

Birmingham-Hoover, Alabama

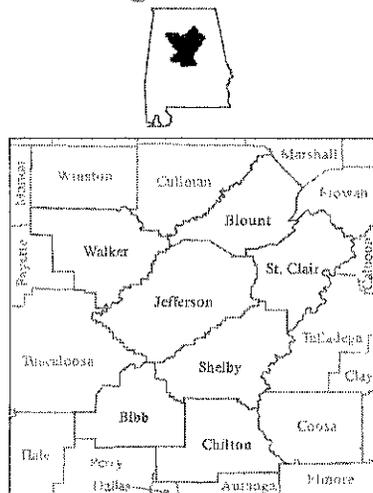
U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of April 1, 2011

PD&R

Summary

In late April 2011, multiple tornadoes touched down in Alabama, Arkansas, Georgia, Mississippi, Tennessee, and Virginia. Several of the tornadoes significantly impacted the Birmingham-Hoover Housing Market Area. This report reflects housing market conditions before the impact of the tornadoes.

Housing Market Area



The Birmingham-Hoover Housing Market Area (HMA) consists of seven counties in north-central Alabama: Bibb, Blount, Chilton, Jefferson, St. Clair, Shelby, and Walker. The presence of natural resources and an extensive transportation infrastructure have made the HMA attractive to manufacturers and distribution companies. Construction has begun on the Birmingham Regional Intermodal Facility that will connect the HMA to the Crescent Corridor rail line.

Economy

During the 12 months ending March 2011, nonfarm payrolls in the Birmingham-Hoover HMA decreased by 4,100 jobs, or 0.8 percent, to an average of 489,100 jobs, continuing the decline that began in 2007. The education and health services, government, and transportation and utilities sectors were the only sectors reporting job gains during the 12-month period ending March 2011. During the 3-year forecast period, nonfarm payrolls are expected to continue to decline before recovering to the current level by 2014.

Sales Market

The sales housing market in the HMA is currently soft. During the 12 months ending March 2011, 1,475 new and existing single-family homes sold, down 42 percent from the previous year, but the average home sales price was up 4 percent, to \$210,300. During the forecast period, demand is expected for 7,250 new homes (see Table 1). In addition to the 550 units currently under construction, a portion of the estimated 31,750 other vacant units may come back on the market and satisfy some of this demand.

Market Details

Economic Conditions	2
Population and Households	4
Housing Market Trends	5
Data Profile	8

Rental Market

Despite a decline in apartment construction since 2008, the rental housing market in the HMA is currently soft, with an overall rental vacancy rate estimated at 12.9 percent. According to Reis, Inc., during the first quarter of 2011, the average rent for an apartment in the HMA was \$730, up nearly 1 percent from a year earlier. During the next 3 years, the current vacant available units and the 410 units currently under construction are expected to meet demand (see Table 1).

Table 1. Housing Demand in the Birmingham-Hoover HMA, 3-Year Forecast, April 1, 2011 to April 1, 2014

	Birmingham-Hoover HMA	
	Sales Units	Rental Units
Total Demand	7,250	0
Under Construction	550	410

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2011. A portion of the estimated 31,750 other vacant units in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst.

Economic Conditions

Nonfarm payrolls in the Birmingham-Hoover HMA have been declining since 2007, with the largest annual loss of 29,700 jobs occurring in 2009. During the 12 months ending March 2011, nonfarm payrolls decreased by 4,100 jobs, or 0.8 percent, to average 489,100 jobs (see Table 2). Job losses in the mining, logging, and construction and the manufacturing sectors, which declined by 1,600 and 1,350 jobs, or 6.1 and 3.7 percent, respectively, primarily account for the decrease in payrolls in the HMA. The education and health services, government, and

transportation and utilities sectors increased by 1,000, 350, and 200 jobs, or 1.5, 0.4, and 1 percent, respectively. Those were the only three sectors to gain jobs during this period. The unemployment rate averaged 8.7 percent, an improvement from the 9.5-percent rate recorded during the previous 12 months. See Figure 1 for trends in the labor force, resident employment, and unemployment rate from 2000 through 2010.

Although the manufacturing and the mining, logging, and construction sectors have reported job losses each year since 2006, some local manufacturing companies are expanding and several nonlocal companies are relocating to the HMA. According to the McGraw-Hill Construction Pipeline database, contracts for future commercial projects exceeded \$240 million in March 2011, up from the \$43 million reported in March 2010. Amtex, Inc., a subsidiary of Hayashi Telempu, is constructing a \$12.8 million plant and will hire 60 workers in 2011 to manufacture parts for the Toyota plant near Tupelo, Mississippi. Dollar General Corporation is constructing a \$100 million distribution facility that will employ 650 workers when completed in the fall of 2011. Adding to the growth in the transportation and utilities sector, Norfolk Southern Corp. is currently constructing the \$98 million Birmingham Regional Intermodal Facility on the Crescent Corridor rail line that will connect New Jersey to New Orleans and is expected to employ 200 workers upon completion. Norfolk Southern Corp. estimates the facility will create or preserve 8,600 jobs in central Alabama over the next 10 years.

Employment in the education and health services sector continued to increase during the past year. The

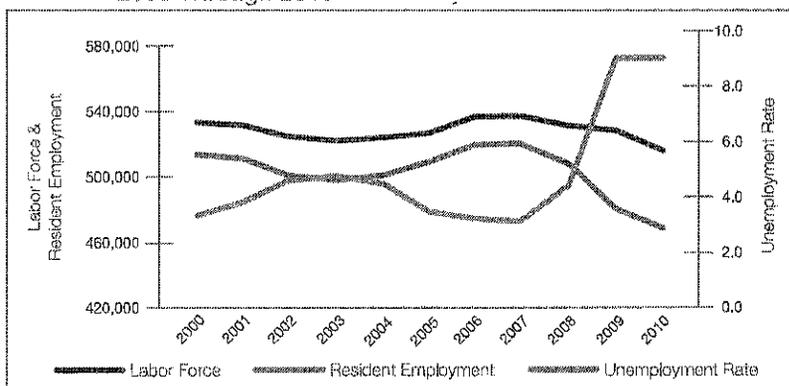
Table 2. 12-Month Average Nonfarm Payroll Jobs in the Birmingham-Hoover HMA, by Sector

	12 Months Ending March 2010	12 Months Ending March 2011	Percent Change
Total Nonfarm Payroll Jobs	493,200	489,100	-0.8
Goods Producing	64,450	61,600	-4.4
Mining, Logging, & Construction	28,550	27,050	-5.3
Manufacturing	35,900	34,550	-3.7
Service Providing	428,700	427,500	-0.3
Wholesale & Retail Trade	86,200	85,450	-0.8
Transportation & Utilities	20,150	20,350	1.0
Information	9,950	9,325	-6.4
Financial Activities	37,700	36,850	-2.2
Professional & Business Services	59,400	59,350	-0.1
Education & Health Services	65,150	66,150	1.5
Leisure & Hospitality	42,800	42,300	-1.1
Other Services	23,750	23,700	-0.3
Government	83,700	84,050	0.4

Notes: Based on 12-month averages through March 2010 and March 2011. Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Birmingham-Hoover HMA, 2000 Through 2010

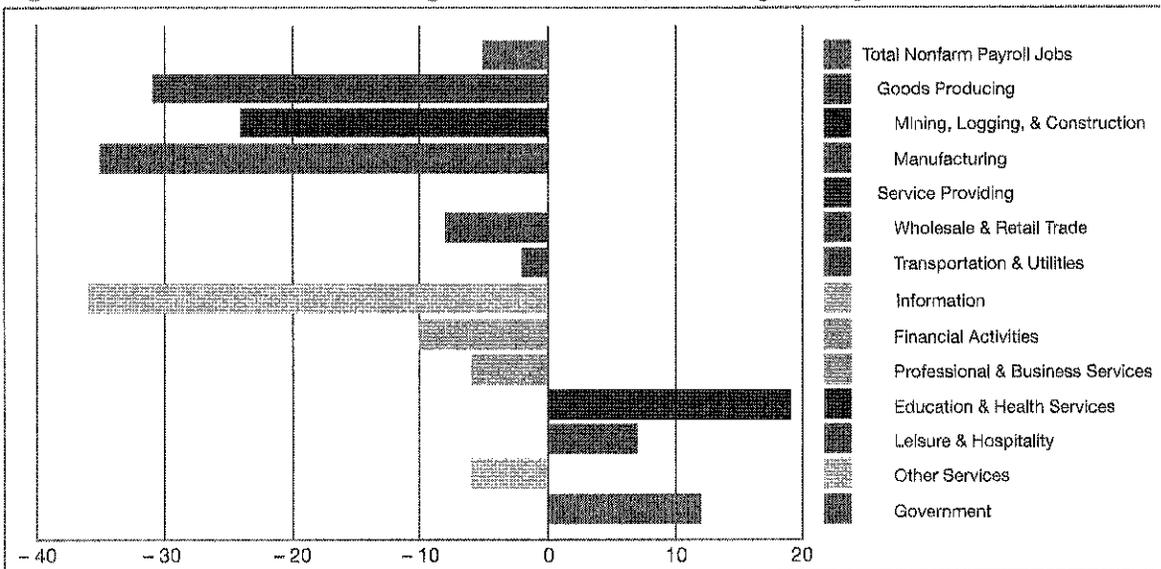


Source: U.S. Bureau of Labor Statistics

sector added 1,000 jobs, an increase of 1.5 percent, during the 12 months ending March 2011 and has increased by an average of 950 jobs, or 1.6 percent, annually since 2000 (see Figure 2). The growing population of people 62 or older, which increased by 33 percent, to 182,200, between 2000 and 2010, supported employment growth in the sector. The education and health services sector includes three of the

six largest private employers in the HMA and accounts for nearly 14 percent of all nonfarm payroll jobs (see Figure 3). The largest employer in the HMA, The University of Alabama at Birmingham (UAB) employs 18,750 workers and had a \$1.6 billion economic impact on the HMA in 2010, according to a study by Tripp Umbach, Inc. (see Table 3).

