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HUNTSVILLE AREA ASSOCIATION of REALTORS®

# HUNTSVILLE AREA REAL ESTATE

# ECONOMICS

Q3



REPORT

**Analysis Conducted by**  
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**COLLEGE OF BUSINESS**  
THE UNIVERSITY OF ALABAMA IN HUNTSVILLE  
Center for Management & Economic Research

# Madison County Residential Real Estate Report Third Quarter 2023

## 3Q Insight\*

- ✚ Median sales price slightly decreased to \$331,705 in 3Q 2023.
- ✚ Sales of homes decreased in all price bands in 3Q 2023 compared to 3Q 2022.
- ✚ The inventory of homes rose significantly to 1,807 at the end of September 2023.
- ✚ Average days on market reduced to 26 days from 32 days in the second quarter.
- ✚ Twenty-one percent of homes sold were above list price this quarter while 40% sold at the asking price. The number of sales below the asking price was 39%.
- ✚ The consumer inflation rate was 3.7% in September, 55% less than the September 2022 level (8.2%).
- ✚ National average 30-year mortgage rates rose to 7.3% as of September 2023.
- ✚ Madison County's population grew to an estimated 406,026 as of July 2023, and the workforce reached 205,157 in August 2023.
- ✚ Median Household Income in Madison County rose to \$81,968 in 2023.

The inventory of homes listed for sale rose significantly to 1,807 listings at the end of September 2023, this is the highest since January 2018. The sales of homes decreased in all price ranges in 3Q 2023 compared to 3Q 2022. Average listings by price band increased in all price bands compared to 3Q 2022 except \$350-\$500,000. The largest number of listed homes was also in the price range with the most sales (\$350-\$500,000). Almost thirty percent of sales this quarter were newly constructed.

Average days on market rose to 26 days which is more than 100% increase from the 3Q 2022 level (12 days). However, it is less than the Q2 2023 level (32 days) and Q1 2023 level (33 days).

In the last week of September, the 30-year fixed mortgage interest rate rose to 7.31% from 7.19%, this is the highest level since December 15, 2000, when it was 7.42%.



Figure 1

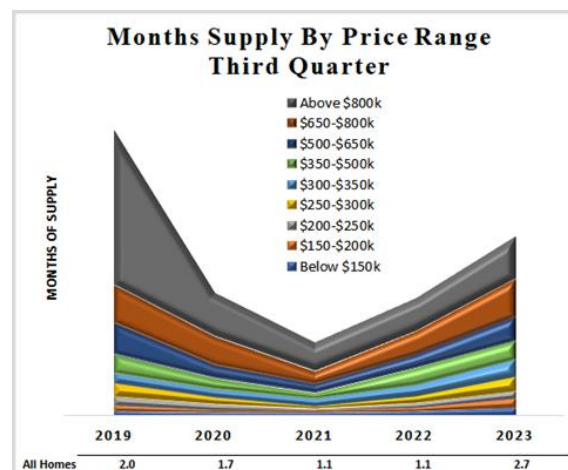


Figure 2

# Madison County Residential Real Estate Report Third Quarter 2023



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## 3Q 2023 Market Snapshot

- Inventory of homes rose around 20% to 1807 from 3Q 2022, with the largest rise in the \$250-\$300,000 range.
- Median sales price slightly decreased to \$331,705 in 3Q 2023 from \$336,000.
- Sales of homes decreased in all price bands in 3Q 2023 compared to 3Q 2022.
- Average days on market increased more than 100% from 3Q 2022. (Table 1)

