ALABAMA CENTER for REAL ESTATE
THE UNIVERSITY OF ALABAMA

*Building Alabama's Multimedia Real Estate Network*

# Alabama New Construction Report – December 2013

| Monthly Indicators | Recent Figures | | | | | Trends |
|---|---|---|---|---|---|---|
| **Permits** | **Current Month** | December | 2013 | **506** | | *** 2013 Permits up 5.6%.** In comparison, south region permits were up 21% & US permits up 25%. In 2012, permits in Alabama were up 8.4% compared to 2011. |
| December permits have decreased 2.3 percent from last month. Figures also show an decrease of 10.0 percent from December '12. | vs. Prior Month | November | 2013 | **518** | -2.3% | *** Alabama permits slipped 2% compared to December 2012. In comparison, south region permits were up 9% & US permits up 9%.** |
| | vs. Last Year (YoY) | December | 2012 | **562** | -10.0% | |
| | vs. 3-Yr Avg | December | '10-'12 | **746** | -32.2% | |
| | **Year-to-Date** | December | 2013 | **8,638** | | |
| | vs. Last Year (YoY) | December | 2012 | **8,179** | **5.6%** | |
| **Starts** | **Current Month** | December | 2013 | **557** | | *** 2013 Starts up 7.8%.** In comparison, South Region Starts were up 22% & US Starts up 26%. In 2012, Housing Starts in Alabama were up 6.5% compared to 2011. |
| December starts have decreased 15.3 percent from November '13. December '13 figures show an decrease of 7.7 percent from December '12. | vs. Prior Month | November | 2013 | **658** | -15.3% | *** Alabama housing starts slipped 8% compared to December 2012. In comparison, south region starts were up 9% & US up 12%.** |
| | vs. Last Year (YoY) | December | 2012 | **604** | -7.7% | |
| | vs. 3-Yr Avg | December | '10-'12 | **724** | -23.0% | |
| | **Year to Date** | December | 2013 | **8,699** | | |
| | vs.Prior Year | December | 2012 | **8,070** | **7.8%** | |

**State** — **Commentary**

**December new home sales slipped 1.7% from the same period last year.** In contrast, sales advanced 18.3% from the prior month. For the year, new home sales were up 5.8% from 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 in December of 99 declined 13% from last year. Average DOM for 2013 dropped 2% from 106 from 108 days.

Statewide new construction inventory is approximately 9.9% higher than last December and 1.1% higher than the last month. In 2013, Alabama home builders have brought more product to the market in response to the uptick in overall demand.

According to the Alabama Dept. of Industrial Relations, statewide related residential construction employment in December improved 1.1% (700 jobs) to 61,900 from last month but slipped .6% (-400 jobs) from the same month a year ago.

Months of new home supply in December was 5.4 months compared to 6.5 months in November 2013 (down 17%) and 5.0 months in December 2012 (up 8%).

According to NAHB, the housing data for the end of 2013 cap off a year of post-recession growth. While construction activity remains below normal levels of production, the expansion experienced last year produced jobs and business growth. Yet headwinds remain in the form of rising materials costs and policy risk.

**Local**

9 out of the 27 associations (33% - up from 30% in November) reported building permit gains from the prior month while 7 associations (26% - up from 22% in November) experienced gains in housing starts. Fifteen associations (56% - up from 41% last month) experienced an increase from their December 2012 monthly housing starts.

The top five markets in 2013 by positive percentage change in housing starts: Jackson County (179%), South Alabama (82%), Dothan/Wiregrass (73%), Cullman County (52%), and Athens/Limestone (41%). Here is a look at 2013 housing start growth rates from select markets from across the state: Baldwin County (23%), Greater Montgomery (18%), Birmingham (19%), Huntsville (-4%), Shoals Area (40%), Tuscaloosa (-9%), Lee County (9%), and Mobile (-6%) .



***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 - December 2013

## NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| **Alabama State Total** | 506 | 518 | -2.3% | 562 | -10.0% | 8,638 | 8,179 | 5.6% |
| **South Total*** | 21,300 | 22,600 | -5.8% | 19,600 | 8.7% | 326,500 | 268,900 | 21.4% |
| **United States Total*** | 39,800 | 43,000 | -7.4% | 36,400 | 9.3% | 616,200 | 492,900 | 25.0% |

*Source Data: U.S. Census Bureau *Due to the Government shutdown September and October stats will not be updated till December 18th.

