
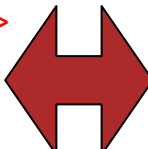


## New Construction Report – January 2010

Monthly Indicator	Recent Figures				Likely Direction In Near-Term	Trends
<b>Permits</b>	<b>Current Month</b>	<b>Jan.</b>	<b>2010</b>	<b>752</b>		
January figures show an increase of 34.3 percent from January '09 and a 4.3 percent decrease versus the prior month.	vs. Prior Month	Dec. 2009	786	<-4.3%>		The YoY growth in January for housing permits (752) when compared to the January in 2009 (560), represents the 3 <sup>rd</sup> consecutive positive YoY growth percentage since this survey began. Very weak 2009 1st Qtr figures during the height of financial crisis explain much of this advance.
As projected in last month's report, January permits represent the <b>third positive percentage gain</b> when compared to the same month last year.	vs. Last Year (YoY)	Jan. 2009	560	34.3%		
A weak 1 <sup>st</sup> quarter last year suggests that this trend will continue.	vs. Last 3 Mos. Avg.	Oct – Dec.'09	721	4.4%		
<b>Starts</b>	<b>Current Month</b>	<b>Jan.</b>	<b>2010</b>	<b>743</b>		
Building starts experienced an increase from December of 0.1 percent and were 23.6 percent higher than those of January 2008.	vs. Prior Month	Dec. 2009	742	0.1%		The extension & expansion of the homebuyer tax-credit should favorably impact starts for the first quarter of 2010, providing the foundation for sustainable, though not rapid, starts growth in the future.
Monthly January statewide housing starts are 23.6 percent above January '09, which is slightly ahead of the South & US.	vs. Last Year (YoY)	Jan. 2009	601	23.6%		
	vs. Last 3 Mos. Avg.	Oct – Dec.'09	752	<-1.2%>		

State	Commentary
Current statewide economic conditions, highlighted by significant unemployment rates, continue to challenge our housing market. January new construction results can perhaps best be described as mixed. Favorable news is that overall inventory continued to decline and pace of recent pricing declines appear to be slowing. Though cyclical, the unfavorable news was the uninspiring low level of actual January sales which is exactly what the market needs the most – demand. Statewide <b>new construction inventory</b> is currently estimated at <b>4,000 units</b> , a decline of 40%+/- from last January. According to McGraw-Hill, residential contract values increased by 3% in Jan '10 vs Jan '09 to 229 million (mirroring Jan 2003 @ 234 million / Jan decade avg for 00-09= 299 million). In 2010, assuming modest but continued growth in national & state GDP (ie avoid double-dip recession), Alabama housing starts & new construction sales have the opportunity to return to positive Y-O-Y growth but will still remain below normal production levels.	

Local
During the month, 16 out of the 27 associations (59.3 percent) reported improvements from their 2009 January permit numbers. Nine associations had increases from their December permits, including Calhoun County (8.3%), Morgan County (81.2%), Dothan (33.3%), Mobile (22.7%), Tuscaloosa (75.0%), Muscle Shoals (336.7%), Phenix City (66.7%), South Alabama, and Walker County. Every local home building market is unique and significant fluctuations from one area to another are anticipated in the foreseeable future.

### New Construction Report - January 2010

#### NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
<b>Alabama State Total</b>	752	786	-4.3%	560	34.3%	752	560	34.3%
<b>South Total<sup>1</sup></b>	18,400	16,300	12.9%	13,300	38.3%	229,100	299,100	-23.4%
<b>United States Total<sup>1</sup></b>	34,100	31,700	7.6%	24,200	40.9%	434,000	568,400	-23.6%

