




THE SKYLINE REPORT

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August 2010 Highlights

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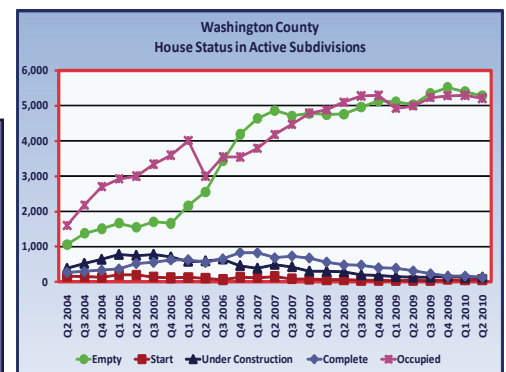
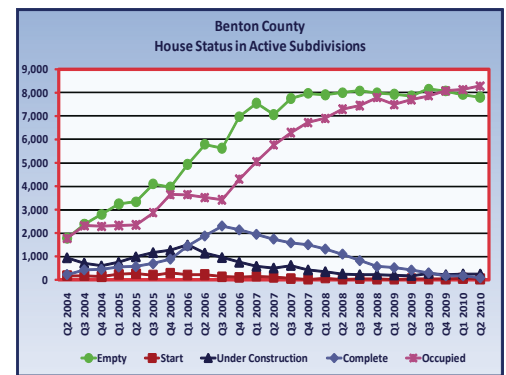
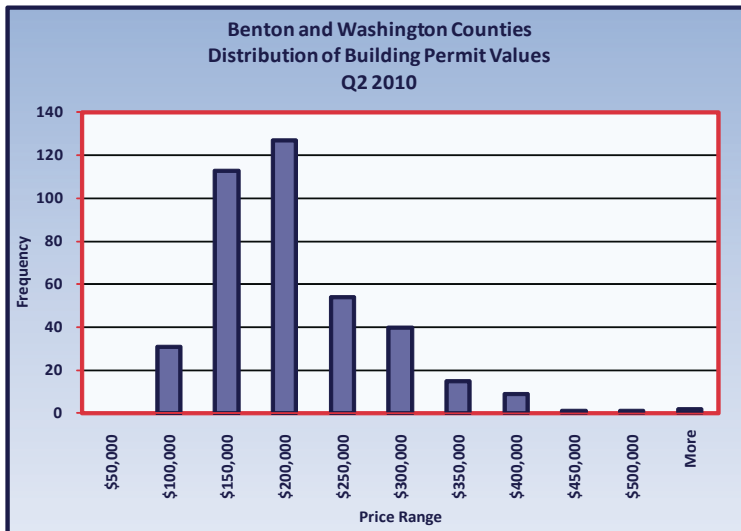
Residential Real Estate Market Summary for Benton and Washington Counties

This report is the twenty-fifth 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 Quarter of 2010

