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Building Alabama's Multimedia Real Estate Network

Alabama New Construction Report – March 2013

Monthly Indicators	Recent Figures					Trends
Permits March permits have increased 6.2 percent from last month. Figures also show an increase of 14.9 percent from March '12.	**Current Month**	March	2013	**733**		*** 2012 Permits in Alabama ended up 8.4% compared to 2011. In comparison, south region permits were up 22% & US permits up 19%. * The positive momentum continued in March - up 15% compared to March'12. In comparison, south region permits were up 25% & US permits up 20%.**
	vs. Prior Month	February	2013	**690**	**6.2%**	
	vs. Last Year (YoY)	March	2012	**638**	**14.9%**	
	vs. 3-Yr Avg	March	'10-'12	**584**	**25.5%**	
	Year-to-Date	March	2013	**2,043**		
	vs. Last Year (YoY)	March	2012	**1,830**	**11.6%**	
Starts March starts have increased 5.5 percent from February '13. March '13 figures show an increase of 13.6 percent from March '12.	**Current Month**	March	2013	**690**		*** 2012 Housing Starts in Alabama ended up 6.5% from 2011. In comparison, South Region Starts are up 21% & US Starts are up 17%. * The positive momentum continued in March - up 14% compared to March'12. In comparison, south region starts were up 23% & US up 23%.**
	vs. Prior Month	February	2013	**654**	**5.5%**	
	vs. Last Year (YoY)	March	2012	**607**	**13.6%**	
	vs. 3-Yr Avg	March	'10-'12	**571**	**20.9%**	
	Year to Date	March	2012	**1,959**		
	vs.Prior Year	March	2011	**1,729**	**13.3%**	

State

Commentary

March new home sales improved 3.1% from the same period last year. Sales slipped 3.9% from the prior month. In 2012, new home sales in Alabama improved by 7.2% compared to 2011. This is a significant improvement from both 2011 & 2010 when sales were down 13% from the prior year.

Statewide new construction inventory is approximately 5.9% higher than last March but down 1.2% from last month. Home builder's continue to bring more product to the market in response to uptick in demand.

According to the Alabama Dept. of Industrial Relations, statewide related construction employment in March improved 1.9% (1,200 jobs) to 63,100 from last month but remains down 2.3% compared to the number of construction jobs from the same month a year ago.

While sales continue to gradually improve, market challenges remain including tepid economic growth and to a much smaller degree, competition from distressed existing home inventory. Challenging appraisals and other underwriting guidelines are still applicable in today's market.

An important note, the balance between supply & demand changed slightly in March. Months of new home supply in March was 5.6 months compared to 5.5 months in February 2013 (up 2%) and 5.5 months in March 2012 (unchanged).

Year-to-date, 17 of 27 or 63% of associations report positive housing start growth compared to 2012.

Local

8 out of the 27 associations (30% - down from 48% in February) reported building permit gains from the prior month while 14 associations (52% -down from 67% in February) experienced gains in housing starts. Fourteen associations (52% - up from 44% last month) experienced an increase from their March'12 monthly housing starts**.** Year-to-date, the top five markets by positive percentage change in housing starts: Dothan/Wiregrass (351%), Muscle Shoals (76%), Greater Calhoun County (70%), Greater Morgan County (45%), and Baldwin County (38%). Here is a look at March'13 starts from select markets from across the state: Birmingham (25%), Greater Montgomery (4%), Tuscaloosa (-12%), Lee County (21%), and Mobile (-8%) .

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 SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Alabama State Total	733	690	6.2%	638	14.9%	2,043	1,830	11.6%
South Total*	28,100	24,700	13.8%	22,500	24.9%	76,500	61,400	24.6%
United States Total*	50,800	42,300	20.1%	42,200	20.4%	133,600	106,300	25.7%

