



ECONOMY & BUSINESS

2025

RALEIGH
CHAMBER 


WAKE COUNTY
ECONOMIC DEVELOPMENT



RALEIGH CHAMBER 2024 ACCOMPLISHMENTS



In the past year:

- North Carolina was named #2 in CNBC's "America's Top State for Business" list.
- Announced 39 projects totaling 11,000 new jobs and over \$5.7 billion in capital investment through the end of EDGE 6.
- Launched the results of the third edition of the Regional Skills Analysis, a 15-county survey used to project future hiring needs, predict desired skills and education preferences, and illuminate barriers to recruitment and retention.
- Lobbied for over \$67 million in childcare stabilization funding to ensure childcare centers remain open and affordable.
- Advocated for the rezoning of the New Bern Avenue corridor along the city's first Bus Rapid Transit route to support more housing and opportunities for businesses.
- The Regional Transportation Alliance played a key role with Raleigh-Durham Airport Authority to support new air service including Copa Airlines and Aeromexico and organized a QuickTour to Richmond, Va. to advance freeway cap opportunities and study Bus Rapid Transit in a peer city.
- The Raleigh Chamber Foundation developed future leaders by graduating 100+ Leadership Raleigh participants, awarding 11 scholarships, and leading two Emerging Leaders cohorts with 39 professionals. Leadership Raleigh participants made a lasting impact by raising over \$252,000 to support local nonprofits.
- The Raleigh Chamber Foundation received a \$109,000 grant from the City of Raleigh Public Project Community Support Fund and hosted five town halls, with over 260 attendees, to provide resources and support to businesses and in the New Bern Ave. corridor during bus rapid transit construction. The grant generated over 1.4M favorable impressions of the BRT project.
- The Triangle DEI Alliance released a Comparative Study to over 1,400 business and community leaders, policymakers, and stakeholders. The data-driven study aims to facilitate evidence-based decision-making, identify barriers, and target interventions that can lead to sustainable and inclusive economic growth.
- Hosted record-breaking, sold-out conferences. The annual Women's Leadership Conference celebrated its 11th year with over 1,100 participants, and the Triangle DEI Alliance hosted its 7th annual DEI Conference with over 1,400 registrants.
- Supported over 3,000 small, women, and minority-owned businesses through diverse programming and resources including Coffee with Leaders, Business After Hours, and Networking 101. Our equitable economic development programming supported 880 small and minority-owned businesses.
- Hosted over 150 impactful events with over 17,000 attendees to advance talent development and foster valuable business relationships.



“Every day, the Greater Raleigh Chamber, with our Board of Directors, investors, and members, is driving transformation and growth. Our proactive approach to economic development ensures that we are not just keeping pace, but truly leading the way in making our region one of the best places to thrive personally and professionally.”

ADRIENNE COLE

President and CEO, Greater Raleigh Chamber



2025 PRIORITIES

In 2025, your chamber will:

- Lead economic development for Wake County and support job creation and capital investment in the county's municipalities through business recruitment, existing industry, workforce, and site development efforts.
- Collaborate with Wake County municipalities, workforce development and education providers, to support growth and economic opportunities for existing businesses.
- Expand the national talent recruitment campaign, Work in the Triangle, to increase the number of highly skilled employees to support companies' workforce development goals.
- Implement a legislative agenda that advances policies that improve the regional business climate and maintain a thriving and vibrant community.
- Provide programming, opportunities for connection, and hands-on resources to support the region's small and large businesses.
- Deliver high quality professional and leadership development programs for member businesses.
- Continue to advance future leaders by hosting two Leadership Raleigh classes and awarding scholarship recipients. We will also host three Emerging Leaders' cohorts with a total of 55 participants.
- Host a reception to welcome North Carolina's new Governor and organize a breakfast event for newly elected officials at the state and federal levels.
- Facilitate connections with the region's elected and appointed officials by leading two informational tours to Charlotte, NC and Kansas City, MO.
- Deliver business leadership to get our region moving faster by supporting expansions at RDU, lobbying for modernized transportation funding, and accelerating BRT and transit policy.
- Host a new Growth & Development Conference to highlight new developments, opportunities, and challenges facing our rapidly growing market.



“The strength of our economy lies in the vibrant partnerships we've built within our community. By participating in Greater Raleigh Chamber programs, initiatives, and events, we have the opportunity to connect, collaborate, and create lasting impacts for businesses and residents alike.”

SHAN TEEL

Board Chair, Raleigh Chamber
Regional Executive Vice President, First Citizens Bank

REGIONAL GROWTH

THE REGION BY THE NUMBERS

NO. 2

Top State for Business (North Carolina)
CNBC, 2024

NO. 2

Top State for Best Business Climate (North Carolina)
Business Facilities, 2024



51 people

added to population per day

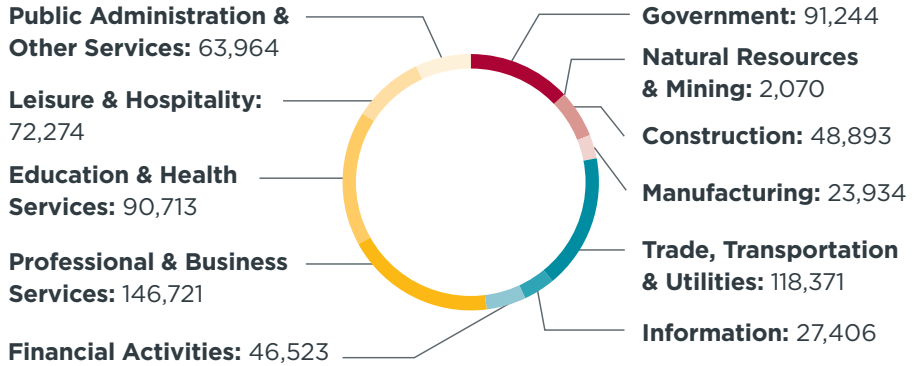
17
are born here

34
move here

Source: U.S. Census Bureau, Population Division, 2024

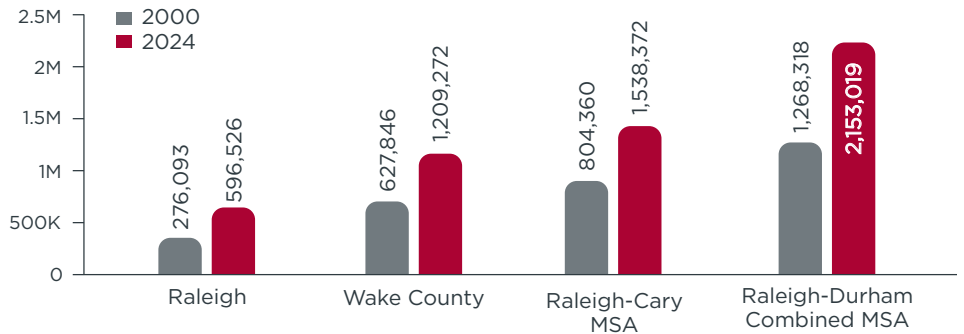
Wake County Employment by Industry Sector 2023

Total Employment: 732,113



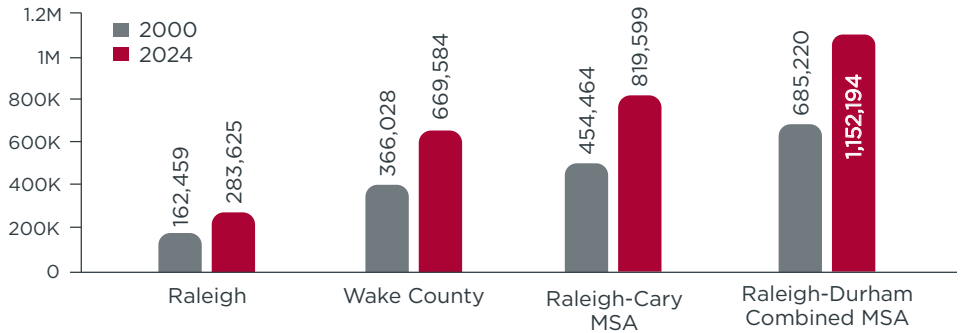
Source: Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)

Population Growth



Source: U.S. Census Bureau, Population Estimates Program (PEP)

Labor Force Growth



Source: Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS)



“I continue to be amazed by the sheer pace of record-breaking investments being made right here in the Triangle. As a lifelong resident of Wake County, I am so proud of the work being done to diversify and grow our economy. Thanks to business-friendly public policies coupled with historic levels of funding for education, our region is hands down one of the most attractive regions in the country for investment.”

