

One of the world's largest life sciences clusters, North Carolina is home to 735 life sciences companies, 569 of which are located in the Research Triangle region in Raleigh/Durham. Demand for life sciences space remains strong, leading to numerous proposed projects (new construction and conversions) totaling approximately 8.2 million square feet. Nearly all new single-story construction is targeting cGMP/manufacturing occupants while new R&D buildings are typically multi-story facilities. While Raleigh/Durham has one of the smallest life science inventories among the top-tier markets, it has one of the highest shares of lab space as a percentage of the office inventory. Rental rates are anticipated to go

up as the quality of the life sciences space improves. Additional factors such as dwindling land availability, along with increased land basis and increasing construction costs will also accelerate the increase in cost of life sciences space in Raleigh/Durham. Attracted to an extensive talent pool and stable business environment, several life sciences firms have recently announced plans to expand or develop new facilities. In total, the announcements reflect a \$4 billion investment and the creation of 4,000 jobs. BioAgilytix Labs is one of many national companies that expanded their headquarters in 2021, with plans to create 878 jobs and invest \$61.5 million in Durham.

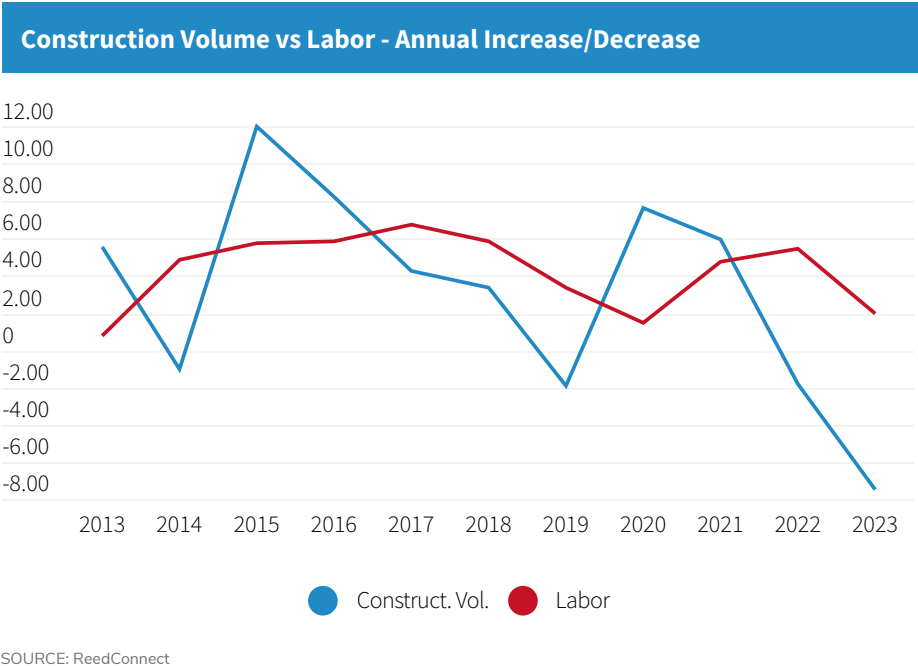
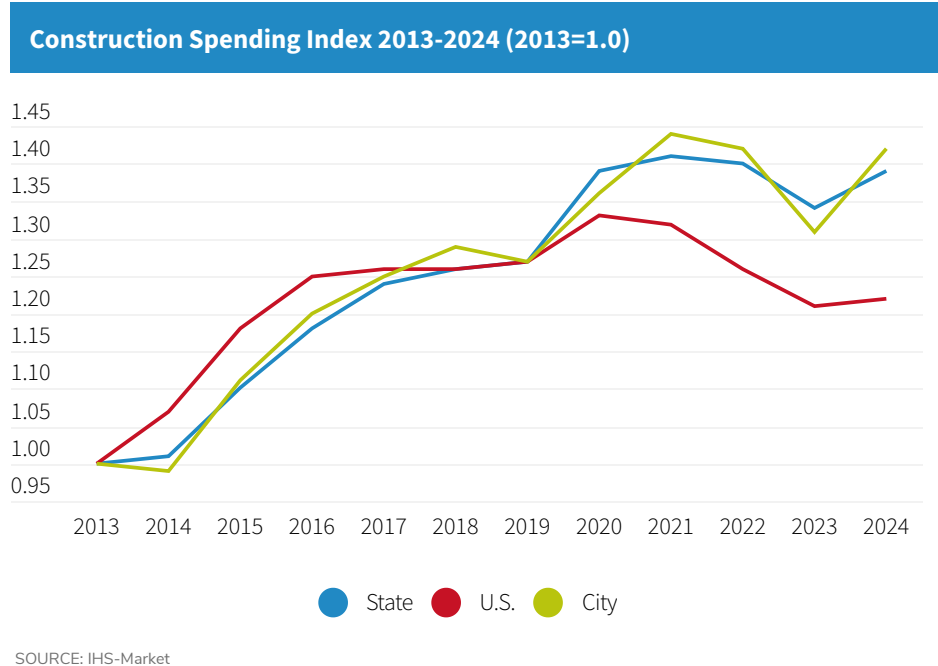
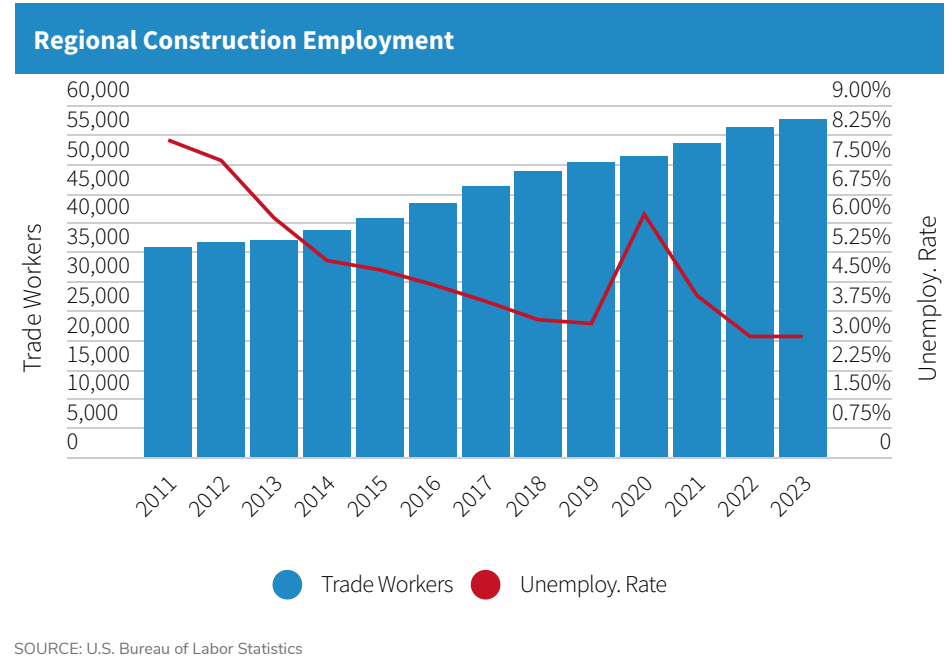
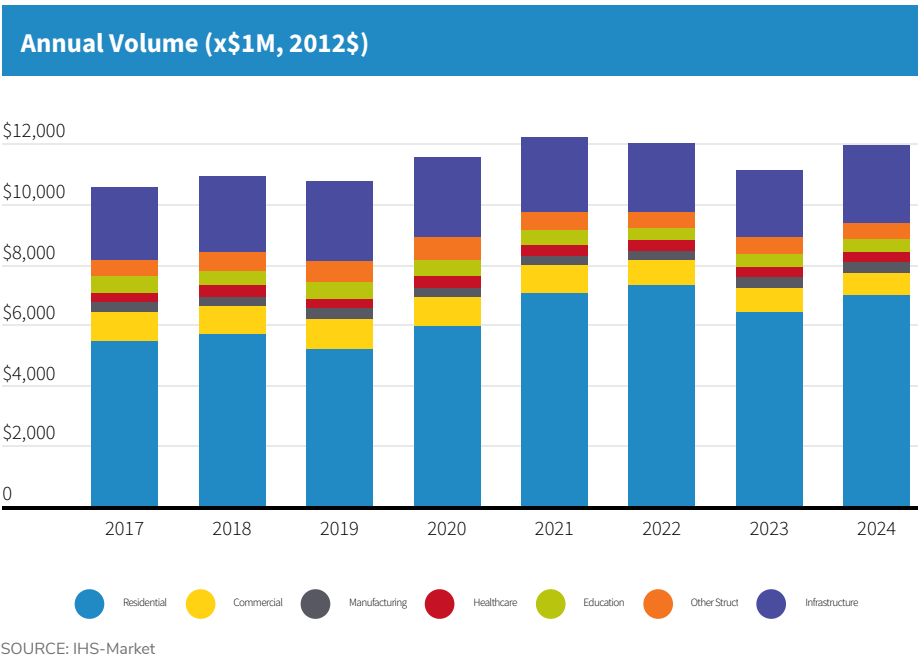
# Raleigh-Durham, NC

