



HAAR

HUNTSVILLE AREA ASSOCIATION of REALTORS®

HUNTSVILLE AREA REAL ESTATE ECONOMICS

Q3



REPORT

Analysis Conducted by
Dilcu Barnes, Ph.D.



COLLEGE OF BUSINESS

THE UNIVERSITY OF ALABAMA IN HUNTSVILLE

Center for Management & Economic Research

Madison County Residential Real Estate Report Third Quarter 2025

3Q Insight*

- Median sales price slightly decreased to \$330,000 from \$336,995 in 3Q 2024.
- A total of 1,961 homes sold in Q3 2025.
- The number of units on market was 2427 at the end of September 2025.
- 16% of homes sold were above list price this quarter while sales below the asking price was 36%.
- Average days on market rose to 51 days from 39 days in 3Q 2024.
- The 30-year fixed mortgage rate was 6.3% in the week ending September 2025.

In the third quarter of 2025, the housing market recorded 1,961 home sales, representing a slight 0.5% decrease from the 1,970 homes sold in Q3 2024. Despite the year-over-year decline, total sales were 2.1% higher than the three-year Q3 average of 1,930, though 9.6% below the five-year Q3 average of 2,169. Among all transactions, 16% closed above the list price, while 36% sold below list price. New construction accounted for 631 sales, comprising approximately 32% of all closings. Although modest declines were observed in the \$350K–\$500K, \$500K–\$650K, and \$650K–\$800K price ranges, most other price bands experienced growth. The largest percentage decrease (10.8%) occurred in the \$350K–\$500K segment compared to Q3 2024, while the most notable increase (15%) was seen among homes priced above \$800K.

Looking at monthly sales trends, September 2025 recorded higher sales than in both 2023 and 2024, as well as above the three-year average for the month. In August 2025, sales were lower than the August 2024 level but remained higher than in August 2023 and above the three-year average. In July 2025, sales were below both the July 2024 level and the three-year average but still exceeded the total recorded in July 2023.

On the supply side, average inventory levels showed mixed movement compared to the third quarter of 2024, with some price ranges seeing increases and others experiencing declines. The most significant increase occurred in the under \$150K segment, where inventory rose by 58% from the same period in 2024. In contrast, the \$200K–\$250K range recorded the largest decrease in available homes. By September 2025, the total number of homes listed for sale stood at 2,427, representing an 8% decline from the 2,633 homes available in September 2024.

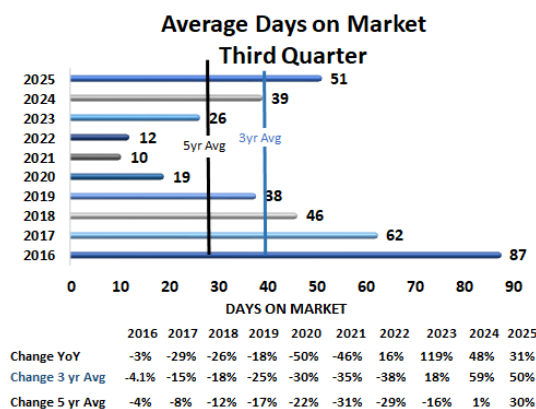


Figure 1

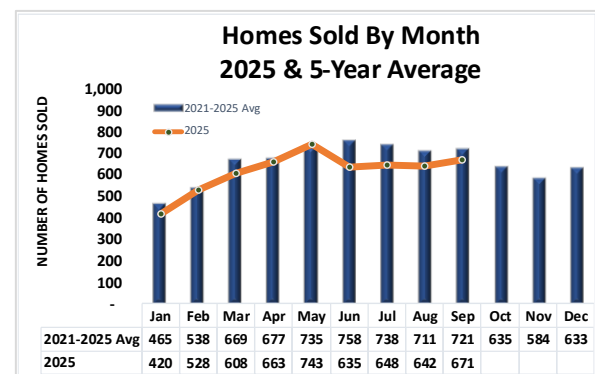


Figure 2

Madison County Residential Real Estate Report Third Quarter 2025



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3Q 2025 Market Snapshot

- Total inventory declined to 2,427 homes at the end of Q3 2025, compared to 2,633 homes in September 2024.
- The \$350K–\$500K price range continued to have the largest average number of listings, aligning with the segment that also recorded the most sales.
- Months of supply for all homes remained unchanged from Q3 2024 level. (Table 1)

