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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 2026

Created for HAAR
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Executive Overview
Q3 Insight*

- *A total of 2,097 homes sold in Q3 2026, an increase of approximately 7% from Q3 2025.*
- *The median sales price increased 3.3% to $341,036, compared with $330,000 in Q3 2025.*
- *New construction accounted for 637 sales, approximately 30% of total home sales.*
- *Active housing inventory reached 2,814 homes at the end of September 2026, an increase of approximately 16% year over year.*
- *Approximately 20% of homes sold above list price and 37% below list price.*
- *Average days on market decreased to 42 days, compared with 51 days in Q3 2025.*
- *The 30-year fixed mortgage rate reached 7.03% in the week ending September 24, 2026.*

In the third quarter of 2026, the housing market recorded 2,097 home sales, an increase of approximately 7% from the 1,961 homes sold in Q3 2025. Total sales were also 4.4% above the three-year Q3 average of 2,009 and 2.6% above the five-year Q3 average of 2,043. The median sales price increased 3.3% year over year, reaching $341,036 compared with $330,000 in Q3 2025. Among all transactions, 20% closed above the list price, 43% at the list price, and 37% below the list price.

New construction accounted for 637 sales, representing approximately 30% of total closings. Sales increased across most price ranges compared with Q3 2025, with declines limited to the $150,000–$200,000 and $200,000–$250,000 segments. The largest percentage decline occurred in the $200,000–$250,000 range, where sales decreased 20.9%, while homes priced above $800,000 recorded the largest increase at 55%.

Monthly sales trends were generally positive. Sales in July and August 2026 exceeded the corresponding months in both 2024 and 2025, as well as their respective three-year averages. September sales remained above the September 2024 level but fell below both September 2025 and the three-year September average.

On the supply side, average inventory levels varied across price ranges compared with Q3 2025, with most price bands experiencing increases. The $150,000–$200,000 segment recorded the largest increase in average inventory at 34%, while the $650,000–$800,000 segment experienced the largest decline at 16%. At the end of September 2026, active housing inventory reached 2,814 homes, approximately 16% higher than the 2,427 homes available at the end of September 2025. Meanwhile, pending sales declined by approximately 22% year over year, and average days on market decreased to 42 days from 51 days in Q3 2025.

The broader economic environment experienced renewed inflationary pressures during the third quarter of 2026. The Consumer Price Index (CPI) increased 3.4% year over year in July, 3.4% in August, and 3.7% in September, indicating an acceleration in inflation toward the end of the quarter. Meanwhile, the 30-year fixed mortgage rate averaged approximately 6.68% during the third quarter, remaining elevated and continuing to present affordability challenges for prospective homebuyers.

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Q3 2026 Market Snapshot

- Months of supply for all homes decreased slightly to 3.9 months in Q3 2026, compared with 4.0 months in Q3 2025.
- Pending sales at the end of September 2026 declined by approximately 22% compared with the end of September 2025. (Table 1)

Sales	3Q 2026			Compared to	3Q 2025
3Q 2026 Homes Sold rose to	2,097	6.9%	↑		1,961
3Q-End Pending Sales fell to	416	-21.7%	↓		531
Number of Listings	**Sep. 2026**			**Compared to**	**Sep. 2025**
3Q Ending Level rose to	2,814	15.9%	↑		2427
Median Sales Price	**3Q 2026**			**Compared to**	**3Q 2025**
3Q 2026 rose to	$341,036	3.3%	↑		$330,000
Sales Price vs List Price	**3Q 2026**			**Compared to**	**3Q 2025**
Sales Price Above List Price	409	20%	↑		318
Sales Price Below List Price	783	37%	↑		710
Days on Market	**3Q 2026**			**Compared to**	**3Q 2025**
Days on Market fell to	42 days		↓		51 days
Months of Supply	**3Q 2026**			**Compared to**	**3Q 2025**
3Q 2026 Months of Supply fell to	3.9 mo.		↓		4.0 mo.
Sales by Price Band	**3Q 2026**				**3Q 2025**
Less than $150,000 rose to	85	10.4%	↑		77
$150,000-$200,000 fell to	98	-4.9%	↓		103
$200,000-$250,000 fell to	170	-20.9%	↓		215
$250,000-$300,000 rose to	402	8.4%	↑	**Compared to**	371
$300,000-$350,000 rose to	346	3.6%	↑		334
$350,000-$500,000 rose to	555	17.8%	↑		471
$500,000-$650,000 rose to	222	1.4%	↑		219
$650,000-$800,000 rose to	112	9.8%	↑		102
Greater than $800,000 rose to	107	55.1%	↑		69
Listings by Price Band	**3Q 2026**				**3Q 2025**
Less than $150,000 rose to	94	23.7%	↑		76
$150,000-$200,000 rose to	143	33.6%	↑		107
$200,000-$250,000 rose to	188	0.5%	↑		187
$250,000-$300,000 fell to	447	-3.5%	↓	**Compared to**	463
$300,000-$350,000 rose to	441	11.9%	↑		394
$350,000-$500,000 rose to	761	6.9%	↑		712
$500,000-$650,000 fell to	270	-10.9%	↓		303
$650,000-$800,000 fell to	155	-15.8%	↓		184
Greater than $800,000 rose to	224	16.7%	↑		192

