




THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

May 2010 Highlights

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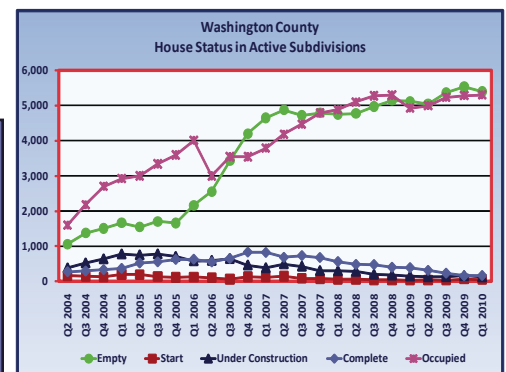
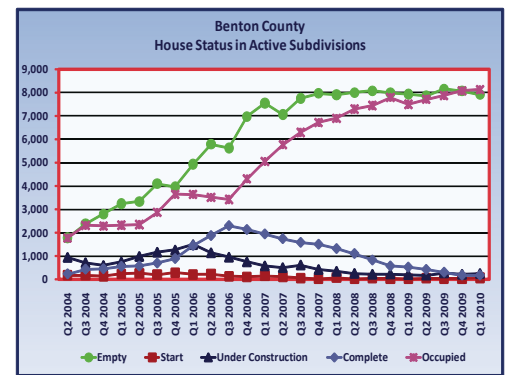
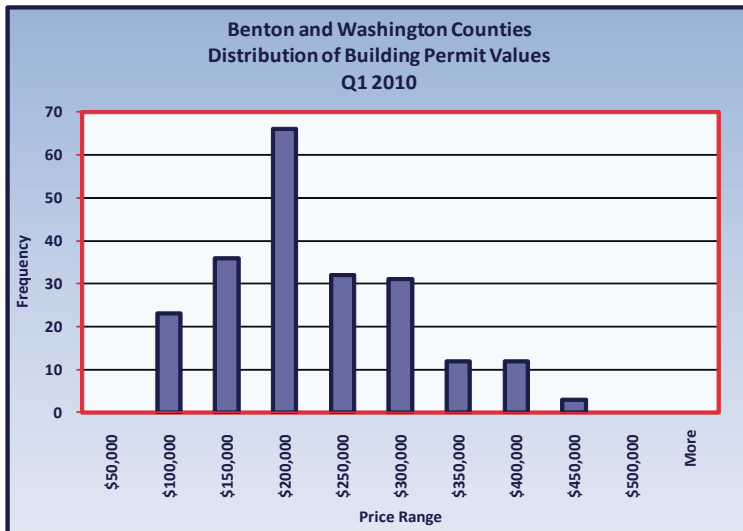
Residential Real Estate Market Summary for Benton and Washington Counties

This report is the twenty-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 First Quarter of 2010

