

Raleigh-Durham

Impact

Emerging from its well-established biotechnology and life sciences industries, Raleigh-Durham's high-tech industry is growing into a powerful force, driving economic expansion and moving the real estate market.

Overview

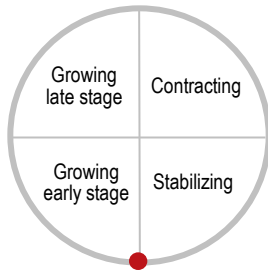
Research Triangle Park, located between Duke University, the University of North Carolina, and North Carolina State University, is the premier high-tech submarket. The submarket is home to many prominent high-tech companies, including Cisco Systems and IBM, as well as burgeoning gaming companies. While venture capital funding has been lacking in the area, new high-tech accelerators have been established to seed and launch new ventures which subsequently translates into office demand and absorption.

Outlook

Raleigh-Durham is making a strong push to become a top high-tech market. With local initiatives backing the expansion of the industry, the office market will continue to expand with the expanding industry.

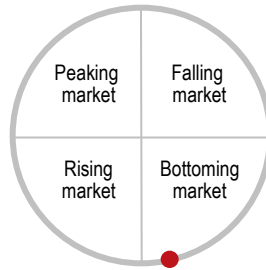
High-tech industry

Economic cycle clock



Office property

Market cycle clock



Players: top high-tech firms By real estate footprint



Cisco
TEKELEC
NetApp RTP

Scorecard



Economic		rank
High-tech jobs / annual growth	46,528 / 1.0%	10/9
Percent of total jobs	7.7%	5
Number of firms	2,337	13
Venture capital funding (past 4 quarters)	\$331.3 M	13
Share of U.S. total	1.3%	
College education	39.9%	10
Diversity (non-white / foreign born)	31.0% / 10.7%	9/15
Office		
Cost (average asking rent)	\$20.06	18
Annual growth	-0.3%	11
Supply (vacancy rate)	17.0%	10
Demand (net absorption sf / % (past 4 quarters))	804,266 sf / 1.9%	12 / 3
High-tech concentration (high-tech services vs. office jobs)	13.2%	6

Recent lease activity



Parata Systems
2600 Meridian Parkway
66,000 sf



RadarFind
1500 W Perimeter Park Drive
17,000 sf



Art.com
5580 Centerview Drive
17,000 sf



Liquida Technologies
419 Davis Drive
16,000 sf