



THE SKYLINE REPORT

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Residential Real Estate Market Summary for Benton and Washington Counties July 2006



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Contents

Study Structure	2
Economic Overview	2
Regional Summary	5
Benton County	7
Bella Vista	12
Bentonville	13
Bethel Heights	17
Cave Springs	20
Centerton	23
Decatur	27
Gentry	30
Gravette	33
Little Flock	36
Lowell	39
Pea Ridge	41
Rogers	45
Siloam Springs	48
Washington County	52
Elkins	57
Elm Springs	60
Farmington	63
Fayetteville	66
Goshen	70
Greenland	73
Johnson	76
Lincoln	78
Prairie Grove	81
Springdale	84
Tontitown	88

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Residential Real Estate Market Summary for Benton and Washington Counties

This report is the 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 (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 Second Quarter of 2006

- Rogers accounted for 37 percent of the 1,702 Northwest Arkansas residential building permits issued from May to March 2006. Centerton, Bella Vista, Bentonville, Springdale, and Fayetteville followed with 14, 10, 10, 9, and 9 percents respectively.
- There were 19,326 lots in the 255 active subdivisions in Northwest Arkansas in the second quarter.
- From the first quarter to the second quarter of 2006, 638 houses in active subdivisions became occupied. This absorption rate is a substantial drop off from the first quarter total of 1,051 and the second quarter 2005 total of 823.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 41.9 months, up from 35.9 months in the first quarter of 2006.
- In the second quarter of 2006, there were 2,431 complete but unoccupied houses. Benton County experienced an increase of 227 percent in available complete inventory from the second quarter of 2005, with a 29 percent increase in the most recent quarter alone. In comparison, Washington County experienced a tiny inventory increase of 6 percent over the past twelve months.
- There were an additional 19,783 residential lots that have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields a whopping 106.4 months of inventory in Northwest Arkansas.
- From February 16 to May 15, 2006, there were 1,755 existing houses sold in Benton and Washington Counties. This is a decline of 7.1 percent from the same time period in 2005.
- In the second quarter of 2006 in Northwest Arkansas, the average sales price of existing houses increased from first quarter 2005 levels by 3.5 percent in Washington County and by 7.4 percent in Benton County.

Study Structure

This report contains the results of an extensive data gathering and analysis effort. The single family residential real estate market encompasses two kinds of houses—new construction and existing structures. The Skyline Report addresses both aspects of the market. Four primary sources of data are examined to get a more complete picture of the total single family housing market. First, residential building permit data are collected from each of the cities in Benton and Washington County. Each city has its own standard for reporting these data, so CBER researchers manually standardize the information. These building permit data give the first indication of where to find "active" subdivisions in Northwest Arkansas. Active subdivisions are defined as those where construction is currently occurring or where construction has occurred in the recent past and a significant number of empty lots still exists. For the second primary data source, plats are obtained from the Benton and Washington County Clerks' offices for all active subdivisions and for any new subdivisions that had been approved during the second quarter. CBER staff members then physically examine each active subdivision and classify each lot as empty, a start, under construction, complete, but unoccupied, or occupied. Next, CBER analysts collect data on sales of existing houses, measuring the absolute number, value, and other characteristics of the inventory. Finally, CBER researchers collect information from city planning divisions about subdivisions that have received preliminary or final approval, but have not started construction, and calculate the number of residential lots that are in the pipeline.

These same data elements are collected on a quarterly basis, so that trends can be identified and examined. Additionally, where available, absorption rates are calculated for active subdivisions and these numbers are extrapolated to estimate remaining months of inventory. Results are presented on a regional, county, and city-by-city basis.

Because this study is the ninth edition of the Skyline Report, some time trend data are available for the different series that are collected. As more quarters of data become available, CBER analysts will be able to separate the seasonality and trend effects and discuss the direction of the Northwest Arkansas market more effectively.

In order to provide a context for the residential real estate market analysis, an economic overview is provided. This overview contains national housing market statistics, a discussion of interest rates and mortgage rates, and macroeconomic indicators like GDP growth and changes in input prices. Northwest Arkansas regional economic data are also discussed, as the status of employment and wage growth are likely to impact the local residential real estate markets.

After the economic overview, a summary of the regional findings from the analysis of the building permit, subdivision, and existing house sales data is presented. Residential real estate activity during the second quarter of 2006 in Benton County is then discussed, followed by statistical summaries for each of the cities within Benton County. Finally, descriptions of the Washington County and associated city second quarter 2006 results are offered.

Economic Overview

National Indicators

The rate of activity in the Northwest Arkansas residential real estate market is dependant upon a whole host of factors, both those that are specific to the region and those that are of a national nature. The following discussion highlights some of the statistics that indicate the direction of the macroeconomy.

In the first quarter of 2006, the overall real growth rate in GDP was a smoking 5.6 percent, up from a tepid 1.7 percent rate in the fourth quarter of 2005. The growth rate in GDP in the first quarter of 2005 was 3.8 percent, in comparison. The U.S. Department of Commerce Bureau of Economic Analysis (BEA) reported that the increase in real GDP in the first quarter of 2006 primarily reflected positive contributions from personal consumption expenditures (PCE), exports, equipment and software, and federal

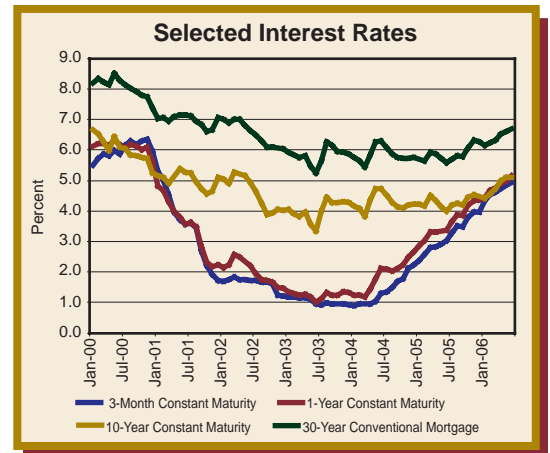
¹Lots classified as starts show either utility drops or foundations.

²Due to the timing of the release of building permit data, the second quarter numbers are for permits from March through May. Because of timing considerations, the existing houses sales data for the second quarter are reported from February through May. Subdivision status numbers come from evaluations made from April through June.

government spending. Imports, which are a subtraction in the calculation of GDP, increased. The acceleration in real GDP growth in the first quarter primarily reflected an upturn in PCE for durable goods, an acceleration in exports, an upturn in federal government spending, and an acceleration in equipment and software that were partly offset by a downturn in private inventory investment.

The Federal Reserve continued in its incremental raising of short-term interest rates in the second quarter of 2006. The Fed Funds target now stands at 5.25 percent, up 425 basis points from its historic low in 2003. Indications are that the Fed will continue to remove monetary stimulus from the economy in the face of some inflationary pressures and continued steady growth of the macroeconomy. Most observers believe that the Fed is nearing the end of its interest raising campaign, with perhaps one more hike yet to come.

As the accompanying graph shows, the spread between short term rates and conventional 30-year mortgage rates has declined more than 325 basis points since its most recent peak in June 2004. The ten-year treasury interest rate and the 30-year conventional mortgage rate bottomed out in June of 2005 and have been increasing moderately since that time, but not at the same velocity as short term rate increases.



The U.S. Bureau of Labor Statistics (BLS) reports various price indexes. From May 2005 to May 2006, overall inflation was moderate. During the first five months of 2006, the CPI-U rose at a 5.2 percent seasonally adjusted annual rate (SAAR). This compares with an increase of 3.4 percent for all of 2005. The index for energy, which rose 17.1 percent in 2005, advanced at a 30.8 percent SAAR in the first five months of 2006. In terms of construction prices, the producer price index for construction industries increased at a 12.7 percent SAAR during the first five months of the year. For 2005, that index increased 7.8 percent.

