

THE SKYLINE REPORT

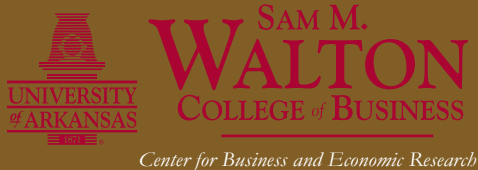
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April 2008 Highlights

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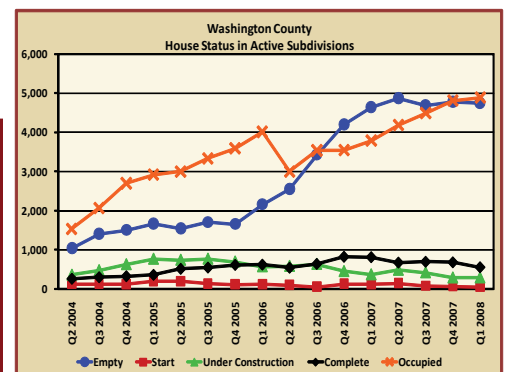
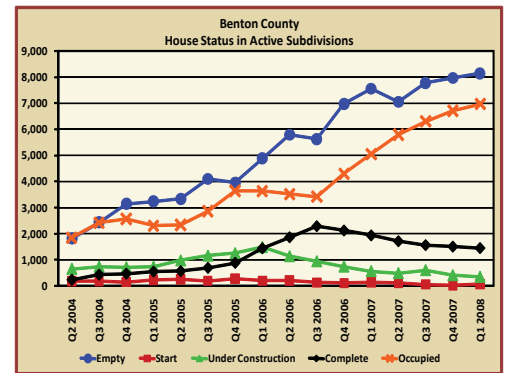
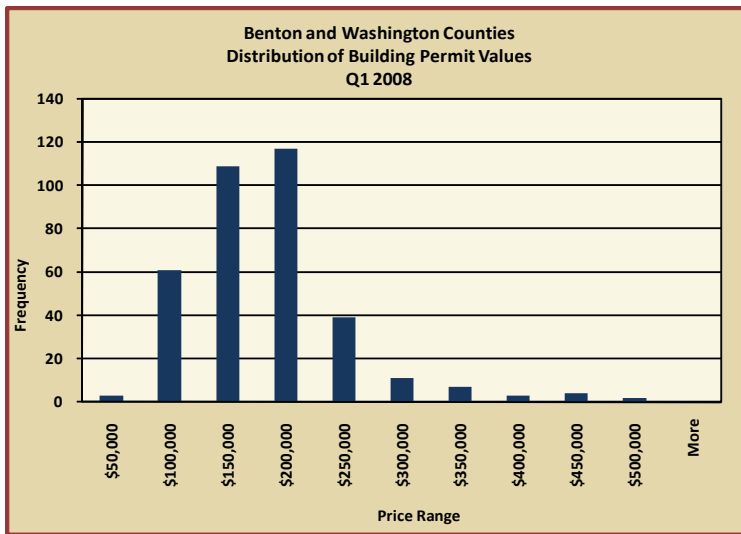
Residential Real Estate Market Summary for Benton and Washington Counties

This report is the sixteenth edition of the Skyline Report for Benton and Washington Counties—Residential Real Estate Market Analysis. Researchers at the Center for Business and Economic Research (CBER) 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 burgeons, 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 2008