Table 1

Madison County Residential Real Estate Report
Third Quarter 2026

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Q3 2026 Key Metrics

- The $350,000–$500,000 price range accounted for the largest share of home sales, with 555 homes sold (approximately 26% of total sales). (Table 2)

MADISON COUNTY, ALABAMA

Quarter 3, 2026

SALES

Monthly Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	378	545	536	586	723	685	703	644	623	564	545	622
2025	420	528	608	663	743	635	648	642	671	660	499	567
2026	457	481	646	712	735	824	759	711	627			
2024-2026 Avg	418	518	597	654	734	715	703	666	640			

Median Sales Price	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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	$339,995	$336,004	$329,900
2026	$337,900	$320,000	$338,750	$336,450	$354,000	$347,542	$349,000	$345,000	$355,000			

Quarter Units Sold	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Quarter	1,897	2,153	2,350	2,621	2,726	2,331	1,858	1,970	1,961	2,097
3-year Average	1,792	1,942	2,133	2,375	2,566	2,559	2,305	2,053	1,930	2,009

Quarter Units Sales vs List Price	2026	
Units Sales Price ABOVE List	409	20%
Units Sales Price EQUAL List	783	37%
Units Sales Price BELOW List	905	43%

Median Sales Price	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Third Quarter	$224,184	$231,257	$247,821	$291,953	$292,457	$336,000	$331,705	$336,995	$330,000	$341,036
% Change YoY	3.9%	3.2%	7.2%	17.8%	0.2%	14.9%	-1.3%	1.6%	-2.1%	3.3%
% Change 3 yr Avg	1.9%	6.1%	12.2%	16.6%	12.9%	14.8%	8.9%	4.7%	-0.5%	1.6%
% Change 5 yr Avg	2.2%	4.9%	10.0%	13.1%	9.8%	11.8%	9.8%	8.1%	4.9%	3.5%

Sales by Price Range		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Third Qtr	Below $150,000	560	529	461	286	173	98	70	70	77	85
	$150,000-$200,000	410	510	494	375	227	155	104	99	103	98
	$200,000-$250,000	290	350	473	624	422	206	172	209	215	170
	$250,000-$300,000	245	290	307	446	617	381	348	354	371	402
	$300,000-$350,000	143	178	237	287	346	427	336	326	334	346
	$350,000-$500,000	199	235	283	424	638	613	477	528	471	555
	$500,000-$650,000	30	39	55	117	201	294	220	220	219	222
	$650,000-$800,000	10	9	29	31	60	98	78	104	102	112
	Above $800,000	10	13	11	31	42	59	53	60	69	107

