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Alabama New Construction Report – April 2012

Monthly Indicators	Recent Figures					Trends
Permits	**Current Month**	April	2012	**738**		Permits increasing from the prior month (March '12) is consistent with the seasonal trends.
April permits have increased 15.7 percent from last month. Figures also show an increase of 33.0 percent from April'11.	vs. Prior Month	March	2012	**638**	**15.7%**	
	vs. Last Year (YoY)	April	2011	**555**	**33.0%**	
	vs. 3-Yr Avg	April	'09-'11	**831**	**-11.2%**	
	Year-to-Date	April	2012	**2,568**		
	vs. Last Year (YoY)	April	2011	**2,444**	**5.1%**	
Starts	**Current Month**	April	2012	**667**		While improving, confidence surveys of consumers and builders alike still detect levels of uncertainty that underscores the current housing market. With that offered, the current figures do reflect an improvement from recent months and are trending in a favorable direction at this time.
April starts have increased 9.9 percent from March '12. April '12 figures show an increase of 8.0 percent from April '11.	vs. Prior Month	March	2012	**607**	**9.9%**	
	vs. Last Year (YoY)	April	2011	**617**	**8.0%**	
	vs. 3-Yr Avg	April	'09-'11	**796**	**-16.2%**	
	Year to Date	April	2011	**2,402**		
	vs.Prior Year	April	2010	**2,418**	**-0.7%**	

State **Commentary**

April new home sales results were mixed: up 9.4% from last year but down 2.1% from April 2011. Statewide new construction inventory has declined by approximately 20% from last April (unchanged from last month) and is down 2.7% from last month.

According to McGraw-Hill, residential contract values increased by 5.2% to $242.9 million in April '12 compared to April '11 values. This volume is consistent with April 2003 @ $244.8 million (April's 5-year average = $304 million or 25% higher than April '12).

According to the Alabama Dept. of Industrial Relations, statewide related construction employment was down 2.7% (1,600 jobs) to 58,500 from last month and is down by 10.7% or 7,000 workers from April '11.

While improving, market challenges remain including elevated unemployment figures and less than desired consumer confidence that was not helped by the rising cost of fuel during March nor overall weak job creation in April. Competition from distressed existing home inventory and strict underwriting guidelines are still applicable in today's market.

On a positive note, the balance between supply & demand continues to improve as the market transitions through the 2nd quarter of 2012. Months of new home supply in April was 5.4 months. This is lower than last month (5.5 months) and last April (7.4 months).

Local

15 out of the 27 associations (56% - up from 41% in March) reported building permit gains from the prior month (March'12) while 14 associations (63% - up from 52% in March) experienced gains in housing starts. Fifteen associations (56% -up from 30% from last month) experienced an increase from their April'11 monthly housing starts including : Dekalb (400%), Marshall County (180%), Gadsden (95%), Morgan County (75%),Tuscaloosa (56%), Mobile (56%), Muscle Shoals (45%), Greater Montgomery (17%), Baldwin County (14%), and Enterprise (8%).

2012 Current National Outlook from Industry Associations (annual % change compared to 2011 at the end of this year)

National Assn Home Builders (NAHB): New homes sales up 18.8%.
National Assn of REALTORS (NAR): New homes sales up 31.5%.

NOTE: This representation is based in whole or in part on data supplied by the reporting municipalities/boards/associations. ACRE does not guarantee and is in no way responsible for its accuracy.

