

Alabama Residential Report – November 2012

Monthly Indicators

Total Residential Sales

Alabama home sales for November 2012 totaled 2,968 units, an increase of 192 transactions when compared to the 2,776 homes sold in November 2011.

In November, fifteen of the twenty-five (60%) reporting associations have experienced favorable sales gains compared to November 2011, including these leaders by market size:

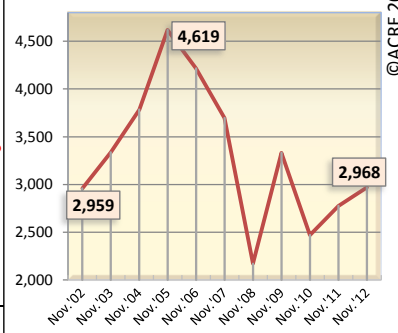
Metro: Huntsville - up 29.7%
Midsized: Morgan - up 25.7%

Current Month

| | | |
|---------------------|------------------|--------------|
| November 2012 | 2,968 | |
| vs. Prior Month | October 2012 | 3,197 -7.2% |
| vs. Last Year | November 2011 | 2,776 6.9% |
| vs. 5-Yr Avg | November '07-'11 | 2,889 2.7% |
| vs. Peak | November 2005 | 4,619 -35.7% |
| vs. Trough | November 2008 | 2,467 20.3% |
| Year to Date | November 2012 | 36,307 |
| vs. Prior Year | November 2011 | 34,111 6.4% |

Trends

Statewide: Total Residential Sales



Graph: November: 2002 - 2012 (By month)

ACRE Commentary

“Historical data indicates that November home sales on average ('07-'11) traditionally decrease from the month of October by 3.7 percent. November 2012 statewide sales posted a 7.2 percent decrease compared to last month.

Historical Home Sales

| | |
|---------------------|--------------|
| November 2011 | 2,776 |
| November 2010 | 2,471 |
| November 2009 | 3,332 |
| November 2008 | 2,170 |
| November 2007 | 3,697 |
| 5- Year Avg: | 2,889 |
| 3- Year Avg: | 2,860 |

Median Sales Price

The median selling price in Alabama in November 2012 was \$120,164, a 7.3 percent increase from November 2011's median selling price of \$111,990.

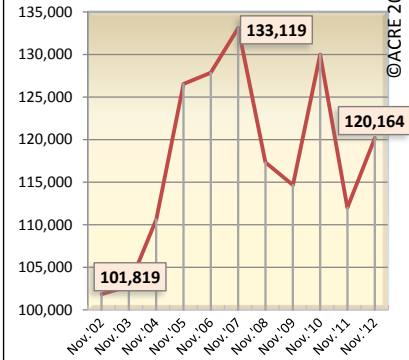
In November, sixteen of the twenty-five (64%) associations reported positive gains in median price from November 2011, including these leaders by market size:

Metro: Mobile - up 20.4%
Midsized: Cullman - up 31.6%
Rural: Jackson - up 63.7%

Current Month

| | | |
|--------------------|------------------|---------------|
| November 2012 | 120,164 | |
| vs. Prior Month | October 2012 | 127,137 -5.5% |
| vs. Last Year | November 2011 | 111,990 7.3% |
| vs. 5-Yr Avg | November '07-'11 | 121,415 -1.0% |
| vs. Prior Year | November 2012 | 121,795 |
| | November 2011 | 119,378 2.0% |
| Median Peak | November 2007 | 133,119 -9.7% |
| Trough | November 2002 | 101,819 18.0% |

Statewide: Median Residential Price



Graph: November: 2002 - 2012 (By month)

ACRE Commentary

“Historical data indicates that November median sales prices on average ('07-'11) traditionally increase by 0.1 percent from the month of October. Alabama's November '12 median sales price decreased by 5.5 percent from the month prior. While pricing is beginning to stabilize, excess housing supply and distressed sales continue to apply pressure on year-over-year home pricing in most Alabama markets, a trend that will continue for the foreseeable future.”

