



THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

October 2011 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-ninth 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 Third Quarter of 2011

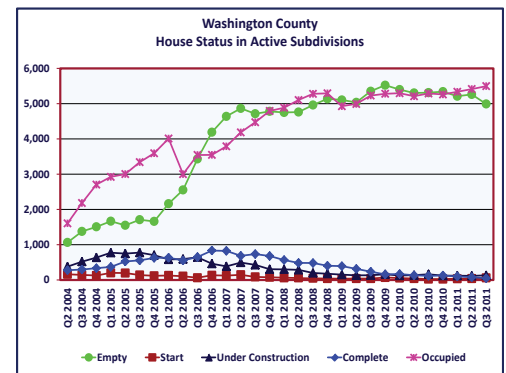
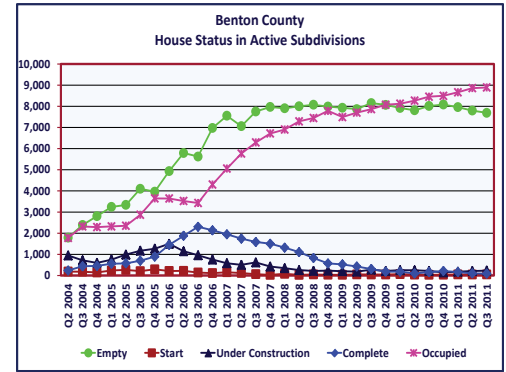
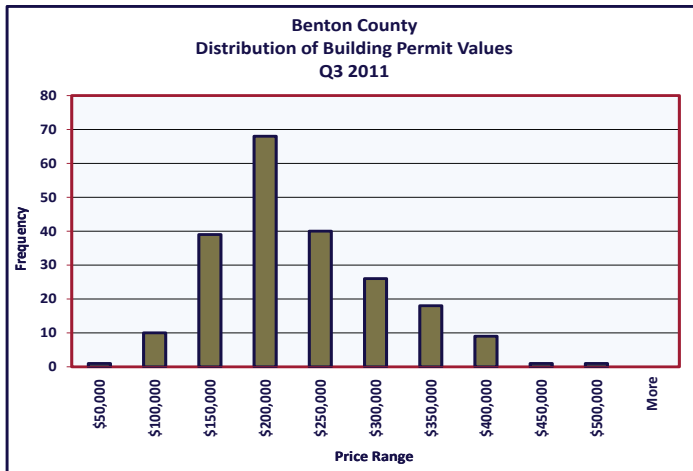
- There were 358 residential building permits issued in Northwest Arkansas from June 2011 to August 2011, up from 291 building permits issued in the same period last year. Among these, Bentonville accounted for 28.2 percent, Fayetteville for 27.7 percent, and Rogers for 16.8 percent.
- There were 27,890 lots in the 387 active subdivisions in Northwest Arkansas in the third quarter of 2011.
- No new construction or progress in existing construction has occurred in the last four quarters in 147 (38.0 percent) of the 387 active subdivisions in Northwest Arkansas.
- From the second quarter of 2011 to the third quarter of 2011, 294 houses in active subdivisions became occupied, down from the 336 last quarter. This left 143 complete, but unoccupied houses in the region, down from 177 last quarter.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 132.0 months, up from 129.9 months in the second quarter of 2011.
- An additional 5,093 residential lots have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 182.1 months of inventory in Northwest Arkansas.
- According to the Assessors' databases, 68.0 percent of houses in Benton County and 63.2 percent of houses in Washington County were owner-occupied.
- From mid-May to mid-August, there were 1,673 houses sold in Benton and Washington Counties. This is an increase of 14.1 percent from the same time period in the previous year.
- The Bentonville school district accounted for 27.3 percent of the houses sold in the region, while the Rogers school district accounted for 19.2 percent.
- There were 4,390 houses listed for sale in the MLS database as of September 1, 2011, down from 4,680 on June 1, 2011. These houses had an average list price of \$229,083.



