

# AL RREI™



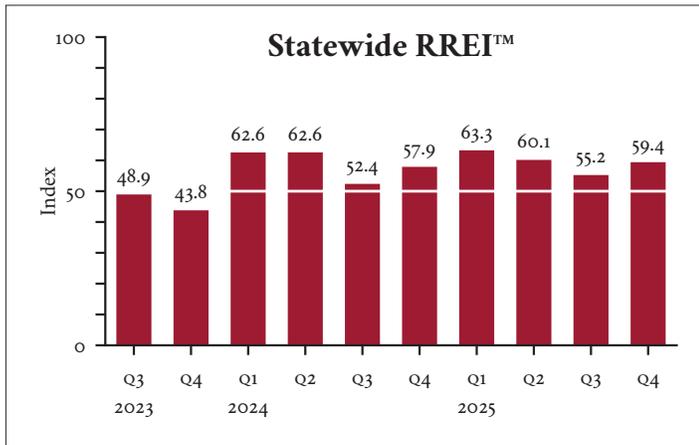
## Alabama Residential Real Estate Index

### Improving Residential Markets Expected in Q4 2025

The *Alabama Residential Real Estate Index* (AL RREI™) is a quarterly survey of residential brokers, sales agents, affiliates (loan officers, title agents, bankers, appraisers, etc.), and other industry professionals that measures market expectations for the upcoming quarter. An index value of 50 indicates a neutral outlook. Scores below 50 indicate a contractionary outlook while scores above 50 indicate an expansionary outlook.

In the Q4 2025 survey, the AL RREI™ registered a score of 59.4, signaling moderate confidence that Alabama’s residential market will continue to improve. This marks the eighth consecutive quarter with an expansionary reading. All six index components scored above 50, and each increased from the previous quarter.

Respondents expressed strong confidence that interest rates will decline and listings will rise, moderate confidence that both the Alabama and U.S. markets and home sales will improve, and mild confidence that home prices will increase.