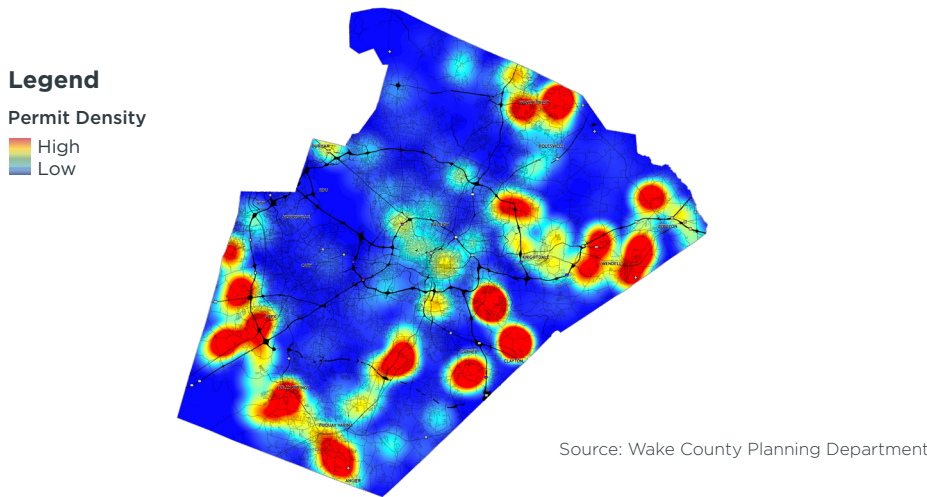
RYAN COMBS

Executive Director, Research Triangle Regional Partnership

WAKE COUNTY GROWTH

Residential & Commercial Permit Concentrations

Wake County: 2023



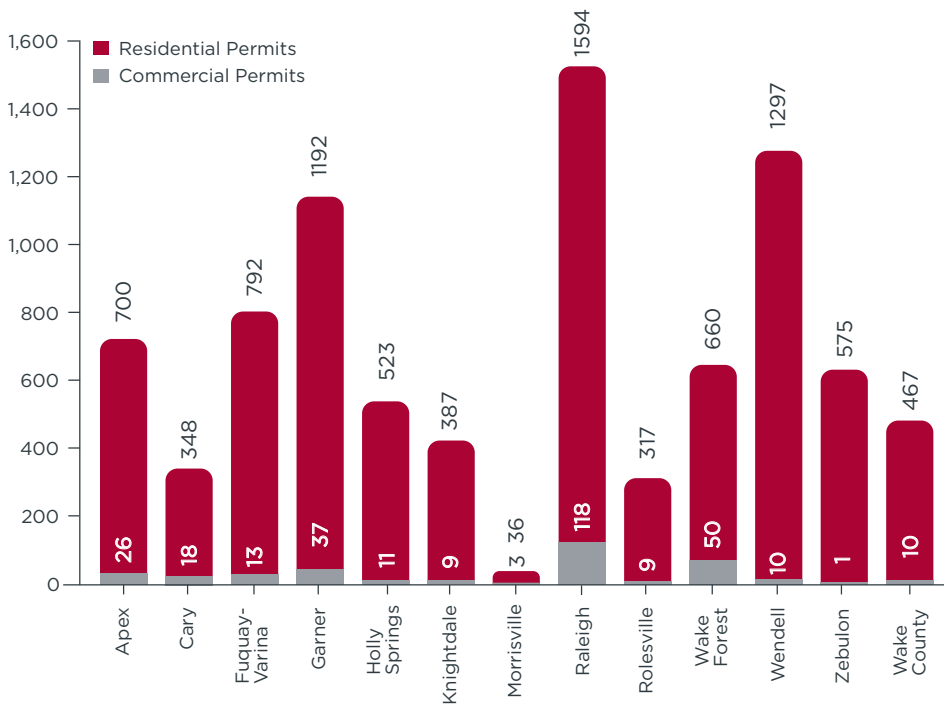
WAKE COUNTY BY THE NUMBERS

8,950
residential permits issued*

316
non-residential permits issued*

* Source: Wake County Department of Tax Administration. August 2023 - August 2024.

New Residential & Commercial Permits by Municipality



NO. 1

Most Popular Urban Area to Move to (Raleigh, NC)
movebuddha, July 2024

NO. 2

Best Performing City in the United States (Raleigh, NC)
Milken Institute, Feb. 2024

“Wake County continues to be a magnet for new and expanding businesses thanks to our skilled workforce, top-notch educational opportunities and high quality of life. In 2024, our board adopted a five-year strategic plan to guide our work in areas like housing affordability, public safety, sustainability, public transportation and economic mobility. In 2025, we will focus on advancing the goals in the plan to maintain Wake County’s competitive edge for years to come.”

DAVID ELLIS

County Manager, Wake County





\$30.5B
in county-wide
retail sales*

WAKE COUNTY MUNICIPALITIES

Apex

With multiple achievements, accolades and new projects in 2024, Apex continues to be positioned for a dynamic future. The Town was nationally recognized by WalletHub, ranking #6 on the list of "Best Small Cities to Live in America," an increase from #12 in 2023. This recognition reflects strong livability indicators, including high marks in education, affordability, and amenities. Development progresses at Apex Gateway, a 400+ acre industrial and business park, with pre-leases secured for multiple buildings in Phase 1, totaling over 500K SF of commercial space, and including the future home of a Coca-Cola distribution facility.



Building on this momentum, Sweetwater Town Center, a sustainable 45-acre, mixed-use development, is generating significant interest as 20+ retailers have opened or plan to open soon. This upscale, walkable community offers a blend of shopping, dining, and entertainment, creating a vibrant destination for both residents and visitors. Apex continues to foster a thriving environment for small businesses and entrepreneurs. Looking forward, in January 2025 the reconstruction of the Saunders Street Parking Lot will begin, adding 152 new parking spaces to Downtown Apex. This project is a part of the Downtown Master Plan adopted in 2019. Together, these initiatives underscore Town's commitment to sustainable growth while preserving the qualities that give Apex its unique character and authenticity.

Cary

The Downtown Cary Park recently celebrated its one-year anniversary on November 16, 2024, after welcoming around 750,000 visitors in its first year. The Town of Cary will host several NCAA events from 2024 to 2039, contributing to Cary's reputation as a major destination for successful sports tournaments. Cary will host the Division I Women's Soccer College Cups in 2024, 2026 and 2027, alongside the Men's Soccer College Cups during the same years at WakeMed Soccer Park. Cary will also host the Division II Baseball World Series at the USA Baseball National Training Complex from 2025 to 2028.



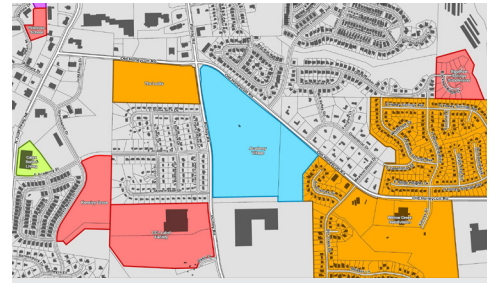
Fenton's office space has secured several new tenants. Notable office leases have been signed by companies such as IPS, a leader in life sciences architecture, engineering, and construction management; Prologis, specializing in logistics real estate; and Surety Systems, an ERP and consulting firm. Additionally, companies like AIMA, focusing on healthcare tech and services, and Cushman & Wakefield, a commercial real estate services firm, have set up their office there.

The South Hills Mall redevelopment project in Cary is a major transformation set to span the next decade. The development will feature a mix of retail, office, residential, and recreational spaces, with an emphasis on pedestrian walkability. The first phase, focusing on the southern portion of the property, will begin construction in 2025.

*Source: North Carolina Department of Revenue. 8/23 - 8/24.