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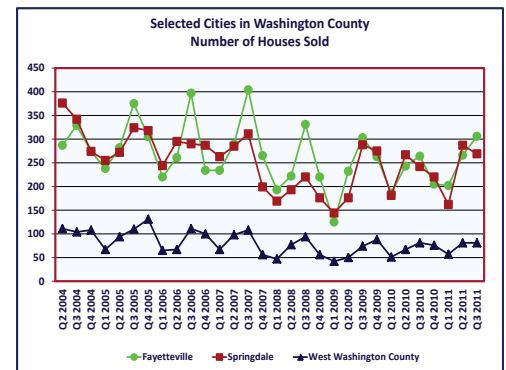
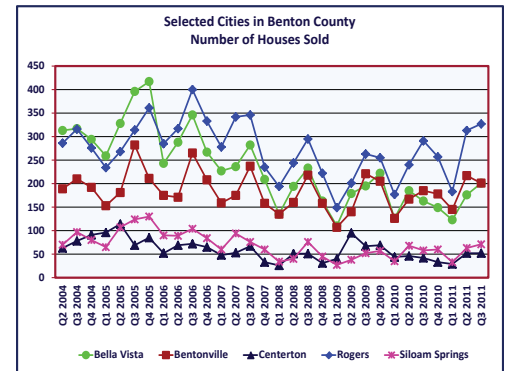
Center for Business and Economic Research

