	<b>20.9%</b>
AVG. MARKET RENT	<b>\$31.17</b>
ANNUAL RENT GROWTH	<b>2.9%</b>
12 MONTH ABSORBENCY	<b>207,213 SF</b>
UNDER CONSTRUCTION	<b>0 SF</b>
12 MONTH SALES VOLUME GROWTH YoY	<b>-97%</b>
MARKET CAP RATE	<b>9.14%</b>

#### Local Economy:

UNEMPLOYMENT RATE	<b>3.5%</b>
JOB GROWTH	<b>1.3%</b>
POPULATION GROWTH	<b>1.96%</b>

#### National CRE:

VACANCY	<b>13.9%</b>
AVG. MARKET RENT	<b>\$36</b>
ANNUAL RENT GROWTH	<b>1.2%</b>
12 MONTH AVG. ABSORBENCY	<b>-111,673 SF</b>
AVG. UNDER CONSTRUCTION	<b>416,044 SF</b>
12 MONTH SALES VOLUME GROWTH	<b>14.7%</b>
MARKET CAP RATE	<b>9.3%</b>

#### National Economy:

UNEMPLOYMENT RATE	<b>4.2%</b>
JOB GROWTH	<b>1.4%</b>
POPULATION GROWTH	<b>0.6%</b>

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