ACRE ALABAMA CENTER for REAL ESTATE
UNIVERSITY OF ALABAMA
www.acre.cba.ua.edu

New Construction Report – April 2009

Monthly Indicator	Recent Figures					Likely Direction In Near-Term	Trends
Permits	**Current Month**	**Apr.**	**2009**	**936**			**Monthly permit issuance will remain slower than normal as home builders continue to yield to current market conditions.**
April figures show an increase of 13.2 percent from the previous March statistics; but remain 36.8 percent below last year. The latest statistics mark the largest amount of permits recorded since September of 2008.	vs. Prior Month	Mar.	2009	**827**	13.2%		**Permits during the last 90-days are trending laterally; focus to remain here for further signs of stability.**
Please note graph on page 4 for signs of permit stabilization.	vs. Last Year (YoY)	Apr.	2008	**1,480**	**<-36.8%>**		
	vs. Last 3 Mos. Avg.	Jan.-Mar.	'09	**677**	38.3%		

Monthly Indicator	Recent Figures					Likely Direction In Near-Term	Trends
Starts	**Current Month**	**Apr.**	**2009**	**772**			**Lateral pattern likely to transition toward upward movement as the market enters the second and third quarter.**
Building starts also improved to show an increase from March of 13.4 percent, however remain 45.7 percent below last year.	vs. Prior Month	Mar.	2009	**681**	**13.4%**		
Please note graph on page 4 for signs of stabilization.	vs. Last Year (YoY)	Apr.	2008	**1,423**	**<-45.7%>**		
	vs. Last 3 Mos. Avg.	Jan.-Mar.	'09	**643**	**20.1%**		

Commentary

State

Current market conditions continue to remain challenging as statewide overall housing inventory remains in abundance. April ended with **40,786** total units on the market. From this total, new construction inventory is estimated at 8,750 units. Broader buyer demand will be necessary to make inroads into supply. The current inventory-to-sales ratio (I/S) represented a 13.0 month supply of homes, including all types, representing a significant increase from 11.0 months during the same period last year. Historically, the 5-year ('04-'08) total inventory average for April is **33,496** units (6,000 units estimated as new construction).

Local

During the month, 15 out of the 27 associations reported improvements from their 2009 March permit numbers. Three associations had significant increases from their March statistics: Lee County (58.7%), Greater Birmingham (17.0%), and Metropolitan Mobile (89.2%). Every local home building market is unique, and significant fluctuations from one area to another are anticipated in the foreseeable future.

NOTE: *This representation is based in whole or in part on data supplied by the reporting boards/associations. The Alabama Center for Real Estate does not guarantee and is in no way responsible for its accuracy.*

*Prior data unavailable due to lack of data.

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NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Alabama State Total	936	827	13.2%	1,480	-36.8%	2,968	5,476	-45.8%
South Total*	18,900	18,700	1.1%	32,400	-41.7%	66,700	119,300	-44.1%
United States Total*	36,600	32,300	13.3%	62,700	-41.6%	116,600	211,300	-44.8%