Sales	3Q 2023		Compared to	3Q 2022	
3Q 2023 Homes Sold fell to	1,858	-20.3% ↓			2,331
3Q-End Pending Sales fell to	418	-21.7% ↓		534	
Number of Listings	Sep. 2023		Compared to	Sep. 2022	
3Q Ending Level rose to	1,807	20.8% ↑			1496
Median Sales Price	3Q 2023		Compared to	3Q 2022	
3Q 2023 fell to	\$331,705	-1.3% ↓			\$336,000
Sales Price vs List Price	3Q 2023		Compared to	2Q 2023	
Sales Price Above List Price	398	21%			23%
Sales Price Below List Price	721	39%			38%
Days on Market	3Q 2023		Compared to	3Q 2022	
Days on Market (12 mo) rose to	26 days	↑			12 days
Months of Supply	3Q 2023		Compared to	3Q 2022	
3Q 2023 Months of Supply rose to	2.7 mo.	↑			1.1 mo.
Sales by Price Band	3Q 2023		Compared to	3Q 2022	
Less than \$150,000 fell to	70	-28.6% ↓			98
\$150,000-\$200,000 fell to	104	-32.9% ↓			155
\$200,000-\$250,000 fell to	172	-16.5% ↓			206
\$250,000-\$300,000 fell to	348	-8.7% ↓			381
\$300,000-\$350,000 fell to	336	-21.3% ↓			427
\$350,000-\$500,000 fell to	477	-22.2% ↓			613
\$500,000-\$650,000 fell to	220	-25.2% ↓			294
\$650,000-\$800,000 fell to	78	-20.4% ↓			98
Greater than \$800,000 fell to	53	-10.2% ↓		59	
Listings by Price Band	3Q 2023		Compared to	3Q 2022	
Less than \$150,000 rose to	24	66.7% ↑			14
\$150,000-\$200,000 rose to	46	28.9% ↑			36
\$200,000-\$250,000 rose to	66	42.8% ↑			46
\$250,000-\$300,000 rose to	261	91.5% ↑			136
\$300,000-\$350,000 rose to	317	23.1% ↑			257
\$350,000-\$500,000 fell to	449	-6.8% ↓			482
\$500,000-\$650,000 rose to	275	46.7% ↑			187
\$650,000-\$800,000 rose to	149	26.7% ↑			118
Greater than \$800,000 rose to	113	27.6% ↑		88	

Table 1

# Madison County Residential Real Estate Report Third Quarter 2023



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## 3Q 2023 Key Metrics

- The total number of homes sold (1858) has declined since 2021; and it was the lowest 3Q level since 2016 (1775).
- Most homes sold, 477 (26%) were in the \$350-\$500,000 price range.  
(Table 2)

### MADISON COUNTY, ALABAMA

Quarter 3, 2023

SALES												
Monthly Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	617	589	764	740	747	956	930	861	935	825	758	847
2022	527	574	785	778	795	865	802	776	753	630	533	538
2023	383	452	651	618	665	651	606	630	622			
2021-2023 Avg	509	538	733	712	736	824	779	756	770			

Median Sales Price	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	\$260,000	\$262,000	\$271,825	\$283,045	\$280,471	\$288,750	\$295,500	\$295,000	\$288,784	\$296,000	\$303,205	\$315,000
2022	\$309,835	\$323,992	\$333,000	\$334,700	\$341,838	\$346,900	\$345,000	\$330,000	\$332,300	\$335,000	\$330,750	\$325,000
2023	\$315,000	\$335,000	\$329,900	\$332,057	\$341,000	\$340,000	\$344,717	\$329,900	\$325,700			

Quarter Units Sold	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Quarter	1,273	1,703	1,775	1,897	2,153	2,350	2,621	2,726	2,331	1,858
3-year Average	1,384	1,551	1,584	1,792	1,942	2,133	2,375	2,566	2,559	2,305

Quarter Units Sales vs List Price	2023
Units Sales Price ABOVE List	398 21%
Units Sales Price EQUAL List	740 40%
Units Sales Price BELOW List	721 39%

Median Sales Price	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Third Quarter	\$194,111	\$198,239	\$215,784	\$224,184	\$231,257	\$247,821	\$291,953	\$292,457	\$336,000	\$331,705
% Change YoY	-5.7%	2.1%	8.9%	3.9%	3.2%	7.2%	17.8%	0.2%	14.9%	-1.3%
% Change 3 yr Avg	0.6%	1.1%	4.8%	1.9%	6.1%	12.2%	16.6%	12.9%	14.8%	8.9%
% Change 5 yr Avg	0.6%	0.2%	1.7%	2.2%	4.9%	10.0%	13.1%	9.8%	11.8%	9.8%