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Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)									
	2017	2018	2019	2020	2021	2022	2023	2024	
Total Increase	4.2%	3.3%	-1.9%	7.6%	5.9%	-1.8%	-7.5%	7.9%	
Residential	8.6%	3.5%	-7.9%	13.5%	19.0%	3.5%	-12.1%	8.5%	
Commercial	4.3%	3.4%	2.0%	2.7%	-10.0%	-8.1%	-0.8%	-5.8%	
Manufacturing	-14.1%	-2.2%	7.1%	-6.5%	1.2%	8.8%	5.9%	-10.8%	
Healthcare	9.6%	0.0%	4.1%	4.1%	-1.8%	-7.2%	-7.1%	8.0%	
Education	7.0%	3.3%	5.2%	1.8%	-12.4%	-16.7%	-1.5%	5.0%	
Other Structure*	7.0%	2.7%	1.1%	11.4%	-10.0%	-11.1%	0.1%	1.9%	
Infrastructure	-4.1%	4.2%	6.0%	0.4%	-7.6%	-9.8%	0.1%	16.5%	

◀ HISTORIC    FORECAST ▶

\* This includes religious buildings, amusement, government communications, and public recreation projects.



Top Regional Projects Sorted by Construction Value		
Project Name	Location	Value
Wolfspeed's Factory	Siler	\$5B
Vinfast Manufacturing Plant	Moncure	\$4B
Currituck Station	Moyock	\$2.397B
VinFas Electric Vehicle Assembly Plant Phase 1	Moncure	\$2B
Downtown South/North Carolina FC Stadium Mixed-Use Development	Raleigh	\$1.9B
Wolfspeed Silicon Carbide Materials Facility Phase I	Durham	\$1.3B
Toyota Motor Battery Factory	Liberty	\$1.3B
The Grounds at Concord	Concord	\$1B
Spark LS	Morrisville	\$1B
Centene Office Campus	Charlotte	\$1B

SOURCE: ReedConnect