



Market Intelligence Birmingham, AL Multifamily Investment Market Report

August 2026

Mid-2026 Outlook

Longview Commercial's bi-annual, institutional-grade market intelligence publication — designed to give accredited investors, whether new to private real estate funds or experienced in direct asset ownership, a clear, unvarnished view of the markets we target for deployment.

Each edition focuses on a single metropolitan market, assessed across the dimensions that matter most: demographic momentum, employment health, supply/demand dynamics, capital flows, and submarket selectivity. Our goal is not simply to share data, but to translate that data into investment context relevant to a diversified multifamily portfolio.

Birmingham, Alabama serves as our twelfth edition and the first Alabama market in this series in the Longview portfolio strategy. As one of the nation's most dynamic Sunbelt metros, Birmingham exemplifies both the opportunity and the nuance that sophisticated multifamily investing demands. The following pages present our mid-2026 assessment.

“Birmingham's vacancy is the highest it has been in more than 25 years, and its per-unit pricing is the lowest of any market in this entire series. Those two facts, together, are precisely why a disciplined, patient allocator would look here rather than look away.”

How to Read This Report

This publication is organized into nine substantive sections following this overview. Readers new to multifamily investing will find grounding context in the market fundamentals and demographic sections. More experienced capital allocators will find granular submarket data, risk analysis, and our forward outlook of greatest value.

New to Private Multifamily

Start with the market fundamentals and demographic sections for grounding context before moving into submarket-level detail.

Experienced Capital Allocators

Submarket data, competitive landscape, forward outlook, and our risk matrix carry the greatest weight for your review.

Data Sources

CoStar Group, MMG Real Estate Advisors, The Kirkland Company, U.S. Census Bureau, Birmingham Police Department, and institutional research, as of mid-2026.

Where sources conflict, we present the range rather than a single point estimate. Market conditions evolve; investors should conduct independent due diligence and consult offering documents.

Our Philosophy

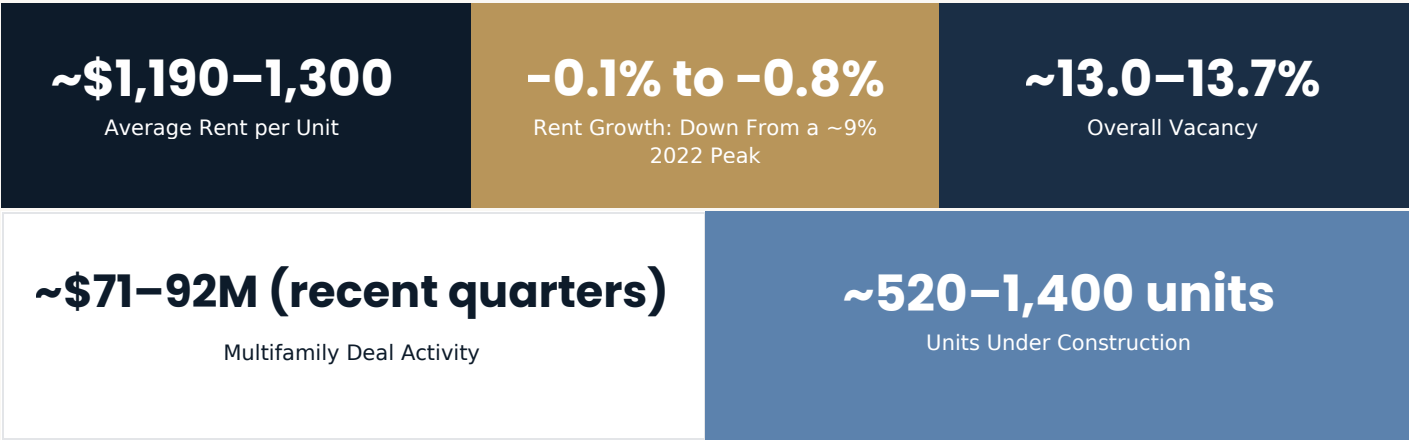
Built as a portfolio. Not a single bet. Longview constructs diversified, multi-market, multi-operator multifamily portfolios for accredited investors, grounded in disciplined capital allocation and long-term value creation rather than single-asset speculation.