Sales	3Q 2025	Compared to	3Q 2024
3Q 2025 Homes Sold fell to	1,961 -0.5% ↓		1,970
3Q-End Pending Sales rose to	531 54.4% ↑		344
Number of Listings	Sep. 2025	Compared to	Sep. 2024
3Q Ending Level fell to	2,427 -7.8% ↓		2633
Median Sales Price	3Q 2025	Compared to	3Q 2024
3Q 2025 fell to	\$330,000 -2.1% ↓		\$336,995
Sales Price vs List Price	3Q 2025	Compared to	2Q 2025
Sales Price Above List Price	318 16% ↓		353
Sales Price Below List Price	710 36% ↓		898
Days on Market	3Q 2025	Compared to	3Q 2024
Days on Market rose to	51 days ↑		39 days
Months of Supply	3Q 2025	Compared to	3Q 2024
3Q 2025 Months of Supply	4.0 mo. →		4.0 mo.
Sales by Price Band	3Q 2025	Compared to	3Q 2024
Less than \$150,000 rose to	77 10.0% ↑		70
\$150,000-\$200,000 rose to	103 4.0% ↑		99
\$200,000-\$250,000 rose to	215 2.9% ↑		209
\$250,000-\$300,000 rose to	371 4.8% ↑		354
\$300,000-\$350,000 rose to	334 2.5% ↑		326
\$350,000-\$500,000 fell to	471 -10.8% ↓		528
\$500,000-\$650,000 fell to	219 -0.5% ↓		220
\$650,000-\$800,000 fell to	102 -1.9% ↓		104
Greater than \$800,000 rose to	69 15.0% ↑		60
Listings by Price Band	3Q 2025	Compared to	3Q 2024
Less than \$150,000 rose to	76 58.3% ↑		48
\$150,000-\$200,000 rose to	107 1.9% ↑		105
\$200,000-\$250,000 fell to	187 -12.6% ↓		214
\$250,000-\$300,000 fell to	463 -3.7% ↓		481
\$300,000-\$350,000 fell to	394 -3.7% ↓		409
\$350,000-\$500,000 fell to	712 -0.1% ↓		713
\$500,000-\$650,000 fell to	303 -4.4% ↓		317
\$650,000-\$800,000 rose to	184 5.7% ↑		174
Greater than \$800,000 rose to	192 11.6% ↑		172

Table 1

Madison County Residential Real Estate Report Third Quarter 2025



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3Q 2025 Key Metrics

- The total number of homes sold (1961) is more than the 3-year third quarter average value (1930).
- Most homes sold, 471 (24%), were in the \$350-\$500,000 price range. (Table 2)

MADISON COUNTY, ALABAMA

Quarter 3, 2025

SALES

Monthly Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	383	452	651	618	665	651	606	630	622	519	499	524
2024	378	545	536	586	723	685	703	644	623	564	545	622
2025	420	528	608	663	743	635	648	642	671			
2023-2025 Avg	394	508	598	622	710	657	652	639	639			

Median Sales Price	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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	\$336,430	\$340,000	\$339,900	\$349,900	\$325,745	\$338,312	\$330,000	\$319,000	\$325,000
2025	\$330,000	\$317,950	\$327,000	\$330,000	\$338,000	\$345,000	\$341,250	\$330,450	\$320,000			

Quarter Units Sold	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Quarter	1,775	1,897	2,153	2,350	2,621	2,726	2,331	1,858	1,970	1,961
3-year Average	1,584	1,792	1,942	2,133	2,375	2,566	2,559	2,305	2,053	1,930

Quarter Units Sales vs List Price	2025
Units Sales Price ABOVE List	318 16%
Units Sales Price EQUAL List	933 48%
Units Sales Price BELOW List	710 36%

Median Sales Price	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Third Quarter	\$215,784	\$224,184	\$231,257	\$247,821	\$291,953	\$292,457	\$336,000	\$331,705	\$336,995	\$330,000
% Change YoY	8.9%	3.9%	3.2%	7.2%	17.8%	0.2%	14.9%	-1.3%	1.6%	-2.1%
% Change 3 yr Avg	4.8%	1.9%	6.1%	12.2%	16.6%	12.9%	14.8%	8.9%	4.7%	-0.5%
% Change 5 yr Avg	1.7%	2.2%	4.9%	10.0%	13.1%	9.8%	11.8%	9.8%	8.1%	4.9%

