Key Highlights

- Huntsville metro employment has surpassed pre-Covid levels for all industry sectors and has significantly outpaced the U.S. in Manufacturing, Transportation, Information & Finance.

- Unemployment inside the metro is currently a low 2.8%. Population & employment are increasing at an average of 3% per year with workers outside the metro area commuting to fill local jobs.

- Moody’s has projected strong growth for the Huntsville metro which is expected to outpace the growth of the U.S. economy over the next five years.

- Rate cuts by the Federal Reserve are currently in question as inflation continues to flatten.
Huntsville: #1 Best Job Market in U.S.

according to unemployment rates, income, local affordability, jobs offering healthcare, & commute times

asmartplace.com
No. 2 Ranking  U.S. News & World Report’s 2023-2024 ‘Best Places to Live’ list

No. 1 Ranking  Smart Asset Best Job Markets in the U.S.

No. 1 Ranking  CoStar Top 25 Markets for Tech Potential
STEM National Rankings

No. 1 Engineering Workers

No. 3 Total STEM Workers

No. 6 Computer & Math Workers
Huntsville =
Economic Growth

37,800
New Employment (2018-2023)

16%
Employment Growth vs. 5% for U.S. (2018-2023)
$6.4 Billion
New Industrial Investment
2018-2023
Largest employers and investors
Redstone Arsenal

- **47.5K** Workers
- **$87K** Average Annual Salary
- **108K** Jobs Across Tennessee Valley
- **$27B** Economic Impact
- **1,900** FBI Employees
- **10%** Alabama GDP
Cummings Research Park

The second-largest research park in U.S.

BIOTECH RESEARCH
AEROSPACE ENGINEERING
HIGH-TECH EDUCATION

300+ COMPANIES
26K+ EMPLOYEES
Regional Workforce

615,000+
LABOR FORCE

23 minutes
AVERAGE COMMUTE TIME
Population Growth

Huntsville MSA: 54%
United States: 19%
Employment Growth, 2000-Current

Huntsville
54%

U.S.
22%

Change from 2000
# Huntsville Metro Employment

<table>
<thead>
<tr>
<th>February 2024</th>
<th>1-Month Change</th>
<th>3-Month Change</th>
<th>12-Month Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>280,500</td>
<td>1.0%</td>
<td>-0.4%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

| U.S.          | 0.7%           | -1.1%          | 1.8%            |

## Summary:
The current metro area employment for February 2024 is 280,500 which is a 2.9% annual change over the last 12 months. Overall unemployment in the Huntsville metro is currently 2.8% compared to the U.S. rate of 4.2%.
Huntsville Metro Employment

- March 2020: 280,200 workers
- March 2021: 249,200 workers (12.4% above)

U.S. Employment

- March 2020: 157,200,000 workers
- March 2021: 149,900,000 workers (4.9% above)
Employment Change
March 2020 to March 2024

- Construction: 8% (Huntsville), 8% (U.S.)
- Manufacturing: 2% (Huntsville), 5% (U.S.)
- Wholesale Trade: 5% (Huntsville), 5% (U.S.)
- Retail Trade: 7% (Huntsville), 5% (U.S.)
- Transportation: 13% (Huntsville), 27% (U.S.)
- Information: 4% (Huntsville), 24% (U.S.)
- Finance: 4% (Huntsville), 10% (U.S.)
- Professional & Business Services: 8% (Huntsville), 8% (U.S.)
- Education & Health Services: 8% (Huntsville), 7% (U.S.)
- Leisure & Hospitality: 3% (Huntsville), 5% (U.S.)
- Government: 2% (Huntsville), 9% (U.S.)
- Other Services: 1% (Huntsville), 7% (U.S.)
“Huntsville will stay ahead of the state and nation as job growth impresses. Strong support from the military will keep local contractors active and positive migration trends will boost consumer industries. Auto production, however, will be more of a stabilizing force. Longer term, robust demographics will position HUN to be an overachiever in the state.”
Moody’s Analytics