Sales by Price Range	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Third Qtr										
Below \$150,000	506	651	567	560	529	461	286	173	98	70
\$150,000-\$200,000	279	348	388	410	510	494	375	227	155	104
\$200,000-\$250,000	168	253	248	290	350	473	624	422	206	172
\$250,000-\$300,000	145	178	213	245	290	307	446	617	381	348
\$300,000-\$350,000	76	120	138	143	178	237	287	346	427	336
\$350,000-\$500,000	70	126	186	199	235	283	424	638	613	477
\$500,000-\$650,000	22	16	23	30	39	55	117	201	294	220
\$650,000-\$800,000	5	6	8	10	9	29	31	60	98	78
Above \$800,000	2	5	4	10	13	11	31	42	59	53

Change in Number of Sales	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Third Qtr										
Below \$150,000	-14.2%	28.7%	-12.9%	-1.2%	-5.5%	-12.9%	-38.0%	-39.5%	-43.4%	-28.6%
\$150,000-\$200,000	-10.9%	24.7%	11.5%	5.7%	24.4%	-3.1%	-24.1%	-39.5%	-31.7%	-32.9%
\$200,000-\$250,000	-17.6%	50.6%	-2.0%	16.9%	20.7%	35.1%	31.9%	-32.4%	-51.2%	-16.5%
\$250,000-\$300,000	-15.7%	22.8%	19.7%	15.0%	18.4%	5.9%	45.3%	38.3%	-38.2%	-8.7%
\$300,000-\$350,000	-28.3%	57.9%	15.0%	3.6%	24.5%	33.1%	21.1%	20.6%	23.4%	-21.3%
\$350,000-\$500,000	-44.4%	80.0%	47.6%	7.0%	18.1%	20.4%	49.8%	50.5%	-3.9%	-22.2%
\$500,000-\$650,000	-15.4%	-27.3%	43.8%	30.4%	30.0%	41.0%	112.7%	71.8%	46.3%	-25.2%
\$650,000-\$800,000	-28.6%	20.0%	33.3%	25.0%	-10.0%	222.2%	6.9%	93.5%	63.3%	-20.4%
Above \$800,000	-83.3%	150.0%	-20.0%	150.0%	30.0%	-15.4%	181.8%	35.5%	40.5%	-10.2%

Pending Sales	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
End of Quarter	459	223	253	222	487	595	759	620	534	418

Sales by Type of Financing	Cash	Conventional	Equity	FHA	FMHA	Other	Owner Financed	USDA RD	VA Loan	Trade Up
3Q 2023 Units Sold	344	934	1	239	1	10	1	23	305	1
Average Price per Type	\$364,086	\$388,716	\$680,000	\$301,618	\$249,900	\$369,699	\$208,000	\$272,742	\$417,689	\$649,900

Home Sales Third Quarter	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Existing Properties	980	1,321	1,354	1,430	1,683	1,772	1,907	2,003	1,682	1,304
New Construction	293	382	421	467	470	578	714	723	649	554

Table 2



# Madison County Residential Real Estate Report Third Quarter 2023



## 3Q Metrics Details

- The average months of supply for homes increased to 2.7 months in 3Q 2023.
- The national 30-year mortgage rate at quarter-end was 7.31%.
- The highest level of inventory of homes (449) was in the \$350,000-\$500,000 price range, which is the range of the most sales in the 3Q 2023. (Table 3)
- Madison County’s population grew to 406,026, and the workforce grew to 205,157 in August 2023. (Table 3)
- Monthly sales in 2023 were below the five-year average for all months. (Figure 3)

### MADISON COUNTY, ALABAMA

#### Quarter 3, 2023

INVENTORY (Average)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Units										
Below \$150,000	1,120	905	618	429	195	91	40	24	14	24
\$150,000-\$200,000	614	572	529	438	262	144	59	33	36	46
\$200,000-\$250,000	443	414	382	357	272	202	170	38	46	66
\$250,000-\$300,000	361	376	367	317	256	213	166	90	136	261
\$300,000-\$350,000	191	229	209	183	189	127	120	131	257	317
\$350,000-\$500,000	322	308	326	326	309	260	227	183	482	449
\$500,000-\$650,000	77	101	109	94	97	82	83	95	187	275
\$650,000-\$800,000	51	48	55	51	50	55	44	40	118	149
Above \$800,000	54	53	48	61	61	50	57	58	88	113