Sales by Price Range	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Third Qtr										
Below \$150,000	567	560	529	461	286	173	98	70	70	77
\$150,000-\$200,000	388	410	510	494	375	227	155	104	99	103
\$200,000-\$250,000	248	290	350	473	624	422	206	172	209	215
\$250,000-\$300,000	213	245	290	307	446	617	381	348	354	371
\$300,000-\$350,000	138	143	178	237	287	346	427	336	326	334
\$350,000-\$500,000	186	199	235	283	424	638	613	477	528	471
\$500,000-\$650,000	23	30	39	55	117	201	294	220	220	219
\$650,000-\$800,000	8	10	9	29	31	60	98	78	104	102
Above \$800,000	4	10	13	11	31	42	59	53	60	69

Change in Number of Sales	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Third Qtr										
Below \$150,000	-12.9%	-1.2%	-5.5%	-12.9%	-38.0%	-39.5%	-43.4%	-28.6%	0.0%	10.0%
\$150,000-\$200,000	11.5%	5.7%	24.4%	-3.1%	-24.1%	-39.5%	-31.7%	-32.9%	-4.8%	4.0%
\$200,000-\$250,000	-2.0%	16.9%	20.7%	35.1%	31.9%	-32.4%	-51.2%	-16.5%	21.5%	2.9%
\$250,000-\$300,000	19.7%	15.0%	18.4%	5.9%	45.3%	38.3%	-38.2%	-8.7%	1.7%	4.8%
\$300,000-\$350,000	15.0%	3.6%	24.5%	33.1%	21.1%	20.6%	23.4%	-21.3%	-3.0%	2.5%
\$350,000-\$500,000	47.6%	7.0%	18.1%	20.4%	49.8%	50.5%	-3.9%	-22.2%	10.7%	-10.8%
\$500,000-\$650,000	43.8%	30.4%	30.0%	41.0%	112.7%	71.8%	46.3%	-25.2%	0.0%	-0.5%
\$650,000-\$800,000	33.3%	25.0%	-10.0%	222.2%	6.9%	93.5%	63.3%	-20.4%	33.3%	-1.9%
Above \$800,000	-20.0%	150.0%	30.0%	-15.4%	181.8%	35.5%	40.5%	-10.2%	13.2%	15.0%

Pending Sales	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
End of Quarter	253	222	487	595	759	620	534	418	344	531

Sales by Type of Financing	Cash	Conventional	FHA	Owner Financed	USDA RD	VA Loan	Other
3Q 2025 Units Sold	327	895	340	3	43	341	12
Average Price per Type	\$344,238	\$406,879	\$300,624	\$606,667	\$258,954	\$430,770	\$328,500

Home Sales Third Quarter	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Existing Properties	1,354	1,430	1,683	1,772	1,907	2,003	1,682	1,304	1,313	1,330
New Construction	421	467	470	578	714	723	649	554	657	631

Table 2

Madison County Residential Real Estate Report Third Quarter 2025

3Q Metrics Details

- Monthly sales in 3Q 2025 were below the five-year average for all months. (Figure 3)
- Median sales prices experienced strong growth from 2016 through 2022, peaking during the pandemic-era housing boom. By 2025, price changes had turned negative (-2.1%), marking the second decline in the past three years as market conditions continued to stabilize. (Figure 4)

