

2026

State of Downtown Durham

downtown
DURHAM inc.

2026

State of
Downtown
Durham

*Powered by People,
Possibility, and Place*

Wednesday, April 22
3:30-6 p.m.

Durham Bulls Athletic Park, 409 Blackwell St.

3:30 - 4 p.m.
Registration

4 - 5 p.m.
Presentation

5 - 6 p.m.
Reception & Networking

PRESENTERS:

Nicole J. Thompson, DDI President & CEO
and Special Guests



downtown
DURHAM inc

2026 State of Downtown Durham

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President's Insights

2025 Overview

Residential development continues to be the backbone of downtown Durham's growth. All 11 completed developments in 2025 were residential. Currently, only four projects are under construction, and all of these are residential developments. Many of the commercial and mixed-used projects that were announced over the past four years remain in the planning stages or have stalled altogether. Although still below pre-Covid figures, the 2025 data suggests that downtown activity is stabilizing.

In December 2025, The Downtown Durham Blueprint: 2035 was officially adopted as a Small Area Plan by the Durham City Council. DDI, working with stakeholders and partners, will use this plan as a roadmap for downtown Durham's continued growth while preserving its unique character.



Above: Visitors with Major the Bull

Right: Durham Bulls Athletic Park

Office Highlights

The two projects that looked promising at the end of 2024 have both stalled. The redevelopment of Heritage Square, which was proposed by Sterling Bay as a mixed-use development with apartments, office and life sciences space, retail and outdoor amenities, has been delayed indefinitely with the developer withdrawing its rezoning application. And the City of Durham-owned 505 W. Chapel Hill St. property has returned the drawing board after the city exited the deal with the chosen developer.

According to CoStar, the market asking rent in downtown Durham was \$34.08/SF/yr, compared to \$28.68 across the greater Raleigh/Durham market. At these higher rates, prospective tenants are prioritizing existing inventory, longer lease terms, rent concessions and increased tenant improvement allowances, according to Colliers. Office occupancy rates ticked up slightly to 84%, with increased absorption of Class A space by the end of the year. Notable leases included Boston Consulting Group and Dollar Shave Club at American Tobacco Campus. Avison Young reports that approximately one-third of available downtown office space is sublet.

For the third consecutive year, no new office space has come online. Nearly 500,000 square feet of previously announced space remains on hold and will likely be repositioned to meet current market demands. This trend extends to the entire region, with minimal office development underway in the Raleigh-Durham market.

Looking ahead, the Downtown Blueprint outlines strategies to support workforce growth, including establishing a commercial land trust to preserve smaller buildings, re-tenanting existing office space, and converting properties to support industries such as life sciences.



Residential Highlights

The residential sector remains strong, with 1,152 units delivered in 2025. Of these, 177 affordable units came online with the opening of the Renegade and Vanguard apartments. Three additional mixed-income developments are under construction, and more than 1,100 market-rate units are either under construction or planned. Average market-rate rents increased only slightly year over year.

DDI estimates more than 12,000 people are living in and adjacent to downtown. Residential occupancy stands at 85%, a slight decline from 2024, suggesting that absorption of new units is slowing.

DDI continues to improve outreach to residents, reinvigorating its Resident Council and increasing regular communication. The Downtown Blueprint recommends deeper engagement with residents through initiatives like identifying publicly owned sites for mixed-income, mixed-use development, coordinating with existing services to address the needs of the unhoused, and initiating a community-led micro-grant program.



Visitors Taking the Bullride



Third Friday Art Session in CCB Park

Merchant Highlights

With most residential properties including ground-floor retail, more than 60,000 square feet of retail space was delivered in 2025. Wye Junction has filled vacant spaces in the existing City Place building, and The Novus has attracted several service businesses. Several anchor tenants are closer to completion, including Uwa in GeerHouse, Gyu-Kaku in the Vega and Fullsteam Brewery at American Tobacco Campus. However, many of the larger spaces in residential properties are still vacant.

