Raleigh Durham

Office market snapshot | Q3 2025

Raleigh-Durham's office market displayed improving fundamentals in Q3 2025. Over the past two years, direct availability has declined with each rate cut, and following the recent 25-basis-point reduction, Q4 could see the lowest direct availability since Q1 2024. Trophy asset rental rates remain strong at $48.16 PSF, nearly $18 above Class A and $22.47 above Class B. Meanwhile, sublet availability fell below 3 million square feet for the first time since Q4 2022, signaling a recovering market.

156 ksf

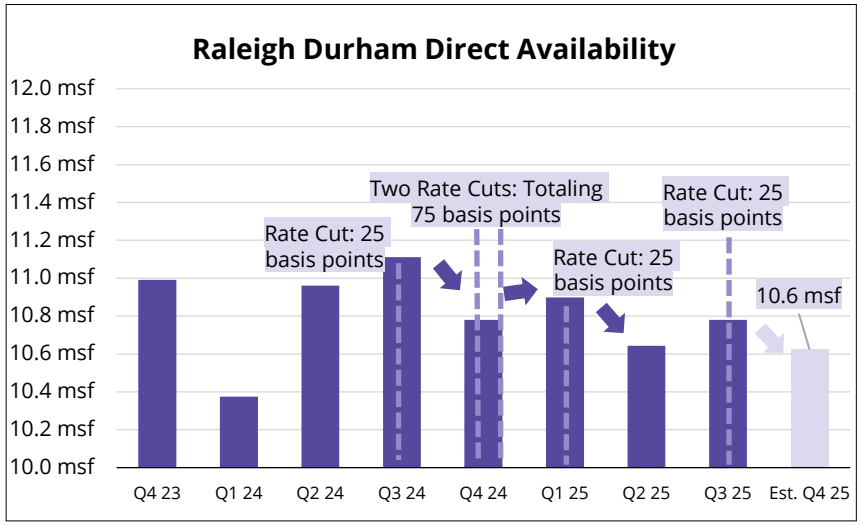
Direct office availability has decreased on an average of 156,000 sf after each federal rate cut over the past two years.

$48.16 FS

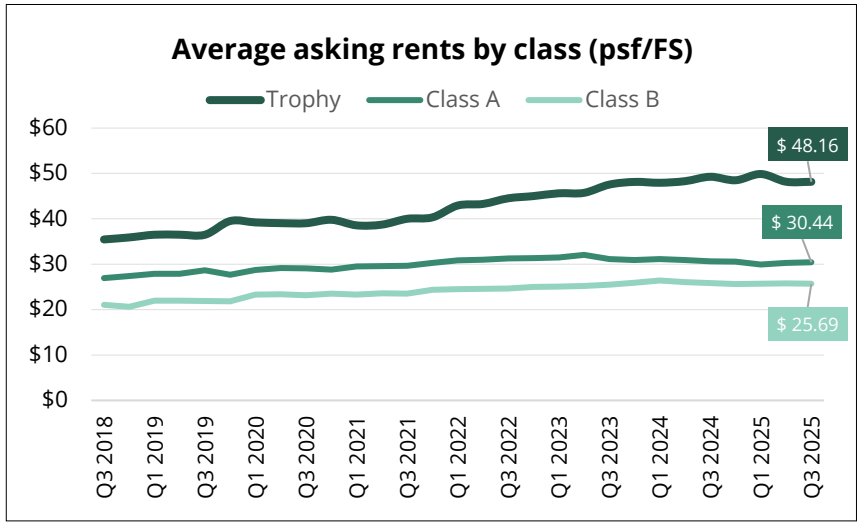
Trophy office buildings in the Raleigh-Durham region are at an average asking rent of $48.16 psf.

2.9 msf

Sublet availability is just under 3 million square feet for the first time in 11 straight quarters.



Federal Reserve rate cuts have persistently influenced direct office availability across the Raleigh-Durham market. Over the past two years, each rate reduction has coincided with an average decline of 156,000 square feet in direct availability. Following the recent 25-basis-point cut on September 18, 2025, and with additional reductions anticipated before year-end, we expect Q4 2025 to mark the lowest level of direct availability since Q1 2024.



Trophy office assets in the Raleigh-Durham market are currently averaging $48.16 psf - nearly $18 higher than Class A rates and $22.47 above Class B pricing. Despite these premiums, each building class has experienced YoY declines in average asking rents, likely driven by consecutive quarters of negative absorption. However, as leasing activity improves and availability tightens, pricing should increase across the board.