*Source Data: U.S. Census Bureau

NEW SINGLE FAMILY BUILDING PERMITS BY AREA

Association	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Athens/Limestone **	17	22	-22.7%	7	142.9%	45	35	28.6%
Baldwin County **	109	67	62.7%	66	65.2%	266	217	22.6%
Blount County	0	0	N/A	0	N/A	0	0	N/A
Chilton County	0	1	-100.0%	0	N/A	2	0	N/A
Cullman County	0	2	-100.0%	4	-100.0%	5	11	-54.5%
Dekalb County **	1	1	0.0%	2	-50.0%	4	3	33.3%
Enterprise	8	3	166.7%	7	14.3%	14	21	-33.3%
Greater Birmingham **	148	123	20.3%	108	37.0%	396	308	28.6%
Greater Calhoun County **	5	6	-16.7%	3	66.7%	16	7	128.6%
Greater Gadsden **	8	9	-11.1%	7	14.3%	21	15	40.0%
Greater Montgomery	45	31	45.2%	40	12.5%	117	113	3.5%
Greater Morgan County **	14	20	-30.0%	19	-26.3%	45	35	28.6%
Dothan & Wiregrass Area	24	29	-17.2%	3	700.0%	67	10	570.0%
Metropolitan Mobile**	31	58	-46.6%	69	-55.1%	130	162	-19.8%
Tuscaloosa**	53	59	-10.2%	55	-3.6%	158	188	-16.0%
Huntsville/Madison **	159	148	7.4%	142	12.0%	437	424	3.1%
Jackson County **	0	2	-100.0%	2	-100.0%	3	5	-40.0%
Lee County	53	61	-13.1%	32	65.6%	159	123	29.3%
Macon County	0	2	-100.0%	0	N/A	2	0	N/A
Marshall County **	14	8	75.0%	15	-6.7%	28	27	3.7%
Muscle Shoals **	13	17	-23.5%	17	-23.5%	45	29	55.2%
Northwest Alabama	0	1	-100.0%	1	-100.0%	1	1	0.0%
Phenix City	8	8	0.0%	13	-38.5%	28	37	-24.3%
South Alabama	6	3	100.0%	3	100.0%	11	3	266.7%
St. Clair County **	14	8	75.0%	21	-33.3%	36	50	-28.0%
Tallapoosa County	1	1	0.0%	1	0.0%	3	4	-25.0%
Walker County	2	0	N/A	1	100.0%	4	2	100.0%

**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

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PROJECTED HOUSING STARTS TOTALS

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Alabama State Total	690	654	5.5%	607	13.6%	1,959	1,729	13.3%
South Total	25,701	23,742	8.3%	20,869	23.2%	71,252	57,103	24.8%
United States Total	45,547	41,030	11.0%	37,060	22.9%	125,694	99,276	26.6%

PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Athens/Limestone	18	16	11.3%	12	45.4%	46	37	25.7%
Baldwin County	91	85	7.8%	67	35.6%	275	199	38.5%
Blount County	0	0	N/A	0	N/A	0	0	N/A
Chilton County	0	0	N/A	0	N/A	0	0	N/A
Cullman County	1	2	-51.2%	3	-60.0%	6	8	-30.8%
Dekalb County	1	1	-28.1%	2	-50.0%	4	3	33.3%
Enterprise	5	3	80.7%	7	-22.3%	11	20	-43.8%
Greater Birmingham	131	120	9.3%	102	28.5%	358	287	24.9%
Greater Calhoun County	5	5	-6.1%	3	64.5%	16	9	70.4%
Greater Gadsden	8	7	18.3%	5	41.8%	20	17	17.3%
Greater Montgomery	39	36	8.7%	36	8.4%	116	112	3.9%
Greater Morgan County	16	15	5.4%	13	21.0%	45	31	44.9%
Dothan & Wiregrass Area	24	20	21.9%	3	585.3%	57	13	350.8%
Metropolitan Mobile	43	50	-14.5%	59	-27.2%	135	148	-8.5%
Tuscaloosa	53	52	2.4%	61	-12.5%	155	177	-12.2%
Huntsville/Madison	147	137	7.4%	136	7.9%	405	394	2.7%
Jackson County	1	1	-33.3%	2	-56.3%	6	4	56.1%
Lee County	54	53	1.6%	38	43.3%	158	130	21.3%
Macon County	1	1	-15.9%	0	N/A	2	0	N/A
Marshall County	11	8	32.0%	10	7.3%	26	22	19.8%
Muscle Shoals	14	15	-5.4%	11	24.4%	39	22	75.7%
Northwest Alabama	1	1	-43.1%	0	N/A	2	1	60.4%
Phenix City	8	10	-20.4%	13	-41.5%	27	44	-38.3%
South Alabama	4	3	55.2%	2	186.5%	11	3	301.1%
St. Clair County	12	11	9.6%	18	-34.3%	34	44	-21.7%
Tallapoosa County	1	1	6.6%	1	-3.0%	3	5	-47.9%
Walker County	1	1	37.9%	1	48.1%	3	1	158.4%

*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 March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Total New Construction Sold	295	307	-3.9%	286	3.1%	845	752	12.4%
Number of Units on Market	1,663	1,684	-1.2%	1,571	5.9%	N/A	N/A	N/A
Median Selling Price	$ 236,293	$ 215,639	9.6%	$ 188,709	25.2%	$ 223,498	$ 209,935	6.5%
Average Selling Price	$ 245,558	$ 229,274	7.1%	$ 216,993	13.2%	$ 235,446	$ 228,015	3.3%
Average Days on Market	123	106	16.0%	125	-1.4%	104	109	-5.0%