Change in Number of Sales		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Third Qtr	Below $150,000	-1.2%	-5.5%	-12.9%	-38.0%	-39.5%	-43.4%	-28.6%	0.0%	10.0%	10.4%
	$150,000-$200,000	5.7%	24.4%	-3.1%	-24.1%	-39.5%	-31.7%	-32.9%	-4.8%	4.0%	-4.9%
	$200,000-$250,000	16.9%	20.7%	35.1%	31.9%	-32.4%	-51.2%	-16.5%	21.5%	2.9%	-20.9%
	$250,000-$300,000	15.0%	18.4%	5.9%	45.3%	38.3%	-38.2%	-8.7%	1.7%	4.8%	8.4%
	$300,000-$350,000	3.6%	24.5%	33.1%	21.1%	20.6%	23.4%	-21.3%	-3.0%	2.5%	3.6%
	$350,000-$500,000	7.0%	18.1%	20.4%	49.8%	50.5%	-3.9%	-22.2%	10.7%	-10.8%	17.8%
	$500,000-$650,000	30.4%	30.0%	41.0%	112.7%	71.8%	46.3%	-25.2%	0.0%	-0.5%	1.4%
	$650,000-$800,000	25.0%	-10.0%	222.2%	6.9%	93.5%	63.3%	-20.4%	33.3%	-1.9%	9.8%
	Above $800,000	150.0%	30.0%	-15.4%	181.8%	35.5%	40.5%	-10.2%	13.2%	15.0%	55.1%

Pending Sales	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
End of Quarter	222	487	595	759	620	534	418	344	531	416

Sales by Type of Financing	Cash	Conven-tional	FHA	FMHA	Owner Financed	USDA RD	VA Loan	Other
3Q 2026 Units Sold	355	978	344	1	1	49	348	21
Average Price per Type	$382,119	$420,445	$315,049	$436,000	$450,000	$274,940	$458,394	$247,828

Home Sales Third Quarter	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Existing Properties	1,430	1,683	1,772	1,907	2,003	1,682	1,304	1,313	1,330	1,460
New Construction	467	470	578	714	723	649	554	657	631	637

Table 2

Madison County Residential Real Estate Report
Third Quarter 2026

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Q3 Metrics Details

- Monthly home sales in July and August 2026 exceeded their respective five-year averages, while September sales fell below the five-year average for the month. (Figure 1)
- The median sales price increased 3.3% year over year in Q3 2026, slightly below the average year-over-year inflation rate of 3.5% for July through September 2026, indicating that home prices remained relatively stable in inflation-adjusted terms. (Figure 2)

MADISON COUNTY, ALABAMA

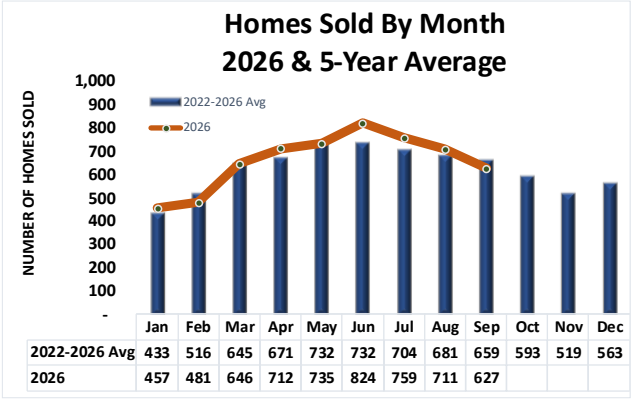
Quarter 3, 2026

INVENTORY (Average)		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Units	Below $150,000	429	195	91	40	24	14	24	48	76	94
	$150,000-$200,000	438	262	144	59	33	36	46	105	107	143
	$200,000-$250,000	357	272	202	170	38	46	66	214	187	188
	$250,000-$300,000	317	256	213	166	90	136	261	481	463	447
	$300,000-$350,000	183	189	127	120	131	257	317	409	394	441
	$350,000-$500,000	326	309	260	227	183	482	449	713	712	761
	$500,000-$650,000	94	97	82	83	95	187	275	317	303	270
	$650,000-$800,000	51	50	55	44	40	118	149	174	184	155
	Above $800,000	61	61	50	57	58	88	113	172	192	224