Historical Median Selling Price

| | |
|---------------------|----------------|
| November 2011 | 111,990 |
| November 2010 | 129,997 |
| November 2009 | 114,658 |
| November 2008 | 117,310 |
| November 2007 | 133,119 |
| 5- Year Avg: | 121,415 |
| 3- Year Avg: | 118,882 |

Monthly Indicators

Recent Figures

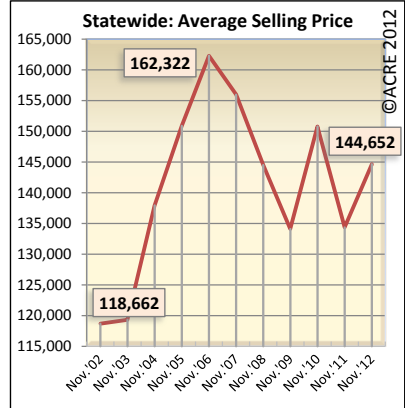
Trends

Average Sales Prices

The average selling price in Alabama for November 2012 was \$144,652, a 7.7 percent increase from November 2011's average selling price of \$134,350.

In November, twenty two of twenty five (88%) associations reported positive year-over-year gains in average price from November 2011, including these leaders by market size:
Metro: Mobile - up 21.0%
Midsize: Lee County- up 24.5%
Rural: Jackson - up 50.9%

| <u>Current Month</u> | | November 2012 | 144,652 | |
|----------------------|------------------|---------------|---------|--|
| vs. Prior Month | October 2012 | 150,467 | -3.9% | |
| vs. Last Year | November 2011 | 134,350 | 7.7% | |
| vs. 5-Yr Avg | November '07-'11 | 143,940 | 0.5% | |
| <u>Year to Date</u> | | November 2012 | 144,177 | |
| vs. Prior Year | November 2011 | 141,670 | 1.8% | |
| Average Peak | November 2006 | 162,322 | -10.9% | |
| Trough | November 2002 | 118,662 | 21.9% | |



Graph: November: 2002 - 2012
(By month)

ACRE Commentary

“Historical data indicates that November average sales prices ('07-'11) traditionally decrease from the month of October by 0.5 percent. The November '12 average price decreased from last month by 3.9 percent. While pricing is beginning to stabilize across many markets, excess housing supply, which includes foreclosures, continues to apply pressure on home pricing in Alabama markets.”

Historical Average Selling Price

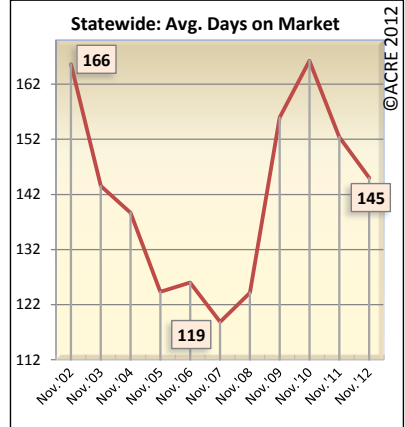
| | |
|--------------------|----------------|
| November 2011 | 134,350 |
| November 2010 | 150,786 |
| November 2009 | 134,089 |
| November 2008 | 144,503 |
| November 2007 | 155,969 |
| 5-Year Avg: | 143,940 |
| 3-Year Avg: | 139,742 |

Days on Market (DOM)

The average number of days that an Alabama home was on the market in November 2012 was 145, representing a decrease of 4.9 percent from November 2011.

In November, thirteen of the twenty-five (52%) associations have reported a positive year-over-year reduction in average DOM from November 2011, including these leaders by market size:
Metro: Tuscaloosa- down 13.5%
Midsize: Gadsden - down 22.2%
Rural: Cherokee -down 50.0%

| <u>Current Month</u> | | November 2012 | 145 | |
|----------------------|------------------|---------------|--------|--|
| vs. Prior Month | October 2012 | 163 | -11.3% | |
| vs. Last Year | November 2011 | 152 | -4.9% | |
| vs. 5-Yr Avg | November '07-'11 | 144 | 1.0% | |
| <u>Year to Date</u> | | November 2012 | 159 | |
| vs. Prior Year | November 2011 | 159 | -0.1% | |



Graph: November: 2002 - 2012
(By month)

ACRE Commentary

“The 5-year DOM average ('07-'11) for the month of October is 147 days, which is 2 days above the current results. The current DOM is anticipated to continue within the current range (140-160 days) for the foreseeable future.”

