



# Downtown Birmingham has more data.

Economic Vitality Report  
Q1-Q2 2024

powered by



BIRMINGHAM





REV Birmingham is a place-based revitalization and economic development nonprofit with a mission to create vibrant commercial districts. REV's team believes good data is essential to understanding a place and helping it grow. This Downtown Birmingham Economic Vitality Report, which is released twice a year, helps us identify downtown's strengths and opportunities. The study area is highlighted in blue.



See more data and get in touch with REV's downtown team

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**\$99.3M**

Value of development projects completed in Q1-Q2 2024

**14.7k**

Residents on average

**67,233**

Average Daily Downtown Employee Visits

**11**

Historic Districts spanning 416 acres with 693 contributing buildings

**1,205**

Downtown residents walk to work  
*The Southside area of Downtown is home to the highest concentration of walking commuters in Alabama.*

**23**

Development Projects Under Construction

**82.2%**

Residential Occupancy

**29.6%**

Downtown Birmingham is home to 29.6% of the Birmingham metro area's office square footage, but only makes up .07% of the Birmingham Metro land area.

**43%**

of tourist nights spent in the City of Birmingham are spent Downtown. (including hotels at The Colonnade).

**76.4%**

Office Occupancy

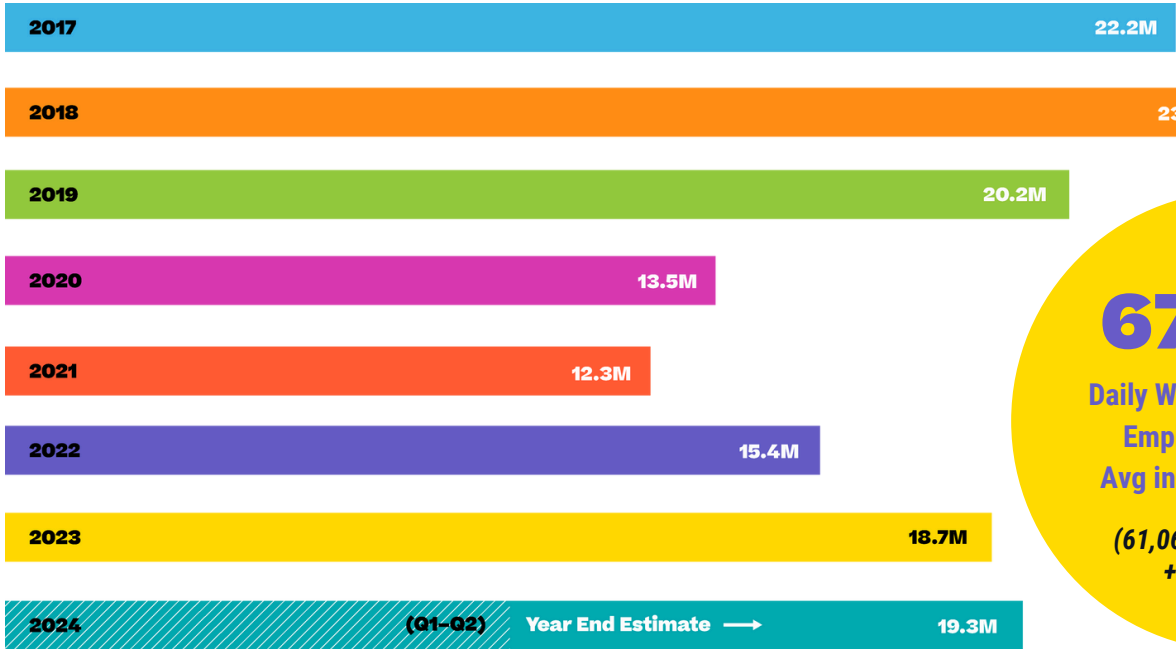
**445**

Active Retail Locations



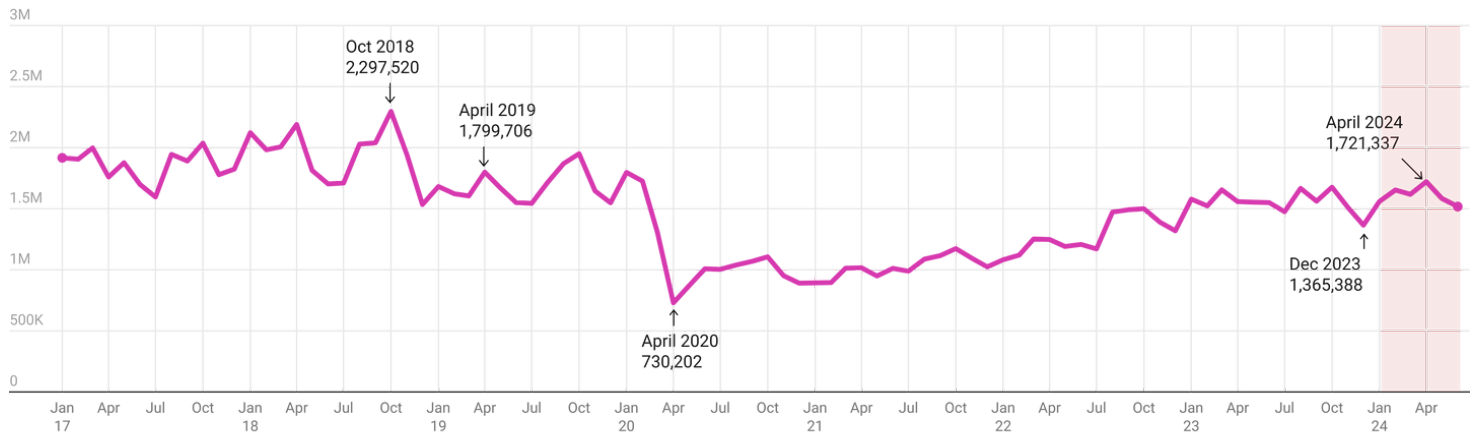
# Downtown Birmingham Economic Vitality Report Q1 and Q2 2024

OFFICE



**67,233**  
 Daily Weekday Downtown  
 Employee Visits on  
 Avg in Q1 and Q2 2024  
 (61,064 in Q1-Q2 2023,  
 +10% increase)

Annual Employee Visits (in millions)



Monthly Employee Visits since 2017

**76.4%**

Office Occupancy  
(77.18% in Q3-Q4 2023)

**81.3%**

Class A Office Occupancy

**\$25.36**

Class A Avg Rent/SF  
(\$23.97 in Q3-Q4 2023)