MADISON COUNTY, ALABAMA

Quarter 3, 2025

INVENTORY (Average)		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Units	Below \$150,000	618	429	195	91	40	24	14	24	48	76
	\$150,000-\$200,000	529	438	262	144	59	33	36	46	105	107
	\$200,000-\$250,000	382	357	272	202	170	38	46	66	214	187
	\$250,000-\$300,000	367	317	256	213	166	90	136	261	481	463
	\$300,000-\$350,000	209	183	189	127	120	131	257	317	409	394
	\$350,000-\$500,000	326	326	309	260	227	183	482	449	713	712
	\$500,000-\$650,000	109	94	97	82	83	95	187	275	317	303
	\$650,000-\$800,000	55	51	50	55	44	40	118	149	174	184
	Above \$800,000	48	61	61	50	57	58	88	113	172	192
Months of Supply		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Below \$150,000	3.3	2.3	1.1	0.6	0.4	0.4	0.5	1.1	2.2	3.0
	\$150,000-\$200,000	4.1	3.2	1.6	0.9	0.5	0.4	0.7	1.4	3.4	3.2
	\$200,000-\$250,000	4.6	3.7	2.3	1.3	0.8	0.3	0.7	1.2	3.1	2.6
	\$250,000-\$300,000	5.3	3.9	2.7	2.1	1.1	0.4	1.1	2.2	4.1	3.8
	\$300,000-\$350,000	4.5	4.0	3.3	1.7	1.3	1.1	1.8	2.8	3.8	3.6
	\$350,000-\$500,000	5.3	5.0	4.0	2.8	1.6	0.9	2.4	2.8	4.1	4.5
	\$500,000-\$650,000	14.6	10.4	7.9	5.0	2.1	1.4	2.0	3.8	4.4	4.2
	\$650,000-\$800,000	21.4	26.3	16.8	5.8	4.5	2.0	3.6	5.8	5.2	5.5
	Above \$800,000	24.8	18.6	15.0	23.9	6.6	4.3	5.1	6.6	9.3	8.6
All Homes		4.5	3.6	2.4	1.6	1.1	0.8	1.8	2.7	4.0	4.0
ECONOMIC INDICATORS		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Madison County Population		356,312	361,046	366,519	372,538	388,153	395,211	400,898	412,600	423,355	n/a
Workforce		173,529	175,153	178,551	184,491	187,247	192,204	198,615	208,078	224,593	n/a
Household Units		161,760	164,272	166,516	169,204	169,204	171,542	176,455	182,179	187,082	n/a
Median Household Income		\$60,150	\$61,318	\$63,417	\$64,130	\$63,520	\$68,166	\$78,058	\$86,192	\$89,086	n/a
Madison County GDP (\$mil)		\$20,798	\$21,371	\$22,704	\$26,136	\$26,664	\$27,846	28,788	n/a	n/a	n/a
Annualized Inflation Rate (CPI)		1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%	2.9%	3.0%
National 30yr Mortgage Rate Sep		3.4%	3.8%	4.7%	3.6%	2.9%	3.0%	6.7%	7.3%	6.1%	6.3%

Table 3

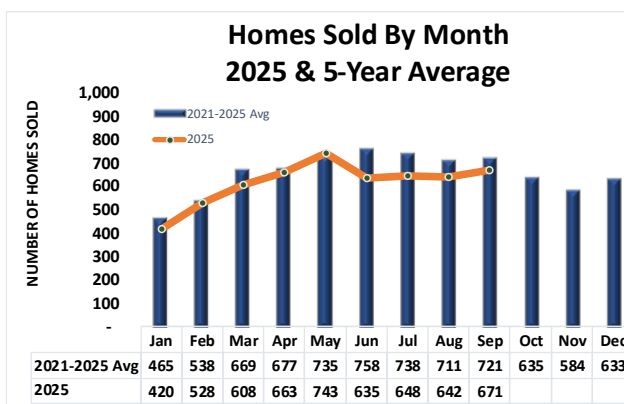


Figure 3

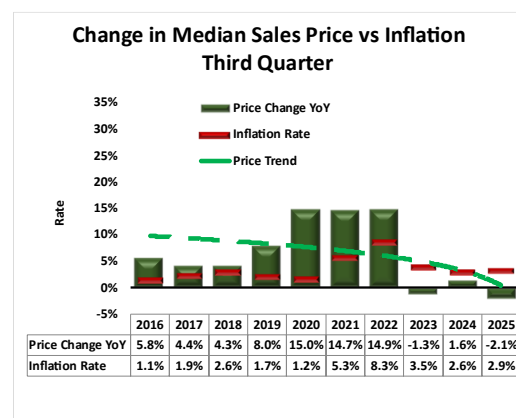


Figure 4

Madison County Residential Real Estate Report Third Quarter 2025



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3Q Metrics Details, continued

