Summary

The survey projects expectations for the 3rd quarter of 2013. The scale ranges from 0-100 with 0 being much worse, 100 being much better, and 50 indicating no change expected.

The professional real estate community remained optimistic this quarter. All of the overall indicators are at the highest 3rd quarter levels we have seen since beginning the survey in 2010. Sales expectations are at 62, down 3 points from last quarter, yet still the highest 3rd quarter measure, and up 4 points from last year. The availability of credit continues to be viewed somewhat negatively, at 49, the same as last quarter.

The national score at 58, up 1 point from last quarter, indicates that respondents are continuing to see improvement in the overall economic picture. The participants are more positive on the statewide conditions at 63, up 1 point from last quarter. Inventory expectations moderated to 54, down 1 point, indicating continued reduction of supply expected. Sellers are seeing improvement
for improved pricing with a score of 57, up 1 point from last quarter. Financing continues to be viewed negatively at 49, indicating that buyers may face tight financing conditions.

**Regional Results:**

The coastal region continued to remain the most optimistic in the state at 67 (Alabama Stat). On an overall basis all areas sales expectations remained above 60 except the Huntsville North Alabama area at 59, however, expansion is still expected.

![ACRE Quarterly Real Estate Outlook 3rd Quarter 2013](image)

This quarter showed stability in all regions. Historically, we usually see a demarked decline in 3rd Quarter expectations. This is encouraging, and overall measures remain in the expansion zone.

**Commercial market** participants, (the majority of the respondents are from the Birmingham market area), remained positive this quarter (Total Stat) at 54 this quarter a one point decline and declining 3 points to 57 for sales expectations. Price expectations improved 2 points to 54 indicating improving pricing conditions. The score for credit availability is looking stable at 53.
**North Region**

All areas including North Alabama had stable total scores which is very favorable since historically the 3rd quarter normally shows a decline. The total score remains 53. The sales outlook is positive at 59 off by 2 but with pricing pressure positive at 53 (up by 2).

**North Central Region**

The North Central Region overall score remained at 58. The sales score declined to 61, off by 4 points. Inventory score remained at 55, with pricing improving to 58 from 56, and credit at 51.

**South Central Region**

The South Central Region outlook for sales declined to 61 from 65. We saw a dramatic uptick in the Montgomery, Central Alabama Rural segment with sales expectations at 57, up from 42; our sample size here was quite small however. The Suburban areas show sales expectations of 63, off from 69.

**South Region**

The Southern Region sales score is the highest regions at 67, off 2. Price expectations declined slightly to 61 points from 62 last quarter.

**About the Alabama Real Estate Confidence Index and Survey:**

More than 450 professionals responded to the 3rd quarter 2013 survey which was conducted during the month of June 2013. The survey, conducted by the Alabama Center For Real Estate now has the largest participation of any real estate survey. It provides important market insights. Full history and scores for each market segment are located here on the web [http://goo.gl/eBQXZ](http://goo.gl/eBQXZ)

*The ACRE Leadership Council* determined the need for a statewide industry confidence index and this was adopted as the Council’s first initiative. Tom Brander, Council Member, was selected by the Council and Grayson Glaze, ACRE Executive Director, to spearhead and work with the Center to conduct and produce its *Alabama Real Estate Confidence Index (ARECI)*. The Council appreciates everyone who participated.

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