Months of Supply	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Below $150,000	2.3	1.1	0.6	0.4	0.4	0.5	1.1	2.2	3.0	3.3
$150,000-$200,000	3.2	1.6	0.9	0.5	0.4	0.7	1.4	3.4	3.2	4.4
$200,000-$250,000	3.7	2.3	1.3	0.8	0.3	0.7	1.2	3.1	2.6	3.3
$250,000-$300,000	3.9	2.7	2.1	1.1	0.4	1.1	2.2	4.1	3.8	3.4
$300,000-$350,000	4.0	3.3	1.7	1.3	1.1	1.8	2.8	3.8	3.6	3.8
$350,000-$500,000	5.0	4.0	2.8	1.6	0.9	2.4	2.8	4.1	4.5	4.2
$500,000-$650,000	10.4	7.9	5.0	2.1	1.4	2.0	3.8	4.4	4.2	3.7
$650,000-$800,000	26.3	16.8	5.8	4.5	2.0	3.6	5.8	5.2	5.5	4.4
Above $800,000	18.6	15.0	23.9	6.6	4.3	5.1	6.6	9.3	8.6	6.4
All Homes	3.6	2.4	1.6	1.1	0.8	1.8	2.7	4.0	4.0	3.9

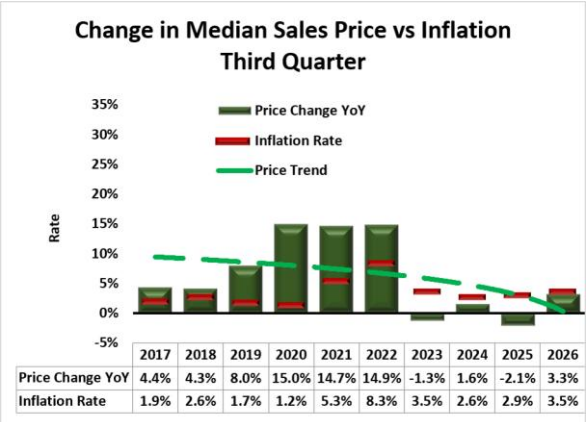
ECONOMIC INDICATORS	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Madison County Population	361,046	366,519	372,538	388,153	395,211	400,898	412,600	423,355	433,516	n/a
Workforce	184,259	189,108	193,054	195,166	199,486	205,956	213,928	221,188	226,768	n/a
Household Units	164,272	166,516	169,204	169,204	171,542	176,455	182,179	187,082	191,411	n/a
Median Household Income	$61,318	$63,417	$64,130	$66,887	$71,153	$78,058	$83,528	$86,499	n/a	n/a
Madison County GDP ($mil)	$23,738	$24,854	$26,124	$26,615	$27,914	$29,457	$31,184	$32,237	n/a	n/a
Annualized Inflation Rate (CPI)	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%	2.9%	2.6%	3.7%
National 30yr Mortgage Rate Sep	3.8%	4.7%	3.6%	2.9%	3.0%	6.7%	7.3%	6.1%	6.3%	7.0%

Table 3



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022-2026 Avg	433	516	645	671	732	732	704	681	659	593	519	563
2026	457	481	646	712	735	824	759	711	627			

Figure 1

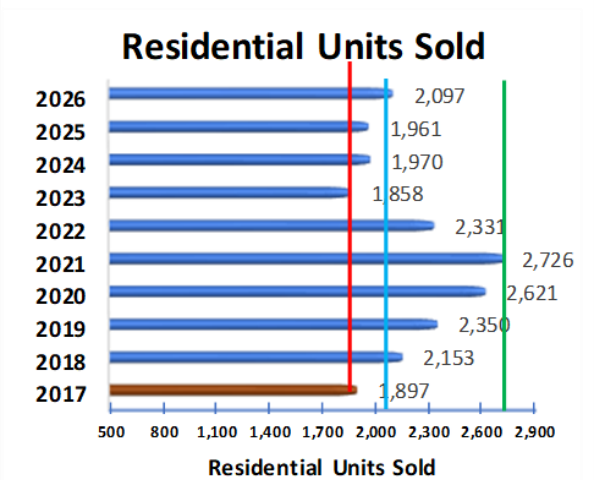


	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Price Change YoY	4.4%	4.3%	8.0%	15.0%	14.7%	14.9%	-1.3%	1.6%	-2.1%	3.3%
Inflation Rate	1.9%	2.6%	1.7%	1.2%	5.3%	8.3%	3.5%	2.6%	2.9%	3.5%

Figure 2

Q3 Metrics Details, continued

- Total home sales in Q3 2026 (2,097) were 2.6% above the five-year Q3 average of 2,043 but 7.7% below the previous quarter's level of 2,271. Over the past ten years, third-quarter sales peaked at 2,726 homes in 2021 and reached their lowest level of 1,858 homes in 2023. (Figure 3)
- The median sales price in Q3 2026 increased year over year and exceeded both the three-year and five-year third-quarter averages, indicating continued positive home price trends. (Figure 4)
- Monthly median sales prices in Q3 2026 were higher than their corresponding levels in 2025 for all three months. (Figure 5)



