MARKET SPOTLIGHT

2026 Q1 Retail

RALEIGH, NC

The local retail market remains highly competitive, with a low 2.6% vacancy rate and strong tenant demand driving average rents to $28.28/SF, up 4.4% year-over-year. Positive absorption of nearly 297,000 SF, coupled with more than 665,000 SF under construction, reflects continued growth, while a 101.1% increase in sales volume highlights strong investor confidence in the market.

Local CRE:

VACANCY	2.6%
AVG. MARKET RENT	$28.28/SF
ANNUAL RENT GROWTH	4.4%
12 MONTH ABSORBENCY	297,353 SF
UNDER CONSTRUCTION	665,819 SF
12 MONTH SALES VOLUME GROWTH	101.1%
MARKET CAP RATE	6.9%

Local Economy:

UNEMPLOYMENT RATE	3.3%
JOB GROWTH	0.7%
POPULATION GROWTH	0.6%

National CRE:

VACANCY	4.4%
AVG. MARKET RENT	$25.89/SF
ANNUAL RENT GROWTH	2.0%
12 MONTH AVG. ABSORBENCY	-757,840 SF
AVG. UNDER CONSTRUCTION	53,146,867 SF
12 MONTH SALES VOLUME GROWTH	19.2%
MARKET CAP RATE	7.3%

National Economy:

UNEMPLOYMENT RATE	4.3%
JOB GROWTH	-0.47%
POPULATION GROWTH	0.5%

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