Business turnover continued throughout the year. Downtown experienced a slight net growth, ending the year with 293 retail, restaurant, bar and service businesses. Of the 25 businesses that closed, 14 were minority-owned. This reduced minority ownership to 24%, still slightly above the national average of 23%. Women-owned businesses remain a strength, representing 43% of downtown businesses—well above the national average of 22%.

According to CoStar, the retail vacancy rate in downtown is 7%, higher than downtown Raleigh (6.4%) and the greater Raleigh/Durham market (2.7%). Downtown Durham also has a higher vacancy rate than the rest of the city, possibly due to reduced daytime foot traffic, safety perceptions, and parking challenges.

The Downtown Blueprint calls for a program of public safety interventions, affordable space for ground floor small business, technical support for small businesses, improved parking and loading solutions, and strategic tenant recruitment.



Vibrancy

Today, downtown Durham is approaching pre-pandemic visitor levels, drawing visitors from across the Triangle and beyond, and is shifting towards being a destination for food, culture, events rather than a weekday business district.



Third Friday Dance Party at CCB Plaza

Unique visitors increased a modest 6% percent over 2024 while hotel occupancy rates declined slightly. Activity across the downtown districts demonstrates that downtown doesn't have just one hotspot—it's a network of destinations.

The renowned food and restaurant scene continues to be a primary draw, along with major entertainment venues like DPAC and the Carolina Theatre. Events and festivals have stayed smaller and more localized, and visitors value the walkable districts and nightlife.

Visitors are seeking more to do between meals, like retail clusters, “third places,” and opportunities to browse and shop. Beyond mainstays like Durham Central Park and the Durham Bulls Athletic Park there is a gap in family friendly options. Post-Covid, late night options have become limited with fewer casual dining spots, dessert cafes and after-event options. Visitors would also benefit from more visible wayfinding, retail and streetscape continuity, easier parking and more visible public gathering spaces.

The Downtown Blueprint addresses many of these needs, with specific recommendations for enhancing public spaces, creating an interconnected open space network, and upgrading key areas such as CCB Plaza, Convention Center Plaza, and downtown alleys.

— **Nicole J. Thompson**
President & CEO
Downtown Durham, Inc.



Breakfast at Aaktun Coffee & Bar



Biscuits & Banjos Festival



Major Investments



Highlights

Completed 1999 - 2025*

2.7 Billion

Total Investment Past 5 Years**

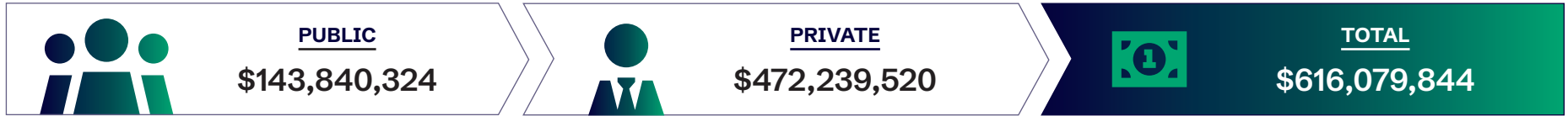
2021	\$201,197,252
2022	\$252,132,491
2023	\$43,382,240
2024	\$61,908,698
2025	\$53,590,612

* Based on permits pulled. Includes infrastructure projects. Source: City of Durham

** By calendar year. Source: City of Durham

Image: The Novus

Public & Private Investment, 2021-2025



Source: City of Durham Building Permits

Completed





Property	Type	Retail Space (sq. ft.)	Total Resident Units	Market Rate Units	Affordable Units
Dillard Co-Living	Residential	—	19	19	—
Maizon Durham	Mixed-use	13,000	246	246	—
North & Broadway	Residential	—	25	25	—
The Novus	Mixed-use	22,000	242	242	—
Renegade	Mixed-use	13,800	105	—	105
The Rigsbee Collection: No. 311	Residential	570	45	45	—
The Rigsbee Collection: No. 815	Mixed-use	2,100	51	51	—
The Terraces at Morehead Hill	Residential	—	25	25	—
Vanguard	Residential	—	72	—	72
The Willow Durham	Residential	—	14	14	—
Wye Junction	Mixed-use	9,323	310	310	—

