



## Alabama New Construction Report – April 2015

### Monthly Indicators

### Recent Figures

### Trends

#### Permits

April permits have decreased 1.1 percent from last month. Figures also show an increase of 3.2 percent from April '14.

#### Current Month

vs. Prior Month  
vs. Last Year (YoY)  
vs. 3-Yr Avg

|       |         |     |       |
|-------|---------|-----|-------|
| April | 2015    | 798 |       |
| March | 2015    | 807 | -1.1% |
| April | 2014    | 773 | 3.2%  |
| April | '12-'14 | 693 | 15.2% |

#### Year-to-Date

vs. Last Year (YoY)

|       |      |       |      |
|-------|------|-------|------|
| April | 2015 | 2,890 |      |
| April | 2014 | 2,772 | 4.3% |

\* Alabama permits increased 3.2% compared to April 2014. In comparison, south region permits rose 12.0% & US permits were up 11.1%.

\* 2014 Recap: Permits in Alabama slipped .8% YOY from 2013. In comparison, south region permits were up 3.4% & US permits were up 1.3%.

#### Starts

April starts have increased 3.2 percent from March '15. April '15 figures show an increase of 6.8 percent from April '14.

#### Current Month

vs. Prior Month  
vs. Last Year (YoY)  
vs. 3-Yr Avg

|       |         |     |       |
|-------|---------|-----|-------|
| April | 2015    | 773 |       |
| March | 2015    | 706 | 9.5%  |
| April | 2014    | 724 | 6.8%  |
| April | '12-'14 | 645 | 19.8% |

#### Year to Date

vs. Prior Year

|       |      |       |      |
|-------|------|-------|------|
| April | 2015 | 2,814 |      |
| April | 2014 | 2,628 | 7.1% |

\* Alabama housing starts improved 6.8% compared to April 2014. In concert, south region starts increased 9.7% while US starts improved 32.8%.

\* 2014 Recap: Starts in Alabama slipped 2% YOY from 2013. In comparison, South Region Starts were up 6% & US Starts up 2.9%.

### Commentary State

**Demand:** New home sales totaling 304 units in April slipped 5.3 percent from the same period last year. In contrast to more common seasonal trends, April new homes sales were also down 4.7 percent from the prior month. Average days on market in April of 116 represent a 28.2% decrease from last April which is encouraging news.

**Supply:** Months of new home supply in April was 5.9 months; compared to 5.7 months in March 2015 (unfavorably up 3.5%) and 5.2 months in April 2014 (up 13.5%). Statewide new construction inventory is approximately 7.1% above last April but down 2.3% from last month.

According to the Alabama Dept. of Industrial Relations, statewide related residential construction employment in April increased 1.4% (900 jobs) to 65,800 from last month and grew by 2.7% or 1,700 jobs above the same month a year ago. This represents the tenth consecutive month of positive YOY comparisons associated with construction employment.

#### National Perspective from National Association of Home Builders (NAHB)

From David Crowe, NAHB chief economist: "April was a good month for housing. Contracts for new national new home sales, as reported by the Census Bureau and HUD, were up 6.8% over March, at a 517,000 seasonally adjusted annual rate. And these gains are significant relative to last year's numbers: The average pace of new home sales for the first quarter of 2015 (514,000) was 26% higher than the April 2014 rate of 410,000.

### Local

12 out of the 27 associations (44% - down from 78% in March'15) reported building permit gains from the prior month while 16 associations (59% - up from 52% in March'15) experienced gains in housing starts. Sixteen associations (59% - same as last month) experienced an increase from their April 2014 monthly housing starts.

The top five YTD markets (with minimum of forty starts) for housing starts through April by positive percentage change from the same period a year ago: Marshall County (36%), Greater Montgomery (25%), and Lee County (24%), Dothan/Wiregrass Area (24%) and Baldwin County (24%). Here's a look at YTD housing start growth rates from select markets from across the state: Birmingham (-3%), Huntsville (.6%), Shoals Area (-7%), Tuscaloosa (-10%), Cullman (-9%) and Mobile (6%).

