



Economic Update

Huntsville, Alabama

1st QTR, 2024





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

smartadvisor **match**
smartasset™



No. 2
Ranking

U.S. News & World Report's
2023-2024 'Best Places to Live' list

smartasset™

No. 1
Ranking

Smart Asset
Best Job Markets in the U.S.



No. 1
Ranking

CoStar
Top 25 Markets for Tech Potential

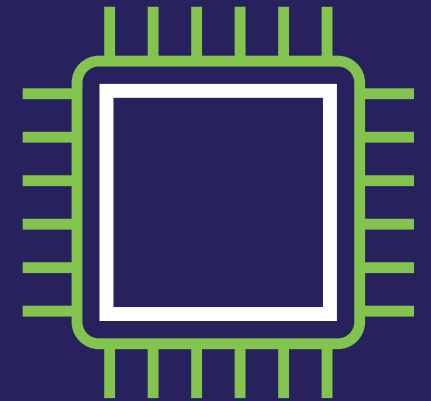
STEM National Rankings



No. 1
*Engineering
Workers*



No. 3
*Total STEM
Workers*



No. 6
*Computer &
Math Workers*

Huntsville = Economic Growth

37,800

New Employment
(2018-2023)

16%

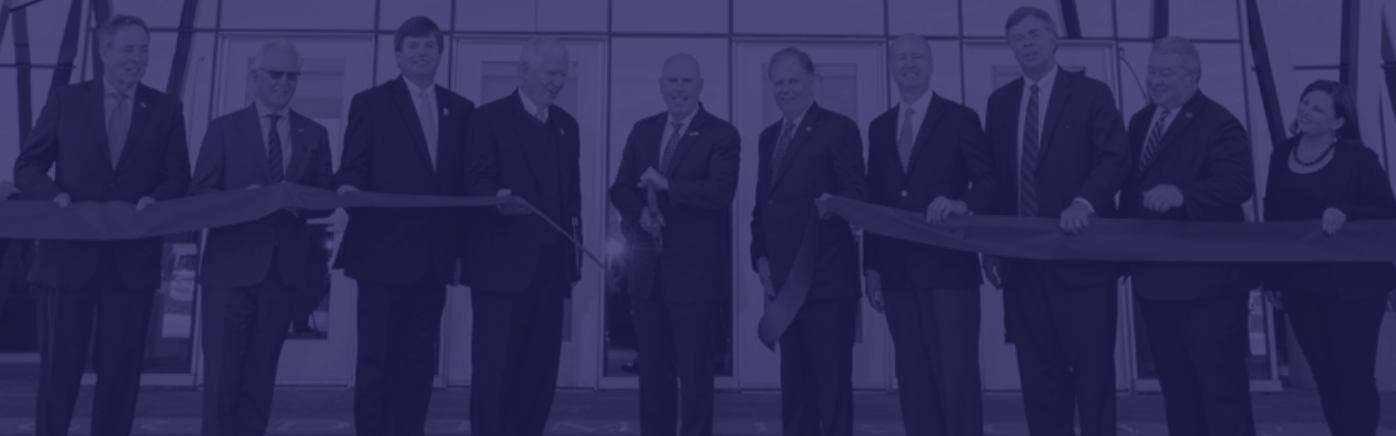
Employment Growth vs. 5% for U.S.
(2018-2023)





BLUE ORIGIN

\$6.4 Billion
New Industrial Investment
2018-2023





a smart place[®]
HUNTSVILLE AL•USA

Largest employers and investors



Redstone Arsenal

47.5K

WORKERS

108K

JOBS ACROSS
TENNESSEE VALLEY

1,900

FBI
EMPLOYEES

\$87K

AVERAGE ANNUAL
SALARY

\$27B

ECONOMIC
IMPACT

10%

ALABAMA
GDP



a smart place[®]
HUNTSVILLE AL•USA

Cummings Research Park

The second-largest research park in U.S.