**62.8%**

Class B Office Occupancy

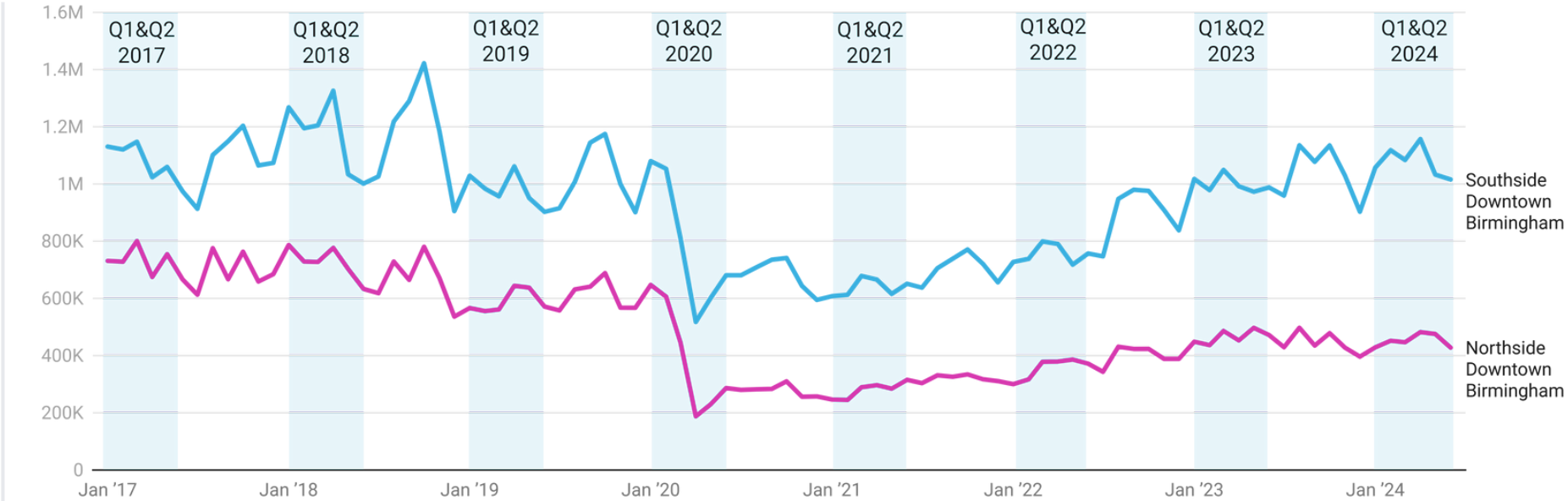
**\$21.01**

Class B Avg Rent/SF  
(\$21.43 in Q3-Q4 2023)

**9.4M**

Total SF Office Inventory





Northside vs Southside Employee Presence—All Employees, Including Weekends

Southside

Q1-Q2 2023 to Q1-Q2 2024



+ 7.2%

Northside

Q1-Q2 2023 to Q1-Q2 2024



-3%

Downtown (combined)

Q1-Q2 2023 to Q1-Q2 2024



+ 4.2%



DOWNTOWN OFFICE OPPORTUNITIES

Three Most Recently Purchased Office Buildings (All at Market Rate)



**Kemper Building - 2201 4th Ave N**  
Purchaser: Alexander Shunnarah  
110, 295 SF (vacant since Aug 2023)



**Colonial Plaza - 2101 6th Ave N**  
Purchaser: Birmingham Board of Education  
170,660 SF (41.8% occupancy in Q1 2023)



**Daniel Building - 15 20th St S**  
Purchaser: UAB  
316,404 SF (vacant during 2023)

Three Largest Leases Take Occupancy



**Intermark Building - 101 25th St N**  
Lessee: Blackbox Logistics  
14,409 SF (occupied July 2024)



**Regions Harbert Plaza - 1901 6th Ave N**  
Lessee: Baker Donelson  
36,370 SF (occupied May 2024)



**The Massey Building - 2025 3rd Ave N**  
Lessee: Phelps Dunbar LLP  
18,300 SF (occupied March 2024)



## Data Digest with Jackson Dean

Data & Research Manager, REV Birmingham

**597,359 sf**  
of office space has been purchased and is now owner-occupied thus far in 2024

**+10%**  
Average weekday employee visits in Q1-Q2 2024 increased by 10% when compared to Q1-Q2 2023



The industry standard **office occupancy rate** reports the percentage of square footage occupied in office buildings being marketed for lease—and *does not* including office buildings that are entirely owner occupied.

Brokers zero in on "for lease" office building occupancy to monitor the demand for the product they are leasing, and we should all be grateful to them for painstakingly compiling this data as it impacts every other sector of our economy. However, when considering the health of Downtown Birmingham, we can't ignore owner-occupied buildings that represent an increasingly large part of Birmingham's economic base.

Nearly 600K square feet of Downtown Birmingham office space has been purchased in 2024. Clearly, organizations like Alexander Shunnarah Trial Attorneys, the Birmingham Board of Education, and UAB Medicine see the value of being downtown, because they have invested millions to acquire their properties. The purchase of these properties may not increase our traditional office occupancy rate, but it will increase employee presence downtown, impacting hundreds of downtown restaurants and other businesses. In fact, we can already see it playing out.

Since the beginning of 2023, Placer.ai data shows an increase in employee presence despite a reduction in office occupancy rates. This employee presence increase represents a diversification of Downtown Birmingham's economy and growth in the healthcare sector. Birminghamians won't be shocked at UAB Medicine's continued growth, but the growth of other companies that own their own property—like Spire, Pack Health, Alexander Shunnarah, Southern Research, and others—represents thousands more jobs.

The 597,359 SF of office space purchased thus far in 2024 represents a shift in the main downtown office players. I believe we will continue to see a slight reduction in the supply of "for lease" office square footage with more purchases of office buildings happening in the near future. In my opinion, removing some of the available office space through owner occupied purchases will drive an increase in traditional multi-tenant office demand for the rest of 2024 and provide relief to some of our major office towers.

**Thanks for reading!**

### *In the News*

#### **Is Downtown Birmingham's Office Market Improving?**

*William Thornton from AL.com*

**"A year ago, a fifth of Birmingham's office space was unoccupied, the highest percentage in a decade. Now, those empty spaces in the Magic City's office buildings are starting to fill up."**

**READ MORE**



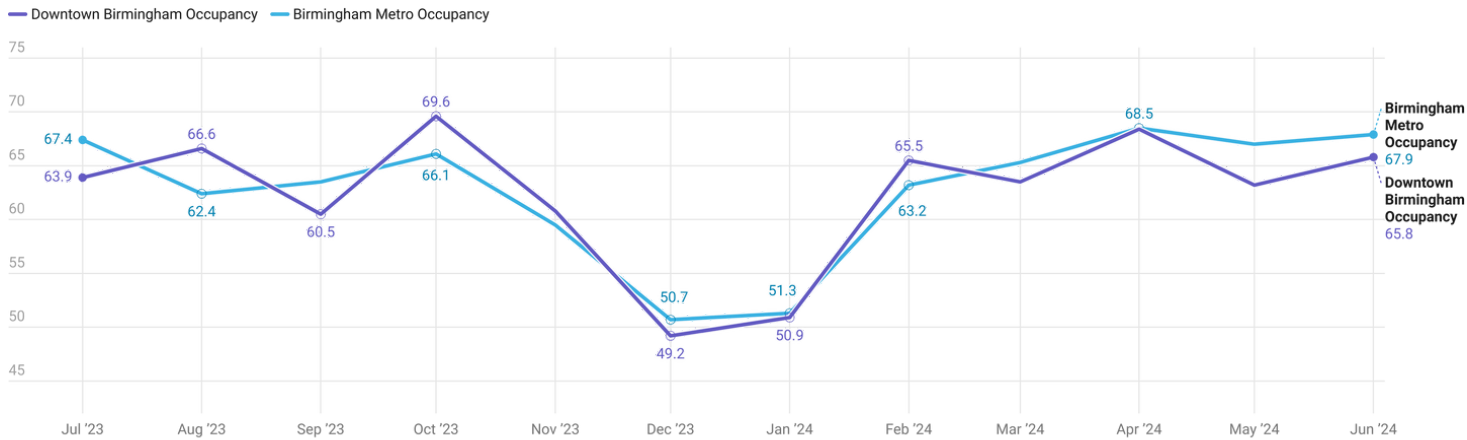


# Downtown Birmingham Economic Vitality Report Q1 and Q2 2024

## HOSPITALITY



**BHM Airport Passengers, Jan 2022–June 2024**



**Monthly Hotel Occupancy Rates, July 2023-June 2024**

**19**  
Hotels  
+ 1 since 2023

**2,638**  
Hotel Rooms  
+ 117 since 2023

**62.9%**  
12-Month Hotel  
Occupancy Rates

**\$151**  
Monthly Average  
Hotel Daily Rate



**858k Visits**

**Birmingham Jefferson  
Convention Complex**



**273.8k Visits**

**Birmingham City Walk**



**168.1k Visits**

**Protective Stadium**



**160.5k Visits**

**Regions Field**



**114.9k Visits**

**Railroad Park**



**75.9k Visits**

**Birmingham Museum of Art**





The first half of 2024 saw an average of 158,440 (157,188 in Q1–Q2 2023) visits to Downtown Birmingham per day, which includes people that Placer.ai has classified as visitors, employees and residents based on the time they spend downtown.

