



THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

Second Half of 2012

February 2013 Highlights

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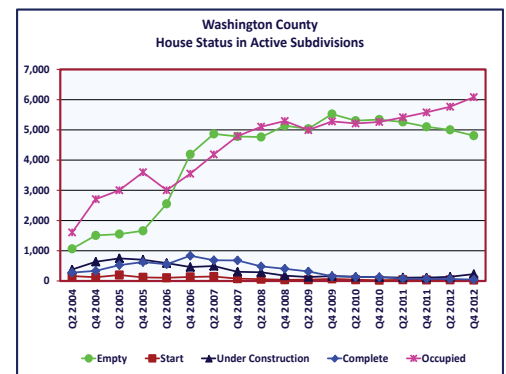
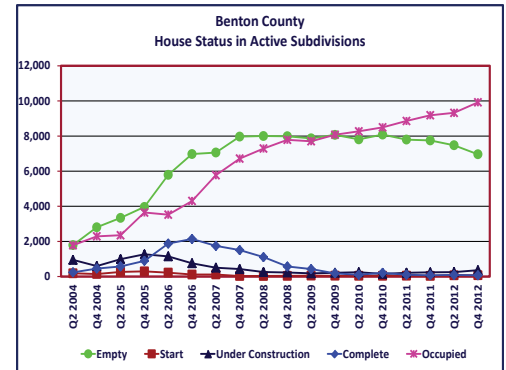
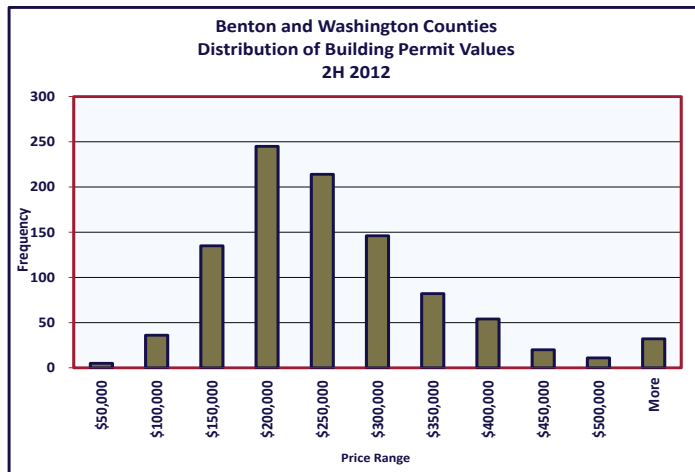
Residential Real Estate Market Summary for Benton and Washington Counties

This report is the thirty-second 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 2012

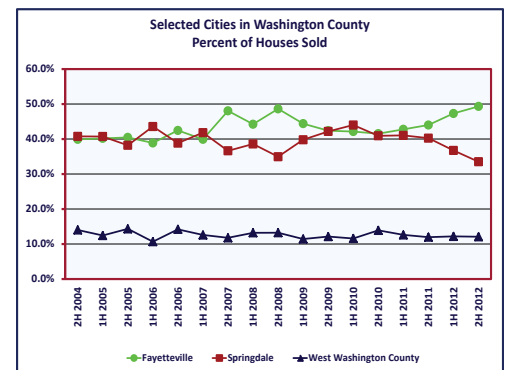
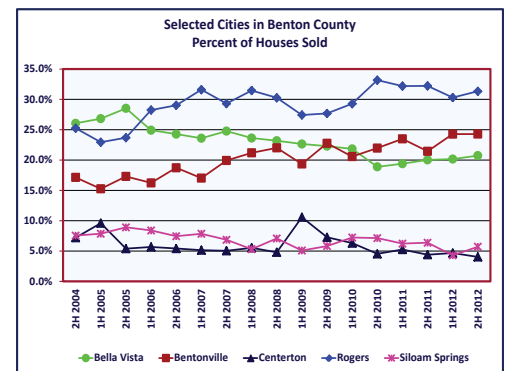
- There were 980 building permits issued in Benton and Washington counties from July to December 2012. This number is 52.6 percent higher than the 642 building permits issued during the same period in 2011. Benton County accounted for 641 of the residential building permits, while Washington County accounted for 339.
- A total of 28,464 lots were in the 393 active subdivisions identified by Skyline Report researchers in the second half of 2012.
- In 165 out of the 393 active subdivisions, no new construction or progress in existing construction has occurred during the last four quarters.
- During the second half of 2012, 777 new houses in active subdivisions became occupied, up 70.4 percent from 456 in the first half of 2012.
- Using the absorption rate from the past twelve months implies that there was a 121.5 month supply of remaining lots in active subdivisions in Northwest Arkansas in the second half of 2012.
- An additional 3,279 residential lots have received preliminary approval in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 153.4 months of inventory in the second half of 2012.
- According to the Assessors' databases, 63.3 percent of houses in Benton County and 64.9 percent of houses in Washington County were owner-occupied.
- From July 1, 2012 to December 31, 2012 there were 2,982 houses sold in Benton and Washington counties. This is an increase of 0.5 percent from the 2,967 sold in the previous year.
- The Bentonville School District accounted for 30.6 percent of the houses sold in the region, while the Rogers School District accounted for 19.1 percent.
- There were 3,144 houses listed for sale in the MLS database as of January 2, 2013 at an average list price of \$251,918.