BIOTECH
RESEARCH



AEROSPACE
ENGINEERING



HIGH-TECH
EDUCATION

300+
COMPANIES

26K+
EMPLOYEES



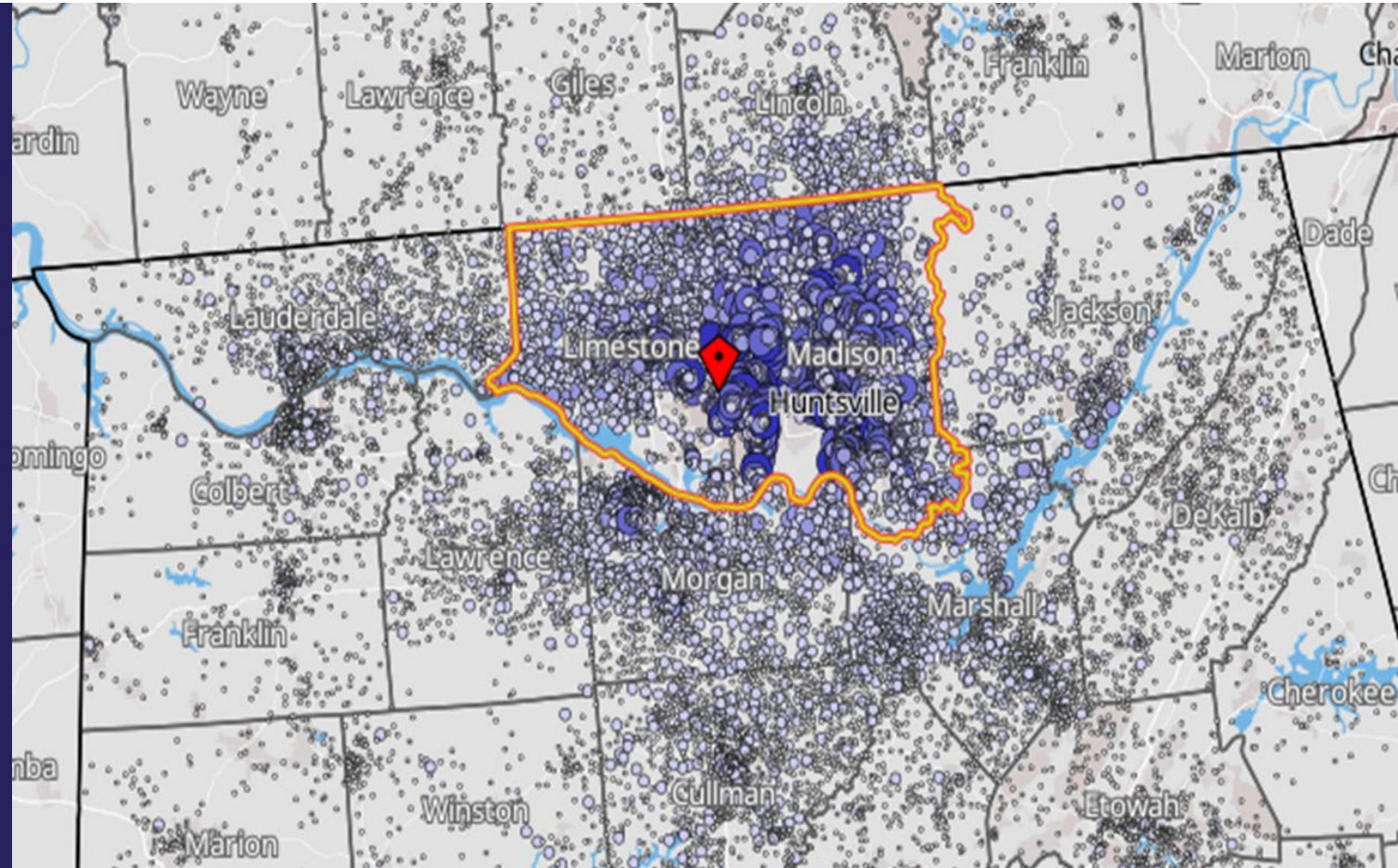
Regional Workforce

615,000+

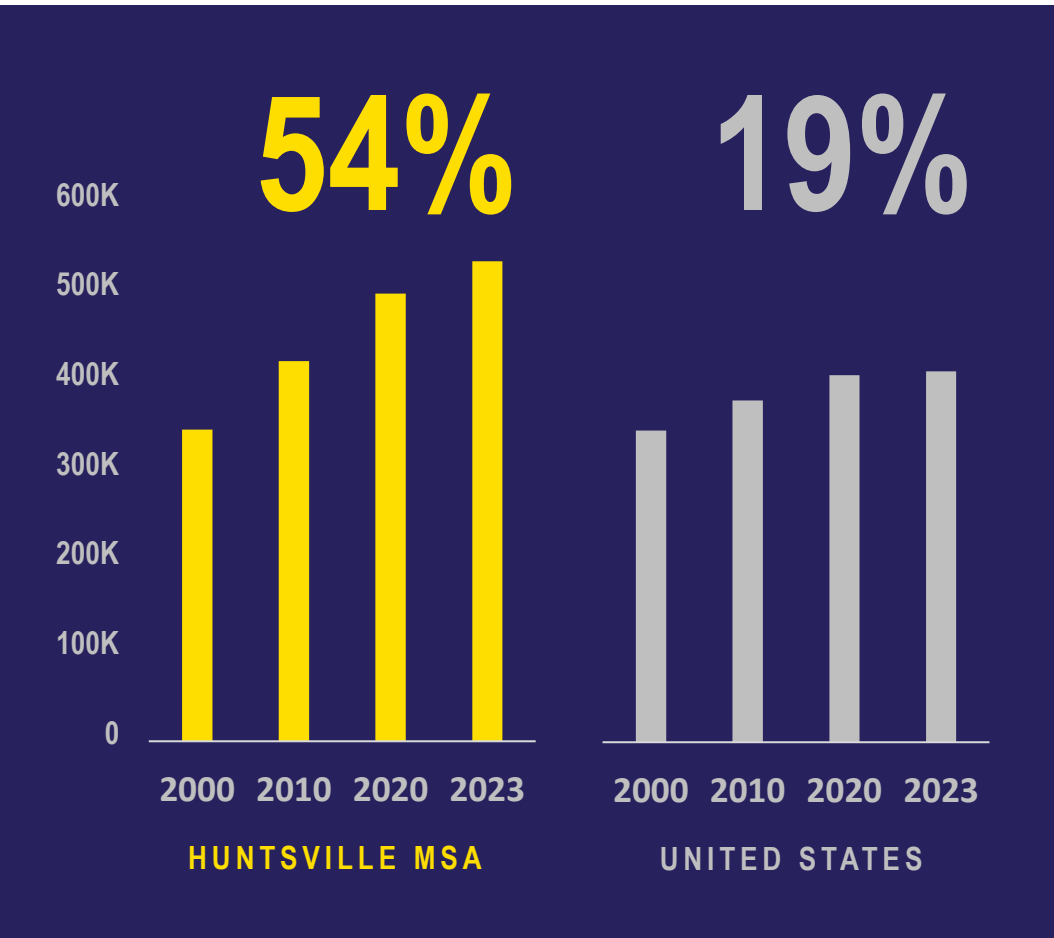
LABOR FORCE

23 minutes

AVERAGE COMMUTE TIME

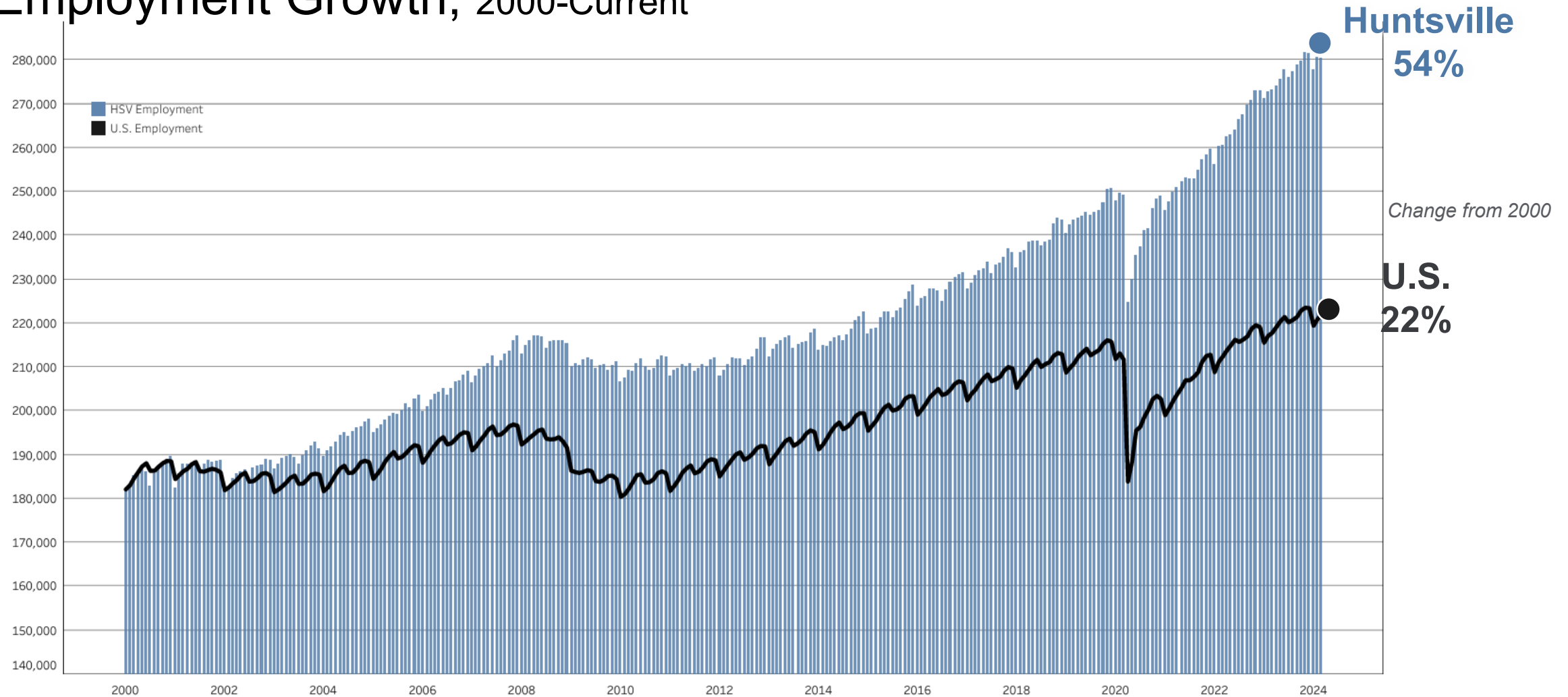


Population Growth





Employment Growth, 2000-Current





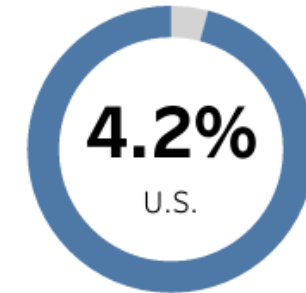
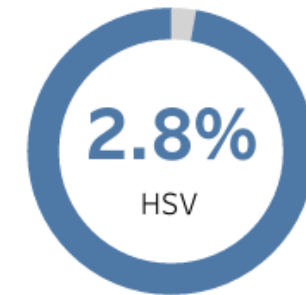
Huntsville Metro Employment

February 2024	1-Month Change	3-Month Change	12-Month Change
280,500	1.0%	-0.4%	2.9%
U.S.	1-Month Change	3-Month Change	12-Month Change
	0.7%	-1.1%	1.8%

12-Month Change



Unemployment Rate February 2024



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%.