Historical Average DOM

| | |
|--------------------|------------|
| November 2011 | 152 |
| November 2010 | 166 |
| November 2009 | 156 |
| November 2008 | 124 |
| November 2007 | 119 |
| 5-Year Avg: | 144 |

Monthly Indicators

Recent Figures

Trends

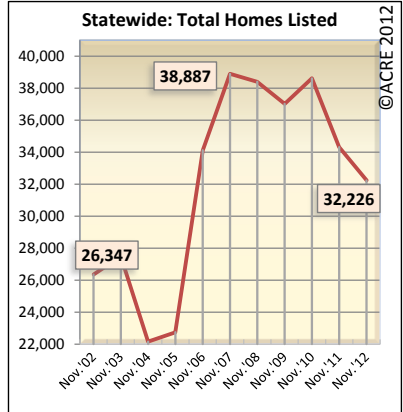
Total Homes Listed for Sale

Alabama homes available for sale in November 2012 decreased by **2,086 units** or **6.1%** when compared to the same period last year.

In November, nineteen of the twenty-five (76%) associations have reported positive year-over-year reductions in inventory from November 2011, including these leaders by market size:

- Metro:** Mobile - down 9.8%
- Midsize:** Phenix -down 20.7%
- Rural:** Covington - down 9.6%

| <u>Current Month</u> | | | | | |
|-----------------------|------------------|--------|--------|--|--|
| vs. Prior Month | November 2012 | 32,226 | | | |
| vs. Last Year | October 2012 | 32,902 | -2.1% | | |
| vs. 5-Yr Avg | November 2011 | 34,312 | -6.1% | | |
| | November '07-'11 | 37,445 | -13.9% | | |
| Inventory Peak | November 2007 | 38,887 | -17.1% | | |
| Trough | November 2004 | 22,148 | 45.5% | | |



Graph: November: 2002 - 2012
(By month)

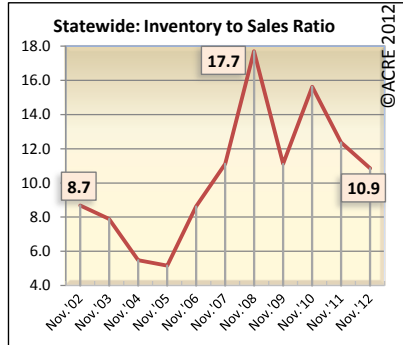
| <u>ACRE Commentary</u> | <u>Historical Total Homes Listed</u> |
|--|--------------------------------------|
| "Historical data indicates that homes for sale on average ('07-'11) traditionally decrease by 1.9 percent from October to November. The November '12 inventory decreased by 2.1 percent from the prior month." | November 2011 34,312 |
| | November 2010 38,608 |
| | November 2009 37,018 |
| | November 2008 38,402 |
| | November 2007 38,887 |
| | 5-Year Avg: 37,445 |

Inventory-to-Sales Ratio

The inventory of homes for sale divided by the current monthly sales volume equals the # of months of housing supply (market considered to be in balance at approximately 6 months).

Metro areas report **9.5** months of supply, midsize markets report **13.0** months of supply, while rural areas report **13.7** months of supply.

| <u>Current Month</u> | | | | | |
|-----------------------|------------------|------|--------|--|--|
| vs. Prior Month | November 2012 | 10.9 | | | |
| vs. Last Year | October 2012 | 10.3 | 5.5% | | |
| vs. 5-Yr Avg | November 2011 | 12.4 | -12.2% | | |
| | November '07-'11 | 13.6 | -20.1% | | |
| I/S Ratio Peak | November 2008 | 17.7 | -38.6% | | |
| Trough | November 2005 | 5.2 | 110.3% | | |



Graph: November: 2002 - 2012
(By month)

| <u>ACRE Commentary</u> | <u>Historical I/S Ratio</u> |
|--|--------------------------------|
| As emphasized in previous monthly reports, the state's abundant housing inventory needs to begin to reduce towards, and then below, the historic 10-year average (28,000+/- units) for the market to transition toward a broader state of equilibrium. | November 2011 12.4 |
| | November 2010 15.6 |
| | November 2009 11.1 |
| | November 2008 17.7 |
| | November 2007 11.1 |
| | 5-Year Avg: 13.6 |
| 3- Year Avg: 13.0 | |

NOTE: This representation is based in whole or in part on data supplied by the reporting boards/associations of REALTORS® or their Multiple Listing Service. The Alabama Center for Real Estate does not guarantee and is in no way responsible for its accuracy. Any Market data maintained by the Center does not necessarily include information on listings not published at the request of the seller, listings of brokers who are not members of a local board/association or MLS, unlisted properties, rental properties, etc. The statistics included in this report reflect the residential sales of houses, condominiums, and town homes. Historical Monthly Housing Statistics are available on the web at Alabama Center for Real Estate's homepage - www.acre.cba.ua.edu.