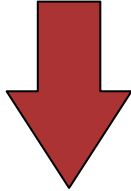
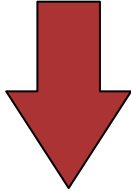


New Construction Report – November 2008

Monthly Indicator	Recent Figures				Likely Direction	Trends		
					In Near-Term			
Permits	Nov. 2008	565	Nov. 2007	1,285 (-56.0%)		Recent monthly declines in permit issuance should continue in the foreseeable future as home builders continue to yield to current market conditions.		
November figures show a decline of 23.2 percent from the previous October statistics, these same figures are down 56 percent from last year. The latest statistics mark the lowest number of permits issued this year and continue the current decline which began in April.	Oct. 2008	736	Oct. 2007	1,523 (-51.7%)				
	Sept. 2008	1,002	Sept. 2007	1,369 (-26.8%)				
	Aug. 2008	946	Aug. 2007	1,831 (-48.3%)				
	July 2008	1,068	July 2007	1,851 (-41.3%)				
	June 2008	1,124	June 2007	1,906 (-41.0%)				
	May 2008	1,281	May 2007	2,174 (-41.0%)				
	April 2008	1,478	April 2007	2,122 (-30.3%)				
	Mar. 2008	1,483	Mar. 2007	2,336 (-36.5%)				
	Feb. 2008	1,373	Feb. 2007	1,904 (-27.8%)				
	Jan. 2008	1,140						
Starts	Nov. 2008	669	Nov. 2007	1,393 (52.0%)				Starts continue to follow the same downward trend since April; a pattern that will continue as the industry awaits sufficient demand that will begin to absorb current supply.
Building starts continue to follow the same trend they have since April with a 52 percent decline from last year and 20.7 percent decline from October. This is necessary in near-term and essential to rebalancing of market supply and demand.	Oct. 2008	899	Oct. 2007	1,523 (-41.0%)				
	Sept. 2008	923	Sept. 2007	1,656 (-44.3%)				
	Aug. 2008	1,025	Aug. 2007	1,025 (-45.3%)				
	July 2008	1,159	July 2007	1,159 (-40.4%)				
	June 2008	1,186	June 2007	1,186 (-41.0%)				
	May 2008	1,379	May 2007	1,379 (-35.6%)*				
	April 2008	1,419						
	Mar. 2008	1,380						
	Feb. 2008	1,250						
	Jan. 2008	1,088						

Commentary

State
Current market conditions continue to warrant builder restraint as statewide housing inventory remains in abundance as November ended with **41,545** total units on the market. Although a 2.66 percent decline for October's total inventory, broader buyer demand will be necessary to make inroads into supply. In November of last year, the inventory-to-sales ratio (I/S) represented a 11.4 month supply of all homes that eventually peaked at 13.8 months in January. Since then, the month's supply has reduced to an YTD low of 9.8 months in May but has returned to **18.5** months to close-out November. Historically, the 5-year (03-07) total inventory average for October is **31,487** units.

Local
During the month, 24 out of the 27 associations reported declines from their 2007 November permits. Several of the state's major markets reflected significant reductions such as Greater Birmingham (-67.1%), Baldwin County (-41.8%), Muscle Shoals (-47.6%), Tuscaloosa (-67.9%) and Lee County (-68.8%), from their 2007 statistics but that which reflects and/or is consistent with deteriorating economic conditions. Only three associations, Metropolitan Mobile (51.8%), Greater Montgomery (100%), and Tallapoosa County (100%) experienced an increase in permits from the previous month. Every local home building market is unique and significant fluctuations from one area to another are anticipated in the foreseeable future.

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NOTE: This representation is based in whole or in part on data supplied by the reporting boards/associations. The Alabama Center for Real Estate does not guarantee and is in no way responsible for its accuracy.

*Prior data unavailable due to lack of data.



New Construction Report - November 2008

NEW SINGLE FAMILY BUILDING PERMIT STATISTIC TOTALS

	Current Month November-08	Last Month October-08	% Difference	Last Year November-07	% Difference	YTD November-08	YTD November-07	% Difference
Alabama State Total	565	736	-23.2%	1,285	-56.0%	12,244	20,185	-39.3%
South Total*	13,000	19,600	-33.7%	28,800	-54.9%	285,900	482,800	-40.8%
United States Total*	25,700	39,900	-35.6%	54,700	-53.0%	544,000	934,800	-41.8%