New Construction Report - April 2012

NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Alabama State Total	738	638	15.7%	555	33.0%	2,568	2,444	5.1%
South Total*	22,400	22,500	-0.4%	19,200	16.7%	83,800	71,500	17.2%
United States Total*	44,000	42,200	4.3%	36,900	19.2%	150,300	127,300	18.1%

*Source Data: U.S. Census Bureau

NEW SINGLE FAMILY BUILDING PERMITS BY AREA

Association	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Athens/Limestone **	9	7	28.6%	10	-10.0%	44	63	-30.2%
Baldwin County **	69	66	4.5%	45	53.3%	286	238	20.2%
Blount County	0	0	N/A	1	-100.0%	0	3	-100.0%
Chilton County	2	0	N/A	0	N/A	2	4	-50.0%
Cullman County	0	4	-100.0%	1	-100.0%	11	2	450.0%
Dekalb County **	5	2	150.0%	1	400.0%	8	5	60.0%
Enterprise	9	7	28.6%	7	28.6%	30	26	15.4%
Greater Birmingham **	135	108	25.0%	91	48.4%	443	450	-1.6%
Greater Calhoun County **	0	3	-100.0%	5	-100.0%	7	18	-61.1%
Greater Gadsden **	8	7	14.3%	1	700.0%	23	20	15.0%
Greater Montgomery	34	40	-15.0%	31	9.7%	147	122	20.5%
Greater Morgan County **	11	19	-42.1%	4	175.0%	46	33	39.4%
Dothan & Wiregrass Area	11	3	266.7%	13	-15.4%	21	77	-72.7%
Metropolitan Mobile**	74	69	7.2%	39	89.7%	236	190	24.2%
Tuscaloosa**	55	55	0.0%	30	83.3%	243	152	59.9%
Huntsville/Madison **	168	142	18.3%	172	-2.3%	592	641	-7.6%
Jackson County **	4	2	100.0%	0	N/A	9	7	28.6%
Lee County	66	32	106.3%	41	61.0%	189	168	12.5%
Macon County	0	0	N/A	0	N/A	0	2	-100.0%
Marshall County **	23	15	53.3%	6	283.3%	50	24	108.3%
Muscle Shoals **	20	17	17.6%	10	100.0%	49	38	28.9%
Northwest Alabama	3	1	200.0%	2	50.0%	4	4	0.0%
Phenix City	5	13	-61.5%	16	-68.8%	42	59	-28.8%
South Alabama	3	3	0.0%	4	-25.0%	6	11	-45.5%
St. Clair County **	23	21	9.5%	24	-4.2%	73	81	-9.9%
Tallapoosa County	0	1	-100.0%	0	N/A	4	0	N/A
Walker County	1	1	0.0%	1	0.0%	3	6	-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.

*NOTE: Permit counts may be subject to slight change month over month due to updated permit reports from certain municipalities in previous months

PROJECTED HOUSING STARTS TOTALS

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Alabama State Total	667	607	9.9%	617	8.0%	2,402	2,418	-0.7%
South Total	20,869	19,024	9.7%	18,070	15.5%	57,103	48,485	17.8%
United States Total	37,060	32,087	15.5%	31,706	16.9%	99,276	87,848	13.0%

PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Athens/Limestone	9	12	-25.5%	16	-43.6%	46	73	-36.7%
Baldwin County	67	67	-1.2%	58	14.2%	265	241	9.8%
Blount County	0	0	N/A	1	-100.0%	0	4	-100.0%
Chilton County	0	0	N/A	0	N/A	0	0	N/A
Cullman County	2	3	-38.6%	1	196.7%	10	2	301.2%
Dekalb County	5	1	354.5%	1	400.0%	8	5	60.0%
Enterprise	8	7	9.6%	7	8.3%	28	24	16.7%
Greater Birmingham	117	102	14.7%	108	8.5%	403	423	-4.7%
Greater Calhoun County	2	3	-31.6%	4	-51.6%	11	17	-31.3%
Greater Gadsden	7	5	28.1%	4	95.0%	24	20	18.7%
Greater Montgomery	36	36	0.4%	31	17.5%	148	116	27.6%
Greater Morgan County	14	13	7.4%	8	74.9%	45	35	30.3%
Dothan & Wiregrass Area	6	3	86.2%	18	-63.2%	19	75	-74.6%
Metropolitan Mobile	68	59	14.2%	43	56.0%	215	212	1.6%
Tuscaloosa	56	61	-8.5%	36	55.7%	233	147	58.7%
Huntsville/Madison	149	136	9.1%	174	-14.3%	543	631	-14.0%
Jackson County	3	2	34.5%	2	63.9%	13	6	104.5%
Lee County	49	38	31.0%	43	15.2%	179	157	14.2%
Macon County	0	0	N/A	0	-100.0%	0	2	-100.0%
Marshall County	17	10	68.8%	6	180.2%	39	24	61.5%
Muscle Shoals	16	11	44.5%	11	44.9%	38	36	4.6%
Northwest Alabama	2	0	274.5%	1	45.5%	3	4	-29.4%
Phenix City	10	13	-25.6%	18	-46.0%	54	64	-16.0%
South Alabama	3	2	60.3%	3	-15.8%	5	9	-46.0%
St. Clair County	21	18	15.0%	22	-7.0%	64	82	-21.5%
Tallapoosa County	1	1	-36.5%	0	N/A	6	1	568.2%
Walker County	1	1	11.1%	2	-41.2%	2	7	-67.8%

