MARKETBEAT

MOBILE

MULTIFAMILY Q2 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
9.6% Market Vacancy Rate	▲	–
$1.24 Effective Rent, PSF	▲	–
$65,700 Median Household Income	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
188.7K Mobile Employment	▼	▼
3.5% Mobile Unemployment Rate	–	▲

SUPPLY AND DEMAND

Mobile's multifamily market continued to stabilize during Q2 2026 as limited development activity and positive demand supported market fundamentals. Construction activity remained minimal, with just 65 units underway at quarter-end, unchanged from Q1 2026 and down 80.2% year-over-year (YOY). Development remained concentrated in Downtown Mobile, while no deliveries were recorded during the first half of 2026. The lack of new supply pressure allowed the market to continue absorbing existing inventory following elevated completions in 2025.

Leasing activity remained positive during the quarter, although demand moderated from the start of the year. Net absorption totaled 54 units in Q2 2026, bringing first-half absorption to 137 units, compared to negative absorption during the same period in 2025. While overall demand remained modest, positive absorption for a second consecutive quarter suggested that renter demand continued to stabilize as new supply pressures subsided. Downtown Mobile generated the strongest demand through midyear, recording 180 units of absorption.

Market vacancy registered 9.6% in Q2 2026, increasing 20 basis points (bps) quarter-over-quarter and 60 bps YOY. Despite the modest increase, vacancy remained below 10.0% and continued to compare favorably with many peer markets. The lowest vacancy rates were observed in Prichard (4.0%) and Saraland (4.9%), where limited inventory supported occupancy. Overall, a minimal construction pipeline and improving absorption trends pointed to a market that continued to work through the effects of the elevated deliveries recorded during 2025.

PRICING

Rent performance remained favorable during Q2 2026 as limited new supply supported pricing stability. Effective rents increased to $1,152 per unit and $1.24 per square foot, marking the highest average rent level recorded in the market's history. Annual rent growth accelerated to 1.6% YOY, an improvement from the relatively flat rent performance observed at the beginning of 2026. The increase continued a trend of steady rent gains following the temporary softness experienced during the recent supply cycle.

Performance varied across submarkets, though several areas posted positive annual rent growth. Prichard and West Mobile each recorded 2.2% YOY rent growth, while Saraland increased 1.7%. The combination of positive demand, limited construction activity and record-high rents reflected a market that remained fundamentally stable despite modest vacancy pressure.

MARKET VACANCY & EFFECTIVE RENT



Source: BLS, BOC, Moody's Analytics, CoStar, Cushman & Wakefield Research

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MOBILE
MULTIFAMILY Q2 2026

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	MARKET VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Downtown Mobile	4,000	0	0.0%	65	180	12.3%	130	$1,218	$1.38	-0.3%
Prichard	96	0	0.0%	0	1	4.0%	-650	$889	$1.05	2.2%
Saraland	1,127	0	0.0%	0	-3	4.9%	-220	$1,277	$1.39	1.7%
Tillmans Corner	648	0	0.0%	0	3	27.2%	1140	$985	$1.51	0.0%
West Mobile	14,270	0	0.0%	0	-45	8.5%	20	$1,133	$1.19	2.2%
TOTAL MARKET	**20,141**	**0**	**0.0%**	**65**	**137**	**9.6%**	**60**	**$1,152**	**$1.24**	**1.6%**

KEY RECENT TRANSACTIONS

PROPERTY	SUBMARKET	UNITS	YEAR BUILT
The Village at Midtown	Downtown Mobile	324	2011
Maison De Ville	West Mobile	347	1973
79 Fiftynine West	West Mobile	156	2002
Grandview Pointe	Tillmans Corner	96	1978
Greentree Apartments - Alabama	West Mobile	178	1974
701 South Apartments	West Mobile	208	1975

KEY RECENT CONSTRUCTION HIGHLIGHTS

PROPERTY	SUBMARKET	UNITS	DELIVERY
The Cottages at Ashland Park	Downtown Mobile	65	Q3 2026
Portier Midtown	Downtown Mobile	264	Q4 2025
The Waters at McGowin	Downtown Mobile	252	Q2 2025

OUTLOOK

- Port and shipbuilding-related investment, alongside expanding logistics activity, are expected to drive job growth and strengthen Mobile's position as a Gulf Coast trade hub.
- Aerospace and manufacturing expansion, including Airbus suppliers, will support long-term employment gains and income growth.
- Population growth and relative affordability compared to larger Southeast markets to sustain renter demand.

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