A Note on This Report

This is market research, not an offer. It does not describe the terms of, or constitute a solicitation for, any specific Longview Commercial fund or offering. See disclosures on the final page.

This Is What Birmingham Looks Like

Longview Commercial specializes in constructing diversified institutional-quality multifamily portfolios for accredited and sophisticated investors. This report delivers an independent, data-driven assessment of the Birmingham multifamily sector as of mid-2026, focusing on metrics that signal market health, investment viability, and long-term positioning.



Sources: CoStar Group, MMG Real Estate Advisors, The Kirkland Company. Data as of Q1-Q2 2026.

The Smallest, Most Discounted Market in This Series

Birmingham's vacancy rate reached approximately 13.0–13.7% in the most recent readings — the highest level in more than 25 years, and well above the national average. Rent growth, which peaked near 9% year-over-year in 2022, has turned modestly negative, with asking rents averaging approximately \$1,190–\$1,300 per month, well below the national average of roughly \$1,750–1,760.

The offsetting signal is the size of the correction on the supply side: Birmingham's construction pipeline has contracted from a peak of more than 3,000 units at the end of 2022 to as few as 520 units by late 2025, with only 270 units breaking ground in all of 2024. Average price per unit (~\$119,000) is the lowest of any market in this series — roughly a third of Charlotte's and less than a quarter of Miami's.

Current indicators suggest a small, cyclically extended market nearing the trough:

- Construction starts have collapsed from over 3,000 units at their 2022 peak to as few as 270 in 2024 — one of the sharpest pullbacks of any market in this series.
- 2024 marked the first year in over six quarters that absorption outpaced new deliveries, a preliminary stabilization signal, though more recent 2025 data shows the correction has not yet fully run its course.
- Cap rates near 7.0% — 50 to 100 basis points above the national average — reflect investor caution appropriate to a smaller, less liquid secondary market.
- Birmingham homicides were down approximately 46–48% year-over-year in early 2026 and 72% versus 2024's record-setting pace, per city police data independently verified by a nonpartisan research organization.

Within the Longview portfolio, Birmingham is the smallest, most deeply discounted market in this series — a genuine secondary-market allocation rather than a Sunbelt gateway metro, offering a fundamentally different risk-and-basis profile than Atlanta, Miami, or Charlotte.

General Metro Birmingham Metrics

Economy & Demographics



The seven-county Birmingham-Hoover MSA, Alabama's largest metropolitan area, reached approximately 1.19–1.2 million residents as of 2024. The core city of Birmingham itself (known as "The Magic City") is considerably smaller, with the surrounding suburbs of Hoover, Vestavia Hills, and Bessemer forming a substantial share of the metro's population and multifamily demand.

Employment & Labor Force

The Birmingham metro supports more than 575,000 jobs across a diversified base. Unemployment has been cited as low as 2.2% in late 2025 data — among the lowest readings of any market in this

series, though we note this figure runs meaningfully below other regional unemployment estimates and should be confirmed against primary Bureau of Labor Statistics data before being relied upon directly. Birmingham should add approximately 3,700 jobs through 2026–2027, per one regional forecast.

Job Diversity & Industry

One of the more diversified economies of any smaller market in this series: financial services (Regions Financial Corporation and Vulcan Materials are both headquartered in Birmingham), healthcare and medical research (the University of Alabama at Birmingham, the state's largest employer, with an annual economic impact exceeding \$12.1 billion), and advanced manufacturing tied to electric-vehicle supply chains (over \$725 million in mobility-related investment since 2018, led by Mercedes-Benz's partnerships with UAB and Alabama Power). Birmingham was also named a federally designated Tech Hub region in 2025, receiving a \$44 million grant to support the Birmingham Biotechnology Hub, and is home to Innovation Depot, the largest tech-centric startup complex in the American Southeast.

