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HUNTSVILLE AREA ASSOCIATION of REALTORS®

HUNTSVILLE AREA REAL ESTATE

ECONOMICS

Q1



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
First Quarter 2024**



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Madison County Residential Real Estate Report First Quarter 2024

Executive Overview

1Q Insight Focus

- ✦ Average Days on Market increased to 44 days. That is 33% more than the 33 days in 1Q 2023 and 35% more than 2023 average (31 days).
- ✦ The average number of available homes rose across all price ranges except the \$650-\$800k price band compared to 1Q 2023.
- ✦ Sales of homes priced below \$250,000 continued to decline in 1Q 2024 compared to 1Q 2023, 1Q 2022 levels.
- ✦ Months of supply for all homes is 3.6 months, over 24% more than 1Q 2023 value.
- ✦ A total of 1459 units sold in 1Q 2024.
- ✦ The median sales price slightly decreased to \$325,000.
- ✦ The inflation rate rose to 3.5% in March 2024 compared to 3.2% in Feb 2024.

Total number of units sold was 1459 in 1Q 2024. 17% of these sales were above list price, 45% of those were below list price. Around 37% of those sales (535) were new construction. Sales of homes priced below \$250,000 continued to decline in 1Q 2024 compared to 1Q 2023, 1Q 2022 levels. However, sales of homes increased in \$250-\$300k, \$300-\$350k, \$500-650k and above \$800k price bands compared to 1Q 2023.

The number of available homes rose across all price ranges except the \$650-\$800k price band. The total number of available homes in March 2024 (1814) is 30% more than March 2023 level (1393).

The price trend of homes in Madison County declined (green dashed line in Figure 2) in 1Q 2024. From 2015 till 2023 median sales prices have risen year-over-year and the rate of increase (green columns in Figure 2) grew to 21.6% in 2022. The first time in 1Q 2024 we see a negative year-over-year rate since 2015.

National 30-year fixed rate mortgage averaged 6.8% in March 2024, which was higher than 6.5% average rate in March 2023. In addition, the consumer inflation rate was 3.5% in March which is lower than the average inflation rate in 2023 (4.1%).

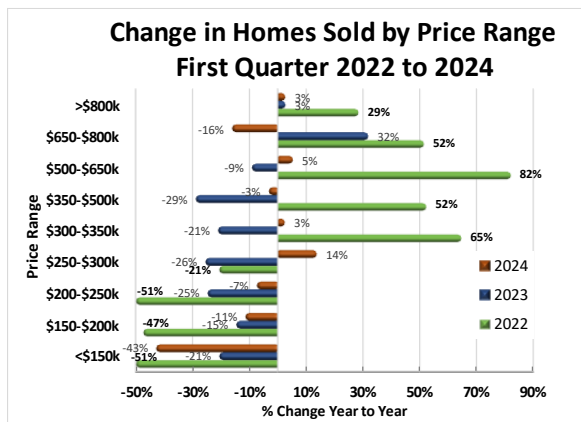


Figure 1

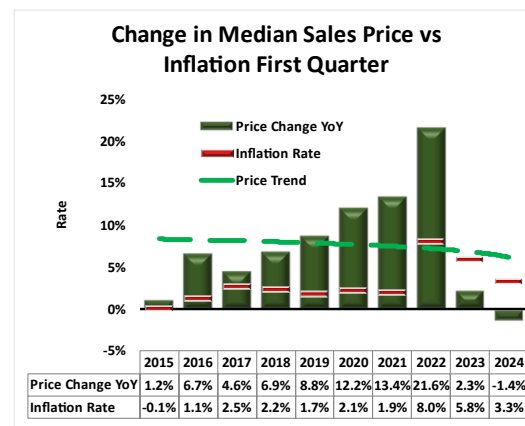


Figure 2

Madison County Residential Real Estate Report First Quarter 2024



Created for

1Q 2024 Market Snapshot

- Average days on market was 44 days for the quarter which is around 33% more than the 1Q 2023.
- The number of units on the market in March 2024 (1814) increased (30.2%) compared to March 2023.
- 45% of all sales were below list price while 17% of sales are above list price.
- The average number of listings increased in all price ranges except for the \$650-\$800,000 price band.

