

Chandler Reports 1st Quarter 1998 New Housing Analysis

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A significant (29%) increase in first quarter 1998 new house starts combined with a slight (4.4%) increase in the number of first quarter closings continues to bring the overall total unsold inventory¹ to an uncomfortably high level. There is currently a 4.0 quarter, or 10.6 months', supply of new housing in Shelby County with 3302 houses either under construction or completed and unsold. There were 834 new house closings in the first quarter of 1998, up from 797 in the first quarter of 1997. There has also been an increase in total inventory—3302 houses as of 3/31/98 versus 3044 as of 3/31/97. There were 965 starts in the 1st quarter of 1998, significantly up from 681 in the 1st quarter of 1997.

A BRIEF SUMMARY OF EACH AREA FOLLOWS: ALL DATA AS OF 3/31/98.²

Arlington / Lakeland - Zip Code 38002 had a record 98 new house closings in the first quarter of 1998, up from last year's 56. At quarter end there was a 3.1 quarter, or 10.6 month, supply of new housing with a record 305 houses either under construction or complete and unclosed; there were 239 this time last year. There were 121 starts in the 1st quarter of 1998; 66 in the 1st quarter of 1997. The average sales price in the area was down slightly from \$148,000 in the 1st quarter of 1997 to \$146,000 in the 1st quarter of 1998. Some of the more active subdivisions are summarized below:

<i>Subdivision Name</i>	<i># Platted Lots</i>	<i># Houses in Inventory</i>	<i># 1st Quarter Starts</i>	<i># 1st Quarter Closings</i>	<i>Average Sales Price</i>
Fairway Meadows	252	21	16	12	\$136,000
Rockyford	302	23	6	11	\$156,000
Shadowlawn Place	216	39	27	11	\$137,000
Village/Arlington	71	19	1	3	\$156,000
Wolfchase Farms	75	28	15	2	\$148,000
Woodland Park	272	43	33	27	\$118,000

Collierville - Zip Code 38017 had 116 1st quarter new house closings, down from 130 in the first quarter of 1997. Starts for the quarter were up—there were 147 in the 1st quarter of 1998; 109 in the 1st quarter of 1997. There are currently 509 houses in inventory, down from 548 in the 1st quarter of 1997. This inventory equals 4.4 quarters, or 10.5 months, or housing surplus. Of these houses, 393 are under construction, 116 are completed and unclosed. The average sales price for the new houses for the quarter was \$244,000, up from \$226,000 in the first quarter of 1997. Based on 1st quarter sales activity, there is a 4.4 quarter supply of new housing in the Collierville Zip Code. Some of the more active subdivisions are summarized below:

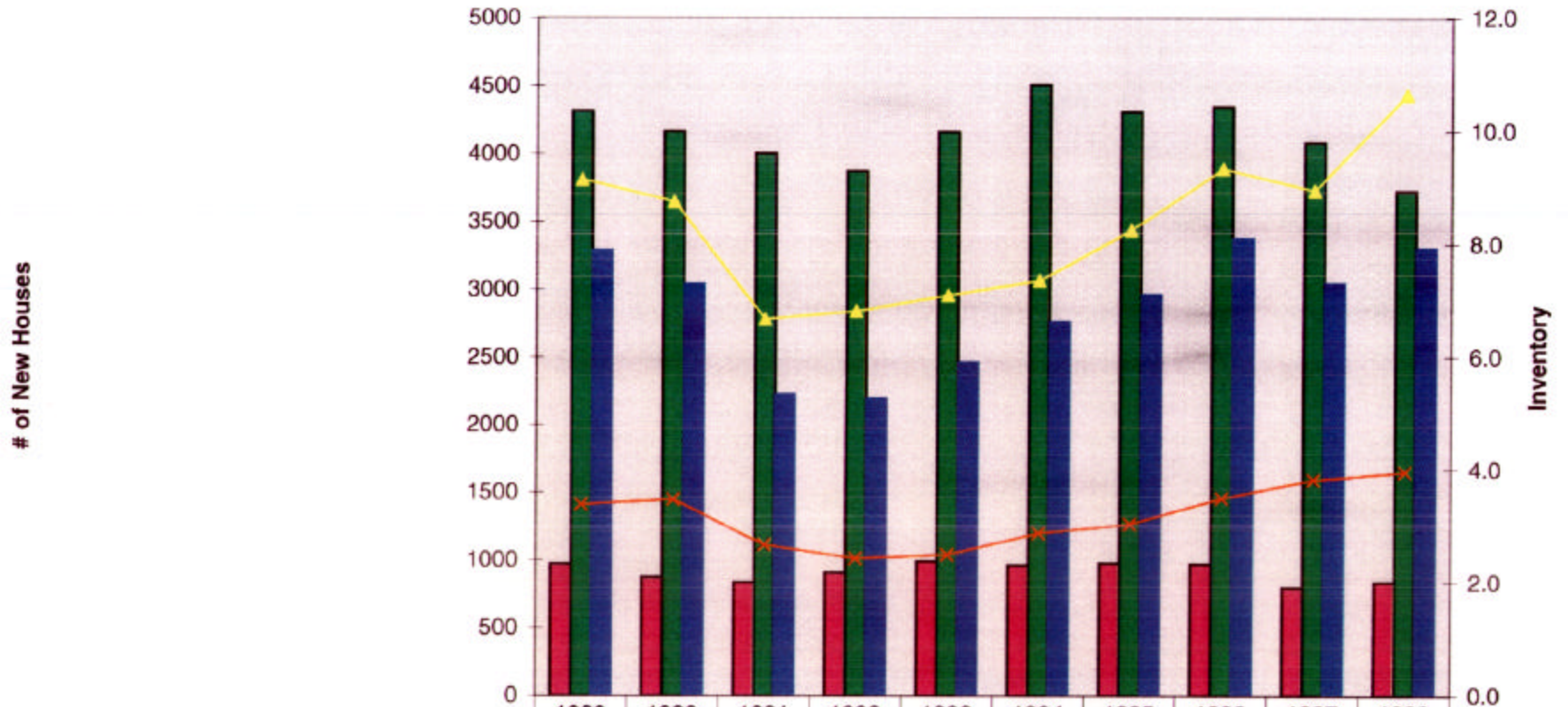
<i>Subdivision Name</i>	<i># Platted Lots</i>	<i># Houses in Inventory</i>	<i># 1st Quarter Starts</i>	<i># 1st Quarter Closings</i>	<i>Average Sales Price</i>
Almadale Farms	242	41	14	15	\$290,000
Bailey Station	199	20	1	3	\$240,000

¹Unclosed Inventory is defined as the total # of houses under construction plus the # completed & unclosed.

²Please refer to the Chandler Reports, LLC Shelby County Housing Inventory, 1st Quarter 1998 for further details; all numbers are for new houses only, comparing activity as of 3/31/98 to the same period last quarter.

Information is believed reliable but is not guaranteed.

All of Shelby County as of 1st Quarter



	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
New Houses Closed this Quarter	971	874	833	906	987	959	976	967	797	834
New Houses Closed in the Last 12 Months	4315	4164	4002	3869	4160	4504	4309	4346	4082	3724
Total Inventory at the End of this Quarter	3288	3038	2226	2196	2459	2760	2963	3380	3044	3302
Quarters of Inventory	3.4	3.5	2.7	2.4	2.5	2.9	3.0	3.5	3.8	4.0
Months of Inventory	9.1	8.8	6.7	6.8	7.1	7.4	8.3	9.3	8.9	10.6