### TOP 5 BUSIEST DAYS DOWNTOWN IN Q3–Q4 2023

- 1 Saturday, March 23, 2024 191,398 Visits**  
 Notable Events: Zach Bryan with the Middle East and Levi Turner @ Legacy Arena; Hadestown (Broadway Touring) @ BJCC Concert Hall, Monster Jam @ Protective Stadium  
*RECORD BREAKING VISITATION NUMBERS—Most visits since Placer.ai began tracking in 2017*
- 2 Friday, March 22, 2024 154,155 Visits**  
 Notable Events: Zach Bryan with the Middle East and Levi Turner @ Legacy Arena; Hadestown (Broadway Touring) @ BJCC Concert Hall
- 3 Saturday, March 2, 2024 138,772 Visits**  
 Notable Events: COLORS Worldwide Presents: R&B ONLY LIVE @ Iron City Bham; The Color Purple @ Red Mountain Theatre
- 4 Saturday, May 11, 2024 137,471 Visits**  
 Notable Events: Nate Bargatze @ Legacy Arena, Birmingham Stallions vs. St. Louis Battlehawks @ Protective Stadium
- 5 Friday, March 1, 2024 135,924 Visits**  
 Notable Events: Birmingham Restaurant Week Food Truck Pop-up @ City Walk Bham; Cottontail’s Village Arts & Crafts Show @ BJCC Exhibition Halls



### Did You Know?

Main Street Now, a conference held at the BJCC in May 2024, was the highest attended convention in Main Street history, with over 2k participants. The estimated economic impact of the conference was \$4.1M.

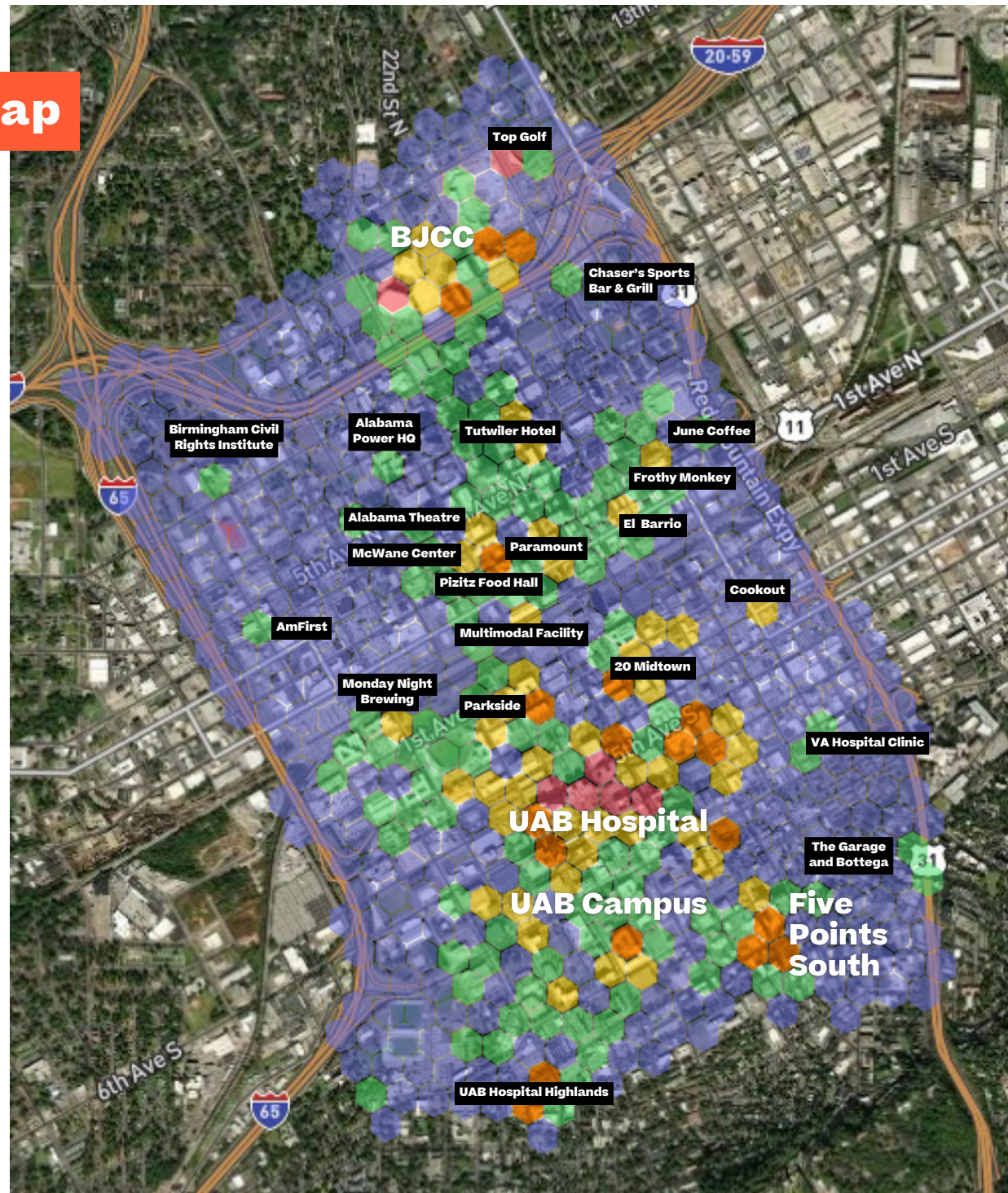
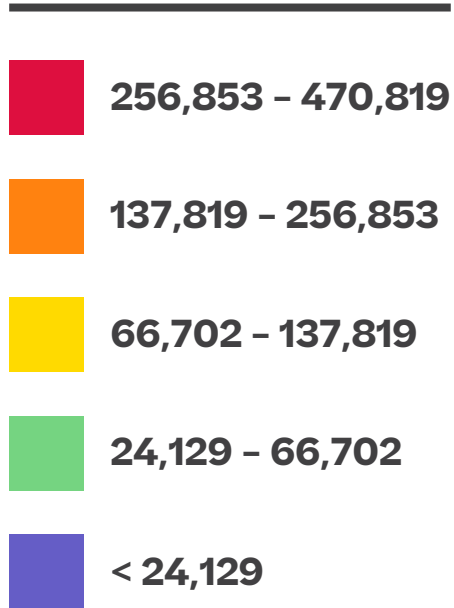
Main Street America is an organization that promotes economic development in historic downtowns and neighborhood commercial districts nationwide. REV Birmingham is one of Birmingham’s Main Street Alabama affiliate organizations.

Learn more about hosting your next conference or meeting in Birmingham at [inbirmingham.com/meetings](http://inbirmingham.com/meetings)



**Q1-Q2 Visitation Heat Map**

**No. of Visits**







*After three decades in the suburbs, my wife and I moved to Gallery Lofts on Second Avenue North in February 2018. We could not be happier with our decision to give up the big subdivision house for our lovely loft. It's the friendliest 'neighborhood' we have ever lived in. Plus, the restaurants along Second Avenue are just outstanding; we often marvel at how lucky we are to have some of the best places to eat in all of Birmingham within a three-block walk of our home. Oh, and our dog could not agree more. The hosts and hostesses give him treats as we walk past each night!*

**WAYNE ROGERS**



Moving to Birmingham was our tenth family move and we settled into a lovely home built in 1923 in the Redmont area. When my husband retired from UAB, we decided to downsize, sell our home and move into the newly remodeled Pizitz building. The plan was to rent for a year (to see if we could live in 1,200 square feet again) and then buy something downtown.

