

Huntsville, Alabama

Rental Real Estate Overview 2022

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

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

207,921 (city proper)

489,110 (metro area)

Median Income

\$56,758/capita

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

Median Age

36.8 years

Area

214.4 sq miles

Unemployment rate

2.0%

GDP

\$30.9 billion

up almost \$9 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)

647

Homes for sale
as of May 2022

\$300K (\$270K in 2021)

Median List Price

\$306K (\$295K in 2021)

Median Sold
Home Price

\$148

Median Price per
Square Foot

1.2

Sale-to-List
Price Ratio

58 days

Median Days
on Market

10.9%

Rental Vacancy Rate

1.2%

Homeowner
Vacancy Rate

17.8%

1-year Appreciation
Rate

\$1,105

Average Rent

10.44 city center
4.14 outside city center
Price-to-Rent Ratio

1.0%
Foreclosure rate
(as of 2021)

Most Expensive Neighborhoods

Neighborhood	Median Listing Price
Twickenham / Old Town	\$1.1M
Greenwycke Village	\$659.0K
Providence	\$626.0K
Waltons Mountain / Jones Farm West	\$548.0K
Mountain Brook	\$515.0K

Least Expensive Neighborhoods

Neighborhood	Median Listing Price
New Market	\$292.5K
Trinity	\$266.9K
Hartselle	\$239.9K
Decatur	\$230.0K
Falkville	\$149.9K

The housing market all across the U.S. is seeing a minor decrease in activity due to an increase in interest rates, after 2021's extraordinary rush. This is a prime opportunity for investors with cash to start or continue making purchases.

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!



FOUR REASONS TO INVEST IN HUNTSVILLE REAL ESTATE



1.

IDEAL RENTAL MARKET

Huntsville's number of jobs has [increased](#) 13.4% over the last five years. 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 [15.2%](#) 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.

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.



3.

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.



4.

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

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, Huntsville 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, con-

sumer attitudes, best locations, timing, and interest rates.

EVERNEST has what you're looking for in a team with extensive experience investing in single & 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 customers.

Ready to invest with our team?

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!

Are you an investor not just limited to Huntsville or Alabama? You can invest in some of the hottest real estate markets in the United States by working with Evernest's in-house Brokerage team of investor-friendly Real Estate Agents. [Simply check out our website](#) and let us know where you'd like to buy your next rental!

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