*Source Data: U.S. Census Bureau

NEW SINGLE FAMILY BUILDING PERMITS BY ASSOCIATION

Association	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Athens/Limestone HBA**	13	11	18.2%	43	-69.8%	65	133	-51.1%
Baldwin County HBA**	44	70	-37.1%	107	-58.9%	185	411	-55.0%
Blount County HBA	0	1	-100.0%	1	-100.0%	2	5	-60.0%
Chilton County HBA	1	1	0.0%	2	-50.0%	2	7	-71.4%
Cullman County HBA	0	2	-100.0%	6	-100.0%	5	11	-54.5%
Dekalb County HBA**	2	1	100.0%	3	-33.3%	5	19	-73.7%
Enterprise HBA	10	9	11.1%	30	-66.7%	38	109	-65.1%
Greater Birmingham HBA**	172	147	17.0%	286	-39.9%	482	1,108	-56.5%
Greater Calhoun County HBA**	16	22	-27.3%	45	-64.4%	71	141	-49.6%
Greater Gadsden HBA**	13	10	30.0%	14	-7.1%	33	79	-58.2%
Greater Montgomery HBA	39	38	2.6%	61	-36.1%	137	227	-39.6%
Greater Morgan County HBA**	19	10	90.0%	29	-34.5%	45	97	-53.6%
HBA of Dothan & Wiregrass Area	24	12	100.0%	27	-11.1%	77	99	-22.2%
HBA of Metropolitan Mobile**	157	83	89.2%	174	-9.8%	335	603	-44.4%
HBA of Tuscaloosa**	70	48	45.8%	159	-56.0%	194	499	-61.1%
Huntsville/Madison HBA**	201	225	-10.7%	266	-24.4%	754	1,158	-34.9%
Jackson County HBA**	5	2	150.0%	2	150.0%	14	21	-33.3%
Lee County HBA	73	46	58.7%	93	-21.5%	211	286	-26.2%
Macon County HBA	2	2	0.0%	1	100.0%	10	1	900.0%
Marshall County HBA**	7	6	16.7%	21	-66.7%	22	66	-66.7%
Muscle Shoals HBA**	8	7	14.3%	22	-63.6%	25	135	-81.5%
Northwest Alabama HBA	2	2	0.0%	4	-50.0%	8	10	-20.0%
Phenix City HBA	18	31	-41.9%	29	-37.9%	118	87	35.6%
South Alabama HBA	3	4	-25.0%	4	-25.0%	10	16	-37.5%
St. Clair County HBA**	33	33	0.0%	44	-25.0%	104	126	-17.5%
Tallapoosa County HBA	2	3	-33.3%	2	0.0%	10	10	0.0%
Walker County HBA	2	1	100.0%	5	-60.0%	6	12	-50.0%

**Source Partner: www.marketgraphicsalabama.com

Process: Every month data is collected from municipalities all around the state, in particular the municipalities' building/inspections department. We also limited our data collection to municipalities with a population of 2500 or greater. By gathering the number of single family new construction permits that are issued each month it allows observation of growth or decline in the new housing market.

PROJECTED HOUSING STARTS TOTALS

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Alabama State Total	772	681	13.4%	1,423	-45.7%	2,562	5,011	-48.9%
South Total	18,005	16,657	8.1%	32,200	-44.1%	63,456	126,600	-49.9%
United States Total	32,734	28,296	15.7%	62,400	-47.5%	111,450	224,300	-50.3%

PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Athens/Limestone HBA	13	19	-31.6%	40	-67.5%	64	150	-57.3%
Baldwin County HBA	53	53	0.0%	101	-47.5%	190	401	-52.6%
Blount County HBA	0	1	-100.0%	2	-100.0%	2	5	-60.0%
Chilton County HBA	0	1	-100.0%	2	-100.0%	2	8	-75.0%
Cullman County HBA	1	2	-50.0%	3	-66.7%	6	8	-25.0%
Dekalb County HBA	2	1	100.0%	5	-60.0%	6	20	-70.0%
Enterprise HBA	10	10	0.0%	25	-60.0%	39	94	-58.5%
Greater Birmingham HBA	144	107	34.6%	276	-47.8%	421	1,024	-58.9%
Greater Calhoun County HBA	19	20	-5.0%	45	-57.8%	8	2	300.0%
Greater Gadsden HBA	0	0	N/A	14	-100.0%	5	61	-91.8%
Greater Montgomery HBA	36	35	2.9%	54	-33.3%	126	200	-37.0%
Greater Morgan County HBA	0	14	-100.0%	29	-100.0%	32	102	-68.6%
HBA of Dothan & Wiregrass Area	18	18	0.0%	27	-33.3%	76	94	-19.1%
HBA of Metropolitan Mobile	111	65	70.8%	159	-30.2%	297	547	-45.7%
HBA of Tuscaloosa	58	44	31.8%	142	-59.2%	184	462	-60.2%
Huntsville/Madison HBA	201	193	4.1%	301	-33.2%	691	1,074	-35.7%
Jackson County HBA	3	2	50.0%	4	-25.0%	10	21	-52.4%
Lee County HBA	58	44	31.8%	75	-22.7%	198	269	-26.4%
Macon County HBA	2	2	0.0%	0	N/A	8	0	N/A
Marshall County HBA	5	5	0.0%	18	-72.2%	21	77	-72.7%
Muscle Shoals HBA	7	6	16.7%	25	-72.0%	25	130	-80.8%
Northwest Alabama HBA	0	2	-100.0%	2	-100.0%	5	7	-28.6%
Phenix City HBA	25	32	-21.9%	25	0.0%	112	82	36.6%
South Alabama HBA	3	2	50.0%	3	0.0%	1	4	-75.0%
St. Clair County HBA	0	0	N/A	41	-100.0%	21	148	-85.8%
Tallapoosa County HBA	2	2	0.0%	2	0.0%	8	12	-33.3%
Walker County HBA	1	1	0.0%	3	-66.7%	4	9	-55.6%