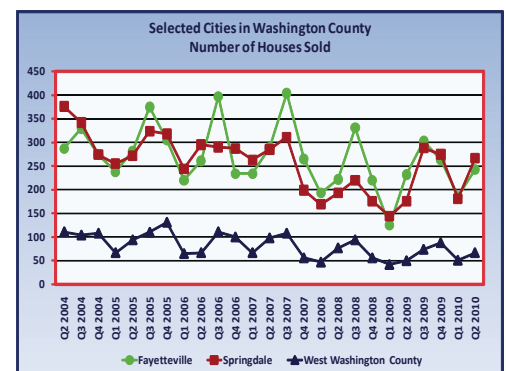
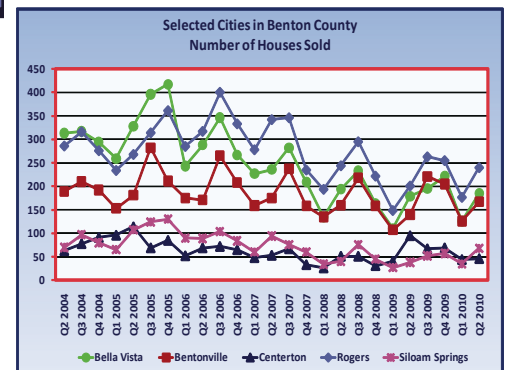
- There were 394 residential building permits issued in Northwest Arkansas from March to May 2010, up from 271 building permits issued in the same period last year. Among these, Fayetteville accounted for 21.8 percent, Bentonville for 20.1 percent, and Rogers for 17.3 percent.
- There were 27,295 lots in the 376 active subdivisions in Northwest Arkansas in the second quarter.
- No new construction or progress in existing construction has occurred in the last four quarters in 105 out of the 376 active subdivisions in Northwest Arkansas.
- From the first quarter to the second quarter of 2010, 396 houses in active subdivisions became occupied. This left 226 complete, but unoccupied houses in the region.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 102.2 months, down from a revised 106.1 months in the first quarter of 2010.
- An additional 5,912 residential lots have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 145.9 months of inventory in Northwest Arkansas.
- According to the Assessors' databases, 42.1 percent of houses in Benton County and 64.5 percent of houses in Washington County were owner-occupied.
- From February 16 to May 15, 2010, there were 1,422 houses sold in Benton and Washington Counties. This is an increase of 14.0 percent from the same time period in the previous year.
- The Bentonville school district accounted for 26.9 percent of the houses sold in the region, while the Springdale school district accounted for 20.7 percent.
- There were 5,567 houses listed for sale in the MLS database as of June 1, 2010. These houses had an average list price of \$229,839.
- In the second quarter of 2010 in Northwest Arkansas, the average sales price of existing houses declined from the second quarter 2009 level by 1.5 percent in Benton County and by 4.0 percent in Washington County.
- Out of the 1,422 houses sold in the second quarter, 204 were new construction. These newly constructed houses had average sold prices that were 133.6 percent and 127.4 percent of the overall Benton and Washington county average prices, respectively.