Months of Supply	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Below \$150,000	6.6	4.2	3.3	2.3	1.1	0.6	0.4	0.4	0.5	1.1
\$150,000-\$200,000	6.3	5.1	4.1	3.2	1.6	0.9	0.5	0.4	0.7	1.4
\$200,000-\$250,000	6.9	4.9	4.6	3.7	2.3	1.3	0.8	0.3	0.7	1.2
\$250,000-\$300,000	7.7	6.6	5.3	3.9	2.7	2.1	1.1	0.4	1.1	2.2
\$300,000-\$350,000	6.8	5.8	4.5	4.0	3.3	1.7	1.3	1.1	1.8	2.8
\$350,000-\$500,000	13.8	7.4	5.3	5.0	4.0	2.8	1.6	0.9	2.4	2.8
\$500,000-\$650,000	14.5	19.1	14.6	10.4	7.9	5.0	2.1	1.4	2.0	3.8
\$650,000-\$800,000	40.2	37.1	21.4	26.3	16.8	5.8	4.5	2.0	3.6	5.8
Above \$800,000	55.5	42.0	24.8	18.6	15.0	23.9	6.6	4.3	5.1	6.6
All Homes	7.6	6.9	5.3	4.2	2.9	2.0	1.7	1.1	1.1	2.7

ECONOMIC INDICATORS	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Madison County Population	349,596	352,740	356,312	361,046	366,519	372,538	388,153	395,211	400,898	406,026
Workforce	170,131	170,889	173,529	175,153	178,551	184,491	187,247	192,204	198,615	205,157
Household Units	152,720	154,710	161,760	164,272	166,516	169,204	169,204	171,542	176,455	179,302
Median Household Income	\$58,203	\$57,993	\$60,150	\$61,318	\$63,417	\$64,130	\$63,520	\$68,166	\$76,977	\$81,968
Madison County GDP (\$mil)	\$19,931	\$20,277	\$20,798	\$21,371	\$22,704	\$23,768	\$23,927	\$25,394	n/a	n/a
Annualized Inflation Rate (CPI)	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	3.7%
National 30yr Mortgage Rate Sep	4.2%	3.9%	3.4%	3.8%	4.7%	3.6%	2.9%	3.0%	6.7%	7.31%

Table 3

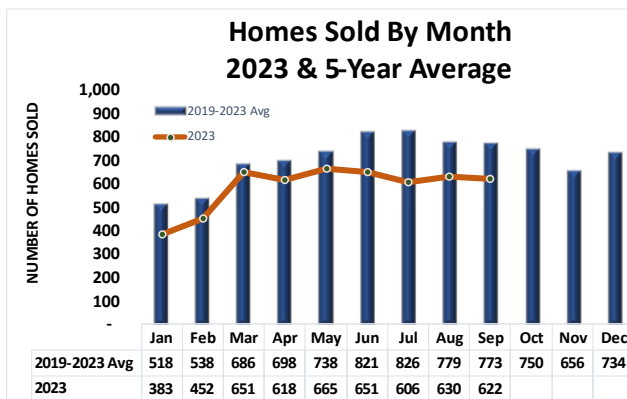


Figure 3

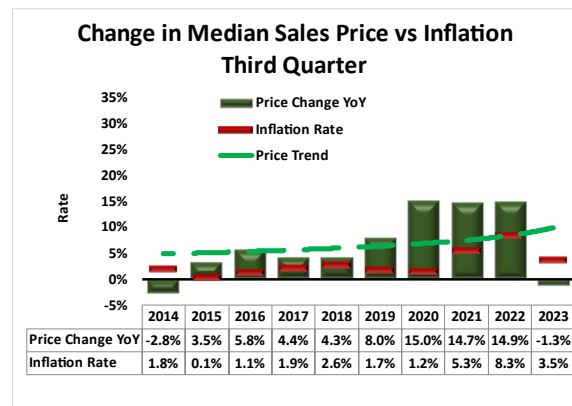


Figure 4

# Madison County Residential Real Estate Report Third Quarter 2023

## 3Q Metrics Details, continued

- Total units sold (1858) were 20% below the 3Q 2022 level (2331) and 32% below the 3Q 2021 record level (2,726). (Figure 5)
- The home median sales price slightly decreased to \$331,705 from 3Q 2022. (Figure 6)
- The monthly median sales price rose in July to \$344,717 but fell in August and September. (Figure 7)