<sup>1</sup>Source Data: U.S. Census Bureau

#### NEW SINGLE FAMILY BUILDING PERMITS BY ASSOCIATION

Association	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Athens/Limestone HBA**	15	18	-16.7%	10	50.0%	15	10	50.0%
Baldwin County HBA**	71	91	-22.0%	35	102.9%	71	35	102.9%
Blount County HBA	1	1	0.0%	0	N/A	1	0	N/A
Chilton County HBA	1	1	0.0%	0	N/A	1	0	N/A
Cullman County HBA	0	1	-100.0%	2	-100.0%	0	2	-100.0%
Dekalb County HBA**	0	1	-100.0%	0	N/A	0	0	N/A
Enterprise HBA	5	12	-58.3%	8	-37.5%	5	8	-37.5%
Greater Birmingham HBA**	114	125	-8.8%	81	40.7%	114	81	40.7%
Greater Calhoun County HBA**	13	12	8.3%	14	-7.1%	13	14	-7.1%
Greater Gadsden HBA**	9	15	-40.0%	6	50.0%	9	6	50.0%
Greater Montgomery HBA	32	38	-15.8%	28	14.3%	32	28	14.3%
Greater Morgan County HBA**	13	11	18.2%	10	30.0%	13	10	30.0%
HBA of Dothan & Wiregrass Area	28	21	33.3%	17	64.7%	28	17	64.7%
HBA of Metropolitan Mobile**	119	97	22.7%	53	124.5%	119	53	124.5%
HBA of Tuscaloosa**	70	40	75.0%	37	89.2%	70	37	89.2%
Huntsville/Madison HBA**	135	171	-21.1%	141	-4.3%	135	141	-4.3%
Jackson County HBA**	1	5	-80.0%	4	-75.0%	1	4	-75.0%
Lee County HBA	56	60	-6.7%	48	16.7%	56	48	16.7%
Macon County HBA	1	1	0.0%	4	-75.0%	1	4	-75.0%
Marshall County HBA**	3	22	-86.4%	4	-25.0%	3	4	-25.0%
Muscle Shoals HBA**	14	3	366.7%	5	180.0%	14	5	180.0%
Northwest Alabama HBA	3	6	-50.0%	3	0.0%	3	3	0.0%
Phenix City HBA	30	18	66.7%	29	3.4%	30	29	3.4%
South Alabama HBA	2	0	N/A	1	100.0%	2	1	100.0%
St. Clair County HBA**	13	15	-13.3%	15	-13.3%	13	15	-13.3%
Tallapoosa County HBA	1	1	0.0%	3	-66.7%	1	3	-66.7%
Walker County HBA	2	0	N/A	2	0.0%	2	2	0.0%

\*\*Source Partner: [www.marketgraphicsalabama.com](http://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 January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
<b>Alabama State Total</b>	743	742	0.1%	601	23.6%	743	601	23.6%
<b>South Total</b>	17,931	18,218	-1.6%	14,735	21.7%	225,821	323,250	-30.1%
<b>United States Total</b>	34,281	36,049	-4.9%	28,491	20.3%	427,897	614,315	-30.3%

### PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Athens/Limestone HBA	16	19	-15.8%	11	45.5%	16	11	45.5%
Baldwin County HBA	71	76	-6.6%	44	61.4%	71	44	61.4%
Blount County HBA	1	1	0.0%	0	N/A	1	0	N/A
Chilton County HBA	2	2	0.0%	1	100.0%	2	1	100.0%
Cullman County HBA	1	1	0.0%	2	-50.0%	1	2	-50.0%
Dekalb County HBA	1	1	0.0%	1	0.0%	1	1	0.0%
Enterprise HBA	8	10	-20.0%	9	-11.1%	8	9	-11.1%
Greater Birmingham HBA	118	119	-0.8%	87	35.6%	118	87	35.6%
Greater Calhoun County HBA	10	19	-47.4%	16	-37.5%	10	16	-37.5%
Greater Gadsden HBA	11	14	-21.4%	7	57.1%	11	7	57.1%
Greater Montgomery HBA	32	29	10.3%	28	14.3%	32	28	14.3%
Greater Morgan County HBA	11	8	37.5%	11	0.0%	11	11	0.0%
HBA of Dothan & Wiregrass Area	22	18	22.2%	19	15.8%	22	19	15.8%
HBA of Metropolitan Mobile	106	88	20.5%	70	51.4%	106	70	51.4%
HBA of Tuscaloosa	53	44	20.5%	41	29.3%	53	41	29.3%
Huntsville/Madison HBA	151	160	-5.6%	136	11.0%	151	136	11.0%
Jackson County HBA	3	4	-25.0%	2	50.0%	3	2	50.0%
Lee County HBA	57	55	3.6%	49	16.3%	57	49	16.3%
Macon County HBA	1	1	0.0%	1	0.0%	1	1	0.0%
Marshall County HBA	13	20	-35.0%	6	116.7%	13	6	116.7%
Muscle Shoals HBA	9	4	125.0%	7	28.6%	9	7	28.6%
Northwest Alabama HBA	4	4	0.0%	2	100.0%	4	2	100.0%
Phenix City HBA	24	19	26.3%	23	4.3%	24	23	4.3%
South Alabama HBA	2	5	-60.0%	2	0.0%	2	2	0.0%
St. Clair County HBA	14	19	-26.3%	23	-39.1%	14	23	-39.1%
Tallapoosa County HBA	1	1	0.0%	2	-50.0%	1	2	-50.0%
Walker County HBA	1	1	0.0%	1	0.0%	1	1	0.0%

