



THE SKYLINE REPORT

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Second Half of 2013

February 2014 Highlights

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Residential Real Estate Market Summary
Prepared Exclusively under
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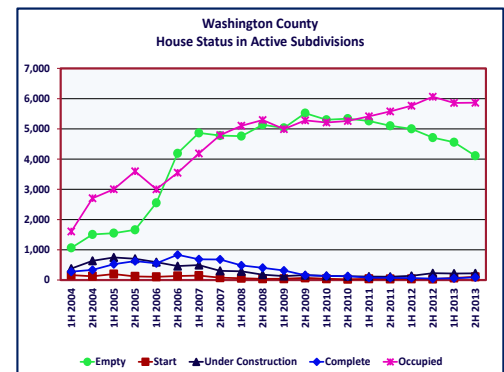
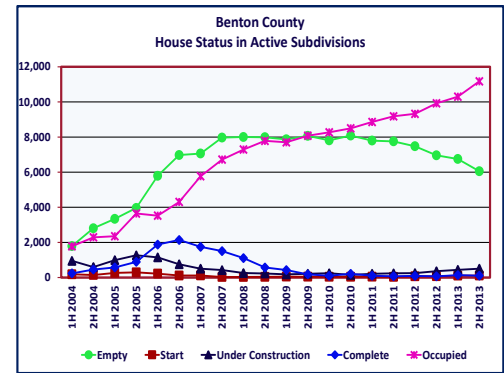
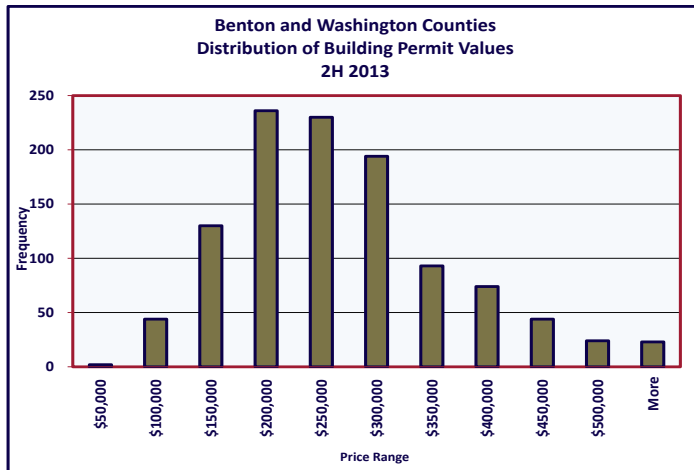
Residential Real Estate Market Summary for Benton and Washington Counties

This report is the thirty-fourth edition of the Skyline Report for Benton and Washington Counties—Residential Real Estate Market Analysis. Researchers at the Center for Business and Economic Research in the Sam M. Walton College of Business at the University of Arkansas produce the Skyline Report to provide timely statistical analysis of the Northwest Arkansas residential real estate market. As the population of Northwest Arkansas increases, it is imperative that housing markets work efficiently in order to meet the demand of new and existing residents. The Skyline Report includes the information that is necessary to help market participants make good decisions.