Sales		1Q 2024		Compared to	1Q 2023	
1Q 2024 Homes Sold	fell to	1,459	-1.8% ↓			1,486
1Q 2024 Pending Sales	rose to	595	4.6% ↑		569	
Number of Listings		March 2024		Compared to	March 2023	
1Q 2024 Ending Level	rose to	1814	30.2% ↑			1393
Median Sales Price		1Q 2024		Compared to	1Q 2023	
1Q 2024	fell to	\$325,000	-1.4% ↓			\$329,610
Sales Price vs List Price		1Q 2024		Compared to	1Q 2023	
Sales Price Above List Price		244	17%			296 20%
Sales Price Below List Price		651	45%		629 42%	
Days on Market		1Q 2024		Compared to	1Q 2023	
1Q 2024 DoM	rose to	44 days	↑			33 days
Months of Supply		1Q 2024		Compared to	1Q 2023	
1Q 2024 MoS	rose to	3.6 mo.	↑			2.9 mo.
Sales by Price Band		1Q 2024		Compared to	1Q 2023	
Less than \$150,000	fell to	44	-42.9% ↓			77
\$150,000-\$200,000	fell to	93	-11.4% ↓			105
\$200,000-\$250,000	fell to	138	-7.4% ↓			149
\$250,000-\$300,000	rose to	289	13.8% ↑			254
\$300,000-\$350,000	rose to	284	2.5% ↑			277
\$350,000-\$500,000	fell to	364	-3.2% ↓			376
\$500,000-\$650,000	rose to	157	5.4% ↑			149
\$650,000-\$800,000	fell to	52	-16.1% ↓			62
Greater than \$800,000	rose to	38	2.7% ↑		37	
Listings by Price Band		1Q 2024		Compared to	1Q 2023	
Less than \$150,000	rose to	24	9.1% ↑			22
\$150,000-\$200,000	rose to	48	50.0% ↑			32
\$200,000-\$250,000	rose to	83	59.6% ↑			52
\$250,000-\$300,000	rose to	332	85.5% ↑			179
\$300,000-\$350,000	rose to	323	4.2% ↑			310
\$350,000-\$500,000	rose to	474	17.3% ↑			404
\$500,000-\$650,000	rose to	250	17.9% ↑			212
\$650,000-\$800,000	fell to	119	-3.3% ↓			123
Greater than \$800,000	rose to	117	20.6% ↑		97	

Table 1

Madison County Residential Real Estate Report First Quarter 2024



Created for

1Q 2024 Key Metrics

- The median sales price decreased to \$320,495 in March 2024 which is lower than both 2022 and 2023 March median sales prices. (Table 2)