## NEW SINGLE FAMILY BUILDING PERMITS BY AREA

| Association | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Athens/Limestone ** | 16 | 19 | -15.8% | 17 | -5.9% | 238 | 177 | 34.5% |
| Baldwin County ** | 64 | 65 | -1.5% | 106 | -39.6% | 1,213 | 1,066 | 13.8% |
| Blount County | 0 | 0 | N/A | 0 | N/A | 0 | 0 | N/A |
| Chilton County | 1 | 0 | #DIV/0! | 0 | #DIV/0! | 13 | 9 | 44.4% |
| Cullman County | 0 | 1 | -100.0% | 1 | -100.0% | 44 | 30 | 46.7% |
| Dekalb County ** | 2 | 1 | 100.0% | 1 | 100.0% | 26 | 23 | 13.0% |
| Enterprise | 9 | 3 | 200.0% | 1 | 800.0% | 70 | 88 | -20.5% |
| Greater Birmingham ** | 91 | 92 | -1.1% | 90 | 1.1% | 1,594 | 1,348 | 18.3% |
| Greater Calhoun County ** | 1 | 1 | 0.0% | 6 | -83.3% | 35 | 48 | -27.6% |
| Greater Gadsden ** | 2 | 4 | -50.0% | 7 | -71.4% | 69 | 76 | -9.2% |
| Greater Montgomery | 34 | 33 | 3.0% | 40 | -15.0% | 520 | 451 | 15.3% |
| Greater Morgan County ** | 9 | 16 | -43.8% | 8 | 12.5% | 173 | 168 | 3.0% |
| Dothan & Wiregrass Area | 18 | 12 | 50.0% | 13 | 38.5% | 221 | 131 | 68.7% |
| Metropolitan Mobile** | 40 | 50 | -20.0% | 36 | 11.1% | 605 | 640 | -5.5% |
| Tuscaloosa** | 57 | 36 | 58.3% | 46 | 23.9% | 672 | 737 | -8.8% |
| Huntsville/Madison ** | 82 | 94 | -12.8% | 100 | -18.0% | 1,727 | 1,824 | -5.3% |
| Jackson County ** | 5 | 4 | 25.0% | 0 | #DIV/0! | 29 | 18 | 61.1% |
| Lee County | 36 | 27 | 33.3% | 63 | -42.9% | 656 | 622 | 5.5% |
| Macon County | 0 | 0 | #DIV/0! | 0 | N/A | 3 | 0 | N/A |
| Marshall County ** | 14 | 16 | -12.5% | 4 | 250.0% | 189 | 191 | -1.0% |
| Muscle Shoals ** | 10 | 13 | -23.1% | 4 | 150.0% | 200 | 140 | 42.9% |
| Northwest Alabama | 0 | 0 | #DIV/0! | 0 | #DIV/0! | 10 | 20 | -50.0% |
| Phenix City | 3 | 8 | -62.5% | 8 | -62.5% | 111 | 130 | -14.6% |
| South Alabama | 1 | 2 | -50.0% | 4 | -75.0% | 44 | 28 | 57.1% |
| St. Clair County ** | 9 | 19 | -52.6% | 7 | 28.6% | 158 | 191 | -17.3% |
| Tallapoosa County | 1 | 1 | 0.0% | 0 | #DIV/0! | 9 | 14 | -35.7% |
| Walker County | 1 | 1 | N/A | 0 | N/A | 9 | 9 | 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 municpalities in previous months

## PROJECTED HOUSING STARTS TOTALS

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| **Alabama State Total** | 557 | 658 | -15.3% | 604 | -7.7% | 8,699 | 8,070 | 7.8% |
| **South Total** | 23,047 | 25,398 | -9.3% | 21,061 | 9.4% | 324,669 | 265,192 | 22.4% |
| **United States Total** | 43,813 | 49,252 | -11.0% | 39,144 | 11.9% | 612,005 | 485,906 | 26.0% |

* Due to the Government shutdown September and October stats will not be updated till December 18th.

