

# Huntsville, Alabama

## Rental Real Estate Overview 2023

Today, one of the up-and-coming, tertiary markets in the U.S. rental market is Huntsville, AL.

Huntsville provides residents with both a low cost of living and high quality of life, making it an attractive place to live (and, naturally, invest). Here's what you need to know about the city of Huntsville, Alabama:

### About Huntsville, Alabama

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Huntsville, Alabama, is known as the "Rocket City". Located in the Tennessee Valley, the city features some of the most breathtaking views the South has to offer!

While Huntsville isn't as popular as New York or San Francisco, it boasts many hidden treasures known only to the ever-growing number of people moving to the area.

A few of these hidden gems include a top-notch yet affordable food scene, manageable traffic, access to a large airport, beautiful southern weather, and, of course, craft beer.

The Huntsville, Alabama, real estate market has grown significantly over the last several years and has proven to be a lucrative locale for savvy investors. A shrinking supply of houses has led to an increase in rent, making Huntsville, Alabama, an excellent market to invest in rental properties.

The economy of Huntsville is driven by both the public and private sectors, with some of the main industries including technology, aerospace, education, and defense. [The low](#)

[cost of living](#) and high quality of life in Huntsville make it an attractive place for remote workers to relocate, sending an influx of renters to Huntsville over the last couple of years. Additionally, the university system in Alabama provides the area with plenty of students looking for off-campus housing to rent.

The growing job market combined with the low cost of living is just part of the reason why Huntsville is a great place to invest in rental real estate. Everest is here to help investors navigate the world of real estate and secure informed deals in the most attractive markets.

## CITY STATISTICS

### Population

**225,476** (city proper)

**502,728** (metro area)

### Median Income

**\$42,232**/capita

(\$75,086 between the ages of 45-64)

**\$70,757**/household

### Median Age

**38**

### Area

**219.3 sq mi.**

### Unemployment rate

**2.1%**

### GDP

**\$34.1 billion**

up almost \$10 billion over the past 10 years

### Highest Paying Jobs

Physicians and Surgeons, Chief Executives, Dentists, Nurse Anesthetists, Architectural and Engineering Managers

### Top employers

SCI Technology, City of Huntsville, NASA/George C Marshall Space Flight Center, Siemens Automotive Electronics, Teledyne Brown Engineering, Deltacom



## HUNTSVILLE REAL ESTATE MARKET STATISTICS

**65**

Neighborhoods  
(making Huntsville the largest  
community in Alabama)

**1,226**

Homes for sale  
as of April 2023

**\$329.9K** (\$270K in 2021)

Median List Price

**\$274.9K** (\$295K in 2021)

Median Sold Price

**\$162**

Median Price per  
Square Foot

**83%**

Sale-to-List  
Price Ratio

**44**

Median Days  
on Market

**10.9%**

Rental Vacancy Rate

**1.2%**

Homeowner  
Vacancy Rate

**7.5%**

1-year Appreciation  
Rate

**\$1,182**

Average Rent

**19.38**

Price-to-Rent Ratio

## MOST EXPENSIVE NEIGHBORHOODS

Neighborhood	Median Monthly Rent	Median Listing Price
Twickenham / Old Town	\$2,101	\$1,056,857
Greenwycke Village	\$2,602	\$728,705
Providence	\$2,152	\$688,250
Mountain Brook	\$2,638	\$575,991
Waltons Mountain / Jones Farm West	\$2,138	\$572,723

## LEAST EXPENSIVE NEIGHBORHOODS

Neighborhood	Median Monthly Rent	Median Listing Price
Westlawn	\$1,339	\$58,564
Merrimack District	\$1,153	\$93,723
Edmonton Heights / Alabama A & M University	\$1,381	\$103,370
Lakewood	\$1,747	\$105,788
Brookhurst	\$1,791	\$113,341

While Huntsville saw some surge and cool-down with the changing market, home values have held steady in comparison to the overinflated prices in many other areas of the U.S. Combine this with Alabama's affordable cost of living and low property taxes, and you'll see why Huntsville is an ideal location for investors looking to expand their portfolios.

No matter the experience level, Huntsville is a great market for investors, and to make things even simpler, Everest is here to provide investors with a team to help them along every step of the way.

## LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From gaining access to off-market deals, to building a team, to knowing the right rental rates, purchasing properties in a new market can be tough as an investor. That's why we started Everest Brokerage.

Invest in [some of the best real estate markets](#) in the United States without needing to be the expert. Working with Everest's in-house brokerage team of investor-friendly Real Estate Agents is the simplest way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form and a member of our team will get back to you within 24 hours.