MADISON COUNTY, ALABAMA

Quarter 1 2024

SALES												
Monthly Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	527	574	785	778	795	865	802	776	753	630	533	538
2023	383	452	651	618	665	651	606	630	622	519	499	524
2024	378	545	536									
2022-2024 Avg	429	524	657									
Median Sales Price	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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	\$339,900	\$325,000	\$320,000
2024	\$330,000	\$330,000	\$320,495									
Quarter Units Sold	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
Total Quarter	1,097	1,271	1,410	1,524	1,567	1,801	1,970	1,886	1,486	1,459		
3-year Average	1,051	1,134	1,259	1,402	1,500	1,631	1,779	1,886	1,781	1,610		
Quarter Units Sales vs List Price	2024											
Units Sales Price ABOVE List	244		17%									
Units Sales Price EQUAL List	564		39%									
Units Sales Price BELOW List	651		45%									
Median Sales Price	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
First Quarter	\$160,394	\$171,217	\$179,154	\$191,500	\$208,333	\$233,688	\$265,000	\$322,218	\$329,610	\$325,000		
% Change YoY	1.2%	6.7%	4.6%	6.9%	8.8%	12.2%	13.4%	21.6%	2.3%	-1.4%		
% Change 3 yr Avg	-0.2%	1.4%	4.2%	6.1%	6.8%	9.4%	11.5%	16.1%	11.3%	6.8%		
% Change 5 yr Avg	-0.8%	0.1%	2.2%	3.2%	5.8%	8.0%	9.5%	13.3%	11.1%	8.7%		
Sales by Price Range	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
First Qtr												
Below \$150,000	494	509	510	461	349	331	196	97	77	44		
\$150,000-\$200,000	209	268	327	342	385	310	234	123	105	93		
\$200,000-\$250,000	149	174	182	239	272	366	401	198	149	138		
\$250,000-\$300,000k	99	122	159	180	194	263	430	341	254	289		
\$300,000-\$350,000	53	79	91	118	139	166	213	351	277	284		
\$350,000-\$500,000	66	89	116	141	184	263	347	529	376	364		
\$500,000-\$650,000	16	22	18	29	29	68	90	164	149	157		
\$650,000-\$800,000	7	4	4	8	8	20	31	47	62	52		
Above \$800,000	4	4	3	6	7	14	28	36	37	38		
Change in Number of Sales	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
Below \$150,000	3.6%	3.0%	0.2%	-9.6%	-24.3%	-5.2%	-40.8%	-50.5%	-20.6%	-42.9%		
\$150,000-\$200,000	8.9%	28.2%	22.0%	4.6%	12.6%	-19.5%	-24.5%	-47.4%	-14.6%	-11.4%		
\$200,000-\$250,000	26.3%	16.8%	4.6%	31.3%	13.8%	34.6%	9.6%	-50.6%	-24.7%	-7.4%		
\$250,000-\$300,000k	0.0%	23.2%	30.3%	13.2%	7.8%	35.6%	63.5%	-20.7%	-25.5%	13.8%		
\$300,000-\$350,000	1.9%	49.1%	15.2%	29.7%	17.8%	19.4%	28.3%	64.8%	-21.1%	2.5%		
\$350,000-\$500,000	-8.3%	34.8%	30.3%	21.6%	30.5%	42.9%	31.9%	52.4%	-28.9%	-3.2%		
\$500,000-\$650,000	-5.9%	37.5%	-18.2%	61.1%	0.0%	134.5%	32.4%	82.2%	-9.1%	5.4%		
\$650,000-\$800,000	133.3%	-42.9%	0.0%	100.0%	0.0%	150.0%	55.0%	51.6%	31.9%	-16.1%		
Above \$800,000	33.3%	0.0%	-25.0%	100.0%	16.7%	100.0%	100.0%	28.6%	2.8%	2.7%		
Pending Sales	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
End of Quarter	388	302	340	221	391	729	725	634	569	595		
Sales by Type of Financing	Cash	Conventional	FHA	FMHA	Other	Owner Financed	USDA RD	VA Loan				
1Q 2024 Units Sold	277	686	271	0	3	2	21	199				
Average Price per Type	\$374,028	\$394,343	\$306,080	n/a	\$963,902	\$530,000	\$279,595	\$407,339				
Home Sales First Quarter	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
Existing Properties	858	986	1,043	1,151	1,140	1,249	1,349	1,280	1,030	924		
New Construction	239	285	367	373	427	552	621	606	456	535		

Table 2

Madison County Residential Real Estate Report First Quarter 2024



Created for

1Q Metrics Details

- The highest end inventory level remained in the \$350,000 to \$500,000 price range.
- The average months of supply for all homes increased around 24% compared to 1Q 2023.
- Homes sold in January and March were less than 2023 levels and the five-year (2019-2023) averages. (Figure 3)