The BLS also reports labor force statistics. At the national level in May 2006, the unemployment rate was 4.6 percent, falling below the 5.4 percent three-decade average rate. For 2005, U.S. employment grew at a rate of 1.9 percent, while in the first six months of 2006, employment grew at an annual rate of 1.3 percent.

The U.S. Census Bureau reports on new residential construction. In May 2006, national building permits were at a seasonally adjusted annual rate of 1,946,000. This is 1.4 percent below the April rate of 1,973,000 and is 7.8 percent below the May 2005 number of 2,111,000. The National Association of Realtors reports national existing home sales. The seasonally adjusted annual rate of existing single-family home sales in May 2006 was 6,670,000, down from 6,750,000 in April 2006 and down from 7,140,000 in May 2005. Taken together, these numbers present a housing market that is showing preliminary signs of a slowdown.

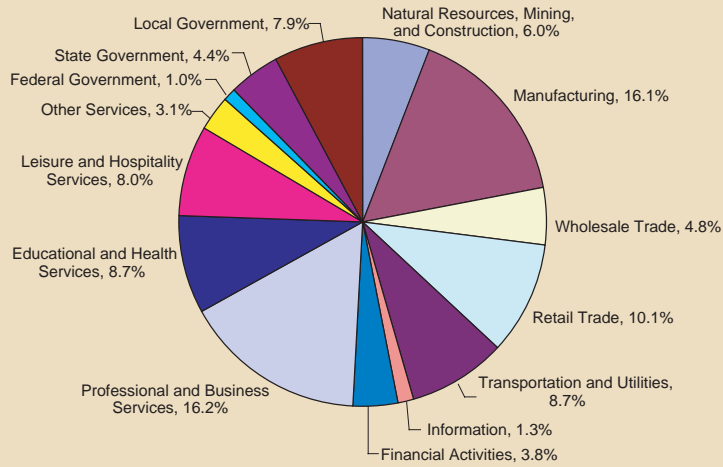
Regional Indicators

Regional Employment Trends

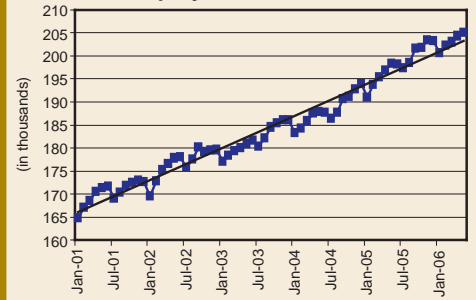
Just as national housing trends follow the direction of the macroeconomy, local demand for real estate is uniquely associated with employment growth in the region. The Northwest Arkansas employment situation has been extremely conducive to both residential and commercial development in recent years. The most recent numbers available show that there is no reason to believe that a significant slowdown is occurring.

The accompanying figure shows that from January to May 2006, employment in the Fayetteville-Springdale-Rogers MSA increased at above trend levels. Seasonally, employment growth is usually below trend in January and February and stronger in the second quarter. Each year from 2000 through 2005 shows similar dips in the months of July and August and rebounds in September through December. Since January of 2001, employment growth has averaged 0.3 percent per month, or about 600 jobs per month.

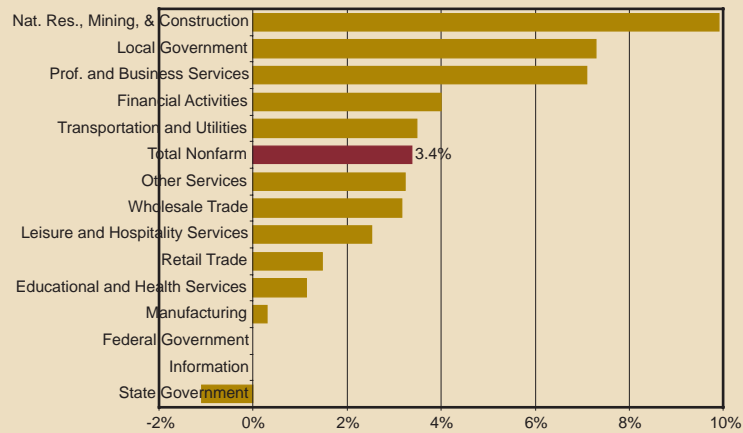
Fayetteville-Springdale-Rogers MSA Employment Breakdown by Sector May 2006



Fayetteville-Springdale-Rogers MSA Employment and Trend



Percent Change in Fayetteville-Springdale-Rogers MSA Employment Breakdown by Sector May 2005 - May 2006



In order to delve more closely into the makeup of the job growth in Northwest Arkansas, two additional figures are provided. The first shows the May 2006 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, professional and business services had the largest share of employment (16.2 percent) in Northwest Arkansas, followed by manufacturing (16.1 percent), and retail trade (10.1 percent). The second figure shows the annual percentage change in the MSA's employment by sector. Total nonfarm employment has increased by 3.4 percent, so those sectors with larger employment growth rates increased in relative impact and those sectors with smaller employment growth rates decreased in relative impact. The construction, local government, professional and business services, and financial activities sectors had the largest percentage increases.

Other Regional Economic Indicators

The Bureau of Labor Statistics has revised its unemployment numbers so that the most recent measurements are consistent with those of the past five years. In May 2006, the unemployment rate in Northwest Arkansas was a preliminary 3.2 percent, up from 3.0 percent in May of 2005. In April 2006, the unemployment rate was at 3.1 percent. In May, the state unemployment rate was 5.1 percent and the national unemployment rate was 4.6 percent. Under any measure, Northwest Arkansas continues to outperform the state and national economies.

Regional Housing Market Summary

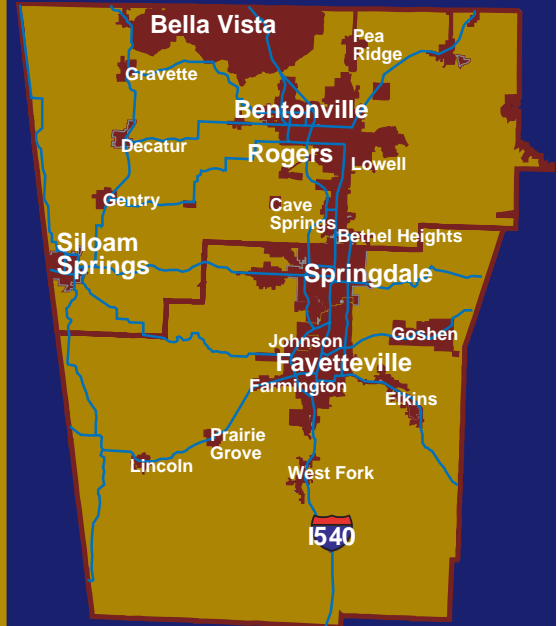
There were 1,703 building permits issued in Benton and Washington Counties from March to May 2006. This number is 17.1 percent higher than the 1,454 building permits issued during the same period in 2005. Benton County accounted for 1,335 of the residential building permits, while Washington County accounted for 368. The average value of all building permits in Northwest Arkansas from March to May 2006 was \$164,231 down 3.6 percent from the March to May 2005 average value of \$170,448. The most active value range for building permits was the \$100,000-\$150,000 range with 722, but there were 402 building permits issued in the \$150,000-\$200,000 range, 246 building permits issued in the \$50,000 to \$100,000 range and 239 building permits issued in the \$200,000-\$250,000 range. Building permit values do not include land prices, and so do not represent the total price to a purchaser of a completed house.