*Starts data not available due to that is it a calculated statistic from previous months data that is not available.

NOTE: *This representation is based in whole or in part on data supplied by the local municipality's building department.*
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Definition: Housing starts are a derived value using a percentage distribution based on the particular region in the United States multiplied times the number of building permits issued in that particular month.
Calculation: The distribution for the South Region is as follows: Same Month as Authorization = 44%; 1 Month Prior = 37%; 2 Months Prior = 9%; 3 Months Prior = 3%; 4 Months or more = 7%
To calculate July for example: = (0.44*July Permits) + (0.37*June Permits) + (0.09*May Permits) + (0.03*April Permits) + (0.07*March Permits)
Some variance by decimal extension

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Metro Market New Construction Report*

(The 5 Metro Alabama Markets Represent ~70% of the State's New Construction Transactions)

Metro Markets Combined

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Total New Construction Sold	379	353	7.4%	642	-41.0%	1,451	2,472	-41.3%
Number of Units on Market	3,803	4,185	-9.1%	5,951	-36.1%	N/A	N/A	N/A
Median Selling Price	$ 200,595	$ 198,137	1.2%	$ 200,778	-0.1%	$ 198,566	$ 199,148	-0.3%
Average Selling Price	$ 224,883	$ 217,979	3.2%	$ 233,588	-3.7%	$ 221,402	$ 227,567	-2.7%
Average Days on Market	144	123	17.1%	162	-11.1%	137	142	-4.0%

Total New Construction Sold

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Birmingham	162	152	6.6%	345	-53.0%	653	1,307	-50.0%
Huntsville	114	122	-6.6%	176	-35.2%	466	659	-29.3%
Mobile	38	26	46.2%	40	-5.0%	132	125	5.6%
Montgomery	30	31	-3.2%	47	-36.2%	104	220	-52.7%
Tuscaloosa	35	22	59.1%	34	2.9%	96	161	-40.4%

Number of Units on Market

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	I/S Ratio
Birmingham	1,757	2,119	-17.1%	3,265	-46.2%	10.8
Huntsville	1,204	1,222	-1.5%	1,464	-17.8%	10.6
Mobile	204	176	15.9%	143	42.7%	5.4
Montgomery	323	345	-6.4%	593	-45.5%	10.8
Tuscaloosa	315	323	-2.5%	486	-35.2%	9.0

Median Selling Price

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Birmingham	$ 189,900	$ 183,700	3.4%	$ 199,052	-4.6%	$ 192,751	$ 204,625	-5.8%
Huntsville	$ 214,500	$ 236,595	-9.3%	$ 246,350	-12.9%	$ 222,916	$ 225,377	-1.1%
Mobile	$ 191,450	$ 180,964	5.8%	$ 197,800	-3.2%	$ 190,553	$ 183,376	3.9%
Montgomery	$ 211,125	$ 225,476	-6.4%	$ 198,000	6.6%	$ 205,883	$ 204,200	0.8%
Tuscaloosa	$ 196,000	$ 163,950	19.5%	$ 162,689	20.5%	$ 180,725	$ 178,160	1.4%

