



Downtown
Birmingham

Downtown Birmingham has more data.

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**Economic Vitality
Report Q1-Q2 2026**



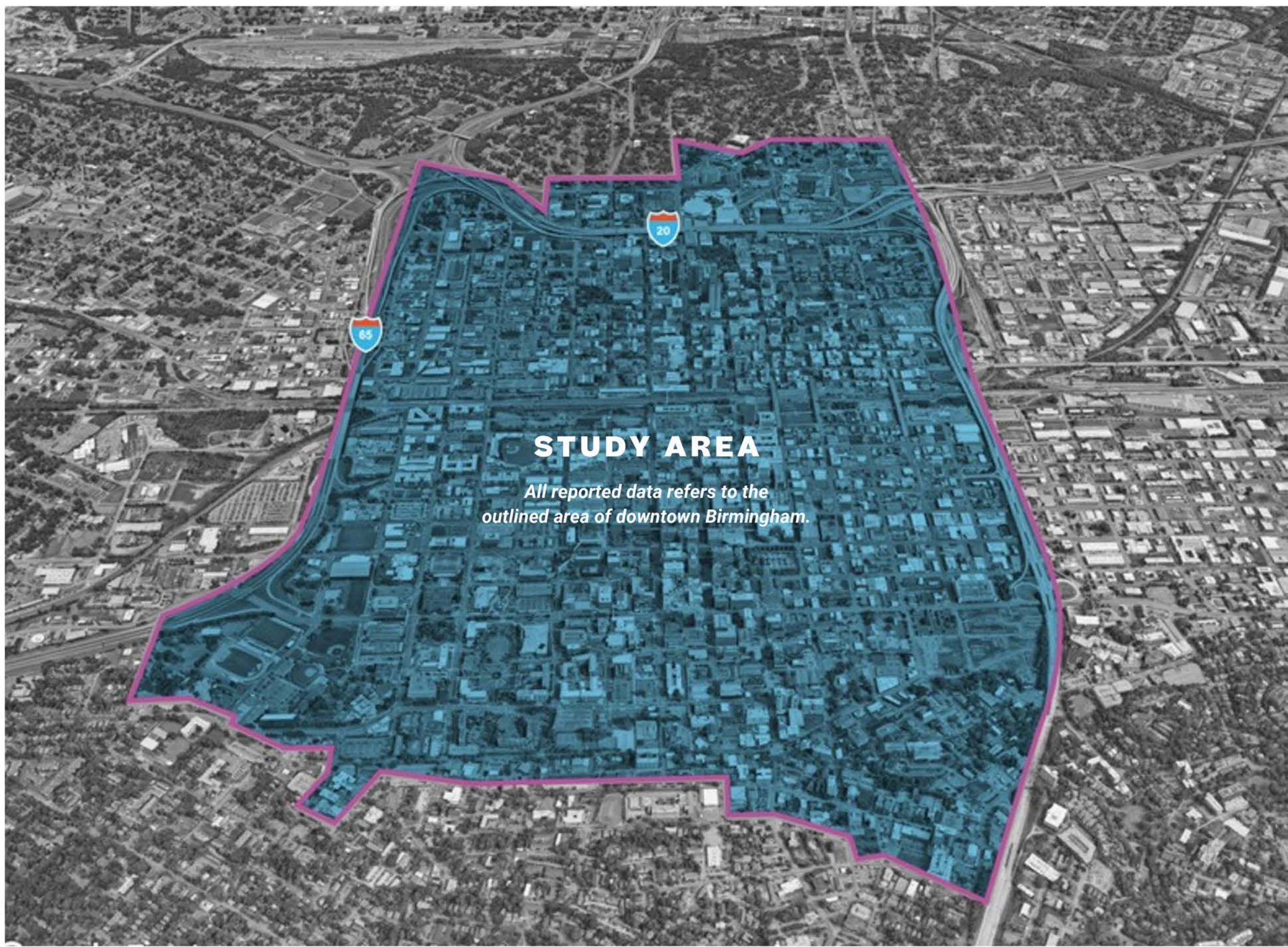
Downtown Birmingham Economic Vitality Report Q1-Q2 2026

OVERVIEW

REV Birmingham is a place-based revitalization and economic development nonprofit on a mission to activate people, places, and investment to drive growth and vitality in downtown Birmingham and Woodlawn. 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.*

LEARN MORE





A NOTE ON EMPLOYEE PRESENCE

As of May 2025, Placer.ai — one of the primary tools we use to source data for this report — has updated its methodology for detecting employee presence to better reflect evolving work patterns, particularly the rise of hybrid schedules. Previously, an "employee" was defined as an individual consistently spending multiple hours at a location daily. This broad definition encompassed many different worker types. The updated methodology introduces two distinct categories:

Employee:

An individual who spends multiple hours within a tight radius of a single location on multiple non-consecutive weekdays per month, during standard work hours (8 AM–5 PM). This group is mutually exclusive from residents and visitors, and excludes individuals in government or sensitive facilities.

Extended Workforce:

Individuals who spend less time in market, less frequently and without a fixed location, often active during extended hours. This group may overlap with visitor audiences and also excludes sensitive locations.

The new definition of "Employee Visits" is more specific, capturing primarily full-time, office-based workers. Accordingly, this report uses only the "Employee Visits" metric, as this group is most likely to have a measurable economic impact on downtown Birmingham.

Please note: While reported figures may differ from previous Economic Vitality Reports, all historical data in this report has been retroactively updated to reflect the new methodology. These changes do not indicate a loss of downtown employees, but rather a refinement in how presence is measured.

These updated metrics remain a helpful tool for REV Birmingham, the City of Birmingham, economic development partners and private stakeholders to make informed, data-driven decisions about downtown Birmingham's future.





Downtown Birmingham Economic Vitality Report Q1-Q2 2026

OVERVIEW

Downtown neighborhoods boast the city’s highest concentration of employees, restaurants, and business licenses

According to City of Birmingham’s 2026 State of Small Business Report, downtown neighborhoods have the city’s highest concentration of employees, business licenses, and restaurants. Although downtown includes just four of Birmingham’s 99 neighborhoods, it accounts for 35% of all employees, 32% of business licenses, and 40% of restaurants citywide.



Why it matters

The City of Birmingham's 2027 budget identifies occupational taxes, business license taxes, and sales taxes as accounting for approximately 70% of its total tax revenue. Because approximately one-third of the city's businesses, employees, and restaurants are concentrated downtown, the district plays a critical role in generating the city's tax revenue.