Residential Market Trends

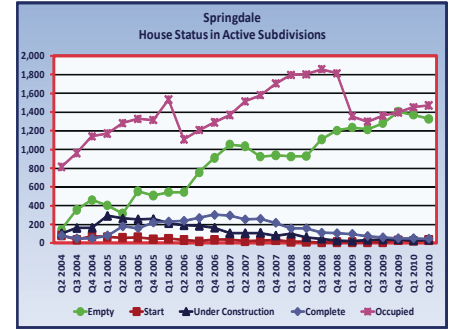
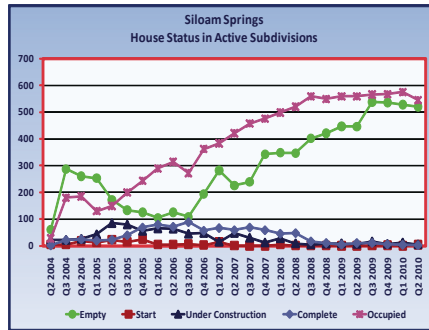
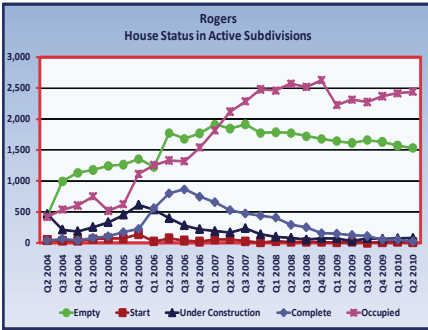
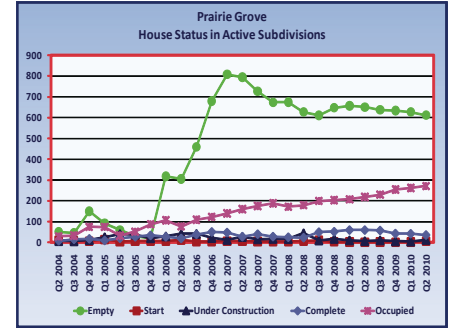
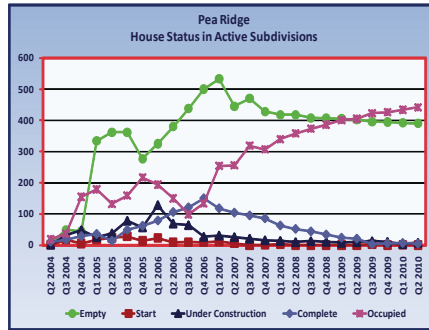
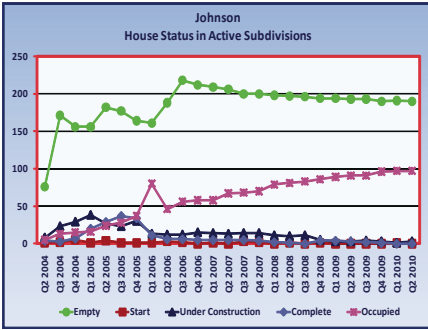
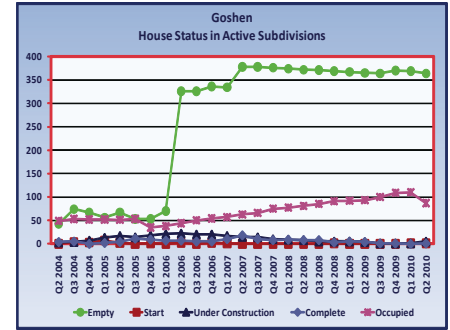