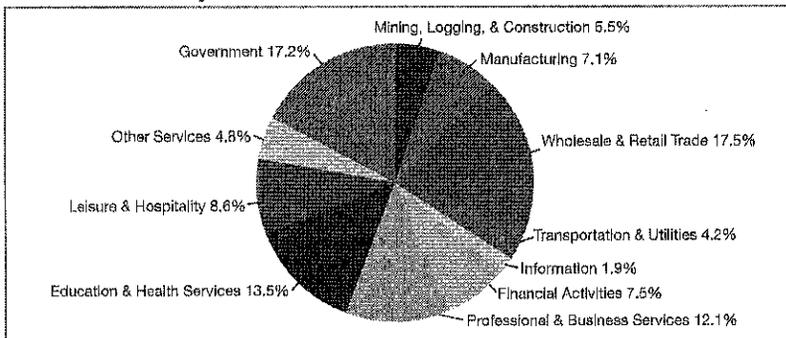
Figure 2. Sector Growth in the Birmingham-Hoover HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through March 2011.

Source: U.S. Bureau of Labor Statistics

Figure 3. Current Nonfarm Payroll Jobs in the Birmingham-Hoover HMA, by Sector



Note: Based on 12-month averages through March 2011.

Source: U.S. Bureau of Labor Statistics

Nonfarm payrolls in the HMA are expected to continue declining during the next 12 months, then increase back to the current level by the end of the 3-year forecast period. The transportation and utilities and the education and health services sectors are expected to continue adding jobs during the forecast period, many of which will be offset by continued losses in the mining, logging, and construction sector.

Table 3. Major Employers in the Birmingham-Hoover HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
The University of Alabama at Birmingham	Education & Health Services	18,750
Regions Financial Corporation	Financial Activities	6,000
AT&T Inc.	Information	5,750
St. Vincent's Health System	Education & Health Services	4,700
Honda Manufacturing of Alabama, LLC	Manufacturing	4,500
Baptist Health Systems, Inc.	Education & Health Services	4,000
Mercedes Benz U.S. International, Inc.	Manufacturing	3,500
Children's Health System	Education & Health Services	3,200
Wells Fargo and Company	Financial Activities	3,100
Alabama Power Company	Transportation & Utilities	3,000

Note: Excludes local school districts.

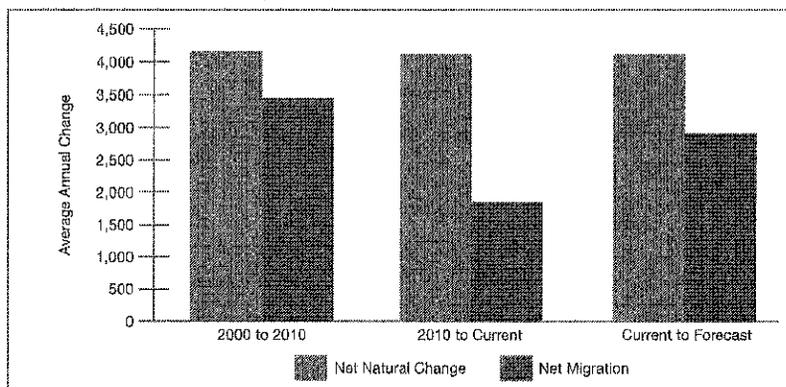
Source: Birmingham Business Alliance

Population and Households

The population in the Birmingham-Hoover HMA has grown steadily since 2000 (see Table DP-1 at the end of this report). As of April 1, 2011, the population of the HMA is estimated at 1,134,000, which reflects an average annual increase of 5,950, or 0.5 percent, since April 1, 2010. During the previous decade, population growth was strongest from 2005 through 2008, with an average annual increase of 10,600 people, or 1 percent, compared with a gain of 6,625 people, or 0.6 percent, a year

from 2000 to 2005. The stronger growth since 2005 was partly because of the higher employment growth in the mid-2000s. Net in-migration accounted for an estimated 55 percent of the population increase from 2005 through 2008, because people moved to the HMA in search of jobs. Although most people moving into the HMA are from other areas in Alabama, significant numbers of people also relocate from California, Florida, Georgia, and Michigan. From 2009 to the current date, population growth slowed to an average annual increase of 3,925 people, or 0.4 percent, due to net out-migration resulting from the effects of job losses in 2009. As the economy improves during the next 3 years, population growth is expected to increase to an average of 7,000 people, or 0.6 percent, annually. See Figure 4 for the components of population change in the HMA from 2000 to the forecast date.

From 2000 to 2010, the number of households in the HMA increased by an average of 2,950, or 0.7 percent,

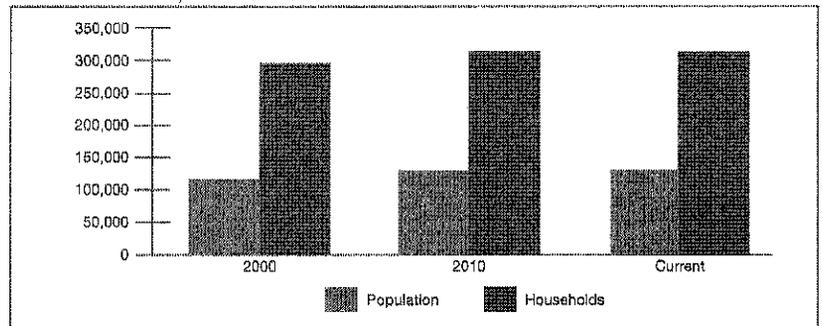
Figure 4. Components of Population Change in the Birmingham-Hoover HMA, 2000 to Forecast

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

annually. In contrast, from 2010 to the current date, net out-migration slowed the average annual increase in the number of households to 580, or 0.1 percent, to an estimated 442,500 households. Figure 5 shows

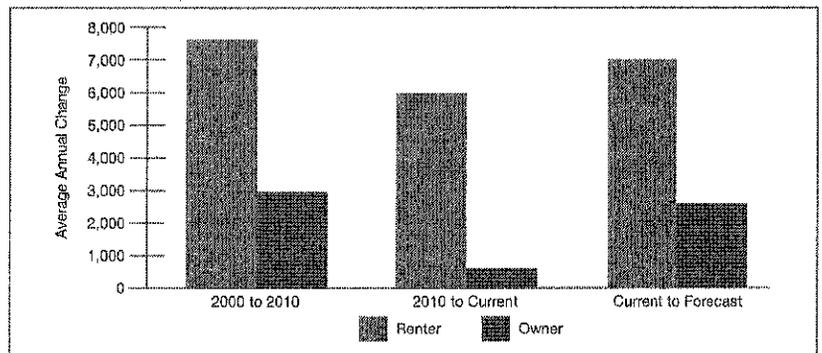
the number of households by tenure. During the forecast period, the number of households in the HMA is expected to increase by an average of 2,525, or 0.6 percent, annually (see Figure 6).

Figure 5. Number of Households by Tenure in the Birmingham-Hoover HMA, 2000 to Current



Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

Figure 6. Population and Household Growth in the Birmingham-Hoover HMA, 2000 to Forecast



Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Housing Market Trends

Sales Market

The sales housing market in the Birmingham-Hoover HMA is currently soft, with an estimated 2.9-percent vacancy rate, a slight improvement compared with the 3-percent rate recorded in April 2010. The high vacancy rate in the HMA is the result of overbuilding from 2003 through

2006. According to data from Hanley Wood, LLC, during the 12 months ending March 2011, approximately 1,475 new and existing single-family homes sold, down 42 percent from the 2,550 homes sold during the previous 12 months. During the 12-month period ending March 2011, the average

sales price of an existing single-family home rose 4 percent to \$210,300, in part because of an increase in sales of higher priced homes. During the same period, the average sales price of a new single-family home declined 10 percent to \$161,700, down significantly from the average of \$238,200 from 2005 through 2007. According to LPS Applied Analytics, as of March 2011, approximately 7.1 percent of total mortgage loans were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), an improvement compared with the 8-percent rate reported in March 2010.

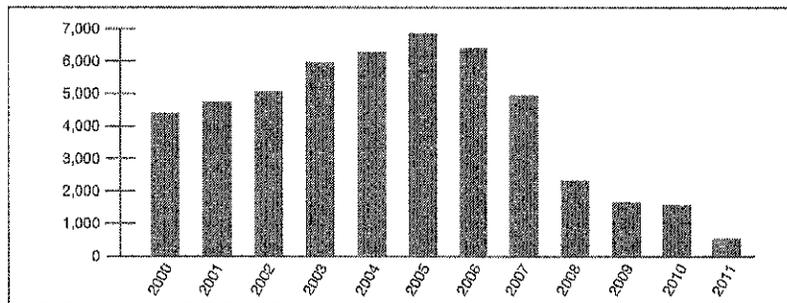
Single-family homebuilding activity, as measured by the number of building permits issued, has paralleled employment growth patterns since 2000.

Building activity averaged 5,050 homes permitted from 2000 through 2003, then increased to average 6,150 homes annually from 2004 through 2007 (see Figure 7). The level of building activity has declined every year since 2007, down to 1,400 homes permitted during the 12 months ending March 2011, a 26-percent decrease compared with the number of homes permitted during the previous 12 months, based on preliminary data.

During the past 12 months, more than 20 percent of new single-family homes in the HMA have been built in eight subdivisions south of the city of Birmingham, in Calera and Pelham, with about 60 percent of sales in those subdivisions priced between \$149,000 and \$199,000. An additional eight subdivisions northeast of Birmingham, in Moody and Odenville, also account for approximately 20 percent of new home sales, with prices ranging from \$120,000 up to \$249,900.

Population and household growth during the next 3 years is expected to support demand for 7,250 new homes. The 550 homes currently under construction and a portion of the estimated 31,750 other vacant units that may come back on the market will satisfy some of the forecast demand (see Table 1). New home sales demand is expected to be strongest for units priced between \$150,000 and \$199,999 (see Table 4). Because of excess vacancy and homes under construction, limited demand is expected for additional new homes until the second year of the forecast period, when demand is estimated for 2,950 homes, accelerating to 3,500 homes by the third year of the forecast period.