Huntsville U.S. 5-Year Forecast

**Employment Growth**

<table>
<thead>
<tr>
<th></th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>Huntsville</td>
<td>1.0%</td>
<td>1.6%</td>
<td>2.1%</td>
<td>2.4%</td>
<td>2.6%</td>
</tr>
<tr>
<td>U.S.</td>
<td>0.6%</td>
<td>1.0%</td>
<td>1.4%</td>
<td>1.8%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

5-Year Forecast

**GDP Growth**

<table>
<thead>
<tr>
<th></th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>Huntsville</td>
<td>1.3%</td>
<td>4.0%</td>
<td>7.3%</td>
<td>10.3%</td>
<td>12.9%</td>
</tr>
<tr>
<td>U.S.</td>
<td>1.2%</td>
<td>3.6%</td>
<td>6.5%</td>
<td>9.4%</td>
<td>12.2%</td>
</tr>
</tbody>
</table>

5-Year Forecast
Inflation was 3.4% annually in March 2024, the second consecutive month for inflation gains.

The inflation rate fell steadily for 12 months as the Federal Reserve raised rates, peaking at 9.1% in June 2022 and reaching a low of 3% in June 2023. The rate, however, has not dipped below 3% for the past 9 months.

This flattening of inflation above the 2% target has tempered expectations that rates will be lowered in 2024.

The Fed will continue to monitor the economy and act based on the good of the country despite the potential for political pressure in the upcoming election year.
Retailers reported generally healthy consumer demand that moderated toward prepandemic norms as discretionary purchases declined.

Rising supplies of existing homes for sale and new subdivision developments led to higher home inventories, though lower than historical averages.

Cargo volumes at seaports, generally below 2023 levels, are expected to slow further as freight normalizes from 2022’s unusually high levels.

Lending at banks remained relatively flat amid contraction in most consumer loan segments.

Utilities contacts said they will continue to invest billions in infrastructure, largely for emissions reduction, computing capacity, and data center projects.

In agriculture, record-high milk supplies depressed prices, but dairy demand was strong and growing. Increased demand for poultry sparked optimism.
Huntsville Metro Area Report

Alabama Business Confidence Index™
Huntsville Metro Area Report

Alabama Business Confidence Index™

Huntsville Response Breakdown

- Alabama Economy
- US Economy
- Industry Sales
- Industry Profits
- Industry Hiring
- Industry Capital Expenditures

Red: Worse
Gray: No Change
Blue: Better
Total Construction

97.6M
NEW SQUARE FEET IN THE PAST 5 YEARS

$12.9B
CONSTRUCTION INVESTMENT IN THE PAST 5 YEARS
Total Construction

HUNTSVILLE METRO AREA

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$800M</td>
</tr>
<tr>
<td>2015</td>
<td>$1.04B</td>
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<tr>
<td>2016</td>
<td>$1.07B</td>
</tr>
<tr>
<td>2017</td>
<td>$830M</td>
</tr>
<tr>
<td>2018</td>
<td>$1.96B</td>
</tr>
<tr>
<td>2019</td>
<td>$3.66B</td>
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<tr>
<td>2020</td>
<td>$1.83B</td>
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<tr>
<td>2021</td>
<td>$2.62B</td>
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<tr>
<td>2022</td>
<td>$2.26B</td>
</tr>
<tr>
<td>2023</td>
<td>$2.52B</td>
</tr>
</tbody>
</table>

YTD November 2023

Dodge Construction
Manufacturing Investment

5.5Msf
NEW SQUARE FEET
IN THE PAST 5 YEARS

$2.2B
MANUFACTURING INVESTMENT
IN THE PAST 5 YEARS
• $2.3 billion investment
• 4,000 announced jobs
• Production began in 2021

• 3,000 acres
• 2,000 supplier jobs announced
• 300,000 vehicles per year
Commercial Construction