MADISON COUNTY, ALABAMA

Quarter 1 2024

INVENTORY		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Units	Below \$150,000	1,003	700	492	268	130	67	20	14	17	30
	\$150,000-\$200,000	524	537	432	285	155	58	28	17	35	46
	\$200,000-\$250,000	414	382	357	254	185	148	36	27	51	71
	\$250,000-\$300,000k	356	344	324	289	170	149	68	36	181	343
	\$300,000-\$350,000	199	216	174	183	121	83	59	78	269	323
	\$350,000-\$500,000	312	339	312	293	220	198	137	179	395	493
	\$500,000-\$650,000	81	105	88	98	84	87	85	85	214	263
	\$650,000-\$800,000	45	50	44	43	50	38	29	26	125	122
	Above \$800,000	57	38	54	54	42	49	42	51	106	123
Months of Supply		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Below \$150,000	6.8	4.3	3.1	2.0	1.3	0.6	0.3	0.5	1.0	1.6
	\$150,000-\$200,000	9.4	6.1	4.1	2.6	1.4	0.5	0.3	0.3	0.9	1.6
	\$200,000-\$250,000	9.5	6.7	6.2	3.5	2.2	1.2	0.4	0.4	1.1	1.9
	\$250,000-\$300,000k	11.5	8.8	6.4	4.9	3.1	1.6	0.6	0.3	2.2	3.7
	\$300,000-\$350,000	11.5	8.1	6.3	5.0	3.0	1.8	0.8	0.9	3.7	3.6
	\$350,000-\$500,000	16.6	11.2	7.8	6.4	3.8	2.2	1.5	1.0	3.4	4.0
	\$500,000-\$650,000	16.7	12.9	15.0	9.1	9.5	3.6	2.9	1.7	4.5	5.1
	\$650,000-\$800,000	21.8	34.0	34.2	10.8	20.5	6.2	3.0	3.2	7.9	7.0
	Above \$800,000	27.5	25.8	37.0	28.7	18.2	19.8	5.2	4.1	8.5	9.8
	All Homes	8.0	5.9	4.8	3.5	2.4	2.0	1.3	0.9	2.9	3.6
ECONOMIC INDICATORS		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Madison County Population	352,740	356,312	361,046	366,519	372,909	388,153	395,211	403,605	n/a	n/a
	Workforce	170,889	173,529	175,153	178,551	184,491	187,247	192,204	196,908	n/a	n/a
	Household Units	152,720	154,710	161,760	164,272	166,516	169,204	171,542	179,337	n/a	n/a
	Median Household Income	\$57,993	\$60,150	\$61,318	\$63,417	\$64,130	\$66,887	\$68,166	\$80,123	n/a	n/a
	Madison County GDP (\$mil)	\$20,277	\$20,798	\$21,371	\$22,704	\$23,768	\$23,927	\$25,394	n/a	n/a	n/a
	Annualized Inflation Rate (CPI)	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%	3.5%
	National 30yr Mortgage Rate Mar	3.8%	3.7%	4.2%	4.4%	4.3%	3.5%	3.1%	4.2%	6.5%	6.8%

Table 3

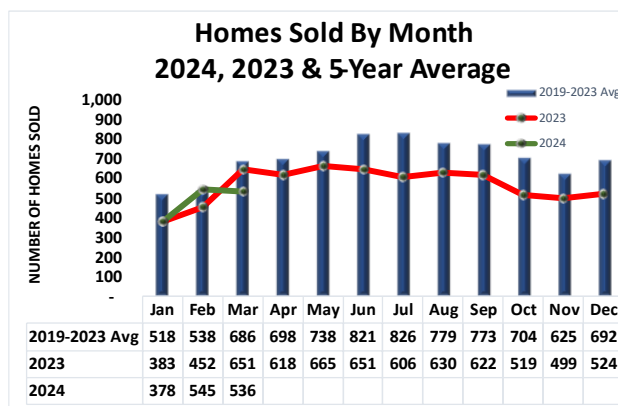


Figure 3

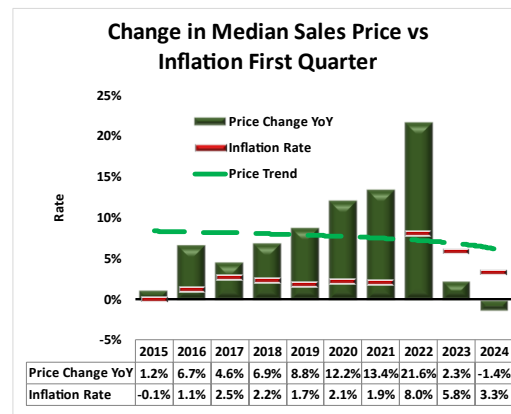


Figure 4

Madison County Residential Real Estate Report First Quarter 2024

1Q Metrics Details, continued

- Total residential units sold was 1459 which is 5.4% below the prior quarter (4Q 2023), 1.8% less than the 1Q 2023 (1486) and 15.2% less than the five-year first quarter average (1720). (Figure 5)
- The median sales price of the first quarter declined to \$325,000. First time we see a negative year-over-year change since 2015. However, changes for the three-year and five-year averages are still positive. (Figure 6)
- The median sales price for January was above the same month in 2023. However, the median sales prices for February and March 2024 were less than that of February and March 2023. (Figure 7)