Data Sources: 2026 State of Small Business Report | City of Birmingham Business License Records, 2026 | The City of Birmingham Major Employers Directory v4 (2025-11-21)



FOUNTAIN HEIGHTS

Business Licenses	381
Restaurants	14
Employer Firms	118
Employees	2,931



FIVE POINTS SOUTH

Business Licenses	717
Restaurants	85
Employer Firms	557
Employees	14,007



CENTRAL CITY

Business Licenses	897
Restaurants	31
Employer Firms	560
Employees	13,800



SOUTHSIDE

Business Licenses	434
Restaurants	26
Employer Firms	207
Employees	3,650

34,605

Average Weekday
Employee Visits
(33,656 in Q1-Q2 2025)

22

Development Projects
Under Construction
(19 in Q1-Q2 2025)

84.1%

Residential Occupancy
(79.6% in Q3-Q4 2025)

77.6%

Office Occupancy
(77.1% in Q1-Q2 2025)

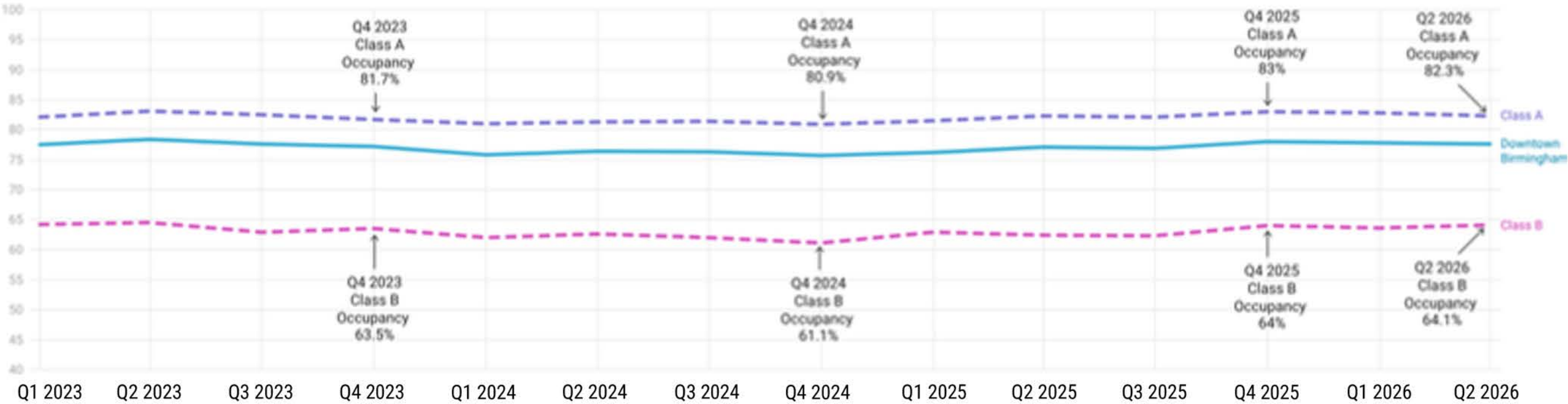
\$44,591,369

Cumulative Value of Building
Permits Issued in Q1-Q2 2026

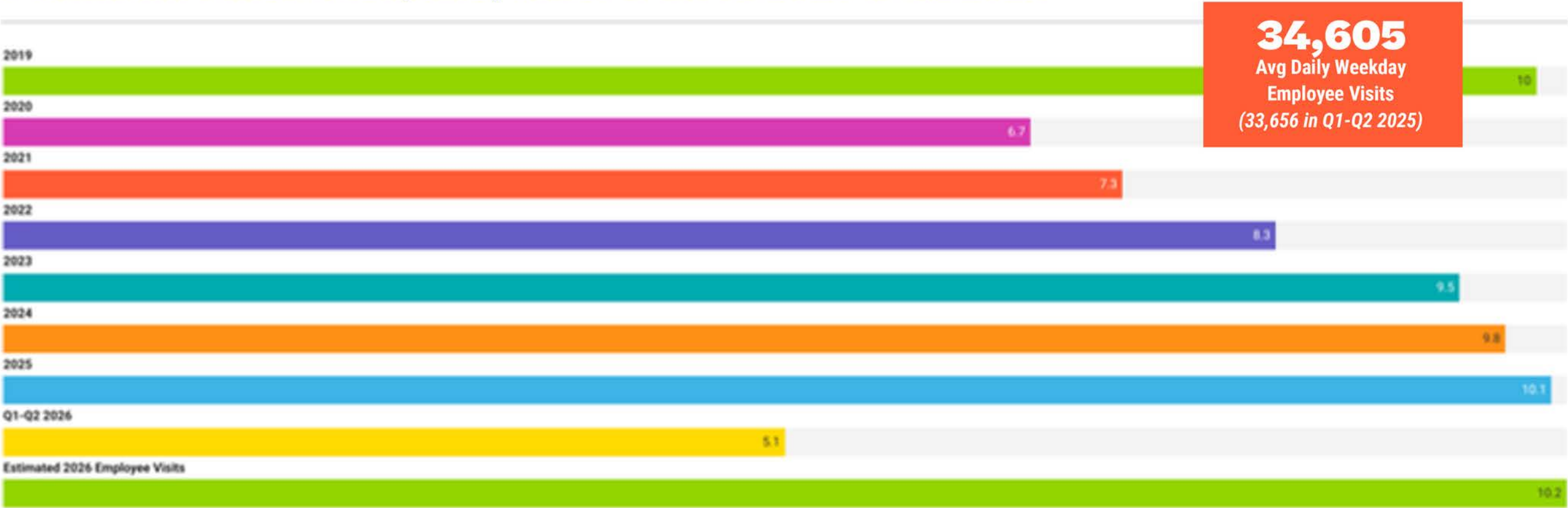


Downtown Birmingham Economic Vitality Report Q1-Q2 2026

OFFICE



Downtown Office Occupancy Rates from Q1 2023 to Q2 2026



Annual Employee Visits to Downtown Birmingham (in Millions)

Data Sources: Birmingham Office Market Advisory Group | Placer.ai

77.6%

Office Occupancy
(77.1% in Q1-Q2 2025)

82.3%

Class A Office Occupancy
(82.3% in Q1-Q2 2025)

\$26.29

Class A Avg Rent/SF
(25.73 in Q1-Q2 2025)

65.4%

Class B Office Occupancy
(62.4% in Q1-Q2 2025)