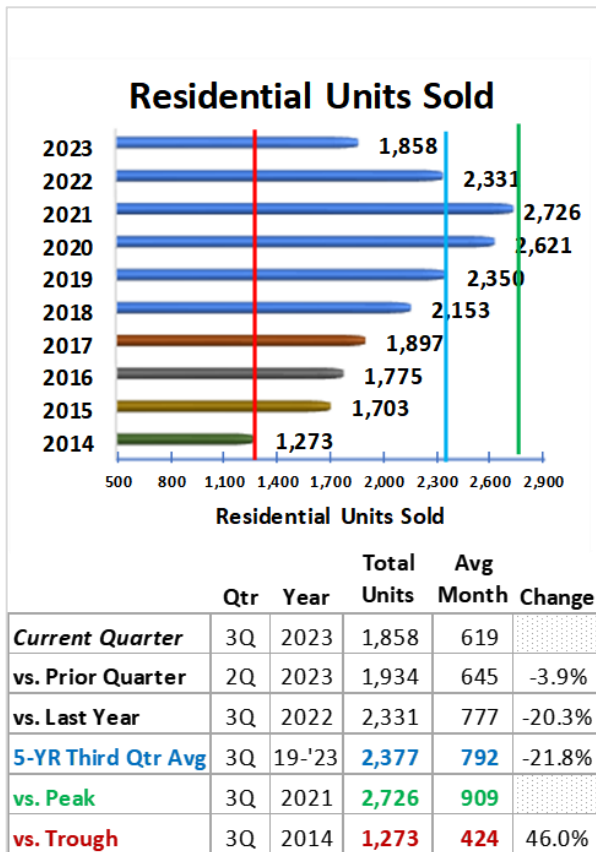


Figure 5

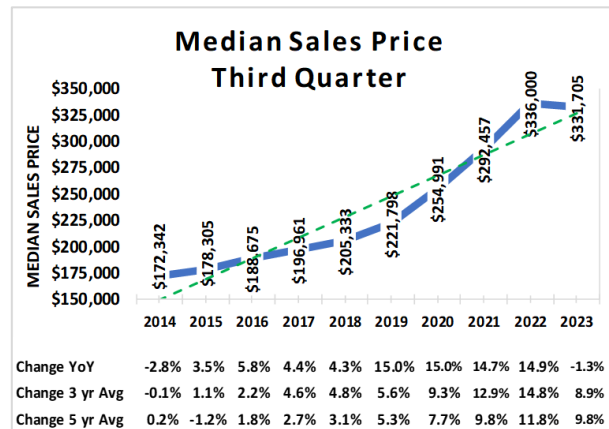


Figure 6

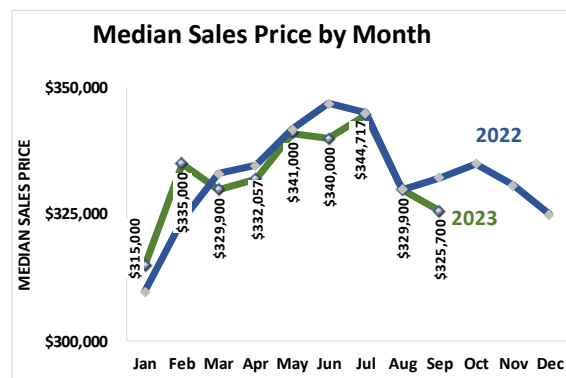


Figure 7

# Madison County Residential Real Estate Report Third Quarter 2023

## 3Q Metrics Details, continued

- Sales of homes decreased in all price bands in 3Q 2023 compared to 3Q 2022. For homes above \$500,000 sales increased compared to 3Q 2021. (Figure 8)
- The rate of change is negative in all price bands. (Figure 9)
- The average number of available homes increased in all price ranges except \$350-\$500,000 in 3Q 2023 compared to 3Q 2022. It slightly decreased from 482 (3Q 2022) to 449 (3Q 2023) in the \$350-\$500,000 price band.
- The current quarter's average number of listed homes rose to the highest level (1,699) since 2017. (Figure 11)