Being one of the first families to move into The Pizitz made it just a magical time. The beautiful building, the sense of community; living right next to families with young children, young professionals with their exciting careers and entrepreneurial spirits plus other empty nesters like ourselves was just the best!

Seven years later, we're still here...Why? We still love The Pizitz, and, after being homeowners for decades, we truly value just putting in the computer, come fix this, and it's DONE! The rent is worth every penny! We LOVE our community, the vibe of living in the city, being right in the middle of everything that's happening. We walk to everything and feel safe getting to all of the things that we love to do! After living in large cities where you have to get into the car to go anywhere; walking to workouts, ball games, farmers market, museums, theaters....dinner, drinks and doughnuts! *There's nothing better!*

**VALERIE THOMAS**

**14.7k**

Downtown Residents

**82.2%**

Rental Occupancy  
81.9% in Q3-Q4 2023

**8,081**

Multifamily Units  
Including Condos  
7,760 in Q3-Q4 2023,  
(+321) units

**1,205**

Units Under Constuction  
474 in Q3-Q4 2023

**0**

Proposed Units  
275 in Q3-Q4 2023



***In the News***

**Adaptive Reuse Surges Again with 151k Upcoming Units; Hotel Conversions Overtake Offices in 2023**

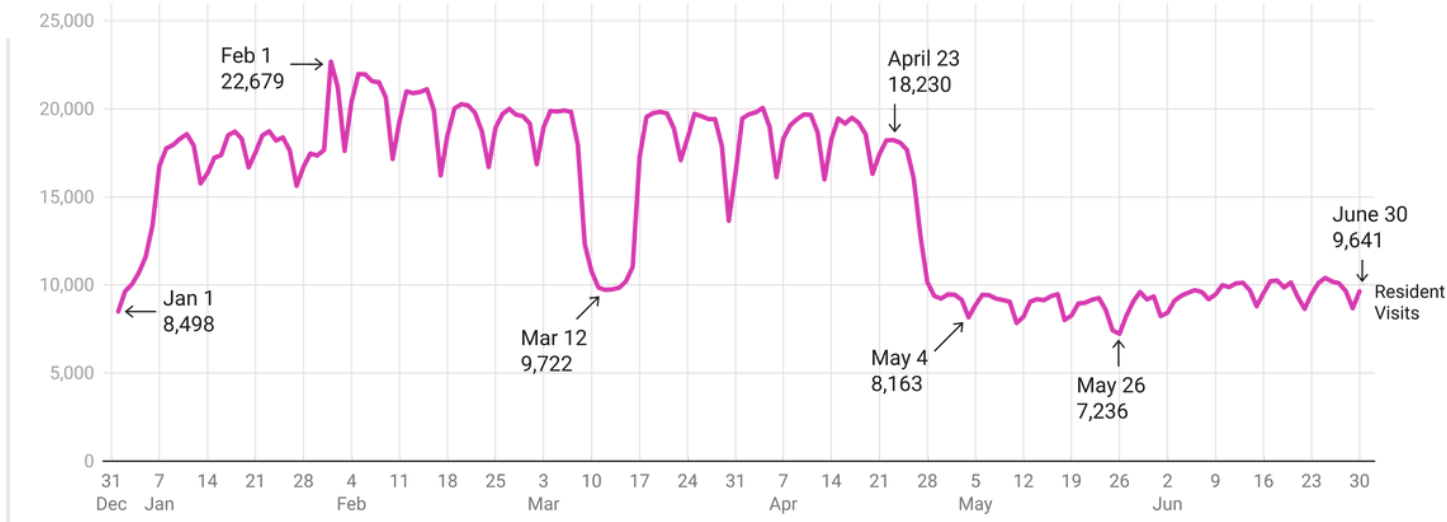
*Veronica Grecu from rentcafe.com*



“In 2023, the adaptive reuse of buildings into apartments rebounded strongly, approaching the high activity levels of 2019 and 2020. This uptick came as developers were quick to respond to the growing demand for housing, following a two-year slowdown. This resurgence saw the conversion of buildings into 12,713 new apartments throughout 2023 – showing a substantial 17.6% increase compared to the year before.

Moreover, this trend is expected to continue in the coming years, and our analysis of Yardi Matrix data shows that adaptive reuse apartments are poised for further growth.”

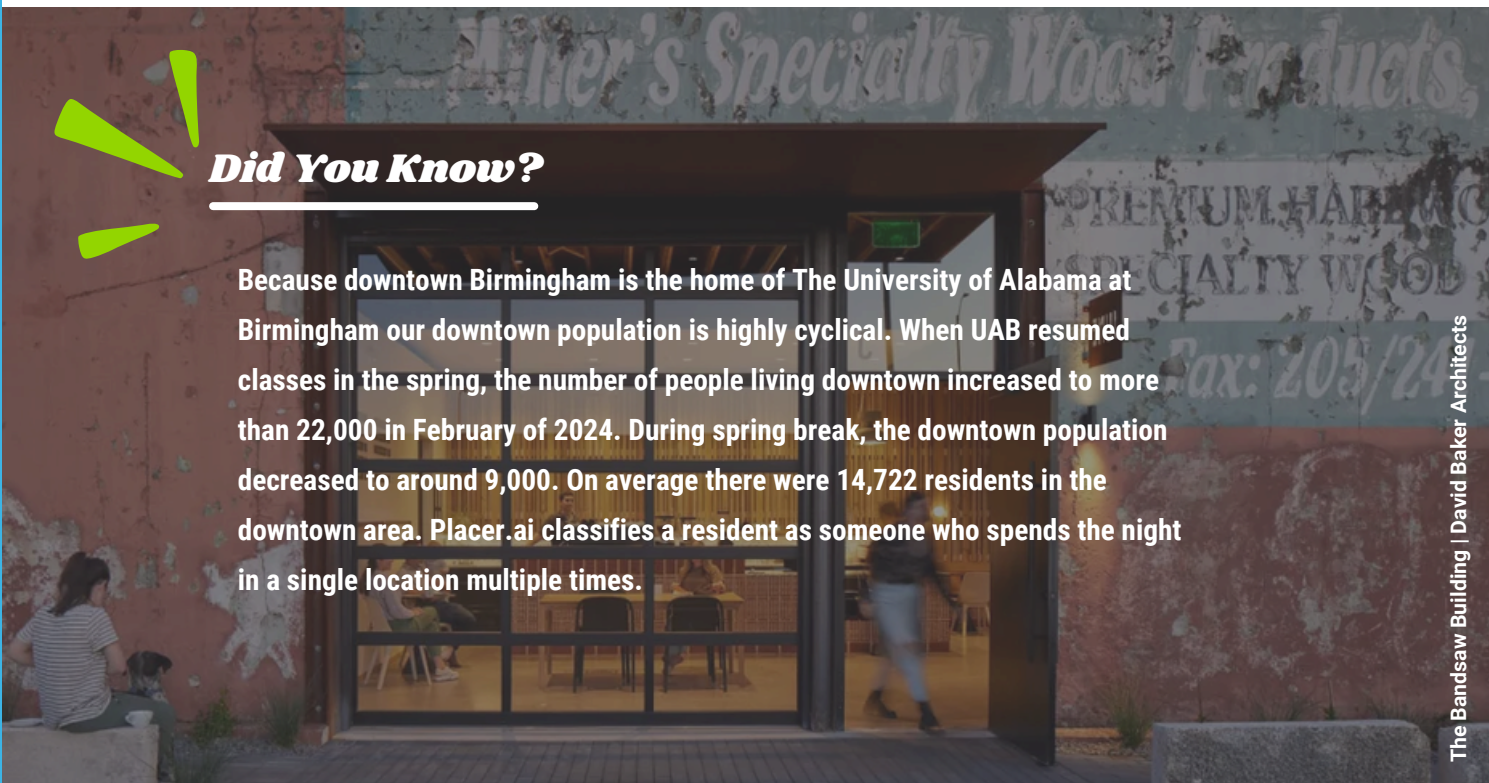
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**Downtown Resident Visits Q1-Q2 2024**

