Summary

This survey projects expectations for the 4th 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 4th quarter levels we have seen since beginning of the survey in 2010 except for the inventory indicator, which is 2 points lower than last year’s 4th Quarter. All of the indicators, while off from last quarter, remain at or above 50 indicating expansion expected, except for credit. The availability of credit continues to be viewed somewhat negatively, at 47, two points off last quarter.
The national score at 51, while down 7 points from last quarter, still indicates respondents are expecting modest improvement in the overall economic picture. The participants are more positive on the statewide conditions at 54, off 9 points from last quarter. Inventory expectations moderated to 50, down 3 points, indicating a balanced market. Sellers are seeing improved pricing with a score of 52, down 5 points from last quarter. Financing continues to be viewed negatively at 47, indicating that buyers may face tight financing conditions.

**Regional Results:**

The coastal region continued to remain the most optimistic in the state at 58 (Alabama Stat). On an overall basis all areas sales expectations remained above 50. Huntsville, North Alabama was the lowest at 51.

This quarter showed stability in all regions. Historically, we usually see a marked decline in 4th Q 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 two point decline and declining 3 points to 54 for sales expectations. Price expectations dropped 1 point to 53 indicating improving pricing conditions. The score for credit availability is looking stable at 53.
North Region

All areas including North Alabama declined 6 points to 47, 2 points lower than last year’s 4th quarter. The total score is 47. The sales outlook slipped to 48, but with pricing also slipping to 48.

North Central Region

The North Central Region overall score remained positive at 53. The sales score declined to 54, off by 7 points. Inventory score declined to 51, down 4 points, with pricing declining to 55 from 58, and credit at 49.

South Central Region

The South Central Region overall score declined to 49 from 56 last quarter. The outlook for sales declined to 51 from 61.

South Region

The Southern Region overall score was the highest at 54. This sales score is the highest of the regions at 58, off 9 from last quarter. Price expectations declined by 5 to 56.

About the Alabama Real Estate Confidence Index and Survey:

More than 425 professionals responded to the 4th quarter 2013 survey which was conducted during the month of September 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/a5V8sd

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.

For further information contact Tom Brander at Tombrander@tombrander.com or Grayson Glaze at gglaze@cba.ua.edu