Huntsville Market Report

Huntsville, Alabama Metro Area

2nd QTR, 2026

HUNTSVILLE MADISON COUNTY CHAMBER

Key Highlights

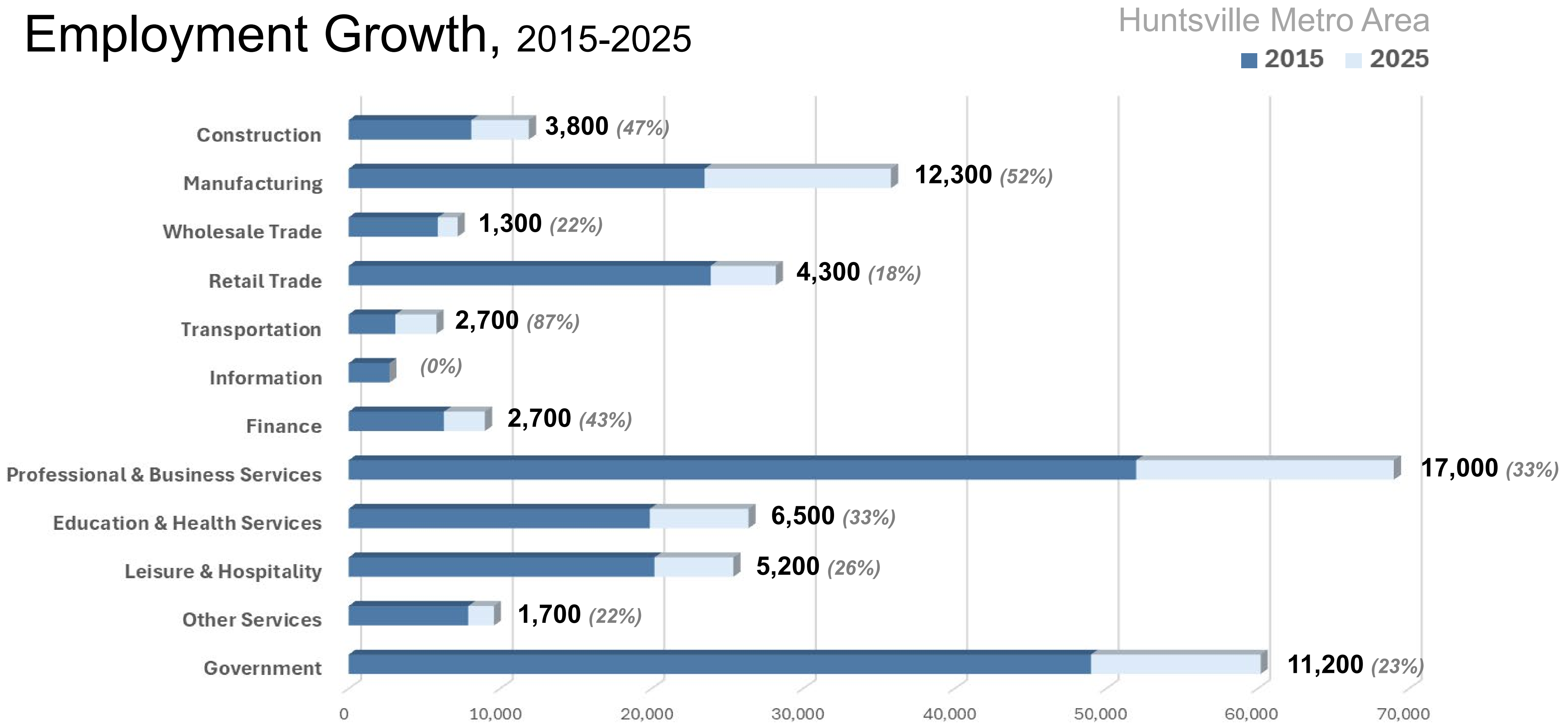
- Huntsville metro employment is continuing to outpace the U.S. with significant job growth in Manufacturing, Professional & Business Services and Government sectors.

- Unemployment inside the metro is currently a low 2.9% which is up slightly year over year. Population & employment are continuing to increase but at a slower pace of 1.5% - 2.5% compared to 3% - 3.5% over the past 5 years.