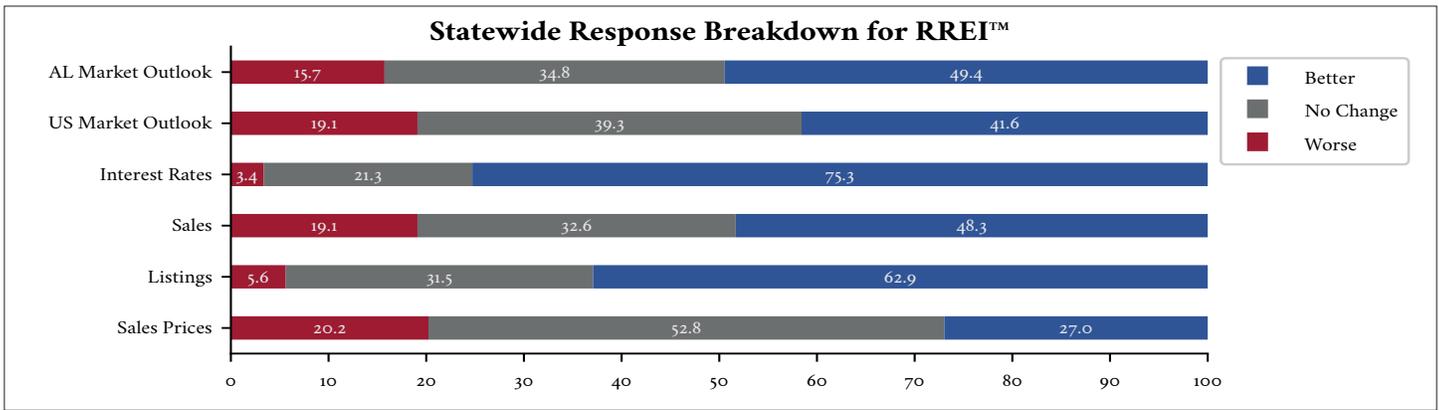


### Statewide Component Index Analysis

- Alabama Market Outlook:** The Q4 2025 index registered 59.3, reflecting moderate confidence in the continued expansion of Alabama’s residential market. The component rose 2.8 points from Q3. Nearly half of respondents (49%) expect market conditions to improve, 35% expect no change, and 16% anticipate a decline. This marks the eighth consecutive quarter the index has remained above 50.
- U.S. Market Outlook:** The national market index rose 6.1 points from Q3 to 55.1, indicating moderate confidence in improving conditions. Among participants, 42% expect the U.S. market to improve, 39% anticipate no change, and 19% foresee a decline.
- Interest Rates:** The Q4 index climbed 13.1 points to 68.0, showing strong confidence that interest rates will decrease. Most respondents (75%) expect rates to fall, 21% expect no change, and 4% expect an increase. This component has stayed above 50 for eight consecutive quarters.
- Sales:** With an index of 57.3, respondents are moderately confident that home sales will rise from Q3. The component edged up 0.3 points from the prior quarter. Nearly half (48%) expect sales to increase, 33% anticipate no change, and 19% expect a decrease.
- Listings:** The listings index reached 65.2, indicating strong confidence that inventory will increase. The component rose 2.5 points from Q3, with 63% of respondents expecting more listings, 31% expecting no change, and 6% anticipating fewer listings. This marks the eighth straight quarter above 50.
- Sales Price:** At 51.7, the index shows mild confidence that home prices will rise. The indicator was nearly unchanged from Q3, up just 0.1 points. While 53% expect prices to hold steady, more respondents anticipate increases than declines. This is the fifth consecutive quarter the index has remained above 50.

#### AL RREI™ SUMMARY FOR Q4 2025

	Statewide	Change from Q3
RREI™	59.4	4.2
AL Market Outlook	59.3	2.8
US Market Outlook	55.1	6.1
Interest Rates	68.0	13.1
Sales	57.3	0.3
Listings	65.2	2.5
Sales Prices	51.7	0.1



## Mobile Leads in Metro Confidence

Confidence in the residential real estate market varied by metro area in the Q4 2025 survey.

**Mobile** recorded the highest RREI™ score at 65.6, reflecting very strong confidence in expanding market activity compared to Q3. The index rose 16.2 points from the prior survey. Panelists from the area expressed strong confidence that overall market conditions in Alabama will improve and were the most optimistic statewide about increased listings in Q4 2025.

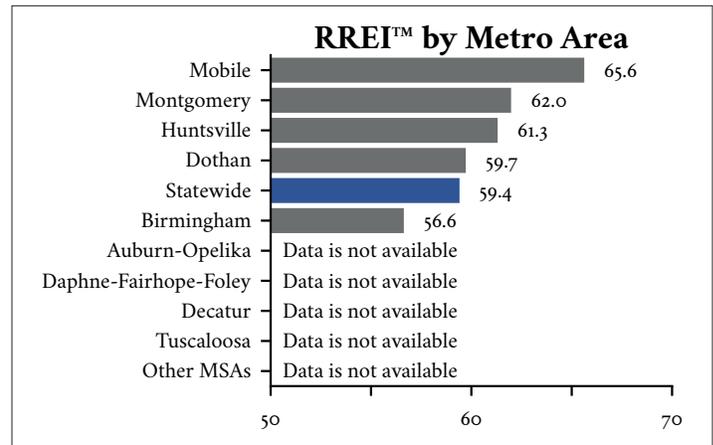
**Montgomery** panelists reported very strong confidence that interest rates will decline and listings will rise, along with moderate confidence that sales will increase during Q4.

**Huntsville** posted the third-highest RREI™ at 61.3, indicating strong confidence in market expansion. Respondents expressed strong confidence in both Alabama and U.S. market conditions improving, very strong confidence that interest rates will decrease and listings will increase, and moderate confidence that sales will rise. However, panelists were neutral on expectations for higher sales prices.

**Dothan** recorded an RREI™ of 59.7 for Q4, reflecting moderate confidence in continued market growth compared to Q3. Local panelists expressed strong confidence that Alabama’s overall market conditions and listings will improve, with additional optimism for lower interest rates and higher sales activity. Panelists were mildly confident that the U.S. market will improve and maintained a neutral outlook for sales prices in Q4.

**Birmingham** followed with an RREI™ of 56.6, showing moderate confidence in market expansion for Q4. Panelists were mildly confident that Alabama’s overall market conditions will improve, very strongly confident that interest rates will decline, and strongly confident that listings will increase compared to the previous quarter. Respondents were neutral regarding sales expectations.

Data is not available for **Auburn-Opelika, Daphne-Fairhope-Foley, Decatur, Tuscaloosa,** and **other MSAs** as there were not enough survey participants from these areas to calculate a statistically significant score.