\$21.42

Class B Avg Rent/SF
(21.06 in Q1-Q2 2025)

9.4M

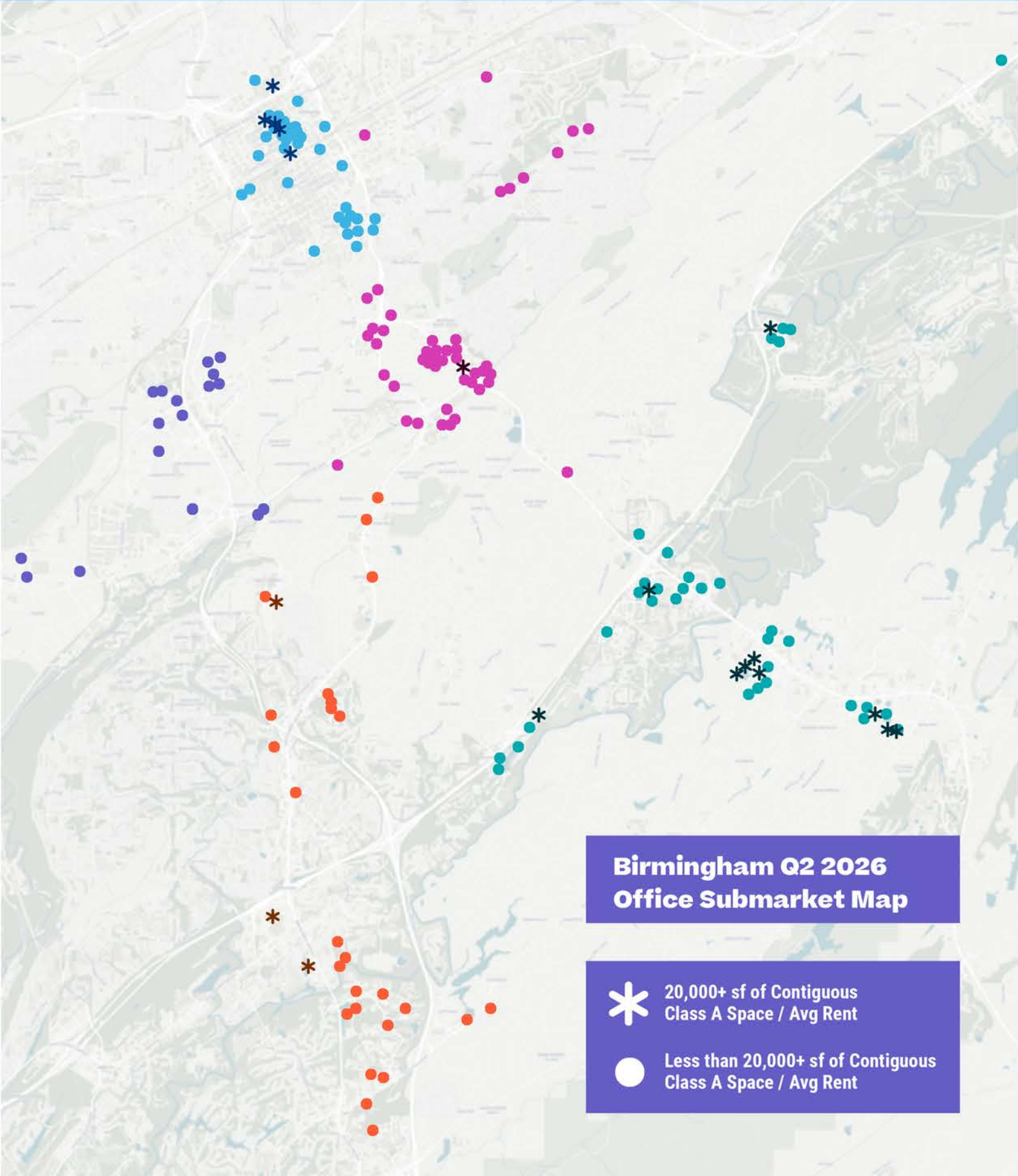
Total SF Office Inventory



Examining downtown vs. other local office submarkets

For office users seeking **at least 20,000 square feet of contiguous Class A space**, downtown Birmingham offers rental rates that are competitive with other submarkets and substantially lower than the adjacent Midtown (Homewood/Mountain Brook) submarket. With an average asking rent of \$23.35 per square foot, downtown provides a cost-effective option while offering access to a dense concentration of employers, restaurants, and other walkable amenities. *(Note: Larger square footages often have lower dollar per square foot rental rates!)*

The chart on this page compares the average asking rent for **Class A office buildings with more than 20,000 square feet of contiguous available space** across Birmingham metro office submarkets.



20,000+ sf of Contiguous Class A Space / Avg Rent

Downtown	\$23.35
Midtown	\$42.50
Vulcan/Oxmoor	No Options
280/I-459	\$23
Southern	\$26.67

Because office submarket boundaries can vary among real estate organizations and data providers, this map reflects REV Birmingham's definition of local office submarkets.



Downtown Birmingham Economic Vitality Report Q1-Q2 2026

HOSPITALITY



BHM Airport Passengers, January 2023 to June 2026



Average Monthly Downtown Birmingham Hotel Occupancy Rates 2024 through Q2 2026

The spring months of February, March, and April all outperformed the previous year in hotel occupancy. Compared to the same period in the prior year, occupancy increased by 13.7% in February, 9.5% in March, and 17.1% in April.

20
Hotels
(0 hotels completed in Q1-Q2 2026)

2,779
Hotel Rooms
(0 hotel rooms added in Q1-Q2 2026)

63.4%
Year-to-Date (2026)
Hotel Occupancy Rate
(61.2% in Q1-Q2 2025)

\$158.85
Monthly Average
Hotel Daily Rate
(\$160.76 in Q1-Q2 2025)

Data Sources: BHM Airport Authority
Greater Birmingham Convention
& Visitors Bureau