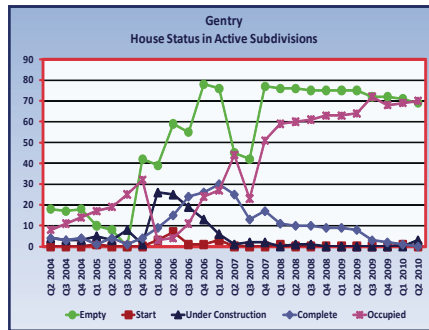
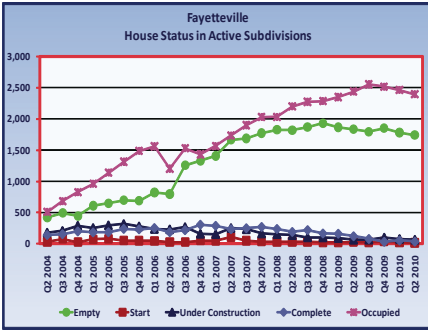
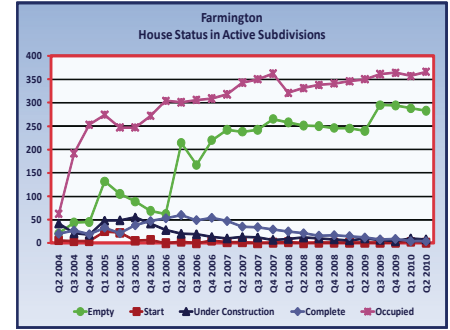
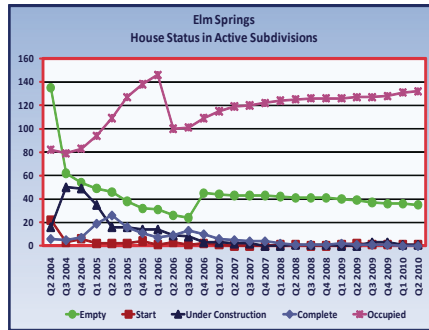
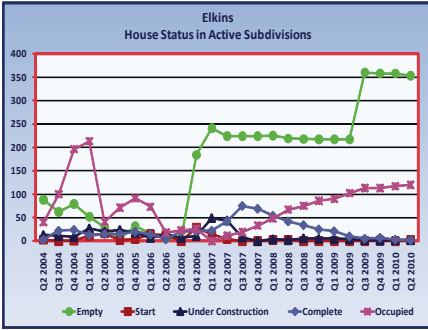
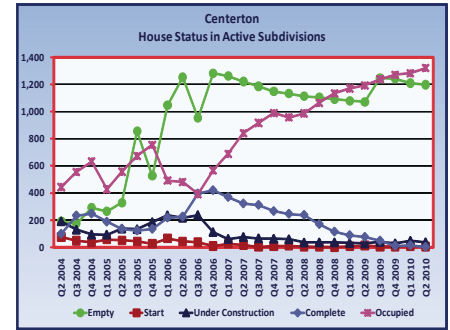
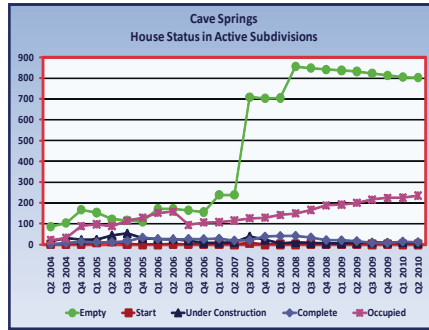
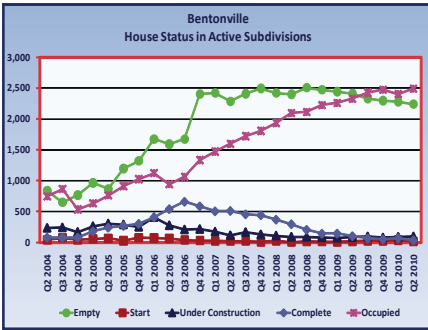


