



## MARKET AT A GLANCE



**OCCUPANCY RATE** **95.0%**  
Down **10 bps** since 2Q19



**EFFECTIVE RENT** **\$999**  
Up **0.9%** since 2Q19



**TOTAL INVENTORY** **76,483**

## OCCUPANCY AND RENT TRENDS

### EXPANSION PROJECTS PROMISE INFLUX OF NEW JOBS

After a surge in unemployment, greater Birmingham is facing amplified pressure to restart the economy quickly. Currently, government officials are preparing for post-pandemic volatility by expanding industrial space to help meet the growing demand of e-commerce and delivery services. Two major developments backed by the Birmingham City Council are moving forward and are projected to deliver more than 600 permanent jobs by 2021. Overall, Birmingham has garnered an increased interest from developers since the start of the year. Through June, 319 multifamily units were added metrowide, the highest influx of deliveries recorded since 2017. Leasing activity in the first half of the year trailed closely behind with 138 newly leased units. As a result of this imbalance, the average occupancy rate dipped only 10 basis points from one year prior, but still substantially outperformed the market's five-year average by 120 basis points. Average effective rent appreciated 0.9% from June of last year, reaching \$999 per month. Although Birmingham's diversified economy outlines a favorable recovery from the pandemic, there is still much ground that needs to be covered before any losses are balanced out.



# BIRMINGHAM

MULTIFAMILY REPORT

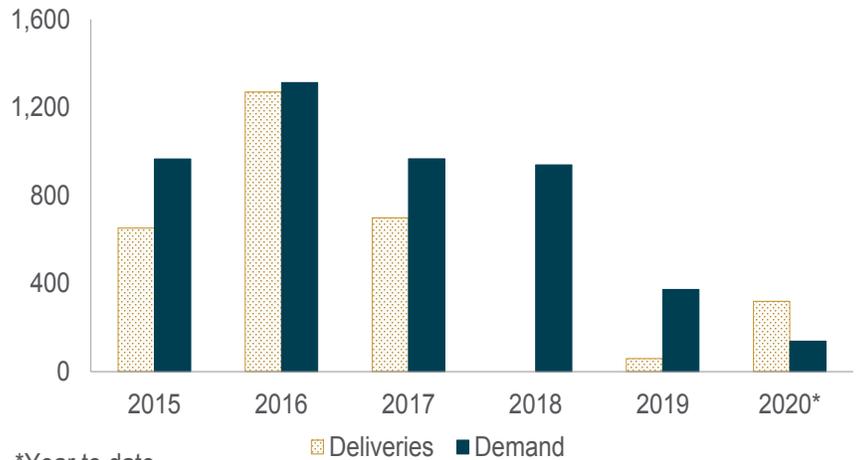
## DELIVERIES AND DEMAND



**DELIVERIES** 319  
Units YTD



**NET ABSORPTION** 138  
Units YTD



\*Year to date

■ Deliveries ■ Demand

## ECONOMIC TRENDS

2019 2.7% ..... UNEMPLOYMENT\* ..... 2020 8.9%  
**620 BPS CHANGE**

2019 545.2k ..... EMPLOYMENT\*\* ..... 2020 515.9k  
**-5.4% CHANGE**

2019 28.7k ..... EXISTING SFH SALES\*\* ..... 2020 21.7k  
**-24.2% CHANGE**

2019 1.2m ..... POPULATION\*\* ..... 2020 1.2m  
**0.3% CHANGE**

2019 2.07% ..... 10-YEAR TREASURY\*\* ..... 2020 0.73%  
**-130 BPS CHANGE**

\*May; \*\*June



# BIRMINGHAM

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Central Birmingham/Mountain Brook	94.9%	-60	-20	\$1,280	-0.1%	0.5%	190	330	287	378
Homewood/Southwest Birmingham	94.4%	-110	210	\$1,078	-0.6%	-1.5%	-124	243	0	0
Hoover/Alabaster	94.7%	10	-100	\$995	-1.5%	2.2%	14	-93	0	0
North Birmingham/Bessemer	95.6%	30	-80	\$777	-0.3%	1.8%	62	-188	0	0
Southeast Birmingham	95.2%	90	30	\$1,010	0.0%	0.1%	58	18	0	0
Vestavia Hills	94.4%	-60	-70	\$1,032	-2.1%	1.0%	-68	-79	0	0
<b>TOTALS</b>	<b>95.0%</b>	<b>-10</b>	<b>-10</b>	<b>\$999</b>	<b>-0.6%</b>	<b>0.9%</b>	<b>131</b>	<b>232</b>	<b>287</b>	<b>378</b>



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