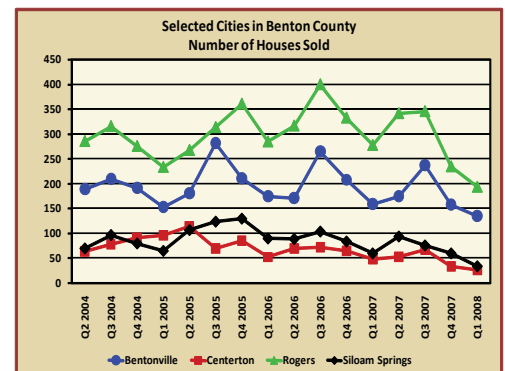
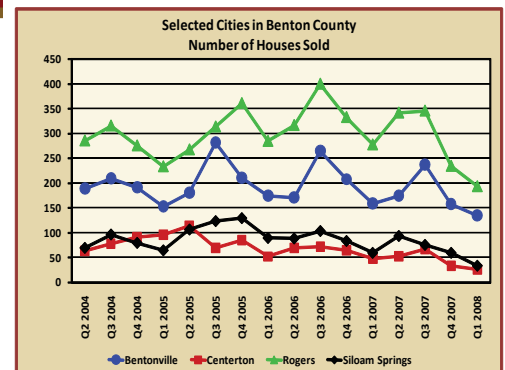
- Bentonville accounted for 20 percent, Rogers for 18 percent, Fayetteville for 17 percent, and Springdale for 12 percent of the 356 Northwest Arkansas residential building permits issued from December 2007 to February 2008.
- There were 27,080 lots in the 364 active subdivisions in Northwest Arkansas in the first quarter.
- From the fourth quarter of 2007 to the first quarter of 2008, 809 houses in active subdivisions became occupied. This absorption rate is an increase from the fourth quarter 2007 total of 798, but a significant decline from the first quarter 2007 total of 1,217.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 48.3 months, up from 44.9 months in the fourth quarter of 2007.
- In the first quarter of 2008, there were 1,933 complete but unoccupied houses, a decline from 2,210 in the fourth quarter. Benton County experienced a decline of 9.9 percent in available complete inventory from the fourth quarter of 2007, and a decline of 29.9 percent from the first quarter of 2007. In comparison, Washington County experienced an 18.3 percent inventory decrease over the past quarter and a cumulative decrease of 31.4 percent over the past year.
- There were an additional 18,621 residential lots that have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields a whopping 106.9 months of inventory in Northwest Arkansas.
- From November 16, 2007 to February 15, 2008, there were 1,024 existing houses sold in Benton and Washington Counties. This is a decline of 33.0 percent from the same time period in the previous year.
- In the first quarter of 2008 in Northwest Arkansas, the average sales price of existing houses increased from first quarter 2007 levels by 0.4 percent in Benton County and increased by 8.6 percent in Washington County.