Benton and Washington Counties Number and Average Value of Residential Building Permits Q2 2010 and Q2 2009

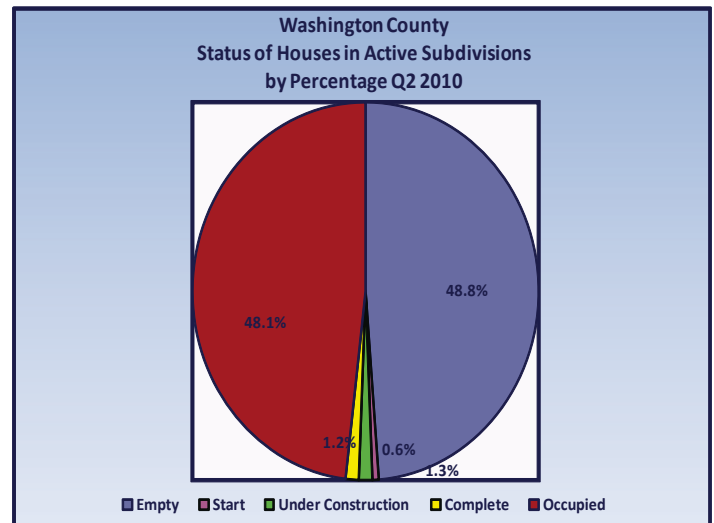
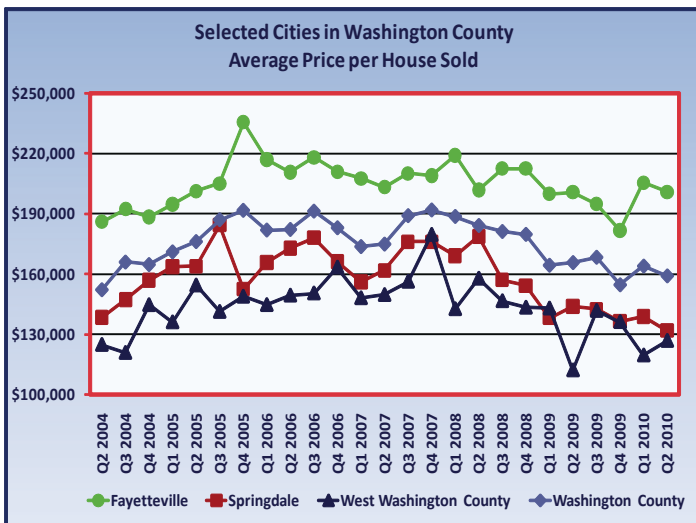
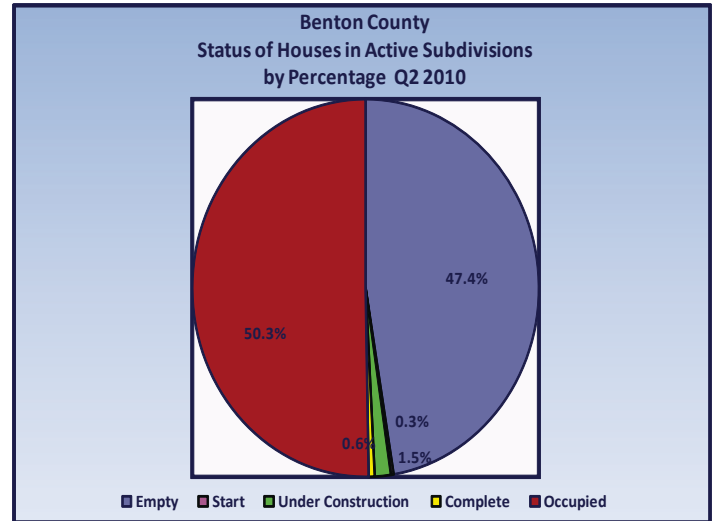
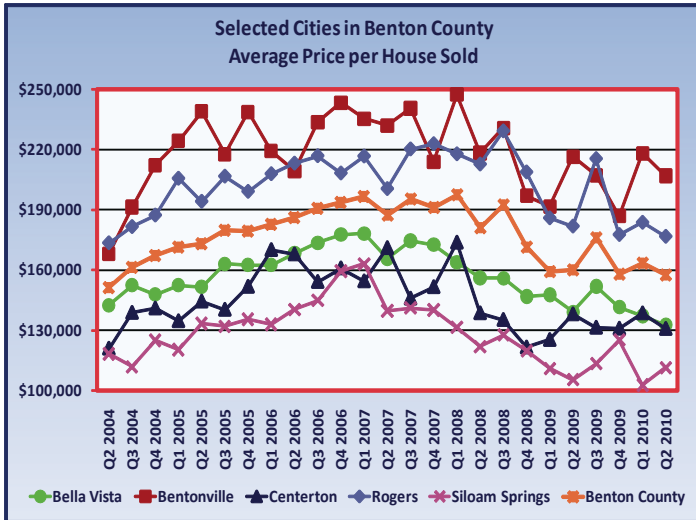
City	Q2 2010 Number of Building Permits	Q2 2009 Number of Building Permits	Q2 2010 Average Value of Building Permits	Q2 2009 Average Value of Building Permits
Bella Vista	29	13	\$143,862	\$170,154
Bentonville	79	69	\$209,438	\$226,390
Bethel Heights	1	5	\$57,400	\$111,600
Cave Springs	3	4	\$134,167	\$174,000
Centerton	29	10	\$174,028	\$116,237
Decatur	1	0	\$140,000	--
Elkins	7	4	\$107,895	\$78,334
Elm Springs	1	2	\$220,000	\$202,500
Farmington	10	8	\$197,571	\$198,067
Fayetteville	86	64	\$196,836	\$170,716
Gentry	4	0	\$98,475	--
Goshen	6	2	\$332,497	\$139,744
Gravette	0	0	--	--
Greenland	0	5	--	\$91,420
Johnson	2	0	\$400,722	--
Lincoln	0	0	--	--
Little Flock	0	2	--	\$259,271
Lowell	8	6	\$169,252	\$145,868
Pea Ridge	7	5	\$100,247	\$122,627
Prairie Grove	11	5	\$97,091	\$76,800
Rogers	68	32	\$169,721	\$233,123
Siloam Springs	14	5	\$128,244	\$86,492
Springdale	23	29	\$211,384	\$251,199
Tontitown	3	1	\$359,989	\$340,992
West Fork	2	0	\$147,500	--
Northwest Arkansas	394	271	\$182,835	\$193,855



Residential Market Trends



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots Q2 2010

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	2,239	16	93	35	2,492	4,875	88	1,191
Centerton	1,198	5	37	3	1,321	2,564	38	920
Fayetteville	1,743	16	65	37	2,397	4,258	95	1,230
Rogers	1,533	12	77	25	2,441	4,088	63	626
Siloam Springs	520	4	5	3	545	1,077	12	103
Springdale	1,350	11	34	46	1,470	2,911	36	515
West Washington County	1,073	8	21	41	783	1,926	22	456