A total of 19,326 lots were in the 255 active subdivisions identified by CBER researchers in the second quarter of 2006. Of these lots, 8,332 were classified as empty, 328 were classified as starts, 1,741 were classified as being under construction, 2,431 were classified as complete, but unoccupied, and 6,494 were classified as occupied. From the first quarter to the second quarter of 2006, 638 houses in active subdivisions became occupied, as compared to the 1,051 houses that became occupied during the first quarter of 2006 and the 823 houses that were occupied in the second quarter of 2005. This represents a decline in absorption that is cause for concern. Until this quarter, supply had been increasing substantially, but demand showed some growth as well. Using the absorption rate from the past twelve months implies that there was a 41.9 month supply of remaining lots in the subdivisions that were active in the second quarter in Northwest Arkansas. In the first quarter, the absorption rate implied a slightly smaller 35.9 month supply. When the remaining second quarter inventory is examined on a county-by-county basis, Benton County had 55.7 months of remaining lot inventory (rather than 49.2 months) and Washington County had 26.3 months of remaining inventory (rather than 22.2 months) in active subdivisions.

For the cities of Bentonville, Bethel Heights, Cave Springs, Centerton, Gentry, Pea Ridge, Rogers, Siloam Springs, Elkins, Elm Springs, Farmington, Fayetteville, Goshen, Greenland, Johnson, Lincoln, Prairie Grove, Springdale, and West Fork, a list of subdivisions that have either preliminary or final approval from their respective planning commissions, but have not yet begun construction on any lots, was compiled. In the Bentonville pipeline, there were 3,259 lots in 46 subdivisions. In Centerton, there were 25 subdivisions planned with 3,244 lots. The Rogers planning commission had approved 40 subdivisions with 2,006 lots. There were 1,285 coming lots in 29 subdivisions in Siloam Springs. Bethel Heights, Cave Springs, Gentry, and Pea Ridge had approved an additional 1,424 lots in 17 subdivisions. Fayetteville, Prairie Grove, and Springdale had in their pipelines 3,485 lots in 58 subdivisions, 338 lots in 3 subdivisions, and 2,936 lots in 59 subdivisions, respectively. Elkins, Elm Springs, Farmington, Goshen, Greenland, Johnson, Lincoln, and West Fork accounted for an additional 1,806 approved lots in 23 subdivisions. Totaling up all of these numbers accounts for 19,783 approved lots within the two counties. If this lot inventory is added to the remaining lots in

active subdivisions, then there are 106.4 months of inventory in Northwest Arkansas. However, this should be viewed as a worst case scenario as many of the projects with approval may be significantly delayed or changed before becoming active.

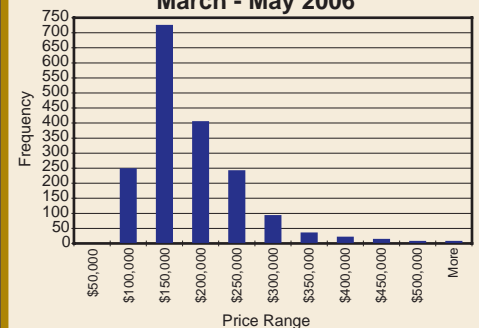
From February 16 to May 15, 2006, there were 1,755 existing houses sold in Benton and Washington Counties. This is a decrease of 7.1 percent from the total houses sold during the same time period in 2005. In the second quarter of 2006 in Northwest Arkansas, the average sales price, in both absolute and per square foot terms, of existing houses increased from second quarter 2005 levels. In Benton County, prices rose 7.4 percent during the year to an average of \$186,218. In Washington County sold house prices rose 3.5 percent to an average of \$182,205. In per square foot terms, average Benton County prices rose 8.8 percent to \$96.23 and average Washington County prices rose 5.6 percent to \$99.88.



Benton and Washington Counties Number and Average Value of Residential Building Permits Q2 2005 and Q2 2006

City	Q2 2005 Number of Building Permits	Q2 2006 Number of Building Permits	Q2 2005 Average Value of Building Permits	Q2 2006 Average Value of Building Permits
Bella Vista	207	175	\$159,009	\$182,345
Bentonville	166	173	\$198,056	\$201,896
Bethel Heights	33	12	\$122,940	\$185,831
Cave Springs	11	2	\$333,364	\$258,100
Centerton	103	232	\$89,799	\$162,283
Decatur	0	1	–	\$100,000
Elkins	36	12	\$90,938	\$77,637
Elm Springs	8	5	\$165,098	\$239,200
Farmington	6	1	\$158,250	\$109,000
Fayetteville	218	150	\$207,918	\$189,536
Gentry	–	23	–	\$98,174
Goshen	3	5	\$238,301	\$233,593
Gravette	6	17	\$75,500	\$117,165
Greenland	23	1	\$114,953	\$113,680
Johnson	18	3	\$503,622	\$594,386
Lincoln	6	2	\$126,913	\$130,000
Little Flock	–	2	–	\$225,000
Lowell	8	11	\$325,510	\$240,909
Pea Ridge	58	41	\$99,894	\$111,459
Prairie Grove	28	29	\$100,429	\$116,207
Rogers	309	622	\$163,112	\$146,155
Siloam Springs	76	24	\$125,554	\$131,998
Springdale	127	146	\$228,534	\$173,279
Tontitown	–	13	–	\$257,389
West Fork	4	1	\$95,000	\$262,000
Northwest Arkansas	1,454	1,703	\$170,448	\$164,231

Benton and Washington Counties
Distribution of
Residential Building Permit Values
March - May 2006



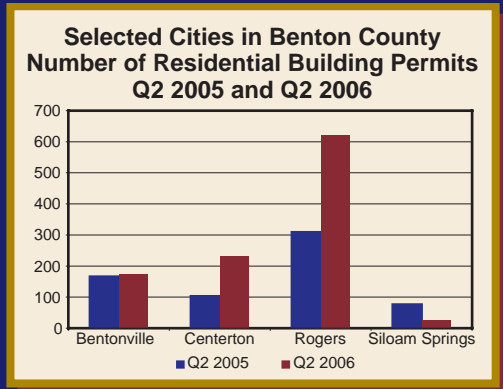
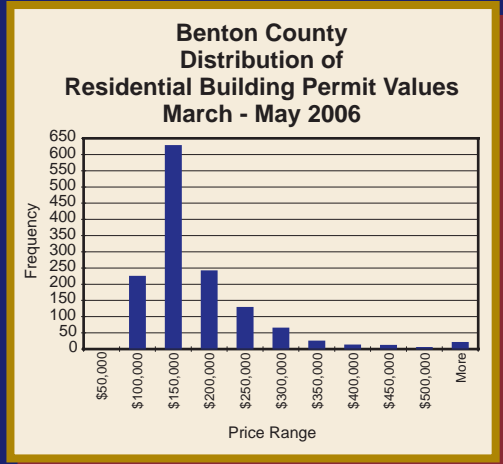
Benton County

Building Permits

From March to May 2006, there were 1,335 residential building permits issued in Benton County. The second quarter 2006 total was 36.6 percent higher than the second quarter 2005 total of 977 residential building permits. The average value of the Benton County March to May 2006 building permits was \$159,132, an increase of 2.6 percent over the average value of \$155,128 during the same time period in 2005. About 65 percent of the second quarter building permits were valued between \$100,000 and \$200,000, with 18 percent higher than \$200,000 and 17 percent lower than \$100,000. In Benton County, the dominant building permit value points were between \$100,000 and \$150,000.

Rogers accounted for 47 percent of the residential building permits in Benton County. Centerton, Bella Vista, and Bentonville had 17, 13, and 13 percent of the Benton County residential building permits, respectively. The remaining 10 percent were from the other small cities in the county.