***Did You Know?***

Because downtown Birmingham is the home of The University of Alabama at Birmingham our downtown population is highly cyclical. When UAB resumed classes in the spring, the number of people living downtown increased to more than 22,000 in February of 2024. During spring break, the downtown population decreased to around 9,000. On average there were 14,722 residents in the downtown area. Placer.ai classifies a resident as someone who spends the night in a single location multiple times.







# Downtown banks branching out

In the first half of 2024, Downtown BHM saw two ribbon cuttings celebrating the openings of new Synovus and FirstBank branches. These modern, clean banking offices represent current bank retailing at its best.

Synovus returns to downtown with a sleek branch anchoring the prominent corner of 20th Street and 2nd Avenue North. FirstBank is a few blocks north on 20th and 5th Avenue North. Not only do they have a new branch, but FirstBank is adding jobs for its regional main office by drawing on our city’s banking talent.

Congrats to economic development ecosystem partners like the City of Birmingham and Birmingham Business Alliance for working together to support these wins!

Data Sources: Costar



## RETAIL

**5M**

Total Retail SF  
4.6M SF in Q3-Q4 2023

**\$20.31**

Class A Avg Market Rent/SF  
\$19.01 in Q3-Q4 2023

**\$17.69**

Class B Avg Market Rent/SF  
\$17.09 in Q3-Q4 2023

**445**

Active Retail Locations  
431 in Q3-Q4 2023

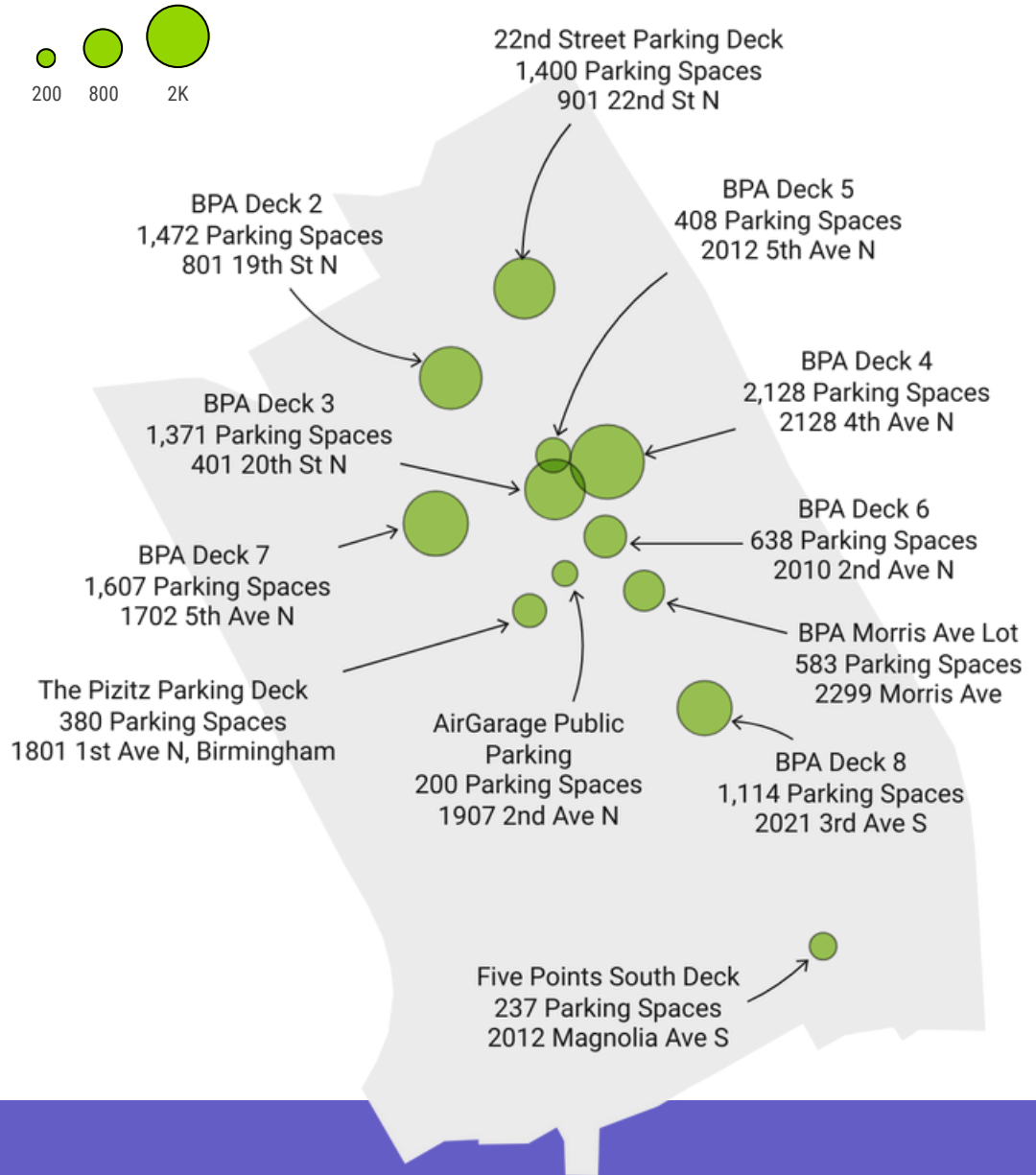


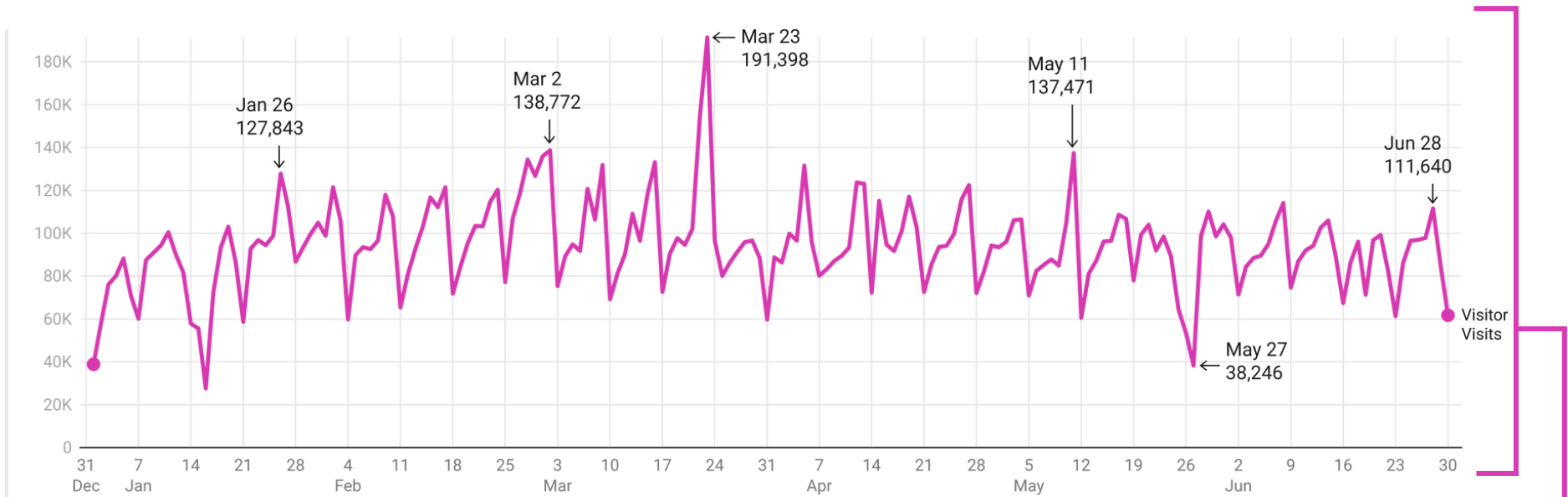
Do you struggle with parallel parking? Are you concerned about predatory towing practices in private lots? Has circling the block in search of a convenient parking space permanently damaged your punctuality?