Residential Market Trends

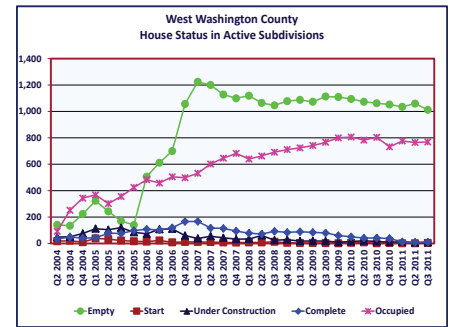
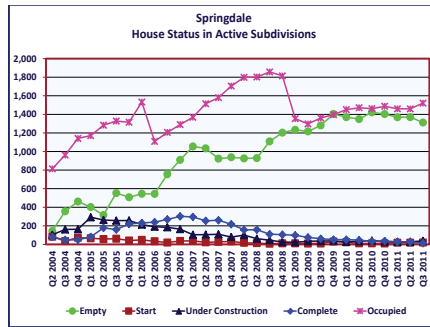
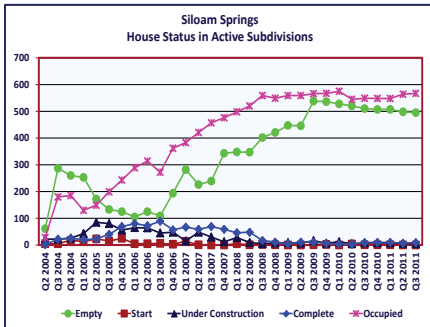
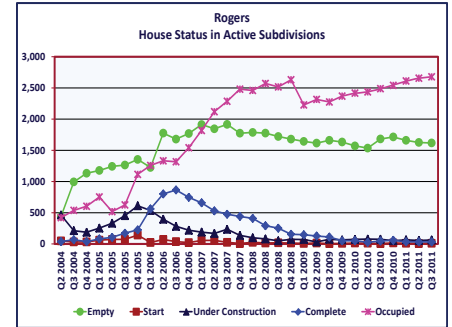
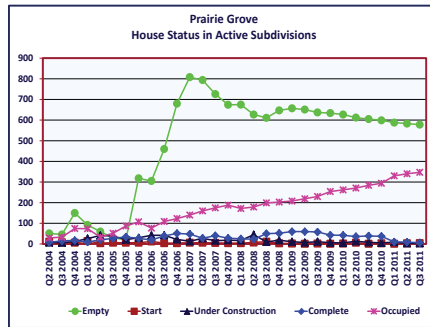
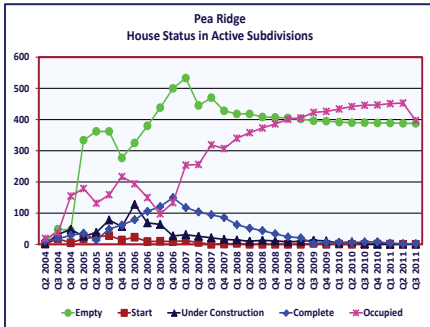
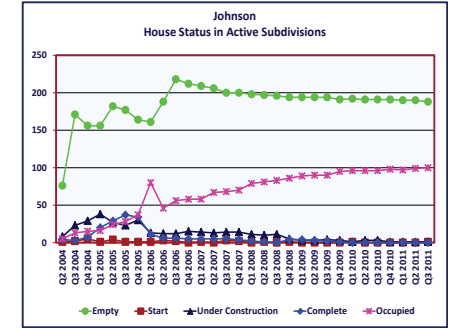