Most Visited Landmarks in Q1-Q2 2026



759.1K Visits

Birmingham Jefferson
Convention Complex



712.9K Visits

Birmingham City Walk



250.7K Visits

Railroad Park



180.4K Visits

Regions Field



Cosmic Baseball @ Regions Field

TOP 5 BUSIEST DAYS DOWNTOWN IN Q1-Q2 2026

- 1 Saturday, March 28, 2026 148,781 Visits**
Notable Events: Monster Jam @ Protective Stadium, No Kings Rally @ Railroad Park, The New Edition Way Tour Featuring New Edition, Boyz II Men and Toni Braxton @ The BJCC, Barons Cosmic Baseball @ Regions Field
- 2 Friday, May 1, 2026 135,524 Visits**
Notable Events: Earth, Wind & Fire @ Coca-Cola Amphitheater, Third Day 30th Anniversary Tour with special guest Zach Williams @ Legacy Arena
- 3 Saturday, March 21, 2026 133,942 Visits**
Notable Events: We Them One’s Comedy Tour: Birmingham @ The BJCC, Monster Energy AMA Supercross @ Protective Stadium
- 4 Saturday, February 7, 2026. 133,239 Visits**
Notable Events: Cody Johnson Live @ Legacy Arena, Kami Con @ The BJCC
- 5 Friday, February 6, 2026. 128,493 Visits**
Notable Events: Cody Johnson Live @ Legacy Arena, Muscadine Bloodline @ Alabama Theatre

The first half of 2026 saw an average of 125,164 visits (120,759 in Q1 and Q2 2025)

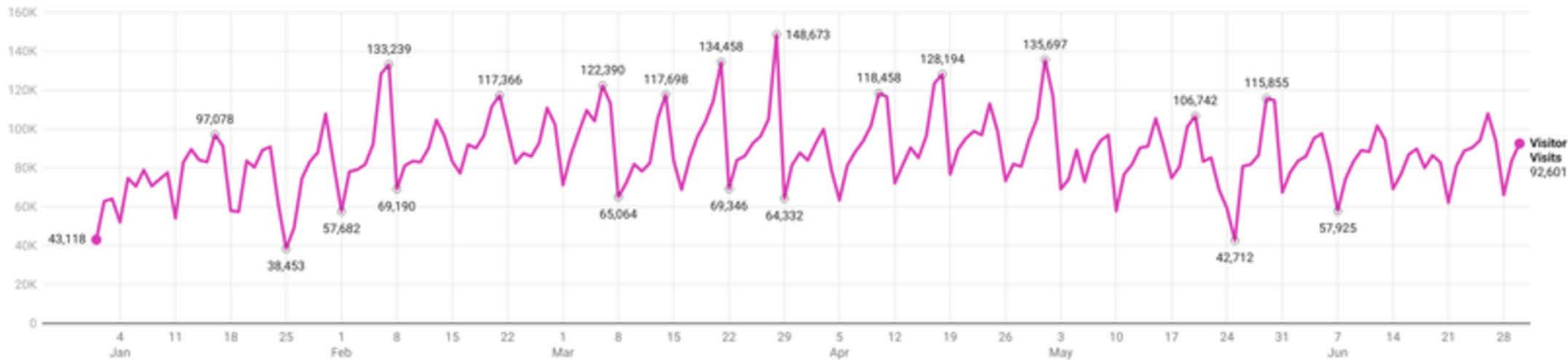


to downtown Birmingham per day, which includes people that Placer.ai has classified as visitors, employees and residents based on the time they spend downtown.



Downtown Birmingham Economic Vitality Report Q1-Q2 2026

RESIDENTIAL



Daily Resident Visits to Downtown Birmingham in Q1-Q2 2026



Residential occupancy increased from 79.6% in Q3-Q4 2025 to 84.1% in Q1-Q2 2026. As new units enter the market, occupancy rates typically decline as properties lease up, which generally takes about a year. **The James and The Fitzroy developments added a significant number of residential units (548) to downtown in 2025**, contributing to the temporary decline in occupancy rate. As these developments and other multifamily properties have continued to lease successfully, occupancy rates have rebounded. **The increase in occupancy demonstrates continued demand for downtown housing** and reflects a healthy multifamily market capable of absorbing new residential supply.

14.7k
Downtown Residents

84.1%
Residential Occupancy
(79.6% in Q3-Q4 2025)

9,559
Multifamily Units
Including Condos
(0 units delivered
in Q1-Q2 2026)

44
Units Under Constuction
(735 units under construction
in Q1-Q2 2025)

363
Proposed Units
(42 proposed units
in Q1-Q2 2025)



The Yeilding is a beautifully restored 1911 landmark transformed into modern loft-style living. Here, historic charm meets contemporary comfort with open-plan studios and one-bed residences, rooftop terraces, and smart-home amenities, all in the heart of the vibrant 2nd Avenue Entertainment District.



Residential Development Spotlight:

The Yeilding

Built in 1911, this three-story, 40,000-square-foot building originally housed Birmingham's first department store, Yeilding's.

Today, the historic structure is undergoing a transformation into a mixed-use destination in downtown's Loft District, with approximately 10,750 square feet of ground-level, mezzanine and lower-level commercial space and 42 residential units. Each residence features 15-foot ceilings and floor-to-ceiling windows.



New retail concepts expand
Five Points South offerings



Downtown Birmingham's Five Points South district welcomed new food, beverage and entertainment concepts during the first half of 2026, adding to the district's diverse mix of local businesses.

Icon opened as a new nightlife destination featuring drag entertainment. Brunch & Social, from the team behind Bandido Coffee, introduced a brunch concept featuring Latino-inspired breakfast dishes, while Land of a Thousand Hills Coffee expanded the district's coffee options. Sakéroom, a Japanese-inspired cocktail and sushi lounge, also opened in early 2026.

Additional growth is expected with the announcement of Karma's Kitchen, a 24/7 casual-fare diner concept from Dan and Sheri Williams, owners of Dave's Pub.

The love we have for [Five Points South] goes beyond the businesses we own and is rooted in the community that makes it possible for us to prosper. Although other entertainment districts have a lot of great aspects that make them unique, Five Points South has a built-in workforce, all living within blocks of the commercial spaces. This, coupled with manageable rent prices, makes this district a no-brainer for savvy businesspeople.