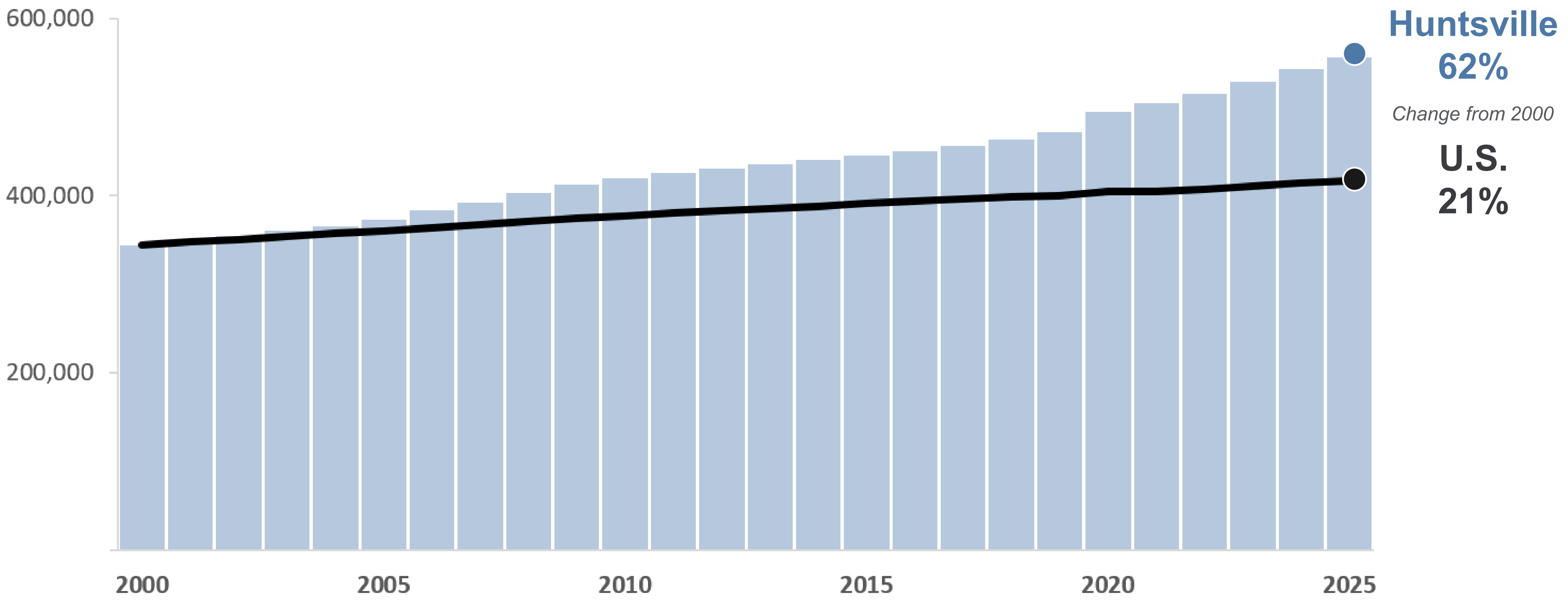
- Moody's has projected moderate growth for the U.S. economy over the next five years with the Huntsville community positioned well to outperform the U.S.

- The Federal Reserve is expected to hold the Federal Funds Rate steady or to slightly increase the rate in late 2026 due to persistent elevated inflation caused by high energy prices from conflict in the Middle East.

