

What's Happening in ... Louisville?



Louisville is the largest city in the State of Kentucky and home of the world-famous Kentucky Derby. The city is also well-known as the birthplace of champion boxer and activist Muhammad Ali, a fact commemorated with the naming of the Louisville Muhammad Ali International Airport.

Louisville is a hub for shipping and logistics, the healthcare industry and food and beverage manufacturers. It also boasts a thriving tourism industry.

So what's been happening in this bustling city's real estate sector over the last year?

Steady as She Goes

One of Louisville's big draws from a commercial real estate (CRE) perspective is its reputation as a "steady" economic market. A thriving business ecosystem underpins that reputation, ensuring stable job growth and new development projects.

And as Proptech company Crexi points out, these factors allow Louisville to support a steadily growing population that earns the city its description as an "excellent place to consider investing in commercial real estate."

Logistics and Manufacturing

Louisville's diverse array of industries also translates into a robust logistics sector. Realtor.com estimates around 23% of jobs in the city are tied to logistics, adding that job growth in this area, combined with the city's housing affordability, will drive strong performance in both sectors in 2023.

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As with many metros, manufacturing has been a further bright spot in Louisville in 2022, with some big deals coming to the city last year.

Housing Hotspot

Unsurprisingly, given the growing workforce, Louisville also boasts a strong multifamily market. And while some housing investments in the area have focused on high-value luxury multifamily development, more affordable multifamily developments are also in the cards, proving the city's commitment to development that meets the needs of all residents.

As Mayor Greg Fischer points out: "Like cities across the nation, Louisville faces a challenging affordable housing deficit, one that we have vigorously and intentionally worked to reduce over my 12 years in office."

Investment Prospects

Given the options on offer in Louisville, this city is likely to continue attracting investor attention in the year to come. For the savvy investor looking for potential 'gems', it's certainly worth a look. That said, broader market pressures will of course play a role, and, as always, our top advice is to seek out local expertise and conduct due diligence before pursuing any new opportunity.