Residential Market Trends

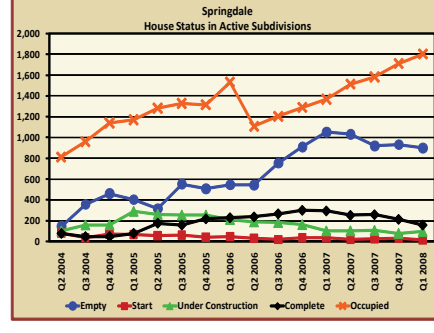
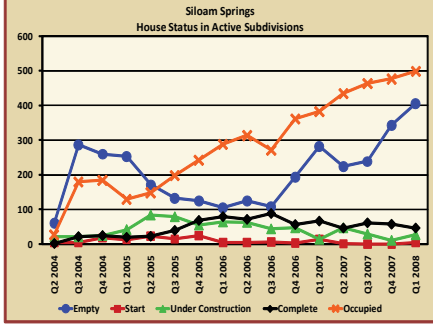
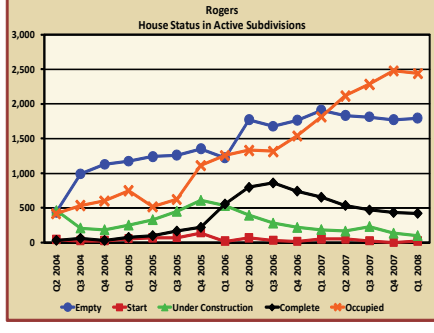
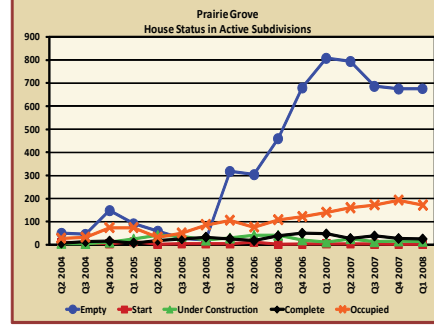
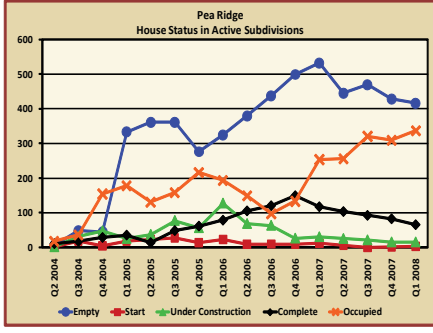
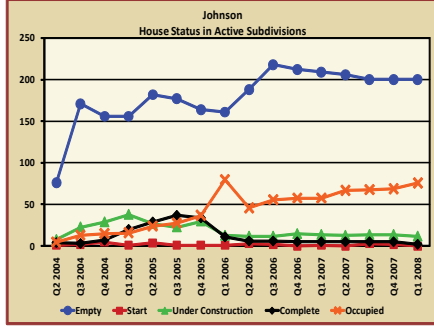
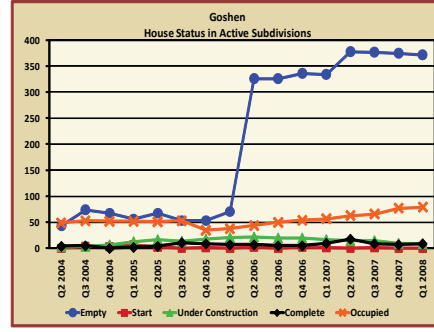