Fortune 500 Headquarters

Birmingham is home to at least two Fortune 500 headquarters — Regions Financial Corporation and Vulcan Materials — a modest but genuine concentration for a market of this size, reinforced by a deep bench of large private and institutional employers including UAB, Wells Fargo, Amazon, St. Vincent's Health System, Children's of Alabama, AT&T, and Honda Manufacturing of Alabama.

Demographics & Renter Population

Birmingham's median household income runs in the low-to-mid \$60,000s, with rents that are structurally the most affordable of any market in this series. This affordability, combined with UAB's stabilizing presence as the region's largest employer, provides a durable, if modest-growth, renter demand base distinct from the higher-velocity migration stories driving several other markets in this series.

Crime & Livability Trends

A genuinely dramatic recent improvement, though the longer trend is more mixed. Birmingham police reported 11 homicides year-to-date through Q1 2026 with a 100% clearance rate, a 48% decline versus the same period in 2025 and 72% versus 2024's record pace — figures independently verified by the nonpartisan Public Affairs Research Council of Alabama (PARCA). That said, PARCA also found that total criminal incidents were higher in 2025 than in 2024, and that overall violent crime (driven by assaults) actually increased in 2025 even as homicides fell — a genuinely nuanced picture worth underwriting carefully rather than taking the homicide statistic alone as a complete safety signal.

Overall, Birmingham combines the lowest cost basis, one of the most dramatic recent homicide-reduction stories, and a diversified, UAB-anchored economy of any market in this series — set against the highest vacancy rate in more than a quarter century and the smallest, least liquid transaction market Longview currently tracks.

Multifamily Metrics vs. National Benchmarks

- **Average Rent per Unit:** Estimates ranged from approximately \$1,190 to \$1,300 across sources reviewed, well below the national average of roughly \$1,750-\$1,760 — the most affordable market in this series on an absolute basis.
- **Rent Escalation:** Rent growth peaked near 9% year-over-year in 2022 and has since turned modestly negative, with trailing figures ranging from approximately -0.1% to -0.8% depending on source and period. Submarkets with the heaviest recent supply, including Bessemer/Fairfield and Homewood, saw the sharpest annual declines, ranging from -2.6% to -3.8% in one reading.

SECTION 04 (CONT'D)

Rent, Occupancy & Transaction Detail

- **Occupancy:** Vacancy readings ranged from approximately 11.3% (an older reading) to 13.0-13.7% in the most current data reviewed— described by multiple sources as the highest level in more than 25 years. Class A properties were hit hardest, with vacancy reaching as high as 18.2% in one reading, while more affordable Class B communities held up better.
- **Multifamily Deals (Volume & Value):** Quarterly sales volume was cited at approximately \$71.1 million (Q3 2025) with an average price per unit of approximately \$119,000 — the lowest basis of any market in this series. Cap rates averaged approximately 7.0%, roughly 50-100 basis points above the national average, reflecting appropriate investor caution for a smaller, less liquid secondary market.
- **Permits & New Supply Pipeline:** The construction pipeline contracted sharply from a peak of more than 3,000 units at the end of 2022 to approximately 1,400 units in early 2025 and as few as 520 units by late 2025. Only 270 multifamily units broke ground in all of 2024 — one of the sharpest construction-starts pullbacks of any market in this series.



Birmingham is the smallest, most deeply discounted market in this series by every measure — price per unit, transaction volume, and metro population. That combination is exactly why it functions differently in a diversified portfolio than the larger Sunbelt gateway metros: less liquidity and a genuine secondary-market risk premium, offset by a cost basis and construction-pullback severity with no real parallel among the larger markets Longview tracks.