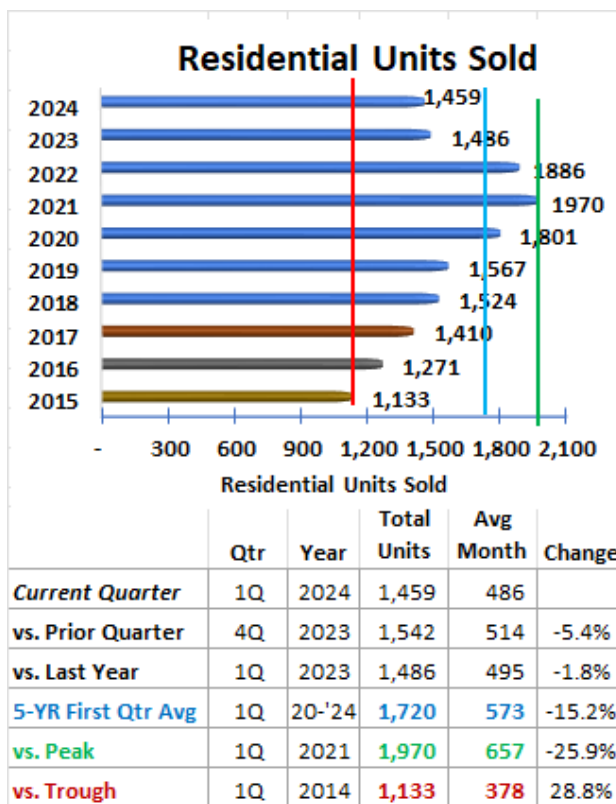


Figure 5

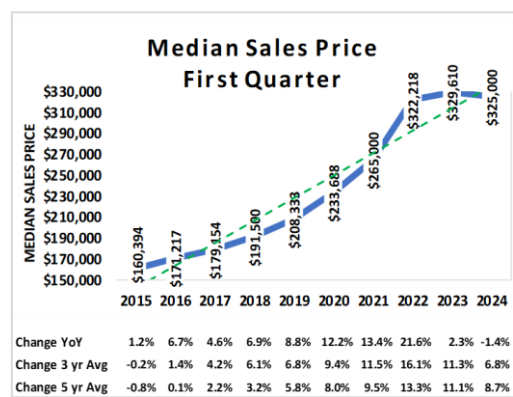


Figure 6

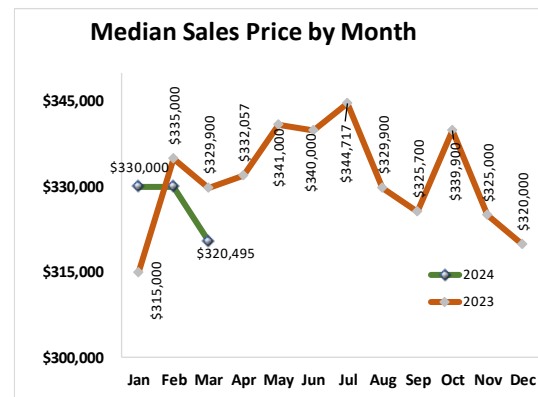


Figure 7

Madison County Residential Real Estate Report First Quarter 2024

1Q Metrics Details, continued

- Sales of homes priced below \$250,000 continued to decline in 1Q 2024 compared to 1Q 2023, 1Q 2022 levels. However, sales of homes increased in \$250-\$300k, \$300-\$350k, \$500-\$650k and above \$800k price bands compared to 1Q 2023. (Figure 8) Sales of homes above \$1M (19) increased in 1Q 2024 compared to 1Q 2023 (14).
- Sales of homes priced below \$150,000 declined at a faster rate (43%) than in 1Q 2023. (Figure 9)
- The number of available homes rose across all price ranges except the \$650-\$800k price band. The total number of available homes in March 2024 (1814) is 30% more than March 2023 level (1393). (Figure 10)
- The current quarter compared to the prior quarter's average number of listed homes shows that the first quarter inventory has fallen each year since 2015. (Figure 11)