Figure 7. Single-Family Building Permits Issued in the Birmingham-Hoover HMA, 2000 to 2011



Notes: Includes townhomes. Includes data through March 2011.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Birmingham-Hoover HMA, April 1, 2011 to April 1, 2014

Price Range (\$)		Units of Demand	Percent of Total
From	To		
95,000	149,999	1,825	25.0
150,000	199,999	2,175	30.0
200,000	249,999	1,450	20.0
250,000	299,999	1,100	15.0
300,000	349,999	580	8.0
350,000	and higher	150	2.0

Note: The 550 homes currently under construction and a portion of the estimated 31,750 other vacant units in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

Rental Market

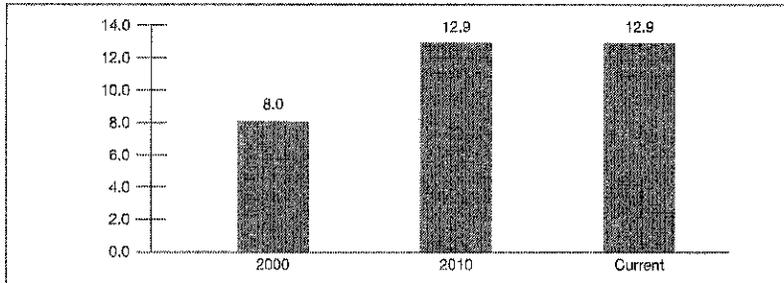
The rental housing market in the Birmingham-Hoover HMA is currently soft, despite a decrease in apartment construction since 2008. The current estimated overall rental vacancy rate of 12.9 percent is unchanged from April 2010 (see Figure 8). From 2004 through 2008, multifamily construction activity, as measured by the number of multifamily units permitted, averaged about 1,050 units a year, nearly double the average of 550 units permitted annually from 2000 through 2003 (see Figure 9). During the 12-month period ending March 2011, multifamily building activity, as measured by the number of units permitted, increased to 380 units compared with activity during the previous 12 months, when about 110 units were permitted, based on preliminary data. Approximately 410 multifamily units are under construction as of

the current date. Despite the recent increase, permitting activity for the past 12 months remains at about one-half the annual average for the 2000s.

According to Reis, Inc., during the first quarter of 2011, the average apartment rent in the HMA was \$730, up nearly 1 percent from a year earlier. Apartment rents averaged approximately \$620, \$730, and \$930 for one-, two-, and three-bedroom units, respectively. The apartment vacancy rate for the HMA was 8.3 percent, an improvement from the 10.4-percent rate in the first quarter of 2010. Apartments account for about 40 percent of all rental units in the HMA. UAB enrolls 18,700 students but provides on-campus housing for only about 2,100 students. Although more than 16,000 students live off campus, Homewood—the rental submarket closest to UAB—has the highest apartment vacancy rate in the HMA. According to Rock Apartment Advisors, Inc., in mid-2011, the apartment vacancy rate in the Homewood submarket was 13.3 percent compared with 7.7 percent for the HMA. More than 700 multifamily rental units have been constructed in Homewood since 2000, contributing to the higher vacancy in the submarket.

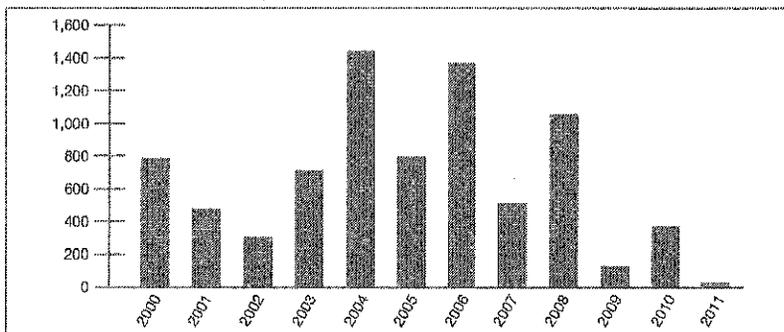
The city of Birmingham has been working to renew the downtown area, including housing, retail, and cultural attractions. CITYVILLE Block 121, a 225-unit property completed in 2010, with an average asking rent of \$1,225 for a two-bedroom unit, is the most recently completed apartment complex in Birmingham. Crowne on 10th, also completed in 2010 in Birmingham, consists of 107 apartments, with an average asking rent of \$1,325 for a two-bedroom unit. Parc at Grandview

Figure 8. Rental Vacancy Rates in the Birmingham-Hoover HMA, 2000 to Current



Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

Figure 9. Multifamily Building Permits Issued in the Birmingham-Hoover HMA, 2000 to 2011



Notes: Excludes townhomes. Includes data through March 2011.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

is scheduled for completion in the fall of 2011 and will include 334 units, with an average asking rent of \$1,275 for a two-bedroom unit.

During the 3-year forecast period, after accounting for the current supply of vacant available units, no demand is expected for additional

new market-rate rental units. The 410 units currently under construction and the large number of vacant units are expected to be more than sufficient to meet the rental demand in the HMA for the next 3 years. The construction of additional units would only prolong soft market conditions.

Data Profile

Table DP-1. Birmingham-Hoover HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total Resident Employment	514,714	469,816	469,800	-0.9	0.0
Unemployment Rate	3.4%	9.0%	8.7%		
Nonfarm Payroll Jobs	516,900	489,500	489,100	-0.5	-0.3
Total Population	1,052,238	1,128,047	1,134,000	0.7	0.5
Total Households	412,376	441,924	442,500	0.7	0.1
Owner Households	296,763	312,004	312,300	0.5	0.1
Percent Owner	72.0%	70.6%	70.6%		
Renter Households	115,613	129,920	130,200	1.2	0.2
Percent Renter	28.0%	29.4%	29.4%		
Total Housing Units	437,273	500,025	502,800	1.4	0.6
Owner Vacancy Rate	1.2%	3.0%	2.9%		
Rental Vacancy Rate	8.0%	12.9%	12.9%		
Median Family Income	\$51,100	\$61,700	\$62,000	1.9	0.2

Notes: Employment data represent annual averages for 2000, 2010, and the 12 months through March 2011. Median family incomes are for 1999, 2009, and 2011.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census

2010: 4/1/2010—U.S. Decennial Census

Current date: 4/1/2011—Analyst's estimates

Forecast period: 4/1/2011–4/1/2014—Analyst's estimates

Demand: The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

Other Vacant Units: In HUD's analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

Building Permits: Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units are classified as commercial structures and are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

Multiple tornadoes struck the Birmingham-Hoover HMA on April 27 and April 28, 2011. The 2-day storm caused the loss of 32 lives, injuries to 261 people, and power loss to more than 170,000 people in the HMA. Damage to infrastructure, commercial buildings, and housing units significantly impacted the economy and housing market of the HMA. The current statistical data used in this analysis has an as-of date of April 1, 2011, and excludes the impact of the tornadoes.

For additional data pertaining to the housing market for this HMA, go to www.huduser.org/publications/pdf/CMARtables_BirminghamAL_12.pdf.

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This analysis has been prepared for the assistance and guidance of the U.S. Department of Housing and Urban Development (HUD) in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to
www.huduser.org/publications/econdev/mkt_analysis.html.



Market at a Glance

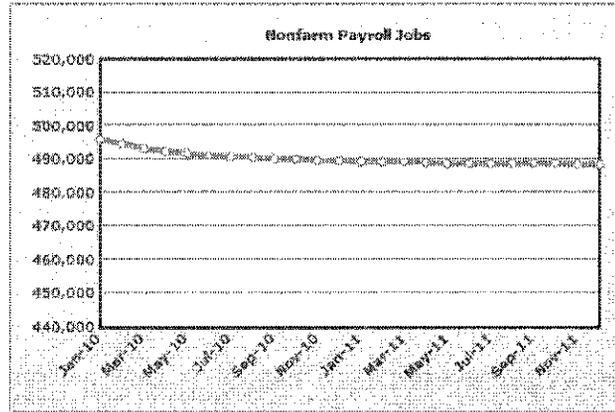
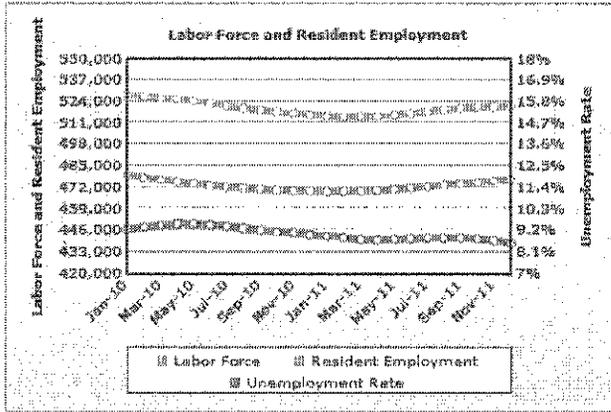
2012

Birmingham-Hoover, AL CBSA

Prepared by PD&R / Economic & Market Analysis Division (EMAD)
Southeast/Caribbean Regional Office

Created on: February 29, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics
12-month Average

Data Source: U.S. Bureau of Labor Statistics
12-month Average

	12-Month Average			Average Annual Change			
	2000	Previous 12-Months	Current 12-Months	2000 to Previous		Previous to Current	
				Number	Percent	Number	Percent
Labor Force ¹	533,010	516,227	521,149	-1,678	-0.3	4,922	1.0
Resident Employment ¹	514,714	489,816	476,535	-4,490	-0.9	6,719	1.4
Unemployment Rate (%) ¹	3.4	9.0	8.6	n/a	n/a	n/a	n/a
Nonfarm Payroll Jobs ²	516,900	489,450	488,325	-2,745	-0.5	-1,125	-0.2

Data Source: U.S. Bureau of Labor Statistics

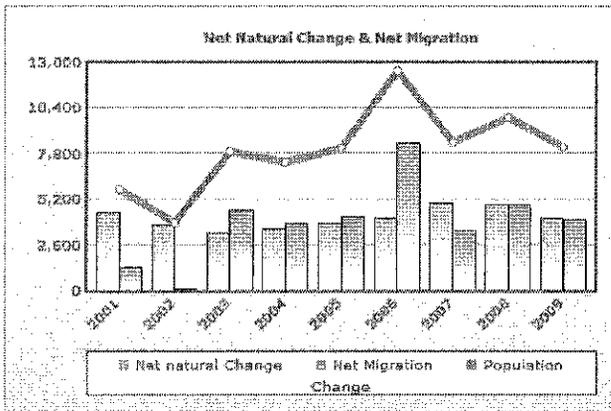
Notes: 1 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011
2 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011