Current & Future Trends

CURRENT (2026)	5-YEAR OUTLOOK (~2031)	10-YEAR OUTLOOK
Vacancy sits at its highest level in more than 25 years, the product of a construction wave that peaked at over 3,000 units in the pipeline at the end of 2022.	With the pipeline down to as few as 520 units and only 270 starts in 2024, the supply side of the equation has corrected sharply, setting up conditions for a 2026–2027 stabilization if demand holds.	UAB's scale and stability as the region's largest employer, combined with Birmingham's broader healthcare, finance, and advanced-manufacturing base, provide a demand floor distinct from purely migration-dependent Sunbelt growth stories.
2024 marked the first year in over six quarters that absorption outpaced new deliveries, though more recent 2025 data shows vacancy continuing to worsen in specific submarkets.	Downtown Birmingham's residential occupancy rose from 82.2% in early 2024 to 86.9% by year-end, alongside a 10.2% increase in downtown employee presence — a genuine urban-core resurgence signal.	Submarkets with the heaviest recent supply (Bessemer/Fairfield, Homewood, Hoover/Vestavia Hills) should take longer to stabilize than downtown and other lighter-pipeline corridors.
Transaction volume remains modest by national standards, with cap rates near 7.0% reflecting the market's smaller scale and lower liquidity relative to larger metros in this series.	Average price per unit of approximately \$119,000 offers a meaningfully lower entry basis than any other market Longview currently tracks.	Patient, well-capitalized buyers able to underwrite a longer hold and accept lower liquidity may find Birmingham's basis genuinely attractive relative to its larger Sunbelt peers.

SECTION 05

Market Projection — Five Years From Now (~2031)

- Vacancy normalizing from today's 25-year-high levels as the construction pipeline remains constrained relative to 2022–2023 peaks.
- Rent growth returning to the 2–3% range projected by regional forecasters, following the pattern of prior Birmingham cycles.
- Continued downtown revitalization supporting occupancy gains in the urban core specifically.
- UAB, Regions Financial, and the region's growing advanced-manufacturing and biotech base continuing to anchor demand.
- Persistent dispersion between recovering submarkets and those (Bessemer/Fairfield, Hoover/Vestavia Hills) still absorbing heavier recent supply.

Important Statistics Snapshot

Birmingham Multifamily Market	
Construction pipeline,2022 peak vs. late 2025 — one of the sharpest pullbacks in this series	3,000+ → ~520
2024 construction starts — a multi- decade low	270 units
Vacancy—thehighest level in more than 25 years	13.0–13.7%
Average asking rent—the most affordable market in this series	~\$1,190–1,300
Average price per unit — the lowest basis of any market in this series	~\$119,000
Cap rates —50-100 bps above the national average	~7.0%

Birmingham Economy Statistics	
Birmingham-Hoover MSA population (2024)— Alabama's largest metro	~1.19–1.2M
Unemployment Rate: Low (~3% range; state AL ~3.0% in May 2026)	~3%
Job Growth	Stable/moderate
Homicide decline, early 2026 vs. 2025 and 2024 respectively (independently verified by PARCA)	–48% to –72%
Key Notes/Drivers: Healthcare, manufacturing, finance, and professional services. Resilient with diversified base.	

Main Companies & Market Players

Local & Regional: Daniel Corporation, headquartered in Birmingham for more than 60 years, has developed or managed approximately 20,000 multifamily units and 20 million square feet of commercial space across the Southeast and Sunbelt regions.

National Platforms: The Dobbins Group, headquartered in nearby Homewood, has been among the most active recent developers in the metro, delivering projects including Colina West Homewood and the 475-unit Colina Hillside. Evernest, a Birmingham-based property management firm, manages more than 14,000 properties for over 6,000 owners across the region.

Investors: Transaction activity remains modest and dominated by private buyers, including notable recent trades such as the \$47.1 million sale of Stonegate Apartments and the earlier \$111 million sale of Ridge Crossing to Canada-based Avenue Living. Longview Commercial structures diversified portfolios to give investors access to institutional-quality multifamily without concentrating risk in any single metro's scale or liquidity profile.