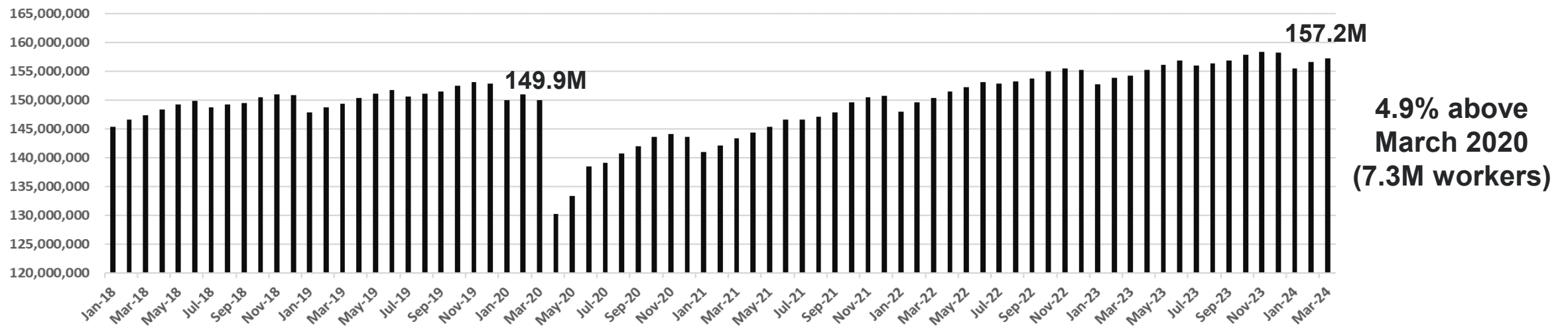




Huntsville Metro Employment

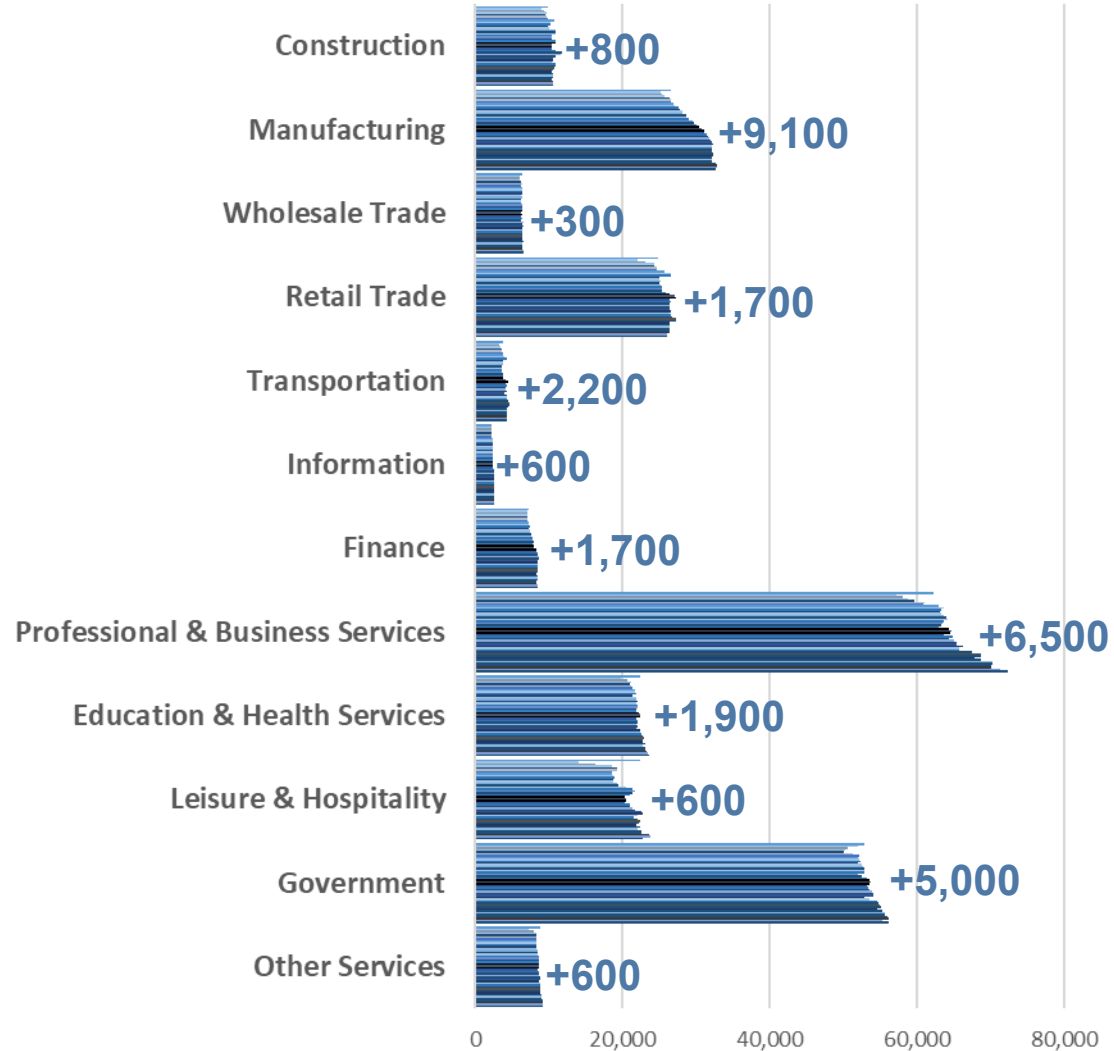


U.S. Employment



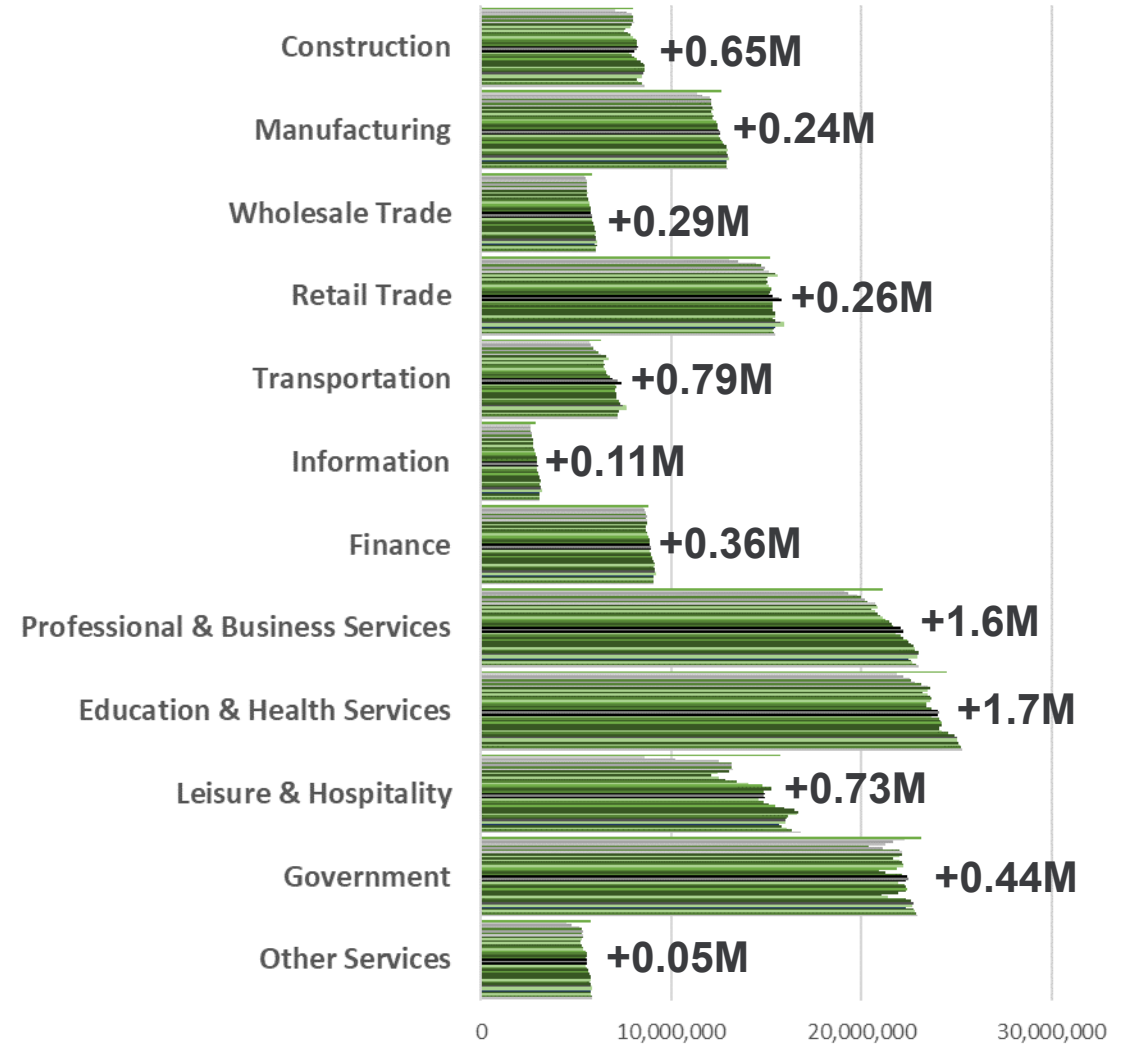


Huntsville Metro Employment