- Total units sold (1961) were 9.6% below the five-year third quarter average level (2301) and 3.9% below the previous quarter's level (2041). (Figure 5)
- The median sales price decreased to \$330,000, which is slightly below the three-year third-quarter average of \$333,997, but above the five-year average of \$326,171. This marks the first time in the past decade that the third-quarter median price has fallen below the three-year average. (Figure 6)
- The monthly median sales price rose in August but fell in July and September compared to 2024. (Figure 7)

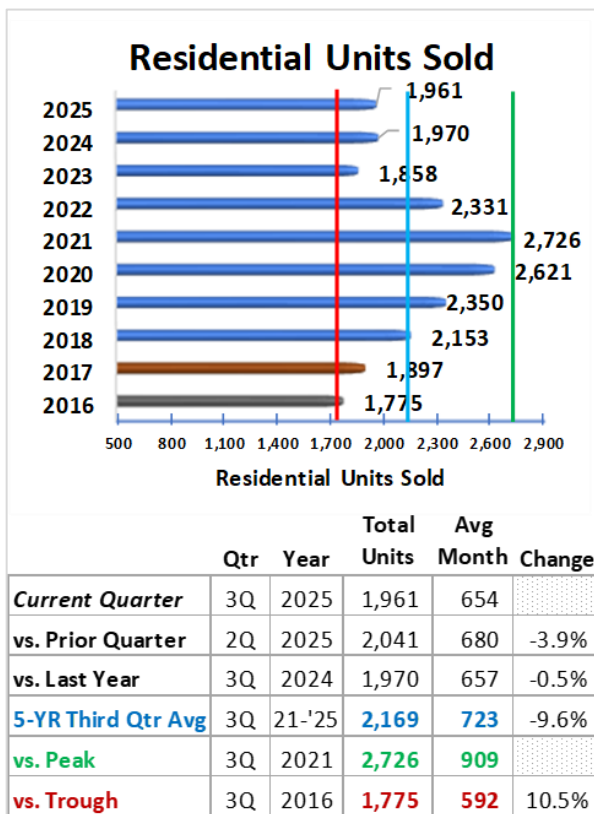


Figure 5

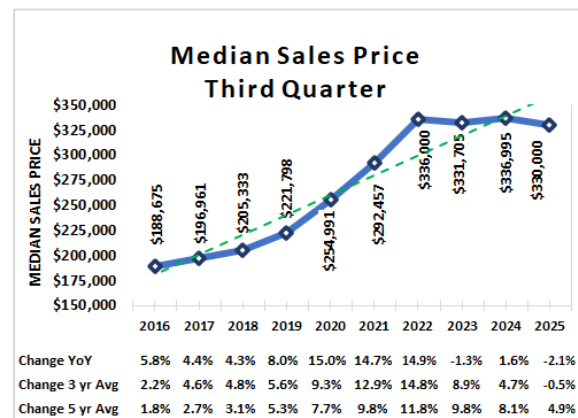


Figure 6

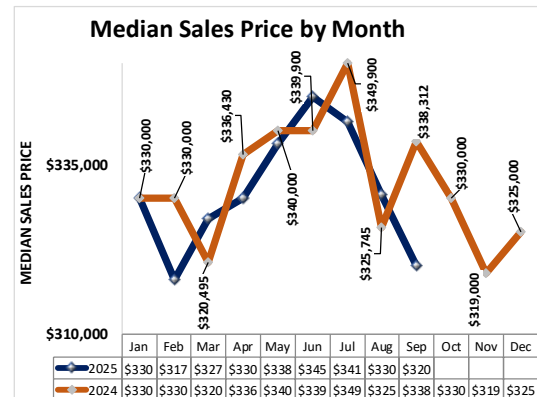


Figure 7

Madison County Residential Real Estate Report Third Quarter 2025

3Q Metrics Details, continued

- The number of homes sold remained relatively stable across most price ranges in Q3 2025. The largest percentage increase (15%) occurred in the above \$800K segment. (Figure 8 & Figure 9)
- The average number of available homes declined slightly in most price ranges compared to Q3 2024. (Figure 10)
- The average number of homes listed during Q3 2025 (2,619) was slightly higher than the previous quarter's level (2,614). (Figure 11)