Fuquay-Varina

D.R. Horton, with a commercial partner, will develop Vaughan Park on 90 acres spanning both sides of Judd Parkway. Vaughan Park will feature 336K SF of commercial space and 742 residential housing units, including a diverse mix of apartments, townhouses, cottages, and row houses. The core of Vaughan Park will feature a walkable district with apartments above shops, restaurants, and offices. Purfoy Mixed-Use Project, located at the corner of Purfoy and Old Honeycutt Roads, features 56 townhomes and 51K SF of commercial space focused around a central green, which provides opportunities for both passive recreation and programmed events. Academy Village is right across the street from the Purfoy Mixed-Use project, bounded by Old Honeycutt Road and Purfoy Road. On just over 40 acres, there will be over 140K SF of commercial space, including a committed 52K square foot grocery store and 464 residential units, consisting of 410 apartments and 54 townhouses. In addition to constructing an Academy Street extension connecting Downtown to US 401, the development will integrate various pedestrian elements from plazas and urban storefront walkways to side paths and greenways.



Garner

Garner is currently experiencing a significant growth period, with the population increasing 27% since 2020. This growth has contributed to the expansion of the commercial tax base. Over 2.6 million SF of commercial space has been constructed since 2020, and the opening of I-540 is expected to further enhance opportunities for future growth.

The Garner Commerce Center is a 128,080 SF Class A Light Industrial Park, strategically positioned on NC Highway 70 and is in close proximity to the future expansion of I-540. Additionally, the Economic Development Department, in collaboration with the Garner Economic Development Corporation (GEDC), completed the Northeast Gateway Small Area Study. This study focuses on one of the key areas identified in the Garner Forward Comprehensive Plan as a regional employment center. It analyzes both development opportunities and challenges, providing valuable insights for informed public and private decision-making.



Holly Springs

Adding to N.C.'s life science ecosystem, FUJIFILM Diosynth Biotechnologies, a global leading contract development and manufacturing organization, announced in April 2024 that it will expand its large-scale cell culture manufacturing facility that is currently under construction in Holly Springs with a \$1.2 billion additional investment. Amgen announced plans in December 2024 to construct a state-of-the-art multi-drug substance manufacturing facility for the purpose of increasing capacity to meet current and forecasted market demand for life-saving medications across the globe. This expansion in the Holly Springs facility brings the total investment in the site to over \$1.5 billion, with employment reaching 725 by 2032. Holly Springs' next major business park, CaMP Helix, was selected to participate in the North Carolina General Assembly's Selectsite Readiness Program. CaMP Helix has 400 acres poised to become a best-in-class campus supporting life science and advanced manufacturing.



Knightdale

Knightdale continues to shine as a dynamic and forward-thinking community. Its growth is a testament to thoughtful planning and community collaboration. The town's progress spans economic, environmental, and commercial fronts, marked by transformative projects that continue to mold and shape its future. The addition of two new TJX Group brands enriches Knightdale's retail landscape, while Lennar Corp.'s \$25 million Project Hope introduces a 60-acre development that expands the town's mixed-use facilities with new residential units, a learning center, and commercial space. Additionally, representatives have submitted construction drawings for Downtown North, which is set to anchor northern Downtown Knightdale with 509 residential units, a hotel, 144K SF of mixed-use space, and 220K SF of office and retail space. Enhancing outdoor recreation, the Mingo Creek Greenway extension—Knightdale's premier regional greenway—boasts an expanded 3.5-mile path. It now connects the Neuse River Greenway to Mingo Creek Park and further promotes the town's commitment to providing accessible facilities for more active and healthy lifestyles. Knightdale's vision continues to position it as a beacon of sustainable progress and opportunity with economy- and citizen-centric projects and developments.





“2025 will be a year of capitalizing on momentum and driving our community forward. At the Greater Raleigh Chamber, we are paving the way, fully embracing the rapid progress of our region. We will work with our partners and investors to carry out our economic development strategy to Build a Competitive Future.”

MICHAEL HALEY

Executive Director, Wake County Economic Development
Senior Vice President, Raleigh Chamber

WAKE COUNTY MUNICIPALITIES

Morrisville

The Town of Morrisville, ranked the second-best place to live in North Carolina by Niche, continues to thrive as a highly desirable community. In 2024 Town Council approved a development agreement with Singh Development, LLC to create a 25-acre mixed-use Town Center. This public-private partnership project, informed by extensive community input, aims to establish a vibrant downtown destination with a master plan that integrates residential, office, retail, and civic spaces for a walkable environment. The Town Center will be built in phases, with the anticipated groundbreaking in spring 2025.

Demonstrating a commitment to economic development, Morrisville established a dedicated department led by its first Economic Development Director. Key functions of this department include promoting job creation, supporting business growth, and cultivating a thriving community to attract and retain top talent. With its focus on economic growth, high quality of life, and strategic location in the Research Triangle Region, Morrisville is a prime location for businesses to flourish.



Raleigh

Following a successful 2024 with numerous office project announcements and significant multi-billion dollar public and private investments, the capital city remains the region’s leading economic driver. With a continued focus on business recruitment and expansion, Raleigh Economic Development (RED) has three core priorities for 2025.

- Supporting new and existing target industries and driving product and network development for our industry partners.
- Outreach and relationship building with existing companies in Raleigh.
- Launch a public relations campaign with Raleigh-based firm French West Vaughn.



Additionally, we look forward to continuing to work with site selection consultants, community partners, elected officials, and development partners and supporting the many transformational developments, such as the Raleigh Convention Center Expansion, the Omni Hotel development, and the redevelopment around the Lenovo Center. As we like to say, we’re “in the business—of growing business!”

Rolesville

Rolesville is quickly becoming one of the most desirable towns in Wake County with its proximity to the capital city. Ranked by SafeWise.com as the #6 Safest City in North Carolina in 2024, Rolesville prides itself on a genuine sense of community. \$23 million is being invested along Main Street to create a walkable, downtown destination for residents, visitors and businesses. The Cobblestone Village and Wallbrook developments will bring over a combined 300K SF of exciting new commercial, restaurant and retail space, both scheduled to open in 2025. The Town also recently purchased 17 acres of land for a future Town Campus that will accommodate a new Town Hall, Police Department, Community Center, Fire Station and its first Wake County Library. Construction efforts for a 116-acre park and athletic complex are also underway along US 401. This new park will consist of a combination of recreation facilities including baseball, softball, and multipurpose fields as well as indoor and outdoor event spaces, a dog park, and an agritourism/historic preservation area. Rolesville is constantly moving forward, and we're excited to see what the future holds.



Wake Forest

In 2024, Wake Forest proudly upheld its special balance of big-city energy with its small-town charm. From the ribbon-cutting of WakeMed's new 82K SF state-of-the-art medical office facility, to site clearing for Wake Forest Exchange, a 30+ acre development by St. John Properties bringing new and needed retail, office, R&D, and other flex spaces, the community continues to welcome new strategic investments. Similarly, Merritt Capital Business Park continued its rapid growth, substantially leasing available Class A flex spaces in its two phases. Historic Downtown Wake Forest saw ongoing and dramatic growth with significant new developments, including appealing new residential options and a 16K SF mixed-use warehouse restoration. The Wake Forest Founders Program launched successfully in 2024, completing two cohorts of its accelerator program and expanded programming, offering technical, strategic, and social support to local start-ups.



Wendell

In 2024, Wendell experienced notable economic growth driven by an influx of new residents, businesses, and infrastructure development, as well as rising tourism. The Town's strategic location, less than 20 minutes from Downtown Raleigh, with easy access to Interstates 87, 40/440, and 95, has attracted a number of proposed industrial developments including the Wendell Commerce Center, which is nearly 2-million SF of speculative space being developed by Summit. Wake Tech's East Campus, its most advanced to date, opened its doors to students in 2024 and seeks to train future scientists and engineers in its state-of-the-art laboratory and mechanical training facilities. Looking ahead to 2025, the Town's focus on sustainability and open space, connectivity, and community development will attract more residents and businesses to the fastest growing Town in the Triangle.