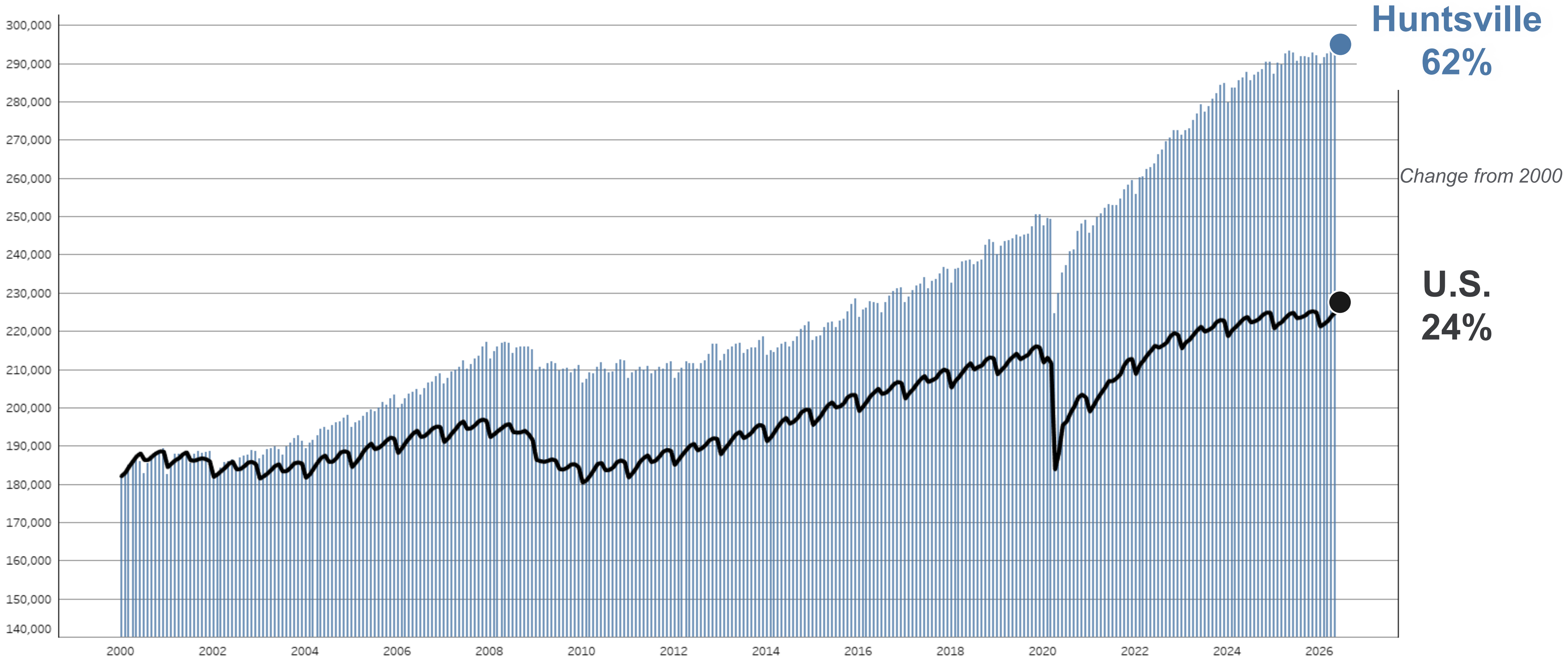
Employment Growth, 2015-2025



Population Growth, 2000-Current



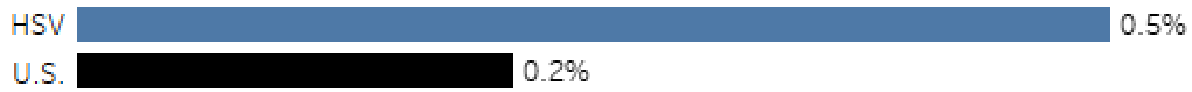
Employment Growth, 2000-Current



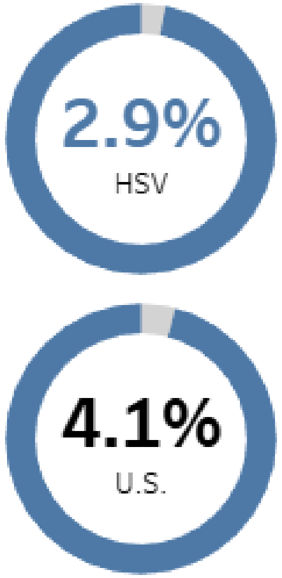
Huntsville Metro Employment

May 2026	1-Month Change	3-Month Change	12-Month Change
295,000	0.2%	1.2%	0.5%
	1-Month Change	3-Month Change	12-Month Change
U.S.	0.4%	1.4%	0.2%