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## New Construction Report - March 2015

### NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

|                            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|----------------------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| <b>Alabama State Total</b> | 798                       | 807                    | -1.1%        | 773                   | 3.2%         | 2,890           | 2,772           | 4.3%         |
| <b>South Total</b>         | 34,500                    | 32,600                 | 5.8%         | 30,800                | 12.0%        | 120,100         | 108,700         | 10.5%        |
| <b>United States Total</b> | 64,000                    | 57,100                 | 12.1%        | 57,600                | 11.1%        | 207,400         | 191,300         | 8.4%         |

\*Source Data: U.S. Census Bureau

### NEW SINGLE FAMILY BUILDING PERMITS BY AREA

| Association               | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|---------------------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Athens/Limestone **       | 23                        | 13                     | 76.9%        | 20                    | 15.0%        | 57              | 51              | 11.8%        |
| Baldwin County **         | 114                       | 115                    | -0.9%        | 101                   | 12.9%        | 447             | 378             | 18.3%        |
| Blount County             | 0                         | 0                      | N/A          | 0                     | N/A          | 0               | 0               | N/A          |
| Chilton County            | 1                         | 1                      | 0.0%         | 0                     | N/A          | 5               | 2               | 150.0%       |
| Cullman County            | 8                         | 5                      | 60.0%        | 6                     | 33.3%        | 17              | 20              | -15.0%       |
| Dekalb County **          | 1                         | 5                      | -80.0%       | 2                     | -50.0%       | 9               | 5               | 80.0%        |
| Enterprise                | 5                         | 7                      | -28.6%       | 3                     | 66.7%        | 23              | 25              | -8.0%        |
| Greater Birmingham **     | 131                       | 151                    | -13.2%       | 156                   | -16.0%       | 517             | 570             | -9.3%        |
| Greater Calhoun County ** | 2                         | 3                      | -33.3%       | 5                     | -60.0%       | 13              | 10              | 30.0%        |
| Greater Gadsden **        | 6                         | 9                      | -33.3%       | 5                     | 20.0%        | 20              | 21              | -4.8%        |
| Greater Montgomery        | 37                        | 62                     | -40.3%       | 42                    | -11.9%       | 176             | 143             | 23.1%        |
| Greater Morgan County **  | 29                        | 19                     | 52.6%        | 29                    | 0.0%         | 88              | 94              | -6.4%        |
| Dothan & Wiregrass Area   | 14                        | 23                     | -39.1%       | 18                    | -22.2%       | 89              | 72              | 23.6%        |
| Metropolitan Mobile**     | 42                        | 35                     | 20.0%        | 56                    | -25.0%       | 145             | 148             | -2.0%        |
| Tuscaloosa**              | 78                        | 66                     | 18.2%        | 57                    | 36.8%        | 231             | 238             | -2.9%        |
| Huntsville/Madison **     | 171                       | 141                    | 21.3%        | 128                   | 33.6%        | 529             | 528             | 0.2%         |
| Jackson County **         | 2                         | 3                      | -33.3%       | 2                     | 0.0%         | 10              | 8               | 25.0%        |
| Lee County                | 73                        | 84                     | -13.1%       | 70                    | 4.3%         | 294             | 248             | 18.5%        |
| Macon County              | 0                         | 0                      | N/A          | 0                     | N/A          | 1               | 0               | N/A          |
| Marshall County **        | 22                        | 18                     | 22.2%        | 23                    | -4.3%        | 66              | 39              | 69.2%        |
| Muscle Shoals **          | 16                        | 17                     | -5.9%        | 10                    | 60.0%        | 50              | 50              | 0.0%         |
| Northwest Alabama         | 0                         | 0                      | N/A          | 0                     | N/A          | 0               | 2               | N/A          |
| Phenix City               | 11                        | 10                     | 10.0%        | 21                    | -47.6%       | 42              | 64              | -34.4%       |
| South Alabama             | 3                         | 1                      | 200.0%       | 1                     | 200.0%       | 7               | 2               | 250.0%       |
| St. Clair County **       | 5                         | 19                     | -73.7%       | 13                    | -61.5%       | 46              | 45              | 2.2%         |
| Tallapoosa County         | 1                         | 0                      | N/A          | 5                     | -80.0%       | 3               | 8               | -62.5%       |
| Walker County             | 3                         | 0                      | N/A          | 0                     | N/A          | 5               | 1               | 400.0%       |

\*\*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<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|----------------------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| <b>Alabama State Total</b> | 773                       | 706                    | 9.5%         | 724                   | 6.8%         | 2,814           | 2,628           | 7.1%         |
| <b>South Total</b>         | 33,900                    | 30,200                 | 12.3%        | 30,900                | 9.7%         | 116,100         | 109,700         | 5.8%         |
| <b>United States Total</b> | 69,200                    | 52,500                 | 31.8%        | 52,089                | 32.8%        | 206,700         | 181,653         | 13.8%        |