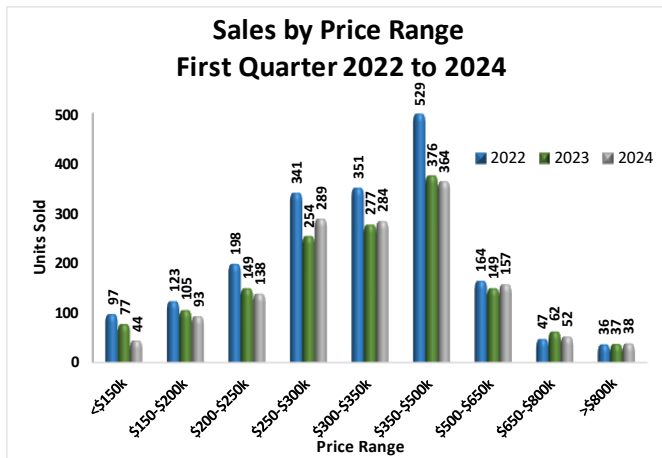


Figure 8

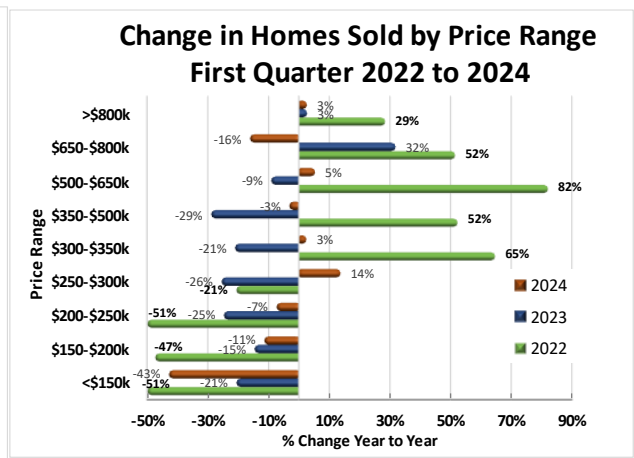


Figure 9

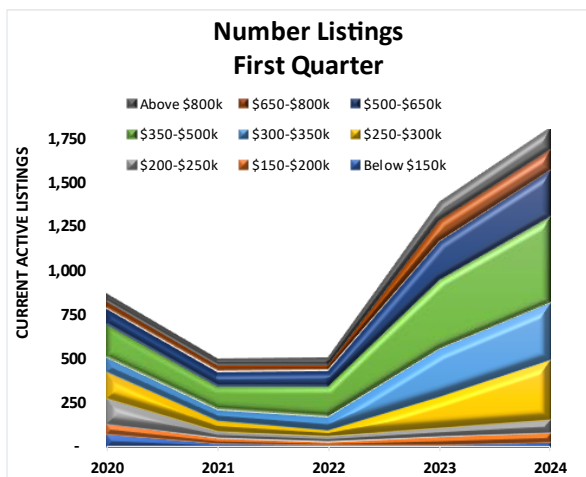


Figure 10

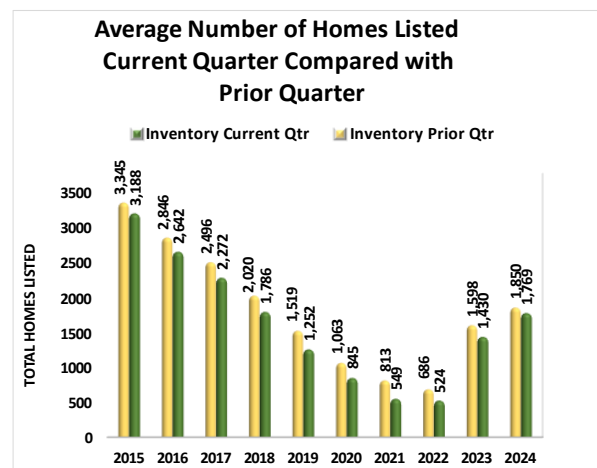


Figure 11

Madison County Residential Real Estate Report First Quarter 2024

1Q Metrics Details, continued

- Average Days on Market increased to 44 days. That is 33% more than the 33 days in 1Q 2023 and. (Figure 12)
- The end of quarter number of units pending increased to 595 homes in 1Q 2024 which is around 5% more than 1Q 2023 (569). The end inventory for the quarter increased to 1814 in 1Q 2024 from 1393 in March 2023. (Figure 13)
- Months of supply for all homes is 3.6 months, over 24% more than 1Q 2023 value (2.9 months). (Figure 14)
- Based on the past five years' sales and inventory levels, total sales could go up to 2100 in 2Q 2024 while the ending inventory of listed homes may go up to around 1800. (Figure 15)