The parking decks noted in the map to the right offer ample, affordable off-street parking. Parking in a deck means you don't need to cut your outings short, hurrying back to your vehicle for fear of towing or tickets, because payment occurs upon exiting.

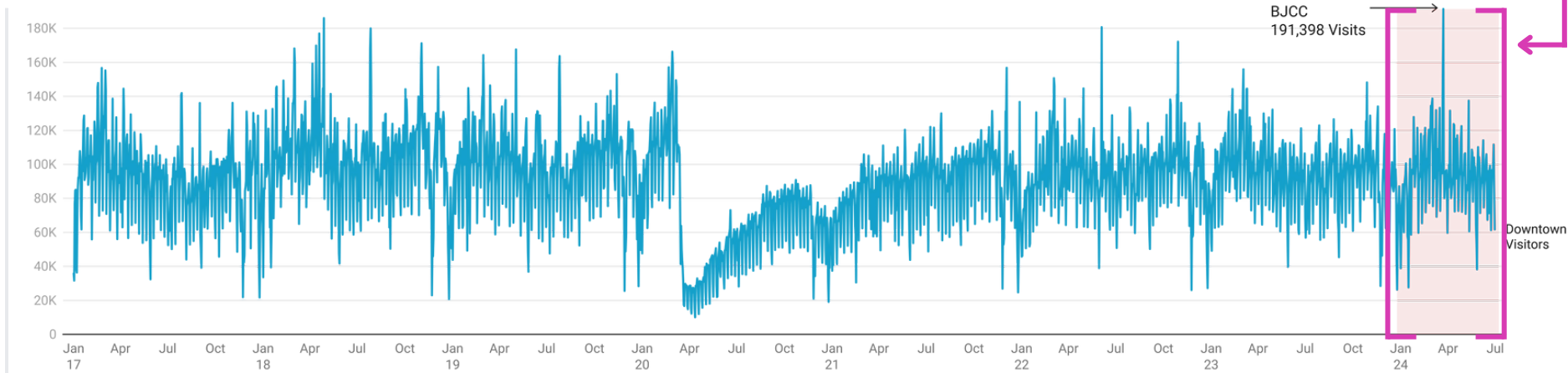
BPA decks offer the first hour of parking free for short-term visits, like picking up a meal or stopping by the bank.

**Parking Decks in Downtown Birmingham**





Daily Visitor Visits to Downtown Birmingham in Q1 and Q2



Daily Visitor Visits to Downtown Birmingham Since 2017

Comparing Q1 & Q2 of 2019 to Q1 & Q2 of 2024, downtown Birmingham visitors are at 95% of their pre-pandemic height.



# Grocery Leakage Report

## Many residents leave Downtown to purchase groceries. Where were they shopping in 2023?

- 1 Walmart Market, Palisades: 33,528
- 2 Trader Joe's, The Summit: 30,319
- 3 Piggly Wiggly, Clairmont: 24,736
- 4 Publix, Green Springs Hwy: 23,745
- 5 Aldi, Green Springs Hwy: 14,490
- 6 Publix, Lakeshore Pkwy: 13,650
- 7 Publix, Montclair: 12,096
- 8 Publix, Vestavia Hills: 8,839
- 9 Whole Foods Market, Cahaba Village: 8,580
- 10 Piggly Wiggly, North Birmingham: 7,499

These grocers outside of Downtown BHM represent the \$18.38M in unmet consumer demand for grocery in 2023.

If you are interested in locating a small format grocery store in Downtown Birmingham, please contact REV Birmingham.  
*Full report available.*

The Downtown Publix is in the 85th percentile of Publix visits nationwide: 750.8k visits in 2023

The Hwy 280 Trader Joe's location is in the 98th percentile of Trader Joe's visits nationwide: 1.2M visits in 2023  
*8th busiest Trader Joe's in the country!*



# Downtown Birmingham Economic Vitality Report Q1 and Q2 2024

## NEW DEVELOPMENTS



- Mixed Use Residential
- Commercial Properties
- Educational Projects

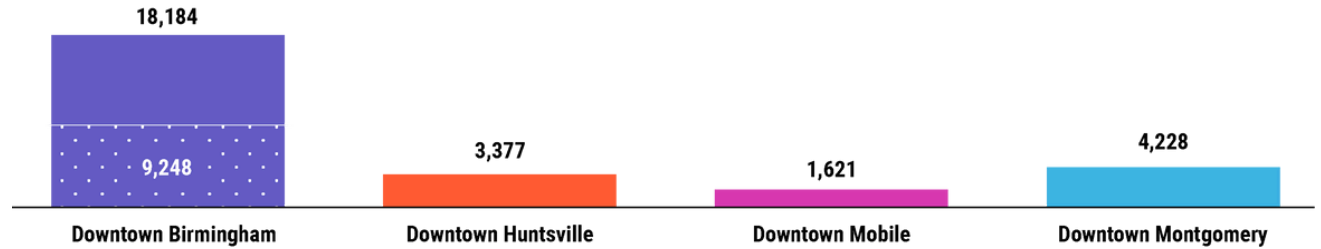




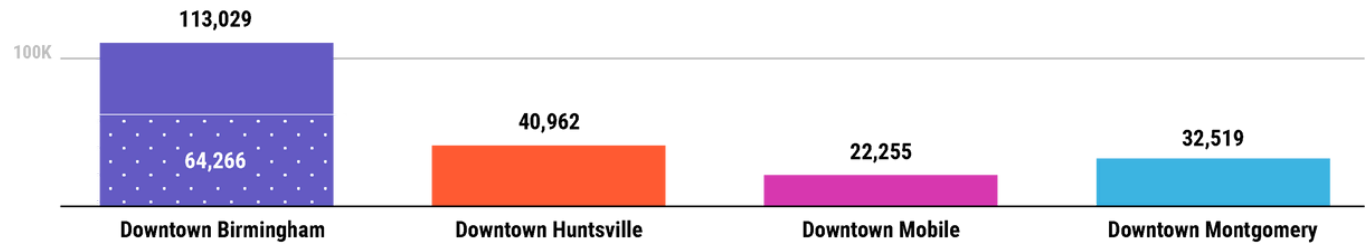
**Downtown Birmingham is the busiest Downtown in the state of Alabama.**

**Comparing Mobile, Montgomery, and Huntsville in Placer.ai allows us to illustrate that Downtown Birmingham has more visits in all categories (Employee, Resident, and Visitor).**