Zebulon

Emphasizing smart growth, small-town life, and a vibrant historic downtown, the Town of Zebulon is committed to addressing the needs of both current and future residents. Zebulon's newly adopted Economic Development Strategic Plan prioritizes preserving community integrity while fostering economic prosperity. Initiatives such as joining the North Carolina Main Street Program in 2023 are essential for attracting new businesses, growing existing ones, and attracting redevelopment to the area. The plan also emphasizes cultivating locally owned small businesses alongside industrial growth, securing Zebulon's trajectory for decades. Zebulon proudly features local artisans and products alongside key industrial partners like GSK, NOMACO, Next Century Spirits, and US Foods. Over the last four years, Zebulon has seen its population double, expected to reach 20,000 residents by the decade's end. Zebulon seamlessly intertwines tradition with innovation, honoring the past while strategizing for the future.



2023-2024 ANNOUNCEMENTS

(FY OCT 1, 2023 – SEPT 30, 2024)

Wake County Economic Development (WCED) is the primary economic development organization for Wake County, providing economic development support for its 12 municipalities. The data included here reflects economic development projects led and won by the WCED team in the '23-'24 fiscal year.



153

new projects



26

site visits



2,078

new jobs



\$1.6B

investment

PROJECT ANNOUNCEMENTS

Audemars Piguet



\$22M

investment



105

new jobs



consumer products

industry

Audemars Piguet, the Swiss Haute Horlogerie manufacturer based in Le Brassus, Switzerland, announced plans to invest \$22 million and create 105 new jobs in Raleigh. Audemars Piguet employs almost 3,000 people, operates 97 points of sales globally and keeps growing internationally, while focusing on qualitative development, employee wellbeing and sustainability, partly thanks to the work of the Audemars Piguet Foundation since 1992. Raleigh Iron Works will be the new home of their North American Service Center.

AUDEMARS PIGUET
Le Brassus

The 63,000-square-foot real estate deal, the largest new-to-market office lease of 2023 in Raleigh, is part of a growing cohort of luxury brands establishing a presence in the city. The watch service center is in a City of Raleigh priority area for economic development and a Wake County targeted growth area.

Forge Battery



\$142M

investment



204

new jobs



advanced manufacturing

industry

Forge Nano, Inc., a leading materials science company that enables peak performance products through atomic-level surface engineering, announced plans to launch a lithium-ion battery manufacturing business called Forge Battery in North Carolina. The company and its investors plan for an initial investment of more than \$142M to build a new lithium-ion battery manufacturing facility in Morrisville, bringing hundreds of high-paying jobs to Wake County. Forge Battery expects the facility to be operational in 2026.

FORGE BATTERY

Based in Colorado, Forge Nano improves the performance of materials used in batteries by applying specialized, atomic-scale coatings using proprietary industrial manufacturing equipment. The technology, called Atomic Armor, offers manufacturers protective nano-coating that can increase the battery's energy density, improve safety and extend the useable lifetime.

FUJIFILM Diosynth Biotechnologies



\$1.2B
investment



680
new jobs



life sciences
industry

FUJIFILM Diosynth Biotechnologies, a global leading contract development and manufacturing organization (CDMO), announced that it will expand its large-scale cell culture manufacturing facility currently under construction with a \$1.2 billion investment from FUJIFILM Corporation, adding an additional 680 jobs.



This investment in the Holly Springs, North Carolina, facility brings the total investment in the site to over \$3.2 billion, with employment reaching 1,400 by 2031. Once construction is completed, the facility will be one of the largest end-to-end cell culture biopharmaceutical CDMO facilities in North America.

JT International USA



\$3.1M
investment



100
new jobs



HQ, professional services
industry

JT International USA (JTI), one of the largest tobacco companies in the world, selected Raleigh, North Carolina as its North American headquarters in May 2024. The company selected One North Hills as its corporate home for 100 new positions.



With operations in Wilson, NC and Danville, VA and a partnership with North Carolina State University, JTI U.S.A.'s general manager and president Corrado Mautone called Raleigh a "vibrant and growing city with a top-of-its-class talent pool for recruitment of new employees."

Jewelers Mutual Group



\$5.8M
investment



200
new jobs



professional services
industry

Jewelers Mutual® Group, a leading insurer dedicated to protecting jewelry and jewelry businesses, announced plans to locate a new office for business expansion in Raleigh, North Carolina. The Neenah, Wisconsin-based company plans to invest \$5.85 million, and create 200 jobs.



Founded in 1913, Jewelers Mutual is trusted by over 1 million customers nationwide and in Canada. The company is committed to protecting jewelry businesses and helping them run secure and successful operations, while transforming customer experiences through insurance and technology solutions.

Jewelers Mutual was attracted to Wake County thanks in large part to the robust talent pipeline. As the recently-ranked #1 metro for new college graduates and a top-10 most-educated metro in the United States, Raleigh has the talent pool to drive innovation and economic growth.

Indivior



\$68M
investment



35
new jobs



life sciences
industry

Indivior Inc., a global pharmaceutical company pioneering life-transforming treatment for substance use disorders and other serious mental illnesses, will invest and expand operations for a sterile pharmaceutical production facility at 8900 Capital Boulevard in Raleigh. Indivior currently plans to retain the current workforce, as well as add 35 new positions and make a capital investment of over \$60 million over the next five years. Key roles include production operators and quality control engineers, maintenance, and engineering managers.



“We make great efforts to tie CAWD’s strategic goals to Wake County’s vision for economic growth and opportunity as our work must serve the evolving needs of both residents and businesses. Local government leaders have provided unparalleled support and funded some of our most unique and innovative workforce development programs. This underscores our shared commitment to building a workforce that can drive regional prosperity today and into the future.”

PAT STURDIVANT

Executive Director, Capital Area Workforce Development



EDUCATION AND TALENT

Capital Area Workforce Development Board

In today’s rapidly changing economic landscape, our focus on economic mobility remains essential. Being committed to economic mobility means we are not just preparing individuals for jobs but for sustained and upward career growth. By prioritizing skills and opportunities that align with the evolving demands of our region, we empower people to improve their quality of life while supporting businesses that rely on a skilled workforce. This approach allows us to respond effectively to workforce challenges and create lasting value in the community.

Our healthcare collaborative is a great example of how sector-specific strategies can address critical workforce needs, while promoting economic mobility. We have developed a focused response to the demand for these professionals by tailoring access to training and resources to prepare individuals for roles within this industry. By aligning our efforts with industry needs, we can create a steady talent pipeline and give individuals a path to meaningful, well-paying careers. Sector strategies like this enable us to respond quickly to shifts in demand and provide participants with clear pathways to advancement within these fields.

Looking ahead, we are committed to leveraging technology to increase our efficiency and expand access to services. With tightening funding and the growing preference for virtual services, our workforce programs need to be flexible and forward-thinking. By exploring technology-based solutions—such as virtual workshops, online training, and digital support systems—we can reach a broader audience and maximize our resources. This shift not only helps us better serve individuals who may face barriers to in-person access, but also allows us to operate more sustainably and adapt to the changing needs of our community.

Wake County Public School System

Wake County is home to one of the largest and best public school districts in the nation, with 199 schools serving more than 160K students. The strength of our schools is one of the main reasons people choose to move to Wake County. For decades, our students have consistently outperformed their peers in other districts academically, and we’re building on that success.

The Class of 2024 was our largest graduating class ever, with more than 12K seniors earning their diplomas and ready to make their mark in college and careers. Graduating seniors earned more than \$160 million in scholarships, continuing a long-standing trend. We also offer numerous job training opportunities in everything from HVAC repair, to nursing and cybersecurity, allowing students to get a head start on career ambitions. Students also made significant strides in recovering from the disruption of the COVID-19 pandemic, with proficiency rates on standardized tests reaching or exceeding pre-pandemic levels.

None of this would be possible without the support we receive from our partners. We are grateful that county leaders prioritize funding public schools in a way that sustains the quality our families and community expect and deserve. In addition, the business community supports our schools in a host of ways, including providing job training opportunities and supporting fundraising efforts. Civic organizations and individuals also log thousands of volunteer hours in our schools every year.

The economic and social impact of strong public schools is well documented. Robust public education systems increase property values and personal income, while reducing crime and the need for social services. That’s why WCPSS is a linchpin of this community and a driver of prosperity. With continued support from all sectors, this should continue for many years to come.



“Since I was named superintendent in 2023, I have consistently said that the Wake County Public School System is poised to reach the next level of national excellence. The successes we have enjoyed in the past year demonstrate that we are on the right path. A key reason for this is the many partnerships we have forged with local businesses that share our belief in the transformative power of public education. I look forward to continuing to work with our partners to ensure every child in Wake County reaches their full potential.”