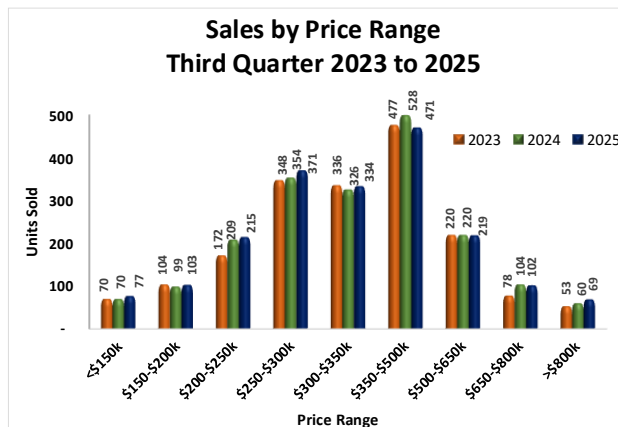


Figure 8

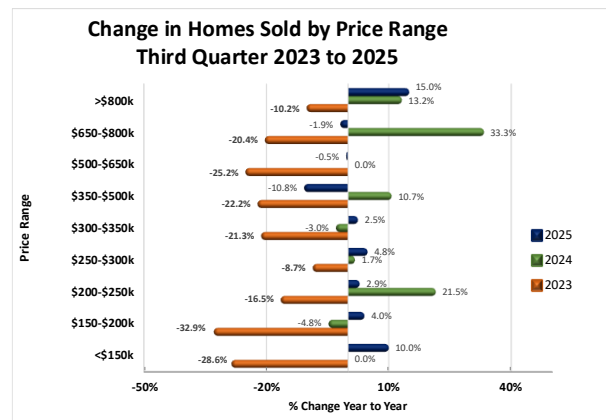


Figure 9

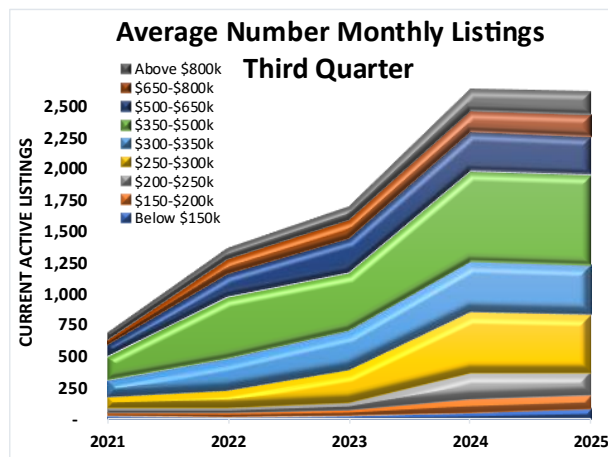


Figure 10

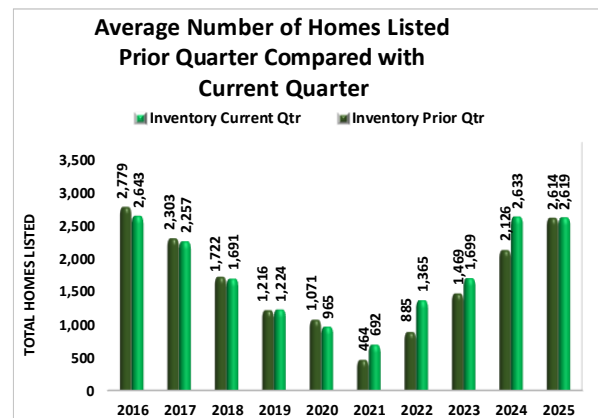


Figure 11

Madison County Residential Real Estate Report Third Quarter 2025

3Q Metrics Details, continued

- The average days on market rose to 51 days, the highest third-quarter level since 2018, indicating a slower pace of sales compared to recent years. (Figure 12)
- The quarterly number of homes pending sales increased to 531 while the number of homes decreased to 2427 at the end of the third quarter. (Figure 13)
- The lowest months of supply (2.6) was recorded in the \$200K–\$250K price range, while the highest (8.6) occurred in the \$800K-and-above segment. (Figure 14)
- Current sales and inventory trends suggest that total sales may rise approximately to 1,968 in Q4 2025, with end-of-quarter inventory projected to increase to 2,598 homes. (Figure 15)