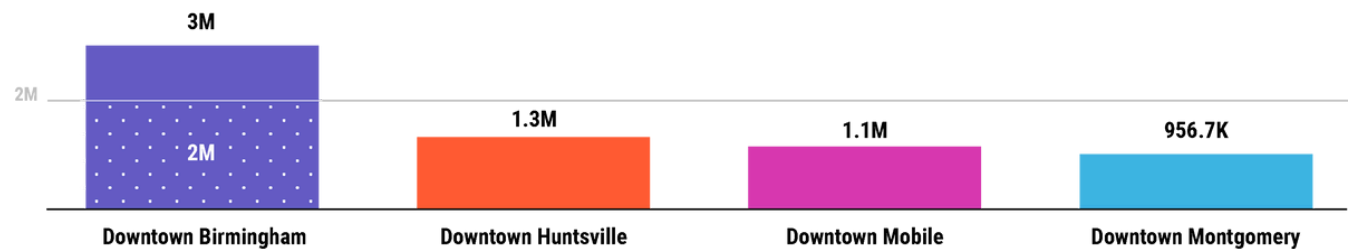
**Downtown Birmingham has 2.3 times as many visitor visits as Huntsville, 3.5 times as many as Downtown Mobile, and 4.2 times as many as Downtown Montgomery.**



**Downtown Birmingham VS Other AL Downtown Resident Visits**



**Downtown Birmingham VS Other AL Downtown Employee Visits**



**Downtown Birmingham VS Other AL Downtown Visitor Visits**



Data Sources: Placer.ai

Note: Downtown boundaries were geofenced from maps used by respective downtown organizations to represent their districts.





**14.7k**

Downtown Residents  
55.27% Female; 44.73% Male

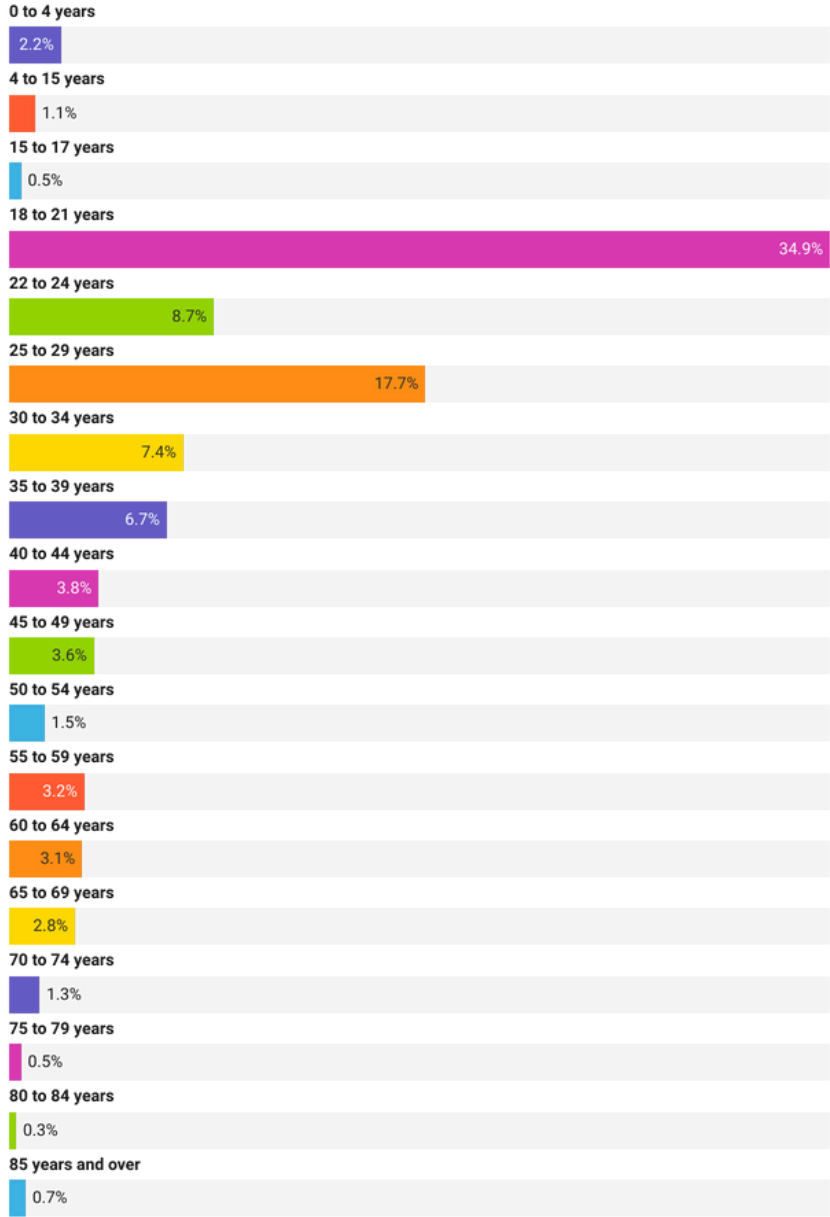
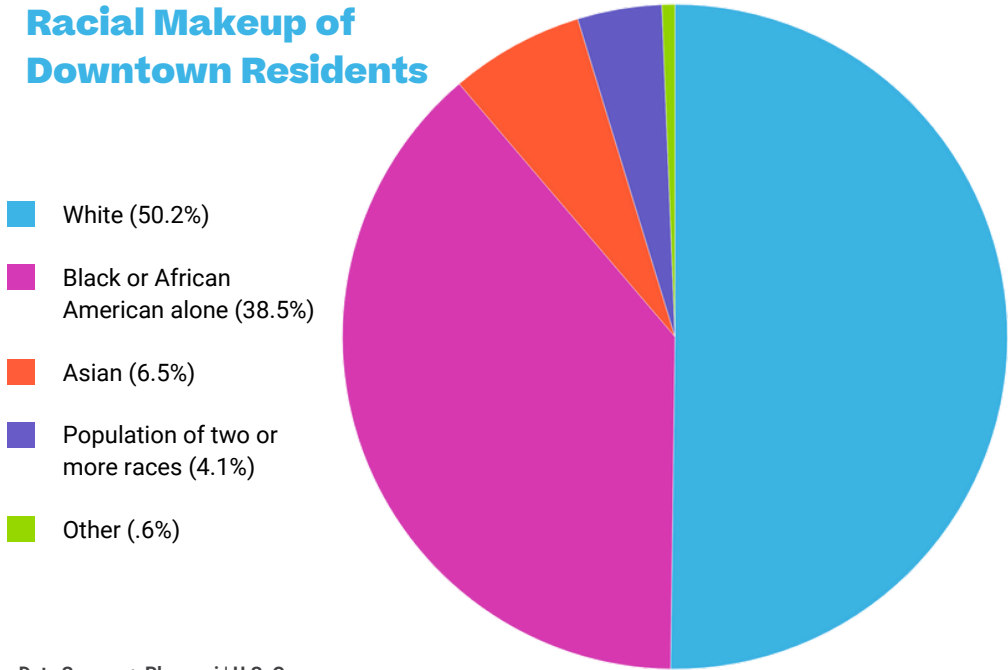
**\$55,393**

