BIRMINGHAM, AL

2025 MARKET AT A GLANCE

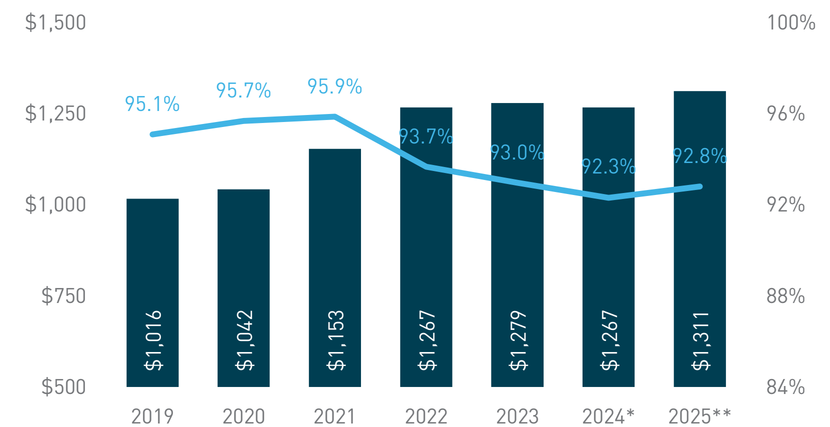
OCCUPANCY RATE (Q4 2025)	EFFECTIVE RENT (Q4 2025)	RENT SHARE OF WALLET (Q4 2025)
92.8%	$1,311	21.0%
UP 50 BPS YOY	UP 3.5% YOY	UP 10 BPS YOY

Vibrant Leasing and Rent Growth Signal Favorable Apartment Outlook

Birmingham's affordable lifestyle and sustained employment expansion will continue to boost population growth in 2025. Moody's forecasts the arrival of over 8,100 net new residents this year in the Birmingham metro area. Many will be attracted to Birmingham's affordability, as the area's cost of living is 10.5% below the national average. Furthermore, employment is forecast to expand 0.6% with 3,700 net new jobs. This favorable environment will support apartment demand. Net absorption is projected to total 1,574 units, more than twice the annual average from 2015 through 2024. The projected absorption will outpace deliveries, fueling a 50-basis-point annual gain in the occupancy rate and a 3.5% increase in effective rent by year-end. Over half of the leasing activity is expected to take place in the Homewood/Southwest Birmingham submarket. Homewood has the distinction of being rated the number one place to live in Birmingham by Niche.com. Apartment demand will also be brisk in the Central Birmingham/Mountain Brook submarket, where a 272-unit and a 273-unit apartment community will be completed by mid-year. Both communities will be located within 2.5 miles of the 9,380-seat Coca-Cola Amphitheater, set to open in June 2025 in the Druid Hills neighborhood. The amphitheater will be the key attraction at the 50-acre Star at Uptown mixed-use development that will reach build-out in 2028. Coca-Cola Amphitheater will host numerous concerts and events each year and will support 300 permanent jobs. The amphitheater's events are expected to boost hotel stays nearby and add to the annual $2.5 billion in tourist spending in Greater Birmingham.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2024 are projected values. 2025 figures are forecast projections.

APARTMENT TRENDS

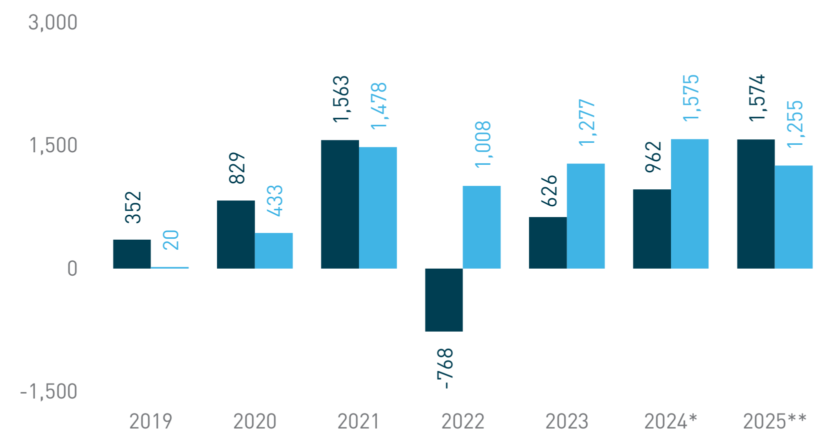


Effective Rent · Occupancy

Source: RealPage

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.