Highlights from the Second Half of 2013

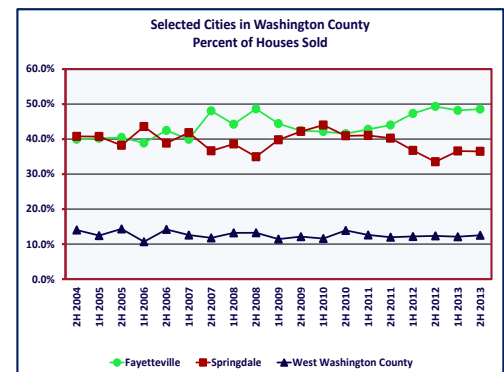
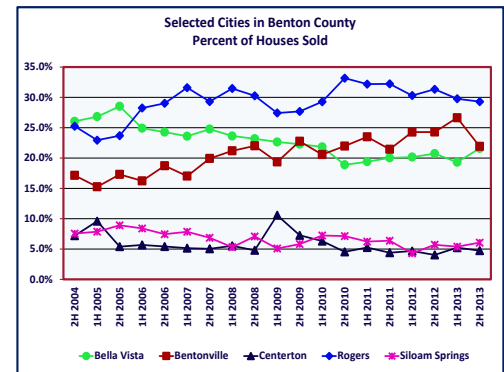
- There were 1,094 building permits issued in Benton and Washington counties from July to December 2013. This number is 11.4 percent higher than the 982 building permits issued during the same period in 2012. Benton County accounted for 725 of the residential building permits, while Washington County accounted for 369.
- 28,336 lots were in the 393 active subdivisions identified by Skyline Report researchers in the second half of 2013.
- In 102 out of the 393 active subdivisions, no new construction or progress in existing construction has occurred during the last year.
- During the first half of 2013, 1,279 new houses in active subdivisions became occupied, up 60.7 percent from 796 in the first half of 2013.
- Using the absorption rate from the past twelve months implies that there were a 64.6 month supply of remaining lots in active subdivisions in Northwest Arkansas in the second half of 2013.
- An additional 3,408 residential lots have received preliminary approval in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 85.0 months of inventory in the second half of 2013.
- According to the Assessors' databases, 68.6 percent of houses in Benton County and 64.3 percent of houses in Washington County were owner-occupied.
- From July 1, 2013 to December 31, 2013 there were 3,407 houses sold in Benton and Washington counties. This is an increase of 14.3 percent from the 2,982 sold in the previous year.
- The Bentonville School District accounted for 30.0 percent of the houses sold in the region, while the Rogers School District accounted for 19.2 percent.
- There were 3,195 houses listed for sale in the MLS database as of December 31, 2013 at an average list price of \$259,465.

Residential Market Trends

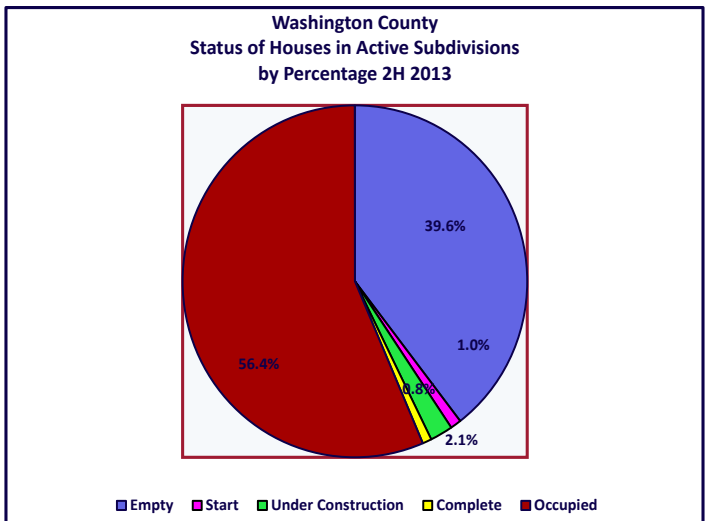
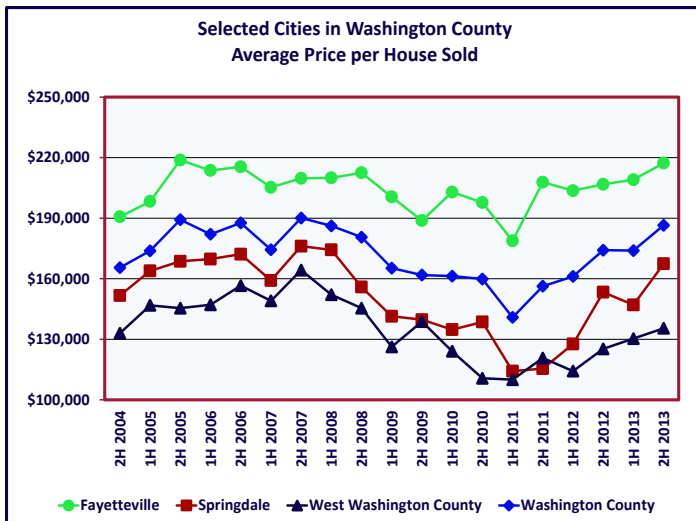
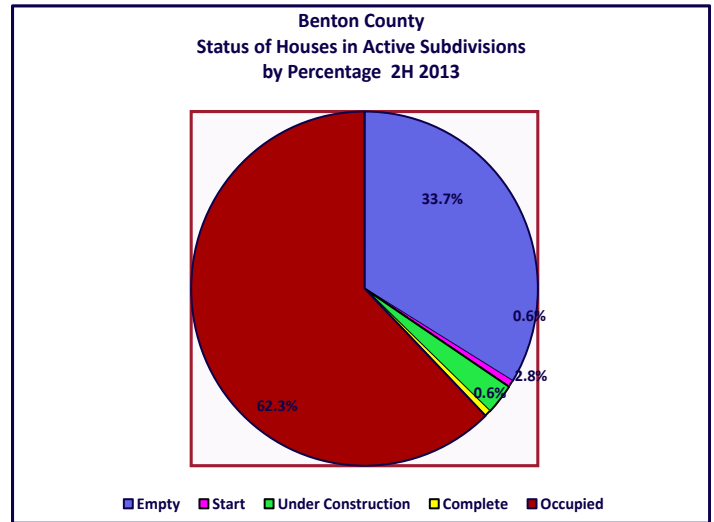
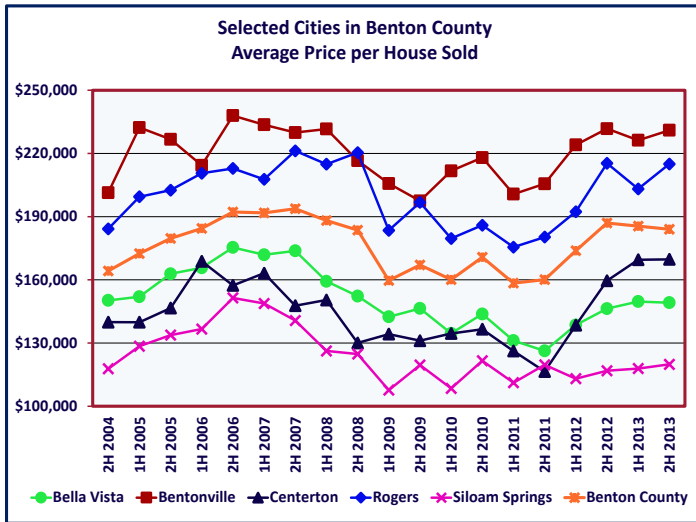