Figure 8

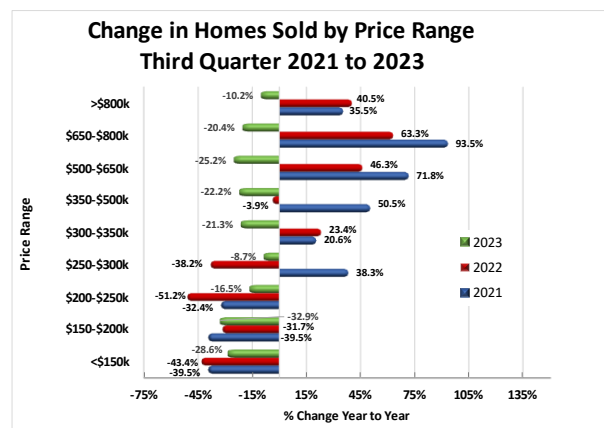


Figure 9

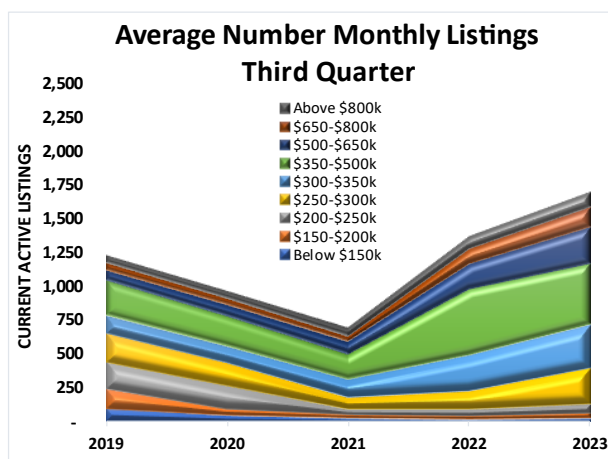


Figure 10

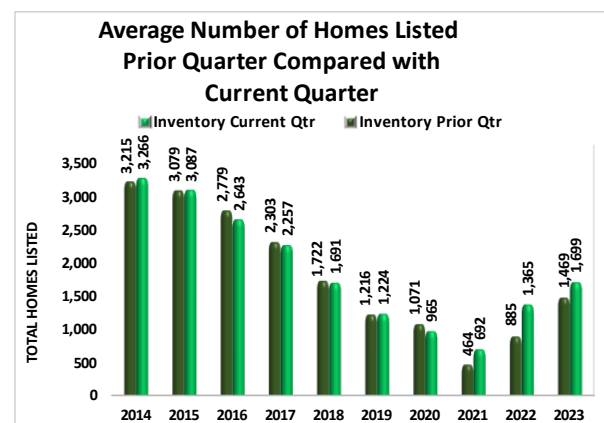


Figure 11

# Madison County Residential Real Estate Report Third Quarter 2023

## 3Q Metrics Details, continued

- Average Days on Market rose to 26 days compared to 12 days in 3Q 2022 and 10 days in 3Q 2021. (Figure 12)
- The quarterly number of homes pending sales fell to the lowest 3Q level (418) while the number of listed homes rose to 1807, the highest level since 3Q 2017 (2204). (Figure 13)
- Months-of-supply of homes increased in all price bands from the 3Q 2022 levels. The highest level of months-of-supply (6.6) occurred in 3Q 2023 for the \$800,000-plus priced homes. (Figure 14)
- The sales and inventory trend suggests that total sales may decrease to 1759 in 4Q 2023 while the end inventory of listed homes may decrease to 1703. (Figure 15)