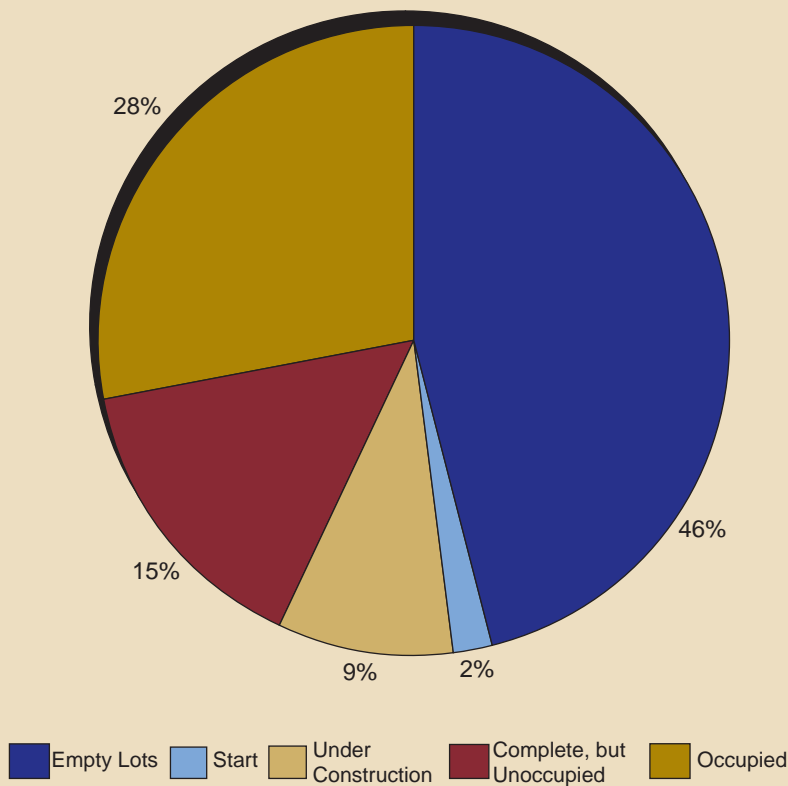
From the second quarter of 2005 to the second quarter of 2006, more building permits were issued in each city except Bella Vista, Bethel Heights, Cave Springs, Pea Ridge, and Siloam Springs.



Benton County Residential Building Permit Values by City March - May 2006

City	\$0 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$150,000	\$150,001 - \$200,000	\$200,001 - \$250,000	\$250,001 - \$300,000	\$300,001 - \$350,000	\$350,001 - \$400,000	\$400,001 - \$500,000	\$450,001 - \$500,000	\$500,000+	Q2 2006 Total	Q2 2005 Total
Bella Vista	0	1	84	46	23	16	1	1	2	0	1	175	207
Bentonville	0	1	61	34	41	22	7	4	1	1	1	173	166
Bethel Heights	0	7	3	1	0	1	0	0	0	0	0	12	33
Cave Springs	0	0	0	1	0	0	1	0	0	0	0	2	11
Centerton	0	122	61	28	1	1	4	0	0	0	15	232	103
Decatur	0	1	0	0	0	0	0	0	0	0	0	1	0
Gentry	0	15	7	1	0	0	0	0	0	0	0	23	-
Gravette	0	2	15	0	0	0	0	0	0	0	0	17	6
Little Flock	0	0	1	0	0	1	0	0	0	0	0	2	-
Lowell	0	0	0	3	5	1	1	1	0	0	0	11	8
Pea Ridge	0	21	17	2	1	0	0	0	0	0	0	41	58
Rogers	0	45	367	116	54	20	8	4	6	1	1	622	309
Siloam Springs	0	7	9	7	1	0	0	0	0	0	0	24	76
Benton County	0	222	625	239	126	62	22	10	9	2	18	1,335	977

Benton County Status of Houses in Active Subdivisions by Percentage Q2 2006

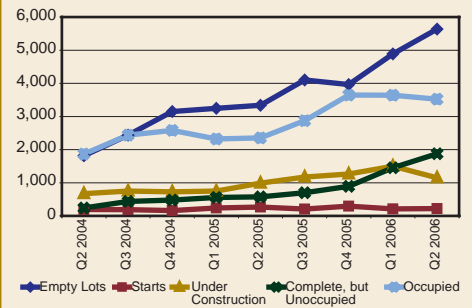


Subdivisions

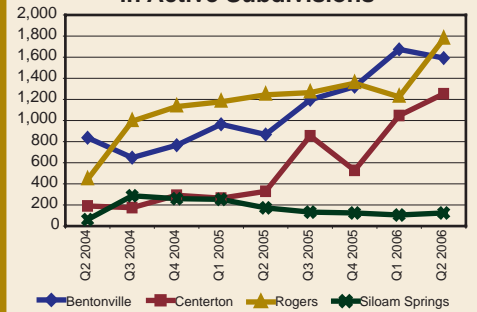
There were 12,560 lots in the 149 active subdivisions in Benton County in the second quarter of 2006. Within the active subdivisions, 46 percent of the lots were empty, 2 percent were starts, 9 percent were under construction, 15 percent were complete, but unoccupied houses, and 28 percent were occupied houses. In the second quarter of 2006, Rogers had the most empty lots, starts, lots under construction, complete but unoccupied lots, and occupied lots within active subdivisions. During the second quarter of 2006, the most active subdivisions in terms of houses under construction were: The Plantation in Rogers, Riverwalk Farm Estates in Bentonville, and High Meadows in Bentonville. Of these top 3 subdivisions for new construction, The Plantation and Riverwalk Farm Estates were also among the most active in the first quarter of 2006.

From the first quarter to the second quarter of 2006, 406 houses in active subdivisions became occupied in Benton County. This was a decline from the first quarter total of 503. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Benton County had 55.7 months of lot inventory at the end of the second quarter. This was up from the 49.2 months of inventory at the end of the first quarter.

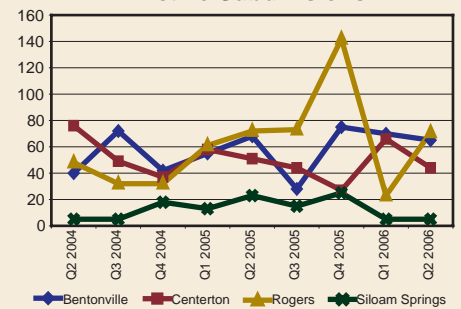
Benton County House Status in Active Subdivisions



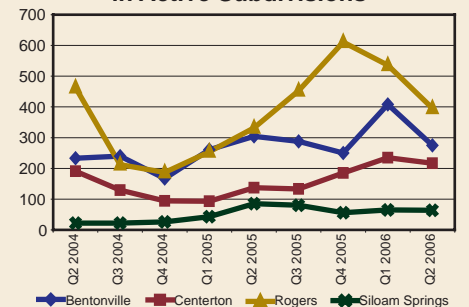
Benton County Number of Empty Lots in Active Subdivisions



Benton County Number of Starts in Active Subdivisions



Benton County Number of Houses Under Construction in Active Subdivisions



³Bella Vista is not included in the Benton County subdivision status numbers due to technical difficulties with obtaining accurate data.



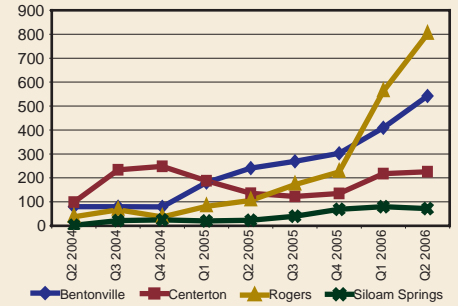
Information was also collected from each city about subdivisions that had received either preliminary or final approval, but where no construction had yet occurred. In the second quarter of 2006, there were 11,218 lots in 157 subdivisions in Benton County that had received approval. Bentonville accounted for 29.1 percent of the coming lots, Centerton accounted for 28.9 percent of the coming lots, and Rogers accounted for 17.9 percent of the coming lots.