POPULATION & HOUSEHOLDS

	April 2000	July 2008	July 2009	July 2010	Annual Average Change					
					2000 to 2008		2008 to 2009		2009 to 2010	
					Number	Percent	Number	Percent	Number	Percent
Population	1,052,238	1,117,101	1,125,271	1,128,978	7,862	0.7	8,170	0.7	3,707	0.3
Households	412,376	432,089	445,499	430,441	2,389	0.6	13,410	3.1	-15,058	-3.4

Data Source: 1 - 2000 Census; U.S. Census Bureau Population Estimates

2 - 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



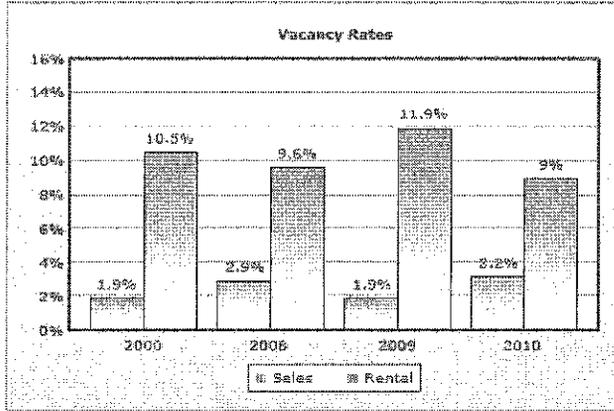
Data Source: U.S. Census Bureau Population Estimates

Notes: 1 - Values in chart reflect July year-to-year changes
2 - Net Migration includes residual population change

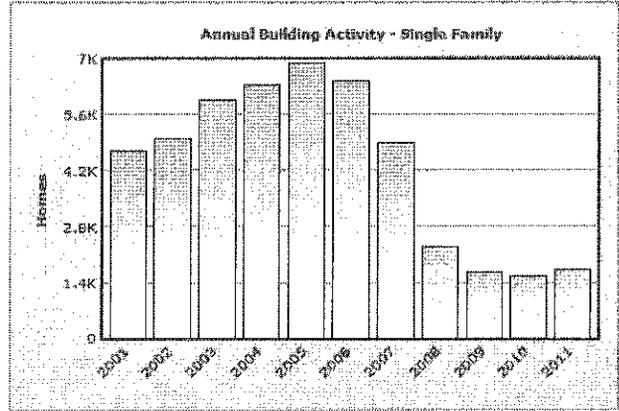
Economic Trends and Population and Household Trends

3rd Post Tornado report: Economic conditions in the Birmingham-Hoover MSA began to moderate in June 2011, following a steady decline since early 2008. During 2011, nonfarm employment in the metropolitan area decreased by 1,100 jobs, or 0.2%, to an average of 488,300 jobs, compared with the decline of 8,200 jobs, or 1.7%, recorded during the previous year. In contrast, from 2003 through 2007, nonfarm employment increased by an average of 6,600 jobs, or 1.3%, annually. Nonfarm employment in the metropolitan area decreased by 2,000 jobs, or 0.4%, to an average of 489,300 jobs during the 3-months ending (3ME) December 2011. During 2011, the retail trade, education and health services, and manufacturing sectors gained 1,900, 500, and 300 jobs or 3.4, 0.8, and 0.8%, respectively. Offsetting job gains, most job losses occurred in the professional and business services, government, and construction sectors, which decreased by 1,800, 1,400 and 600 jobs, or 2.6, 1.7 and 2.7%, respectively. During the 3ME December 2011, the unemployment rate averaged 7.4%, improved from 8.4% during the 3ME December 2010. As of January 1, 2012, the population of the metropolitan area was estimated at 1,142,600. The population increased by 9,100, or 0.8%, during 2011. As of January 1, 2012, there were an estimated 448,300 households, an average annual increase of 1,975, or 0.4% compared with April 1, 2010.

HOUSING MARKET CONDITIONS



Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)

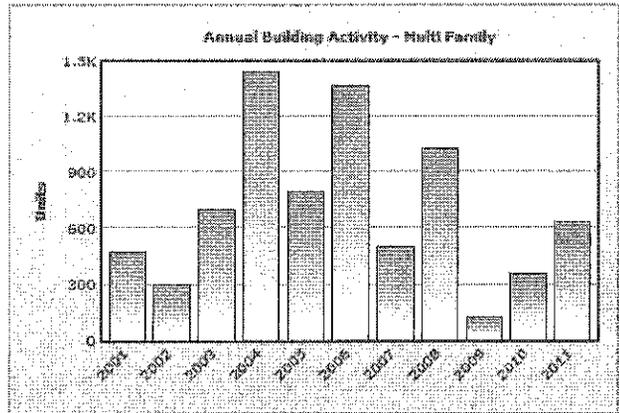


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Inventory by Tenure				
	April			
	2000	2008	2009	2010
Total Housing Units	454,338	504,341	508,590	502,776
Occupied	412,376	432,089	445,499	430,441
Owners	296,763	310,765	313,964	304,304
% Owners	72.0	71.9	70.5	70.7
Renters	115,613	121,324	131,535	126,137
% Renters	28.0	28.1	29.5	29.3
Total Vacant	41,962	72,252	63,091	72,335
Available for Sale	5,706	9,422	6,008	10,056
Available for Rent	13,552	12,840	17,740	12,507
Other Vacant	22,704	49,990	39,343	49,772

Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Market Conditions Summary

The home sales market conditions in the metropolitan area remain soft with a vacancy of 3%. According to data from Hanley Wood, LLC, during the 3ME December 2011, approximately 470 new and existing single-family homes were sold, a decrease of 32% compared with the number sold during the 3ME December 2010. The average new sales price of single-family homes, during the 3ME December 2011, decreased by 3%, to \$181,400. The sales volume and price of REO (Real Estate Owned) also continued to decline as the number of loans 90 or more days delinquent, in foreclosure, or REO declined to 6.7% in December 2011, from 7.4% in December 2010. Despite decreased home sales, single-family home construction activity increased during the past year, as measured by the number of single-family home building permits issued. Based on preliminary data, about 1,760 single-family homes were permitted during 2011, up from 1,575 during the previous year. The metropolitan area rental housing market is improving, but remains soft. The average overall vacancy rate (based on EMAD estimates) in December 2011 was 7.8%, down from 12.5% a year earlier, while the average apartment asking rent increased by 3% to approximately \$725.

Rental Housing Supply	
Under Construction	650
In Planning	900

Data Source: Estimates by analyst

Note: Units In Planning have not been permitted, but are expected to be completed within 3 years

For additional information, please contact: Timothy Michael Miller
 timothy.m.miller@hud.gov
 817-978-9418



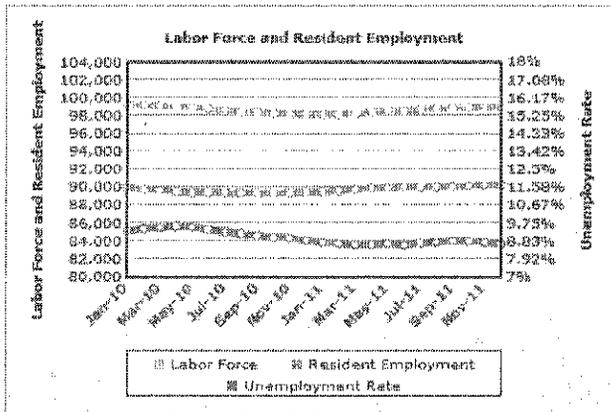
Market at a Glance

Tuscaloosa, AL CBSA

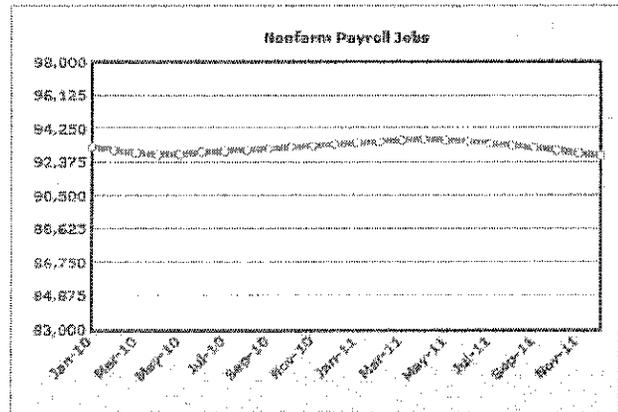
Prepared by: PD&R / Economic & Market Analysis Division (EMAD)
Southeast/Caribbean Regional Office

Created on: February 29, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics
12-month Average



Data Source: U.S. Bureau of Labor Statistics
12-month Average

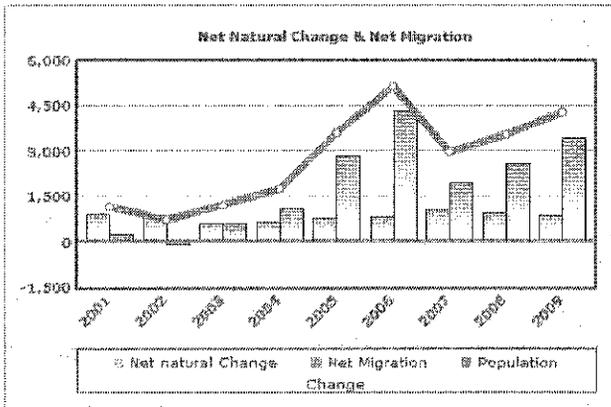
	12-Month Average			Average Annual Change			
	2000	Previous 12-Months	Current 12-Months	2000 to Previous		Previous to Current	
				Number	Percent	Number	Percent
Labor Force ¹	93,105	98,165	98,847	506	0.5	682	0.7
Resident Employment ¹	89,647	89,467	90,256	-18	0.0	789	0.9
Unemployment Rate (%) ¹	3.7	8.9	8.7	n/a	n/a	n/a	n/a
Nonfarm Payroll Jobs ²	89,300	93,350	92,758	405	0.5	-592	-0.6

Data Source: U.S. Bureau of Labor Statistics
Notes: 1 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011
2 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011

POPULATION & HOUSEHOLDS

	April 2000	July 2008	July 2009	July 2010	Annual Average Change					
					2000 to 2008		2008 to 2009		2009 to 2010	
					Number	Percent	Number	Percent	Number	Percent
Population	192,034	213,712	217,999	219,731	2,628	1.4	4,287	2.0	1,732	0.8
Households	74,863	78,045	78,561	77,180	386	0.5	516	0.7	-1,381	-1.8