*Starts data not available due to that is it a calculated statistic from previous months data that is not available. Some variance in totals due to decimal extension.

NOTE *: This representation is based in whole or in part on data supplied by the local municipality's building department.*
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Defintion: 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%

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-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Total New Construction Sold	280	286	-2.1%	256	9.4%	1,032	930	11.0%
Number of Units on Market	1,529	1,571	-2.7%	1,904	-19.7%	N/A	N/A	N/A
Median Selling Price	$ 212,950	$ 188,709	12.8%	$ 195,912	8.7%	$ 210,689	$ 192,126	9.7%
Average Selling Price	$ 230,721	$ 216,993	6.3%	$ 223,833	3.1%	$ 228,691	$ 210,930	8.4%
Average Days on Market	144	125	15.2%	138	4.5%	118	141	-16.6%

Total New Construction Sold

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Birmingham	91	89	2.2%	82	11.0%	343	290	18.3%
Huntsville	108	91	18.7%	84	28.6%	368	360	2.2%
Mobile	23	41	-43.9%	41	-43.9%	108	139	-22.3%
Montgomery	36	45	-20.0%	33	9.1%	142	92	54.3%
Tuscaloosa	22	20	10.0%	16	37.5%	71	49	44.9%

Number of Units on Market

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	I/S Ratio
Birmingham	683	739	-7.6%	870	-21.5%	7.5
Huntsville	387	390	-0.8%	488	-20.7%	3.6
Mobile	153	142	7.7%	173	-11.6%	6.7
Montgomery	183	183	0.0%	217	-15.7%	5.1
Tuscaloosa	123	117	5.4%	156	-20.9%	5.6

Median Selling Price

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Birmingham	$ 218,955	$ 209,000	4.8%	$ 171,962	27.3%	$ 218,294	$ 183,766	18.8%
Huntsville	$ 239,417	$ 193,460	23.8%	$ 247,500	-3.3%	$ 221,919	$ 214,950	3.2%
Mobile	$ 170,690	$ 162,900	4.8%	$ 147,900	15.4%	$ 174,923	$ 151,750	15.3%
Montgomery	$ 215,750	$ 222,000	-2.8%	$ 233,000	-7.4%	$ 223,841	$ 234,283	-4.5%
Tuscaloosa	$ 219,938	$ 156,183	40.8%	$ 179,200	22.7%	$ 214,468	$ 175,881	21.9%

Average Selling Price

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Birmingham	$ 239,927	$ 232,656	3.1%	$ 205,643	16.7%	$ 241,235	$ 207,271	16.4%
Huntsville	$ 243,583	$ 224,855	8.3%	$ 251,388	-3.1%	$ 233,666	$ 236,588	-1.2%
Mobile	$ 174,412	$ 220,410	-20.9%	$ 167,475	4.1%	$ 188,281	$ 168,729	11.6%
Montgomery	$ 219,231	$ 223,354	-1.8%	$ 256,470	-14.5%	$ 224,322	$ 246,471	-9.0%
Tuscaloosa	$ 276,452	$ 183,691	50.5%	$ 238,189	16.1%	$ 255,953	$ 195,595	30.9%