Get started [here](#)  
TODAY!



# AT-A-GLANCE PROS AND CONS TO INVESTING IN HUNTSVILLE

When looking at any new real estate market, it's important to consider all aspects of investing in the area. Considerations like quality of life, overall affordability, and school choice will impact your long-term investment even if they aren't a direct factor in your buying decision.

Here are a few pros and cons of investing in Huntsville, Alabama. These will have a different impact on you depending on your risk tolerance and investment strategy. Don't have an investment strategy yet? No worries - just [get in touch with our team](#) to put together a solid plan today.

## Pros of Huntsville, Alabama

- Establish Thriving job market
- Low housing costs
- Light traffic
- Low property tax rates
- Close to larger cities
- Low cost of living
- Access to the outdoors
- Diverse population

## Cons of Huntsville, Alabama

- Small city
- High sales tax
- Limited public transportation
- Severe weather

# FOUR REASONS TO INVEST IN HUNTSVILLE REAL ESTATE

Huntsville is a growing market with many opportunities for investors. While there are many reasons to consider investment in Huntsville, we've narrowed it down to the top 5:

1. Ideal Rental Market
2. Central Location
3. Quality of life
4. Affordability
5. Growing Economy



## 1.

### IDEAL RENTAL MARKET

Huntsville's number of jobs has [increased](#) approximately 2.2% in the last year. However, building permits have been down [since 2018](#). This has led to increased demand for housing in Huntsville, meaning that investors can look forward to competitive rental prices.

Rent rates in Huntsville have grown by [6.8%](#) in the last year alone, and economic forecasts [predict](#) rates will continue to rise in the coming years.

This demand is partially due to the large number of student renters from Alabama A&M and the University of Alabama in Huntsville. Even as developers scramble to erect new properties for sale, residents of Huntsville need a place to stay.

The city's growth shows no signs of slowing down either, which is a good sign for long-term rental rate growth.



## 2.

## CENTRAL LOCATION AND EASY ACCESSIBILITY

Huntsville has plenty to offer its residents and visitors but if they are looking for more, there are several other major cities within easy driving distance including:

- Birmingham, AL - [85 miles](#)
- Nashville, TN - [100 miles](#)
- Atlanta, GA - [142 miles](#)
- Memphis, TN - [199 miles](#)

Huntsville is well-known for its good commute times, with an [average commute of under 20 minutes](#). The roadway system in Huntsville allows for easy travel through the city. Interstate 65 passes through western Huntsville and Interstate 564 travels northeast to southwest through the center of the city. Multiple state highways including 431, 231, 72, and 53 go from the city center and allow access to the surrounding areas.

Huntsville's accessibility doesn't stop at roadways. Huntsville has [three active rail-ways](#): Norfolk Southern, Huntsville-Madison County Railroad Authority, and a weekend tourist line run by the North Alabama Railroad Museum.

Huntsville International Airport (HSV) is located near Downtown Huntsville. HSV serves over 1.2 million passengers per year and offers nonstop flights to many major cities, including: Atlanta, Charleston, Chicago, Dallas, Denver, Detroit, Las Vegas, Orlando, Washington D.C., and more.





### 3.

## QUALITY OF LIFE

Huntsville provides many of the amenities of city life and its unique small-town charm. Live music, restaurants, and shopping can all be found downtown, while the quiet countryside is only a few miles away. [Forbes](#) ranks Huntsville as one of the best cities for business and careers, and every year more people come to Huntsville to increase their quality of life.

[U.S. News](#) ranks Huntsville as the #3 out of the top 25 best places to live in the United States. This report looked at cities based

on the number of jobs, cost of living, and quality of life, among other factors.

Because of Huntsville's steady job market amid the unemployment concerns since 2020, the city jumped from #15 to #3 on the U.S. News list in a single year!

In addition, Huntsville has been ranked #24 in a list of the [most highly educated cities](#) in America, according to WalletHub.



### 4.

## AFFORDABILITY

The Freddie Mac House Price Index ([FM-HPI](#)) shows that Huntsville home prices have increased consistently and predictably concerning inflation. A healthy real estate market has strong demand from tenants and a steady increase in home prices, and Huntsville has both.

Investors can expect to get a good bang for their buck when investing in Huntsville, as the price per square foot remains reasonable.

The city's affordability also brings young people, families, and retirees to the area, which means renters aren't hard to find.

The best part? The State of Alabama boasts the **second-lowest property taxes** in the entire nation, so an investment in Huntsville comes with less yearly cost than many other locations in the U.S.



