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Building Alabama's Multimedia Real Estate Network

Alabama New Construction Report – August 2013

Monthly Indicators | Recent Figures | Trends

Permits

August permits have decreased 18.5 percent from last month. Figures also show an increase of 0.5 percent from August '12.

Current Month	August	2013	**747**	
vs. Prior Month	July	2013	**917**	**-18.5%**
vs. Last Year (YoY)	August	2012	**743**	**0.5%**
vs. 3-Yr Avg	August	'10-'12	**746**	**0.1%**
Year-to-Date	August	2013	**6,089**	
vs. Last Year (YoY)	August	2012	**5,521**	**10.3%**

* 2012 Permits in Alabama were up 8.4% compared to 2011. In comparison, south region permits were up 22% & US permits up 19%.
*** Alabama permits were up .5% compared to August 2012. In comparison, south region permits were up 16% & US permits up 25%. All regions also experienced a slip from prior month.**

Starts

August starts have decreased 2.7 percent from July '13. August '13 figures show an increase of 11.9 percent from August '12.

Current Month	August	2013	**816**	
vs. Prior Month	July	2013	**839**	**-2.7%**
vs. Last Year (YoY)	August	2012	**729**	**11.9%**
vs. 3-Yr Avg	August	'10-'12	**724**	**12.7%**
Year to Date	August	2013	**5,924**	
vs.Prior Year	August	2012	**5,303**	**11.7%**

* 2012 Housing Starts in Alabama were up 6.5% compared to 2011. In comparison, South Region Starts were up 21% & US Starts up 17%.
*** Alabama housing starts were up 12% compared to August 2012. In comparison, south region starts were up 22% & US up 30%. Alabama starts slipped from prior month.**

State **Commentary**

August new home sales improved 4.7% from the same period last year. Sales also increased by 6.9% from the prior month. Year-to-date sales through August remain 9.6% ahead of last year. In 2012, new home sales in Alabama improved by 7.2% compared to 2011 - this was a significant improvement from both 2011 & 2010 when sales were down 13% from each prior year. Average days on market of 114 dropped 9% from last month.

Statewide new construction inventory is approximately 18.1% higher than last August and 1.7% above last month. Home builder's continue to bring more product to the market in response to the uptick in overall demand. With that said, the double-digit increase is such a short window brings out a caution flag at this time.

According to the Alabama Dept. of Industrial Relations, statewide related residential construction employment in August slipped .3% (-200 jobs) to 63,900 from last month and 1.5% (-1,000 jobs) from the same month a year ago.

While overall sales have improved during the first eight months of the year, market challenges remain including tepid economic growth, uptick in interest rates, challenging appraisals and other underwriting guidelines - and now the government shutdown can be added to the list.

Months of new home supply in August was 4.4 months compared to 4.6 months in July 2013 (down 4.3%) and 3.9 months in August 2012 (up 12.8%). Year-to-date, 16 of 27 or 59% of associations report positive housing start growth compared to 2012.

Local

9 out of the 27 associations (33% - down from 52% in July) reported building permit gains from the prior month while 9 associations (33% - down from 48% from July) experienced gains in housing starts. Thirteen associations (48% - down from 63% last month) experienced an increase from their August 2012 monthly housing starts.

Year-to-date, the top five markets by positive percentage change in housing starts: South Alabama (178%), Dothan/Wiregrass (107%), Athens/Limestone (87%), Baldwin County (41%) and Greater Montgomery (33%). Here is a look at YTD housing start growth rates from select markets from across the state: Birmingham (19%), Huntsville (.2%), Shoals Area (31%), Tuscaloosa (-5%), Lee County (13%), and Mobile (-11%) .

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.*

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New Construction Report - August 2013

NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Alabama State Total	747	917	-18.5%	743	0.5%	6,089	5,521	10.3%
South Total*	29,700	30,300	-2.0%	25,600	16.0%	229,600	182,400	25.9%
United States Total*	57,500	58,700	-2.0%	46,100	24.7%	429,200	332,000	29.3%