Total New Construction Sold

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Birmingham	110	89	23.6%	89	23.6%	279	252	10.7%
Huntsville	93	128	-27.3%	91	2.2%	302	260	16.2%
Mobile	34	35	-2.9%	41	-17.1%	100	85	17.6%
Montgomery	47	35	34.3%	45	4.4%	119	106	12.3%
Tuscaloosa	11	20	-45.0%	20	-45.0%	45	49	-8.2%

Number of Units on Market

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	I/S Ratio
Birmingham	692	699	-1.0%	739	-6.4%	6.3
Huntsville	471	464	1.5%	390	20.8%	5.1
Mobile	180	184	-2.2%	142	26.8%	5.3
Montgomery	186	200	-7.0%	183	1.6%	4.0
Tuscaloosa	134	137	-2.2%	117	14.5%	12.2

Median Selling Price

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Birmingham	$ 238,516	$ 207,815	14.8%	$ 209,000	14.1%	$ 221,532	$ 218,074	1.6%
Huntsville	$ 245,000	$ 235,508	4.0%	$ 193,460	26.6%	$ 234,943	$ 216,086	8.7%
Mobile	$ 176,900	$ 182,000	-2.8%	$ 162,900	8.6%	$ 176,267	$ 176,333	0.0%
Montgomery	$ 251,048	$ 259,900	-3.4%	$ 222,000	13.1%	$ 250,816	$ 226,538	10.7%
Tuscaloosa	$ 270,000	$ 192,972	39.9%	$ 156,183	72.9%	$ 233,933	$ 212,644	10.0%

Average Selling Price

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Birmingham	$ 258,239	$ 265,974	-2.9%	$ 232,656	11.0%	$ 251,493	$ 241,671	4.1%
Huntsville	$ 244,492	$ 252,673	-3.2%	$ 224,855	8.7%	$ 248,774	$ 230,361	8.0%
Mobile	$ 182,499	$ 189,007	-3.4%	$ 220,410	-17.2%	$ 182,654	$ 192,904	-5.3%
Montgomery	$ 247,295	$ 242,966	1.8%	$ 223,354	10.7%	$ 243,058	$ 226,019	7.5%
Tuscaloosa	$ 295,264	$ 195,752	50.8%	$ 183,691	60.7%	$ 251,251	$ 249,120	0.9%

Average Days on Market

	Current Month March-13	Last Month February-13	% Difference	Last Year March-12	% Difference	YTD March-13	YTD March-12	% Difference
Birmingham	Unavailable	Unavailable	N/A	Unavailable	N/A	Unavailable	Unavailable	N/A
Huntsville	102	82	24.4%	89	14.6%	73	96	-23.9%
Mobile	142	108	31.5%	199	-28.6%	122	164	-25.8%
Montgomery	96	97	-1.0%	116	-17.2%	93	80	16.7%
Tuscaloosa	152	137	10.9%	95	60.0%	126	96	31.7%

* Source: MLS

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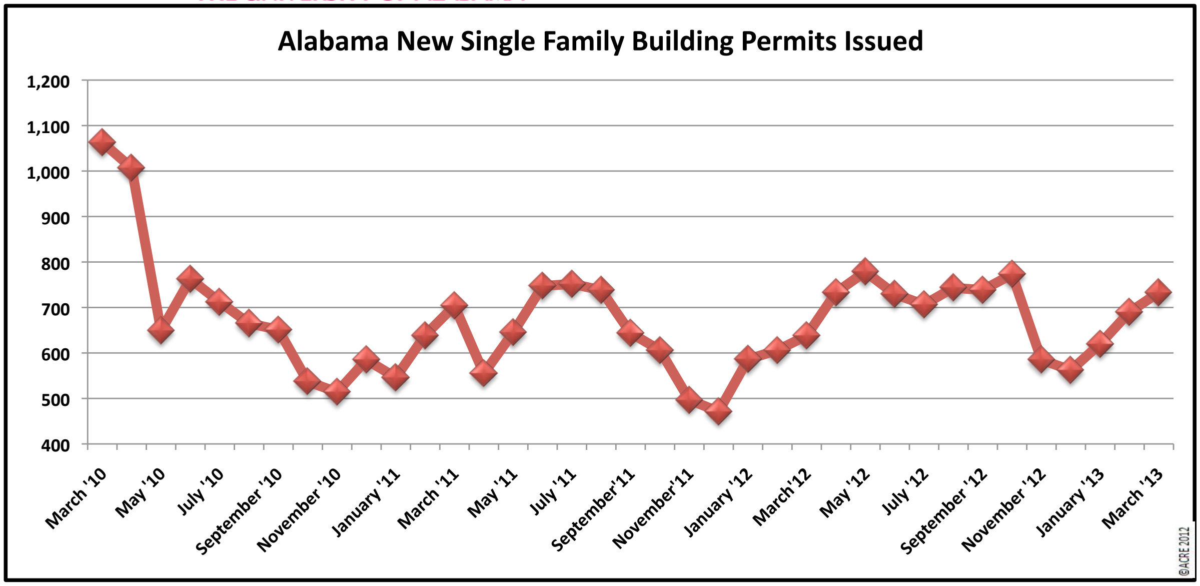