11.6Msf
NEW COMMERCIAL CONSTRUCTION
IN THE PAST 5 YEARS

$2.4B
COMMERCIAL INVESTMENT
IN THE PAST 5 YEARS
• 200 acres
• 200 jobs
• $1.5 billion investment
• HSV1 / HSV2
• 2,000,000 square feet
• 1,000 jobs
## Residential Growth

### PAST 5-YEARS

<table>
<thead>
<tr>
<th>Category</th>
<th>New Starts</th>
<th>Total Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SINGLE-FAMILY</strong></td>
<td>19,344</td>
<td>$4.2B</td>
</tr>
<tr>
<td><strong>MULTI-FAMILY</strong></td>
<td>11,753</td>
<td>$1.7B</td>
</tr>
</tbody>
</table>
Residential Growth

HUNTSVILLE METRO AREA

YTD November 2023, Residential Housing Unit Starts

- 2014: 2,676
- 2015: 2,631
- 2016: 3,106
- 2017: 2,946
- 2018: 3,618
- 2019: 4,775
- 2020: 5,308
- 2021: 7,304
- 2022: 6,689
- 2023: 7,021
Huntsville/Madison Co. Updated Targeted Industries

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Future Combat / Defense Systems</strong></td>
<td><strong>Clean Tech</strong></td>
<td><strong>Cybersecurity</strong></td>
<td><strong>Biodefense</strong></td>
<td><strong>Corporate Headquarters</strong></td>
<td><strong>Artists &amp; Creators</strong></td>
</tr>
<tr>
<td>Future Vertical Lift</td>
<td>Small Modular Reactors (SMRs)</td>
<td>Geospatial Technologies &amp; Services</td>
<td>Applied Genetics &amp; Gene Therapy</td>
<td>Corporate Operations</td>
<td>Music Production</td>
</tr>
<tr>
<td>Military Sensors/Radar</td>
<td>Emerging Mobilities</td>
<td></td>
<td>Human &amp; Plant Genomics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Missile Defense</td>
<td>Electric Vehicles &amp; Components</td>
<td></td>
<td>Health &amp; Human Performance</td>
<td></td>
<td></td>
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<tr>
<td>UAS &amp; CUAS</td>
<td>Autonomous Mobility Systems</td>
<td></td>
<td>Bioengineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Space Technologies</strong></td>
<td>Industry 4.0 Technologies</td>
<td></td>
<td>Space Biotechnology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deep Space Access &amp; Exploration</td>
<td>Additive Manufacturing</td>
<td></td>
<td>Wearables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Low Earth Orbit Products &amp; Services</td>
<td>Advanced Materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rocket Propulsion Systems</td>
<td>High-Reliability Semiconductors</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Space Situational Awareness</td>
<td>Industrial Lasers &amp; Sensors</td>
<td></td>
<td>Plant Sciences</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robotics &amp; Automation</td>
<td></td>
<td>Ag-Tech</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Manufacturing

- Directed Energy Weapons & Laser Systems
- Future Vertical Lift
- Hypersonic Technologies
- Military Sensors/Radar
- Missile Defense
- UAS & CUAS

Clean Tech

- Hydrogen Fuel Cells
- Small Modular Reactors (SMRs)
- Solar & Photovoltaic

Emerging Mobilities

- Electric Vehicles & Components
- Autonomous Mobility Systems

Industry 4.0 Technologies

- Additive Manufacturing
- Advanced Materials
- High-Reliability Semiconductors
- Industrial Lasers & Sensors
- Robotics & Automation

Cybersecurity

- Forensics Technologies
- Geospatial Technologies & Services
- Software Development

Life Sciences

- Biodefense
- Genomics
  - Applied Genetics & Gene Therapy
  - Cellular Engineering
  - Human & Plant Genomics

Health & Human Performance

- Bioengineering
- Space Biotechnology
- Wearables

Plant Sciences

- Ag-Tech
- Bio-Ag
- Space-Ag

Corporate Headquarters

Regional Headquarters

Corporate Operations

Federal Government Operations
22 active projects
5,916 jobs
$3.9B in investment