*Source Data: U.S. Census Bureau

NEW SINGLE FAMILY BUILDING PERMITS BY ASSOCIATION

Association	Current Month November-08	Last Month October-08	% Difference	Last Year November-07	% Difference	YTD November-08	YTD November-07	% Difference
Athens/Limestone HBA**	13	17	-23.5%	51	-74.5%	322	639	-49.6%
Baldwin County HBA**	53	88	-39.8%	91	-41.8%	1,030	1,717	-40.0%
Blount County HBA	0	1	-100.0%	2	-100.0%	12	27	-55.6%
Chilton County HBA	1	3	-66.7%	9	-88.9%	17	49	-65.3%
Cullman County HBA	1	1	0.0%	5	-80.0%	20	55	-63.6%
Dekalb County HBA**	1	5	-80.0%	5	-80.0%	45	67	-32.8%
Enterprise HBA	10	11	-9.1%	19	-47.4%	211	321	-34.3%
Greater Birmingham HBA**	82	101	-18.8%	249	-67.1%	2,176	4,263	-49.0%
Greater Calhoun County HBA**	23	24	-4.2%	35	-34.3%	351	341	-49.0%
Greater Gadsden HBA**	11	12	-8.3%	33	-66.7%	163	294	-44.6%
Greater Montgomery HBA	28	14	100.0%	34	-17.6%	517	954	-45.8%
Greater Morgan County HBA**	8	13	-38.5%	28	-71.4%	221	451	-51.0%
HBA of Dothan & Wiregrass Area	22	28	-21.4%	15	46.7%	309	330	-6.4%
HBA of Metropolitan Mobile**	85	56	51.8%	87	-2.3%	1,447	1,780	-18.7%
HBA of Tuscaloosa**	43	70	-38.6%	134	-67.9%	1,072	1,748	-38.7%
Huntsville/Madison HBA**	110	172	-36.0%	229	-52.0%	2,568	3,758	-31.7%
Jackson County HBA**	1	3	-66.7%	1	0.0%	38	61	-37.7%
Lee County HBA	24	53	-54.7%	77	-68.8%	654	982	-33.4%
Macon County HBA	0	0	#DIV/0!	2	-100.0%	4	9	-55.6%
Marshall County HBA**	8	8	0.0%	86	-90.7%	166	350	-52.6%
Muscle Shoals HBA**	11	12	-8.3%	21	-47.6%	247	355	-30.4%
Northwest Alabama HBA	1	1	0.0%	1	0.0%	18	21	-14.3%
Phenix City HBA	11	17	-35.3%	16	-31.3%	196	266	-26.3%
South Alabama HBA	2	5	-60.0%	7	-71.4%	61	79	0.9%
St. Clair County HBA**	14	20	-30.0%	42	-66.7%	339	1,165	-70.9%
Tallapoosa County HBA	1	0	#DIV/0!	4	-75.0%	18	65	-72.3%
Walker County HBA	1	1	0.0%	2	-50.0%	22	38	-42.1%

**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.



ALABAMA CENTER for REAL ESTATE

THE UNIVERSITY OF ALABAMA

PROJECTED HOUSING STARTS TOTALS

	Current Month November-08	Last Month October-08	% Difference	Last Year November-07	% Difference	YTD November-08	YTD November-07	% Difference
Alabama State Total	669	844	-20.7%	1,393	-52.0%	12,432	*	*
South Total	17,629	21,887	-19.5%	28,800	-38.8%	308,559	491,541	-37.2%
United States Total	35,378	44,166	-19.9%	58,600	-39.6%	585,736	993,800	-41.1%

PROJECTED HOUSING STARTS BY LOCAL MARKETS

Association	Current Month November-08	Last Month October-08	% Difference	Last Year November-07	% Difference	YTD November-08	YTD November-07	% Difference
Athens/Limestone HBA	19	26	-26.9%	99	-80.8%	359	*	*
Baldwin County HBA	74	97	-23.7%	105	-29.5%	1,050	*	*
Blount County HBA	1	1	0.0%	1	0.0%	13	*	*
Chilton County HBA	2	2	0.0%	5	-60.0%	18	*	*
Cullman County HBA	1	1	0.0%	5	-80.0%	20	*	*
Dekalb County HBA	3	5	-40.0%	6	-50.0%	46	*	*
Enterprise HBA	11	12	-8.3%	18	-38.9%	212	*	*
Greater Birmingham HBA	101	140	-27.9%	268	-62.3%	2,255	*	*
Greater Calhoun County HBA	26	32	-18.8%	29	-10.3%	347	*	*
Greater Gadsden HBA	0	0	#DIV/0!	20	-100.0%	107	*	*
Greater Montgomery HBA	27	32	-15.6%	44	-38.6%	518	*	*
Greater Morgan County HBA	11	14	-21.4%	33	-66.7%	233	*	*
HBA of Dothan & Wiregrass Area	26	31	-16.1%	23	13.0%	305	*	*
HBA of Metropolitan Mobile	85	94	-9.6%	103	-17.5%	1,464	*	*
HBA of Tuscaloosa	63	79	-20.3%	130	-51.5%	1,119	*	*
Huntsville/Madison HBA	150	185	-18.9%	284	-47.2%	2,624	*	*
Jackson County HBA	2	2	0.0%	3	-33.3%	41	*	*
Lee County HBA	41	56	-26.8%	68	-39.7%	677	*	*
Macon County HBA	0	0	#DIV/0!	1	-100.0%	4	*	*
Marshall County HBA	9	13	-30.8%	51	-82.4%	188	*	*
Muscle Shoals HBA	12	14	-14.3%	32	-62.5%	256	*	*
Northwest Alabama HBA	1	1	0.0%	1	0.0%	15	*	*
Phenix City HBA	0	0	#DIV/0!	16	-100.0%	166	*	*
South Alabama HBA	2	5	-60.0%	6	-66.7%	58	*	*
St. Clair County HBA	0	0	#DIV/0!	34	-100.0%	294	*	*
Tallapoosa County HBA	1	1	0.0%	7	-85.7%	21	*	*
Walker County HBA	1	1	0.0%	1	0.0%	22	*	*

*Starts data not available due to that is 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

