

What's Happening in... Huntsville?



Located in North Alabama, Huntsville is a city known for its thriving tech industry and its reputation as a top US city to live and work.

Originally a manufacturer of textiles and munitions, Huntsville later expanded into the aerospace and defense industries. Now, it serves as home to NASA's Marshall Space Flight Center, a large FBI presence, and several private facilities like the recently-expanded Blue Origin manufacturing plant and Boeing's Electronics Center of Excellence.

With that pedigree it's no surprise that Huntsville's nickname is "Rocket City." But how has this stellar metro fared over the past year?

A Strong Year

2022 was a bumper year for Huntsville, with plans announced for several large-scale development projects, including the \$110 million mixed-use Anthem House. The project will add over 30,000 square feet of both office and retail space along with 330 new apartments to the metro's up-and-coming 'MidCity District.'

Several other recent projects include new Class A office space in West Huntsville and a new \$200 million logistics facility.

Quoted in a Business Alabama article at the end of last year, Randy Thomas, Executive Vice President for NAI Chase in Huntsville, summed up the boom like this: "What we've seen [in the Huntsville market] in the past few years is local ownership of valuable real estate selling to national investors. It's happened again and again and again. And you're going to see more of that."

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Multifamily Growth

Apartment developments in the city have also shot up over the past several years, with news outlet AL.com stating that “the number of new apartment units increased by almost 65% in the past year.”

The upcoming multifamily pipeline is also looking strong according to the 2022 Huntsville Development Review, which adds that approval has been granted for an additional 3,000 units with around 4,000 more in the preliminary approval stage.

All of which adds up to Huntsville being listed as a National Association of Realtor's “Market to Watch” in 2023.

Huntsville Tech Hub

The aerospace and defense sectors continue to fuel new tech job growth in the city, along with automotive manufacturer Mazda Toyota.

Worth noting, however, is that tech giant Meta has hit pause on their \$1.5 billion data center expansion announced last June, as they work to update the design. How that news, and ongoing job cuts in the tech industry, impact the sector will be something to keep an eye on through 2023.

Investment Outlook

Overall, the ongoing boom in construction and development show that Huntsville holds some strong opportunities for interested investors. As always, however, we advise investors to perform due diligence before pursuing those opportunities and to seek advice from local experts.

Interested in commercial properties in Huntsville? Contact our local office at NAI Chase Commercial.