Median Household Income  
of Downtown Residents

**Education Levels of Downtown Residents—**

88% High School Graduates or Higher  
58% Bachelor's Degree or Higher

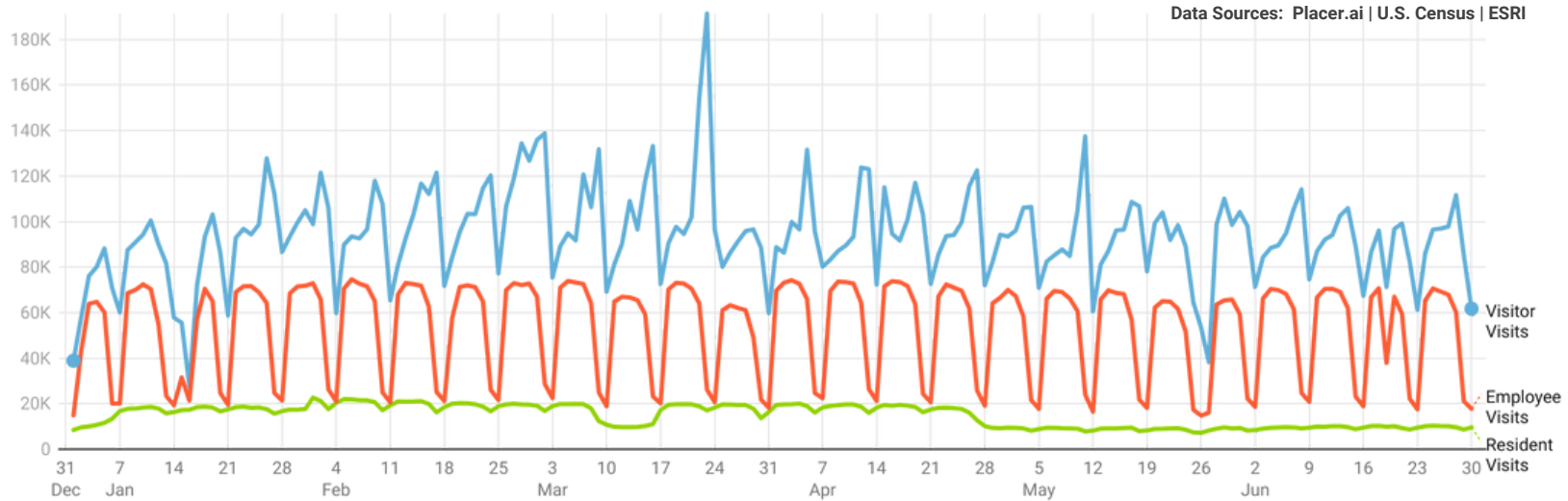
**Racial Makeup of Downtown Residents**



**Age Distribution of Downtown Residents**

**38.3: Median Age in Jefferson County**

Data Sources: Placer.ai | U.S. Census



Daily Visitor, Employee and Resident Visits, Downtown Birmingham, Q1 & Q2 2024

**17.1M**  
 Visitor Visits in  
 Q1 and Q2 2024

**67,233**  
 Daily Weekday  
 Employee Visits in  
 Q1 and Q2 2024

**\$51,617**  
 Median Household Income  
 of Residents Within  
 15-Minute Drive

**322,289**  
 Residents Within  
 15-Minute Drive

**\$60,508**  
 Median Household Income  
 of Downtown Employees

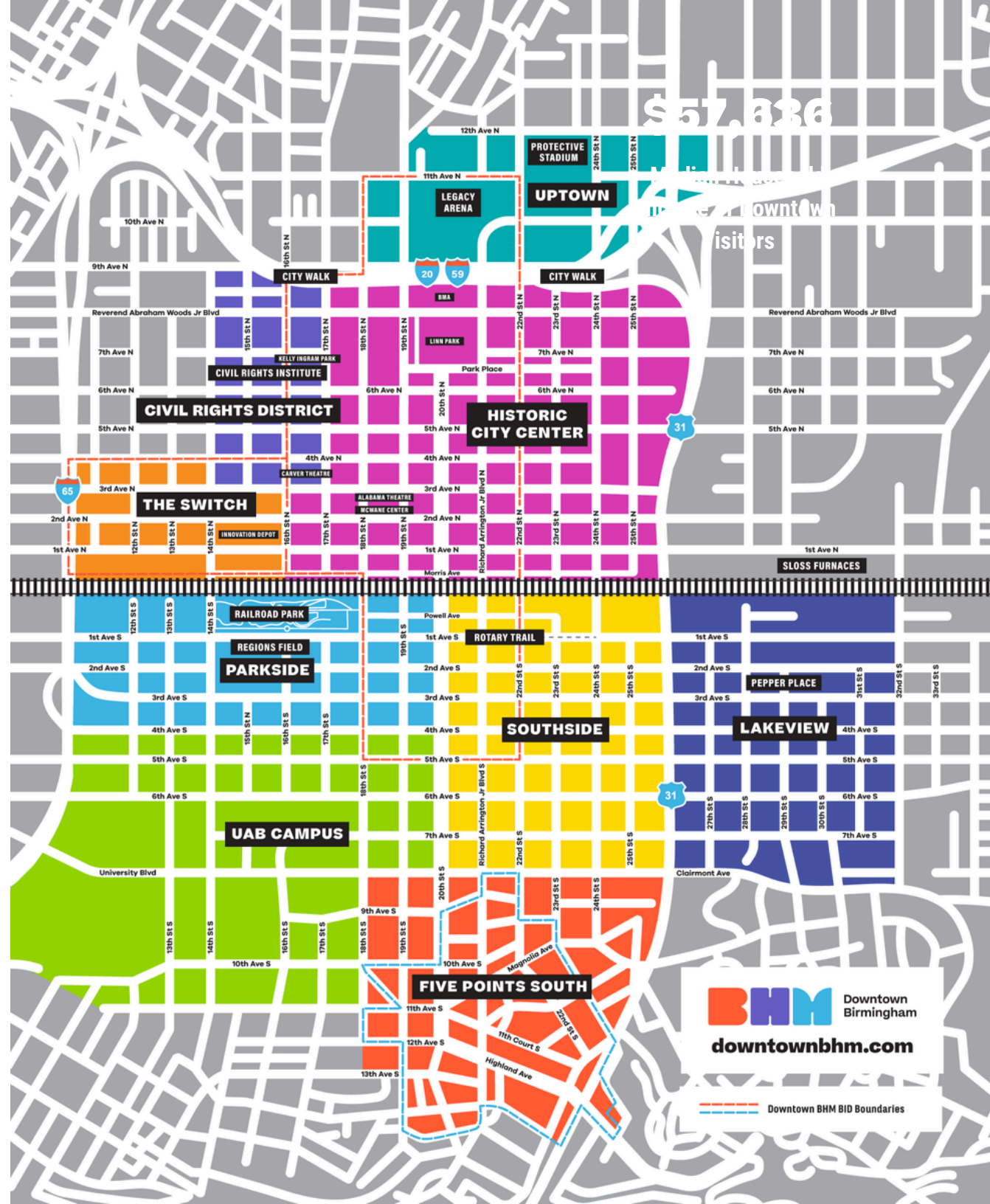
**9.3M**  
 Employee Visits in  
 Q1 and Q2 2024



# Contribute to Downtown's foot traffic by exploring the Magic City!

*Birmingham, known for its past as an iron and steel hub and its role in the civil rights movement, is rich in history, innovation, entertainment, dining, and culture. With so much to do and see, we want to help you navigate and create your own self-guided tour of this special place. To help, we've broken down the city into bite-sized districts.*

**EXPLORE  
DOWNTOWN!**







# Many Thanks—



**Thanks to Verizon for their sponsorship of REV Birmingham's data program**

*And thank you to the organizations that shared data and context for this report:*

**Retail Strategies**

**Dobbins Group**

**Shannon Waltchack**

**Graham & Co**

**J.H. Berry & Gilbert, Inc.**

**Harbert Realty**

**EGS/Cushman Wakefield**

**Colliers International**

**CBRE**

**Greater Birmingham Convention & Visitors**

**Bureau**

**Tessa Commercial Real Estate**

**Daniel Corporation**

**Arlington Properties**



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