## PROJECTED HOUSING STARTS BY LOCAL MARKETS

| Association | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Athens/Limestone | 16 | 16 | 5.4% | 18 | -7.9% | 241 | 171 | 40.6% |
| Baldwin County | 74 | 94 | -21.6% | 106 | -30.5% | 1,244 | 1,010 | 23.2% |
| Blount County | 0 | 0 | -100.0% | 0 | #DIV/0! | 2 | 1 | N/A |
| Chilton County | 1 | 1 | -11.2% | 1 | 38.6% | 0 | 0 | N/A |
| Cullman County | 2 | 4 | -58.2% | 2 | -3.2% | 44 | 29 | 51.7% |
| Dekalb County | 2 | 2 | 2.8% | 1 | 84.0% | 26 | 23 | 13.0% |
| Enterprise | 6 | 3 | 91.6% | 4 | 31.7% | 67 | 91 | -26.4% |
| Greater Birmingham | 102 | 129 | -21.1% | 96 | 6.8% | 1,586 | 1,334 | 18.9% |
| Greater Calhoun County | 1 | 1 | -37.0% | 4 | -75.4% | 35 | 46 | -24.2% |
| Greater Gadsden | 3 | 3 | -2.4% | 6 | -53.9% | 73 | 78 | -6.2% |
| Greater Montgomery | 33 | 33 | -2.0% | 42 | -21.6% | 527 | 448 | 17.8% |
| Greater Morgan County | 13 | 17 | -21.5% | 12 | 12.5% | 173 | 169 | 2.5% |
| Dothan & Wiregrass Area | 15 | 14 | 9.5% | 13 | 22.5% | 217 | 125 | 73.3% |
| Metropolitan Mobile | 46 | 53 | -13.5% | 45 | 1.7% | 605 | 642 | -5.8% |
| Tuscaloosa | 49 | 46 | 5.6% | 48 | 2.4% | 670 | 734 | -8.7% |
| Huntsville/Madison | 100 | 127 | -21.3% | 115 | -13.4% | 1,746 | 1,815 | -3.8% |
| Jackson County | 4 | 4 | 22.3% | 1 | 726.4% | 50 | 18 | 178.7% |
| Lee County | 37 | 42 | -12.4% | 49 | -25.1% | 670 | 614 | 9.1% |
| Macon County | 0 | 0 | #DIV/0! | 0 | N/A | 3 | 0 | N/A |
| Marshall County | 17 | 22 | -22.0% | 10 | 64.4% | 182 | 188 | -3.0% |
| Muscle Shoals | 13 | 16 | -16.9% | 7 | 95.0% | 195 | 139 | 40.3% |
| Northwest Alabama | 0 | 1 | -69.2% | 2 | -80.6% | 11 | 20 | -44.7% |
| Phenix City | 7 | 11 | -38.0% | 6 | 14.0% | 112 | 135 | -17.0% |
| South Alabama | 2 | 3 | -40.1% | 4 | -58.8% | 46 | 25 | 82.2% |
| St. Clair County | 14 | 15 | -8.0% | 12 | 14.5% | 157 | 192 | -18.3% |
| Tallapoosa County | 1 | 0 | 84.1% | 1 | 15.7% | 9 | 16 | -44.6% |
| Walker County | 1 | 1 | 40.3% | 1 | 1.2% | 9 | 8 | 2.5% |

*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 December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Total New Construction Sold | 330 | 279 | 18.3% | 336 | -1.8% | 3,945 | 3,727 | 5.8% |
| Number of Units on Market | 1,828 | 1,809 | 1.1% | 1,664 | 9.9% | N/A | N/A | N/A |
| Median Selling Price | $ 229,406 | $ 232,297 | -1.2% | $ 223,103 | 2.8% | $ 226,925 | $ 214,156 | 6.0% |
| Average Selling Price | $ 239,255 | $ 240,230 | -0.4% | $ 238,825 | 0.2% | $ 242,662 | $ 231,048 | 5.0% |
| Average Days on Market | 99 | 114 | -13.6% | 113 | -13.0% | 106 | 108 | -1.7% |

## Total New Construction Sold

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Birmingham | 124 | 109 | 13.8% | 118 | 5.1% | 1,402 | 1,283 | 9.3% |
| Huntsville | 121 | 84 | 44.0% | 120 | 0.8% | 1,375 | 1,354 | 1.6% |
| Mobile | 21 | 20 | 5.0% | 28 | -25.0% | 351 | 346 | 1.4% |
| Montgomery | 46 | 45 | 2.2% | 52 | -11.5% | 556 | 524 | 6.1% |
| Tuscaloosa | 18 | 21 | -14.3% | 18 | 0.0% | 261 | 220 | 18.6% |

## Number of Units on Market

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | I/S Ratio |
|---|---|---|---|---|---|---|
| Birmingham | 768 | 746 | 2.9% | 729 | 5.3% | 6.2 |
| Huntsville | 519 | 522 | -0.6% | 449 | 15.6% | 4.3 |
| Mobile | 145 | 144 | 0.7% | 174 | -16.7% | 6.9 |
| Montgomery | 260 | 263 | -1.1% | 187 | 39.0% | 5.7 |
| Tuscaloosa | 136 | 134 | 1.5% | 125 | 8.8% | 7.6 |