DAN WILLIAMS,
Owner Dave's Pub and Karma's Kitchen



3.7M

Total Retail SF

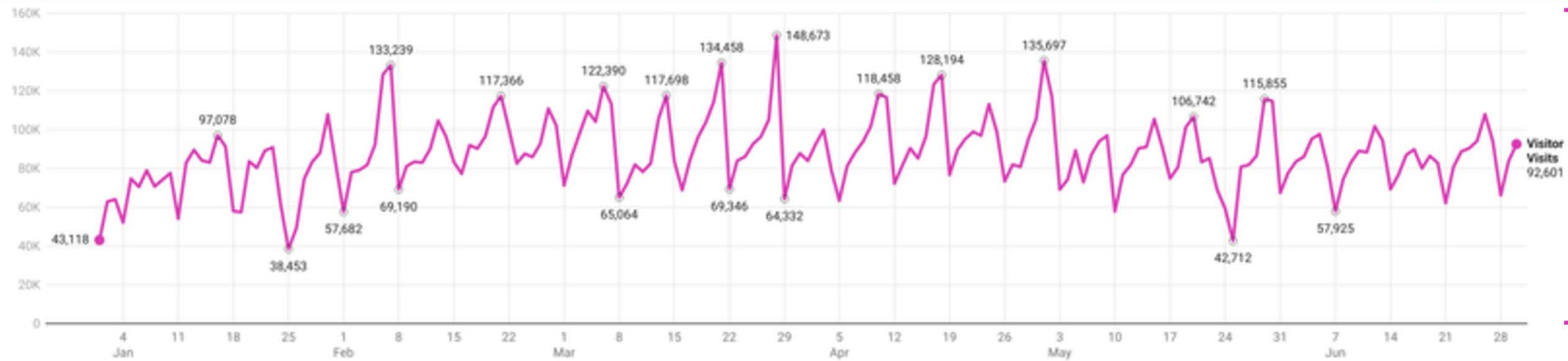
\$18.56

Avg Market Rent/SF
(\$17.99 in Q1-Q2 2025)

401

Active Retail Locations
(448 in Q1-Q2 2025*)

*Note: "Active Retail Locations" includes spaces either currently operating or actively advertised for lease. In 2025, CoStar removed multiple properties from its data set that were no longer occupied or advertised for lease.



Daily Visitor Visits to Downtown Birmingham in Q1 and Q2 2026



Monthly Visitor Visits to Downtown Birmingham from 2019 to Q2 2026

Comparing Q1-Q2 of 2025 to Q1-Q2 of 2026, downtown Birmingham visits increased by 1.8%.



Data Digest
with Jackson Dean

Data & Research Manager, REV Birmingham

Examining downtown Birmingham’s short-term rental market

According to AirDNA — a short-term rental data source that compiles data from Airbnb, VRBO, and Booking.com — downtown Birmingham contains 476 active short-term rental listings, representing 26.5% of all listings in the Birmingham metro area.

The inventory is primarily composed of smaller units, with 67% of downtown listings being one-bedroom units. This unit mix likely contributes to downtown's lower average daily rate of \$145.89, compared to the Birmingham metro area's average of \$166.19, where larger single-family homes represent a greater share of available inventory.

Occupancy data suggests downtown short-term rentals perform similarly to the broader hospitality market. Downtown listings average 60% occupancy, slightly above the Birmingham metro area's 59% occupancy rate and generally comparable to downtown hotel occupancy. Like hotels, short-term rental demand fluctuates throughout the year in response to seasonal travel patterns and major events. Downtown short-term rental occupancy peaked at 72.5% in June 2025, coinciding with the World Police and Fire Games. This marked the highest monthly occupancy rate recorded since short-term rental data became available in 2023.

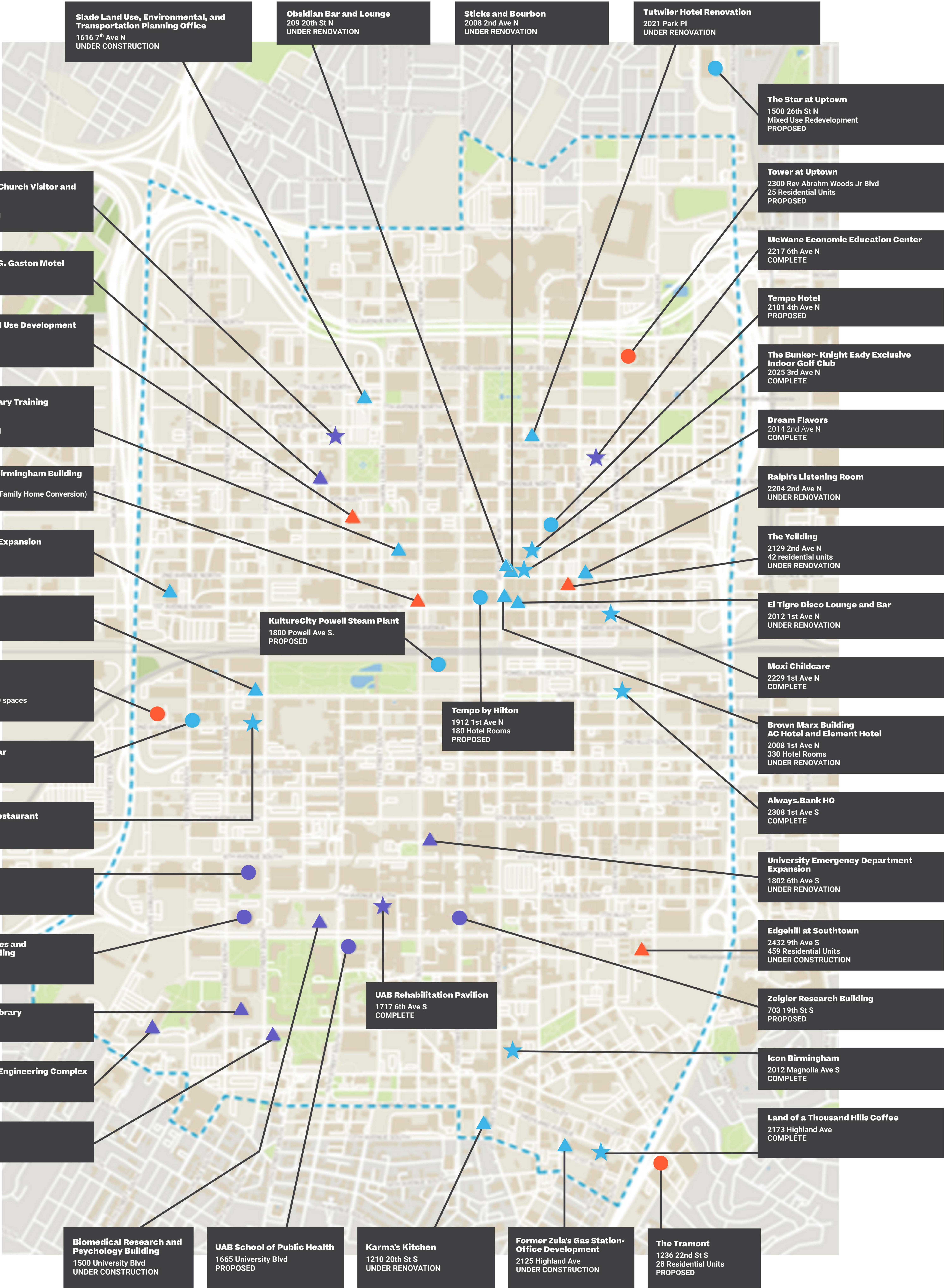
Short-term rentals also represent a notable segment of downtown Birmingham's housing inventory. While 476 listings account for approximately 5% of all residential units downtown, the share increases to 7.6%, or approximately one in every 13 units, when housing types that typically prohibit short-term rentals — public housing, senior housing, and student housing — are excluded.