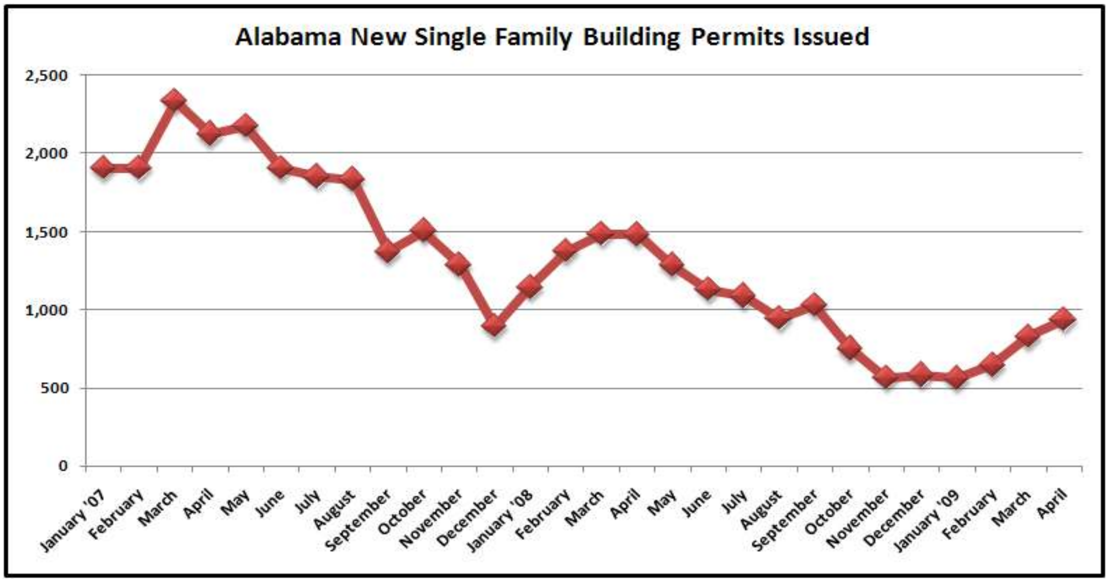
Average Selling Price

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Birmingham	$ 218,718	$ 225,427	-3.0%	$ 251,122	-12.9%	$ 229,129	$ 244,720	-6.4%
Huntsville	$ 216,789	$ 241,063	-10.1%	$ 257,140	-15.7%	$ 233,710	$ 245,959	-5.0%
Mobile	$ 220,130	$ 196,181	12.2%	$ 224,505	-1.9%	$ 204,186	$ 204,313	-0.1%
Montgomery	$ 225,306	$ 248,859	-9.5%	$ 231,307	-2.6%	$ 224,740	$ 240,616	-6.6%
Tuscaloosa	$ 243,473	$ 178,365	36.5%	$ 203,867	19.4%	$ 215,245	$ 202,226	6.4%

Average Days on Market

	Current Month April-09	Last Month March-09	% Difference	Last Year April-08	% Difference	YTD April-09	YTD April-08	% Difference
Birmingham	Unavailable	Unavailable	N/A	Unavailable	N/A	Unavailable	Unavailable	N/A
Huntsville	117	97	20.6%	184	-36.4%	95	142	-33.1%
Mobile	142	109	30.3%	139	2.2%	124	102	21.6%
Montgomery	135	98	37.8%	142	-4.9%	139	155	-10.3%
Tuscaloosa	182	188	-3.2%	183	-0.5%	188	170	10.6%