12-Month Change



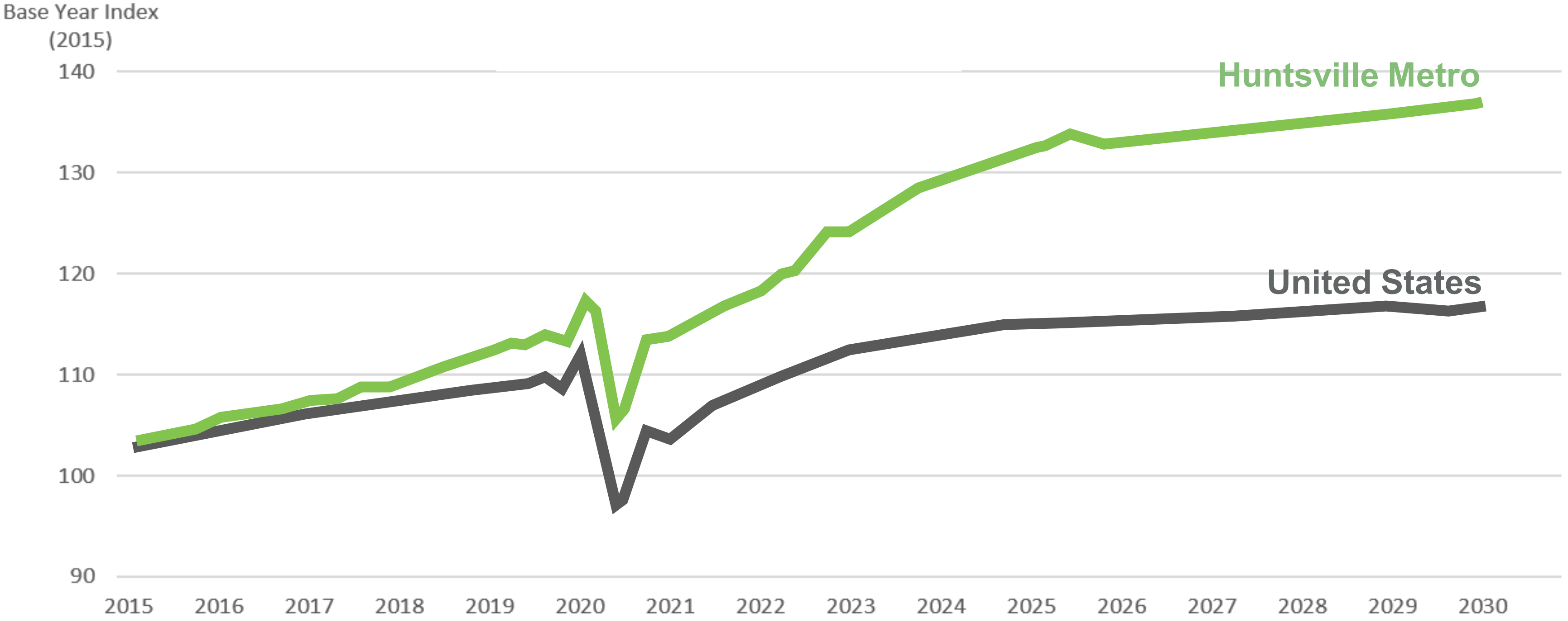
Unemployment Rate
May 2026



Summary:

The current metro area employment for May 2026 is 295,000 which is a 0.5% annual change over the last 12 months. Overall unemployment in the Huntsville metro is currently 2.9% compared to the U.S. rate of 4.1%.

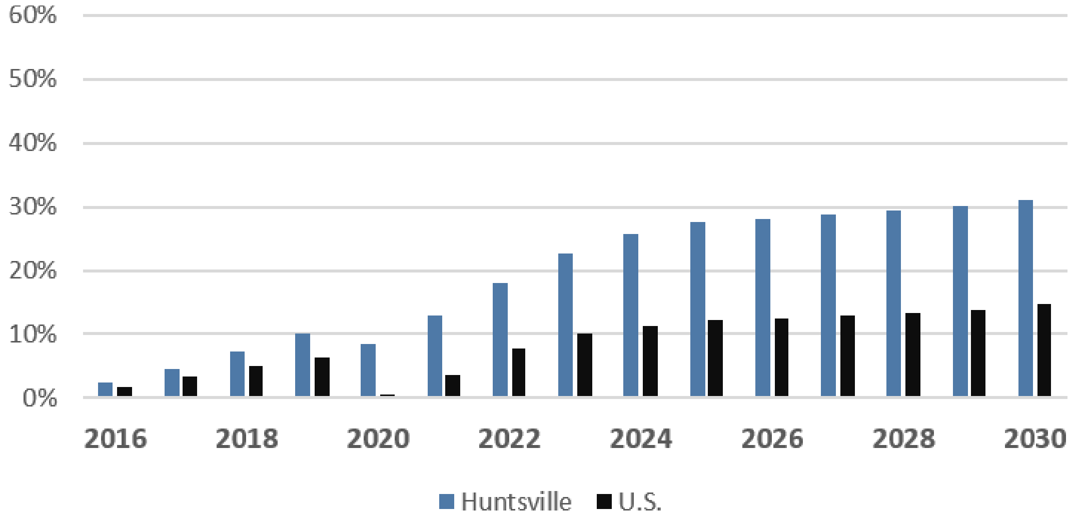
(Source: U.S. Bureau of Labor Statistics https://data.bls.gov/PDQWeb/sm)



"Huntsville's economy will return to solid growth, regaining its place ahead of regional and national peers. A pipeline of federal spending will ensure high-tech job gains. Auto manufacturing will recover as production picks up. In the coming years, the abundance of strong growth drivers and high-paying opportunities will ensure HUN is an overachiever nationally."