As downtown continues to add housing and attract visitors, short-term rentals remain an important component of both the residential and hospitality markets. Tracking this segment over time provides insight into changes in downtown's housing inventory, visitor economy, and real estate landscape.

Downtown Birmingham	Birmingham Metro Area
476 Active Listings (26.5% of all Birmingham metro short-term rentals)	1,792 Active Listings
\$145.89 Avg Daily Rate	\$166.19 Avg Daily Rate
60% Occupancy Rate	59% Occupancy Rate

Note: Active listings include all properties that have been listed within the past year. All data is current as of June 2026.

Q1-Q2 2026 Downtown Birmingham Development Map

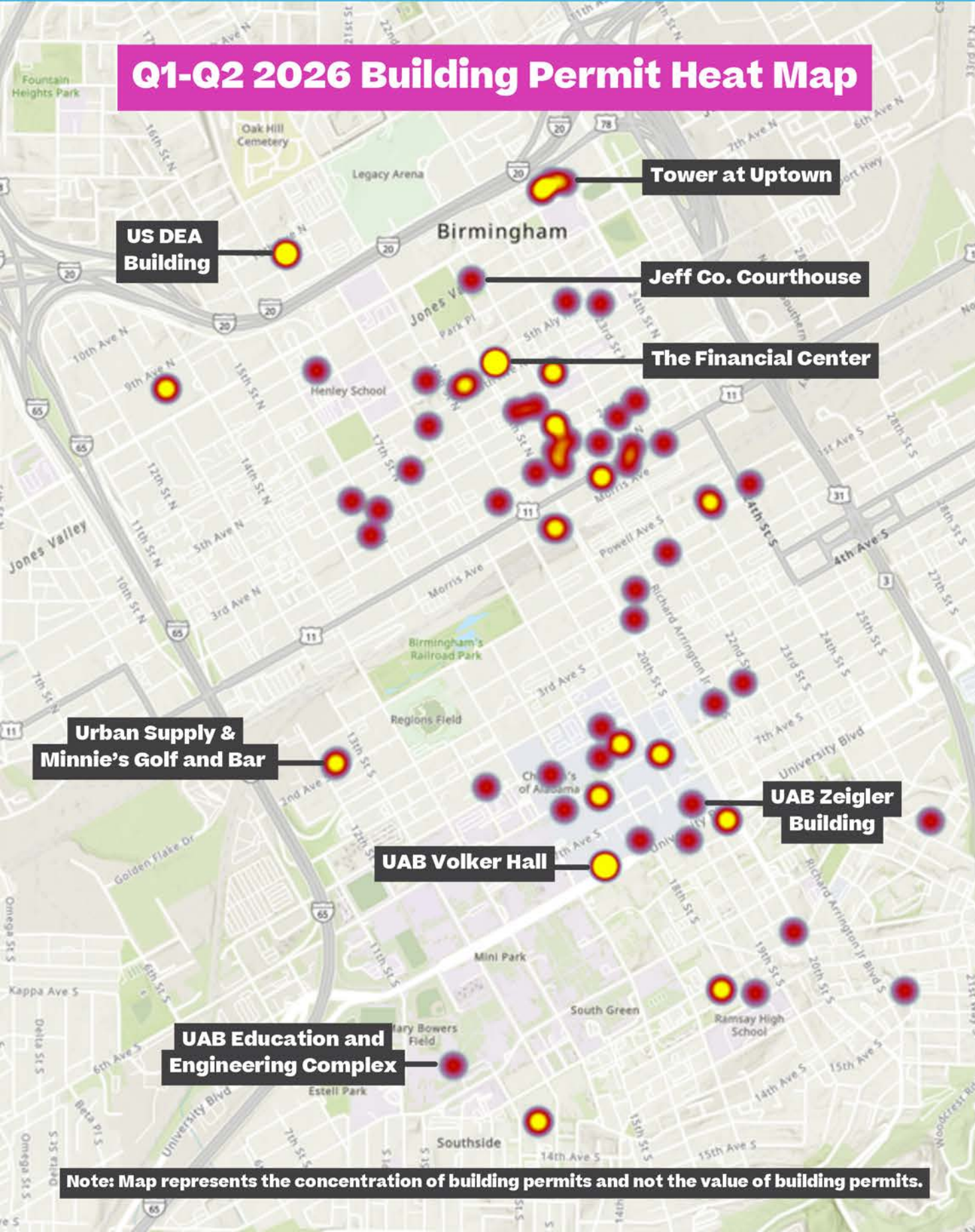




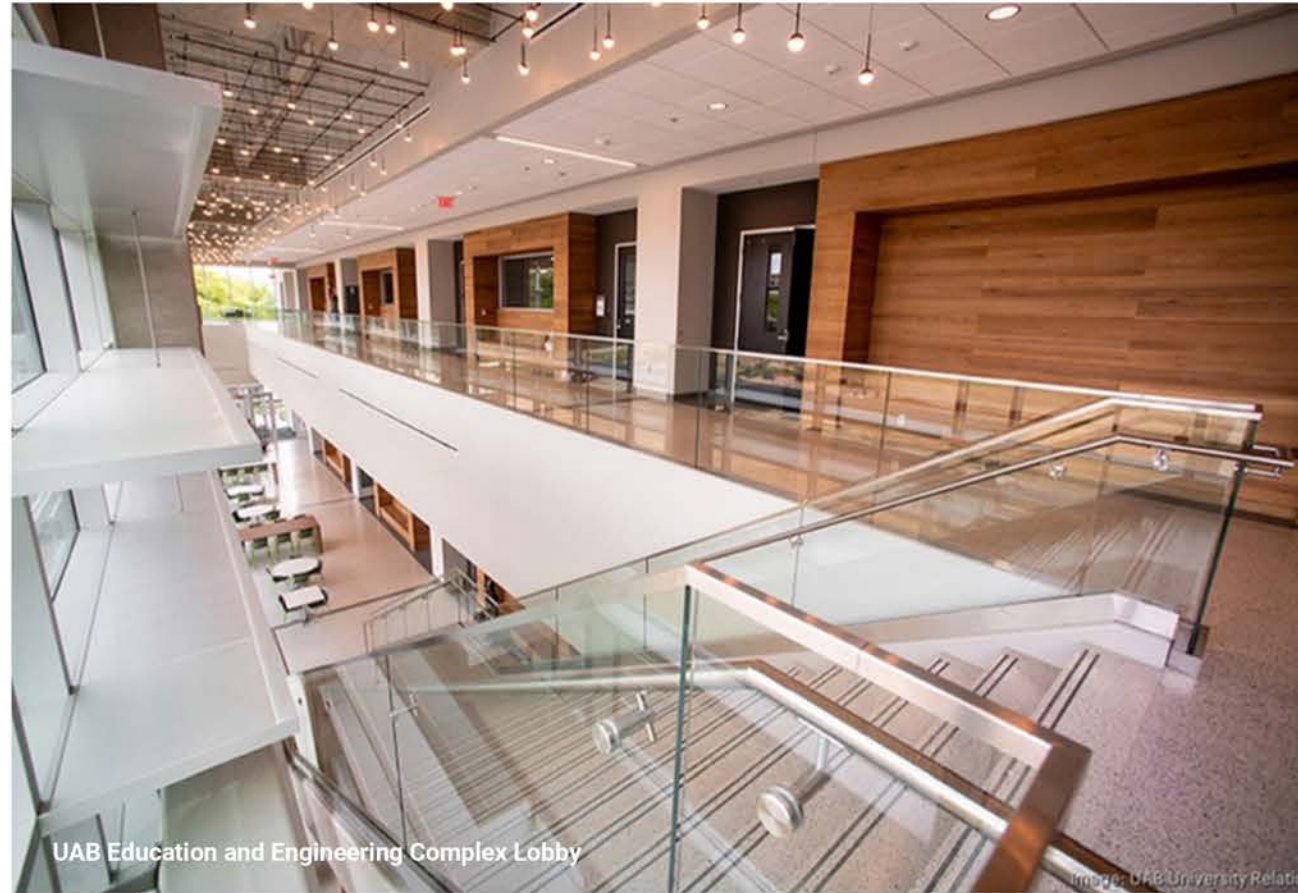
Downtown Birmingham Economic Vitality Report Q1-Q2 2026

ECONOMIC
POWER

Q1-Q2 2026 Building Permit Heat Map



Note: Map represents the concentration of building permits and not the value of building permits.