U.S. Employment

(Change: March 2020 to March 2024)

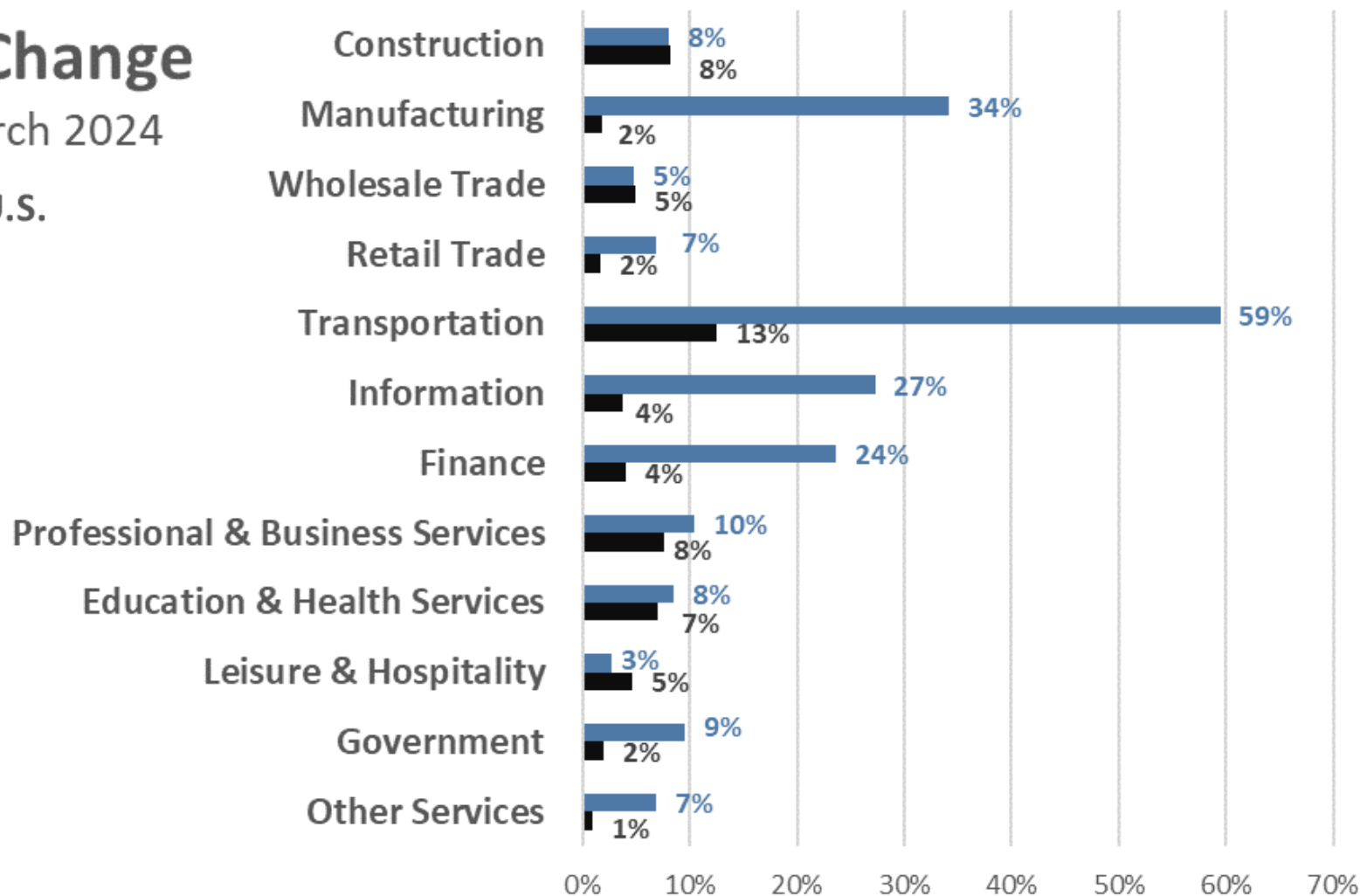




Employment Change

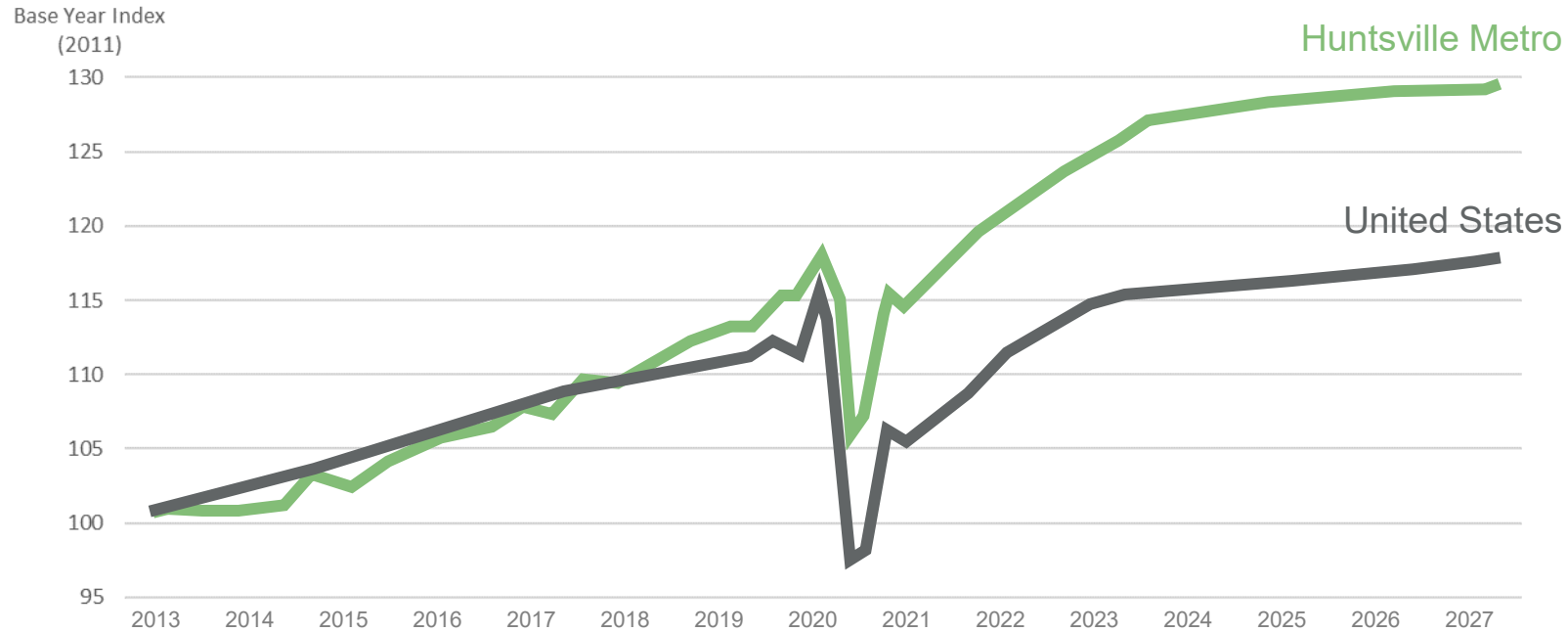
March 2020 to March 2024

■ Huntsville ■ U.S.