PROJECTED HOUSING STARTS BY LOCAL MARKETS

| Association             | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|-------------------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Athens/Limestone        | 17                        | 11                     | 55.8%        | 16                    | 5.3%         | 54              | 50              | 8.8%         |
| Baldwin County          | 114                       | 107                    | 6.5%         | 94                    | 21.3%        | 453             | 376             | 20.5%        |
| Blount County           | 0                         | 0                      | N/A          | 0                     | N/A          | 0               | 0               | N/A          |
| Chilton County          | 1                         | 1                      | -24.3%       | 1                     | 105.7%       | 5               | 3               | 93.7%        |
| Cullman County          | 6                         | 3                      | 83.9%        | 6                     | 3.7%         | 15              | 16              | -9.2%        |
| Dekalb County           | 3                         | 3                      | -11.9%       | 2                     | 25.5%        | 8               | 5               | 64.8%        |
| Enterprise              | 6                         | 6                      | 1.6%         | 6                     | -1.7%        | 22              | 27              | -15.5%       |
| Greater Birmingham      | 136                       | 131                    | 3.6%         | 147                   | -7.4%        | 510             | 526             | -3.1%        |
| Greater Calhoun County  | 2                         | 3                      | -30.5%       | 2                     | 27.0%        | 11              | 6               | 91.7%        |
| Greater Gadsden         | 7                         | 6                      | 17.3%        | 5                     | 26.2%        | 18              | 18              | -0.7%        |
| Greater Montgomery      | 46                        | 48                     | -3.5%        | 38                    | 21.6%        | 172             | 137             | 25.5%        |
| Greater Morgan County   | 23                        | 18                     | 28.2%        | 27                    | -14.6%       | 84              | 80              | 5.6%         |
| Dothan & Wiregrass Area | 19                        | 24                     | -21.9%       | 21                    | -9.5%        | 86              | 69              | 24.6%        |
| Metropolitan Mobile     | 39                        | 37                     | 6.2%         | 45                    | -12.8%       | 154             | 145             | 6.3%         |
| Tuscaloosa              | 68                        | 55                     | 24.0%        | 57                    | 19.5%        | 210             | 233             | -10.1%       |
| Huntsville/Madison      | 147                       | 116                    | 26.2%        | 139                   | 5.9%         | 494             | 491             | 0.6%         |
| Jackson County          | 2                         | 2                      | 9.8%         | 2                     | 9.3%         | 11              | 10              | 8.3%         |
| Lee County              | 76                        | 76                     | 0.5%         | 56                    | 36.7%        | 280             | 224             | 24.8%        |
| Macon County            | 0                         | 0                      | N/A          | 0                     | N/A          | 1               | 0               | N/A          |
| Marshall County         | 19                        | 16                     | 16.9%        | 14                    | 34.5%        | 63              | 46              | 36.5%        |
| Muscle Shoals           | 15                        | 13                     | 19.9%        | 11                    | 39.4%        | 48              | 51              | -6.6%        |
| Northwest Alabama       | 0                         | 0                      | N/A          | 0                     | -54.3%       | 2               | 2               | -23.3%       |
| Phenix City             | 11                        | 11                     | -1.9%        | 15                    | -30.0%       | 41              | 53              | -23.3%       |
| South Alabama           | 2                         | 2                      | 32.4%        | 1                     | 155.7%       | 9               | 3               | 221.4%       |
| St. Clair County        | 12                        | 16                     | -22.1%       | 17                    | -27.4%       | 56              | 49              | 14.4%        |
| Tallapoosa County       | 1                         | 1                      | -19.1%       | 3                     | -77.5%       | 4               | 5               | -26.0%       |
| Walker County           | 1                         | 0                      | 452.0%       | 0                     | 213.6%       | 3               | 2               | 98.2%        |

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

Some variance in totals due to decimal extension.

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**NOTE:** This representation is based in whole or in part on data supplied by the local municipality's building department. Alabama Center for Real Estate - University of Alabama does not guarantee and is in no way responsible for its accuracy.

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%





### Metro Market New Construction Report\*

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

#### Metro Markets Combined

|                             | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|-----------------------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Total New Construction Sold | 304                       | 319                    | -4.7%        | 321                   | -5.3%        | 1,090           | 1,150           | -5.2%        |
| Number of Units on Market   | 1,791                     | 1,833                  | -2.3%        | 1,672                 | 7.1%         | N/A             | N/A             | N/A          |
| Median Selling Price        | \$ 239,426                | \$ 246,669             | -2.9%        | \$ 231,466            | 3.4%         | \$ 241,963      | \$ 230,599      | 4.9%         |
| Average Selling Price       | \$ 244,992                | \$ 259,004             | -5.4%        | \$ 243,544            | 0.6%         | \$ 258,706      | \$ 248,295      | 4.2%         |
| Average Days on Market      | 116                       | 137                    | -15.3%       | 162                   | -28.2%       | 144             | 162             | -11.1%       |