Average Days on Market

	Current Month April-12	Last Month March-12	% Difference	Last Year April-11	% Difference	YTD April-12	YTD April-11	% Difference
Birmingham	Unavailable	Unavailable	N/A	Unavailable	N/A	Unavailable	Unavailable	N/A
Huntsville	110	89	23.6%	107	2.8%	100	95	4.7%
Mobile	251	199	26.1%	198	26.8%	186	199	-6.5%
Montgomery	108	116	-6.9%	91	18.7%	87	115	-24.6%
Tuscaloosa	106	95	11.6%	154	-31.2%	98	155	-36.6%

* Source: MLS

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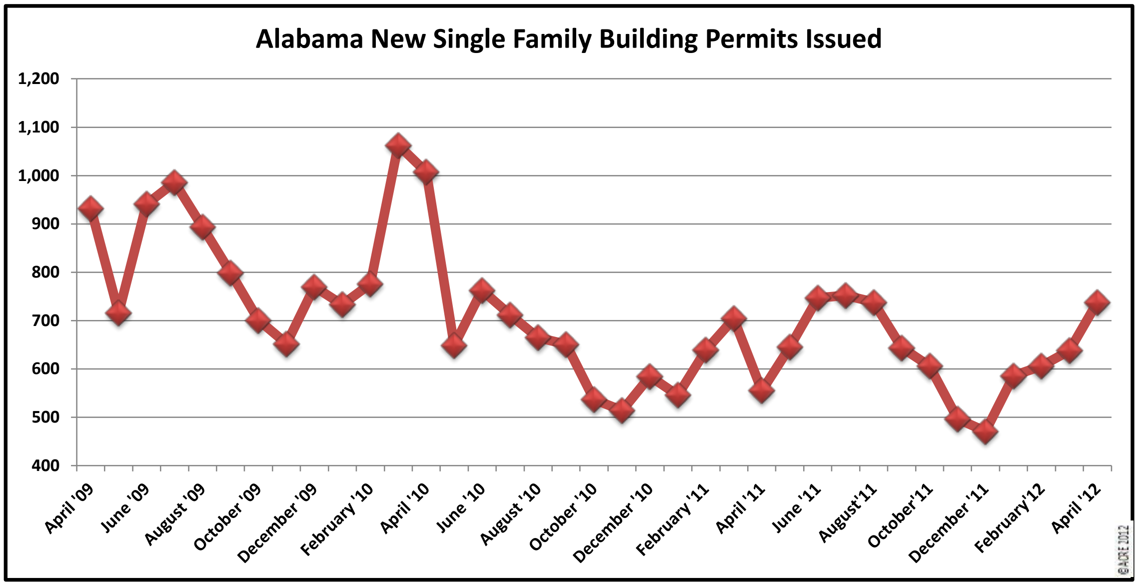
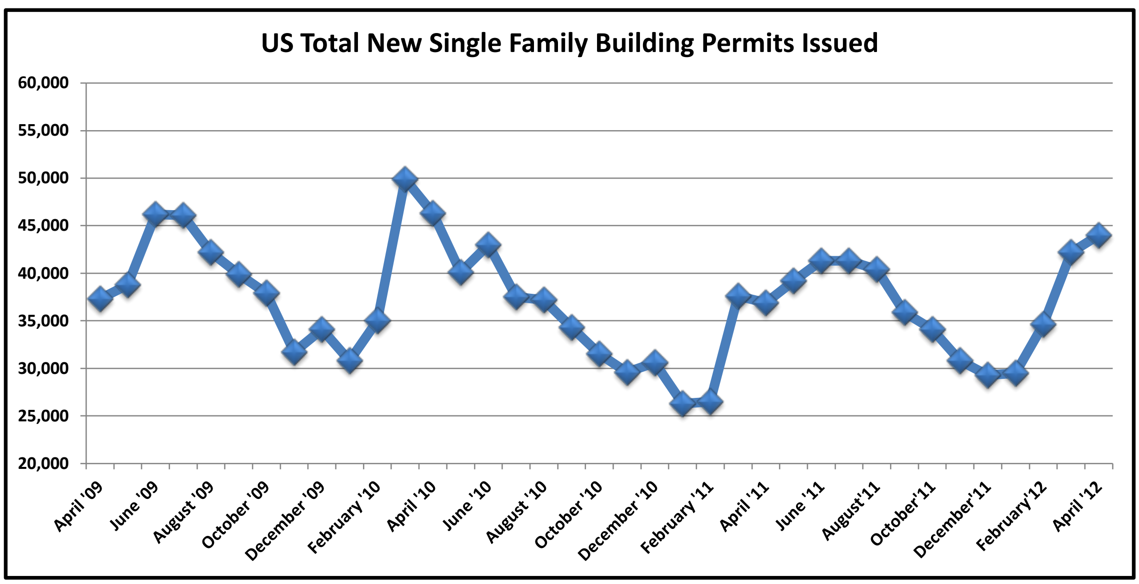
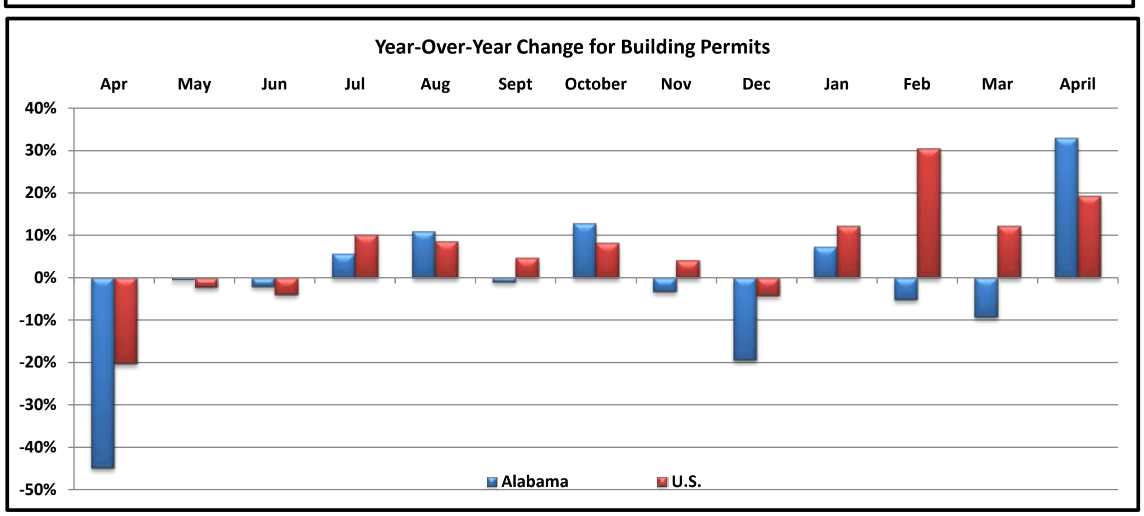
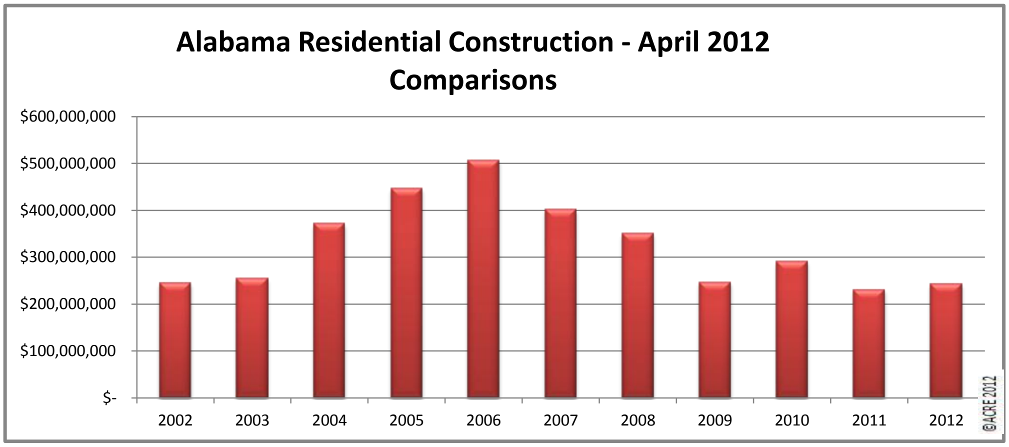
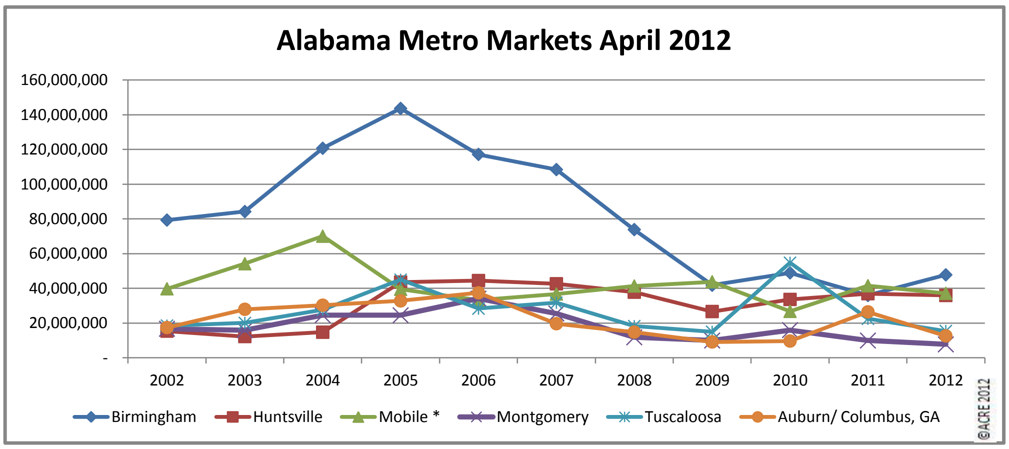