Residential Market Trends

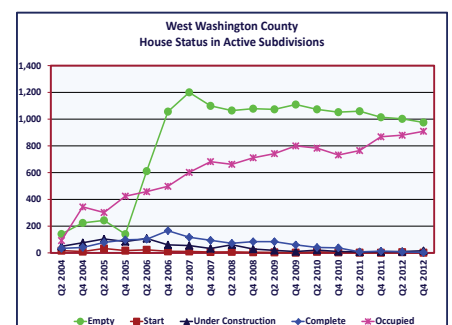
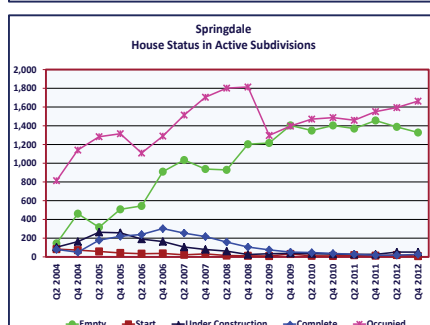
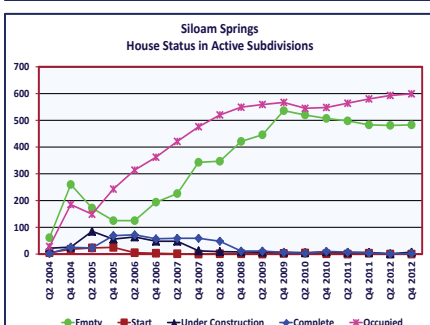
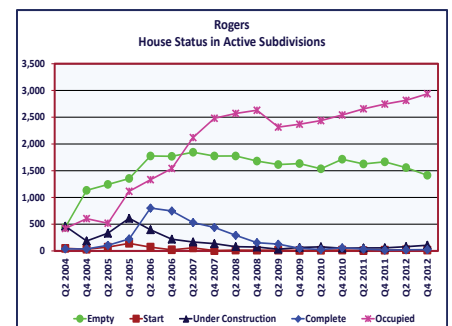
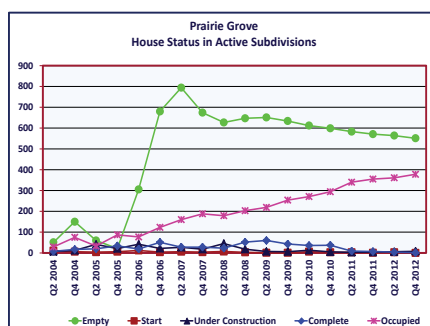
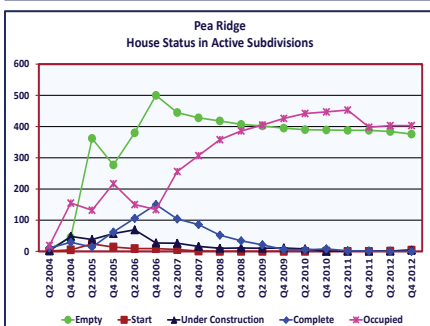
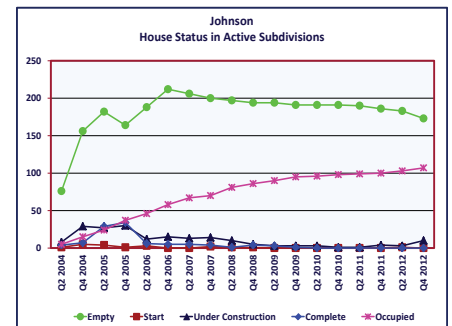