Under Construction

Property	Type	Projected Completion	Total Resident Units	Market Rate Units	Affordable Units
500 E Main Project Site 2	Mixed-use	2024	195	—	195
Arbor Vista at the Grove	Residential	2024	56	56	—
Commerce Street Apartments Durham Choice Phase 2	Residential	2026	172	43	129
Durham Choice Dillard Phase 3	Mixed-use	2028	146	33	113

Adjacent to the Business Improvement District

Announced

Property	Type	Projected Completion	Retail Space (sq. ft.)	Office Space (sq. ft.)	Total Resident Units	Market Rate Units	Affordable Units
715-719 Rigsbee Ave	Mixed-use	2026	11,215	—	180	180	—
Broadway Urban Townhomes 	Residential	No date set	—	—	14	14	—
City Port 2 	Residential	2025	—	—	55	55	—
Durham Choice Phase 4	Residential	2028	25,000	—	148	—	148
Durham ID (Phase II)	Commercial	No date set	—	178,090	—	—	—
Elm Hill 	Residential	No date set	—	—	68	68	—
Kress Condominiums	Residential	No date set	—	—	26	26	—
T3 American Tobacco	Mixed-use	No date set	90,000	313,000	350	350	—
The Callista	Residential	No date set	—	—	4	4	—
The George	Mixed-use	No date set	3,451	—	40	40	—
The James	Mixed-use	No date set	13,000	—	308	308	—
Trinity Park Townhomes 	Residential	2026	—	—	20	20	—
YMCA	Mixed-use	2029	65,000	—	—	—	—

Renovation

Property	Type	Projected Completion	Retail Space (sq. ft.)
301 E Chapel Hill St	Commercial	No date set	5,386

Investment by Calendar Year

2021	2022	2023	2024	2025
PUBLIC INVESTMENT \$9,390,377	PUBLIC INVESTMENT \$83,108,875	PUBLIC INVESTMENT \$16,726,439	PUBLIC INVESTMENT \$14,002,614	PUBLIC INVESTMENT \$13,608,026
PRIVATE INVESTMENT \$191,806,875	PRIVATE INVESTMENT \$169,023,616	PRIVATE INVESTMENT \$26,655,801	PRIVATE INVESTMENT \$47,906,084	PRIVATE INVESTMENT \$39,982,585
TOTAL INVESTMENT \$201,197,252	TOTAL INVESTMENT \$252,132,491	TOTAL INVESTMENT \$43,382,240	TOTAL INVESTMENT \$61,908,698	TOTAL INVESTMENT \$53,590,611

 Adjacent to the Business Improvement District

Source: City of Durham Building Permits





Office



Highlights

Total sq. ft.	4,759,657
Announced sq. ft.	491,090
Total Completed, Under Construction & Planned Office sq. ft.	5,250,747