Sales of Existing Houses

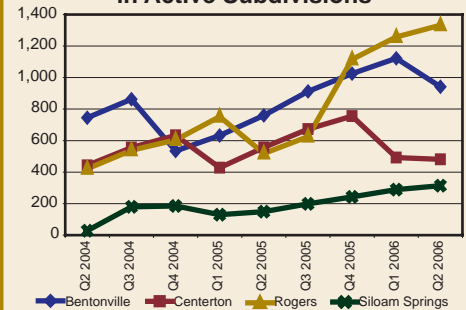
Examining the sales of existing houses in the second quarter of 2006 yields some interesting results. A total of 1,085 existing houses were sold from February 16 to May 15, 2006. This represents a decline of 9.1 percent from the same time period in 2005. About 29 percent of the houses were sold in Rogers, 27 percent in Bella Vista, 16 percent in Bentonville, and 8 percent in Siloam Springs. The average price of all houses sold in Benton County was \$186,218 and the average house price per square foot was \$96.23. For the second quarter of 2006, the average amount of time between the initial listing of a house and the sale date was 126 days. The average sales price increased by 7.5 percent, the price per square foot increased by 8.8 percent, and the duration on the market increased by 0.8 percent over the same time period in 2005.

From mid-February to mid-May, on average, the largest houses in Benton County were sold in Bentonville and in the Benton County portion of Springdale. On average, homes sold fastest in Hiwassee and Little Flock.

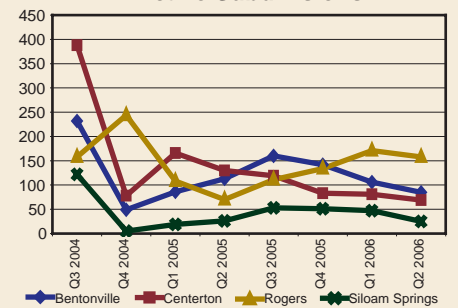
**Benton County
Number of Complete, but Unoccupied
Houses in Active Subdivisions**



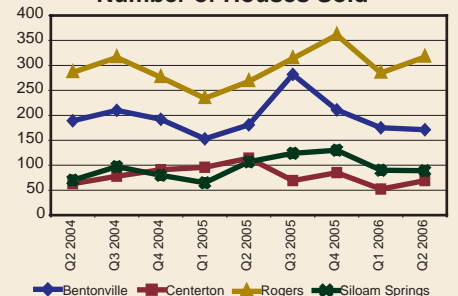
**Benton County
Number of Occupied Houses
in Active Subdivisions**



**Benton County
Number of Absorbed Houses
in Active Subdivisions**



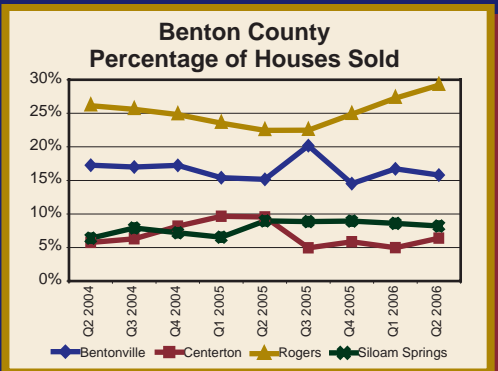
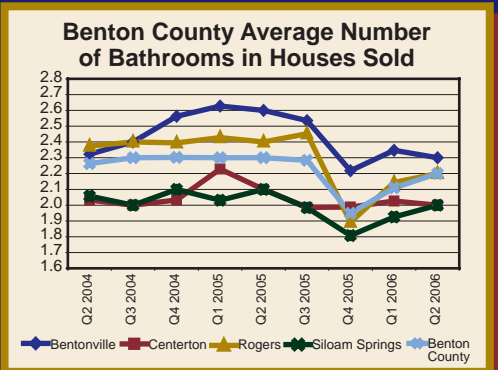
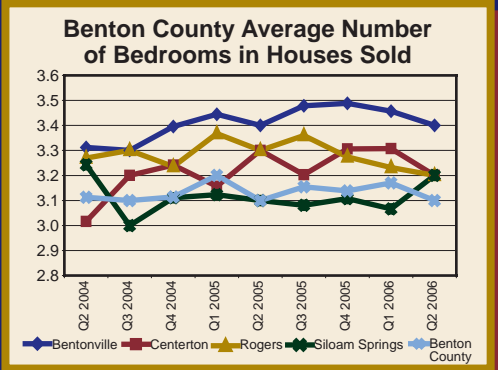
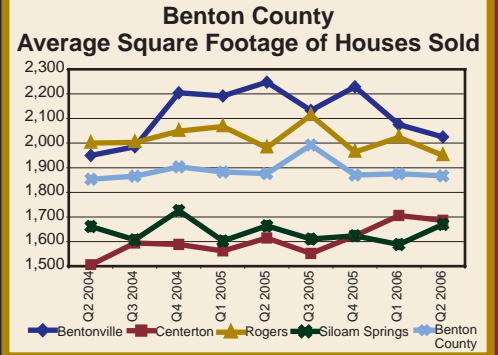
**Benton County
Number of Houses Sold**



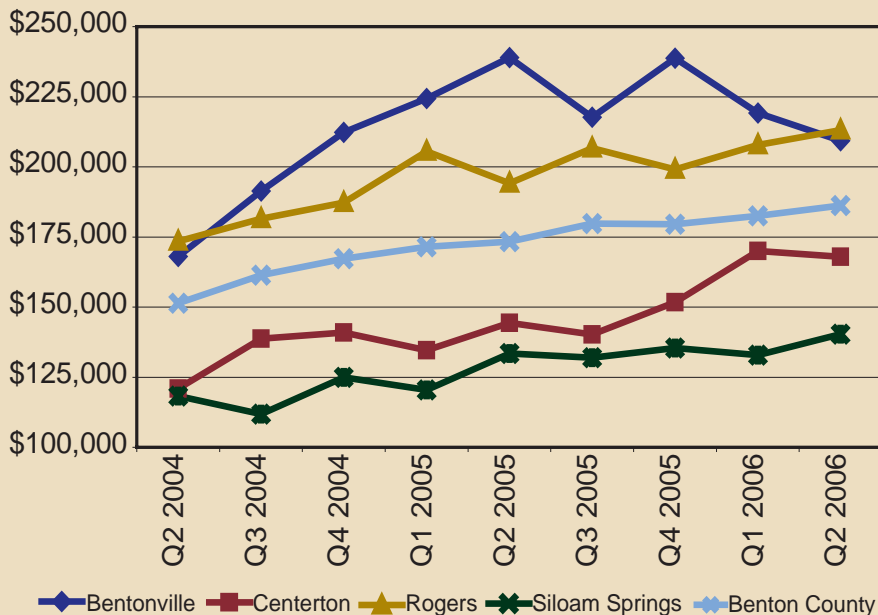
Benton County Sold House Characteristics by City