Moody's
ANALYTICS

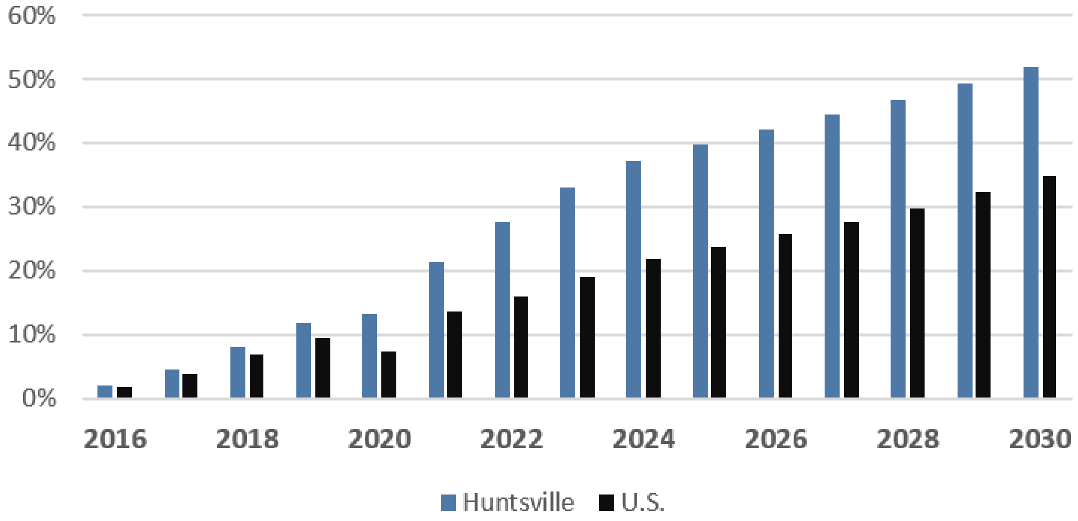
Employment Growth



	2026	2027	2028	2029	2030
Huntsville	0.5%	1.2%	2.0%	2.8%	3.7%
U.S.	0.3%	1.5%	2.0%	2.6%	3.5%

5-Year Cumulative Forecast

GDP Growth



	2026	2027	2028	2029	2030
Huntsville	2.4%	4.9%	7.3%	9.7%	12.7%
U.S.	2.1%	6.0%	8.2%	10.8%	13.8%

5-Year Cumulative Forecast

- The Core PCE Price Index has risen in recent months to 3.4% driven largely by increased energy prices. This is above the Federal Reserve's 2% target rate for inflation.

- While inflation has risen, the overall job market and GDP remains strong and stable. The Federal Reserve has taken a wait-and-see approach and did not make any adjustment to the 3.5% to 3.75% Federal Funds Rate at the June 2026 meeting.

- Analysts expect a cautious approach from the Federal Reserve given the uncertainty of international effects and political influences on the economy.

- Current estimates are not unanimous but anticipate a small increase to the Federal Funds Rate in late 2026 to address persistent price inflation brought on by the conflict in the Middle East.

Beige Book

May 2026

Middle-income households are feeling stressed financially amid rising prices.

Rising oil prices drove up gas prices and airline fares, and nonlabor costs increased moderately.

The southeastern labor market remained stable, with firms keeping employment levels even or using attrition to reduce them.

Higher energy and travel costs led to weakened demand for travel and tourism.

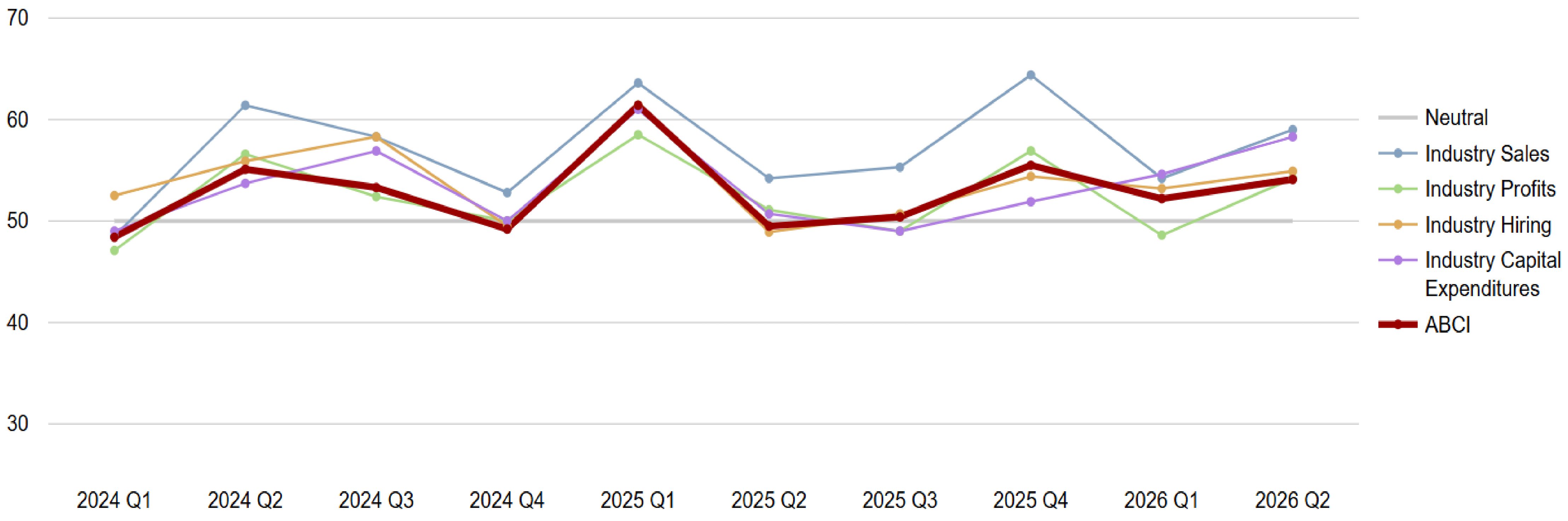
Retailers reported strong demand for premium goods and services, but middle- and lower-income consumers exhibited price sensitivity.