Source: Avison Young Market Intelligence, CoStar, Federal Reserve Board

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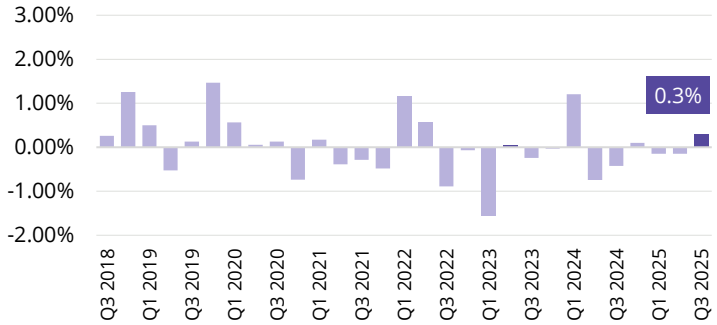
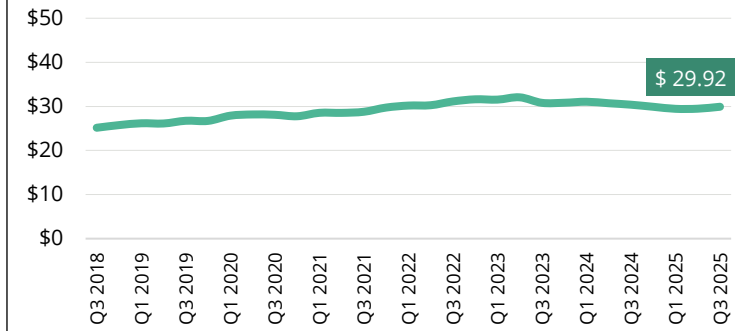
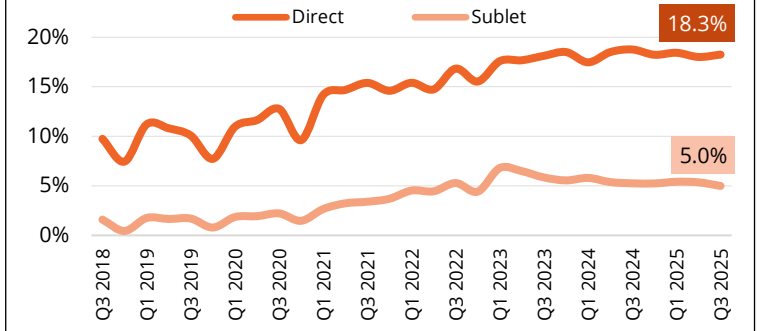
Net absorption as a % of inventory



Direct asking rents (psf/FS)



Availability



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
LabCorp	29 Parmer Way	109,660	Direct	Expansion
Tanium Inc.	555 S Mangum St	48,380	Direct	Renewal
Durham Tech	27 Parmer Way	30,844	Direct	New

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
GM 150 LLC	3100 Tower Blvd	$12,000,000	$64.88	HD Tower LLC
Weston Parkway Associates Llc	3000 Weston Pky	$4,380,000	$144.06	Ventas Weston Llc
Miller Property Management Llc	1822 E Hwy 54	$3,270,000	$84.09	Obp of Generations Plaza LLC

Source: Avison Young Market Intelligence, CoStar

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Get in touch

Kathy Gigac
Managing Director, Principal
+1 919 913 1117
kathy.gigac@avisonyoung.com

Bryse Ranniello
Market Intelligence Analyst
+1 215 595 5139
bryse.ranniello@avisonyoung.com

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Total availability change (YoY)	Net absorption % of inventory (QTD)	Net absorption % of inventory (YTD)	Annual direct asking rent psf FS
I-40/RTP	13,799,393	-	-	3,021,470	1,377,274	4,398,744	(105,275)	-	(1.3%)	$ 27.97
Downtown Raleigh	8,096,250	-	-	1,165,334	467,227	1,632,561	(27,454)	(0.1%)	0.1%	$ 33.86
West Raleigh	6,647,804	-	-	1,270,272	60,991	1,331,263	(150,733)	(0.2%)	1.0%	$ 28.36
Six Forks Road	4,841,169	-	-	903,101	168,506	1,071,607	(40,956)	3.6%	3.6%	$ 39.11
Downtown Durham	4,199,224	-	-	467,721	222,347	690,068	(71,360)	0.9%	1.9%	$ 34.06
Cary	4,098,301	-	-	415,648	154,858	555,706	(15,626)	0.3%	(1.0%)	$ 28.60
Glenwood/Creedmoor	3,680,425	-	-	581,122	38,757	619,879	(5,915)	0.5%	(0.7%)	$ 32.08
Southern Wake County W	3,008,653	-	-	945,343	53,172	998,515	(36,478)	(1.3%)	(2.8%)	$ 27.25
Falls of Neuse Road	2,964,536	-	-	627,799	61,911	689,710	(43,295)	(0.7%)	-	$ 27.17
US 1/Capital Boulevard	2,603,396	-	-	515,666	174,368	690,034	(59,447)	0.4%	3.2%	$ 32.24
South Durham	1,905,725	-	-	335,973	128,813	464,786	(113,924)	0.5%	(0.8%)	$ 28.68
Chapel Hill/Carrboro	1,882,702	-	-	333,300	38,542	371,842	(46,253)	1.0%	1.0%	$ 28.95
North Durham	630,135	-	-	154,272	-	154,272	25,230	(4.0%)	(9.7%)	$ 20.34
Southern Wake County E	484,119	-	-	43,010	-	43,010	43,010	-	(4.4%)	$ 18.50
East Raleigh	222,467	-	-	-	-	-	-	-	-	-
Market total	**59,064,299**	**-**	**-**	**10,780,031**	**2,946,766**	**13,726,797**	**(648,476)**	**0.3%**	**0.0%**	**$29.92**

Source: Avison Young Market Intelligence, CoStar

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