DR. ROBERT P. TAYLOR

Superintendent, Wake County Public School System

“As enrollment continues to increase, Wake Tech has never been more committed to the role we play in the lives of our students and the strength of our workforce. We’re now serving a record 72,000 students a year, giving them opportunities to advance in their careers and improve their lives – while also building a talent pipeline that local industries can rely upon.”

DR. SCOTT RALLS

President, Wake Tech Community College



HIGHER EDUCATION

Wake Technical Community College

As enrollment continues to increase, Wake Tech has never been more committed to the role we play in the lives of our students and the strength of our workforce. We’re now serving a record 72,000 students a year, giving them opportunities to advance in their careers and improve their lives – while also building a talent pipeline that local industries can rely upon.

In 2024 we opened our newest location, Wake Tech East, in Wendell, with programs to prepare students for university transfer, or give them specialized skills for entering the workforce. Wake Tech East includes an award-winning Central Energy Plant that embodies our commitment to a sustainable environment, and a unique Public Safety Simulation Complex, where first responders are getting extensive reality-based training to keep our community safe.

We’re excited to watch our new location grow with the addition of an Advanced Technology Center, which will soon be training students in state-of-the-art biopharmaceutical and advanced manufacturing labs with automation equipment, mechatronics, robotics, and more. And we’re building a unique Fire and Rescue Training Complex that features two towers for high-rise scenarios and facilities for hazardous materials training.

We’ve also begun design on a major expansion at the Perry Health Sciences Campus, which will bring a state-of-the-art simulation hospital to the new Health and Education District near WakeMed, on New Bern Avenue. This unique facility will allow multi-disciplinary, reality-based training that will enhance our pipeline of skilled healthcare professionals.

Wake Tech’s mission is to reach students all across Wake County and rally around them to go as far as their

dreams, talents and resilience will take them. We do this through a strong dedication to serving our community and through partnerships that make our efforts stronger. These partnerships include nearly 150 local employers who have discovered the win-win of apprenticeship. Wake Tech Apprenticeship, powered by the county’s WakeWorks® initiative, combines classroom instruction with on-the-job training to help address the shortage of technical workers in our region. Apprentices earn an income while learning new skills, and employers develop a ready pool of talented workers who have the specific skills they need.

We’re also forging and strengthening partnerships with community organizations such as Dorcas Ministries, Boys & Girls Clubs, Juntos, Communities in Schools and more. Through our collaborative efforts, we are increasingly bringing new opportunities for economic mobility to more residents of Wake County, enhancing the strength of our economy and the quality of life for all in our region.

Meredith College

In 2024, Meredith College welcomed Aimee Sapp as its new president. In 2025, President Sapp will lead Meredith as it focuses on initiatives to grow enrollment, expand academic offerings, and build partnerships in Wake County and beyond.

Meredith has worked to increase access to education for new students of all backgrounds and will continue this focus in the new year. The College is committed to removing barriers for prospective students by simplifying the application process, increasing scholarship opportunities, and more. Meredith College is proud of its recent designation as an emerging Hispanic Serving Institution (HSI) and expects to continue supporting underserved populations. *(Continued Next Page)*

“Higher education has long been a place that builds on the best tradition – the received wisdom that has been passed down – and adds to it a spirit of curiosity that leads to innovation and growth. This is something we see up close here in North Carolina. With the proximity of the Research Triangle, we have a great opportunity to pursue new partnerships that support strategic growth for the College and new possibilities for our students.”

DR. AIMEE SAPP

President, Meredith College



HIGHER EDUCATION

“In 2025, NC State will continue to serve as a hub for statewide economic development, helping to create new ideas, technology, companies and jobs. At the heart of this is our people — the Wolfpack — and the future looks very bright.”

DR. RANDY WOODSON

Chancellor, North Carolina State University



(cont.) Expanding academic program offerings is another area of growth. The College, which already offers more than 90 majors and minors and over 30 graduate and certificate programs, is focused on adding programs that meet the needs of North Carolina’s workforce and expects to build on its STEM strengths to offer more healthcare programs. As the only private college in North Carolina to make the list of “Top 50 Alma Maters of National Board Certified Teachers,” Meredith is working to address the teacher shortage with additional licensure options and robust, ongoing support for new teachers.

Meredith College also aims to enhance partnerships with other higher education institutions through articulation agreements and other academic opportunities. Another focus area is opening its 225-acre campus to community organizations through increased facility rentals.

North Carolina State University

Serving our communities, state and region is inherent in NC State’s land-grant mission. Our university remains committed to driving groundbreaking discoveries, strengthening public-private partnerships and fueling a skilled workforce. As we expand our impact, we’re preparing our campus to meet the need for future growth and development.

In the years ahead, renovations and new developments throughout campus will foster greater collaboration across disciplines and sectors — enabling new solutions to global challenges. For example, slated to open in 2026 the new Integrative Sciences Building will provide 153K SF of vital teaching, research and collaboration space, uniting chemistry and other high-growth STEM fields. At its center will be three core labs that empower NC State to create new kinds of molecules — the fundamental chemical building blocks of human bodies, medicines, fertilizers, energy systems and more — and work to develop technologies that use these molecules to fast-track new innovations. Here, our researchers will solve major societal challenges and train a new generation of interdisciplinary scientists ready for the future.

As a leading public research university, NC State is better positioned than ever to turn ideas into solutions: In fiscal year 2024, our research expenditures totaled \$633 million — the highest in university history. NC State continues to translate research into real-world products by developing a pipeline of talent that will be ready to lead the next wave of innovation in a variety of sectors.

NC State was named the leader of the Department of Defense-funded CLAWS Hub, a regional innovation hub that is building expertise in wide bandgap semiconductors to help ensure domestic supply and strengthen national security. Working with our industry partners, national labs and world-class researchers, the university is leading the way to strengthen U.S. capabilities and scale these technologies to production.

We’re also shaping the future of sustainable food production to help feed a growing world population. This year, NC State was awarded \$30 million from the Bezos Earth Fund to lead a biomanufacturing center of excellence for sustainable protein. The Bezos Center for Sustainable Protein at NC State engages partners from academia and industry to research and commercialize new technologies, while providing workforce training for this emerging industry.

To help meet N.C.’s needs for job-ready graduates, the expansion of NC State’s College of Engineering is well underway. Made possible by support from the North Carolina General Assembly, the “Engineering North Carolina’s Future” initiative enables us to welcome more top students to one of the nation’s leading engineering colleges. Now in our third year of the expansion, NC State has already added nearly 2,000 engineering and computer science students, with plans to enroll an additional 2,000 students over the next few years.

“All indications point to 2025 being a strong residential real estate market in the Triangle. Employment continues to grow around our state capital and universities, and more people are choosing the Triangle to move to from around the country every day.”

SUSAN SANFORD

Director of Relocation & Business Development, BHHS Carolinas



REAL ESTATE

Residential

The diversity of our economy continues to attract companies and employees to the area. As interest rates decline incrementally, we will see the pent-up demand of the last two years become active, and with slowly increasing inventory, we should see sales return to historic norms.

In nine of the last 11 election cycles, we have experienced a strong real estate market in the year following the presidential election. Additionally, interest rates are predicted to end 2024 at 6.5% and reduce in 2025 to an average of 5.9%. This rate stabilization should push buyers toward purchasing homes. Home sales over the last eight years show that the last two years were the lowest in terms of total sales since 2009-2011, despite a growing population and healthy economy, resulting in pent-up demand for housing.

While rates have a significant impact on the decision to move, 80% of homeowners with a mortgage currently have a rate that is at least 1-2% lower than current rates, and that will still be a driving factor in why many homeowners choose not to move. Nonetheless, we expect our population to grow in the Triangle, which will not only improve our economy but continue to keep us in a healthy and appreciating real estate market.

We saw uptick in showings in November 2024, and fully expect that increase to resume as we begin the new year. It is still a seller's market in the Triangle, with two months of inventory overall, and our average days on market has continued to drop in 2024 to where we are now at 19 days on market for sales in 2024. Appreciation has increased by almost 3%, and overall sales by 1.5%, while listings have increased by 16.6% demonstrating that even with more housing available, our market continues to be healthy and in high demand.