Data Source: 1 - 2000 Census; U.S. Census Bureau Population Estimates
2 - 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



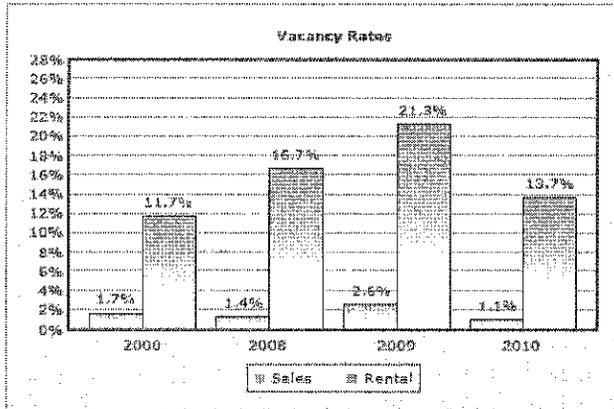
Data Source: U.S. Census Bureau Population Estimates

Notes: 1 - Values in chart reflect July year-to-year changes
2 - Net Migration includes residual population change

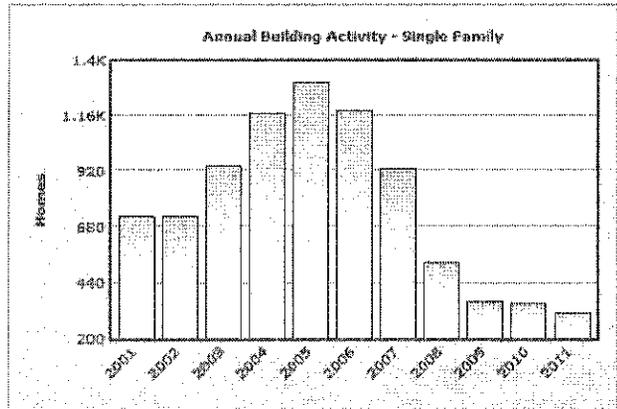
Economic Trends and Population and Household Trends

3rd Post Tornado report: Economic conditions in the Tuscaloosa MSA have declined since March 2011. Nonfarm payrolls decreased by 600 jobs, or 0.6 percent, to 92,800 during 2011, when compared to 2010. Nonfarm payrolls also decreased by 1,700 jobs, or 1.8 percent, to 93,000, during the 3 months ending December 2011 compared with the 3 months ending December 2010. In 2011, the professional and business services sector increased by 700 jobs, or 10 percent, compared with 2010. The largest declines in jobs in 2011 were in the government sector, which decreased by 1,100 jobs, or 4.2 percent, compared with 2010. Tuscaloosa is home to the University of Alabama (UA), which enrolled 30,250 students in the fall of 2010. UA is the largest employer in the HMA, with 8,625 faculty and staff, and belongs to the largest sector in the MSA-government. UA has a top-ranked football team that attracts game-day visitors, spurring an economic impact of \$113.9 million on the MSA during a normal season according to the UA. The unemployment rate fell from 8.9 percent in 2010, to 8.7 percent in 2011. The population is estimated at 222,000 as of January 1, 2012, a gain of 0.7 percent since the 2010 census. Population grew at an average of 2,750 people or 1.3 percent annually between 2000 and 2010. Households increased by 1,125 or 1.4 percent annually, from April 2000 to April 2010, but from April 2010 to January 2012 households increased by an annual average of 600, or less than 1 percent.

HOUSING MARKET CONDITIONS



Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)

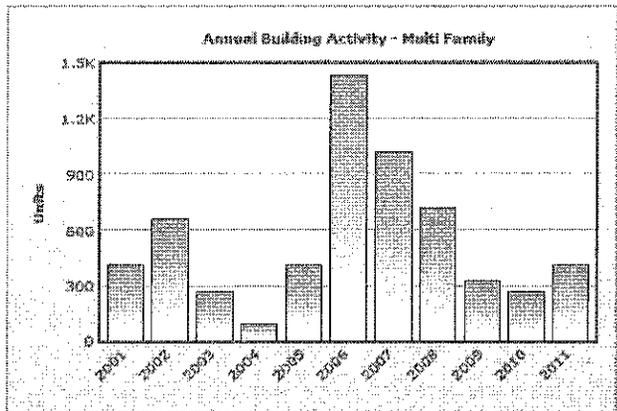


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

	April			
	2000	2008	2009	2010
Total Housing Units	84,302	97,549	99,142	98,468
Occupied	74,863	78,045	78,561	77,180
Owners	49,066	49,829	50,142	51,316
% Owners	65.5	63.8	63.8	66.5
Renters	25,797	28,216	28,419	25,864
% Renters	34.5	36.2	36.2	33.5
Total Vacant	9,439	19,504	20,581	21,288
Available for Sale	858	703	1,314	556
Available for Rent	3,423	5,667	7,688	4,098
Other Vacant	5,158	13,134	11,579	16,834

Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Market Conditions Summary

The Tuscaloosa housing market is currently soft. The owner vacancy rate is estimated at 2 percent, down slightly from 2010. New and existing single-family home sales totaled 1,750 during 2011, up 13 percent from 2010. The average price of a home sold in 2011 was \$188,700, down from \$165,300, or 2 percent, in 2010. Although condominiums do not make up a significant portion of existing and new home sales in the MSA, since 2004, 10 condominium projects totaling 1,025 units have been built, accounting for 18 percent of total multifamily development since 2004. The city of Tuscaloosa accounts for approximately 50 percent of new home construction in the MSA. Single-family building permits averaged 1,025 a year from 2004 through 2007, but fell to 320, or by 3 percent, in 2011, compared with 2010. The rental market is also soft with a vacancy rate currently estimated at 6 percent. As of the 3rd quarter 2011, the average rent for an apartment is approximately \$690 a month. Building activity as measured by multifamily building permits averaged 730 a year from 2004 through 2007. During 2011, multifamily building permits increased to 420, or by 58 percent, compared with 2010. According to damage assessments from the Alabama Center for Real Estate, 5,150 housing units, or 12.6 percent of the housing inventory in the City were damaged and 1,250 homes, 216 apartment units, and 72 other rental units were destroyed. Also destroyed were 188 public housing units in Rosedale Court.

Under Construction	420
In Planning	340

Data Source: Estimates by analyst

Note: Units in Planning have not been permitted, but are expected to be completed within 3 years

For additional information, please contact: Gareth
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 678 732 2102



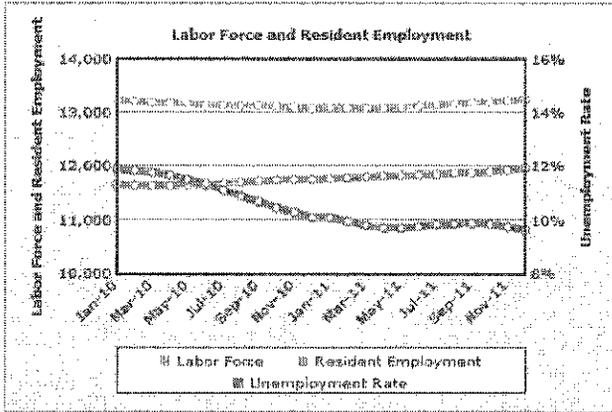
Market at a Glance

Franklin County, AL

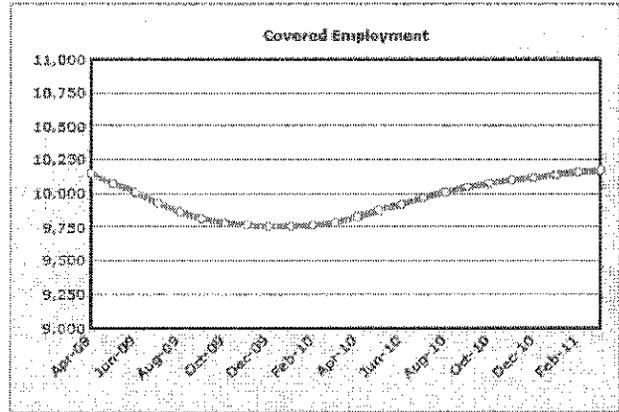
Prepared by: PDR / Economic & Market Analysis Division (EMAD)
Southeast/Caribbean Regional Office

Created on: February 29, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics
12-month Average



Data Source: U.S. Bureau of Labor Statistics
12-month Average

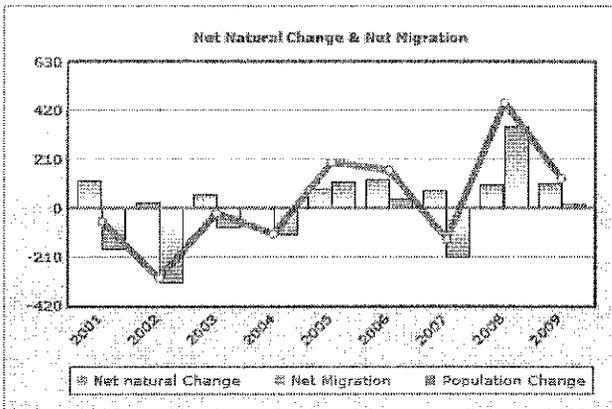
	12-Month Average			Average Annual Change			
	2000	Previous 12-Months	Current 12-Months	2000 to Previous		Previous to Current	
				Number	Percent	Number	Percent
Labor Force ¹	14,741	13,080	13,251	-166	-1.1	171	1.3
Resident Employment ¹	13,886	11,757	11,976	-213	-1.5	219	1.9
Unemployment Rate (%) ¹	5.8	10.1	9.6	n/a	n/a	n/a	n/a
Covered Employment ²	n/a	9,789	10,175	n/a	n/a	386	3.9

Data Source: U.S. Bureau of Labor Statistics
Notes: 1 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011
2 - Previous is 12 months ending March 2010; Current is 12 months ending March 2011

POPULATION & HOUSEHOLDS

	April 2000	July 2008	July 2009	July 2010	Annual Average Change					
					2000 to 2008		2008 to 2009		2009 to 2010	
					Number	Percent	Number	Percent	Number	Percent
Population	31,223	31,459	31,589	31,729	29	0.1	130	0.4	140	0.4
Households	12,259	12,061	12,421	12,612	-24	-0.2	360	3.0	191	1.5