Opportunities

- **Lowest Basis in This Series:** An average price per unit of approximately \$119,000 offers the most attractive entry point of any market Longview currently tracks.
- **Sharp Supply Correction:** A pipeline collapse from 3,000+ units to as few as 520 is among the most dramatic construction pullbacks in this series.
- **UAB Anchor Stability:** The state's largest employer and a globally recognized medical research institution provides a demand floor distinct from migration-dependent growth stories.
- **Downtown Resurgence:** Downtown residential occupancy rose from 82.2% to 86.9% in 2024 alongside a 10.2% increase in downtown employee presence.
- **Emerging Tech & Biotech Hub:** A federally designated Tech Hub grant and the Southeast's largest startup complex (Innovation Depot) add a genuine, if early-stage, diversification driver.

Submarket Intelligence

Birmingham's elevated metro-wide vacancy is concentrated in specific recently-heavy-supply corridors, while downtown's revitalization and select outlying submarkets show real relative strength.

SUBMARKET	PROFILE & THEME	LONGVIEW VIEW
Downtown Birmingham	Residential occupancy rose from 82.2% in early 2024 to 86.9% by year-end, alongside a 10.2% increase in downtown employee presence — a genuine urban-core resurgence, even as downtown remains a focal point for new deliveries.	SELECTIVE
Outlying Jefferson County & Bessemer/Fairfield	Attracting renters seeking affordability, though Bessemer/Fairfield specifically saw some of the metro's sharpest recent rent declines following substantial new completions.	SELECTIVE
Hoover/Vestavia Hills & Homewood	Among the submarkets with the heaviest recent supply and sharpest annual rent declines (–2.6% to –3.8% in one reading), representing the metro's clearest near-term supply risk.	CAUTIOUS

Data Note

Submarket views reflect qualitative positioning drawn from broker and proprietary market research as of mid-2026. Granular submarket-level rent and occupancy data were not available at point-estimate resolution for this edition and are flagged rather than estimated.

Risks

- **25-Year-High Vacancy:** Birmingham's vacancy rate is the highest in more than 25 years across sources reviewed; the recovery thesis depends on the construction-starts pullback translating into meaningful absorption gains.
- **Small, Illiquid Transaction Market:** Quarterly sales volume in the tens of millions is a fraction of the larger metros in this series, meaning fewer comparable transactions and potentially longer exit timelines.
- **Unconfirmed Figures:** Some data points, notably the 2.2% unemployment figure, appear as outliers relative to other regional estimates and should be confirmed against primary sources before underwriting.
- **Mixed Crime Picture:** While homicides have declined dramatically, PARCA's independent analysis found overall criminal incidents and violent crime (driven by assaults) both increased in 2025 — a nuanced trend, not just the homicide statistic.
- **Submarket Concentration:** Hoover/Vestavia Hills and Homewood carry the heaviest recent supply and sharpest rent declines; a metro-level recovery thesis should not be assumed uniform.
- **Smaller Economic Base:** With a metro population of ~1.2 million, Birmingham's economic base is structurally smaller and less resilient to single-employer disruption than the larger metros in this series.

In a Nutshell

Birmingham in 2026 is the smallest and most deeply discounted market Longview currently tracks — vacancy at a 25-year high, rents modestly negative, and a per-unit price basis roughly a third of Charlotte's. The countervailing case is real: a construction pipeline collapsed from over 3,000 units to as few as 520, a stabilizing UAB-anchored economy, and a dramatic recent homicide-reduction story, tempered by a more nuanced overall crime picture. Within a diversified allocation, Birmingham functions as a genuine secondary-market, deep-value complement to the larger gateway metros — appropriate for patient capital accepting lower liquidity for a meaningfully lower entry basis.

Longview Commercial is positioned to help accredited investors access high-quality, professionally managed multifamily exposure in this evolving market. All projections involve uncertainty; investors should conduct independent due diligence and consult offering documents.

Contact and Next Steps

To learn more about Longview Commercial fund offerings or to request placement on the investor distribution list for the Market Intelligence series:

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