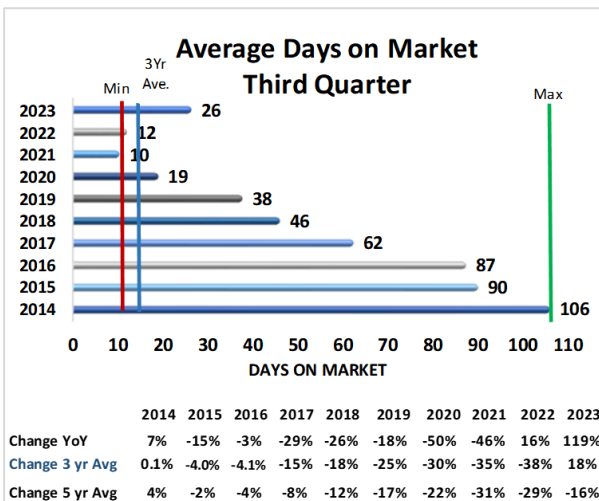


Figure 12

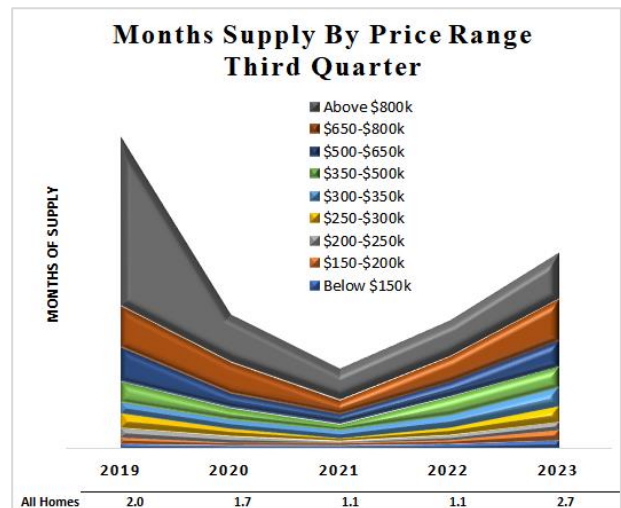


Figure 14

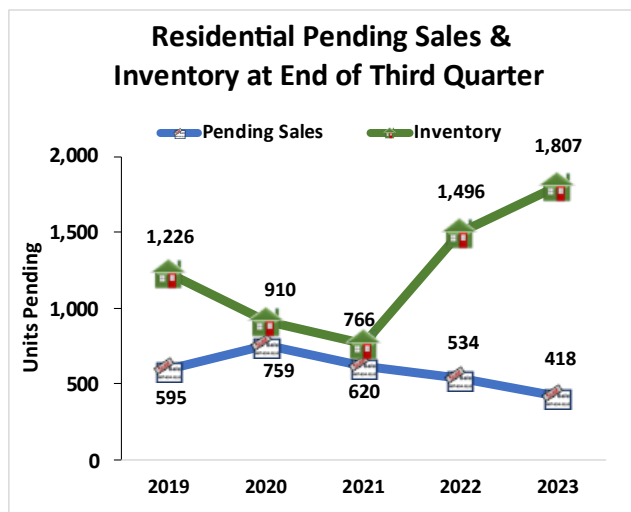


Figure 13

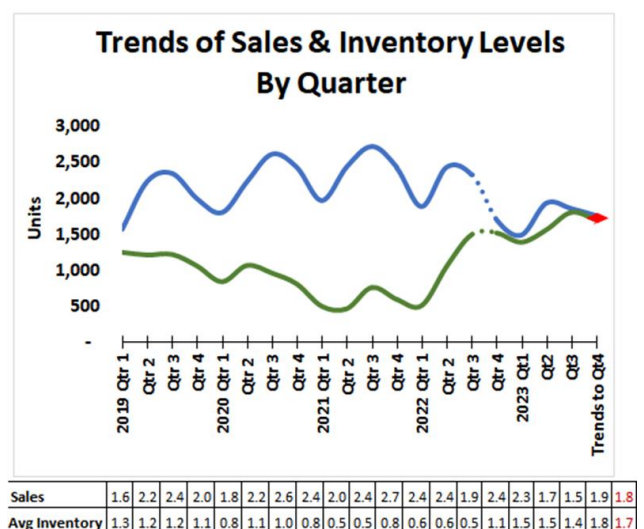


Figure 15



# Madison County Residential Real Estate Report Third Quarter 2023

## Madison County Economic Indicators

- Madison County’s population grew to an estimated 406,026 as of July 2023. (Figure 16)
- Madison County’s workforce reached 205,157 in August 2023. (Figure 16)
- Median Household Income in Madison County rose to \$81,968 in 2023. (Figure 17)
- The number of household units grew to an estimated 179,302 in 2023. The households include all housing units comprising nuclear families, extended families, individuals living alone and unrelated roommates. The number of housing units should generally move with population trends. (Figure 18)
- Gross Domestic Product (a monetary measure of the market value of all the final goods and services produced in a specific period) for Madison County rose 6.2% from 2020 to an estimated \$25.4 (chained 2012 dollars) billion in 2021, according to the Bureau of Economic Analysis. (Figure 19)