* Source: MLS


Alabama New Single Family Building Permits Issued
2,500
2,000
1,500
1,000
500
0
January '07
February
March
April
May
June
July
August
September
October
November
December
January '08
February
March
April
May
June
July
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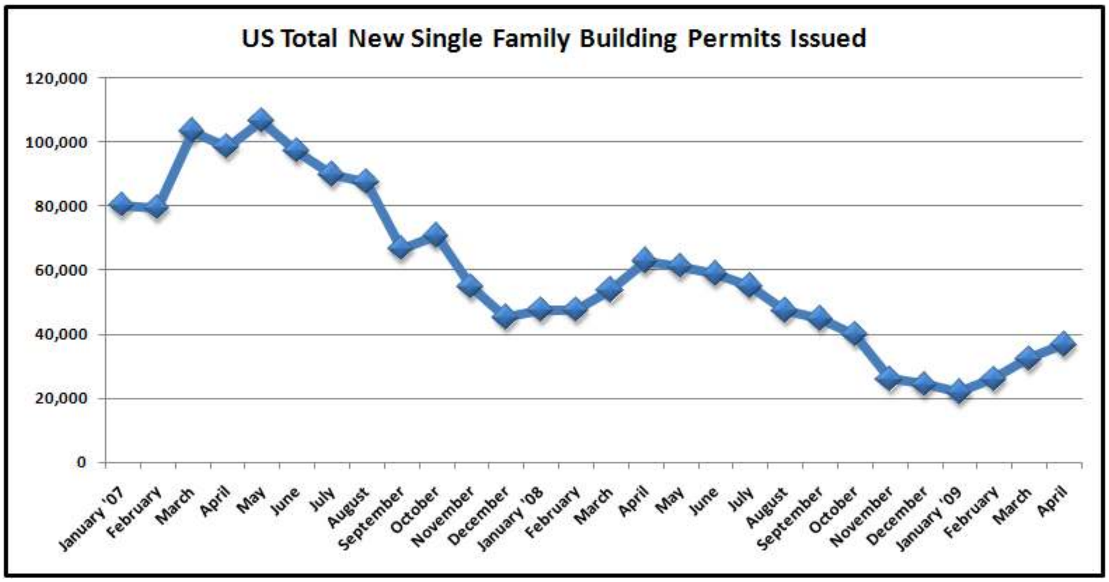
January '09
February
March
April


US Total New Single Family Building Permits Issued
120,000
100,000
80,000
60,000
40,000
20,000
0
January '07
February
March
April
May
June
July
August
September
October
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January '09
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March
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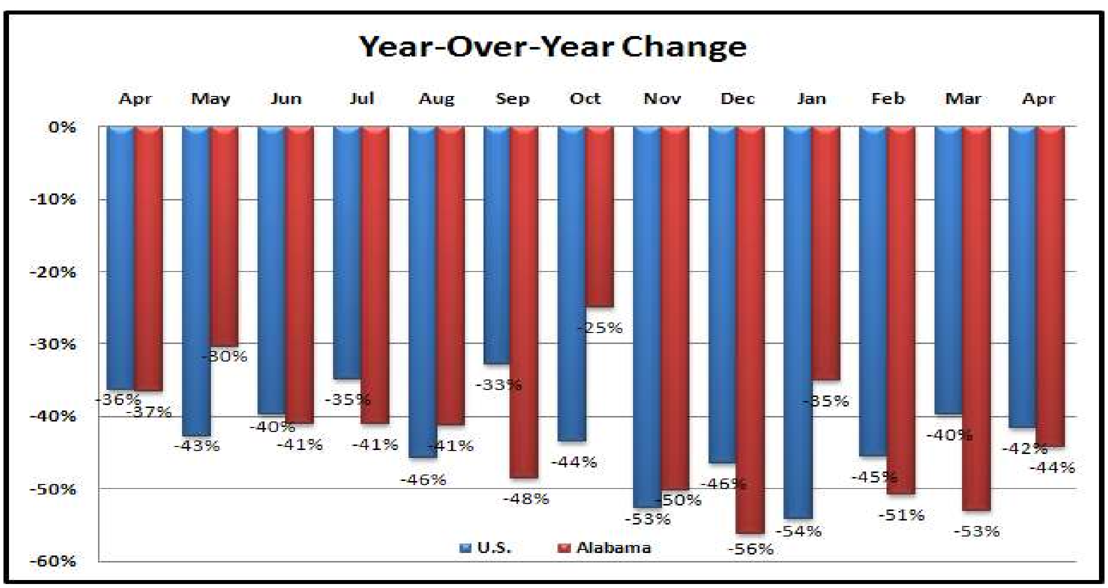
Year-Over-Year Change
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
0%
-10%
-20%
-30%
-40%
-50%
-60%
-36%
-37%
-43%
-30%
-40%
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