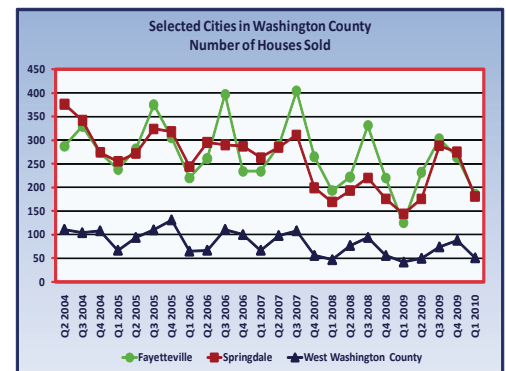
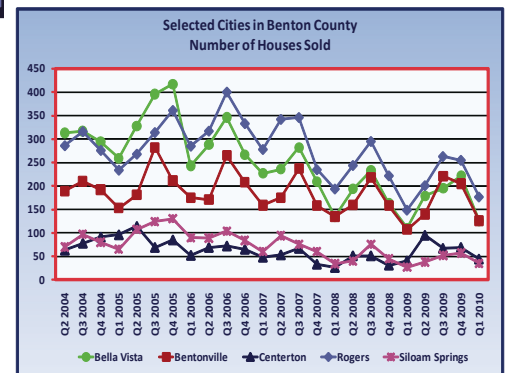
- There were 215 residential building permits issued in Northwest Arkansas from December 2009 to February 2010, up from 183 building permits issued in the same period last year. Among these, Bentonville accounted for 22.3 percent, Rogers for 20.0 percent, and Fayetteville for 16.3 percent.
- There were 27,598 lots in the 381 active subdivisions in Northwest Arkansas in the first quarter.
- No new construction or progress in existing construction has occurred in the last four quarters in 94 out of the 381 active subdivisions in Northwest Arkansas.
- From the fourth quarter of 2009 to the first quarter of 2010, 331 houses in active subdivisions became occupied. This left 351 complete, but unoccupied houses in Northwest Arkansas.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 106.0 months, down from a revised 111.5 months in the fourth quarter of 2009.
- In 119 out of the 381 subdivisions in Northwest Arkansas, no absorption has occurred in the last four quarters.
- An additional 5,922 residential lots have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 150.3 months of inventory in Northwest Arkansas.
- From November 16, 2009 to February 15, 2010, there were 1,020 houses sold in Benton and Washington Counties. This is an increase of 22.4 percent from the same time period in the previous year.
- There were 5,079 houses listed for sale in the MLS database as of March 1, 2010. These houses had an average list price of \$226,872.
- In the first quarter of 2010 in Northwest Arkansas, the average sales price of existing houses increased from the first quarter 2009 level by 2.8 percent in Benton County, but declined slightly by 0.2 percent in Washington County.
- Out of the 1,020 houses sold in the first quarter, 133 were new construction. These newly constructed houses had average sold prices that were 149.9 percent and 119.1 percent of the overall Benton and Washington county average prices, respectively.