## Median Selling Price

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Birmingham | $ 267,450 | $ 246,420 | 8.5% | $ 242,000 | 10.5% | $ 242,715 | $ 226,826 | 7.0% |
| Huntsville | $ 256,000 | $ 242,094 | 5.7% | $ 277,057 | -7.6% | $ 244,508 | $ 234,165 | 4.4% |
| Mobile | $ 172,900 | $ 187,470 | -7.8% | $ 184,418 | -6.2% | $ 182,834 | $ 177,268 | 3.1% |
| Montgomery | $ 245,250 | $ 244,503 | 0.3% | $ 232,875 | 5.3% | $ 244,513 | $ 231,407 | 5.7% |
| Tuscaloosa | $ 205,430 | $ 241,000 | -14.8% | $ 179,165 | 14.7% | $ 220,055 | $ 201,115 | 9.4% |

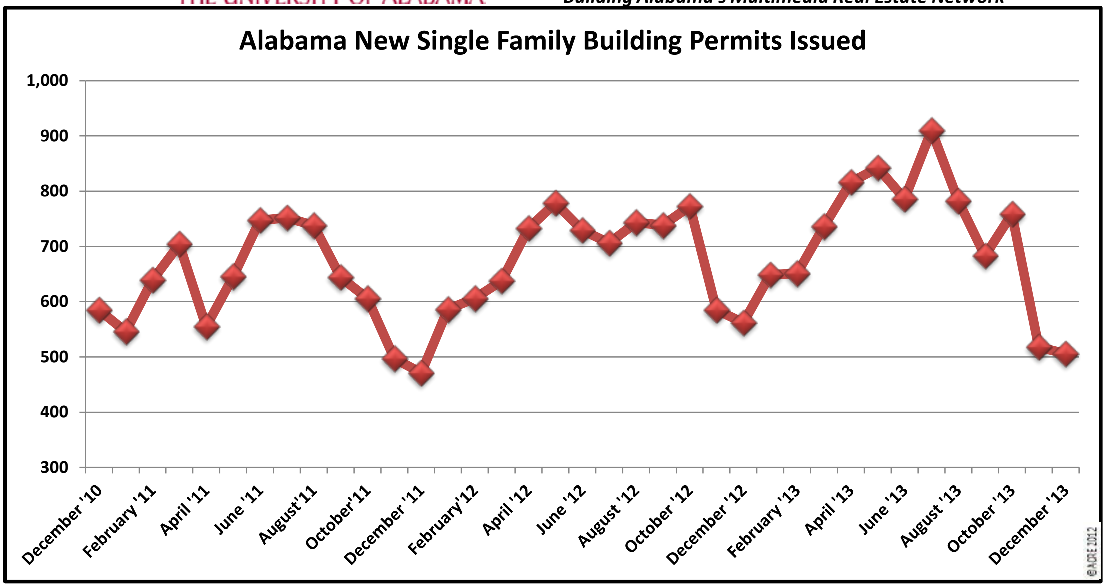
## Average Selling Price

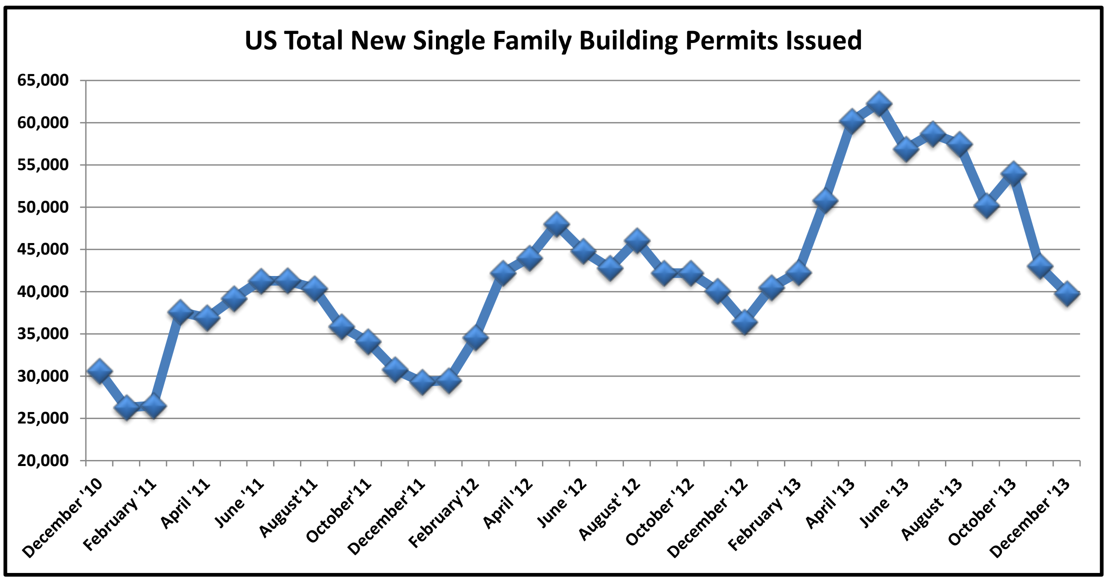
| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Birmingham | $ 290,070 | $ 277,670 | 4.5% | $ 266,337 | 8.9% | $ 277,302 | $ 253,241 | 9.5% |
| Huntsville | $ 264,502 | $ 260,795 | 1.4% | $ 280,344 | -5.7% | $ 255,824 | $ 246,269 | 3.9% |
