



Birmingham, Alabama

Rental Real Estate Overview

Birmingham, Alabama is a Southern city that is simultaneously steeped in its history and committed to a bright future. Famous for iron and steel production and the pivotal role that it played in the American Civil Rights Movement, Alabama's largest city is now a lively center for culture and innovation.

Birmingham is also home to an exciting and competitive real estate market. Investors are increasingly looking to Birmingham as a place to put their money, but is Birmingham property right for your portfolio? Read on for the inside scoop on this amazing city in the heart of the Deep South.

About Birmingham, Alabama

Birmingham, Alabama is a special place for many reasons, but its initial claim to fame and reason for being is that it is the [only place on earth](#) where all three ingredients to make iron and steel can be found- limestone, coal, and iron ore.

Given the city's geographic location, you might assume that it is an old city with its roots in the antebellum South. However, Birmingham was founded in 1871 and named after Birmingham, England—the UK's iron capital. The intersection of several railroads in the area allowed for fast industrial growth, which gave Birmingham the nickname "Magic City."

The city went on to make frequent headlines in the 1950's and 60's as a nexus of the American Civil Rights Movement. In the 1990's, Birmingham opened the American Civil Rights Institute, where it embraces and reckons with the conflicts of its past openly. In the twenty-first century the city has a diverse population and is a welcoming place to people from all walks of life.

Nowadays, iron production is no longer the biggest industry, but Birmingham is still a [major industrial](#) metroplex. The city is now a hub for healthcare, banking, technology, and advanced manufacturing.

But while it's known for its industrial greatness, Birmingham is also a [hidden beauty](#) in the tourist realm. Rich in cultural history and Southern charm, the city has many things to offer those who keep their eyes open.



City Statistics



POPULATION

195,400 city proper
1,184,290 greater area



MEDIAN INCOME

\$32,403/capita
\$44,951/household



MEDIAN AGE

35.7



AREA

147.1 square miles



UNEMPLOYMENT RATE

3.1%



GDP

\$84.56 Billion
up \$18 billion since 2020



TOP EMPLOYERS

University of Alabama at Birmingham,
Regions Financial Corp, St Vincent's
Health System, Children's of Alabama,
AT&T, Honda Manufacturing of Alabama,
PNC, Amazon, Spire, Alabama Power



HIGHEST PAYING JOBS

Physician, hospitalist physician,
hematologist, cardiologist, internist,
medical director, hospitalist,
radiologist, rheumatologist,
psychiatrist

Birmingham Real Estate Market Statistics

88

NEIGHBORHOODS

1,556

HOME FOR SALE
AS OF JAN. 2025

\$179K

MEDIAN
LIST PRICE

\$210K

MEDIAN
SOLD PRICE

\$119

MEDIAN PRICE
PER SQ. FT.

98.43%

SALE-TO-LIST
PRICE RATIO

71

MEDIAN DAYS
ON MARKET

\$1,309

MEDIAN
RENT PRICE

-1.1%

ONE-YEAR
APPRECIATION RATE

13.36

PRICE-TO-RENT
RATIO

Most Expensive Neighborhoods

NEIGHBORHOOD	AVERAGE MONTHLY RENT	MEDIAN LISTING PRICE
Redmont Park	\$1,614	\$1,139,847
Shoal Creek	\$2,248	\$768,864
Brook Highland	\$2,435	\$668,211
Highland Lakes	\$2,370	\$660,125
Eagle Point	\$2,147	\$627,099

Least Expensive Neighborhoods

NEIGHBORHOOD	AVERAGE MONTHLY RENT	MEDIAN LISTING PRICE
Ensley North	\$1,406	\$43,778
Collegeville	\$1,266	\$68,741
Inglenook	\$1,833	\$74,218
Fountain Heights North	\$1,205	\$75,648
Norwood/Druid Hills	\$1,268	\$90,941



LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From accessing off-market deals, to building a team, to determining the right rental rates, buying properties in a new market can prove tough for any investor. That's why we launched Evernest Brokerage.

You no longer need in-depth expertise to invest in [some of the best real estate markets](#) in the United States. Working with Evernest's in-house brokerage team of investor-friendly real estate agents is the most efficient way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form, and a member of our team will get back to you as soon as possible.



Get started
TODAY!

Five Reasons

WHY BIRMINGHAM IS A GREAT PLACE TO BUY RENTALS

Birmingham isn't as well-known as many modern cities in the United States... So why invest here? The reasons to launch an investment journey in Birmingham are many, but here are our top 5 choices:



**DIVERSE
ECONOMY**



**EDUCATIONAL
FOCUS**



**EASY
ACCESSIBILITY**



AFFORDABILITY



RICH CULTURE

AFFORDABILITY



If you're looking for an investor-friendly city in terms of affordability, Birmingham certainly makes the cut.