*Image, Top: Durham ID
Image, Bottom: Chesterfield*

Image: The Novus

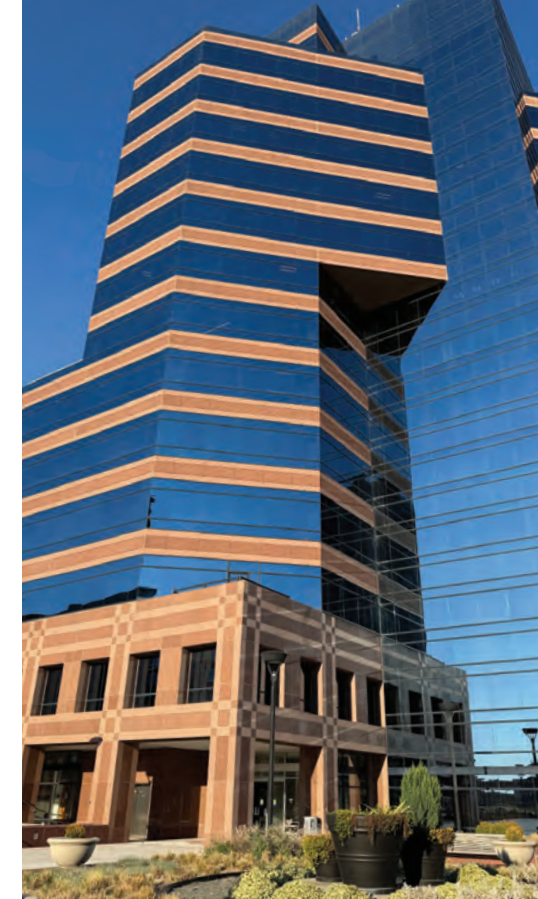
Announced

Property	Address	Square Footage	Projected Completion
T3 American Tobacco	601 Willard St	313,000	No Date Set
Durham ID (Phase II)	518 W Morgan St	178,090	No Date Set

Occupancy Total Past Three Years (as of Dec. 31)

	2023	2024	2025
Class A	87%	78%	83%
Class B	80%	87%	83%
Class C	100%	97%	97%
OCCUPANCY TOTAL	86%	82%	84%

Source: CoStar



The Durham Centre

Occupancy by Class

CLASS A	83%
CLASS B	83%
CLASS C	97%

Office Sq. Ft. Built Or Renovated: Past Five Years

2021	218,000	2022	202,000
2023	0	2024	0
		2025	0



Switchyards Durham





Retail, Restaurant, Bars & Service



Highlights

Total	293
New	35
Expansions/ Relocations	4
Announced	17
Capacity Under Construction	0

*Image, Top: Cocoa Cinnamon
Image, Bottom: Primrose Bar & Lounge*

Image: The Novus

New Merchants

Merchant	Address	Description
Adine Trama at Salon Lofts	105 W Morgan St	Service
Ashleigh Bakes Daily ✦	307 W Main St	Restaurant
Aura at Cecy's	419 Foster St	Retail
Bull City Dispensary	102 E Main St	Retail
The Burrow/ La Madriguera ✦	207 N Church St	Other
Delores Farmer Pottery/Not Just Pots ✦	1008 W Main St	Retail
Elle Duval at Salon Lofts	105 W Morgan St	Service
Fizzwerks	618 E Ramseur St	Bar
Flavor Hills ✦	107 W Main St	Restaurant
Gym Tacos ✦	102 City Hall Plz	Restaurant
Heather Pownall Studio & Gallery	419 Foster St	Retail
HP skin BAR	108 E Parrish St	Service
The Lenny ✦	555 S Mangum St	Restaurant
Max Jr. Mini Mini Mart	1011 W Main St	Retail
Nanny Goat Market ✦	620 Foster St	Retail
Narrative Coffee Co ✦	300 Morris St	Restaurant
Nerra	506 E Ramseur St	Restaurant
Note & Accord ✦	321 W Geer St	Retail
NYC Halal Eats	1013 W Main St	Restaurant
Primrose Bar ✦	111 W Main St	Bar
Psychic Hotline Mailroom	318 Holland St	Retail
Recess Yoga Studio	345 W Main St	Service
Revenant Combat Club	207 N Church St	Service
Sol House Wines	905 W Main St	Bar
SolidCore	400 W Main St	Service
Stanczyks	1007 W Main St	Bar

Merchant	Address	Description
Steele Salon ✦	620 Foster St	Service
Strike Martial Arts	101 W Main St	Service
Tasha Jae at Salon Lofts ✦	105 W Morgan St	Service
Tataco ✦	620 Foster St	Restaurant
Timber Pizza	501 Washington St'	Restaurant
The Topsy Bull 📍✦	800 Taylor St	Restaurant
Tribal Fit ✦	807 E Main St	Service
Vessel Coffee House & Art Cafe	506 N Mangum St	Restaurant
Vida Dulce ✦	618 E Ramseur St	Restaurant



Steele Salon

📍 Adjacent to the Business Improvement District

✦ Minority Owned



Relocated Within Downtown

Merchant	Address	Description
Fate & Folklore	115 Market St	Retail
Revel	400 W Main St	Service
Rustic Fusion ✦	321 W Main St Unit C03	Retail
Virge Yoga	200 Morris St	Service