UAB Education and Engineering Complex Lobby

Building permits with a cumulative value of \$44,591,369 were issued across downtown Birmingham in Q1-Q2 2026.

(\$79,555,884 in Q1-Q2 2025)

Top 5 Downtown Building Permits Issued in Q1-Q2 2026 (by value)

Data Sources: City of Birmingham Building Permit Records

- ◆ **1150 10th Avenue South**
UAB Education and Engineering Complex Lobby - \$10,557,950
- ◆ **703 19th Street South**
UAB Zeigler Building - \$6,628,000
- ◆ **1201 11th Avenue South**
UAB North Pavilion & Highlands Elevator Modernization - \$3,102,444
- ◆ **1670 University Boulevard**
UAB Volker Hall Renovations - \$2,844,400
- ◆ **716 Richard Arrington Jr. Boulevard North**
Jefferson County Pedestrian Bridge Roof Repair - \$2,821,959



14.7k

Downtown Residents
55% Female; 45% Male

\$55,393

Median Household Income
of Downtown Residents

Education Levels of Downtown Residents

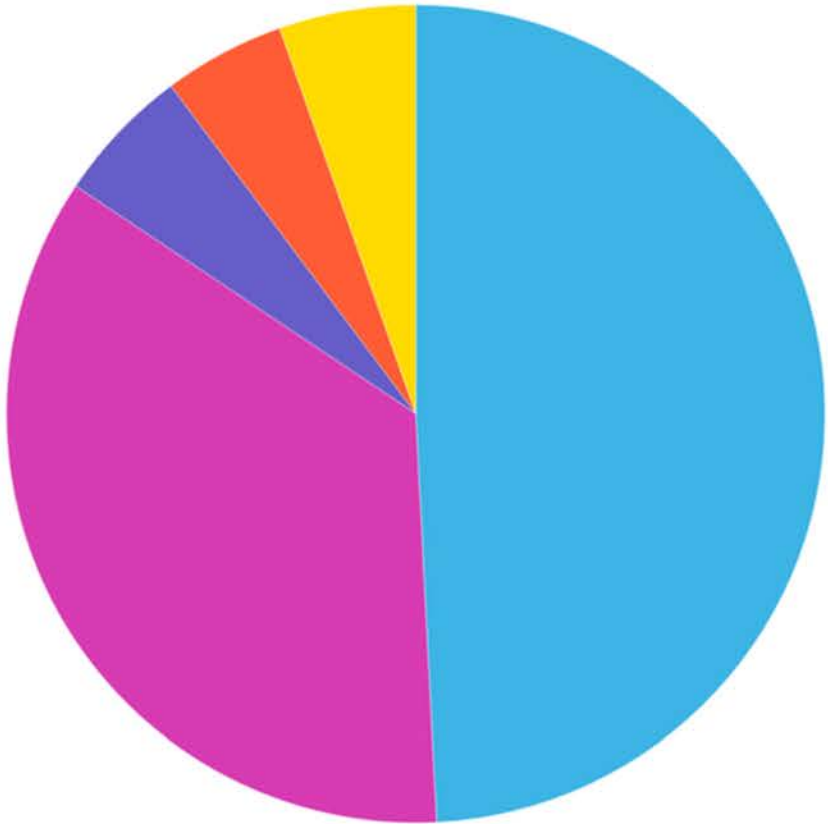
88% High School Graduates or Higher
58% Bachelor's Degree or Higher