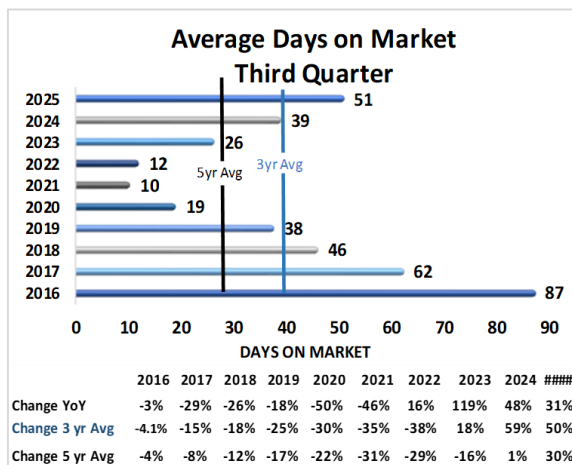


Figure 12

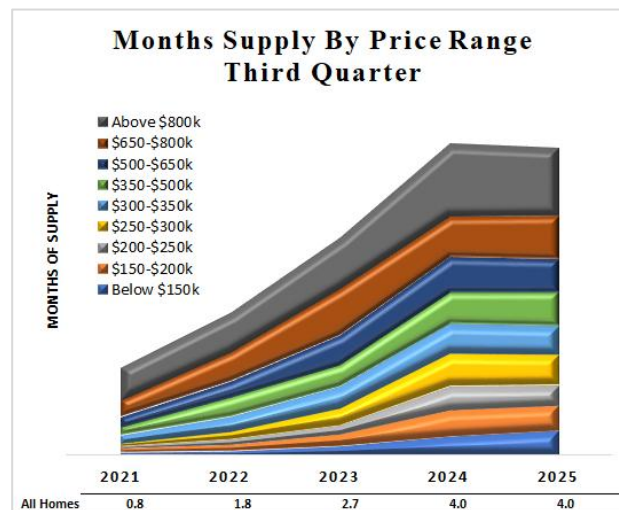


Figure 14

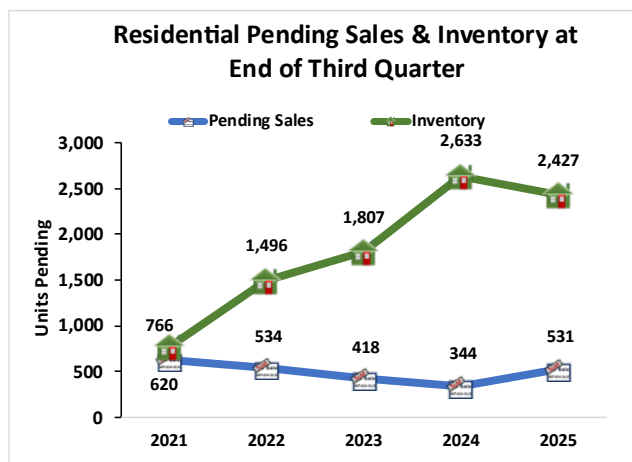


Figure 13

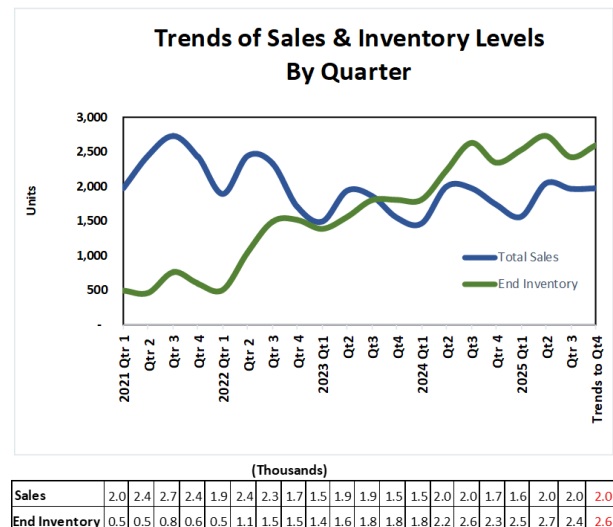


Figure 15

Madison County Residential Real Estate Report Third Quarter 2025

Madison County Economic Indicators

- Madison County's population grew to an estimated 423,355 as of July 2024 according to Census Bureau QuickFacts. Workforce estimates (224,593) prepared by the Alabama Department of Workforce in Cooperation with the Bureau of Labor Statistics. (Figure 16)
- Median Household Income continued to rise reaching an estimated \$89,086 in 2024 dollars. (Figure 17)
- The number of household units grew to an estimated 187,082 in 2024 according to Census Bureau QuickFacts. A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. (Figure 18)
- Gross Domestic Product (GDP) by county is the final goods and services produced by the county's economy less the value of goods and services used up in production. The 2020-2023 gross domestic product data (thousands of chained (2017) dollars) are real gross domestic product from the Bureau of Economic Analysis. Madison County's GDP rose to \$30.9 billion in 2023 (Figure 19)