Commercial

Wake County's commercial real estate market is entering 2025 with signs of stabilization. Wake County's reputation as a place to live and do business will keep it high on the list for companies looking to relocate or expand. With the construction pipeline relatively empty and no new starts expected in the near term, availability of prime space will likely tighten, pushing tenant demand to the next tier.

The industrial sector continues to perform well despite economic headwinds. A slowdown in deliveries in 2024 set the stage for vacancy to tighten in 2025. With strong demand for newly delivered products, more developers are likely to break ground on new projects in the coming year, creating additional high-quality occupancy options. Wake County's robust population growth will continue to support long-term demand for industrial space as tenants increasingly prioritize last-mile logistics and advanced manufacturing serves as a growing demand driver.

Wake County's demographics will also support demand for medical office and retail space. The region will continue to draw new brands, keeping retail availability tight as vacancies in high-demand locations are readily backfilled. Live-work-play destinations will continue to expand, not only in urban locations, but also in smaller communities and historically suburban areas.

Life Science real estate should see renewed demand in 2025 as capital becomes more widely available. Major biomanufacturers with owned facilities in Wake County have already announced plans for billions in new investment, bolstering the region's reputation as a premier life science ecosystem.

All aspects of Wake County's real estate market will benefit from generational projects such as Dix Park, the Lenovo Center sports and entertainment district, the Raleigh Convention Center expansion with the new Omni Hotel, the RDU International Airport expansion and RTP 3.0.

“As we move into 2025, the commercial real estate market is showing promising signs of stabilization, particularly in the office sector, where tenant demand for in-person attendance is driving leasing activity. With strong population growth supporting long-term demand across industrial, medical office, and retail spaces, I anticipate tightening availability of prime locations.”

TOM FRITSCH

Senior Managing Director, CBRE





“Research Triangle Park is fulfilling the promise we made to North Carolina 65 years ago: transforming our state’s economy by making significant new investments that maintain RTP as a leading innovation community for the future. Phase 1 of Hub RTP, our new downtown destination, is complete, with residents and commercial tenants now signing leases and moving in. RTP 3.0, our blueprint for the next 50 years, will enable us to continue attracting companies that seek the unique advantages of the Research Triangle Region and the state.”

SCOTT LEVITAN

President and CEO, Research Triangle Foundation of NC

RESEARCH TRIANGLE PARK

2025 marks a year of significant growth for Research Triangle Park (RTP) and the Triangle region. The stewarding organization of RTP, Research Triangle Foundation of North Carolina, is proud to celebrate its 65th anniversary, honoring the Park’s legacy as a catalyst for economic development and innovation in North Carolina. Founded on the bold vision of reshaping the state’s economy, RTP continues to evolve, redefining how people live, work and connect while embracing the opportunities and challenges of a dynamic, growing region.

Central to this growth is Hub RTP, RTP’s new vibrant downtown destination. In 2025, the highly anticipated mixed-use development, Horseshoe at Hub RTP, welcomes new and exciting dining experiences. Tenants include Cheeni, a second location of a beloved Durham restaurant led by two-time James Beard semifinalist Chef Preeti Waas that is known for its contemporary take on Indian cuisine, and Prime STQ, the latest concept from celebrated Pitmaster Christopher Prieto that offers a unique blend of his signature barbecue with a steakhouse experience. In addition, Drift Coffee & Kitchen is expanding its Triangle presence within Horseshoe, offering premium coffee and wellness-inspired menu items. To accompany these new dining destinations, visitors can expect new programming and events within Hub RTP’s community focused gathering spaces, which includes our well-known experiential restaurant and retail space, Boxyard RTP, and co-working, office and professional networking spot, Frontier RTP.

Soon, the Hub RTP development will add additional office and lab space, a 279-key Marriott Renaissance hotel, additional residential units from MAA Nixie, restaurants and retail all designed to bring people together to work, play and stay in RTP, driving forward RTP’s broader transformation. This includes the highly-amenitized, state-of-the-art lab and office building Via Labs at Hub RTP from Longfellow Real Estate Partners.

As the Triangle region prepares to welcome over one million new residents in the next two decades, RTP’s mission has never been more critical. Today, RTP is home to nearly 400 companies and 55,000 employees, but it faces shifting dynamics, including hybrid work, the demand for mixed-use environments and evolving research and development needs. To address these

challenges, the Foundation continues its work on RTP 3.0, a bold 50-year vision to enhance the Park’s reputation and structure to better support research, development and collaboration among university, industry and governmental partners. The plan also optimizes the Park’s 7,000-acre footprint for sustainable and equitable growth by reimagining underutilized land into vibrant mixed-use communities and enhancing public services. In partnership with Wake and Durham counties and with continued collaboration efforts with RTP companies, the plan will guide zoning reforms, developmental standards and transit investments to strengthen RTP’s infrastructure and connectivity.



Laying the groundwork for connectivity in RTP is the relocation of GoTriangle’s transit center. Supported by a \$25 million U.S. Department of Transportation RAISE grant, the Triangle Mobility Hub will be a multimodal transportation center located near Hub RTP, improving access to jobs, education and services for the residents of the Triangle region and RTP’s workforce. Expected to generate \$270 million in economic returns over 30 years, the Triangle Mobility Hub is RTP’s first major transit-oriented development and a critical step toward achieving RTP 3.0’s goals. GoTriangle recently issued a Request for Qualifications and will soon move into the Request for Proposals phase to identify a developer for the transit center.

Research Triangle Park continues to be a cornerstone of economic development for North Carolina. A recent economic impact study determined that on an annual basis, RTP supports an economic value of \$25.1 billion, which is equivalent to approximately 4.1% of North Carolina’s 2023 GDP. By advancing initiatives like Hub RTP and RTP 3.0, the Foundation reaffirms its commitment to fostering innovation, sustainability and community building. Together with its partners, RTP remains a global epicenter of opportunity, ensuring the Park and the Triangle region thrive for generations to come.

“It’s clear that RDU is on a growth streak, as we continue to add new flights and destinations and break passenger traffic records. To meet the growing needs of our community, it is critical that we expand and upgrade our facilities and infrastructure. Over the next 10 years, we will embark on a major capital program to build a bigger, better airport and improve the travel experience at RDU.”

MICHAEL LANDGUTH, A.A.E.

President and CEO, Raleigh-Durham Airport Authority



RDU INTERNATIONAL AIRPORT

As the Research Triangle region grows, Raleigh-Durham International Airport is growing along with it. RDU was recently named the fastest-growing Top 50 airport in the country. The airport grew at a rate of 22% over the previous year based on 2023 U.S. Department of Transportation data on how many passengers boarded flights at large airports. RDU also launched 10 new nonstop destinations and 9 route expansions last year and has grown to serve 19 airline partners.

More international nonstop destinations are now on the map, as RDU celebrated new service to Frankfurt, Germany on Lufthansa, Panama City, Panama on Copa Airlines and Mexico City on Aeromexico in 2024. Service to Bermuda on BermudAir and Calgary on WestJet are set to begin in 2025.

To accommodate more flights and more travelers in the years ahead, the Airport Authority plans to invest approximately \$2.5 billion in capital infrastructure over the next 10 years. Major projects include the expansion of Terminal 2 from the curb to the security checkpoint, the replacement of RDU’s longest runway and the expansion of the airport’s main roadway, John Brantley Blvd. In addition to allowing for growth, these projects will provide greater economic opportunities for the region and enhance the guest experience.

In the shorter term, travelers will see some new additions inside the terminals. RDU is reimagining the airport dining experience by introducing a new lineup of restaurants, coffee shops and bars to complement existing airport favorites. The first of more than a dozen new concepts opened in 2024, with more to follow in 2025, featuring local flavors, menus from award-winning chefs, grab-and-go options and more. Keep up with all of the latest developments at RDU at rdu.com.