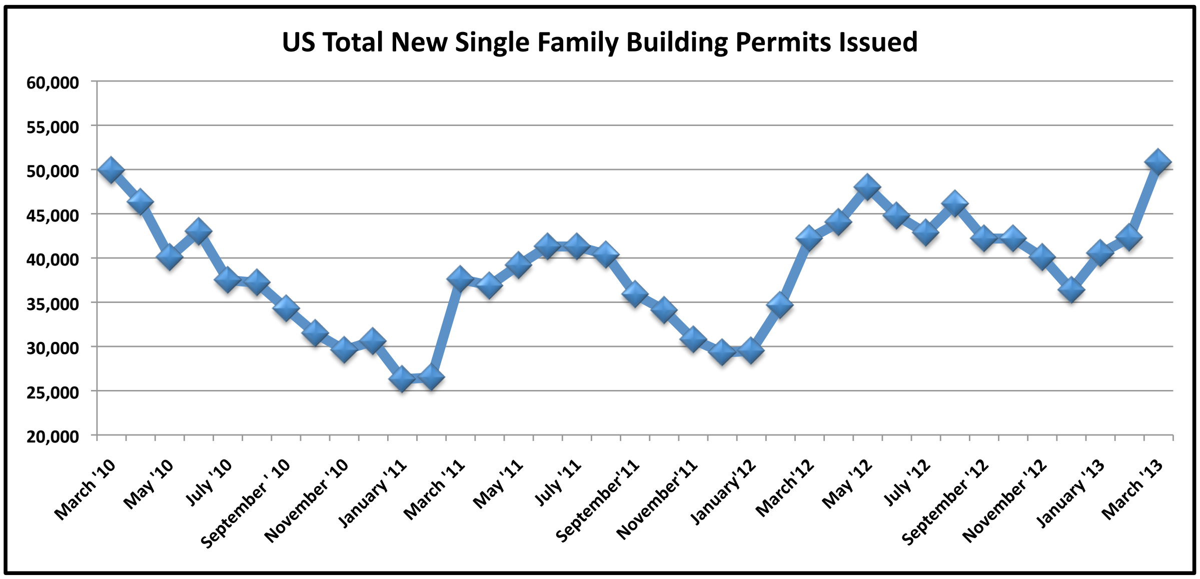

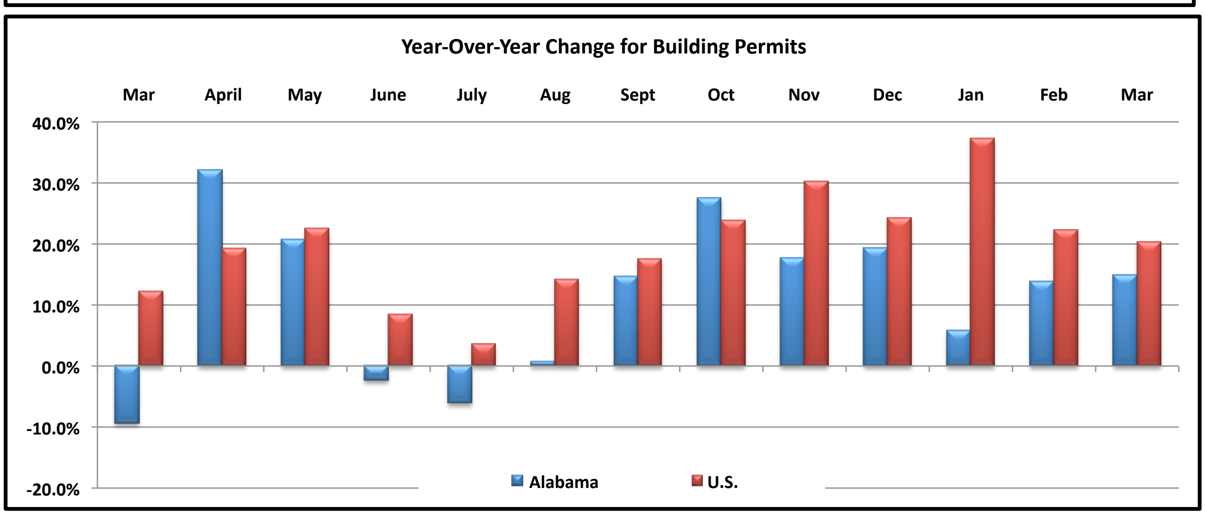

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