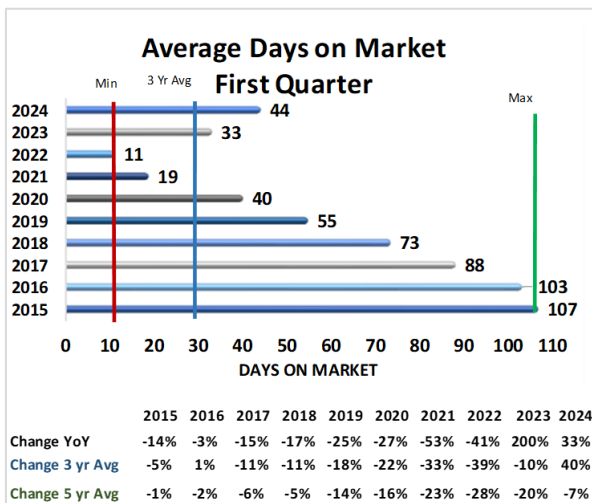


Figure 12

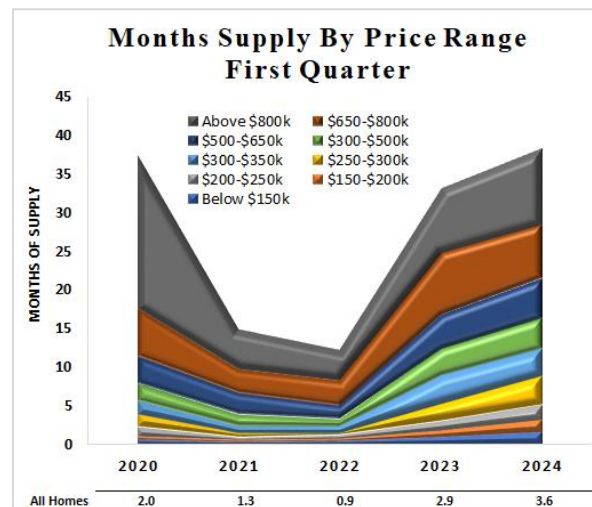


Figure 14

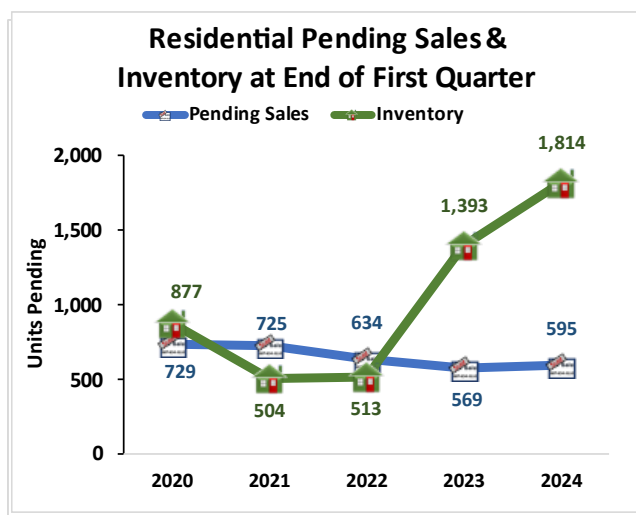


Figure 13

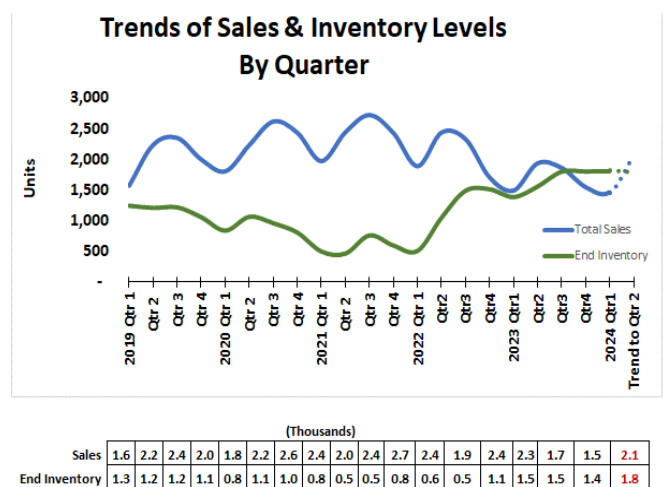


Figure 15

Madison County Residential Real Estate Report First Quarter 2024

Madison County Economic Indicators

- The most recent estimate of Madison County population is 403,565 for 2022. (Figure 16)
- Median Household Income continued to rise reaching an estimated \$80,123 in 2022 inflation-adjusted dollars. This is about 34% more than the median income in Alabama (\$59,674) and about 10% higher than the median income in United States. (<https://censusreporter.org/profiles/05000US01089-madison-county-al/>) (Figure 17)
- The number of household units grew to 179,337 in 2022. This represents all types of housing units. (Figure 18)
- Gross Domestic Product (a monetary measure of the market value of all the final goods and services produced in a specific time period) for Madison County rose to \$29.5 billion in 2021, the most recent estimate available. (Figure 19)