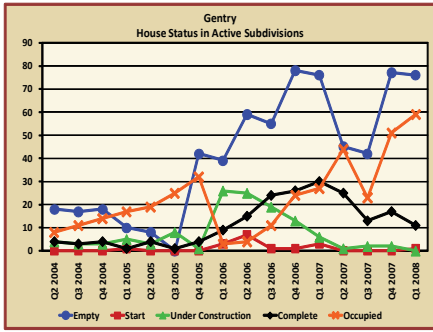
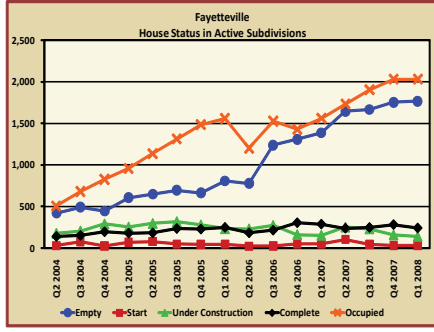
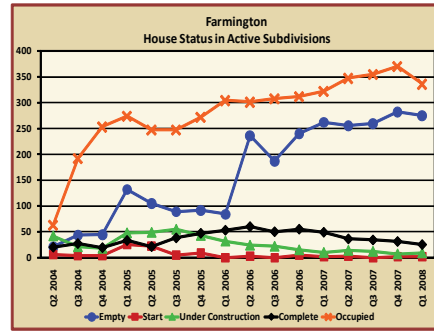
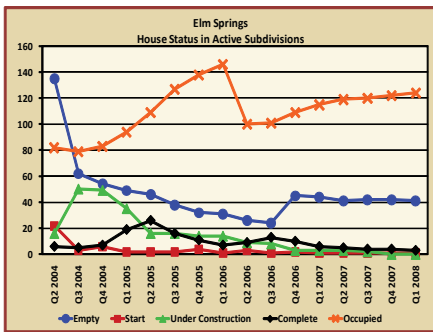
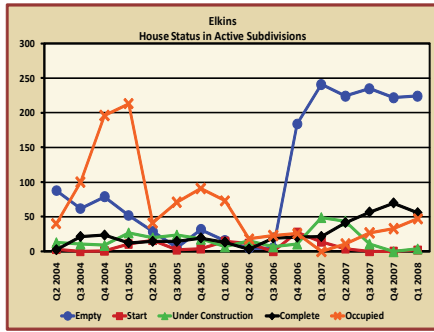
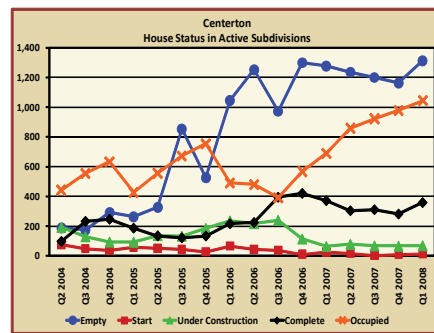
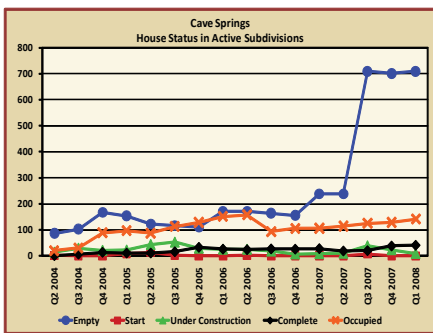
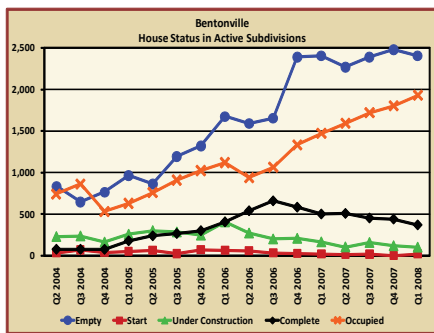