MOODY'S
ANALYTICS

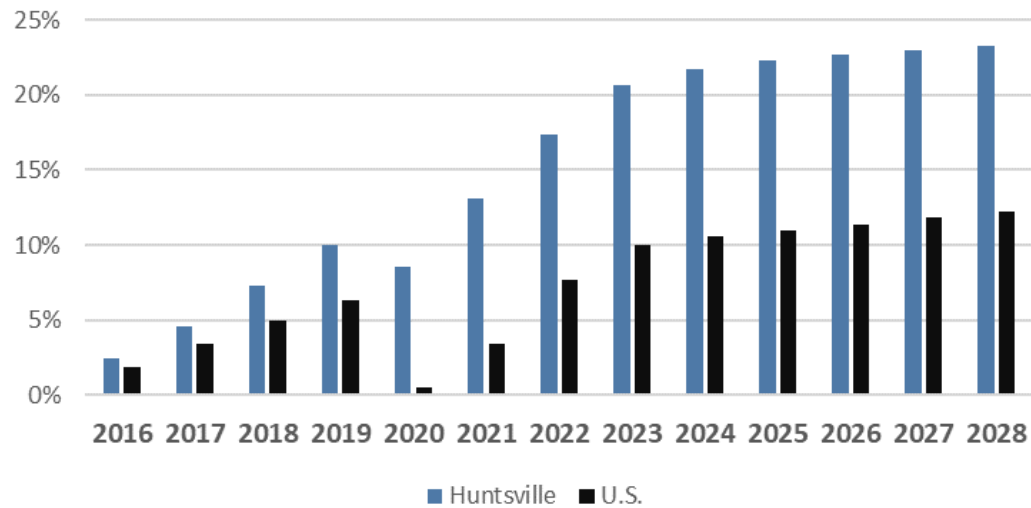


“Huntsville will stay ahead of the state and nation as job growth impresses. Strong support from the military will keep local contractors active and positive migration trends will boost consumer industries. Auto production, however, will be more of a stabilizing force. Longer term, robust demographics will position HUN to be an overachiever in the state.”



MOODY'S
ANALYTICS

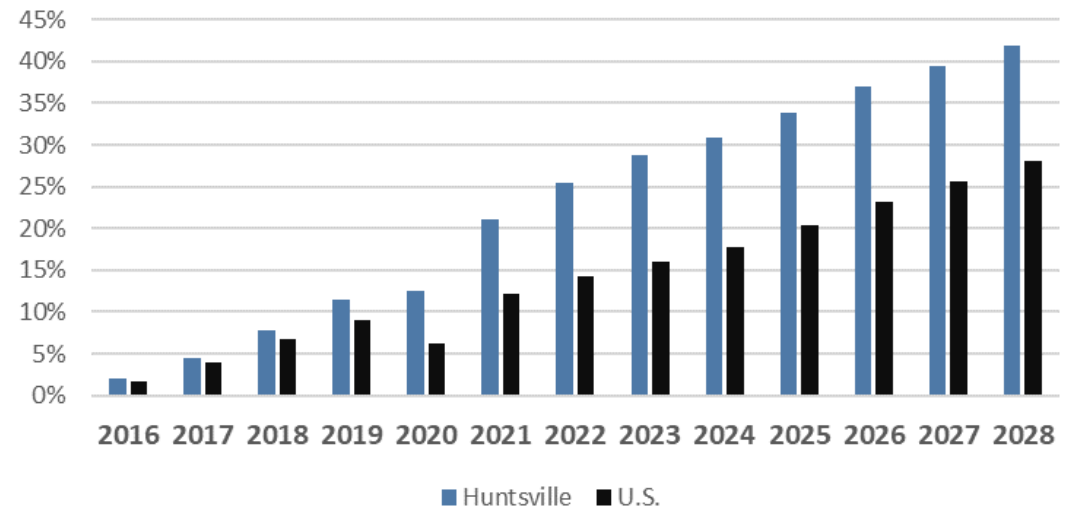
Employment Growth



	2024	2025	2026	2027	2028
Huntsville	1.0%	1.6%	2.1%	2.4%	2.6%
U.S.	0.6%	1.0%	1.4%	1.8%	2.2%

5-Year Forecast

GDP Growth



	2024	2025	2026	2027	2028
Huntsville	1.3%	4.0%	7.3%	10.3%	12.9%
U.S.	1.2%	3.6%	6.5%	9.4%	12.2%

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.



Beige Book

April 2024



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.