Residential Market Trends

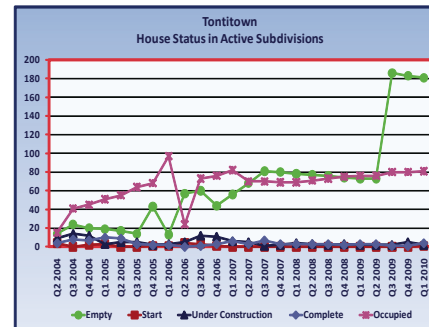
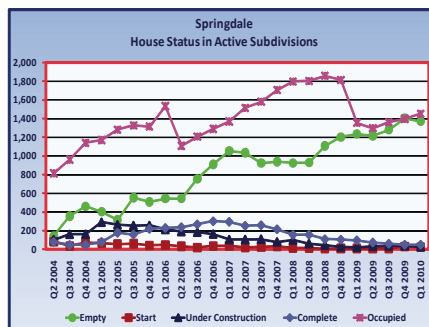
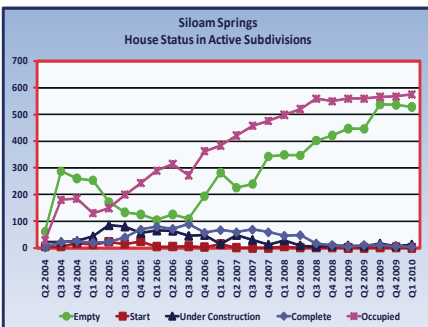
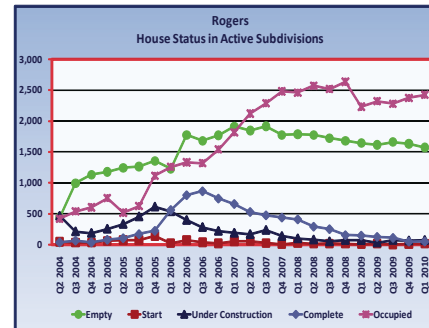
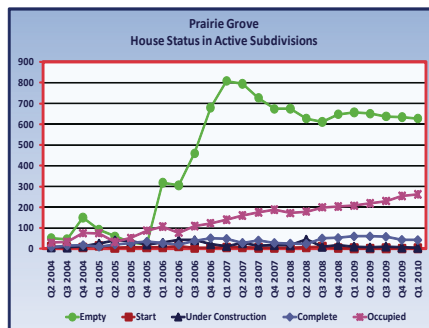
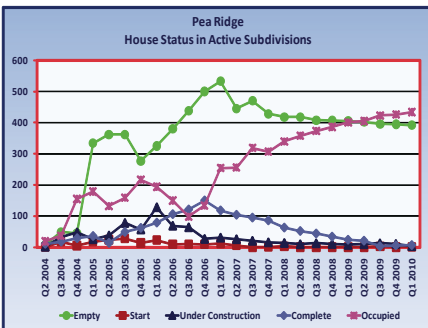
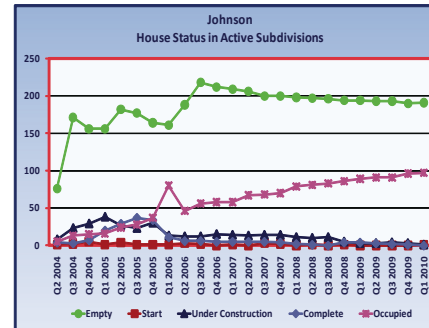