Benton and Washington Counties Number and Average Value of Residential Building Permits Q1 2007 and Q1 2008

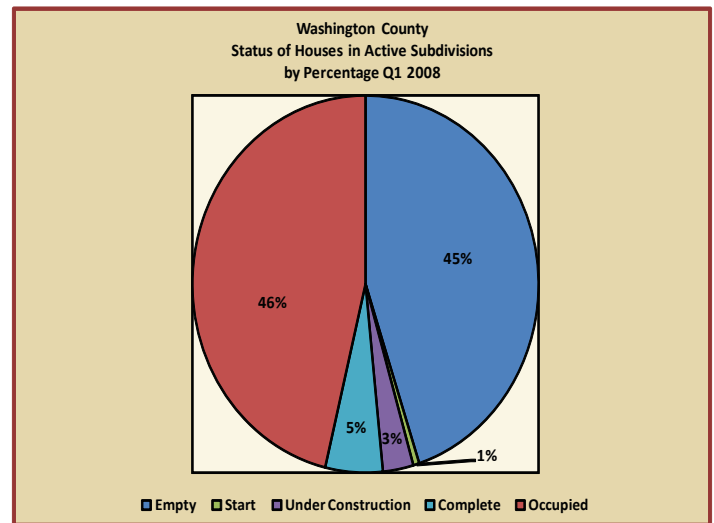
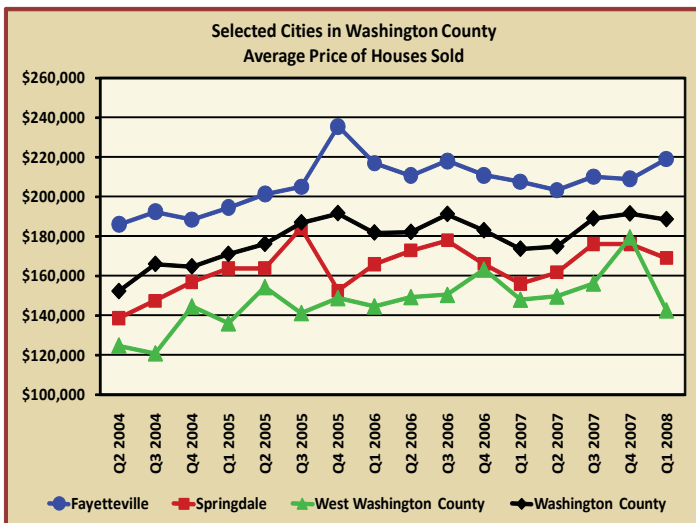
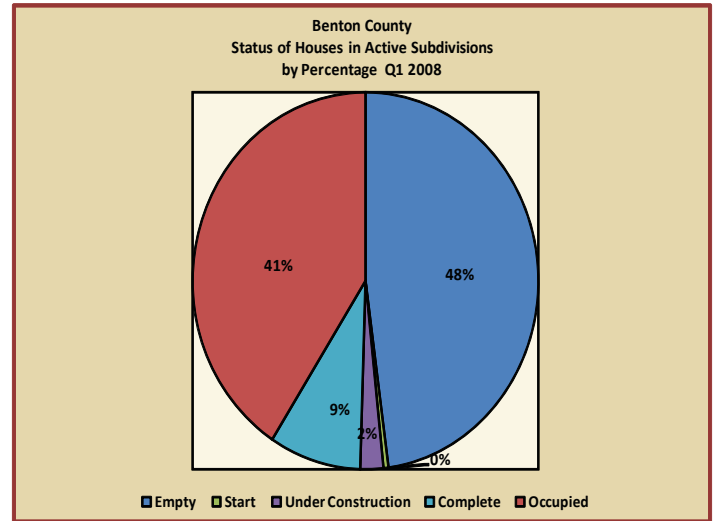
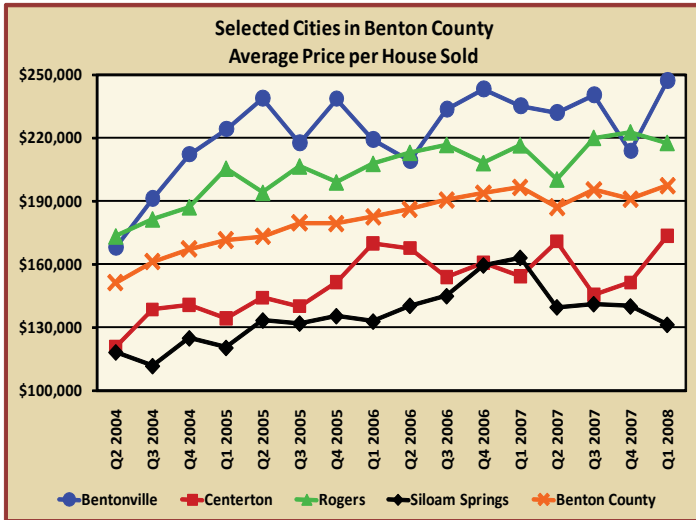
City	Q1 2007 Number of Building Permits	Q1 2008 Number of Building Permits	Q1 2007 Average Value of Building Permits	Q1 2008 Average Value of Building Permits
Bella Vista	69	29	\$186,394	\$166,759
Bentonville	77	70	\$185,713	\$192,976
Bethel Heights	10	0	\$112,850	--
Cave Springs	4	6	\$216,334	\$120,000
Centerton	64	24	\$115,377	\$103,430
Decatur	0	0	--	--
Elkins	26	3	\$115,842	\$76,927
Elm Springs	2	1	\$241,000	\$150,000
Farmington	0	0	--	--
Fayetteville	136	61	\$151,659	\$160,294
Gentry	6	2	\$92,933	\$77,500
Goshen	2	4	\$247,456	\$146,707
Gravette	1	2	\$99,700	\$77,500
Greenland	1	0	\$104,000	--
Johnson	4	0	\$256,718	--
Lincoln	2	0	\$77,188	--
Little Flock	1	2	\$215,500	\$271,500
Lowell	4	0	\$207,433	--
Pea Ridge	35	9	\$116,201	\$113,321
Prairie Grove	6	24	\$158,500	\$74,667
Rogers	82	63	\$158,299	\$160,156
Siloam Springs	25	10	\$197,481	\$107,890
Springdale	70	41	\$186,194	\$187,372
Tontitown	3	2	\$606,833	\$375,388
West Fork	2	3	\$120,000	\$110,000
Northwest Arkansas	632	356	\$161,390	\$156,991



Residential Market Trends



Residential Market Trends



Selected House Status in Active Subdivisions and Coming Lots Q1 2008

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	2,404	25	106	372	1,931	4,838	177	2,742
Centerton	1,153	11	57	268	940	2,429	35	2,534
Fayetteville	1,768	33	143	246	2,032	4,222	127	3,531
Rogers	1,800	26	102	427	2,439	4,794	143	1,909
Siloam Springs	308	4	28	45	490	875	25	1,236
Springdale	899	17	98	160	1,803	2,977	114	3,720
West Washington County	1,121	7	30	73	648	1,879	50	1,033