BY THE NUMBERS

19
airlines

11
international
destinations

60+
direct domestic flights

NO. 1
Top Large Airport
for Passenger Growth
in 2023





Tourism tax collection generated a record

\$84.8M
in FY 23-24



TRAVEL AND TOURISM

BY THE NUMBERS

18.5M

visitors were welcomed in Wake County in 2023

\$3.2B

spent by visitors in Wake County in 2023

\$307M

generated in state and local tax revenues

25,796

workers supported by the tourism industry in Wake County

365

new hotel rooms on the market in 2024

Wake County's travel and tourism industry has recovered, achieving record-breaking visitation levels and breaking all records regarding visitor spending and tax generation in 2023. Tourism tax collections generated a record \$84.8 million in fiscal year 2023-2024. As a result, Wake County and the City of Raleigh approved key priorities in the Wake County Destination Strategic Plan 2028. Enhancements at Lenovo Center, moving the outdoor Red Hat Amphitheater, expansion of the Raleigh Convention Center and development of a 550-room Omni Hotel adjacent to the convention are all in the design phase and moving forward.

Additional new hotel projects continue to rise across the county. In 2024, Wake County added three hotels with 365 rooms to the market's supply, including the Hyatt House Raleigh Downtown/Seaboard Station. Another seven new hotels with more than 788 rooms are anticipated to open in 2025, including the dual-brand Tempo and Homewood Suites by Hilton Raleigh Downtown and The Oberlin Raleigh.

We continue to experience high demand in both conventions and sporting events, including the return of esports competitions like ESL One Raleigh in April, The Soccer Tournament (TST) in Cary in June, VisitRaleigh.com Showcase Series in November and December and three NCAA events in 2025:

- NCAA Division I Men's Basketball First/Second Rounds - March
- NCAA Division II College Baseball World Series - May/June
- NCAA Division I Men's Soccer College Cup - December

Unique and exciting leisure events continue to thrive in Raleigh with the return of Dreamville Festival, Animazement, Brewgaloo, GalaxyCon and more in 2025. This year, residents and visitors alike look forward to the opening of the 18-acre Gipson Play Plaza at Dorothea Dix Park, a civic plaza and playground at the main park entrance and a central gateway connection to the rest of downtown Raleigh.



“The growth and expansion of Raleigh’s tourism infrastructure not only enhances our competitiveness as a travel destination and residents’ quality of place, but it also makes the area a vibrant hub for tourism and economic development”

DENNIS EDWARDS

President and CEO, Greater Raleigh Convention and Visitors Bureau (Visit Raleigh)

NO. 1

Best City to Drive (Raleigh)

WalletHub, October 2024



BUSINESS LEADERSHIP AND MOBILITY

The Regional Transportation Alliance (RTA) has served as the voice of the regional business community on transportation for more than two decades. Our mission is to deliver business leadership to get our region moving faster.

As our market continues to increase in population, size, and overall growth rate, it has become increasingly challenging – and essential – to meet the demands for mobility infrastructure.

The regional business community has redoubled our collaboration, research, and outreach efforts to bring solutions to reality faster. With our region's first dedicated BRT corridor and a new, longer primary runway at RDU both going under construction in 2025, now is the time to seize the momentum for accelerated, comprehensive investments across all modes of transportation.

RTA, NCDOT, and partners are zeroing in on specific Freeway, Arterial, Street, and Tactical (FAST) transit projects, including new I-40 freeway BRT linkages to RDU Airport and Research Triangle Park.

Eighteen miles of the turnpike 540 beltway opened this past fall, and the final 10 miles are under construction. In 2025, we will continue to pursue the accelerated upgrade of US 1 to a multimodal freeway north of I-540, and the development of a SMART freeway (Systematic Management of Adaptable Roadways through Technology) for I-40 to keep us moving.

The regional business community will continue to support and advance innovative, cost-effective, sustainable, and accelerated mobility solutions in 2025 in concert with our partners across the region, state, and nation.

“The regional business community is laser-focused on ensuring that our metropolitan transportation system keeps up with our area’s growth – from accelerating a regional BRT network to expanding RDU Airport.”

JOE MILAZZO II, PE

Executive Director, Regional Transportation Alliance





NO. 9
The Raleigh Metro's Economic Mobility performance ranks #9 out of the 155 most populous MSAs in the country.

ECONOMIC MOBILITY & OPPORTUNITY

Economic mobility, equitable economic development and inclusion remain critical to supporting our goal of being the most inclusive business community in America. In 2025, we will unveil a number of new resources that provide unique data and analysis, support an inclusive talent pipeline, and enhance widely shared opportunities.

Our new Inclusive Workforce Strategies Series will generate insightful engagement featuring expert insights on talent development, thought provoking data, and other opportunities. The series will cover topics related to Cultivating Inclusive Leadership, Supplier Diversity, and Addressing Burnout and Workplace Wellness.

The Supplier Diversity Resource Guide, to be released in 2025, is a valuable compendium featuring a range of Triangle companies with detailed supplier diversity policies and pertinent contact details. The guide offers diverse suppliers a pathway to broaden their networks and support new business opportunities. It will serve as an essential resource for small and minority small businesses by introducing key procurement and contracting terms crucial for navigating the industry landscape effectively.

Furthermore, the guide facilitates access to certifying agencies for diverse suppliers, aiding in the certification process and enhancing visibility.

The Economic Mobility Index will provide a data driven understanding of the economic mobility and opportunities available in the Raleigh metro. The index will also provide a comparative analysis of how the Raleigh metro performs against other peer communities. The index will focus on data that measures the economic performance and representation of various diverse populations. According to the index, the Raleigh metro's Economic Mobility performance ranked 9th out of the 155 most populous metros in the country. The index will also highlight the Raleigh metro as a top performer in the Southeast US.



“Our 2025 efforts are focused on enhancing leadership, embracing collaboration, and supporting economic mobility. We are excited to continue to strengthen the Triangle business community as we champion diversity through inclusive, sustainable, and equitable practices.”

TORRI A. STATON, PH.D

Vice President of Diversity, Equity & Inclusivity, Raleigh Chamber
 Director of Equitable Economic Development, Wake County Economic Development



“In Wake County, we focus on what our 1.2 million residents need today and what they will need to thrive in the future. We’re implementing a five-year strategic plan to bring more good paying jobs to our community while keeping residents healthy, safe and supported. We’re also increasing access to parks, libraries and educational opportunities that further enhance our great quality of life.”

MATT CALABRIA

Chair, Wake County Board of Commissioners

RALEIGH AND WAKE COUNTY



NO. 1

Most Popular Urban Area to Move to (Raleigh)

Movebuddha, July 2024



NO. 1

City for College Grads (Raleigh)

Bloomberg, July 2024



NO. 1

Best County to live in North Carolina (Wake County)

Stacker, April 2024

“Raleigh consistently tops best-of lists for good reasons. Our highly educated pipeline of talent, innovative startups, and low cost of doing business draw corporate headquarters, software firms, advanced manufacturing facilities, and life science companies from all over the world. We’re facilitating faster commutes by extending and increasing service in our transit system, including the coming bus rapid transit routes. Add in our universities, a bustling international airport, and a diverse community of residents, and you can see why we say Raleigh has no limits.

A strong business environment pairs with a strong quality of life in the Capital City. Our parks deliver creative programming, include features like pools and pickleball courts, and connect to an extensive network of greenway trails. Music, arts, and top restaurants concentrate in our vibrant downtown. And our City programs are filling gaps to ensure our most vulnerable residents find support resources from health to housing. We are working hard to make sure Raleigh is a City that is welcoming for all.”

JANET COWELL

Mayor, City of Raleigh



2025 ECONOMIC FORECAST

Growth in the economy continued in 2024. Part of the reason was a change in policy from the nation's central bank – the Federal Reserve (the “Fed”). As the inflation rate started surging in 2021, beginning in early 2022 the Fed used its powers to raise interest rates in order to moderate spending, thereby taking pressure off prices. The Fed saw the annual inflation rate drop to the low 2% range in late-2024 from the over 9% rate in mid-2022. The Fed took this news as evidence their policy had succeeded, thereby allowing them to ease up on the economic brake. The Fed made two rate cuts in late 2024, reducing their key interest rate by over one percentage point.

Even before the rate cuts, the national economy was growing, and at the end of the year, 2024 will be judged as another positive year. Economic production increased and jobs were added. Paychecks rose at rates faster than prices, thereby allowing households to make gains in their purchasing power. While jobs were higher than in 2023, the pace of the gains slowed, resulting in a slighter higher jobless rate. At the end of 2024, the national jobless rate stood at 4.1%, higher than the 3.7% rate in 2023.

