HUNTSVILLE, AL

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
93.0%	$1,201	16.3%
DOWN 80 BPS YOY	UP 2.5% YOY	UNCHANGED YOY

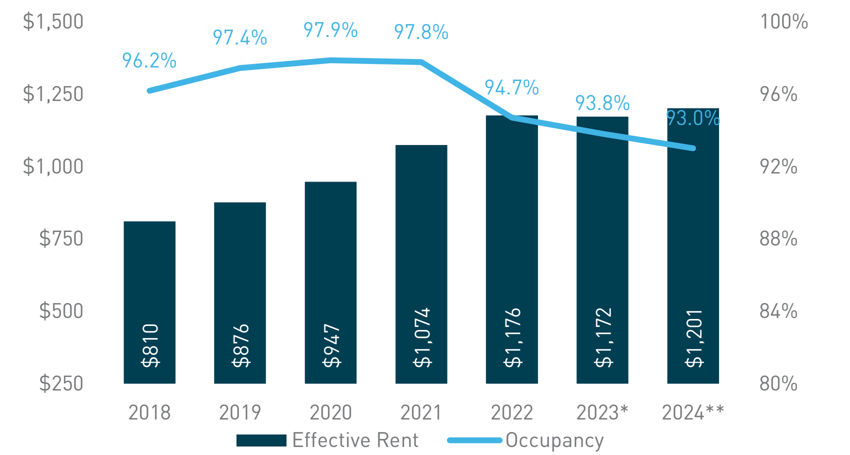
Robust Economy Boosting Developments and Housing Demand in Huntsville

Leading the state with robust employment and population growth, Huntsville's economic outlook is outstanding for 2024. The local economy has and will continue to benefit from business expansions and relocations as payrolls grew by 10,700 positions in 2023. These industry investments combined with a No. 2 ranking on U.S. News & World Report's Place to Live in the United States list led to 5,900 more people move to the metro than moving out. Employment growth is projected to continue in 2024 as employers increase headcounts by an estimated 1,200 jobs. Part of the additions will come as the FBI's HQ2 facilities on Redstone Arsenal are slated for substantial completion in 2024. Huntsville offers an incredibly educated population that powers the numerous high-tech jobs in defense, aerospace, cybersecurity, telecommunications, biotechnology, and logistics. The major construction boom spans all sectors including retail, hotel, industrial, office, single-family and multifamily, taking place throughout the metro. The record-breaking delivery of new apartment properties throughout the metro has been challenging to the Class A segment and led to a decline in occupancy and heavy concessions in 2023. However, the Class B and C product has held-up well with only minor impact. With nearly 50 properties under construction at the start of this year, the supply surge will continue through 2025 and several new projects are expected to start in 2024 despite the headwinds. However, apartment demand has also surged in late-2023 and is expected to be robust this year.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