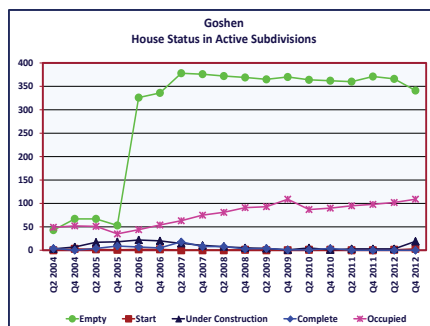
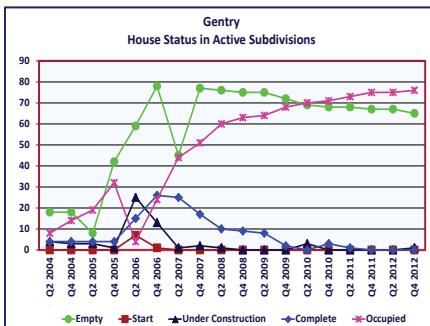
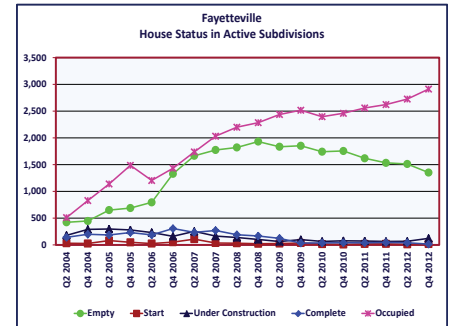
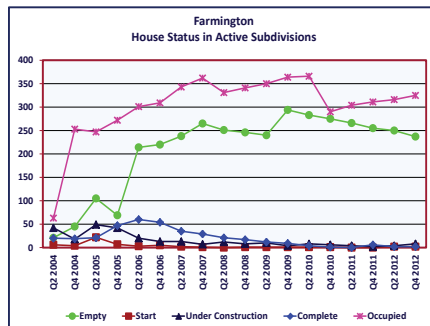
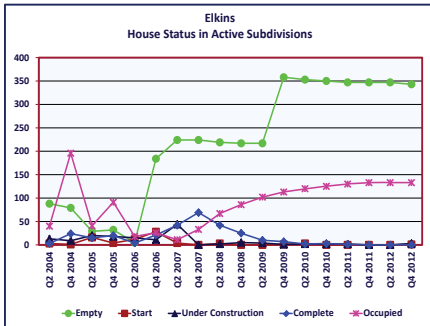
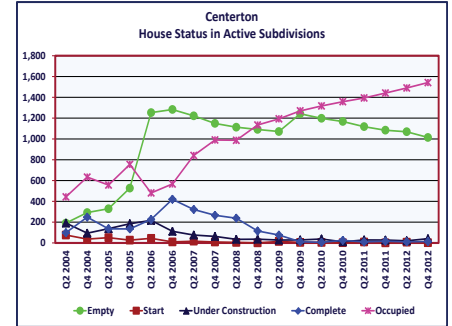
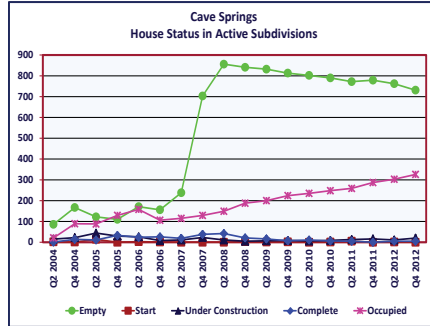
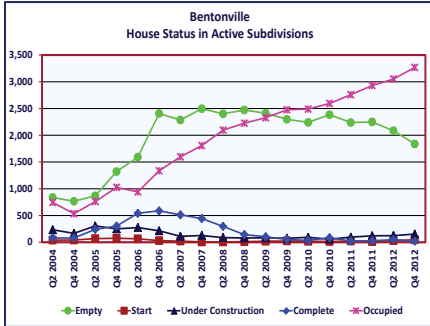