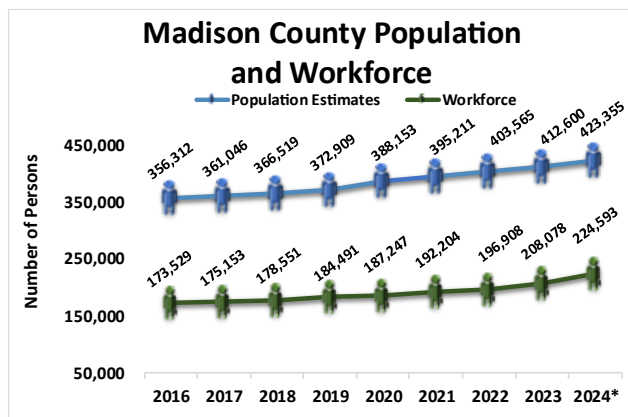


Figure 16

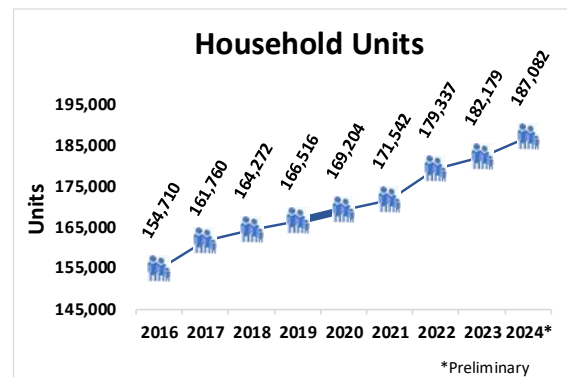


Figure 18

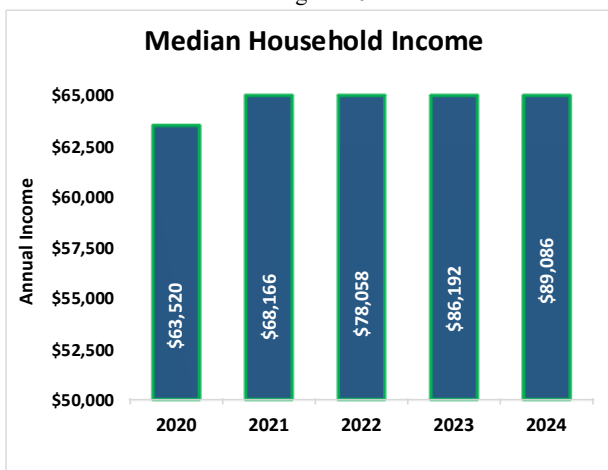


Figure 17

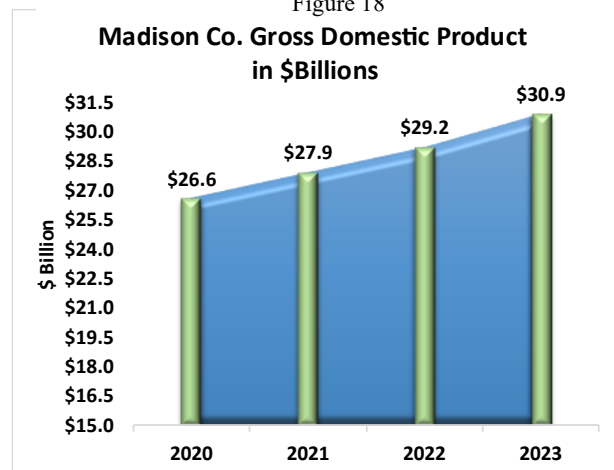


Figure 19

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

Analysis & Report Prepared by:

- Dilcu Barnes, Ph.D.

Questions regarding this report may be directed to:

Dilcu Barnes, dh0066@uah.edu

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