*Source Data: U.S. Census Bureau

NEW SINGLE FAMILY BUILDING PERMITS BY AREA

Association	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Athens/Limestone **	16	27	-40.7%	13	23.1%	183	97	88.7%
Baldwin County **	99	150	-34.0%	88	12.5%	840	628	33.8%
Blount County	0	0	N/A	0	N/A	0	0	N/A
Chilton County	2	0	#DIV/0!	2	N/A	9	6	50.0%
Cullman County	7	2	250.0%	4	75.0%	26	22	18.2%
Dekalb County **	5	4	25.0%	3	66.7%	19	18	5.6%
Enterprise	5	7	-28.6%	9	-44.4%	53	70	-24.3%
Greater Birmingham **	124	146	-15.1%	122	1.4%	1,110	944	17.5%
Greater Calhoun County **	6	1	500.0%	5	20.0%	31	34	-9.7%
Greater Gadsden **	6	9	-33.3%	10	-40.0%	62	54	14.8%
Greater Montgomery	35	90	-61.1%	40	-12.5%	397	293	35.5%
Greater Morgan County **	14	10	40.0%	22	-36.4%	117	117	0.0%
Dothan & Wiregrass Area	17	18	-5.6%	20	-15.0%	160	86	86.0%
Metropolitan Mobile**	46	52	-11.5%	63	-27.0%	376	424	-11.3%
Tuscaloosa**	55	67	-17.9%	70	-21.4%	462	495	-6.7%
Huntsville/Madison **	173	207	-16.4%	148	16.9%	1,296	1,284	0.9%
Jackson County **	4	2	100.0%	1	300.0%	12	16	-25.0%
Lee County	64	55	16.4%	64	0.0%	479	437	9.6%
Macon County	0	0	#DIV/0!	0	N/A	3	0	N/A
Marshall County **	11	9	22.2%	16	-31.3%	86	129	-33.3%
Muscle Shoals **	25	26	-3.8%	12	108.3%	140	102	37.3%
Northwest Alabama	1	1	0.0%	2	-50.0%	4	9	-55.6%
Phenix City	15	16	-6.3%	12	25.0%	73	90	-18.9%
South Alabama	3	5	-40.0%	1	200.0%	34	12	183.3%
St. Clair County **	14	13	7.7%	12	16.7%	105	138	-23.9%
Tallapoosa County	0	0	#DIV/0!	4	-100.0%	7	10	-30.0%
Walker County	0	0	N/A	0	#DIV/0!	5	5	0.0%

**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 August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Alabama State Total	816	839	-2.7%	729	11.9%	5,924	5,303	11.7%
South Total	30,096	29,946	0.5%	24,560	22.5%	220,967	174,590	26.6%
United States Total	58,223	57,850	0.6%	44,672	30.3%	410,973	318,395	29.1%

PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Athens/Limestone	24	34	-29.9%	13	79.8%	179	96	87.1%
Baldwin County	119	125	-4.5%	83	43.5%	837	592	41.4%
Blount County	0	1	N/A	0	N/A	2	1	N/A
Chilton County	1	1	N/A	1	N/A	0	0	N/A
Cullman County	5	4	26.2%	3	78.1%	22	19	15.2%
Dekalb County	4	2	63.6%	3	34.7%	19	18	5.6%
Enterprise	7	9	-25.8%	9	-24.4%	50	67	-25.4%
Greater Birmingham	137	145	-5.5%	127	8.0%	1,075	903	19.0%
Greater Calhoun County	0	2	-100.0%	6	-100.0%	31	34	-9.4%
Greater Gadsden	8	10	-20.0%	9	-13.0%	61	53	15.3%
Greater Montgomery	58	64	-9.5%	37	56.9%	389	292	33.3%
Greater Morgan County	13	13	2.4%	19	-31.9%	117	109	7.6%
Dothan & Wiregrass Area	18	21	-13.6%	18	3.5%	155	75	107.3%
Metropolitan Mobile	49	51	-3.6%	51	-3.4%	370	417	-11.1%
Tuscaloosa	60	61	-1.4%	63	-4.2%	454	477	-4.7%
Huntsville/Madison	183	181	1.4%	156	17.3%	1,238	1,235	0.2%
Jackson County	3	1	96.4%	2	64.0%	19	15	26.3%
Lee County	61	56	9.2%	67	-8.2%	472	419	12.6%
Macon County	0	0	-66.7%	0	N/A	3	0	N/A
Marshall County	10	9	13.5%	19	-44.5%	85	118	-28.1%
Muscle Shoals	24	19	23.3%	12	93.1%	125	95	30.7%
Northwest Alabama	1	1	58.5%	2	-44.7%	5	9	-46.9%
Phenix City	14	11	23.5%	13	2.2%	67	97	-30.3%
South Alabama	4	5	-25.0%	1	406.2%	34	12	178.4%
St. Clair County	13	13	1.9%	15	-9.6%	102	136	-25.4%
Tallapoosa County	0	1	-63.2%	2	-83.0%	7	10	-25.5%
Walker County	0	1	-82.4%	0	-30.8%	5	5	12.1%

*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%

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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 August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Total New Construction Sold	404	378	6.9%	386	4.7%	2,648	2,416	9.6%
Number of Units on Market	1,777	1,748	1.7%	1,505	18.1%	N/A	N/A	N/A
Median Selling Price	$ 229,926	$ 208,280	10.4%	$ 209,867	9.6%	$ 223,598	$ 213,852	4.6%
Average Selling Price	$ 254,232	$ 242,312	4.9%	$ 232,578	9.3%	$ 241,383	$ 230,213	4.9%
Average Days on Market	114	125	-8.8%	102	11.8%	110	111	-1.0%