February 16 - May 15, 2006

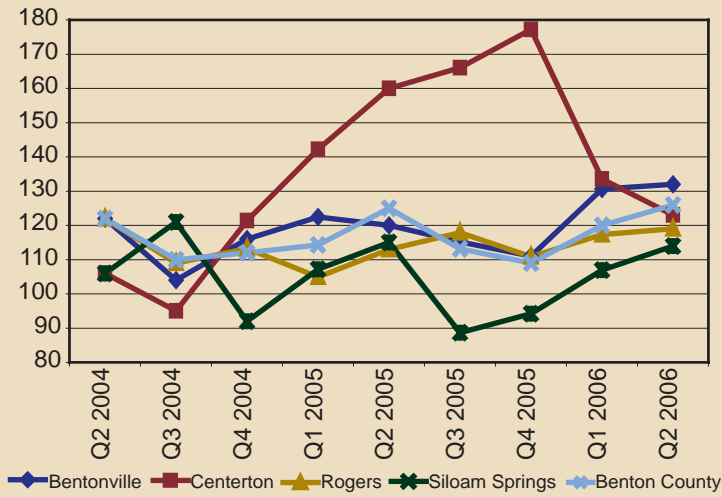
City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Avoca	--	--	--	--	--
Bella Vista	\$168,469	\$91.02	131	288	26.5%
Bentonville	\$209,342	\$100.50	132	171	15.8%
Bethel Heights	\$176,156	\$95.54	101	8	0.7%
Cave Springs	\$184,673	\$101.17	109	11	1.0%
Centerton	\$167,879	\$98.15	123	69	6.4%
Decatur	\$96,505	\$77.58	78	10	0.9%
Garfield	\$245,400	\$138.26	215	11	1.0%
Gentry	\$166,550	\$90.71	111	10	0.9%
Gravette	\$153,423	\$81.61	135	24	2.2%
Hiwassee	\$143,000	\$87.20	44	1	0.1%
Little Flock	\$164,000	\$82.41	62	1	0.1%
Lowell	\$166,688	\$97.00	69	25	2.3%
Pea Ridge	\$149,183	\$92.13	172	35	3.2%
Rogers	\$213,087	\$102.43	119	317	29.2%
Siloam Springs	\$140,399	\$82.80	114	89	8.2%
Springdale	\$263,587	\$103.55	197	15	1.4%
Benton County	\$186,218	\$96.23	126	1,085	100.0%



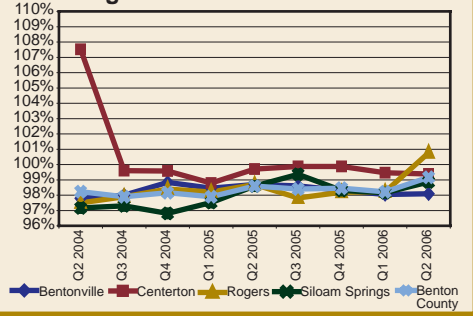
Benton County Average Price of Houses Sold



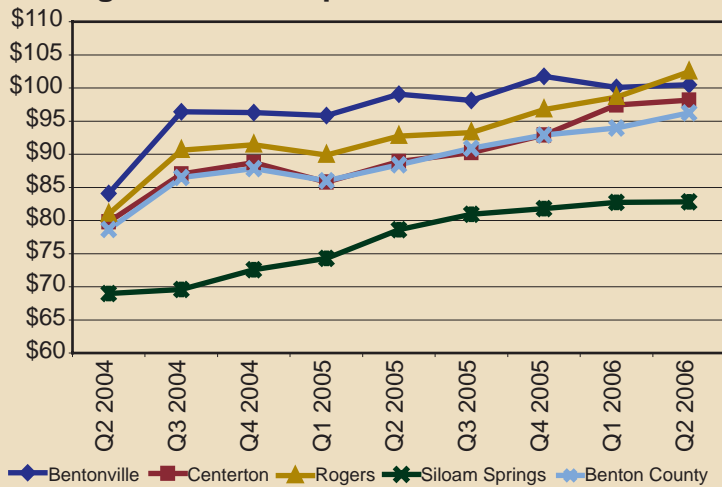
Benton County Average Number of Days on the Market for Houses Sold



Benton County Average Sold Price as a Percentage of Average List Price of Houses Sold



Benton County Average Price Per Square Foot for Houses Sold



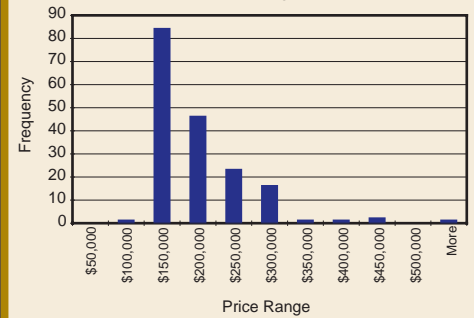
Bella Vista

- From March to May 2006, there were 175 residential building permits issued in Bella Vista. This represents a 15.5 percent decline from the second quarter of 2005.
- The average residential building permit value in Bella Vista increased by 14.7 percent from the second quarter of 2005 to \$182,345 in the second quarter of 2006.
- The major price point for Bella Vista building permits was the \$100,000 to \$150,000 range.
- There were 288 existing houses sold in Bella Vista from February 16, 2006 to May 15, 2006, or 18.5 percent more than in the previous quarter and 12.2 percent fewer than in the same period last year.
- The average price of a house sold in Bella Vista increased from \$162,471 in the first quarter of 2006 to \$168,469 in the second quarter. In the second quarter of 2006 the average sales price was 3.7 percent higher than in the previous quarter and 11.1 percent higher than in the same period last year.
- In Bella Vista, the average number of days from the initial house listing to the sale increased from 116 days from the first quarter of 2006 to 131 days in the second quarter of 2006.
- About 26.5 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Bella Vista. The average sales price of a house in Bella Vista was only about 90.5 percent of the county average.
- Of the houses sold in Bella Vista, 61.1 percent were in the \$100,000 to \$200,000 range.

Subdivision status numbers are unavailable for Bella Vista due to technical difficulties with obtaining accurate data.



**Bella Vista
Distribution of
Residential Building Permit Values
March - May 2006**



**Bella Vista
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006**

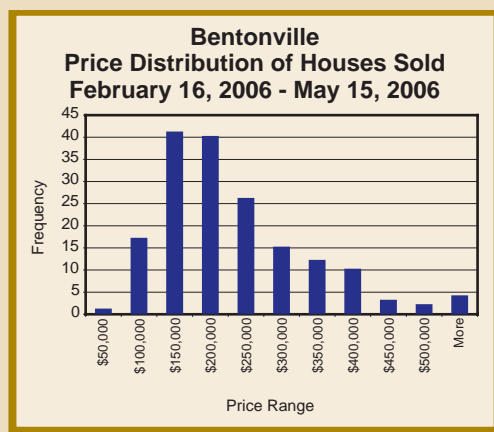
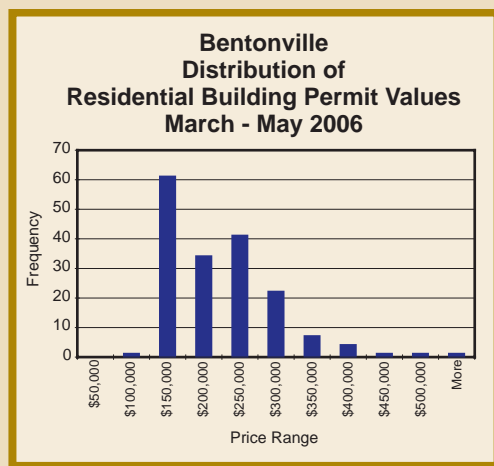


Bella Vista Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	0.7%	1,022	137	103%	\$41.11
\$50,001 - \$100,000	37	12.8%	1,237	112	98%	\$73.75
\$100,001 - \$150,000	104	36.1%	1,530	124	98%	\$85.97
\$150,001 - \$200,000	72	25.0%	1,818	130	99%	\$96.79
\$200,001 - \$250,000	43	14.9%	2,297	147	98%	\$99.29
\$250,001 - \$300,000	17	5.9%	2,814	161	98%	\$103.90
\$300,001 - \$350,000	7	2.4%	2,896	174	97%	\$113.14
\$350,001 - \$400,000	3	1.0%	4,063	199	99%	\$93.43
\$400,001 - \$450,000	2	0.7%	3,587	81	97%	\$125.36
\$450,001 - \$500,000	1	0.3%	3,620	99	97%	\$133.98
\$500,000+	0	0.0%	--	--	--	--
Bella Vista	288	100.0%	1,832	131	99%	\$91.02