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

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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%

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



# ALABAMA CENTER for REAL ESTATE UNIVERSITY OF ALABAMA



## Metro Market New Construction Report\*

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

### Metro Markets Combined

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Total New Construction Sold	205	375	-45.3%	365	-43.8%	205	365	-43.8%
Number of Units on Market	2,577	2,652	-2.8%	4,292	-40.0%	N/A	N/A	N/A
Median Selling Price	\$ 196,430	\$ 187,768	4.6%	\$ 202,516	-3.0%	\$ 196,430	\$ 202,516	-3.0%
Average Selling Price	\$ 218,730	\$ 208,532	4.9%	\$ 231,845	-5.7%	\$ 224,517	\$ 228,490	-1.7%
Average Days on Market	133	116	14.9%	128	4.5%	133	128	4.5%

### Total New Construction Sold

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Birmingham	95	144	-34.0%	208	-54.3%	95	208	-54.3%
Huntsville	59	136	-56.6%	85	-30.6%	59	85	-30.6%
Mobile	22	37	-40.5%	33	-33.3%	22	33	-33.3%
Montgomery	18	38	-52.6%	20	-10.0%	18	20	-10.0%
Tuscaloosa	11	20	-45.0%	19	-42.1%	11	19	-42.1%

### Number of Units on Market

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	I/S Ratio
Birmingham	1248	1,283	-2.7%	2539	-50.8%	13.1
Huntsville	630	656	-4.0%	788	-20.1%	10.7
Mobile	255	286	-10.8%	192	32.8%	11.6
Montgomery	212	199	6.5%	407	-47.9%	11.8
Tuscaloosa	232	228	1.8%	366	-36.6%	21.1

### Median Selling Price

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Birmingham	\$ 200,000	\$ 191,002	4.7%	\$ 211,548	-5.5%	\$ 200,000	\$ 211,548	-5.5%
Huntsville	\$ 236,301	\$ 207,168	14.1%	\$ 242,700	-2.6%	\$ 236,301	\$ 242,700	-2.6%
Mobile	\$ 187,900	\$ 181,102	3.8%	\$ 199,900	-6.0%	\$ 187,900	\$ 199,900	-6.0%
Montgomery	\$ 197,950	\$ 210,450	-5.9%	\$ 190,432	3.9%	\$ 197,950	\$ 190,432	3.9%
Tuscaloosa	\$ 160,000	\$ 149,118	7.3%	\$ 168,000	-4.8%	\$ 160,000	\$ 168,000	-4.8%

### Average Selling Price

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Birmingham	\$ 242,389	\$ 225,747	7.4%	\$ 246,910	-1.8%	\$ 242,389	\$ 246,910	-1.8%
Huntsville	\$ 247,581	\$ 239,636	3.3%	\$ 262,394	-5.6%	\$ 247,581	\$ 262,394	-5.6%
Mobile	\$ 223,297	\$ 192,556	16.0%	\$ 199,881	11.7%	\$ 223,297	\$ 199,881	11.7%
Montgomery	\$ 215,594	\$ 219,633	-1.8%	\$ 229,277	-6.0%	\$ 215,594	\$ 229,277	-6.0%
Tuscaloosa	\$ 164,787	\$ 165,089	-0.2%	\$ 220,764	-25.4%	\$ 193,724	\$ 203,987	-5.0%

### Average Days on Market

	Current Month January-10	Last Month December-09	% Difference	Last Year January-09	% Difference	YTD January-10	YTD January-09	% Difference
Birmingham	Unavailable	Unavailable	N/A	Unavailable	N/A	Unavailable	Unavailable	N/A
Huntsville	145	76	90.8%	75	93.3%	145	75	93.3%
Mobile	117	79	48.1%	115	1.7%	117	115	1.7%
Montgomery	118	81	45.7%	165	-28.5%	118	165	-28.5%
Tuscaloosa	153	228	-32.9%	155	-1.3%	153	155	-1.3%

\* Source: MLS