At least in the near term, employers don’t foresee AI leading them to make significant reductions to employment levels.

Second Quarter 2026 Outlook

Huntsville Metro Area Report

Alabama Business Confidence Index™



Center for Business and Economic Research

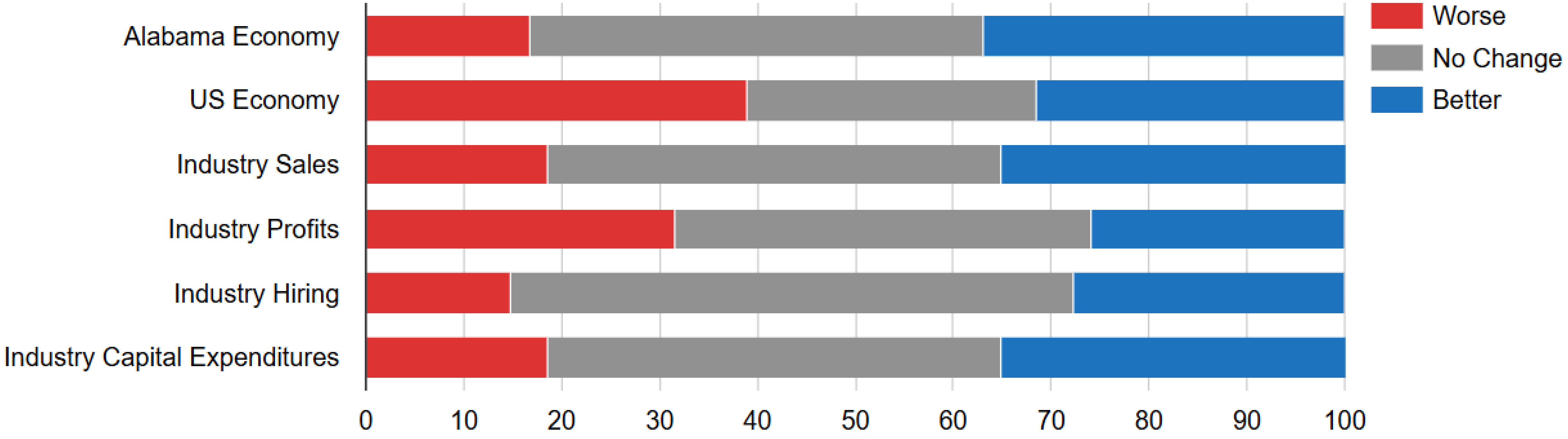
Fourth Quarter 2025 Outlook

Huntsville Metro Area Report

Alabama Business Confidence Index™

Center for Business and Economic Research

Huntsville Response Breakdown



HUNTSVILLE MADISON COUNTY CHAMBER

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Total Construction

96.7M

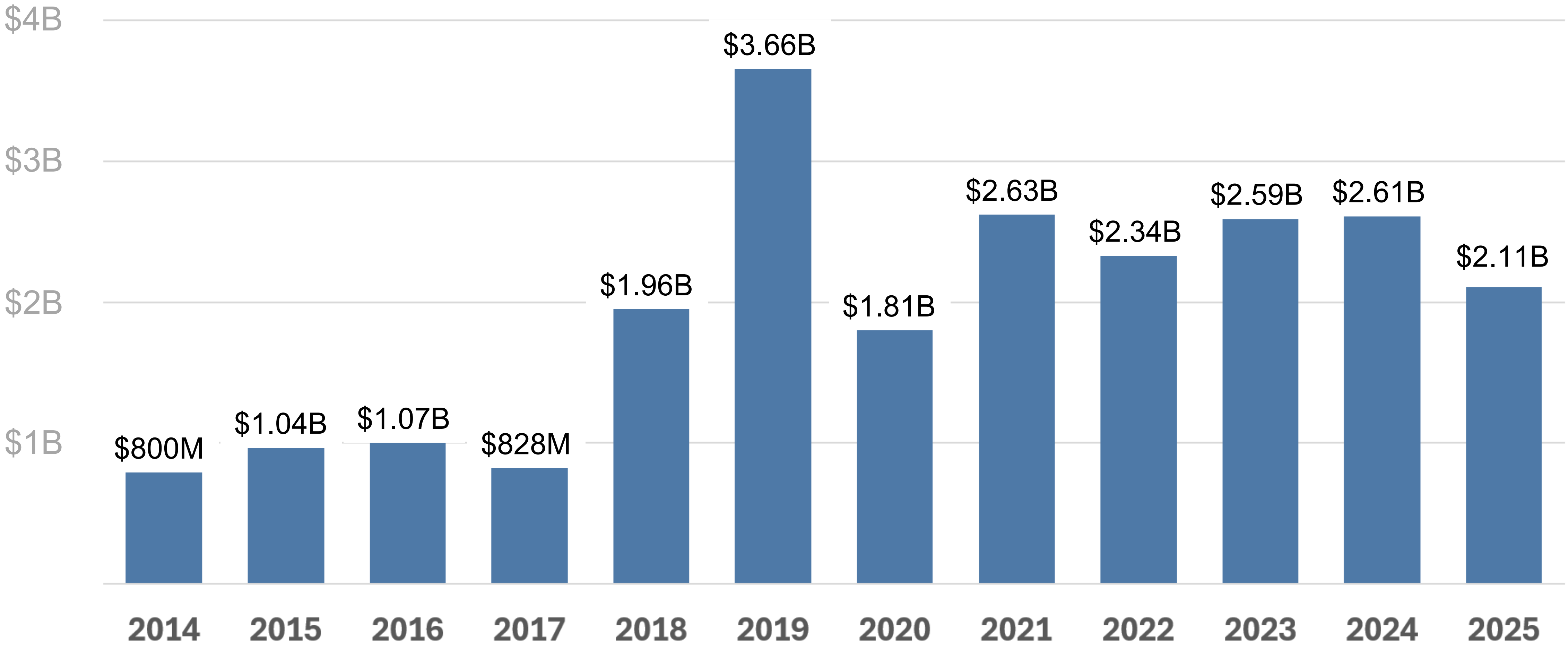
NEW SQUARE FEET
IN THE PAST 5 YEARS

$12.1B