Bentonville

- From March to May 2006, there were 173 residential building permits issued in Bentonville. This represents a 4.2 percent increase from the second quarter of 2006.
- The average residential building permit value in Bentonville increased by 1.9 percent from the second quarter of 2005 to \$201,896 in the second quarter of 2006.
- The largest price point for Bentonville building permits was the \$100,000 to \$150,000 range.
- There were 3,416 total lots in active subdivisions in Bentonville in the second quarter of 2006. About 28 percent of the lots were occupied, 16 percent were complete, but unoccupied, 8 percent were under construction, 2 percent were starts, and 47 percent were vacant lots.
- 85 new houses in Bentonville became occupied in the second quarter of 2006. The annual absorption rate implies that there are 60.2 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Bentonville in the second quarter were Stoneburrow with 116 and Riverwalk Farm Estates with 76.
- An additional 3,259 lots in 46 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Bentonville.
- There were 171 existing houses sold in Bentonville from February 16, 2006 to May 15, 2006, or 2.3 percent fewer than in the previous quarter and 5.5 percent fewer than in the same period last year.
- The average price of a house sold in Bentonville declined from \$219,227 in the first quarter of 2006 to \$209,342 in the second quarter. In the second quarter of 2006 the average sales price was 4.5 percent lower than in the previous quarter and 12.4 percent lower than in the same period last year.
- In Bentonville, the average number of days from the initial house listing to the sale increased from 131 days in the first quarter of 2006 to 132 days in the second quarter of 2006.
- About 15.8 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Bentonville. The average sales price of a house in Bentonville was about 112.4 percent of the county average.
- Of the houses sold in Bentonville, 47.4 percent were in the \$100,000 to \$200,000 range.

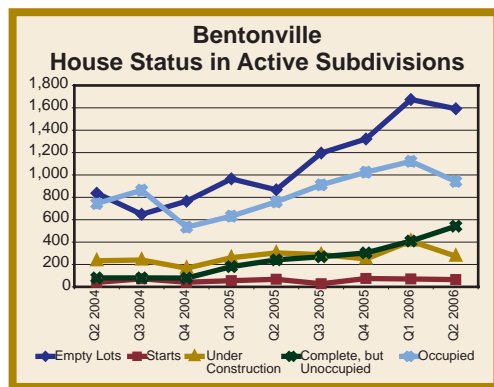


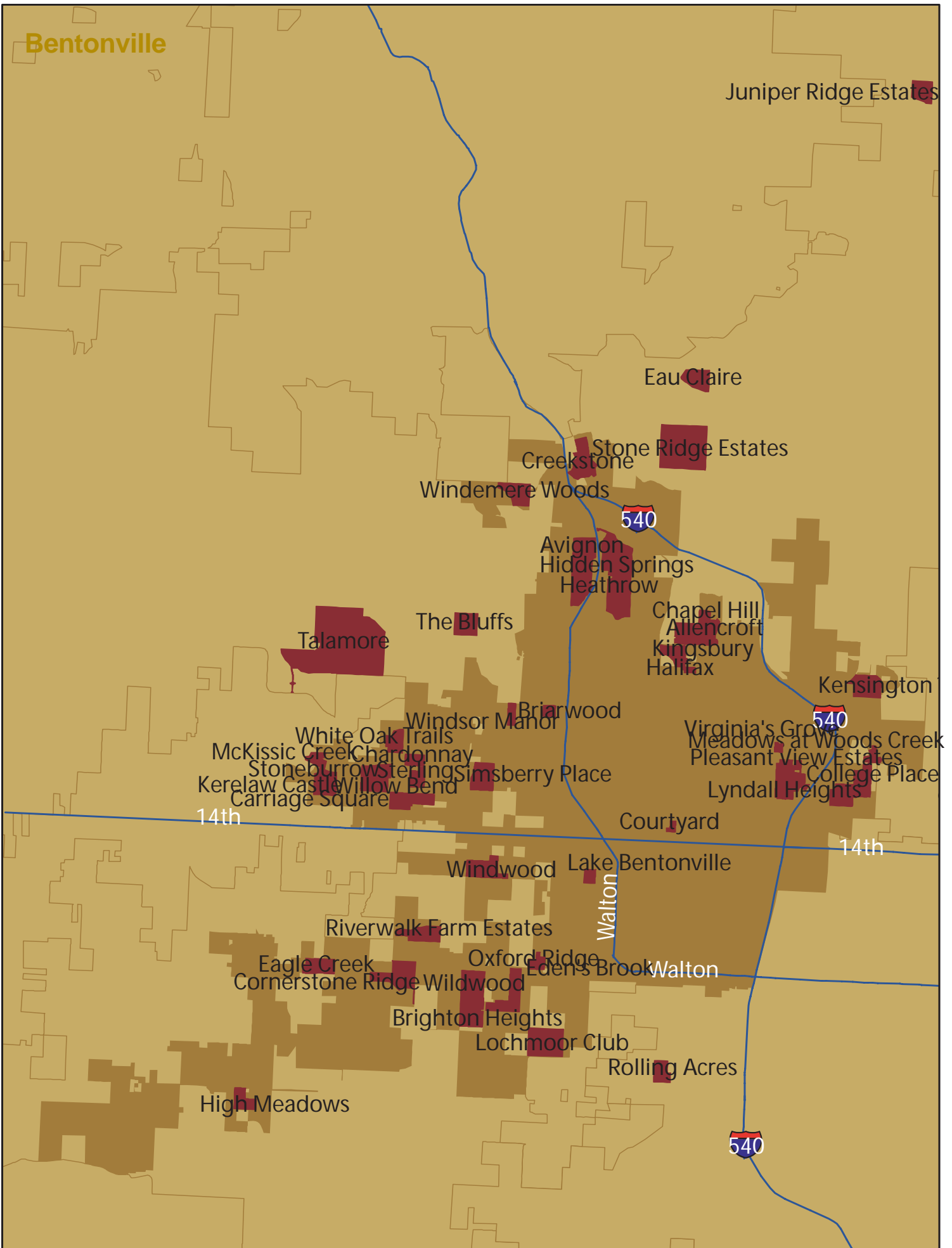
Bentonville Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	1	0.6%	1,180	348	80%	\$27.12
\$50,001 - \$100,000	17	9.9%	1,116	95	96%	\$81.82
\$100,001 - \$150,000	41	24.0%	1,371	77	99%	\$91.77
\$150,001 - \$200,000	40	23.4%	1,834	169	98%	\$96.96
\$200,001 - \$250,000	26	15.2%	2,250	147	98%	\$102.77
\$250,001 - \$300,000	15	8.8%	2,548	160	99%	\$106.41
\$300,001 - \$350,000	12	7.0%	2,861	127	98%	\$115.27
\$350,001 - \$400,000	10	5.8%	3,055	183	99%	\$132.13
\$400,001 - \$450,000	3	1.8%	3,518	112	100%	\$123.75
\$450,001 - \$500,000	2	1.2%	3,620	164	100%	\$132.62
\$500,000+	4	2.3%	4,300	92	100%	\$129.16
Bentonville	171	100.0%	2,025	132	98%	\$100.50