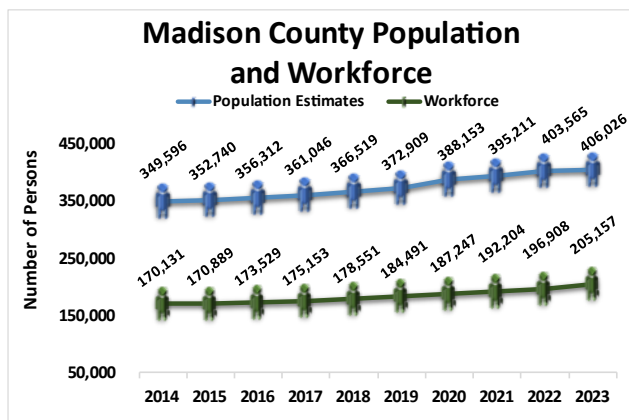


Figure 16

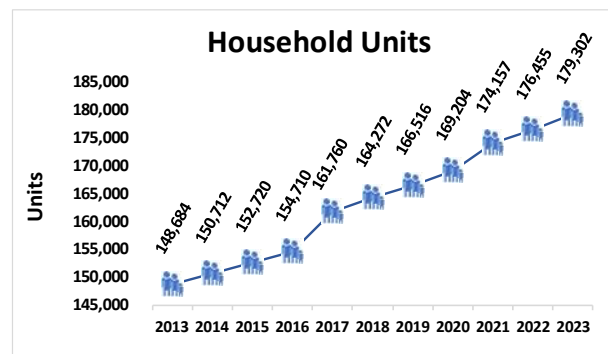


Figure 18

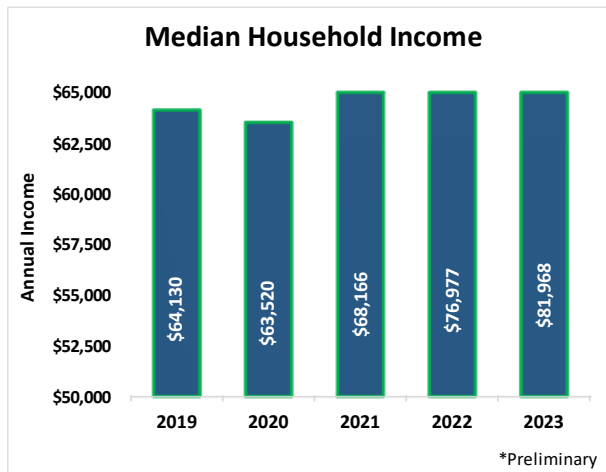


Figure 17

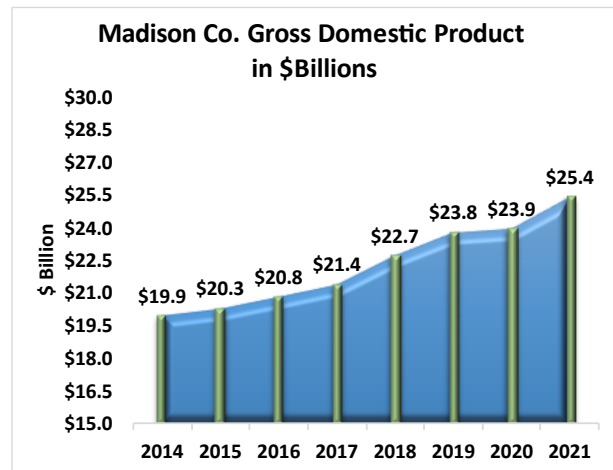


Figure 19

### Data Sources:

- Alabama Department of Labor
- Huntsville Area Association of Realtors Monthly Housing Statistics Reports
- U.S. Bureau of Economic Analysis
- U.S. Census Bureau
- Valley MLS System

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**Madison County Residential  
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