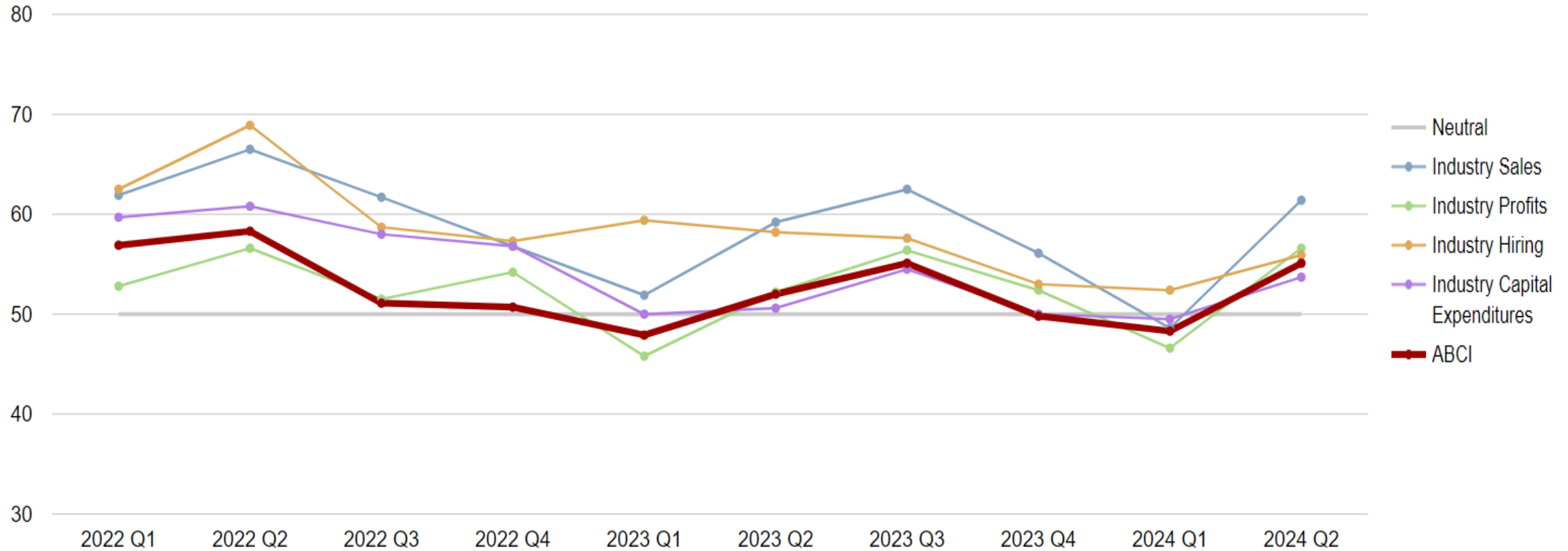


Center for Business and Economic Research



Huntsville Metro Area Report

Alabama Business Confidence Index™





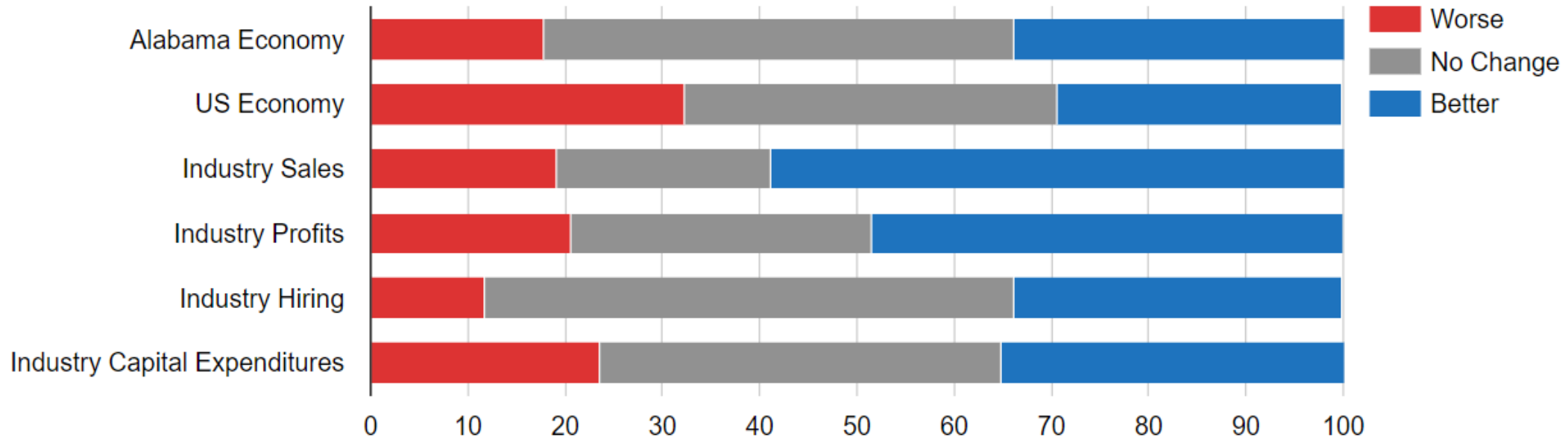
Center for Business and Economic Research