Data Source: 1 - 2000 Census; U.S. Census Bureau Population Estimates
2 - 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)



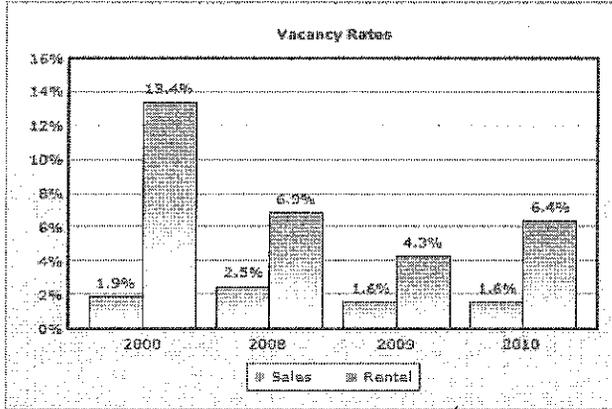
Data Source: U.S. Census Bureau Population Estimates

Notes: 1 - Values in chart reflect July year-to-year changes
2 - Net Migration includes residual population change

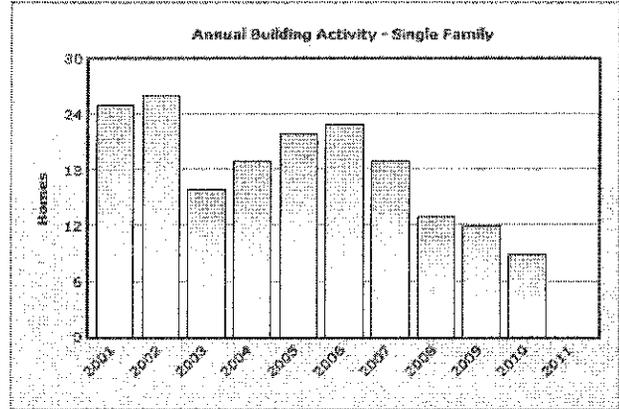
Economic Trends and Population and Household Trends

3rd post-tornado update: Economic conditions in Franklin County have continued to improve since turning positive during the fourth quarter of 2010. Resident employment increased by 3.2% to 12,250 during the 3 months ending (3ME) December 2011, compared with the 3ME December 2010. The unemployment rate fell from 10.2% during the 3ME December 2010 to 8.9% during the 3ME December 2011. The population as of January 1, 2012 was 32,000, an annual average gain of less than 1 percent from the April 2010 census. As of April 2010 total households increased to 12,290, or by less than 1 percent annually, from April 2000. The population of Phil Campbell as of April 2010 was 5,900, relatively unchanged since April, 2000

HOUSING MARKET CONDITIONS



Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)

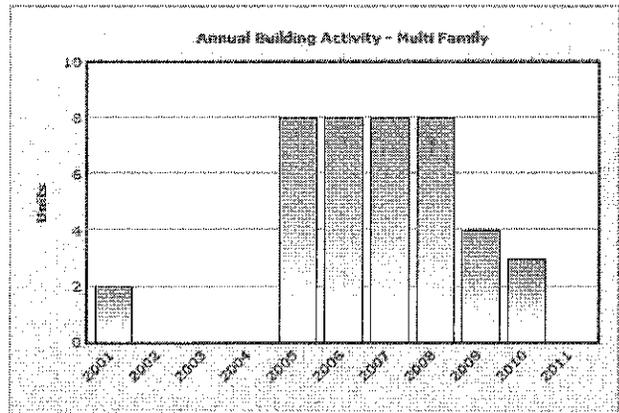


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Inventory by Tenure				
	April			
	2000	2008	2009	2010
Total Housing Units	13,749	14,035	14,138	14,023
Occupied	12,259	12,061	12,421	12,612
Owners	9,104	8,331	8,397	8,452
% Owners	74.3	69.1	67.8	67.0
Renters	3,155	3,730	4,024	4,160
% Renters	25.7	30.9	32.4	33.0
Total Vacant	1,490	1,974	1,717	1,411
Available for Sale	174	215	136	138
Available for Rent	488	278	183	284
Other Vacant	828	1,481	1,398	989

Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Market Conditions Summary

3rd post-tornado update: The Franklin County sales housing market was soft in April 2010, based upon the 2010 census, the most recent data available. The owner vacancy rate is estimated at 2.2%, up from 1.9% in 2000. Building activity measured by single family building permits averaged 21 a year from 2004 through 2007 but fell to 9 in 2010. The rental housing market was soft in April 2010, reporting an overall rental vacancy rate of 10.8% as of the April 2010 census, down from 13.4% in the 2000 census. Total housing units in Franklin County were 14,022 as of the April 2010 census, up 0.2% annually from April 2000 census. Building activity as measured by multifamily building permits averaged 8 a year from 2005 through 2008 but fell to 3 in 2010.

Rental Housing Supply	
Under Construction	
In Planning	

Data Source: Estimates by analyst

Note: Units in Planning have not been permitted, but are expected to be completed within 3 years

For additional information, please contact: Timothy Michael Miller
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817-978-9418

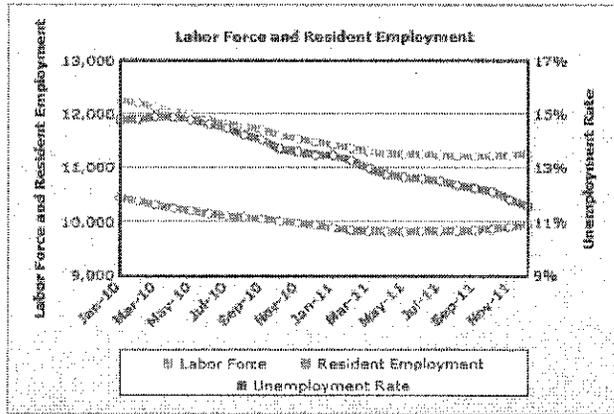


Market at a Glance

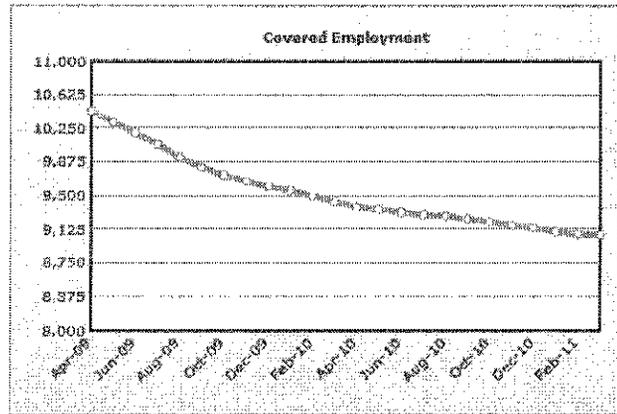
Marion County, AL
 Prepared by: PD&R / Economic & Market Analysis Division (EMAD)
 Southeast/Caribbean Regional Office

Created on: February 29, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics
 12-month Average



Data Source: U.S. Bureau of Labor Statistics
 12-month Average

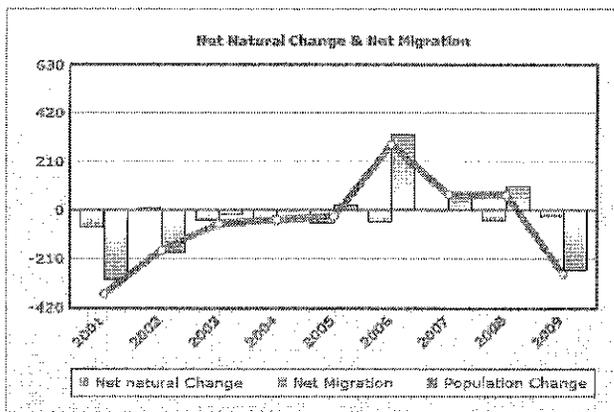
	12-Month Average			Average Annual Change			
	2000	Previous 12-Months	Current 12-Months	2000 to Previous		Previous to Current	
				Number	Percent	Number	Percent
Labor Force ¹	14,309	11,478	11,256	-283	-2.0	-222	-1.9
Resident Employment ¹	13,465	9,929	9,951	-354	-2.6	22	0.2
Unemployment Rate (%) ¹	5.9	13.5	11.6	n/a	n/a	n/a	n/a
Covered Employment ²	n/a	9,436	9,070	n/a	n/a	-366	-3.9

Data Source: U.S. Bureau of Labor Statistics
 Notes: 1 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011
 2 - Previous is 12 months ending March 2010; Current is 12 months ending March 2011

POPULATION & HOUSEHOLDS

	April 2000	July 2008	July 2009	July 2010	Annual Average Change					
					2000 to 2008		2008 to 2009		2009 to 2010	
					Number	Percent	Number	Percent	Number	Percent
Population	31,214	30,918	30,646	30,770	-36	-0.1	-272	-0.9	124	0.4
Households	12,697	12,824	13,172	12,598	15	0.1	348	2.7	-574	-4.4

Data Source: 1 - 2000 Census; U.S. Census Bureau Population Estimates
 2 - 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)



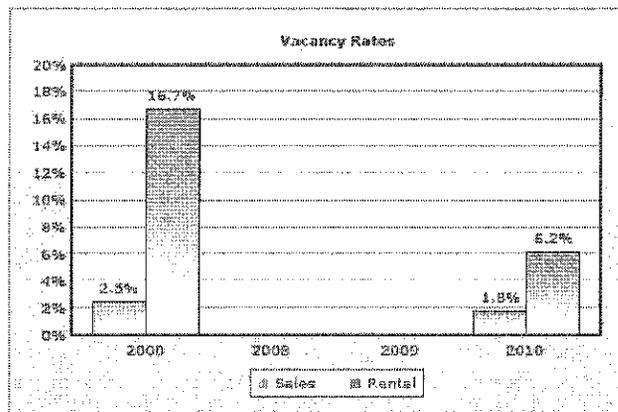
Data Source: U.S. Census Bureau Population Estimates

Notes: 1 - Values in chart reflect July year-to-year changes
 2 - Net Migration includes residual population change

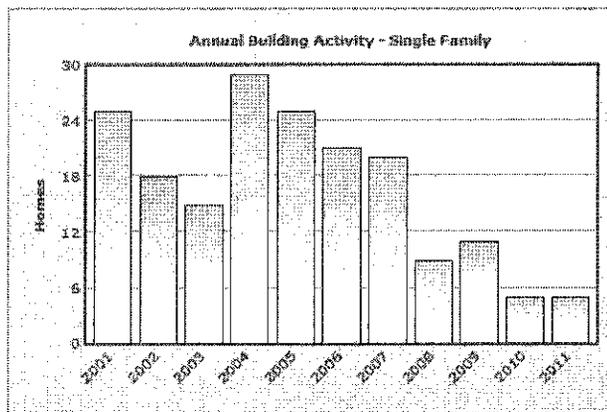
Economic Trends and Population and Household Trends

3rd post-tornado update: Economic conditions in Marion County have been in decline since January 2007. Average resident employment during 2010 increased by 25, or 0.3 percent in 2011 compared with 2010. However, during the 3 months ending December 2011, resident employment averaged 10,150 employees, an increase of 4.1 percent, an improvement compared with the decline of 625 employees, or 5.1 percent, during the 3 months ending December 2010. The unemployment rate fell from 13.5 percent in 2010, to 11.6 percent in 2011. The average unemployment rate improved even further from 12.5 percent for the 3 months ending December 2010, to 9.8 percent for the 3 months ending December 2011. The population of Marion County is estimated at 30,600 as of January 1, 2012.