Total New Construction Sold

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Birmingham	128	133	-3.8%	123	4.1%	908	829	9.5%
Huntsville	180	137	31.4%	163	10.4%	928	867	7.0%
Mobile	23	30	-23.3%	33	-30.3%	267	227	17.6%
Montgomery	57	47	21.3%	47	21.3%	370	339	9.1%
Tuscaloosa	16	31	-48.4%	20	-20.0%	175	154	13.6%

Number of Units on Market

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	I/S Ratio
Birmingham	753	752	0.1%	660	14.1%	5.9
Huntsville	501	487	2.9%	400	25.3%	2.8
Mobile	162	163	-0.6%	143	13.3%	7.0
Montgomery	222	218	1.8%	181	22.7%	3.9
Tuscaloosa	139	128	8.6%	121	14.9%	8.7

Median Selling Price

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Birmingham	$ 249,225	$ 245,900	1.4%	$ 234,905	6.1%	$ 238,202	$ 223,809	6.4%
Huntsville	$ 219,481	$ 258,800	-15.2%	$ 244,542	-10.2%	$ 237,311	$ 230,080	3.1%
Mobile	$ 189,900	$ 163,900	15.9%	$ 151,825	25.1%	$ 180,711	$ 176,596	2.3%
Montgomery	$ 260,000	$ 249,900	4.0%	$ 246,173	5.6%	$ 245,875	$ 229,476	7.1%
Tuscaloosa	$ 231,022	$ 122,900	88.0%	$ 171,890	34.4%	$ 215,890	$ 209,301	3.1%

Average Selling Price

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Birmingham	$ 296,727	$ 285,201	4.0%	$ 265,733	11.7%	$ 271,527	$ 251,576	7.9%
Huntsville	$ 238,928	$ 269,548	-11.4%	$ 262,870	-9.1%	$ 250,748	$ 241,259	3.9%
Mobile	$ 205,826	$ 182,776	12.6%	$ 164,268	25.3%	$ 190,990	$ 186,415	2.5%
Montgomery	$ 264,197	$ 234,037	12.9%	$ 258,840	2.1%	$ 242,429	$ 231,497	4.7%
Tuscaloosa	$ 265,480	$ 240,000	10.6%	$ 211,177	25.7%	$ 251,221	$ 240,319	4.5%

Average Days on Market

	Current Month August-13	Last Month July-13	% Difference	Last Year August-12	% Difference	YTD August-13	YTD August-12	% Difference
Birmingham	Unavailable	Unavailable	N/A	Unavailable	N/A	Unavailable	Unavailable	N/A
Huntsville	83	92	-9.8%	77	7.8%	80	89	-10.2%
Mobile	141	166	-15.1%	171	-17.5%	133	168	-20.8%
Montgomery	92	117	-21.4%	78	17.9%	103	97	6.2%
Tuscaloosa	140	125	12.0%	82	70.7%	125	92	36.5%

* Source: MLS

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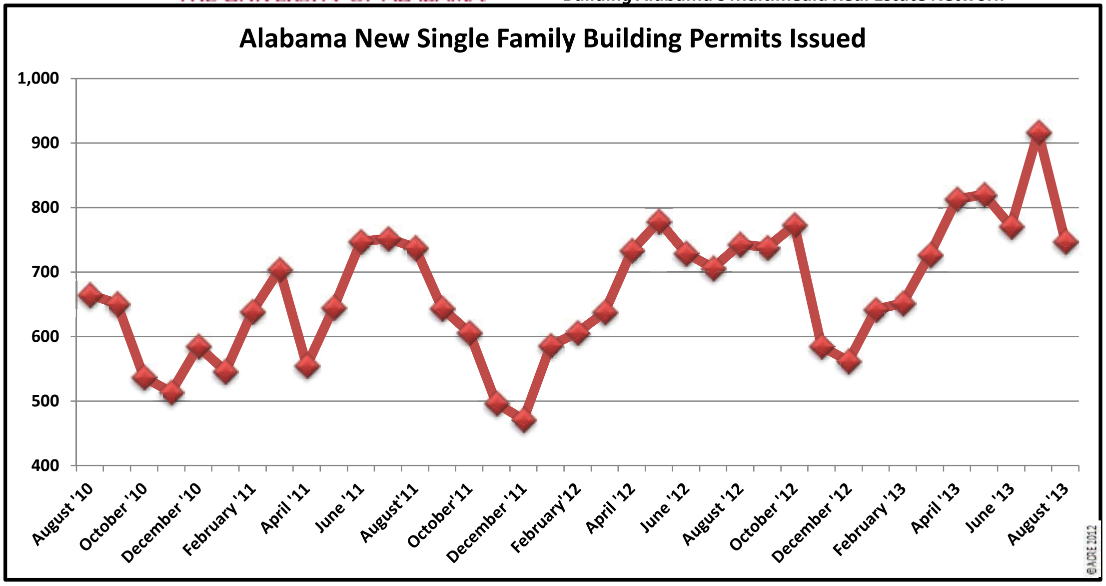