Huntsville Metro Area Report

Alabama Business Confidence Index™

Huntsville Response Breakdown



Total Construction

97.6M

NEW SQUARE FEET
IN THE PAST 5 YEARS

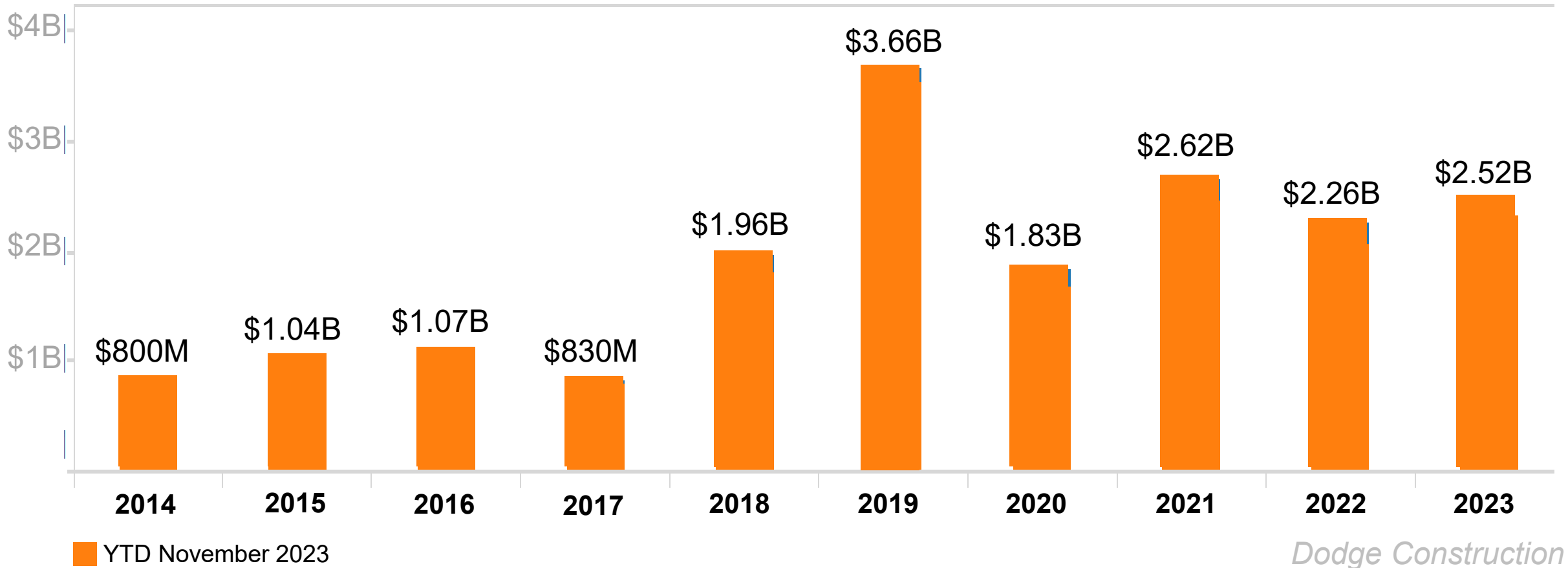
\$12.9B

CONSTRUCTION INVESTMENT
IN THE PAST 5 YEARS



Total Construction

HUNTSVILLE METRO AREA





a smart place[®]
HUNTSVILLE AL•USA

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



MTM™ MAZDA TOYOTA
MANUFACTURING



Commercial Construction

11.6Msf

NEW COMMERCIAL CONSTRUCTION
IN THE PAST 5 YEARS

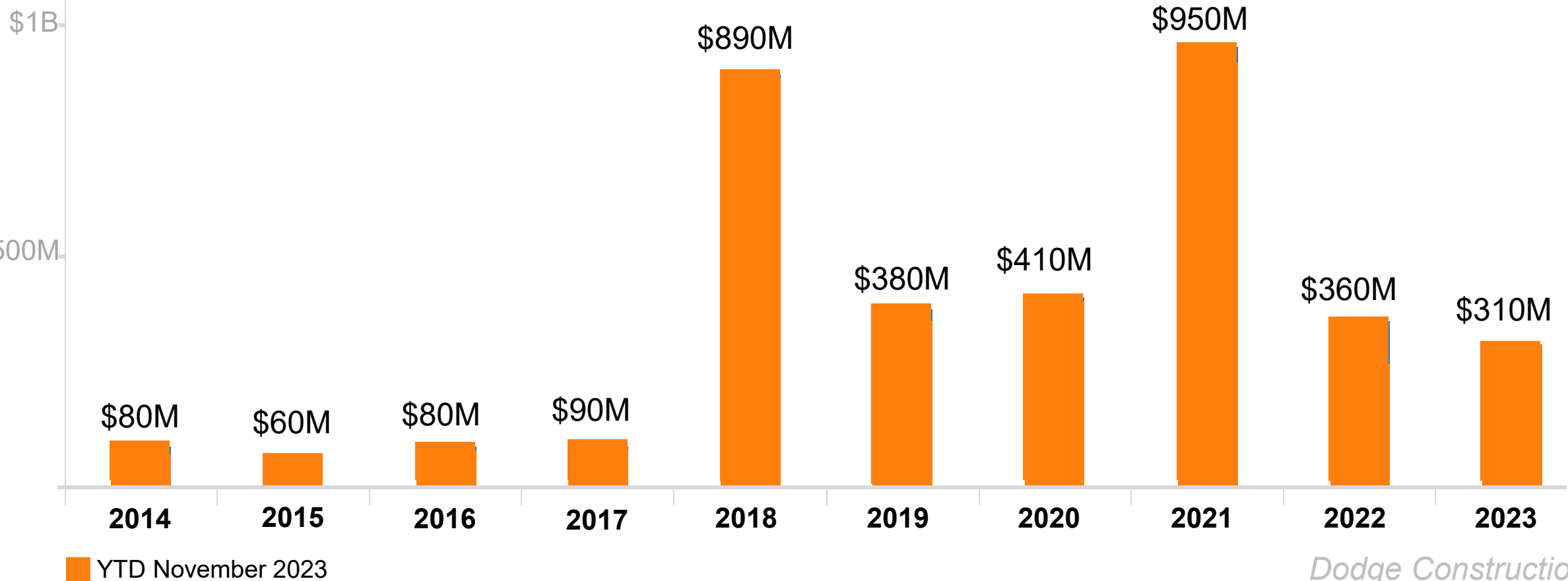
\$2.4B

COMMERCIAL INVESTMENT
IN THE PAST 5 YEARS



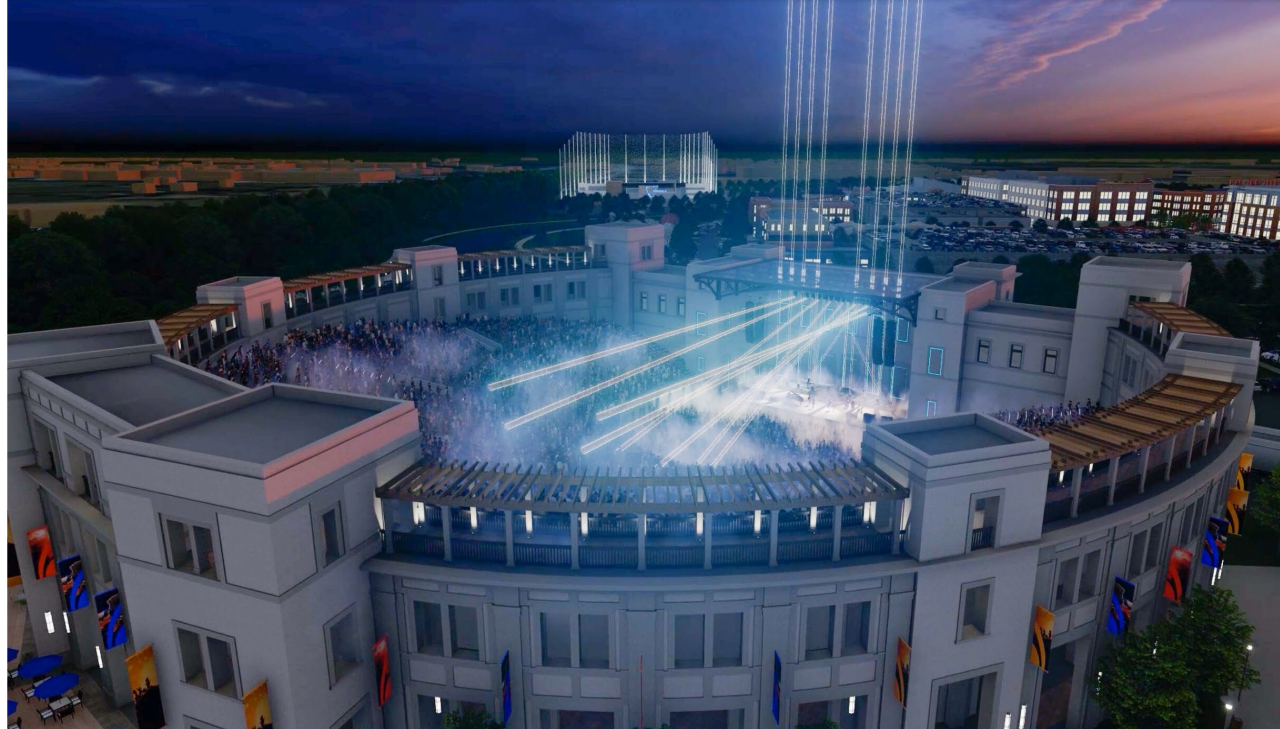
Commercial Construction

HUNTSVILLE METRO AREA



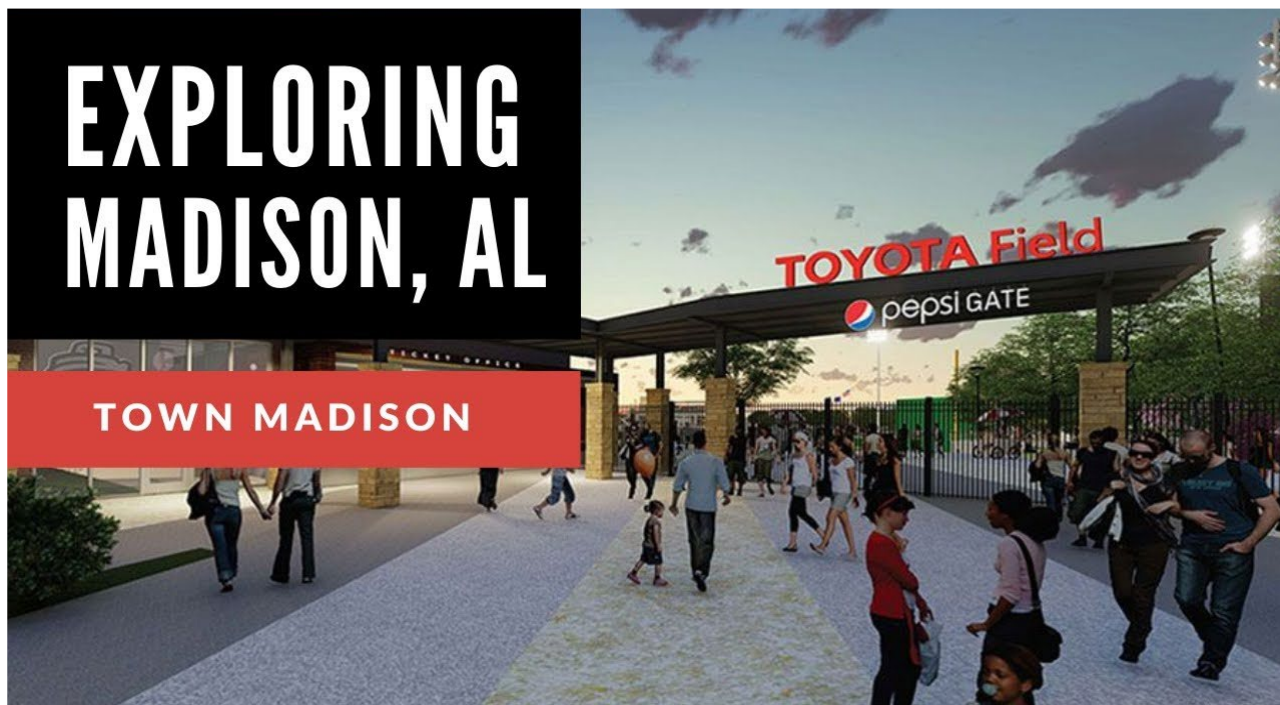
EXPLORING HUNTSVILLE

MID CITY DISTRICT



EXPLORING MADISON, AL

TOWN MADISON





- 200 acres
- 200 jobs
- \$1.5 billion investment



 Meta





- HSV1 / HSV2
- 2,000,000 square feet
- 1,000 jobs



Residential Growth

PAST 5-YEARS

SINGLE-FAMILY

19,344

NEW
HOUSING STARTS

\$4.2B

TOTAL
INVESTMENT

MULTI-FAMILY

11,753

NEW APARTMENT
UNIT STARTS

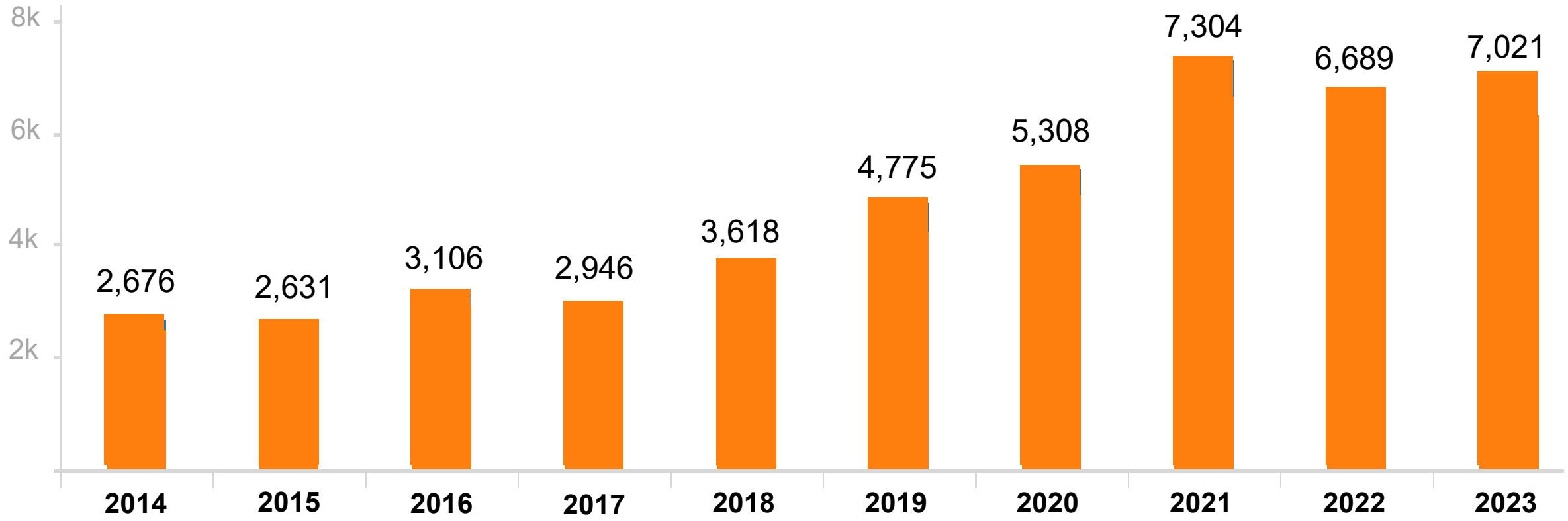
\$1.7B

TOTAL
INVESTMENT



Residential Growth

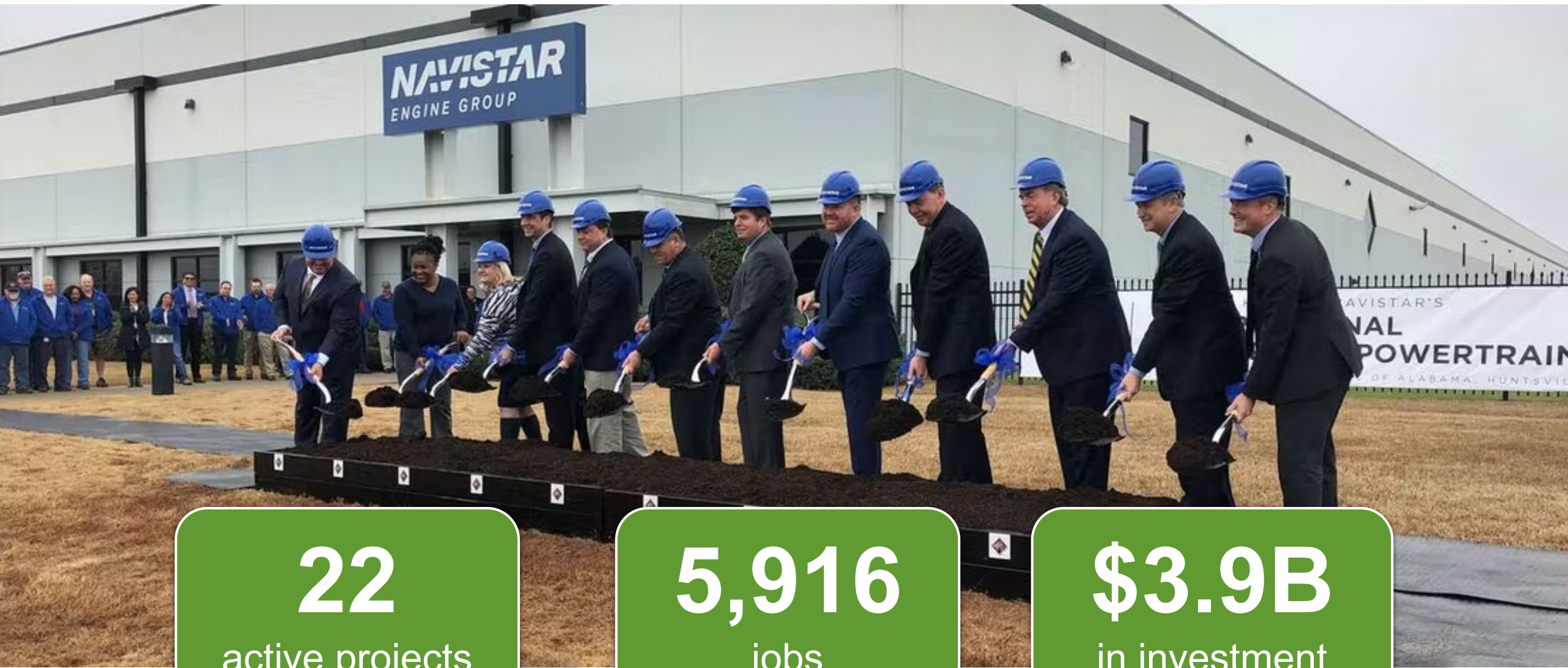
HUNTSVILLE METRO AREA



YTD November 2023, Residential Housing Unit Starts

Huntsville/Madison Co. Updated Targeted Industries

Aerospace & Defense	High-Tech Manufacturing	Information Systems & Security	Life Sciences	Headquarters & Operations	Music