CONSTRUCTION INVESTMENT
IN THE PAST 5 YEARS

Total Construction

Huntsville Metro Area



Total Construction Growth: FW Dodge

HUNTSVILLE MADISON COUNTY CHAMBER

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Manufacturing Investment

Huntsville Metro Area

1.0M

NEW SQUARE FEET
IN THE PAST 5 YEARS

$165M

MANUFACTURING CONSTRUCTION
IN THE PAST 5 YEARS

Commercial Construction

Huntsville Metro Area

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13Msf

NEW COMMERCIAL CONSTRUCTION
IN THE PAST 5 YEARS

$2.8B

COMMERCIAL CONSTUCTION
IN THE PAST 5 YEARS

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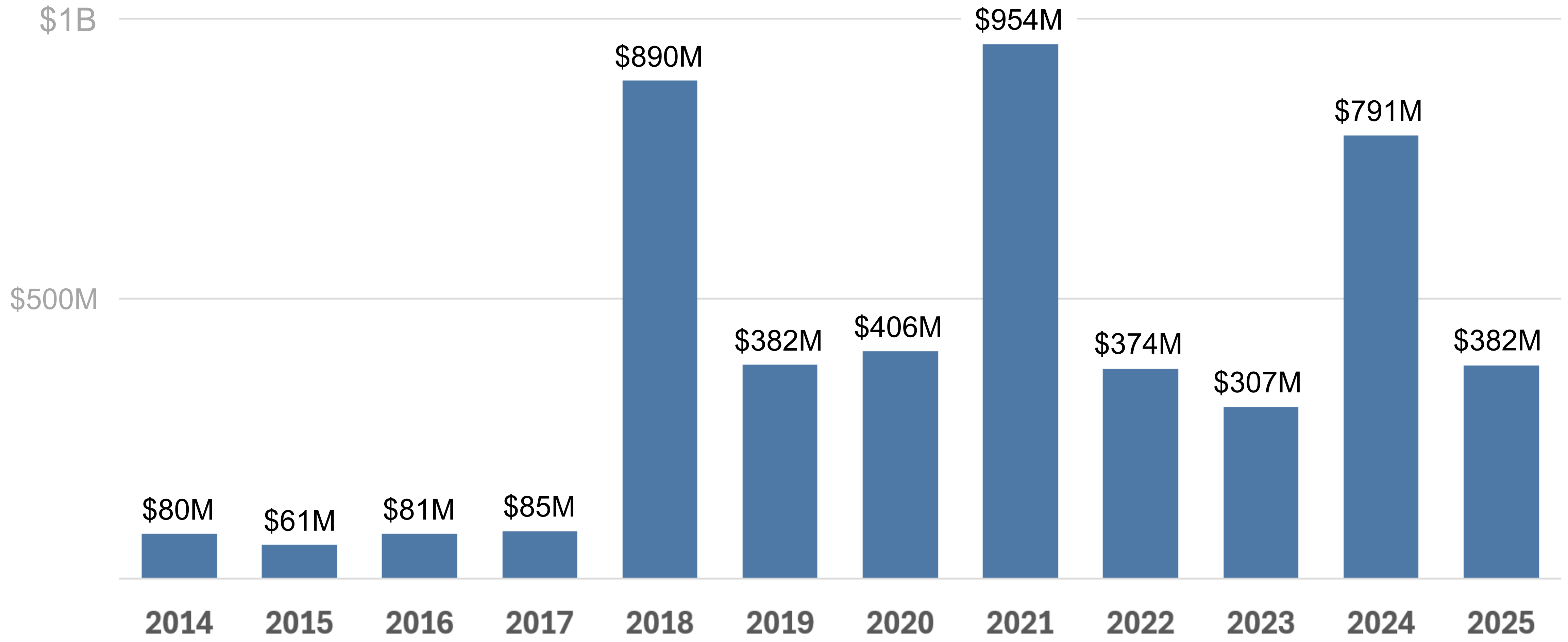
Commercial Construction