HOUSING MARKET CONDITIONS



Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)

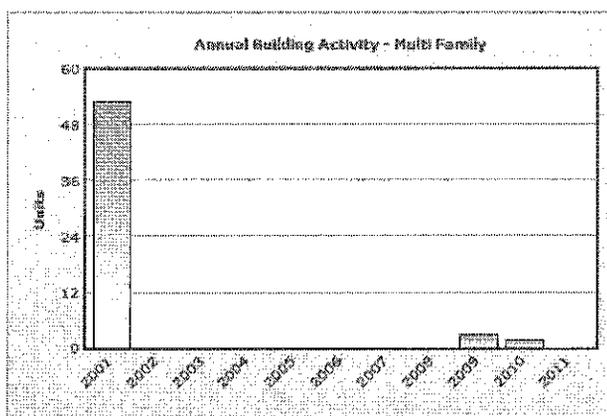


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Inventory by Tenure				
April				
	2000	2008	2009	2010
Total Housing Units	14,416	14,852	15,008	14,752
Occupied	12,697	12,824	13,172	12,598
Owners	9,875	9,388	9,674	9,383
% Owners	77.8	73.2	73.4	74.5
Renters	2,822	3,436	3,498	3,215
% Renters	22.2	26.8	26.6	25.5
Total Vacant	1,719	2,028	1,836	2,154
Available for Sale	250	n/a	n/a	169
Available for Rent	565	n/a	n/a	211
Other Vacant	904	n/a	n/a	1,774

Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (3 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Market Conditions Summary

3rd post - tornado update: The Marion County sales housing market was soft in April 2010, based on the 2010 census, the most recent data available. The owner vacancy rate was recorded at 2.4 percent, compared with 2.5 in the 2000 census. Building activity measured by single-family building permits averaged 35 a year from 2000 through 2007, but fell to 5 in 2011. The rental market was soft in April 2010, reporting an overall rental vacancy rate of 10.7 percent, based on the 2010 census. Multifamily housing units comprise less than 15 percent of the housing stock in Marion County, compared to mobile homes which account for almost 25 percent. The only multifamily building activity reported during the past decade occurred in 2000 and 2001, when 40 and 53 units, respectively, were permitted.

Rental Housing Supply	
Under Construction	
In Planning	

Data Source: Estimates by analyst

Note: Units in Planning have not been permitted, but are expected to be completed within 3 years

For additional information, please contact: Gareth
 gareth.d.amon@hud.gov
 678 732 2102



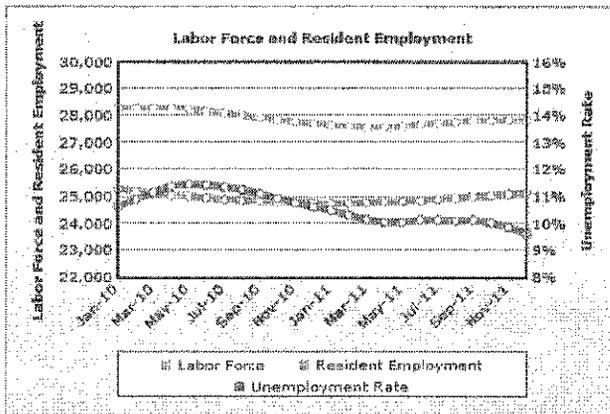
Market at a Glance

Walker County, AL

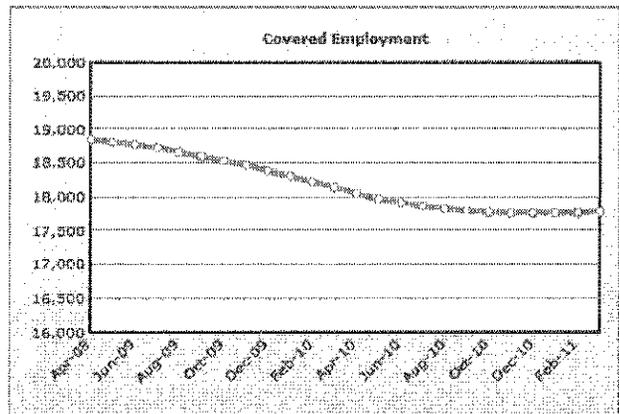
Prepared by: PD&R / Economic & Market Analysis Division (EMAD)
Southeast/Caribbean Regional Office

Created on: February 29, 2012

ECONOMIC CONDITIONS



Data Source: U.S. Bureau of Labor Statistics
12-month Average



Data Source: U.S. Bureau of Labor Statistics
12-month Average

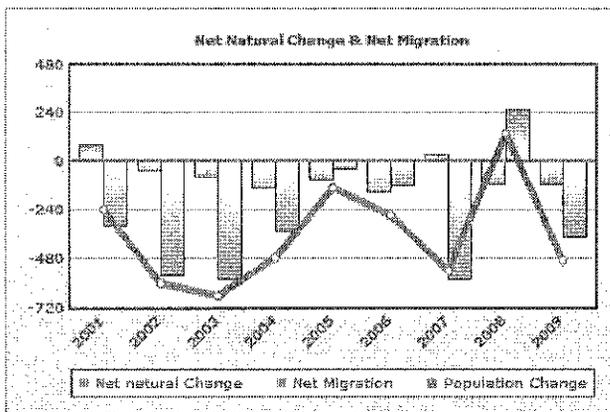
	12-Month Average			Average Annual Change			
	2000	Previous 12-Months	Current 12-Months	2000 to Previous		Previous to Current	
				Number	Percent	Number	Percent
Labor Force ¹	31,768	27,712	27,812	-406	-1.3	100	0.4
Resident Employment ¹	30,134	24,769	25,124	-537	-1.8	355	1.4
Unemployment Rate (%) ¹	5.1	10.6	9.7	n/a	n/a	n/a	n/a
Covered Employment ²	n/a	18,143	17,788	n/a	n/a	-355	-2.0

Data Source: U.S. Bureau of Labor Statistics
Notes: 1 - Previous is 12 months ending December 2010; Current is 12 months ending December 2011
2 - Previous is 12 months ending March 2010; Current is 12 months ending March 2011

POPULATION & HOUSEHOLDS

	April 2000	July 2008	July 2009	July 2010	Annual Average Change					
					2000 to 2008		2008 to 2009		2009 to 2010	
					Number	Percent	Number	Percent	Number	Percent
Population	70,713	67,835	67,347	66,947	-349	-0.5	-488	-0.7	-400	-0.6
Households	28,364	28,248	29,251	23,830	-14	0.0	1,003	3.6	-5,421	-18.5

Data Source: 1 - 2000 Census; U.S. Census Bureau Population Estimates
2 - 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



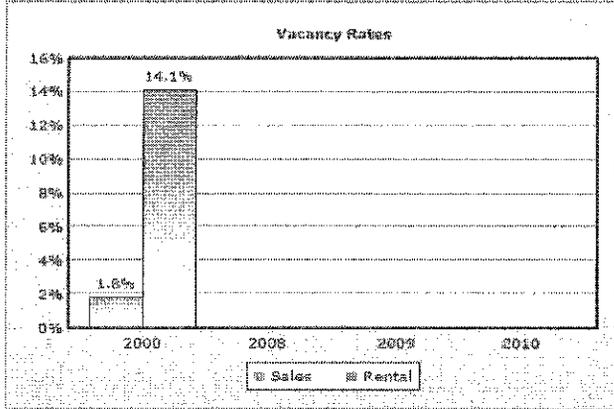
Data Source: U.S. Census Bureau Population Estimates

Notes: 1 - Values in chart reflect July year-to-year changes
2 - Net Migration includes residual population change

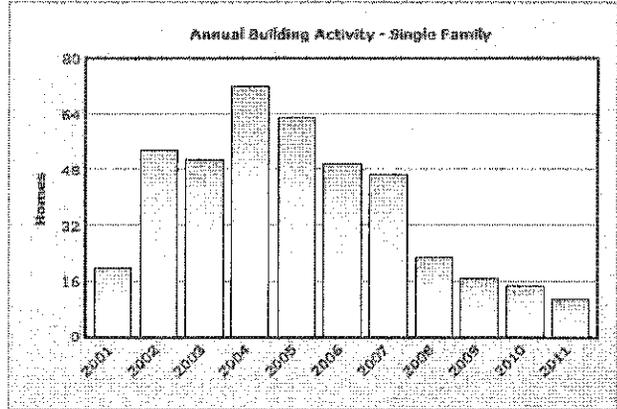
Economic Trends and Population and Household Trends

3rd Post Tornado report: Economic conditions in Walker County, Alabama, located in the northwest portion of the Birmingham-Hoover MSA, began to improve in July 2011. During 2011, nonfarm payrolls in the metropolitan area decreased by 1,100 jobs, or 0.2%, to an average of 488,300 jobs, compared with the decline of 8,200 jobs, or 1.7%, recorded during the previous year. In comparison, resident employment in the county increased by 500, or 2%, to an average of 25,400 during the 3-months ending (3ME) December 2011. During the 3ME December 2011, the unemployment rate averaged 8.4%, improved from 10.6% during the 3ME December 2010. As of January 1, 2012, the population of the county was estimated at 66,500, an average annual decrease of 300, or 0.4% compared with April 1, 2010. As of January 1, 2012, there were an estimated 26,400 households, an average annual decrease of 50, or 0.2% compared with April 1, 2010.