	Qtr	Year	Total Units	Avg Month	Change
Current Quarter	3Q	2026	2,097	699	
vs. Prior Quarter	2Q	2026	2,271	757	-7.7%
vs. Last Year	3Q	2025	1,961	654	6.9%
5-YR Third Qtr Avg	3Q	22-'26	2,043	681	2.6%
vs. Peak	3Q	2021	2,726	909	
vs. Trough	3Q	2023	1,858	619	12.9%

Figure 3

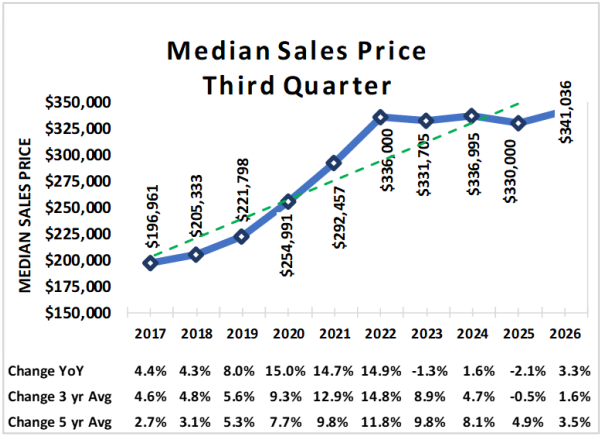


Figure 4

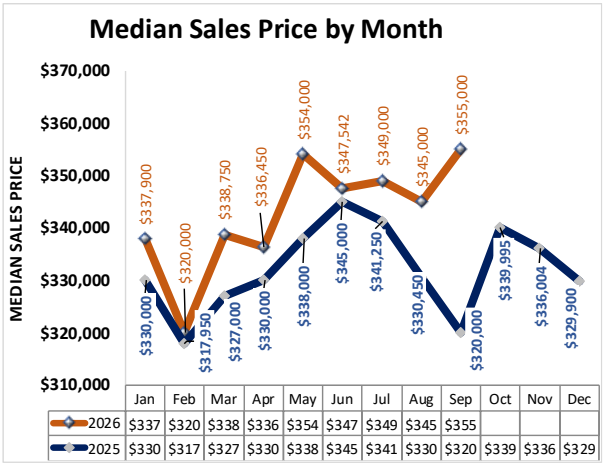


Figure 5

Madison County Residential Real Estate Report
Third Quarter 2026

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Q3 Metrics Details, continued

- Sales of homes priced above $800,000 continued to increase, with this segment recording the largest year-over-year percentage increase (55%) in Q3 2026 compared with Q3 2025. (Figure 6 & Figure 7)
- The average number of available homes increased in most price ranges compared to Q3 2025. (Figure 8)
- The average number of homes listed during Q3 2026 (2,723) was slightly higher than in the previous quarter (2,584). This continues a trend observed since 2021, with average inventory levels consistently higher in the third quarter than in the second quarter. (Figure 9)