<p>Future Combat / Defense Systems</p> <ul style="list-style-type: none"> Directed Energy Weapons & Laser Systems Future Vertical Lift Hypersonic Technologies Military Sensors/Radar Missile Defense UAS & CUAS <p>Space Technologies</p> <ul style="list-style-type: none"> Deep Space Access & Exploration Commercial Low Earth Orbit Products & Services Rocket Propulsion Systems Space Situational Awareness 	<p>Clean Tech</p> <ul style="list-style-type: none"> Hydrogen Fuel Cells Small Modular Reactors (SMRs) Solar & Photovoltaic <p>Emerging Mobilities</p> <ul style="list-style-type: none"> Electric Vehicles & Components Autonomous Mobility Systems <p>Industry 4.0 Technologies</p> <ul style="list-style-type: none"> Additive Manufacturing Advanced Materials High-Reliability Semiconductors Industrial Lasers & Sensors Robotics & Automation 	<p>Cybersecurity</p> <p>Forensics Technologies</p> <p>Geospatial Technologies & Services</p> <p>Software Development</p>	<p>Biodefense</p> <p>Genomics</p> <ul style="list-style-type: none"> Applied Genetics & Gene Therapy Cellular Engineering Human & Plant Genomics <p>Health & Human Performance</p> <ul style="list-style-type: none"> Bioengineering Space Biotechnology Wearables <p>Plant Sciences</p> <ul style="list-style-type: none"> Ag-Tech Bio-Ag Space-Ag 	<p>Corporate Headquarters</p> <p>Regional Headquarters</p> <p>Corporate Operations</p> <p>Federal Government Operations</p>	<p>Artists & Creators</p> <p>Music Crew & Support</p> <p>Music Production</p> <p>Music Venues</p>



22
active projects

5,916
jobs

\$3.9B
in investment