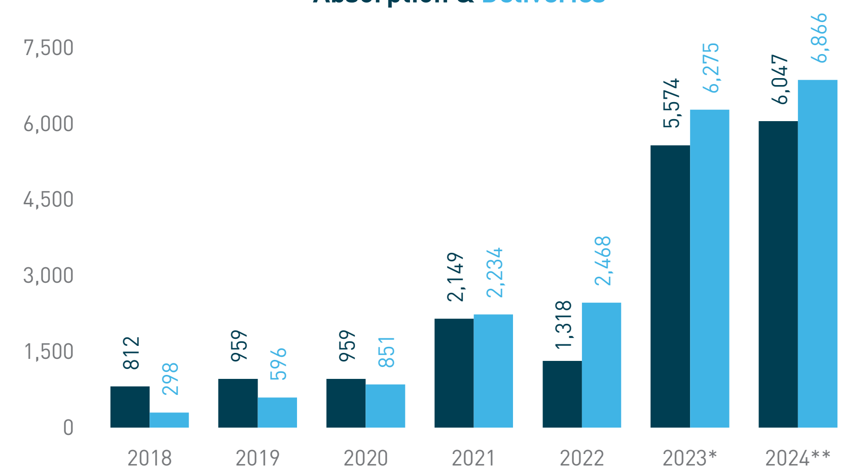


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

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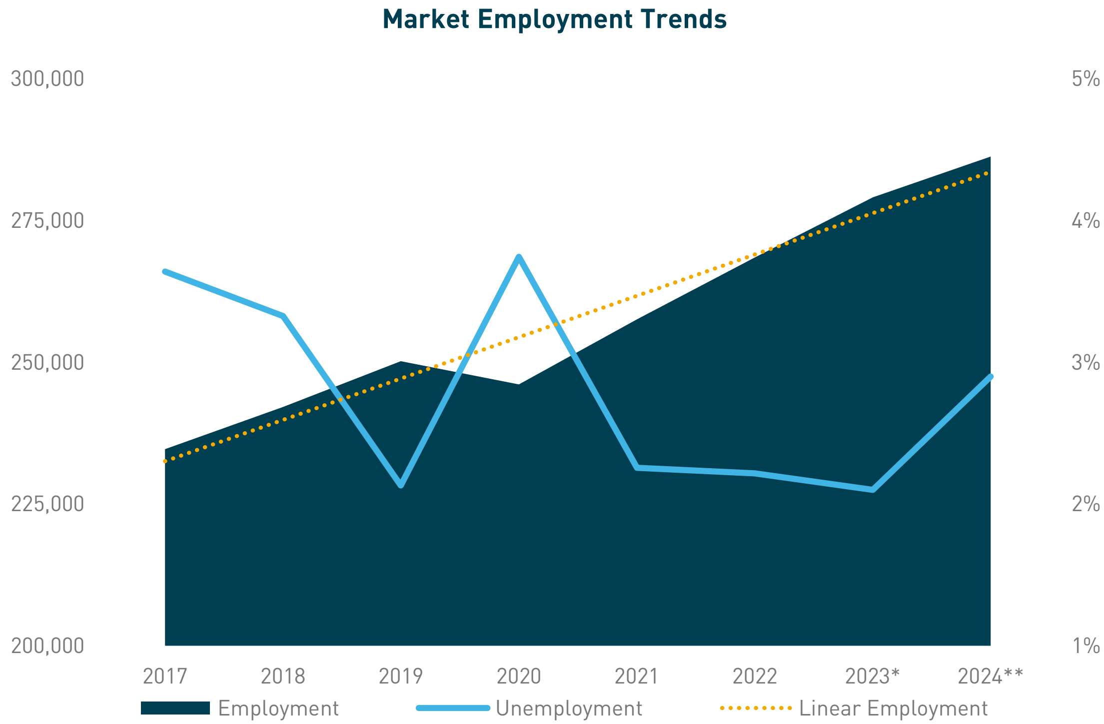
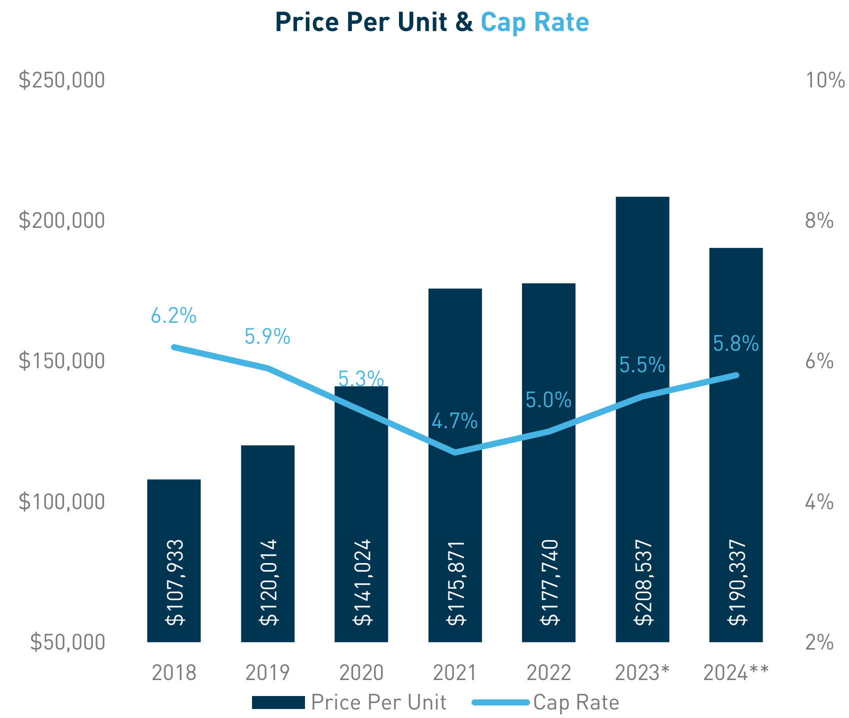
EMPLOYMENT TRENDS



Source: Moody's Analytics *Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI *Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)
286,300
UP 7,200 JOBS YOY

UNEMPLOYMENT (DEC. 2024)
2.9%
UP 80 BPS YOY

MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)
$88,443
UP 2.7% YOY

PRICE PER UNIT (2024 AVG.)
$190,337
DOWN 8.7% YOY

CAP RATE (2024 AVG.)
5.8%
UP 30 BPS YOY