Source: RealPage

Net Absorption · Deliveries

*Projected **Forecast

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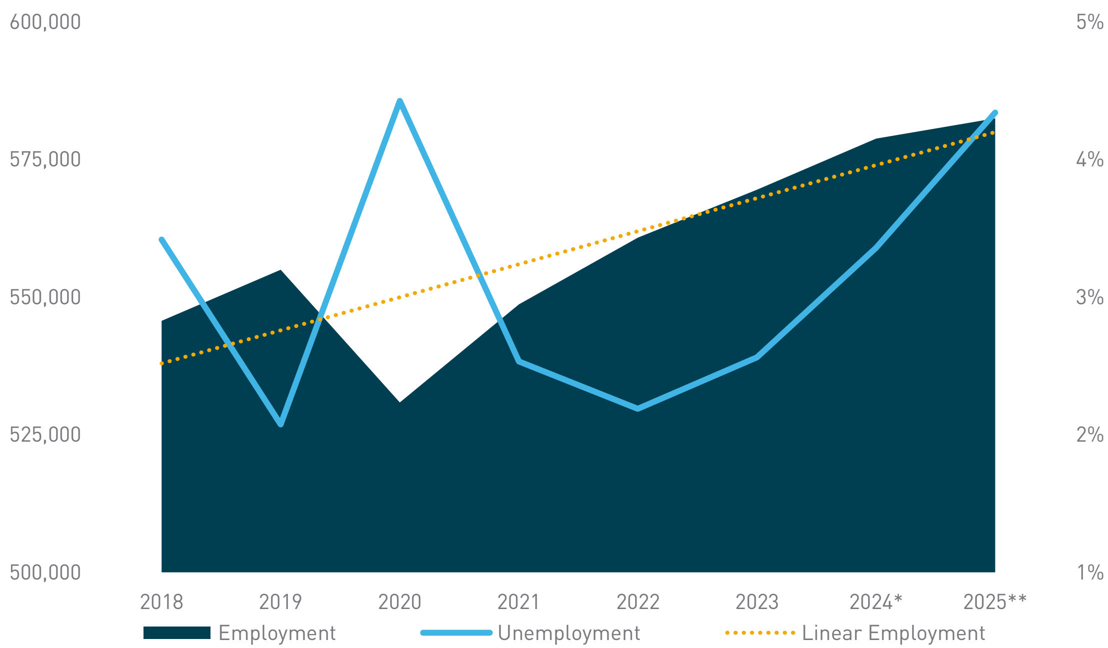
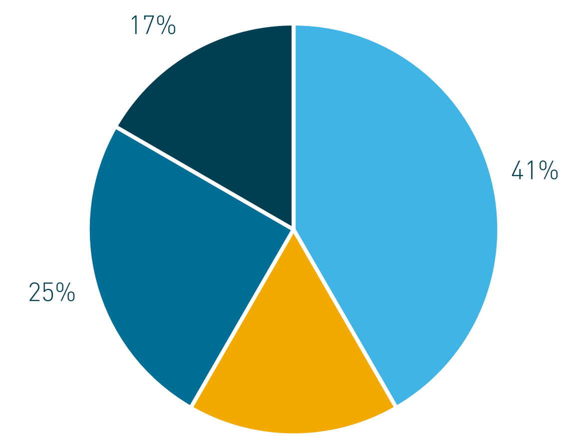
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: CoStar Group

*YTD through Oct.

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)
582,500	4.3%	$74,940
UP 0.6% YOY	UP 90 BPS YOY	UP 3.2% YOY

PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
$115,160	7.0%
DOWN 0.6% YOY	UP 20 BPS YOY