#### Total New Construction Sold

|            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Birmingham | 125                       | 127                    | -1.6%        | 120                   | 4.2%         | 439             | 430             | 2.1%         |
| Huntsville | 100                       | 94                     | 6.4%         | 126                   | -20.6%       | 339             | 396             | -14.4%       |
| Mobile     | 27                        | 39                     | -30.8%       | 26                    | 3.8%         | 97              | 102             | -4.9%        |
| Montgomery | 39                        | 31                     | 25.8%        | 27                    | 44.4%        | 145             | 160             | -9.4%        |
| Tuscaloosa | 13                        | 28                     | -53.6%       | 22                    | -40.9%       | 70              | 62              | 12.9%        |

#### Number of Units on Market

|            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | I/S<br>Ratio |
|------------|---------------------------|------------------------|--------------|-----------------------|--------------|--------------|
| Birmingham | 803                       | 782                    | 2.7%         | 701                   | 14.6%        | 6.4          |
| Huntsville | 457                       | 498                    | -8.2%        | 435                   | 5.1%         | 4.6          |
| Mobile     | 145                       | 161                    | -9.9%        | 151                   | -4.0%        | 5.4          |
| Montgomery | 221                       | 230                    | -3.9%        | 232                   | -4.7%        | 5.7          |
| Tuscaloosa | 165                       | 162                    | 1.9%         | 153                   | 7.8%         | 12.7         |

#### Median Selling Price

|            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Birmingham | \$ 280,900                | \$ 266,830             | 5.3%         | \$ 259,900            | 8.1%         | \$ 269,741      | \$ 255,067      | 5.8%         |
| Huntsville | \$ 242,383                | \$ 250,790             | -3.4%        | \$ 234,950            | 3.2%         | \$ 242,033      | \$ 243,160      | -0.5%        |
| Mobile     | \$ 176,061                | \$ 246,663             | -28.6%       | \$ 177,950            | -1.1%        | \$ 216,154      | \$ 183,163      | 18.0%        |
| Montgomery | \$ 256,385                | \$ 239,365             | 7.1%         | \$ 246,000            | 4.2%         | \$ 249,700      | \$ 242,175      | 3.1%         |
| Tuscaloosa | \$ 241,400                | \$ 229,698             | 5.1%         | \$ 238,529            | 1.2%         | \$ 232,188      | \$ 229,430      | 1.2%         |

#### Average Selling Price

|            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Birmingham | \$ 322,565                | \$ 302,025             | 6.8%         | \$ 287,383            | 12.2%        | \$ 308,624      | \$ 282,551      | 9.2%         |
| Huntsville | \$ 255,403                | \$ 259,902             | -1.7%        | \$ 244,922            | 4.3%         | \$ 259,212      | \$ 255,557      | 1.4%         |
| Mobile     | \$ 188,378                | \$ 252,484             | -25.4%       | \$ 189,761            | -0.7%        | \$ 221,850      | \$ 204,304      | 8.6%         |
| Montgomery | \$ 239,104                | \$ 243,324             | -1.7%        | \$ 247,690            | -3.5%        | \$ 256,170      | \$ 244,680      | 4.7%         |
| Tuscaloosa | \$ 219,512                | \$ 237,284             | -7.5%        | \$ 247,963            | -11.5%       | \$ 247,676      | \$ 254,382      | -2.6%        |

#### Average Days on Market

|            | Current Month<br>April-15 | Last Month<br>March-15 | % Difference | Last Year<br>April-14 | % Difference | YTD<br>April-15 | YTD<br>April-14 | % Difference |
|------------|---------------------------|------------------------|--------------|-----------------------|--------------|-----------------|-----------------|--------------|
| Birmingham | Unavailable               | Unavailable            | N/A          | Unavailable           | N/A          | Unavailable     | Unavailable     | N/A          |
| Huntsville | 81                        | 68                     | 19.1%        | 112                   | -27.7%       | 89              | 127             | -30.0%       |
| Mobile     | 166                       | 160                    | 3.8%         | 265                   | -37.4%       | 175             | 223             | -21.7%       |
| Montgomery | 122                       | 170                    | -28.2%       | 140                   | -12.9%       | 148             | 146             | 0.9%         |
| Tuscaloosa | 95                        | 150                    | -36.7%       | 129                   | -26.4%       | 164             | 151             | 8.8%         |

\* Source: MLS