Huntsville Metro Area



Commercial Construction Growth: FW Dodge

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MADISON COUNTY
CHAMBER

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Residential Growth
Huntsville Metro Area

PAST 5-YEARS

SINGLE-FAMILY

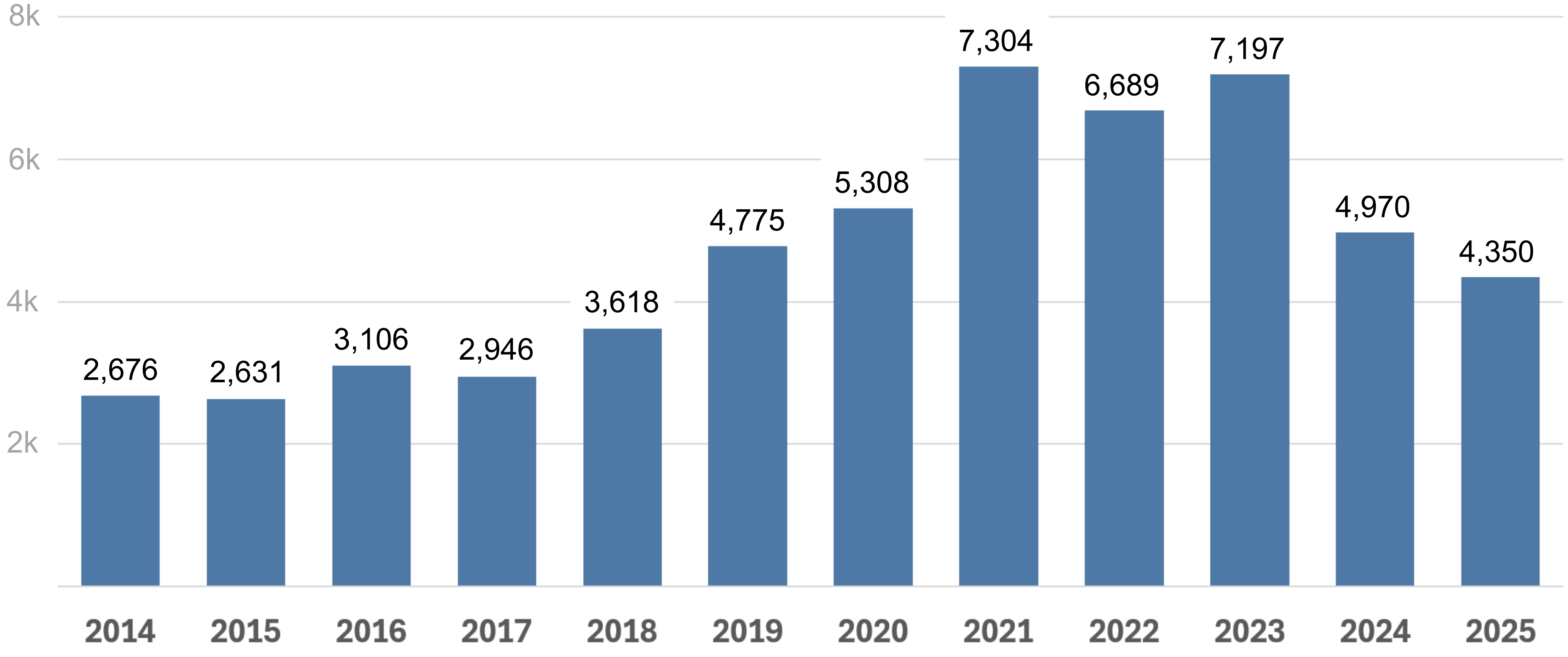
18,748	$4.3B
NEW HOUSING STARTS	TOTAL INVESTMENT

MULTI-FAMILY

11,762	$1.7B
NEW APARTMENT UNIT STARTS	TOTAL INVESTMENT

Residential Growth

Huntsville Metro Area



Residential Construction Growth: FW Dodge