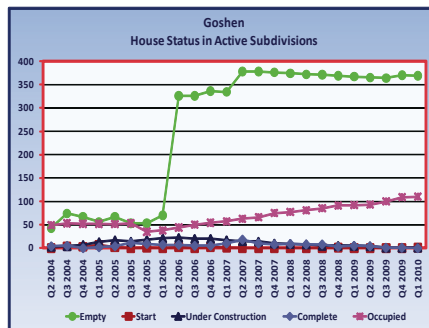
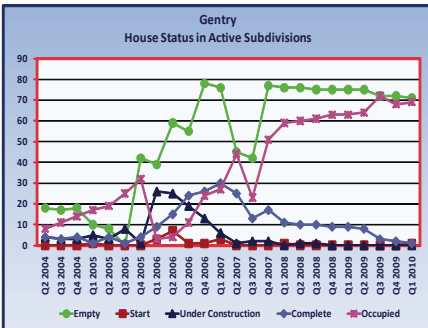
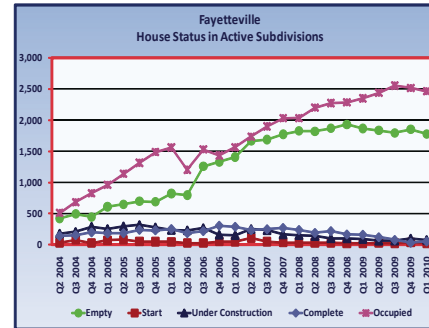
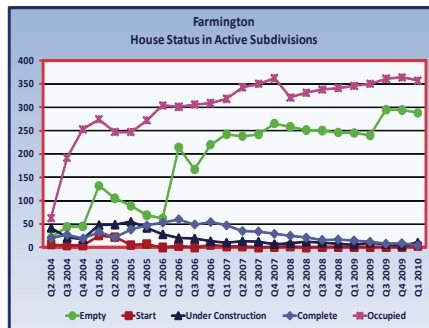
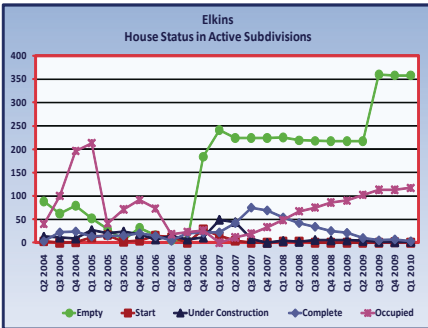
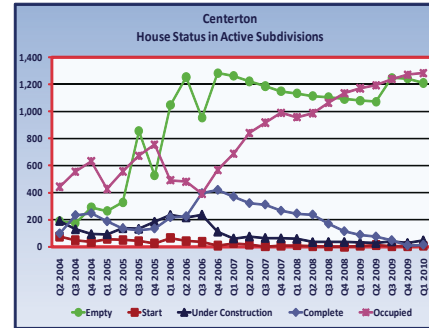
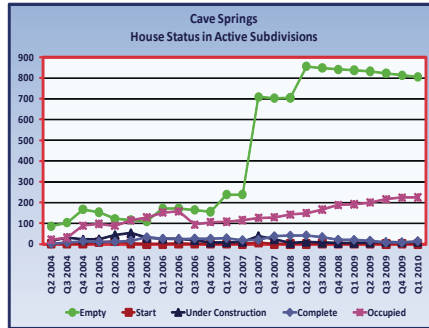
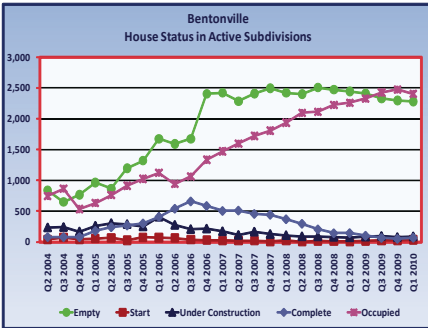