The Fed's reduction in their key interest rate was heralded by households hoping interest rates on loans would drop. While many interest rates have dropped slightly, such as for credit cards, long-term mortgage rates rose at the end of 2024. The reason – continued large borrowing by the federal government. Understandably, federal borrowing jumped during the pandemic as the federal government pumped trillions of dollars into the economy to help households and businesses survive the shutdowns. While current borrowing is below the pandemic years, federal borrowing has not returned to pre-pandemic levels. Hence, the federal government is increasingly competing with private borrowers for loanable funds. Such a situation pushes interest rates, especially long-term interest rates, higher.

The forecast for the nation's economy in 2025 is still positive, but with some uncertainty. Production, employment, consumer spending, and business investment are all expected to increase. The new Presidential administration has discussed ideas for tax cuts and also for targeted increased domestic spending. If the increased spending is not balanced by reductions in other parts of the federal budget, increased federal borrowing would occur, which could push interest rates higher. Also, if new tariffs on foreign imports are implemented, the likely consequence would be higher prices for those imports, which could stall or reverse the progress on inflation. This might result in a slower growing economy at the end of 2025, maybe even leading to a higher jobless rate.

DR. MICHAEL L. WALDEN, PH.D.

William Neal Reynolds Distinguished Professor Emeritus at North Carolina State University



While household purchasing power in 2025 should return to levels of four years ago, rising consumer debt and debt delinquencies deserve watching. Although not near record levels, debt and delinquencies have been consistently climbing, leading to challenges for households' finances.

Turning to North Carolina, the State's economy continues to outpace the national economy. The latest available data show the growth rate of aggregate economic production in 2024 in N.C. was almost 50% faster than in the nation. The State's jobless rate has also been consistently under the national rate. While some projections of the State's future economic growth suggest a modest slowdown, all signs point to a robust and expanding economy. The State continues to rank high on net in-migration, a measure of households moving to the State from other states. One of the biggest challenges for the State in 2025 will be the rebuilding of areas in western N.C. that were devastated by Hurricane Helene.

N.C. has been making progress on geographically “spreading the wealth.” In the 21st century, most economic gains were in the big metropolitan areas like the Triangle and Greater Charlotte. But since the pandemic, major business announcements have been made for smaller regions, such as Rocky Mount, Wilson, Hickory, and Chatham, Gaston, and Brunswick Counties. Within the Triangle region, Johnston County is on the verge of becoming a “second RTP” with numerous pharmaceutical firms expanding there.

Wake County continues to grow as a core county in the nationally recognized “Triangle Region.” Although final numbers are not yet available, the growth rates in metrics like population, employment, and building permits may be lower in 2024 compared to 2023. Still, Wake County continues to carry enormous economic advantages, including a lower-cost-of-living than the nation and numerous metro areas, first-class educational institutions, space for development, a pleasant climate, and an improving transportation system. I-440, is being expanded in several locations, and, I-540, is approaching completion.

In conclusion, 2025 should be another growth year for the nation, North Carolina, and Wake County. However, with a new national Administration and likely new economic policies, the advice to “watch and evaluate” is important to apply all year long.

Walden is a Reynolds Distinguished Professor Emeritus at North Carolina State University and President of Walden Economic Consulting. Among his numerous awards is the Order of the Long Leaf Pine. The author of 15 books, he is working on a new book about the future North Carolina economy for the UNC Press.

CAUTIOUS OPTIMISM IN 2025

The past year may be remembered as a period of transition - or maybe even a national reset. Daily life seems to have turned a corner toward normalcy, albeit a "new normal" that brings its own unique set of challenges.

Between 2022 and the end of 2024, our national economy began to stabilize, shedding the shocks and distortions caused by the pandemic. Just two years ago, many experts—and an abundance of social media commentators—were convinced that a national recession was both imminent and inevitable.

Ultimately, 2024 delivered an economic soft landing, coupled with stronger-than-expected growth. Most businesses and households returned to more predictable patterns of earning and spending. Many companies brought their employees to the office, and downtowns sprang to life. Global supply chains were repaired or restructured, and reshoring became a reality.

Consumers continued to spend, propelling the economy to growth that outpaced much of the Western world. Inflation continued to abate, gas prices fell to their lowest in three years, and incomes surged. The S&P 500 climbed by more than 25%.

With the tailwinds of the 2024 economy, 2025 promises a new normal. While some aspects of the economy have improved and become clearer, new risks and challenges have emerged.

Interest rates remain high and continue to create a throttle on growth. A year ago, one of the key questions was whether inflation would decrease enough for the Federal Reserve to begin cutting rates. This fall, we welcomed the first rate reductions, though they were modest.

As we move into 2025, the question now is how cautious the Fed will be with future cuts. While additional reductions are expected, inflation remains above the target. Ongoing geopolitical conflicts, the potential for escalating trade wars, and uncertainty around federal policies each pose economic risks, dampening enthusiasm for significant rate cuts.

Concerns that first emerged before the pandemic continue to exert upward pressure on inflation. Tight labor markets, an undersupplied housing inventory, rising insurance costs, and an anticipated surge in health care expenses could fuel new inflation. Additionally, unless interest rates decrease, the high cost of borrowing will continue to slow new construction.

Workforce shortages have scarcely improved. About 15 years ago, companies and economic developers began prioritizing workforce issues. A combination of shifting demographics, declining fertility rates, reduced state-to-state mobility, and shortages in critical skill areas has led to a national challenge: securing enough workers with the necessary skills. Pandemic-fueled early retirements only exacerbated this issue.

As expected, population migration maps reveal that people are moving to some areas while leaving others. Job and labor force growth go hand in hand, intensifying competition among regions to attract talent. In response communities across the country have committed to developing targeted training programs, creating structured work experiences, and implementing aggressive talent attraction strategies.

Two areas to watch closely next year are the power supply and the office market. The availability of electrical power has become a top national concern, ranked as the number one

issue for industrial prospects by site selectors. Meeting the demands of artificial intelligence, manufacturing reshoring, and vehicle electrification has nearly doubled estimated energy requirements. What was once an infrequent topic of discussion has now become a critical competitive necessity.

The office real estate market, both nationally and locally, is on a path to recovery, but it will take time. Vacancy rates and loan default rates have risen, and net absorption remains sluggish.

Despite these challenges, I remain cautiously optimistic about 2025.

N.C.'s business climate remains robust. In the latest rankings, the state's tax climate is ranked 12th nationally, with the overall cost of doing business ranked 18th. Our firm's recent metropolitan analysis, Raleigh ranks as the second most competitive among the 100 most populous metros, just behind Austin.

Workforce supply and skills are significant competitive advantages for N.C. and the Raleigh-Cary MSA, which includes Wake, Johnston and Franklin counties. Both N.C. and the MSA rank among the fastest-growing areas in the country. A steady influx of new residents and workers provides a reliable source of labor to support continued growth.

The state's Community College System is regarded as one of the best in the nation for workforce training, and the labor pool is highly educated and skilled. N.C. also boasts an enviable quality of life, which is essential for attracting and retaining population growth. The region offers excellent education choices, nationally recognized health care assets, low crime rates, and a broad range of recreational and cultural opportunities.

The regional challenge lies in maintaining a balance between affordability and desirability. Post-pandemic, the rising costs of housing have become a persistent concern. In many areas, shelter costs have outpaced income growth, leading to a surge in out-migration from previously high-growth metros.

In our region, average household incomes vary significantly, making it essential to prioritize a diverse supply of affordable housing options for people across all income levels. Ensuring access to affordable housing is critical to sustaining growth.

Several other trends contribute to a positive outlook for the future. New business formation rates remain significantly higher than pre-pandemic levels. For the first time in many years, the nation has seen a surge in productivity. The labor force participation rate among prime-age workers (age 25-54) also remains near record highs.

Regions that focus on the future, avoid complacency, and empower visionary leaders hold a distinct advantage. While success is never guaranteed, the Raleigh MSA is well-positioned to compete with any region.



TED ABERNATHY

Managing Partner,
Economic Leadership, LLC

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Skanska USA
Smith Anderson
Summit Real Estate Group
Sunrock Industries
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