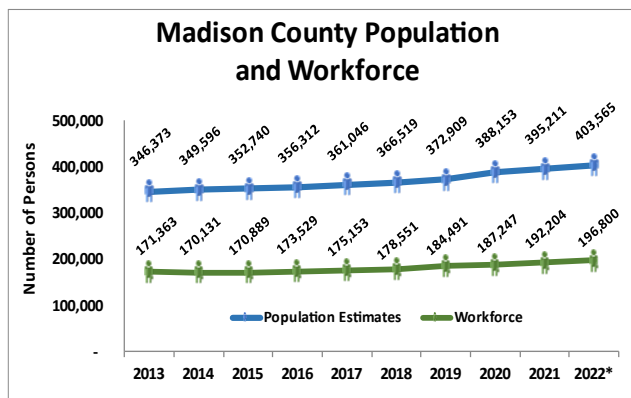


Figure 16

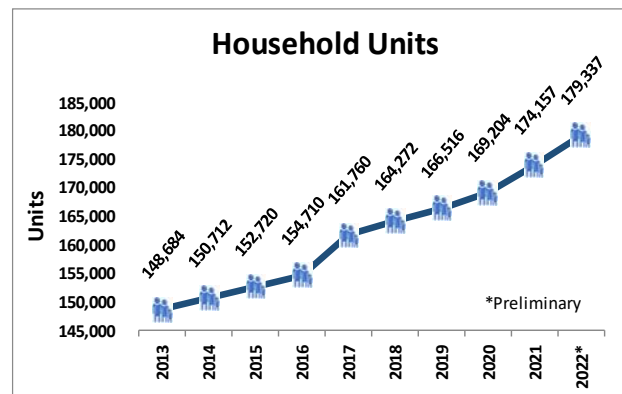


Figure 18

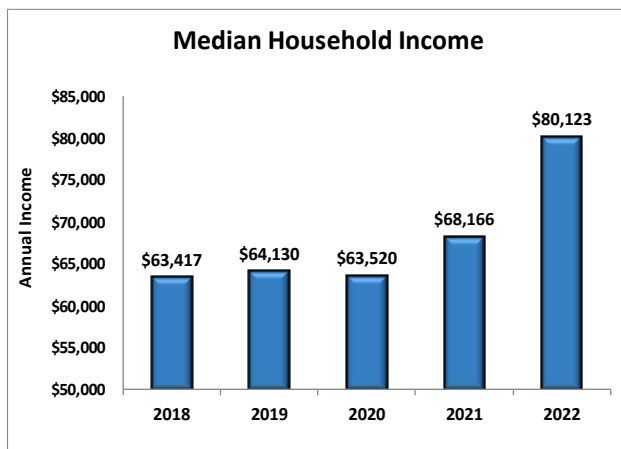


Figure 17

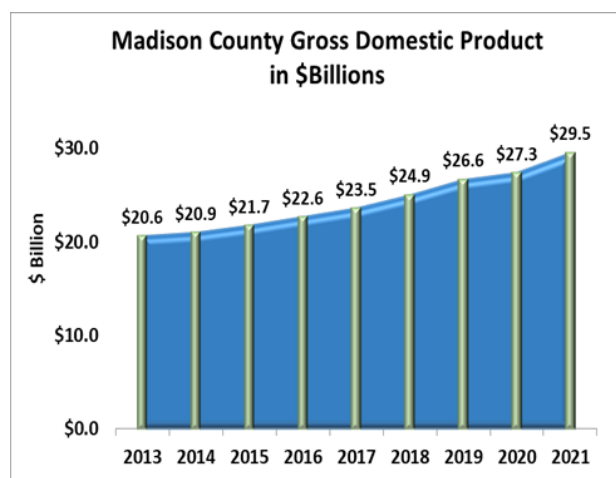


Figure 19

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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