



### MARKET AT A GLANCE



**OCCUPANCY RATE** 94.9%  
Down 10 bps since 1Q20



**EFFECTIVE RENT** \$1,029  
Up 2.6% since 1Q20

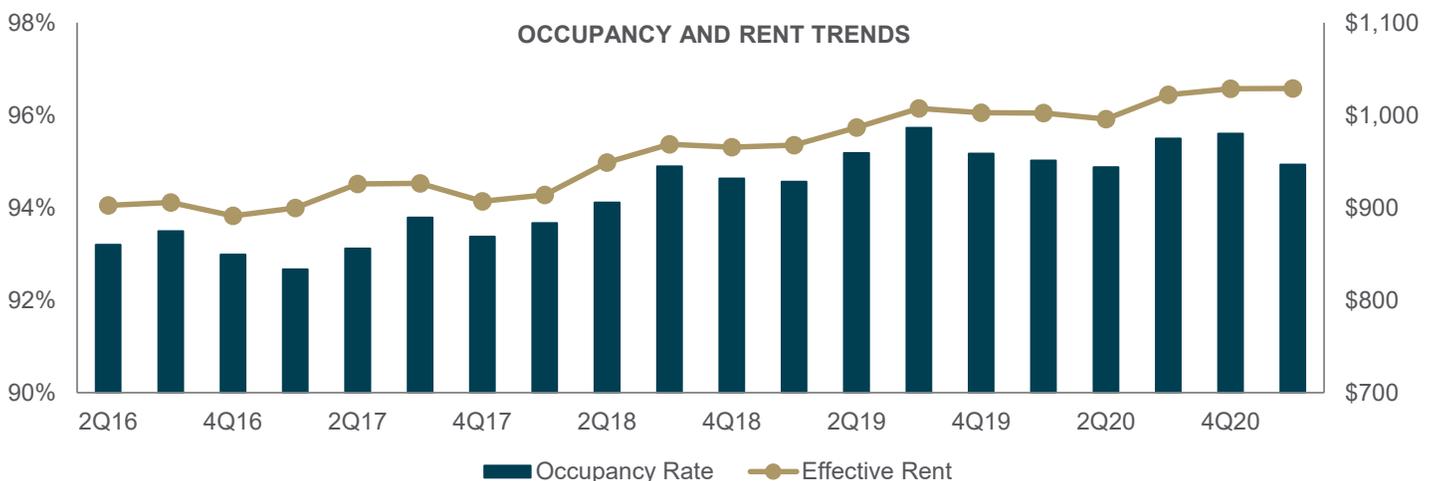


**TOTAL INVENTORY** 76,708

### OCCUPANCY AND RENT TRENDS

#### CENTRAL BIRMINGHAM LEADS METRO IN CONSTRUCTION ACTIVITY

Responsive state and local initiatives contributed to Birmingham’s resilient economic turnaround at the start of 2021, especially in the metro’s job sector. Metro employers prioritized hiring and retaining top talent within the region, an accessible feat when many residents adopted remote work environments. By February 2021, 78% of the workforce lost during the first wave of the pandemic has been recovered by local firms and institutions, equating to 44,800 jobs secured since April 2020. Although some sectors continue to struggle, particularly those in the services industry, the balance of Birmingham’s broad-based economy embraced growth and competition in the new normal. Amid expanding payrolls, apartment operators raised rents 2.6% annually, reaching \$1,029 per month in the first quarter of 2021. Central Birmingham recorded the highest average effective rent among the metro’s six submarkets. However, the submarket’s average occupancy rate came in at 94.5%, just 40 basis points below the metro average of 94.9%. With seven properties currently under construction and scheduled to deliver during 2021, metro occupancies are expected to encounter increased supply-side pressure in the near-term.



# BIRMINGHAM

MULTIFAMILY REPORT

## DELIVERIES AND DEMAND



**DELIVERIES** 180  
Units YTD



**NET ABSORPTION** -344  
Units YTD



## ECONOMIC TRENDS

2020 2.5% ..... **UNEMPLOYMENT\*** ..... 2021 3.8%  
**130 BPS CHANGE**

2020 548.7k ..... **EMPLOYMENT\*** ..... 2021 531.1k  
**-3.2% CHANGE**

2020 25.6k ..... **EXISTING SFH SALES\*\*** ..... 2021 30.7k  
**19.9% CHANGE**

2020 1.2m ..... **POPULATION\*\*** ..... 2021 1.2m  
**0.3% CHANGE**

2020 0.87% ..... **10-YEAR TREASURY\*\*** ..... 2021 1.61%  
**70 BPS CHANGE**

\*February; \*\*March



# BIRMINGHAM

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	1Q21	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	1Q21	Q-o-Q Change	Y-o-Y Change	1Q21	Annual	1Q21	Annual
Central Birmingham/Mountain Brook	94.5%	-40	-90	\$1,307	-0.6%	-0.7%	90	429	162	581
Homewood/Southwest Birmingham	92.7%	-340	-190	\$1,055	-0.8%	2.0%	-389	-258	0	0
Hoover/Alabaster	95.6%	20	120	\$1,055	-0.3%	3.2%	21	110	0	0
North Birmingham/Bessemer	95.8%	20	40	\$819	1.4%	5.0%	57	122	18	33
Southeast Birmingham	95.5%	-60	110	\$1,069	0.2%	4.3%	-39	77	0	0
Vestavia Hills	95.0%	-80	0	\$1,042	-0.4%	1.9%	-84	-1	0	0
<b>TOTALS</b>	<b>94.9%</b>	<b>-70</b>	<b>-10</b>	<b>\$1,029</b>	<b>0.0%</b>	<b>2.6%</b>	<b>-344</b>	<b>479</b>	<b>180</b>	<b>614</b>

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