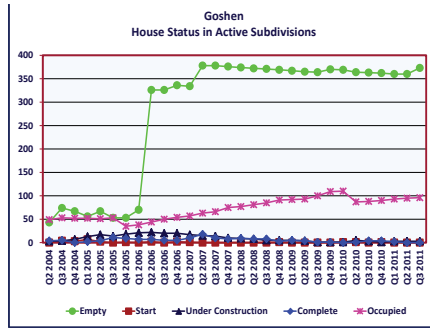
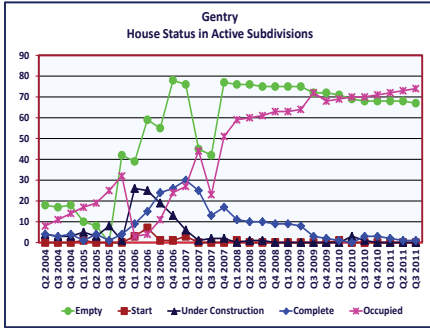
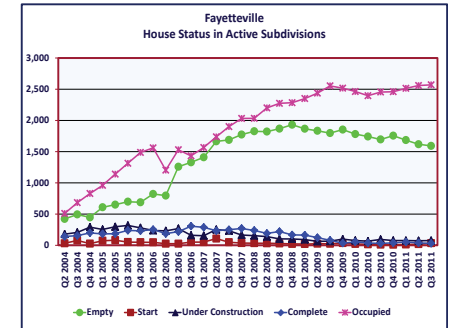
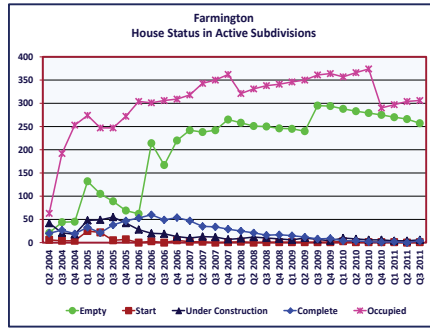
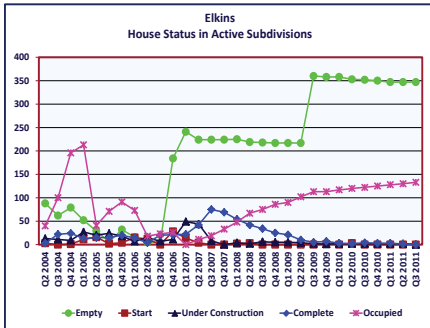
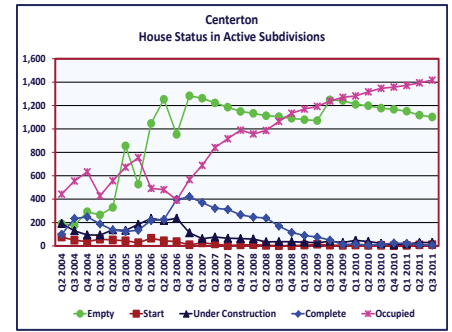
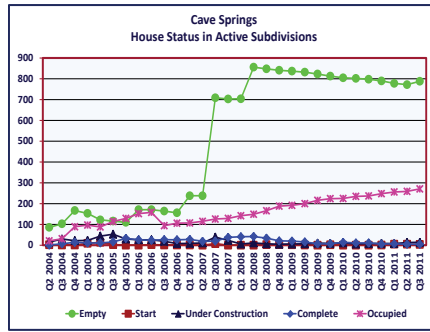
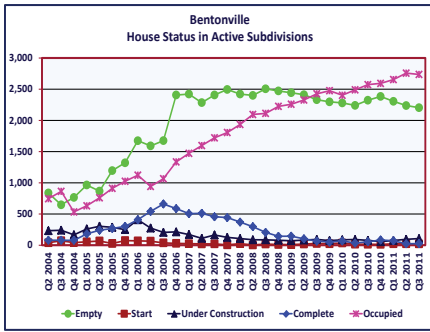