Benton and Washington Counties Number and Average Value of Residential Building Permits Second Half 2012 and Second Half 2011

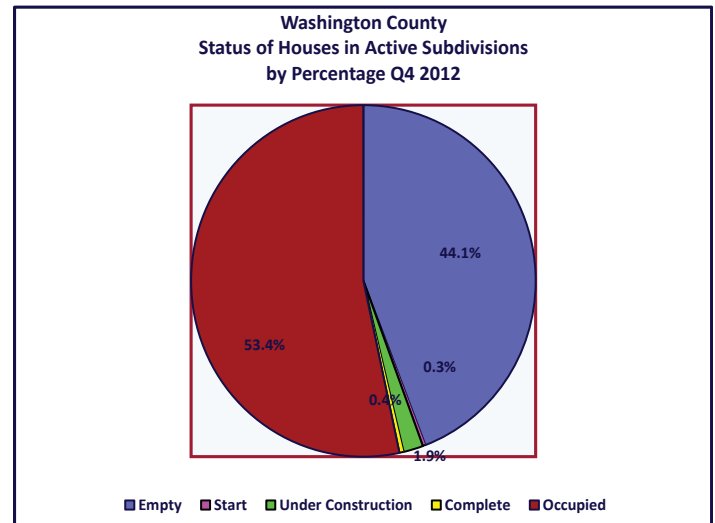
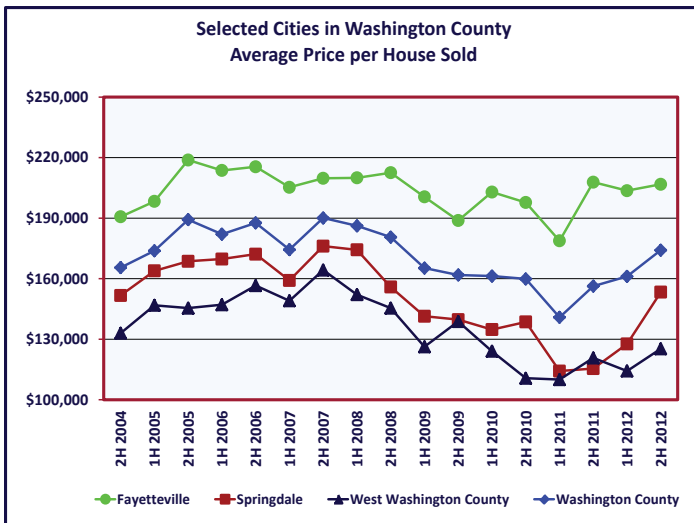
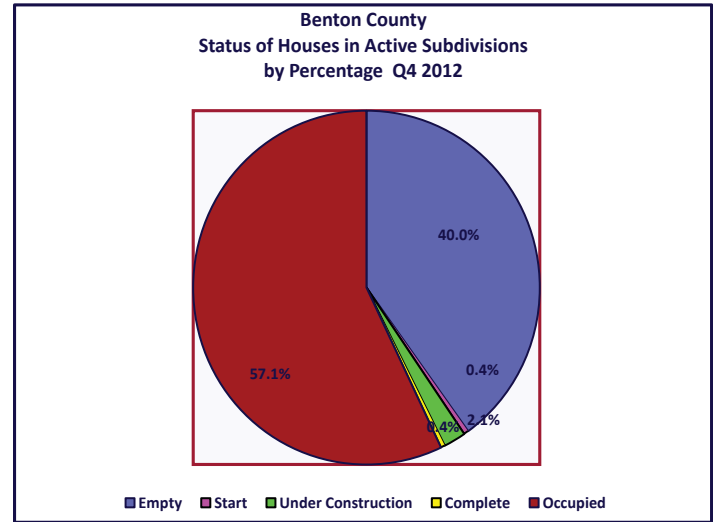
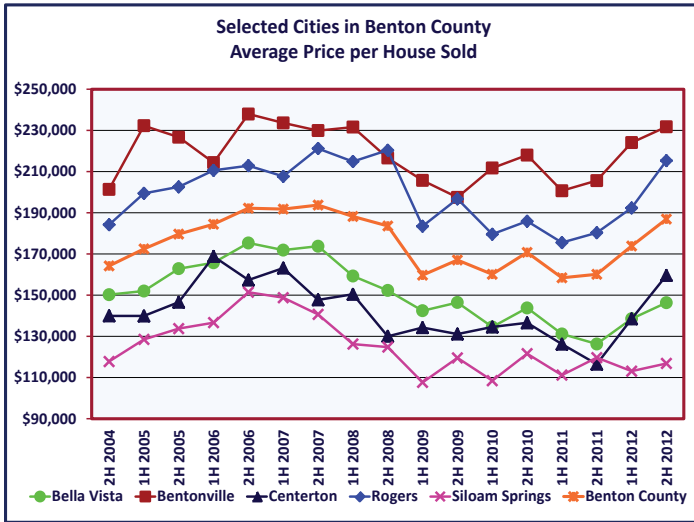
City	2H 2012 Number of Building Permits	2H 2011 Number of Building Permits	2H 2012 Average Value of Building Permits	2H 2011 Average Value of Building Permits
Bella Vista	13	15	\$207,091	\$187,334
Bentonville	277	193	\$266,436	\$233,567
Bethel Heights	0	0	--	--
Cave Springs	35	28	\$226,796	\$204,453
Centerton	68	24	\$212,639	\$232,360
Decatur	0	0	--	--
Elkins	4	1	\$107,500	\$160,000
Elm Springs	4	4	\$243,500	\$218,750
Farmington	21	10	\$215,614	\$146,209
Fayetteville	171	144	\$223,991	\$208,465
Gentry	4	1	\$52,500	\$97,000
Goshen	14	4	\$265,747	\$222,662
Gravette	0	0	--	--
Greenland	0	0	--	--
Johnson	23	2	\$606,684	\$769,772
Lincoln	0	1	--	\$120,000
Little Flock	5	2	\$359,178	\$447,848
Lowell	41	15	\$273,340	\$280,989
Pea Ridge	9	0	\$116,104	--
Prairie Grove	14	9	\$94,107	\$113,778
Rogers	169	111	\$192,772	\$183,516
Siloam Springs	20	15	\$111,400	\$102,740
Springdale	75	60	\$235,340	\$249,651
Tontitown	7	2	\$388,881	\$351,207
West Fork	6	1	\$73,583	\$31,000
Northwest Arkansas	980	642	\$236,731	\$215,127



Residential Market Trends



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots 2H 2012

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Complete, Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	1,838	46	153	22	3,268	5,326	235	382
Centerton	1,014	2	0	41	1,542	2,613	52	400
Fayetteville	1,352	17	122	15	2,912	4,418	187	495
Rogers	1,414	15	107	24	2,937	4,497	125	225
Siloam Springs	483	0	7	2	599	1,091	8	124
Springdale	1,328	8	51	27	1,663	3,077	70	218
West Washington County	975	2	16	3	909	1,905	29	530