# 5.

## A GROWING ECONOMY

Huntsville is now officially the [largest city in Alabama](#).

The Huntsville Metro Area has experienced steady growth for the last decade and leads the U.S. in [2021 economic growth](#). The influx of new jobs and businesses, such as technology and aerospace companies, coupled with the University System has helped Huntsville develop a thriving economy in the post-recession landscape.

Huntsville's economy has rapidly recovered from the pandemic, as more and more remote workers are moving to Huntsville for affordable housing and increased quality of life. Outside investors are also [liking](#) Huntsville, seeing the expanding tech hub and aerospace industry, making it an attractive market for investors.

Aerospace technology, manufacturing, information technology, and defense are just some of the thriving industries making their home in Huntsville, and commerce continues to grow here as well. With more and more companies setting up shop in Huntsville, more residents will need homes.

The trends fueling economic growth in Huntsville show [no signs of slowing](#), making Huntsville a great market for rental real estate investment. Predictions [estimate](#) that the population of Huntsville will reach 530,000 by 2030. The Facebook data center and massive Toyota manufacturing facility are just two development projects that will attract more people to Huntsville for well-paying jobs. Additionally, the low cost of living makes Huntsville an attractive market for retirees.

# HUNTSVILLE REAL ESTATE MARKET PREDICTIONS

Global pandemics, supply shocks, stimulus bills... The past few years have been a roller coaster when it comes to real estate investing.

Smart investors realize that in unpredictable markets, fundamentals are everything. Alabama's low cost of living, relative stability, and low property taxes give any investor a solid foundation among the ups and downs of the market.

When it comes to Huntsville, Alabama, here are a few things you can expect as an investor:

## **Rental Rates Will Continue Rising**

The city of Huntsville is still growing. If the last few years are any indication, [rent prices should continue rising](#), increasing the price-to-rent ratio and providing a larger ROI for investment properties in Huntsville, Alabama.

## **Home Values Will Hold Steady or Rise**

While real estate prices have risen steadily, Huntsville hasn't seen the euphoric price increases that some other areas of the U.S. have experienced. This means prices shouldn't see sharp drops anytime soon, making Huntsville a relatively safe place to invest your money.

## **The City Will Continue to Grow**

Considering the unemployment rates of the past few years, it's no wonder Huntsville is [growing quickly](#). The steady job market and dependable employers make it a safe place for employees seeking comfortable job prospects. Regardless of what happens in the broader market, demand for homes in Huntsville should stay steady with the influx of people moving there.

## **Interest Rate Increases will Change the Market:**

Now that the Fed is [hiking interest rates](#) back up, the number of buyers competing for the best mortgages will start decreasing. But for an investor with capital, this is the prime time to invest in a market like Huntsville, considering its low property taxes and overall affordability.

# INVESTING HAS ITS RISKS

With any investment, there is always the possibility of risk. Some of the risks involved can be poor location, negative cash flow, dwindling inventory, and problematic tenants when it comes to real estate.

Luckily, Huntsville, Alabama, is an excellent location for real estate investing. The property is affordable, the region grows, and Alabama's legislation is landlord-friendly.

However, without risk, there is no reward. Plenty of investors make poor choices regarding investments and waste time and money, but luckily Everest is here to help you avoid common mistakes in real estate investment.

Taking the chance with real estate investment can be daunting, but having a team of educated professionals around you is the best way to set yourself up for success, and the experts at Everest are here to help you every step of the way.



# INVEST WITH EVERNEST

If you are an investor looking for rental properties with solid returns, Alabama is a great market to consider.

Buying or selling real estate is one of the most important decisions you will make as an investor looking to build wealth. Building a team that you trust continues to be vital to the success of your investing journey. A stellar team is well-informed about critical factors that affect your specific market areas, such as changes in market conditions, market forecasts, consumer attitudes, best locations, timing, and interest rates.

**Evernest** has what you're looking for with extensive experience investing in single- and multi-family, cash-flow rental properties. Since 2008, our team has remained dedicated to providing investors and owners with the best in-house rental property services around. Evernest can offer investor-friendly brokerage services, white-glove property management, and in-house maintenance for all our clients.

## Ready to invest with the help of a qualified team?

[Let's talk.](#)

**Are you an investor not just limited to Huntsville or Alabama?** You can invest in [some of the best real estate markets](#) in the United States by working with Evernest's in-house Brokerage team of investor-friendly Real Estate Agents. All you have to do is fill out this [form](#) and one of our agents will reach out within 24 hours.

*Make the best investments in the most attractive markets  
with Evernest.....in good times and bad.*

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