Note: There was not enough survey participation to provide data for Auburn-Opelika, Daphne-Fairhope-Foley, Decatur, Tuscaloosa, and Other MSAs.

### AL RREI™ OUTLOOK VARIES BY METRO AREA

	RREI	AL Market Outlook	US Market Outlook	Interest Rates	Sales	Listings	Sales Prices
Mobile	65.6	62.5	62.5	68.8	71.9	71.9	56.2
Montgomery	62.0	62.5	53.1	68.8	56.2	71.9	59.4
Huntsville	61.3	64.3	60.7	67.9	57.1	67.9	50.0
Dothan	59.7	63.9	52.8	63.9	61.1	66.7	50.0
Statewide	59.4	59.3	55.1	68.0	57.3	65.2	51.7
Birmingham	56.6	54.6	50.0	71.3	50.8	61.1	51.9
Auburn-Opelika	-	-	-	-	-	-	-
Daphne-Fairhope-Foley	-	-	-	-	-	-	-
Decatur	-	-	-	-	-	-	-
Tuscaloosa	-	-	-	-	-	-	-
Other MSAs	-	-	-	-	-	-	-

## Expansionary Outlook Across Industry Groups

All industry groups reported expansionary expectations for Q4 2025, with each recording an index above 50.

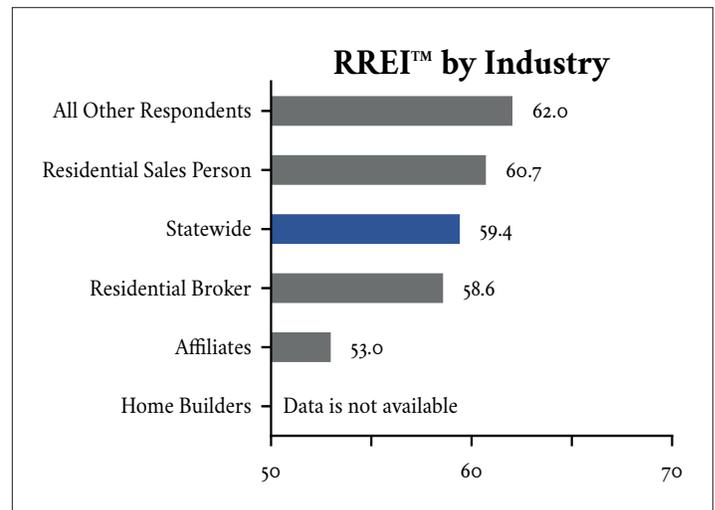
**All other respondents** recorded the highest index at 62.0, reflecting strong confidence in expanding market activity. Respondents in this category were very strongly confident that interest rates will decrease, strongly confident that both sales and listings will rise, and mildly confident that sales prices will increase compared to Q3.

**Residential sales professionals** followed with an index of 60.7, also indicating strong confidence in market expansion. This group expressed very strong confidence that interest rates will decline and listings will increase, strong confidence that sales will rise, and moderate confidence that sales prices will increase compared to the previous quarter.

**Residential brokers** recorded an index of 58.6, showing moderate confidence in market expansion for Q4. They were very strongly confident that interest rates and listings will decrease, moderately confident that sales will increase, and mildly confident that sales prices will decrease compared to Q3.

**Affiliates**—a group including loan officers, title agents, bankers, and appraisers—had the lowest index at 53.0, indicating mild confidence in expanding market activity. This group expressed strong confidence that interest rates will decrease and listings will increase but mild confidence that sales prices will decline in Q4.

Data was not available for **home builders** as there were not enough responses to calculate a statistically significant index score.



*Note: There was not enough survey participation to provide data for home builders.*

### AL RREI™ OUTLOOK VARIES BY INDUSTRIES

	RREI	AL Market Outlook	US Market Outlook	Interest Rates	Sales	Listings	Sales Prices
All Other Respondents	62.0	63.9	61.1	72.2	61.1	61.1	52.8
Residential Sales Person	60.7	57.9	57.1	67.1	61.4	65.7	55.0
Statewide	59.4	59.3	55.1	68.0	57.3	65.2	51.7
Residential Broker	58.6	59.6	52.9	69.1	55.1	66.2	48.5
Affiliates	53.0	53.6	46.4	64.3	46.4	60.7	46.4
Home Builders	-	-	-	-	-	-	-

Additional participants are needed for the first quarter of 2026.  
 You can register for the AL RREI™ on the [ACRE website](#).