MARKETBEAT

HUNTSVILLE

MULTIFAMILY Q3 2025



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
11.1% Stabilized Vacancy Rate	▲	–
2.9K YTD Net Absorption, units	▼	–
$1.24 Effective Rent, PSF	–	–
$90,500 Median Household Income	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
291.1K Huntsville Employment	▲	▲
2.5% Huntsville Unemployment Rate	▼	▲
2.0% Huntsville Household Growth Rate YOY	▲	▲
0.9% U.S. Household Growth Rate YOY	▲	▲

ECONOMY

Huntsville continues to distinguish itself as a high-growth innovation hub in the Southeast, driven by its deep roots in aerospace and defense and a rapidly expanding tech sector. Known as “Rocket City,” Huntsville is home to Redstone Arsenal and NASA’s Marshall Space Flight Center, and now welcomes the U.S. Space Command headquarters, further solidifying its strategic importance. Huntsville’s commitment to quality of life is evident in projects like the $44.6 million expansion of the Ice Sports Center, and the announcement of Alabama’s first IKEA store, set to open in early 2026. With a low unemployment rate of 2.5%, a growing population, and a surge in STEM talent, Huntsville is attracting national attention as a top destination for innovation, investment, and livability.

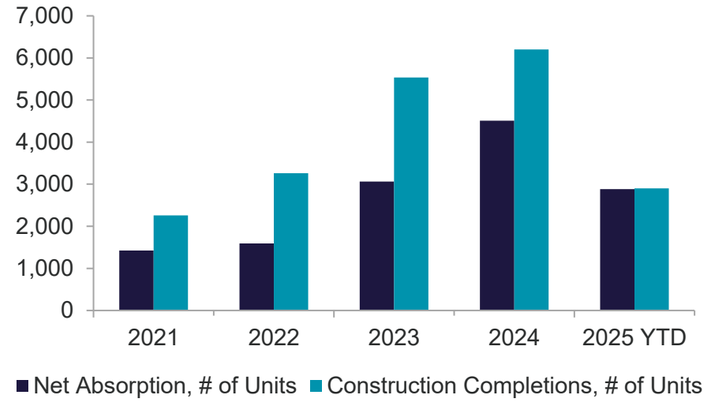
SUPPLY AND DEMAND

The Huntsville multifamily market is adjusting to a more balanced pace after years of rapid expansion. Units under construction declined 57.9% YOY, signaling a significant slowdown in new supply.

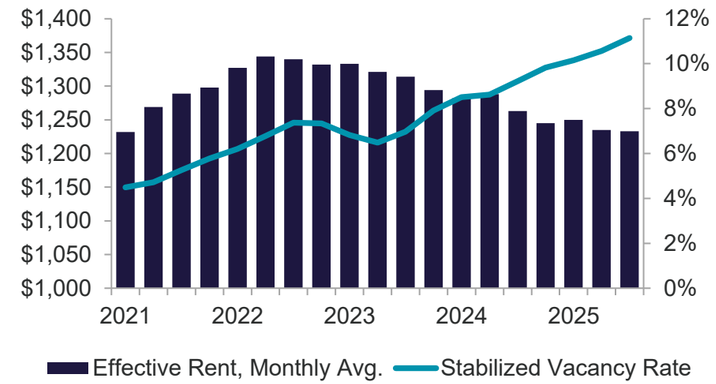
Year-to-date (YTD) absorption reached 2,881 units, a 19.4% decline YOY, reflecting a normalization of demand following record growth in prior years. However, leasing activity remains healthy, with strong fundamentals supported by population and job growth.

Stabilized vacancy rose to 11.1%, up 190 basis points YOY and 60 bps quarter-over-quarter, indicating elevated availability amid recent deliveries. Submarkets with affordability and proximity to employment centers are helping to absorb new supply. Construction completions totaled 2,903 units YTD, down 49.0% YOY, marking a shift toward more sustainable development levels. With fewer projects in the pipeline, the market is expected to stabilize further in the coming quarters.

DEMAND / DELIVERIES



STABILIZED VACANCY & EFFECTIVE RENT



PRICING

Effective rents in Huntsville averaged $1,233 per unit ($1.28 psf) in Q3 2025, down 2.4% YOY. This modest decline reflects competitive pricing strategies amid elevated vacancy and a rebalancing of supply and demand. Despite the recent softness, Huntsville’s long-term rent outlook remains positive, supported by strong economic drivers, continued in-migration, and a growing base of high-income tech and defense professionals.

Source: BLS, BOC, Moody’s Analytics, CoStar, Cushman & Wakefield Research

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HUNTSVILLE
MULTIFAMILY Q3 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Central	2,893	606	26.5%	545	153	9.0%	170	$1,319	$1.51	-9.4%
Limestone County	4,667	234	5.3%	130	710	10.8%	370	$1,265	$1.19	1.1%
Madison Airport	14,458	899	6.6%	0	892	11.2%	240	$1,277	$1.18	-3.8%
Outlying Madison County	3,222	198	6.5%	800	416	11.6%	-20	$1,348	$1.31	7.5%
South Madison County	5,685	318	5.9%	0	208	12.9%	110	$1,154	$1.18	-2.5%
Southwest	3,037	200	7.0%	0	16	7.6%	-250	$958	$1.27	-1.8%
University Research Park	13,763	448	3.4%	328	485	11.5%	310	$1,224	$1.28	-2.7%
TOTAL MARKET	**47,725**	**2,903**	**6.5%**	**1,803**	**2,881**	**11.1%**	**190**	**$1,233**	**$1.24**	**-2.4%**

KEY RECENT TRANSACTIONS

PROPERTY	SUBMARKET	UNITS	YEAR BUILT
The Robert	Madison Airport	284	2024
Vue at Rocket City	University Research Park	155	1983
Park Towne Apartments	Decatur	42	1990
Courtney Square	Decatur	96	1990
Rhodes Ferry Apartments	Decatur	100	1978

KEY RECENT CONSTRUCTION HIGHLIGHTS

PROPERTY	SUBMARKET	UNITS	DELIVERY
Mural at Stovehouse	Southwest	200	July 2025
Anthem House	University Research Park	161	July 2025
Solstice	Madison Airport	238	August 2025
Bartley Lofts	Central	273	September 2025
Wellory Living	University Research Park	328	October 2025
Madison Farms	Limestone County	130	April 2026
Front Row	Central	545	May 2026
Beacon Place North Valley	Outlying Madison County	800	November 2026

OUTLOOK

- FBI expansion is projected to create up to 4,000 direct jobs over the next several years.
- The U.S. Space Command's anticipated impact—more than 3,000 new jobs—has yet to be realized but is expected to ramp up starting in 2026.
- Huntsville's strong base in technology, missile defense, cybersecurity, genetics research and other STEM sectors positions the region for sustained growth, further accelerated by the Golden Dome initiative.

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THE MULTIFAMILY ADVISORY GROUP

HUNTSVILLE

RECENTLY SOLD



MULTIFAMILY COMMUNITY
Birmingham, AL
+/- 600 Units | Built 1998



THE FLATS AT EAST BAY
Fairhope, AL
240 Units | Built 2024



STONEGATE
Birmingham, AL
260 Units | Built 2008



LODGE AT JOHNS ROAD
Huntsville, AL
83 Units | Built 2015

CURRENT LISTINGS



LANDMARK
Tuscaloosa, AL
264 Units | Built 2007



EAST BAY FLATS
Panama City, FL
270 Units | Built 2022



THE RIVI
Foley, AL
144 Units | Built 2024



THE HAVEN AT GREENHILL
Birmingham, AL
128 Units | Built 1985/2023

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