HOUSING MARKET CONDITIONS



Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)

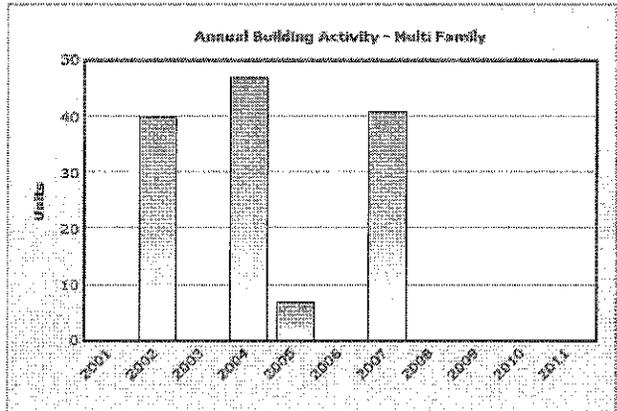


Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

	April			
	2000	2008	2009	2010
Total Housing Units	32,417	33,369	33,743	30,815
Occupied	28,364	28,248	29,251	23,830
Owners	22,699	20,980	21,771	18,436
% Owners	80.0	74.3	74.4	77.4
Renters	5,665	7,268	7,480	5,394
% Renters	20.0	25.7	25.6	22.6
Total Vacant	4,053	5,121	4,492	6,985
Available for Sale	406	n/a	n/a	n/a
Available for Rent	931	n/a	n/a	n/a
Other Vacant	2,716	n/a	n/a	n/a

Data Source: 2000 Census; 2008, 2009 and 2010 American Community Surveys (1 - Year)



Data Source: U.S. Census Bureau, Building Permits Survey; adjustments by analyst

Note: Data for 2011 is preliminary, through December 2011

Housing Market Conditions Summary

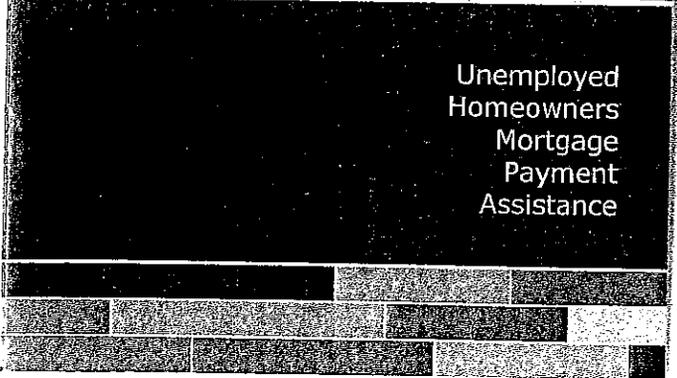
The home sales market conditions in the county remain soft with a vacancy rate of 1.9%. According to data from Hanley Wood, LLC, during the 3ME December 2011, approximately 470 new and existing single-family homes were sold in the MSA, a decrease of 32% compared with the number sold during the 3ME December 2010. The average new sales price of single-family homes, during the 3ME December 2011, decreased by 3%, to \$161,400. Single-family home construction activity in the county decreased during the past year, as measured by the number of single-family home building permits issued. Based on preliminary data, about 10 single-family homes were permitted during 2011, down 33% from 15 during the previous year. The county rental housing market is improving, but remains soft. The average overall vacancy rate (based on EMAD estimates) in December 2011 was 11.8%, down from 12.4% a year earlier.

Under Construction	0
In Planning	10

Data Source: Estimates by analyst

Note: Units in Planning have not been permitted, but are expected to be completed within 3 years

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 timothy.m.miller@hud.gov
 817-978-9418



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Hardest Hit Alabama (HHA), a foreclosure prevention program, is available for homeowners struggling to pay their mortgage payments due to job loss.

The Alabama Housing Finance Authority was allocated approximately \$162 million to provide assistance targeted at unemployed homeowners. The U.S. Department of Treasury's "Hardest Hit Fund" is authorized under the Emergency Economic Stabilization Act of 2008 and is available in 18 states and the District of Columbia.

Eligible homeowners will receive assistance to pay their current mortgage payment and all other mortgage-related expenses, including payments on any subordinate liens. HHA will provide up to 12 monthly mortgage payments, not to exceed \$15,000 per household.

HHA assistance is available statewide to qualified homeowners on a first-come, first-served basis.



You may be eligible if:

- you are currently receiving unemployment compensation benefits
- your total annual household income is less than \$75,740
- the unpaid principal balance on your home's mortgage is less than \$258,690
- the property is your primary residence
- the home is located in the Alabama

Check the HHA website to ensure your mortgage servicer is accepting Hardest Hit funds. Several servicers have imposed additional requirements before they will accept funds. We are working diligently with each servicer to provide assistance to all homeowners as soon as possible.

www.HardestHitAlabama.com

How to Apply?

The application is completed entirely online at www.hardesthitAlabama.com. Click the Apply Now button to begin your application.

Before you begin the application, please have the following information ready:

- Mortgage Loan Information
- Unemployment Compensation Information
- Financial Information

For more information, visit the website or you may call 1.877.497.8182.

We have learned that some Alabama citizens have been contacted with an offer for assistance in completing the HHA application for a fee. There are not any fees to apply. If you have any questions while completing your application, please contact the HHA hotline at 1.877.497.8182 for free assistance.

Strengthening Alabama's individuals, families and communities through the development of assets that support and promote generational wealth building and self-sufficiency.



"Building Assets for Today's Generation and Tomorrow's Future"

www.alabamaabc.org

The Alabama Asset Building Coalition

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Our Goals

- To promote wealth building programs for the citizens of Alabama, particularly those with low and moderate incomes
- To increase the level of financial literacy for all age groups
- To promote programs that protect existing personal and financial assets
- To advocate state and federal laws that support wealth building programs and strategies to promote asset building strategies for low and moderate income individuals
- To serve as a central resource for wealth building programs and organizations throughout the State

Programs, Services and Advocacy

- Individual Development Accounts
- AACB/VITA & TCE Assistance Program
- Financial Education Initiative/College Student Engagement
- Bank On Alabama
- Regional Outreach Initiatives

What is the Alabama Asset Building Coalition?

The Alabama Asset Building Coalition (AABC) is a statewide collaborative that exists to promote financial stability for individuals and families. By encouraging savings, financial education and other wealth building programs, the coalition strives to build an economic foundation that will allow the underserved residents in Alabama to reach their highest potential and strengthen their financial future.

We are composed of nonprofits, community action, & community development agencies, United Ways, federal and state government and banking regulatory agencies, and financial institutions that have joined together to achieve shared goals and objectives for the citizens of Alabama.

AABC is providing asset building and wealth-equalization opportunities for Alabama's citizens by creatively networking and leveraging existing resources, utilizing the capacity of established organizations to build sustainable, consistent activities throughout the state.



Individual Development Accounts

AABC supports the use of individual development accounts (IDAs). These matched savings accounts are specifically designed to encourage a regular saving program to obtain a wealth building asset. The current program in Alabama is designed to purchase a home, capitalize a small business, or to assist in the purchase of a post-secondary education. For every dollar that is saved by the program participant, a dollar is matched from a local source and the Federal government. The Federal program that makes this possible is called the Assets For Independence Act (AFI). The AFI Program is administered by the Office of Community Services (OCS), within the U.S. Department of Health and Human Services, Administration for Children and Families. AABC's partner, the United Way of Central Alabama coordinates the state program for IDAs. There are income limitations to participate in the program.

AABC VITA & TCE Assistance Program

AABC supports IRS sponsored VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) programs. VITA is a program that offers free tax help to low- to moderate-income (generally, \$49,000 and below) and to people who cannot prepare their own tax returns. TCE is a program that provides free tax help to people aged 60 and older. Trained certified volunteers sponsored by various organizations help prepare basic tax returns in communities across Alabama. VITA and TCE sites are generally located at community and neighborhood centers, churches, libraries, schools, shopping malls, and other convenient locations. Most locations also offer free electronic filing. To locate the nearest VITA site, call 1-800-906-9887. For TCE sites, call 1-888-227-7669.

AABC supports VITA and TCE sites by providing a statewide support network, promoting the use of VITA and TCE sites to the public. AABC also assists VITA and TCE sites through its AABC VITA and TCE Laptop Giveaway Program. In addition, AABC encourages volunteers and establishing additional VITA sites in communities were needed.

Financial Education Initiative

AABC is partnering with the FDIC in promoting its "Money Smart" financial education curriculum; helping to conduct is "train the trainer" programs; training nonprofit groups, financial institutions, churches, government agencies, college universities and others to teach financial education to the community. For more information of the FDIC's "Money Smart" curriculum and its Alliance for Economic Inclusion, visit online at www.FDIC.gov.

AABC is also targeting the Alabama Colleges and Universities through it Freshman Financial Forums. With its financial institutions and bank regulatory agency partners, AABC is educating many of our Alabama college students across the state. These forums teach basic banking education, the proper use of credit cards and the dangers of "identity theft."

Bank On Alabama

Unbanked and Under Banked Initiative

AABC, its financial partners and local communities are working in partnership to implement a statewide strategy to lower the number of the unbanked individuals. The unbanked are described by the Federal Deposit Insurance Corporation (FDIC) as those without an account at a bank or other financial institution and are considered to be outside the mainstream for one reason or another. Through the use of financial education, a special no or low cost checking products and targeted marketing strategies, the coalition is attempting to reach specific segments of the community. This initiative is called "Bank On Alabama."

Regional Outreach Initiatives

We have divided the state into six regions and are supporting wealth building initiatives in each. We believe that inter-state, six (6) regional coalitions allow local communities to convene local stakeholders to discuss and plan targeted asset building strategies for specific segments of their community. AABC supports these regional coalitions by organizing periodic meetings and regional asset building conferences.