Virge Yoga



The Topsy Bull

Announced

Merchant	Address	Description
Barbaro Lounge and Taproom ✦	706 E Ramseur St	Restaurant
Boom Club	600 Foster St	Other
CYCLEBAR	311 Liggett St	Service
Dose Yoga & Smoothie Bar	400 W Main	Service
E.O. Athletic Club	341 W Main St	Restaurant
eve. ✦	108 E Parrish St	Bar
Fullsteam Brewery	314 Blackwell St	Bar
Gyu-Kaku ✦	214 Hunt St	Restaurant
Haraz Coffeehouse	1105 W Main St	Restaurant
JETSET Pilates	555 S Mangum St	Service
Lutra Cafe and Bakery	310 Blackwell St	Restaurant
Max Jr's	1007 W Main St	Restaurant
Montwood Cafe ✦	115 Market St	Restaurant
Red Phone Booth	125 Orange St	Bar
Skin & Bones Theater	118 W Parrish St	Other
so / if	331 W Main St	Bar
Uwa	620 Foster St	Restaurant


✦ Minority Owned

Breakdown of Retail, Restaurant, Bars & Service



Retail Capacity

Completed: **60,793 sq. ft.**

Property	Address	Square Footage
Maizon Durham	500 E Main St	13,000
The Novus	400 W Main St	22,000
Renegade	335 E Main St	13,800
The Rigsbee Collection: No. 311 	311 W Corporation St	570
The Rigsbee Collection: No. 815	710 Rigsbee Ave	2,100
Wye Junction	700 Washington St	9,323

Announced: **207,666 sq. ft.**

Property	Address	Square Footage
715-719 Rigsbee	715 Rigsbee Ave	11,215
Durham Choice Phase 4	519 E Main St	25,000
The George	512 Geer St	3,451
The James	320 W Morgan St	13,000
T3 American Tobacco	601 Willard St	90,000
YMCA	205 Blackwell St	65,000

 Adjacent to the Business Improvement District

**Diversity
Percentage:
Retail, Restaurants,
Bars & Service**

TOTAL MERCHANTS

293

70 MINORITY-OWNED

24%

125 WOMAN-OWNED

43%



Nerra





Residential



Highlights




Total Completed	7,224
Total Affordable	915
Completed in 2025	1,154
Affordable Completed in 2025	177

Image: Maizon Durham

Completed: 1,154 Units

Property	Address	Type	Total Resident Units	Market Rate Units	Affordable Units
Dillard Co-Living 	218 N Dillard St	Townhomes	19	19	—
Maizon Durham	500 E Main St	Apartments	246	246	—
North & Broadway 	120 Broadway St	Townhomes	25	25	—
The Novus	400 W Main St	Apartments, Condos	242	242	—
Renegade	335 E Main St	Apartments	105	—	105
The Rigsbee Collection: No. 311 	311 W Corporation St	Apartments	45	45	—
The Rigsbee Collection: No. 815	710 Rigsbee Ave	Apartments	51	51	—
The Terraces at Morehead Hill 	783 Willard St	Townhomes	25	25	—
Vanguard 	533 E Main St	Apartments	72	—	72
The Willow Durham 	600 N Roxboro St	Condos	14	14	—
Wye Junction	701 Washington St	Apartments	310	310	—





Under Construction: 569 Units

Property	Address	Type	Total Resident Units	Market Rate Units	Affordable Units
500 E Main Project Site 2	500 E Main St	Apartments	195	—	195
Arbor Vista at the Grove 	512 Gordon St	Townhomes	56	56	—
Commerce Street Apartments Durham Choice Phase 2 	131 Commerce St	Apartments	172	43	129
Durham Choice Dillard Phase 3 	135 Commerce St	Apartments	146	33	113