Benton and Washington Counties Number and Average Value of Residential Building Permits Q3 2011 and Q3 2010

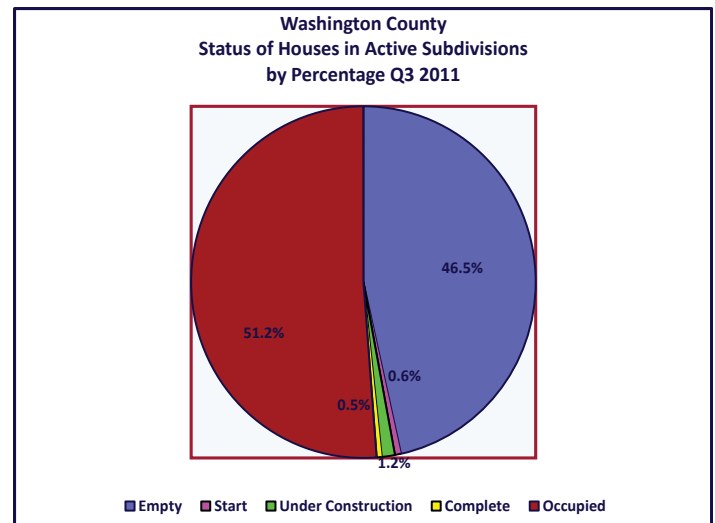
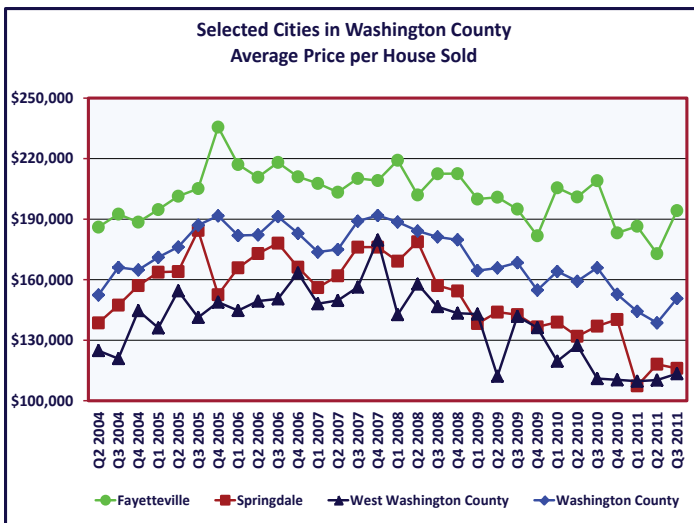
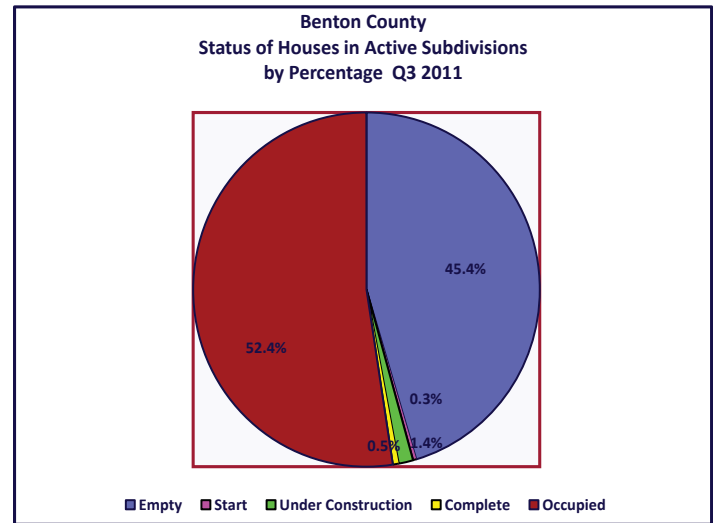
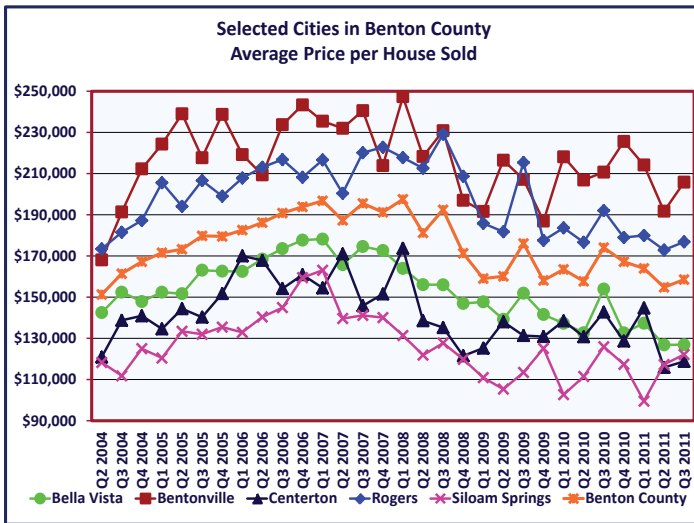
City	Q3 2011 Number of Building Permits	Q3 2010 Number of Building Permits	Q3 2011 Average Value of Building Permits	Q3 2010 Average Value of Building Permits
Bella Vista	9	6	\$174,778	\$234,220
Bentonville	101	63	\$226,667	\$237,499
Bethel Heights	0	0	--	--
Cave Springs	16	5	\$172,833	\$292,800
Centerton	15	10	\$201,583	\$279,833
Decatur	0	0	--	--
Elkins	1	3	\$160,000	\$80,435
Elm Springs	2	1	\$237,500	\$180,000
Farmington	6	3	\$149,236	\$210,377
Fayetteville	99	67	\$207,671	\$213,464
Gentry	1	5	\$97,000	\$140,780
Goshen	2	2	\$210,804	\$291,583
Gravette	0	0	--	--
Greenland	0	0	--	--
Johnson	1	0	\$842,744	--
Lincoln	0	1	--	\$129,870
Little Flock	1	0	\$360,000	--
Lowell	6	19	\$270,474	\$163,701
Pea Ridge	0	1	--	\$72,867
Prairie Grove	5	2	\$143,600	\$86,000
Rogers	60	58	\$182,729	\$199,286
Siloam Springs	4	4	\$103,750	\$125,585
Springdale	27	39	\$239,740	\$250,126
Tontitown	2	2	\$351,207	\$468,108
West Fork	0	0	--	--
Northwest Arkansas	358	291	\$209,370	\$218,425



Residential Market Trends



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots Q3 2011

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	2,204	22	107	27	2,737	5,091	77	1,302
Centerton	1,102	11	30	7	1,417	2,567	28	920
Fayetteville	1,592	34	76	30	2,570	4,302	76	1,049
Rogers	1,618	11	63	32	2,678	4,402	38	374
Siloam Springs	495	0	5	9	567	1,076	4	94
Springdale	1,312	20	38	12	1,521	2,903	26	440
West Washington County	1,026	5	9	10	855	1,905	10	459