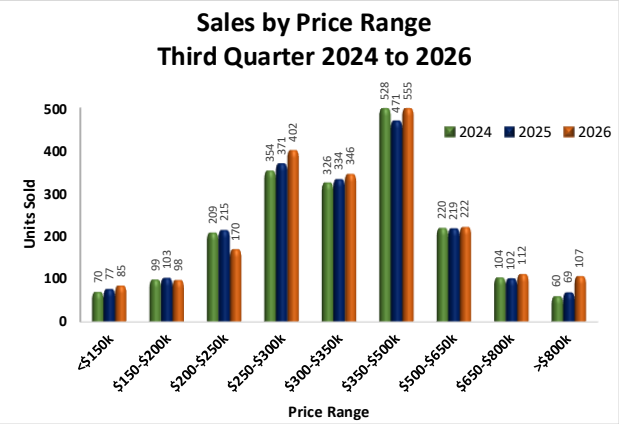


Figure 6

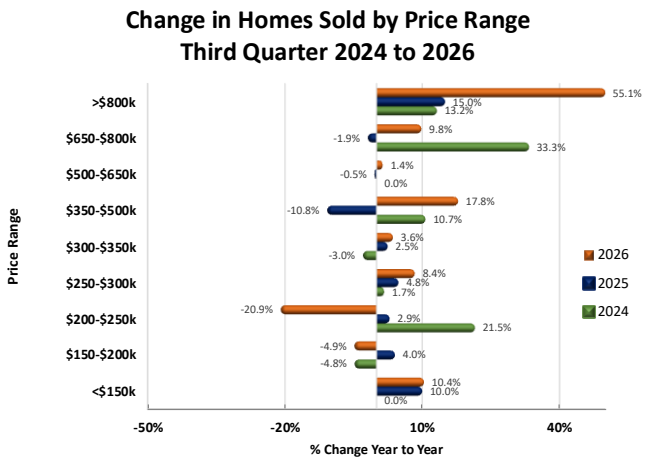


Figure 7

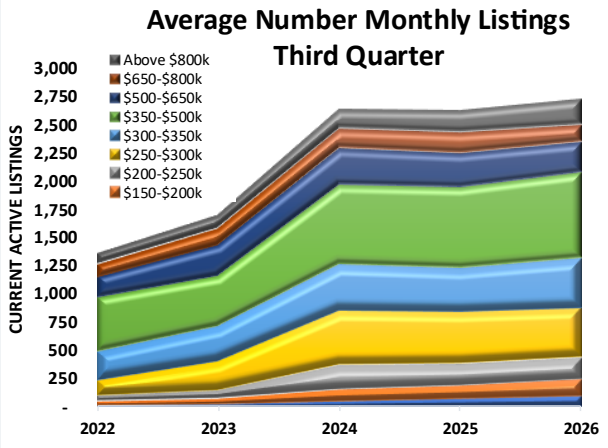


Figure 8

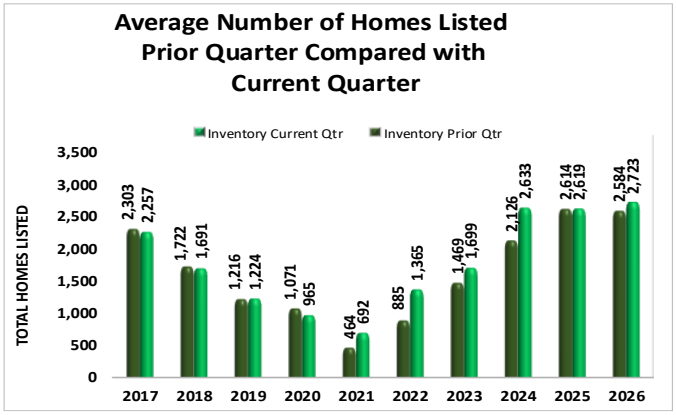


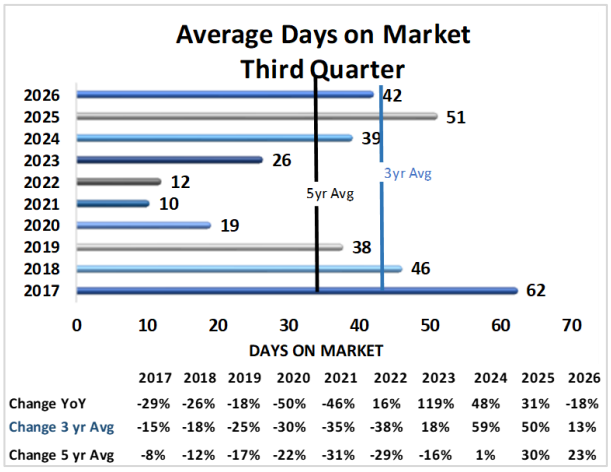
Figure 9

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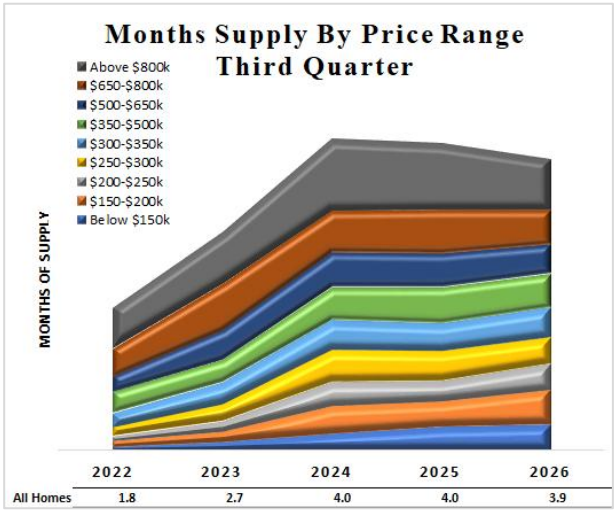
Q3 Metrics Details, continued