 Adjacent to the Business Improvement District



Announced: 2,240 Units

Property	Address	Type	Total Resident Units	Market Rate Units	Affordable Units
715-719 Rigsbee Ave	715 Rigsbee Ave	Apartments	180	180	—
Broadway Urban Townhomes 	106 Broadway St	Townhomes	14	14	—
City Port 2 	507 Yancey St	Condos	55	55	—
Durham Choice Phase 4	519 E Main St	Apartments	148	114	34
Elm Hill 	518 Morehead Ave	Condos	68	68	—
Kress Condominiums	162 W Ramseur St	Condos	26	26	—
T3 American Tobacco	601 Willard St	Apartments	350	350	—
The Callista	802 Washington	Condos	4	4	—
The George	512 Geer St	Condos	40	40	—
The James	320 W Morgan St	Apartments	308	308	—
Trinity Park Townhomes 	114 Watts St	Townhomes	20	20	—

 Adjacent to the Business Improvement District



Groundbreaking for Dillard Street Apartments



Downtown Canine Resident



The Renegade

Residential Units



Total Completed

7,224

Total in BID: 5,841
Total Adjacent: 1,383



TOTAL AFFORDABLE

915

Total in BID: 281
Total Adjacent: 634



TOTAL INCREASE

954



TOTAL ANNOUNCED

1,213

Total in BID: 1,056
Total Adjacent: 157

Rental vs. Ownership

APARTMENTS

6,675

Total in BID: 5,531
Total Adjacent: 1,144

CONDOS

434

Total in BID: 310
Total Adjacent: 124

TOWNHOUSES

115

(All Adjacent)

2025 Stats At a Glance

TOTAL COMPLETED

1,154

AFFORDABLE COMPLETED

177

OCCUPANCY

85%

AVERAGE RENT

\$1,926





Hotels, Attractions, Art & Entertainment



Highlights

Hotels	7
Hotel Rooms	827
Unique Visits to the BID	11.89 million
Major Attractions/ Venues Visits	1.57 Million

*Image, Top: Community Mural by Art of Anon, Maizon Durham
Image, Bottom: Durham Holiday Tree Lighting*

Visits & Visitors

By District

Location	Visits	Visitors
American Tobacco	3,561,439	1,618,394
Brightleaf	1,419,701	512,834
Central Park	2,522,741	958,817
City Center	2,907,646	1,109,286
Golden Belt*	988,674	447,971
Government Services	2,047,194	714,555
Warehouse	1,089,367	436,310

By Year

	2024	2025
Visits	11,190,647	11,893,405
Visitors	3,193,794	3,111,564
Visit Frequency	3.5	3.82
Avg Dwell Time	146 min	146 min

Hotel Occupancy Rate

Year	Occupancy Rate
2021	51.2%
2022	66.1%
2023	69.9%
2024	68.6%
2025	67.7%

*Includes Mill No. 1

Source: Placer.ai

Major Attractions/ Venues Visits: 1.57M

- Carolina Theatre
- Durham Armory
- Durham Arts Council
- Durham Bulls Athletic Park
- Durham Convention Center
- Museum of Durham History
- DPAC
- Main Library