The city has often ranked as one of the most affordable cities in the United States, placing ninth on [Business Insider's list of Most Affordable Cities](#), as well as second on [Porch's list](#) of most affordable midsize metros in the US..

To sweeten the deal even more, Alabama boasts the [second lowest property taxes](#) in the nation, only adding to the beauty of investing in an area like Birmingham.

As if that's not enough, the city has been named one of the top markets for real estate investors. [Door Loop](#) specifically named the city as one of the best for long-term investment.

According to the study:

"The Birmingham metro is uniquely affordable. The median home price is only about \$216,000 and the median rent is \$1,312. Apart from this, Birmingham's recent revitalization has brought it tons of popularity."

With inflation throwing a wrench in many investment opportunities, buying real estate in a relatively affordable city can be a great way to keep investments safe.

EDUCATIONAL FOCUS



Five of Alabama's top ten high schools are located in Birmingham. In this study, schools are ranked according to college readiness, math and reading proficiency, and graduation rate, among other qualifications.

These top schools are:

- Spain Park High School
- Vestavia Hills High School
- Oak Mountain High School
- Homewood High School
- Mt. Brook High School

In addition to these highly ranked schools, Birmingham has 292 Preschools, 157 Elementary Schools, 86 Middle Schools, 54 High Schools, 78 Public District Schools, and 290 Private Schools.

But Birmingham's educational focus doesn't end with high school. The [University of Alabama at Birmingham](#) (UAB) is "an internationally renowned, public doctoral research university and academic health center" and the state's top employer.

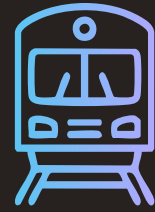
Other Higher Ed [institutions](#) around Birmingham include:

- University of Montevallo
- Miles College
- Strayer University - Alabama
- Birmingham-Southern College
- Samford University

Great education is a wonderful sign for Birmingham's real estate future. With an affordable economy and good schools, the city presents itself as "no-brainer" for families looking to hedge against rising costs nationwide.



MAJOR ACCESSIBILITY



Birmingham has the southern charm of a small town with the accessibility of a much larger city. A few major accessibility points include:

RAILWAYS

While railroad travel isn't as common these days, Birmingham is still a significant railway hub. Multiple major [railroads](#) make their way through Birmingham, including:

- Burlington Northern Santa Fe Ry (BNSF)
- CSX Transportation, Inc (CSX)
- Norfolk Southern (NS)
- Alabama and Tennessee Railway, LLC (ATN)

INTERSTATES

There are multiple primary [interstates](#) that crisscross straight through Birmingham. These provide access to more than 80% of the U.S. population within a two-day drive of the city.

Some major interstates in Birmingham include:

- I-20
- I-22
- I-59
- I-65
- I-10

AIR TRAVEL

The [Birmingham-Shuttlesworth International Airport](#) offers 114 flights to 26 airports and 23 cities. While it's no Denver or Dallas, the airport is Alabama's largest air traffic hub. The size of the airport also makes it easier to navigate than other larger international airports.

Combine the air travel options with railroad and interstate access, and you've got a recipe for accessibility superior to that of many U.S. cities.



DIVERSE ECONOMY



While Birmingham first rose to prominence as a mining and forging community, its economy has diversified a great deal in the twenty-first century.

For example, Birmingham is the city with the highest number of healthcare providers per capita nationwide and employs **80,000 workers** at the highest wage level in the region. This is an especially positive sign since healthcare-related work is the nation's fastest growing industry and is expected to add **1.6 million** jobs to the economy by 2033.

WILL BIRMINGHAM SEE A TECH REVOLUTION?

According to a **recent study**, Birmingham is "transitioning from a traditional manufacturing to a knowledge economy". This bodes well for the tech scene, both in medical technology fields as well as the broader knowledge economy.

And sure enough - Birmingham's tech scene is growing by the day. **Amazon** recently set up a logistics facility there, and tech incubators like **Innovation Depot** are poised to attract new startups.

More tech companies
in Birmingham include:

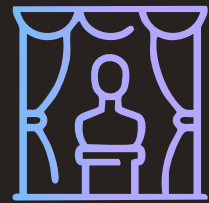
- Joonko
- Fleetio
- Fearless
- Shipt
- Prepaid2Cash
- IllumiCare
- Wyndy
- INFLCR

The University of Alabama at Birmingham, one of the largest employers in the city, is commonly thought of as the connecting link between tech, healthcare, and higher education.

But tech and healthcare aren't the only industries keeping the economy of Birmingham alive. The city also boasts jobs in **industries like**:

- Tourism
- Finance
- Distribution
- Life Sciences Research
- Telecommunications

RICH CULTURE



ART

Birmingham has a great art scene, featuring beautiful old theaters, several art museums, statues and sculptures, and rich historical elements.