| Mobile | $ 185,495 | $ 199,067 | -6.8% | $ 202,562 | -8.4% | $ 192,423 | $ 187,173 | 2.8% |
| Montgomery | $ 245,884 | $ 229,406 | 7.2% | $ 233,256 | 5.4% | $ 241,550 | $ 234,264 | 3.1% |
| Tuscaloosa | $ 210,325 | $ 234,212 | -10.2% | $ 211,628 | -0.6% | $ 246,211 | $ 234,295 | 5.1% |

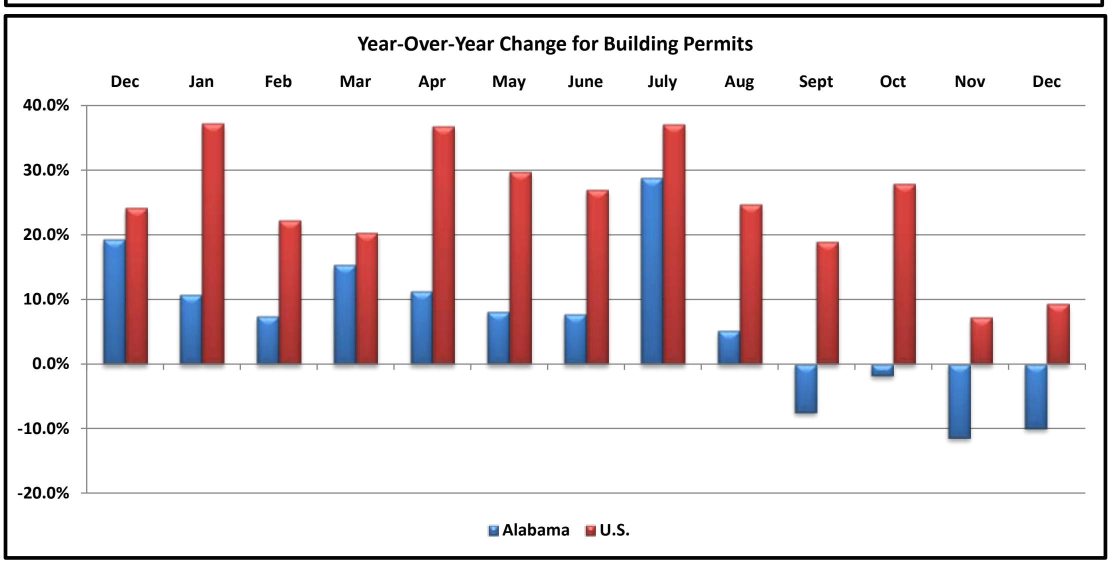
## Average Days on Market

| | Current Month December-13 | Last Month November-13 | % Difference | Last Year December-12 | % Difference | YTD December-13 | YTD December-12 | % Difference |
|---|---|---|---|---|---|---|---|---|
| Birmingham | Unavailable | Unavailable | N/A | Unavailable | N/A | Unavailable | Unavailable | N/A |
| Huntsville | 73 | 109 | -33.0% | 77 | -5.2% | 81 | 86 | -6.5% |
| Mobile | 186 | 221 | -15.8% | 139 | 33.8% | 145 | 157 | -7.7% |
| Montgomery | 75 | 74 | 1.4% | 105 | -28.6% | 95 | 95 | -0.8% |
| Tuscaloosa | 60 | 52 | 15.4% | 132 | -54.5% | 105 | 94 | 11.9% |

* Source: MLS





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