- Average days on market decreased to 42 days. (Figure 10)
- Pending sales declined to 416 homes, while active inventory increased to 2,814 homes at the end of Q3 2026. (Figure 11)
- Homes priced at $800,000 and above had the highest months of supply, at 6.4 months. (Figure 12)
- Based on current sales and inventory trends, approximately 1,830 homes are projected to sell in Q4 2026, with end-of-quarter inventory estimated at 2,570 homes. (Figure 13)



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Change YoY	-29%	-26%	-18%	-50%	-46%	16%	119%	48%	31%	-18%
Change 3 yr Avg	-15%	-18%	-25%	-30%	-35%	-38%	18%	59%	50%	13%
Change 5 yr Avg	-8%	-12%	-17%	-22%	-31%	-29%	-16%	1%	30%	23%

Figure 10



	2022	2023	2024	2025	2026
All Homes	1.8	2.7	4.0	4.0	3.9

Figure 12

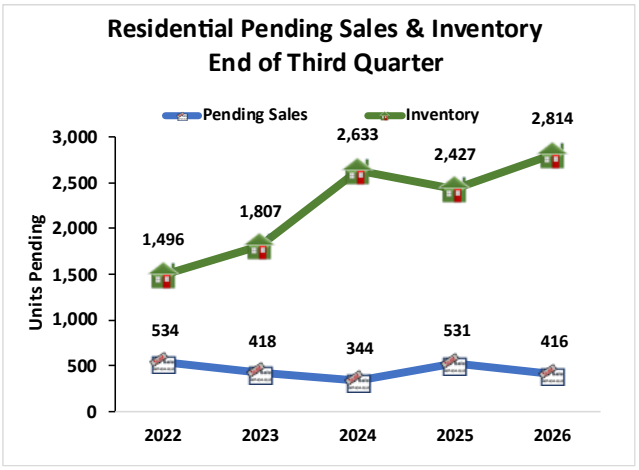
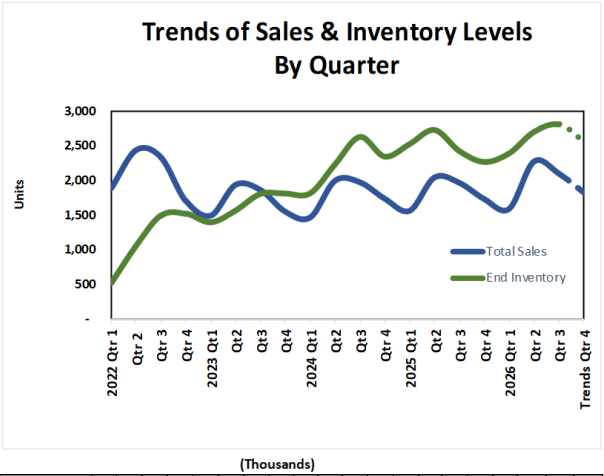


Figure 11



(Thousands)

Sales	1.9	2.4	2.3	1.7	1.5	1.9	1.9	1.5	1.5	2.0	2.0	1.7	1.6	2.0	2.0	1.7	1.6	2.3	2.1	1.8
End Inventory	0.5	1.1	1.5	1.5	1.4	1.6	1.8	1.8	1.8	2.2	2.6	2.3	2.5	2.7	2.4	2.3	2.4	2.7	2.8	2.6