- The [Birmingham Museum of Art](#) features over 26,000 works, and hosts events year-round.
- The [Alabama Theatre](#) was built in 1927 and still offers a wealth of creative performances to this day.
- The [Lyric Theatre](#) (across the street from Alabama Theatre) features opera, symphony and ballet performances for the sophisticated art lover.
- Birmingham boasts the [world's largest cast iron statue](#): the 56-foot-tall blacksmith of the Roman god, Vulcan.

FOOD

Way back in 2015, Zagat predicted that Birmingham was the [#1 'Next Hot Food City'](#) in the US. In the decade since then, Birmingham has lived up to the hype. From Southern buffets to Mexican, Mediterranean, BBQ and everything in between, the Magic City has something to offer every palate.

[Top Restaurants](#) in Birmingham include:

- SAW BBQ
- The Garage
- Rojo
- Nikki's West
- Chez Fonfon
- Bottega
- Hot & Hot Fish Club

HISTORY

For the history buff, Birmingham's background boasts an array of events that shaped Alabama and the entire US.

- Birmingham played a big part in the history of the civil rights movement and features a beautiful [statue of Martin Luther King](#) in Kelly Ingram Park.
- The city is also the [original home of Veterans Day celebrations](#) and currently offers the largest Veterans Day parade in the US.
- [Sloss Furnace](#), a National Historic Landmark, is the only restored 20th-century blast furnace.
- The [Barber Vintage Motorsports Museums](#) is one of the largest museums celebrating the history of motorcycles.

OUTDOOR ENVIRONMENT

While many cities have recently started working to intentionally incorporate “green space” into their environments, Birmingham has prioritized natural elements for years. In fact, it’s currently #26 in the list of US cities with the most green space per capita (11,712 sq. ft. for each of the 1.1 million people in Birmingham and its surrounding metro areas, in case you’re interested).

Some of Birmingham’s prettiest parks include:

- [Red Mountain Park](#) (1,500 acres).
- [Oak Mountain State Park](#) (9,940 acres)
- [Vulcan Park and Museum](#) (10 acres)
- [Railroad Park](#) (19 acres)
- [Ruffner Mountain Nature Preserve](#) (1,040 acres)
- [Birmingham Botanical Gardens](#) (68 acres)
- [Birmingham Zoo](#) (122 acres)



BIRMINGHAM REAL ESTATE MARKET Predictions.

While the real estate market in any location cannot be predicted with 100% accuracy, studying local trends and statistics can help investors make smart decisions.

Here are our best guesses for the Birmingham real estate market, along with the trends we'll be keeping our eye on.

Birmingham's economy will keep growing. Birmingham's diversified economy has paid dividends in keeping the city resilient. Not only did Birmingham come out of COVID-19 relatively unscathed- its [GDP has grown](#) by leaps and bounds in the years since the pandemic. Given the city's [investment](#) in job creation, we expect this trend to continue.

Interest rates will play a major role in the market. Like most of the country, Birmingham saw a major spike in home values between 2020-2022, followed by a precipitous fall when the Fed raised interest rates. Inflation is finally slowing down and the Fed has [begun to cut interest rates](#) for the first time in years. While the cuts so far have been modest, further cuts are likely to encourage more home buyers to enter the market and could drive up listing prices.

The rental market will be competitive. Despite new construction, [rental inventory](#) in Birmingham is tight. In fact, the city has the twelfth most competitive rental market in the South and the second most competitive in Alabama. This is great news for investors, as it means that landlords have plenty of tenants in need of housing to choose from.

INVEST WITH Interest



For the investor looking for a “hidden gem” in the real estate world, Birmingham is a great place to start. However, every investment opportunity comes with risk, which is even greater when you’re breaking into a new market.

That’s why it’s crucial to have a team surrounding you as you build wealth and make investment decisions. Knowledgeable investment teams can help you avoid the common mistakes most investors make (and give you the extra boost of confidence to know you’re making a smart investment decision).

Here at [Evernest](#), we’ve been investing in the Birmingham market since 2003. And not only that—we’ve also been [analyzing and sharing our information](#) about these opportunity-filled markets, in good times and bad, for other investors to study.

Our local team can be your eyes and ears in the Birmingham real estate world, saving you hours of time (and a few headaches as well). We’ll connect you with investor-friendly real estate agents and advisors to make your wealth-building journey smooth and successful.

Ready to invest with our team?

Let’s talk.

Are you an investor not just limited to Birmingham or Alabama? [You can invest in some of the best real estate markets](#) in the United States by working with Everest’s in-house Brokerage team of investor-friendly Real Estate Agents. [All you have to do is fill out this form](#) and one of our agents will reach out as soon as possible.

Make the best investments in the most attractive markets with Everest.....in good times and bad.

Sources



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