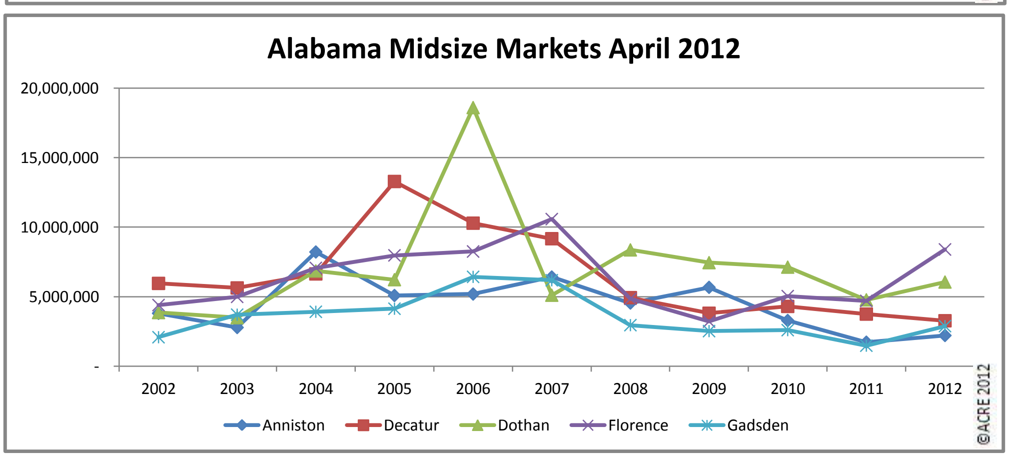




Residential Construction Building Contracts in Dollars







Source: McGraw Hill Construction - Residential Markets, Metro Markets, and Midsize Markets