Benton and Washington Counties Number and Average Value of Residential Building Permits Q1 2010 and Q1 2009

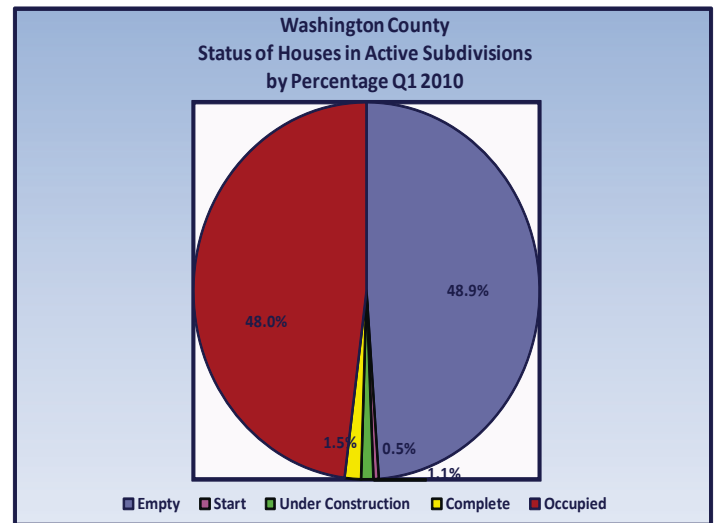
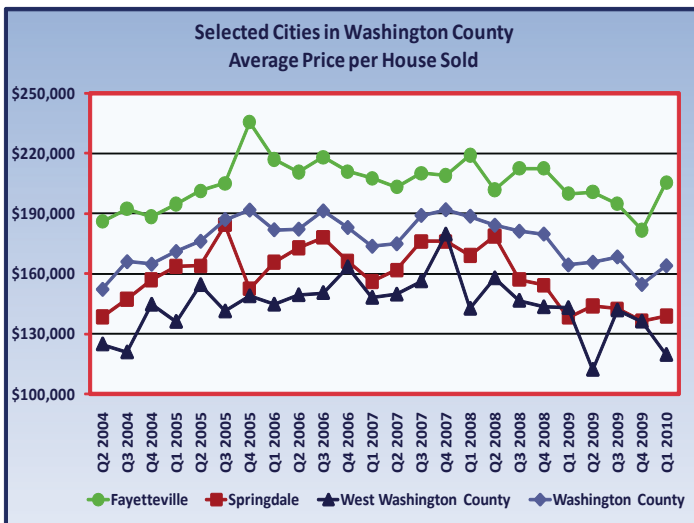
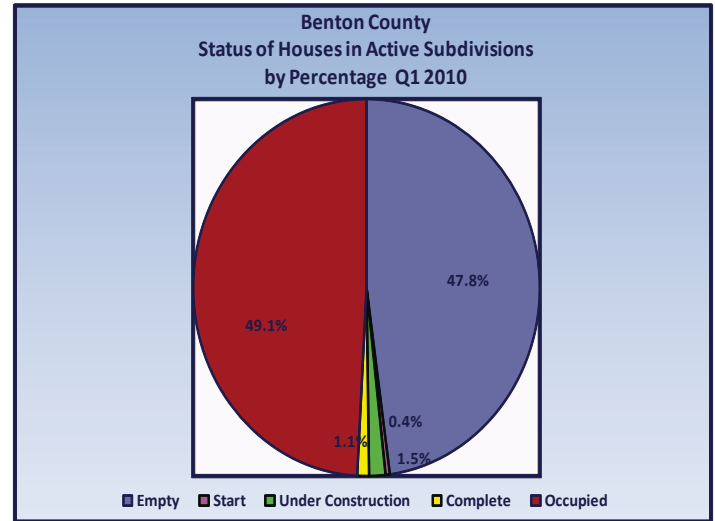
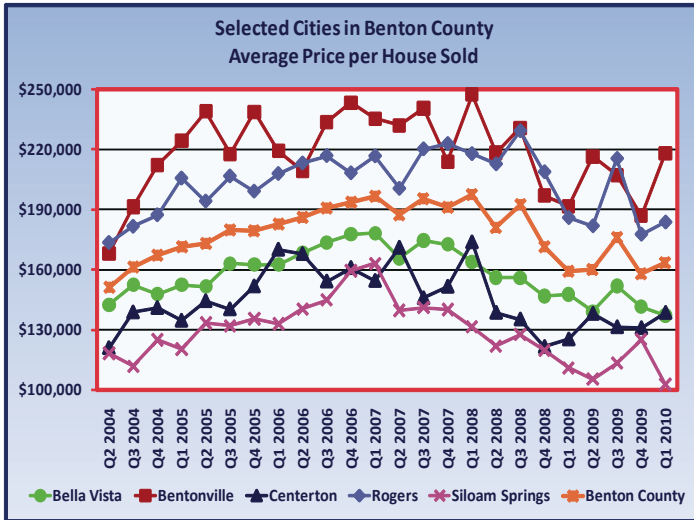
City	Q1 2010 Number of Building Permits	Q1 2009 Number of Building Permits	Q1 2010 Average Value of Building Permits	Q1 2009 Average Value of Building Permits
Bella Vista	8	11	\$192,500	\$182,527
Bentonville	48	42	\$239,305	\$193,855
Bethel Heights	0	0	--	--
Cave Springs	1	8	\$335,000	\$283,750
Centerton	23	5	\$189,506	\$114,894
Decatur	0	0	--	--
Elkins	0	0	--	--
Elm Springs	0	0	--	--
Farmington	7	0	\$236,946	--
Fayetteville	35	46	\$182,272	\$165,973
Gentry	3	1	\$65,000	\$77,000
Goshen	1	1	\$425,000	\$302,500
Gravette	0	0	--	--
Greenland	0	0	--	--
Johnson	0	0	--	--
Lincoln	0	0	--	--
Little Flock	0	1	--	\$241,533
Lowell	4	0	\$215,091	--
Pea Ridge	0	1	--	\$96,600
Prairie Grove	14	0	\$88,607	--
Rogers	43	41	\$197,957	\$188,073
Siloam Springs	4	3	\$84,955	\$106,000
Springdale	24	22	\$246,637	\$207,190
Tontitown	0	1	--	\$514,324
West Fork	0	0	--	--
Northwest Arkansas	215	183	\$201,165	\$188,241



Residential Market Trends



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots Q1 2010

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	2,279	36	87	69	2,405	4,876	40	1,191
Centerton	11,210	8	48	15	1,283	2,564	12	920
Fayetteville	1,780	22	77	55	2,464	4,398	87	1,219
Rogers	1,571	14	73	52	2,422	4,132	49	626
Siloam Springs	528	0	12	4	575	1,119	8	103
Springdale	1,370	24	26	51	1,451	2,922	54	515
West Washington County	1,094	5	15	51	806	1,971	16	456