Figure 13

Madison County Residential Real Estate Report
Third Quarter 2026

Created for HAAR
HUNTSVILLE AREA ASSOCIATION of REALTORS®

Madison County Economic Indicators

- Madison County's population grew to an estimated 433,516 as of July 2025 according to Census Bureau QuickFacts. Labor force estimates (226,768) are the number of civilian residents aged 16 and older who are either employed or actively seeking work. Data is reported by the Bureau of Labor Statistics through the Local Area Unemployment Statistics (LAUS) program. (Figure 14)
- Madison County's median household income reached an estimated $86,499, according to the U.S. Census Bureau's 2020–2024 American Community Survey (ACS) 5-Year Estimates, expressed in 2024 inflation-adjusted dollars. (Figure 15)
- The number of household units grew to an estimated 191,411 in 2025 according to Census Bureau QuickFacts. (Figure 16)
- Madison County's real gross domestic product (GDP) reached approximately $32.2 billion in 2024, measured in chained 2017 dollars, according to the U.S. Bureau of Economic Analysis. (Figure 17)

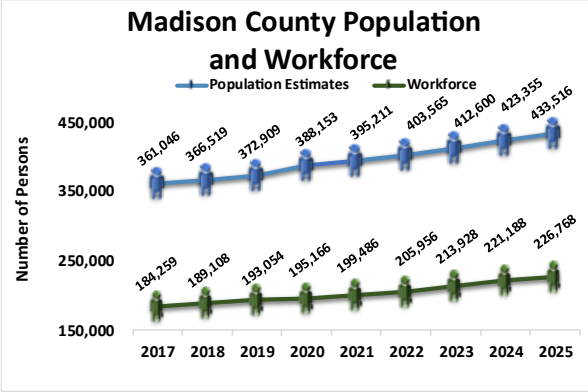


Figure 14

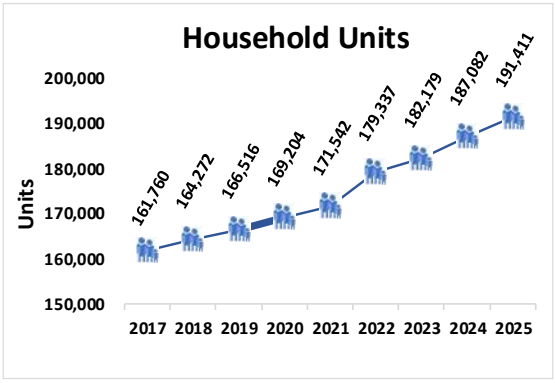


Figure 16

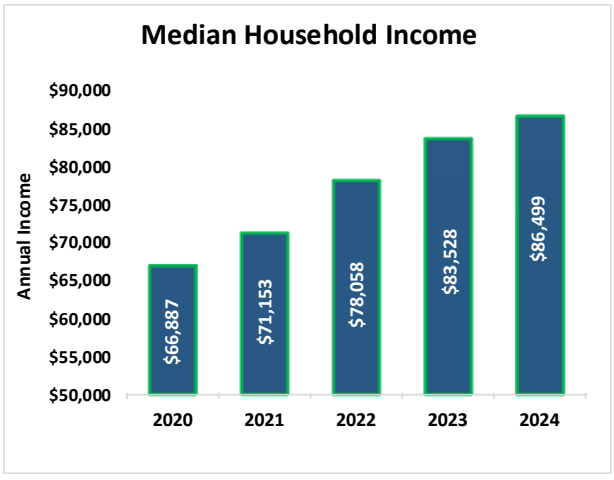


Figure 15

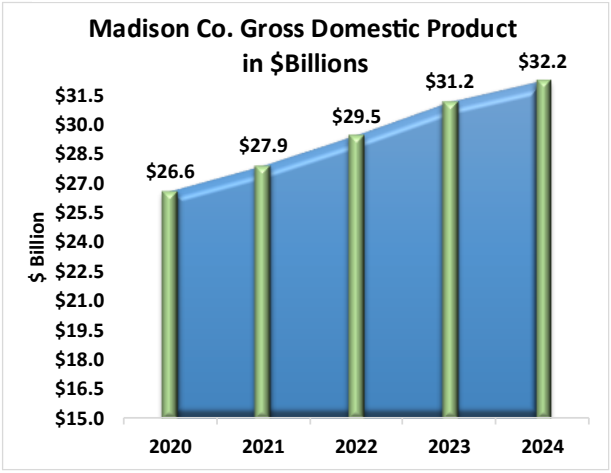


Figure 17

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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