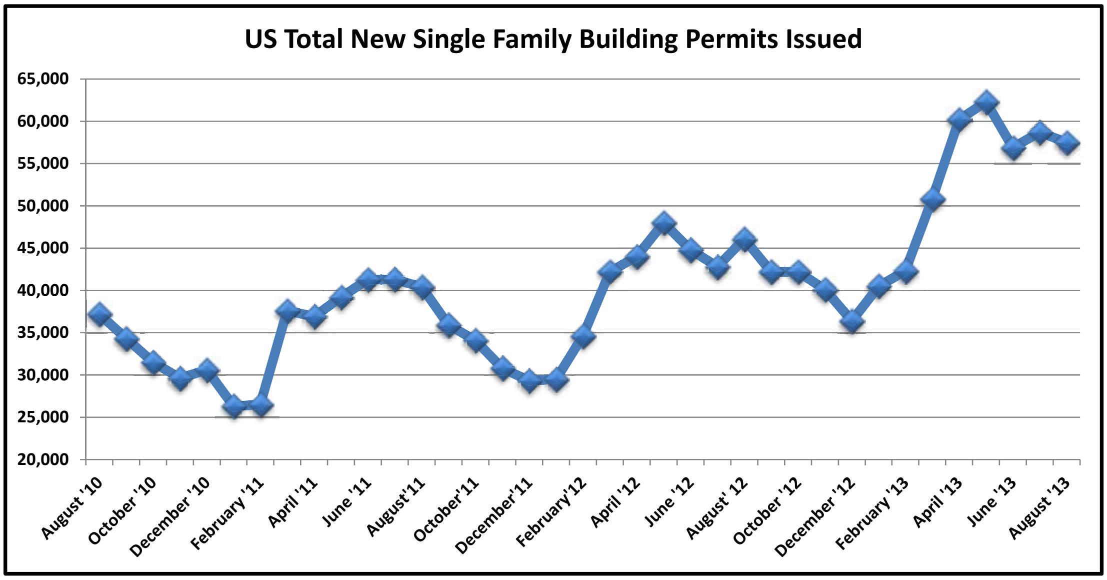

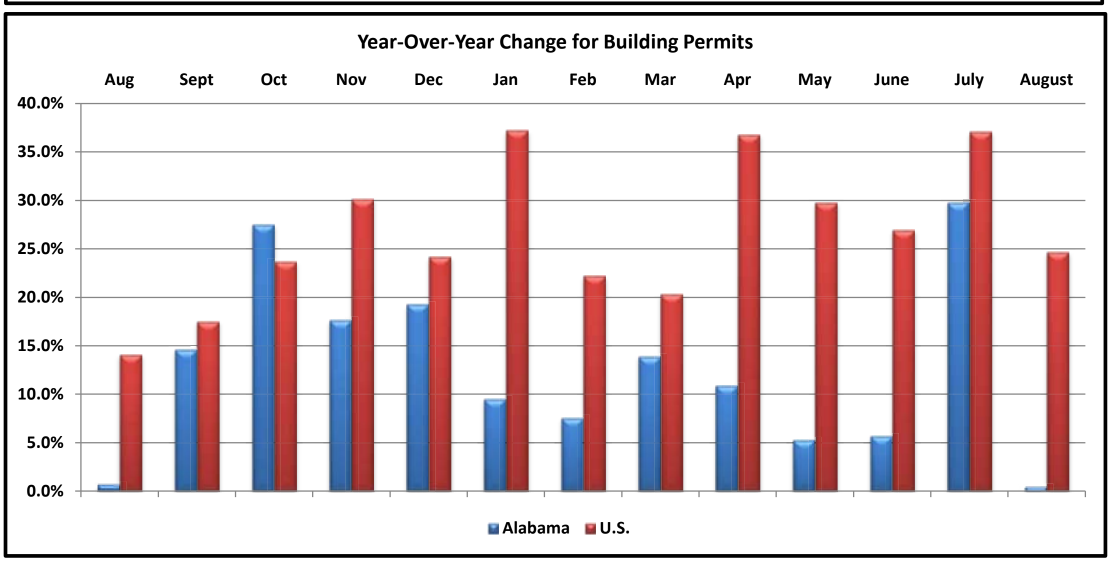

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