Visitor Demographics

MEDIAN AGE

32.5

MEDIAN INCOME

\$78,108

EDUCATION

Some HS or less: **8.6%**

HS Graduate or GED: **15.7%**

Some College/ Assoc. Degree: **21.2%**

Bachelor's Degree: **29.1%**

Advanced Degree (e.g., Master's, Doctoral): **25.5%**

RACE/ETHNICITY

White: **46.2%**

Black/African American: **27.6%**

Asian: **7.0%**

American Indian/ Alaska Native: **0.2%**

Native Hawaiian/ Pacific Islander: **0%**

2 or more races: **4.4%**

Another, unlisted race: **0.4%**

Hispanic/ Latino**: **14.1%**

**Individuals identifying as Hispanic/Latino may also identify with one or more racial categories.





Partners in Progress

★ Investors



★ Sustainers



★ Advocates



★ Contributors

Discover Durham

SVN | Real Estate Associates

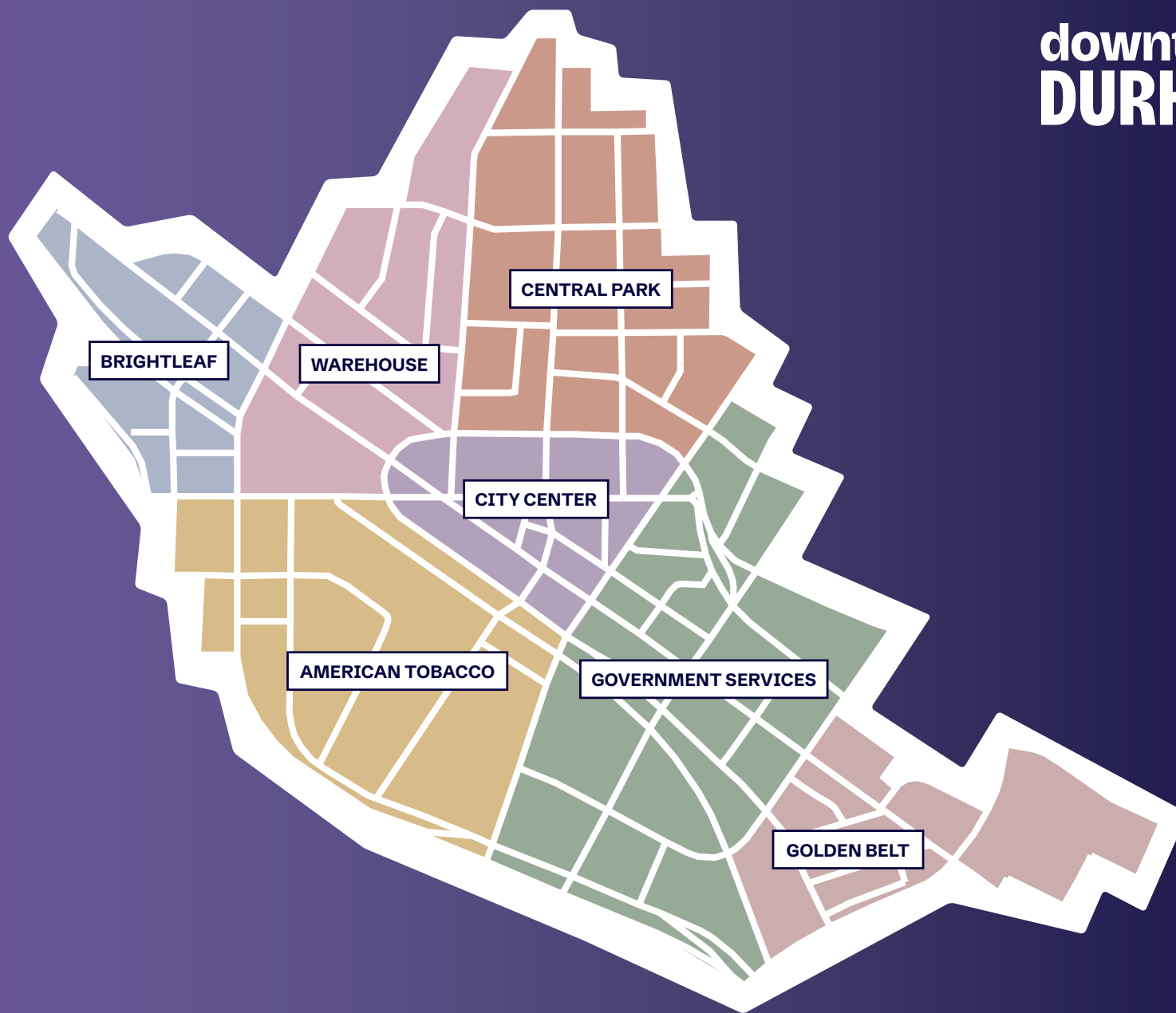
Thank You

Downtown Durham, Inc. could not achieve its mission of ensuring the economic health, diversity, attractiveness and vibrancy of downtown without the enduring support of:



The businesses, property owners and resident of the Business Improvement District

downtown
DURHAM inc



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DowntownDurham.com

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