Benton and Washington Counties Number and Average Value of Residential Building Permits Second Half 2013 and Second Half 2012

City	2H 2013 Number of Building Permits	2H 2012 Number of Building Permits	2H 2013 Average Value of Building Permits	2H 2012 Average Value of Building Permits
Bella Vista	21	13	\$287,095	\$207,091
Bentonville	239	277	\$268,964	\$266,436
Bethel Heights	1	0	\$75,000	--
Cave Springs	56	35	\$206,034	\$226,796
Centerton	155	68	\$242,819	\$212,639
Decatur	0	0	--	--
Elkins	7	4	\$99,143	\$107,500
Elm Springs	7	4	\$367,037	\$243,500
Farmington	16	21	\$317,558	\$215,614
Fayetteville	187	171	\$235,591	\$223,991
Gentry	1	4	\$112,000	\$52,500
Goshen	30	14	\$283,175	\$265,747
Gravette	3	2	\$85,667	--
Greenland	0	0	--	--
Johnson	11	23	\$556,244	\$606,684
Lincoln	0	0	--	--
Little Flock	2	5	\$270,000	\$359,178
Lowell	43	41	\$301,415	\$273,340
Pea Ridge	13	9	\$131,450	\$116,104
Prairie Grove	21	14	\$114,831	\$94,107
Rogers	180	169	\$192,767	\$192,772
Siloam Springs	11	20	\$134,791	\$111,400
Springdale	76	75	\$296,512	\$235,340
Tontitown	11	7	\$352,292	\$388,881
West Fork	3	6	\$136,333	\$73,583
Northwest Arkansas	1,094	982	\$244,575	\$236,731



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots 2H 2013

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	1,539	46	213	39	3,660	5,497	307	419
Centerton	893	11	63	25	1,734	2,726	110	513
Fayetteville	1,027	30	126	39	2,644	3,866	192	639
Rogers	1,056	31	141	23	3,360	4,611	281	513
Siloam Springs	433	3	10	4	642	1,092	33	283
Springdale	1,193	52	41	19	1,697	3,002	126	206
West Washington County	928	10	28	14	877	1,857	44	459
Selected Cities	7,069	183	622	163	14,614	22,651	1,093	3,032