32.2

Median Age in
Downtown Birmingham

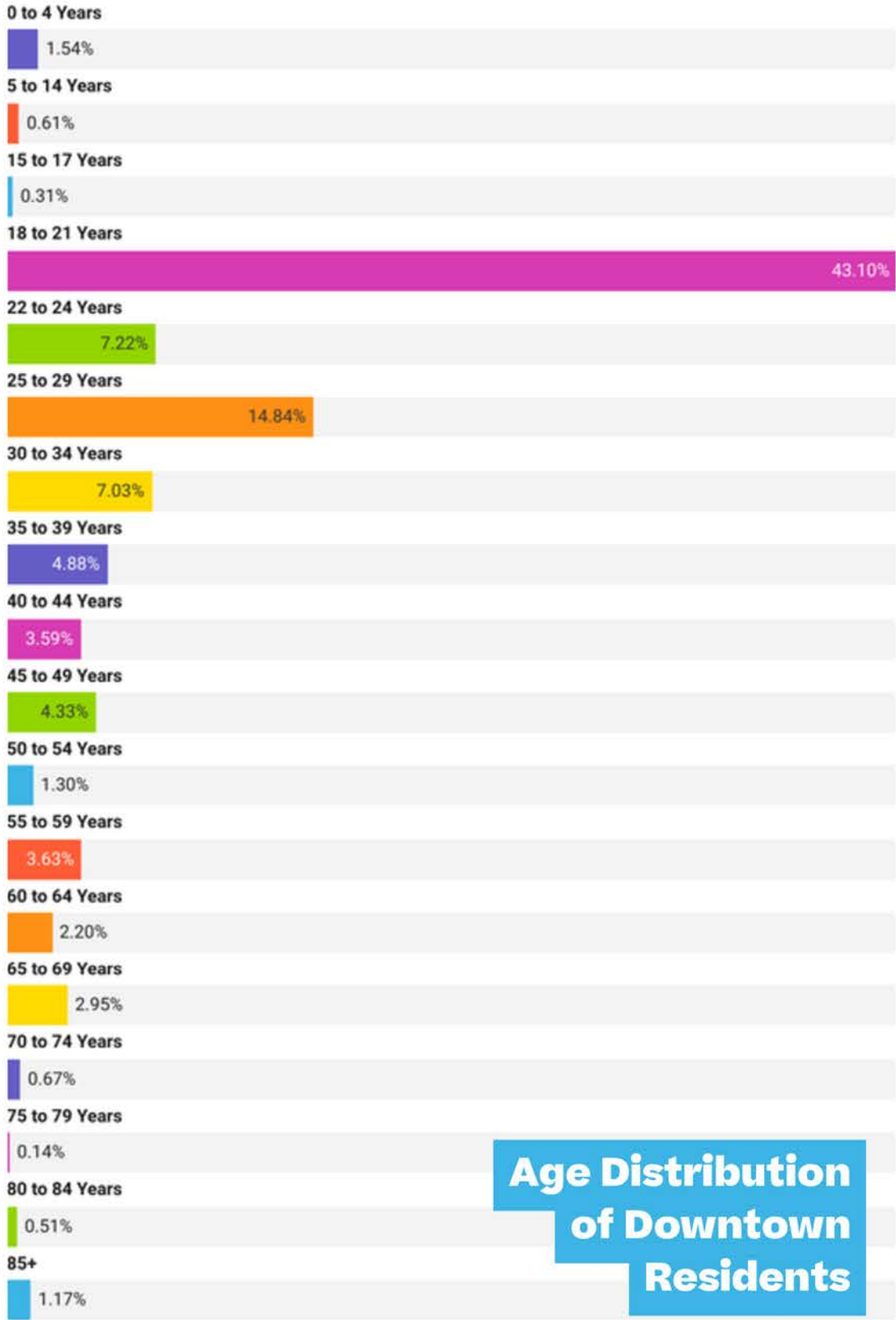
38.3

Median Age in
Jefferson County

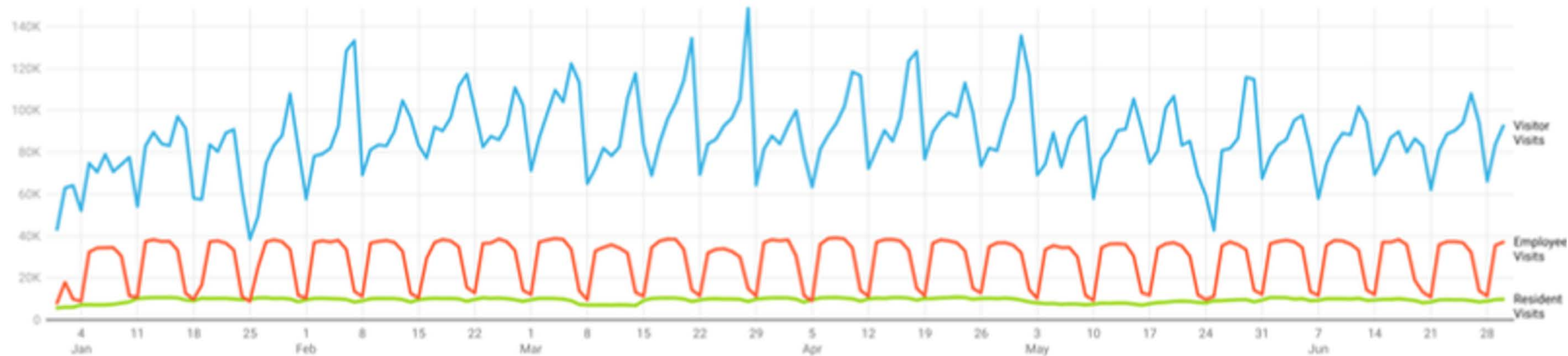


Racial Makeup of Downtown Residents

- White (49.1%)
- Black (35.21%)
- Hispanic or Latino (5.4%)
- Asian (4.8%)
- Other (.6%)



Age Distribution of Downtown Residents



Daily Visitor, Employee and Resident Visits, Downtown Birmingham, Q1-Q2 2026

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

332,289

Residents Within
15-Minute Drive

\$73,404

Median Income of
Downtown Employees

5.1M

Total Employee Visits
Q1-Q2 2026
(+1% Year-Over-Year Increase)

15.8M

Total Visitor Visits
Q1-Q2 2026
(+2% Year-Over-Year Increase)

\$67,333

Median Income of
Downtown Visitors

\$65,553

Median Income
of Residents Within
15-Minute Drive



Downtown Birmingham Economic Vitality Report Q1-Q2 2026

THANK YOU!

Many thanks

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

CBRE

City of Birmingham - Office of Innovation and Economic Opportunity

City of Birmingham - Office of Business Diversity
and Opportunity

CModel

Colliers International

Daniel Corporation

Dobbins Group

EGS/Cushman Wakefield

Graham & Co

Greater Birmingham Convention & Visitors Bureau

Harbert Realty

J.H. Berry & Gilbert, Inc.

Retail Strategies

Shannon Waltchack

Tessa Commercial Real Estate



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