Bentonville House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Allencroft	19	0	0	21	77	117	8	15.5
Avignon	10	0	3	1	24	38	1	28.0
The Bluffs	17	0	2	0	2	21	0	114.0
Briarwood	11	0	1	0	18	30	0	36.0
Brighton Heights	44	0	10	17	18	89	11	47.3
Chapel Hill	81	3	6	22	14	126	3	96.0
Chardonnay	15	0	2	8	27	52	0	37.5
College Place, Phase VII	6	1	0	11	42	60	0	19.7
Cornerstone Ridge, Phase I	89	3	24	9	0	125	0	--
Courtyard	0	0	2	1	17	20	0	18.0
Creekstone, Phase II	31	1	0	0	0	32	0	--
Eagle Creek, Phases I, II	8	1	2	18	71	100	11	9.4
Eau Claire	20	1	3	0	2	26	0	288.0
Eden's Brooke	20	6	1	0	0	27	0	--
Halifax	0	0	0	14	1	15	1	168.0
Heathrow	11	0	3	2	49	65	0	48.0
Hidden Springs, Phase IV	4	0	1	0	43	48	0	--
High Meadows	26	28	48	10	0	112	0	--
Kensington, Phases I, III	22	0	4	8	48	82	3	51.0
Kerelaw Castle	144	0	16	0	0	160	0	--
Kingsbury, Phases I - III	18	0	2	6	49	75	1	26.0
Lake Bentonville	1	0	0	18	9	28	4	25.3
Lochmoor Club	82	2	16	29	82	211	0	28.7
Lyndal Heights, Phases IV, V	22	0	2	0	17	41	3	28.8
McKissic Creek Estates	6	0	2	0	1	9	0	48.0
Oxford Ridge	110	4	16	15	12	157	4	145.0
Pleasant View Estates	0	0	0	12	12	24	2	36.0
Riverwalk Farm Estates, Phases I, II	206	6	50	76	2	340	2	1,014.0
Rolling Acres	67	1	5	18	2	93	2	546.0
Simsberry Place	8	0	0	1	75	84	0	18.0
Sterling	0	0	0	11	5	16	2	22.0
Stone Ridge Estates	58	0	5	1	9	73	3	85.3
Stoneburrow, Phases I, II	166	1	6	116	7	296	2	495.4
Talamore	20	1	8	1	63	93	0	27.7
Virginia's Grove	26	1	1	0	0	28	0	--
White Oak Trails, Phase I	41	0	5	17	9	72	2	84.0
Wildwood, Phases III, IV	77	3	10	32	36	158	4	54.2
Willowbend	20	0	3	12	15	50	0	42.0
Windemere Woods	33	0	3	10	33	79	3	39.4
Windsor Manor	9	0	9	11	3	32	2	116.0
Windwood, Phase IV	44	2	2	7	44	99	8	16.1
Woods Creek South, Phase I	0	0	2	7	4	13	3	13.5
Bentonville	1,592	65	275	542	942	3,416	85	60.2





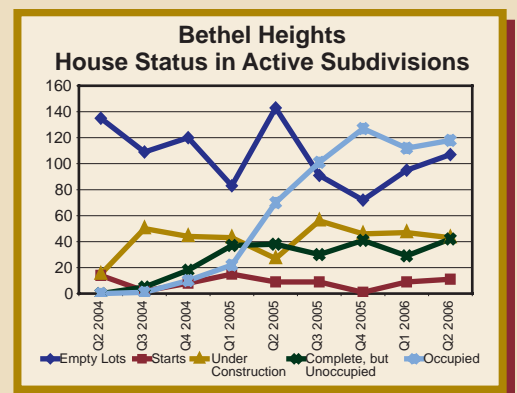
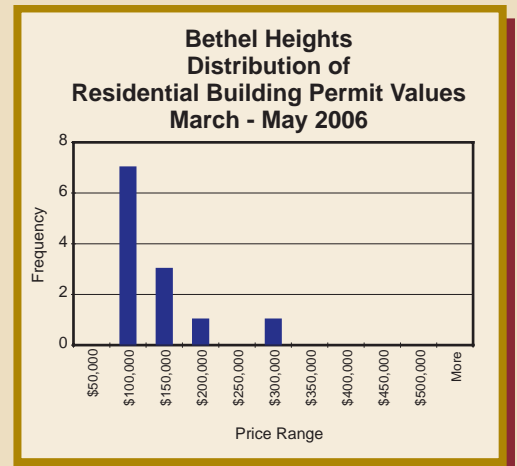
Bentonville

Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Apple Creek	Q2 2005	43
Barron Road Duplexes	Q1 2005	96
The Bluffs, Phase II	Q4 2005	104
Brighton Farms	Q2 2005	171
Cascades Subdivision	Q2 2006	57
Chapel Hill, Phase II	Q2 2005	54
Cobblestone	Q1 2005	39
College Place, Phases VIII, IX	Q2 2005	115
Estates at Osage Falls	Q4 2005	42
Eventide	Q4 2004	44
The Farms	Q4 2004	62
Garrison Village	Q4 2005	11
Grace Addition	Q4 2004	110
Hardcastle	Q1 2005	9
Highpointe Addition	Q4 2004	76
Hillcrest Estates	Q4 2004	163
Laurywood Estates	Q4 2004	109
Legacy Village	Q4 2004	1
Lochmore Club, Phase II	Q4 2005	106
Olympia	Q4 2004	170
Osage Falls	Q1 2006	42
Oxford Ridge	Q2 2006	151
Pennington	Q4 2004	65
Plum Tree Place	Q4 2005	6
Pontiac	Q4 2004	29
Rainbow Junction	Q1 2005	11
Sonavid Place	Q4 2004	32
Stonechase	Q4 2004	97
Thornbrook Village, Phases I, II	Q4 2004	252
Wilshire	Q1 2005	111
Windemere Woods, Phase II	Q4 2004	50
Windwood, Phase V	Q2 2005	73
<i>Final Approval</i>		
Bolte Acres/Regency Park	Q2 2005	6
Cornerstone Ridge, Phase IV	Q1 2006	50
Crystal Hills Terrace	Q2 2006	23
Eden's Brooke, Phase III	Q4 2005	28
Fountain Plaza	Q2 2005	17
Keystone Subdivision	Q1 2006	23
North Fork Addition	Q4 2005	98
Oak Lawn Hills Subdivision	Q1 2006	64
Oakwood Park	Q1 2006	7
Riverwalk Farm Estates, Phase III	Q1 2006	113
Stonecreek	Q1 2006	67
Stonegate	Q1 2005	78
Wildwood, Phase V	Q4 2005	104
Woods Creek South, Phase II	Q2 2006	80
Bentonville		3,259

Bethel Heights

- From March to May 2006, there were 12 residential building permits issued in Bethel Heights. This represents a 63.6 percent decline from the second quarter of 2005.
- The average residential building permit value in Bethel Heights increased by 51.2 percent from the second quarter of 2005 to \$185,831 in the second quarter of 2006.
- The major price points for Bethel Heights building permits were in the \$50,000 to \$100,000 range.
- There were 321 total lots in active subdivisions in Bethel Heights in the second quarter of 2006. About 37 percent of the lots were occupied, 13 percent were complete, but unoccupied, 13 percent were under construction, 3 percent were starts, and 33 percent were vacant lots.
- 6 new houses in Bethel Heights became occupied in the second quarter of 2006. The annual absorption rate implies that there are 26.8 months of remaining inventory in active subdivisions.
- Chantal had 12 new houses under construction and Oak Place had 17.
- An additional 309 lots in 8 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Bethel Heights.
- There were 8 existing houses sold in Bethel Heights from February 16, 2006 to May 15, 2006, or 60.0 percent more than in the previous quarter and is equal to the same period last year.
- The average price of a house sold in Bethel Heights decreased from \$193,660 in the first quarter of 2006 to \$176,156 in the second quarter. In the second quarter of 2006 the average sales price was 9.0 percent lower than in the previous quarter and 10.3 percent higher than in the same period last year.
- In Bethel Heights, the average number of days from the initial house listing to the sale increased from 88 days in the first quarter of 2006 to 101 days in the second quarter of 2006.
- Only 0.7 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Bethel Heights. The average sales price of the houses sold in Bethel Heights was 94.6 percent of the county average.
- Of the houses sold in Bethel Heights, 62.5 percent were in the \$150,000 to \$200,000 range.



Bethel Heights House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Chantel	28	2	12	26	5	73	0	204.0
Logan Heights, Phase I	15	5	8	0	0	28	0	--
Oak Place	32	3	17	9	0	61	0	--
Sunset Ridge	17	0	3	2	11	33	1	44.0
Wilkins	15	1	3	5	102	126	5	4.0
Bethel Heights	107	11	43	42	118	321	6	26.8

Bethel Heights

540

United States Highway 71B

Chantel

Logan Heights
Wilkins

Oak Place

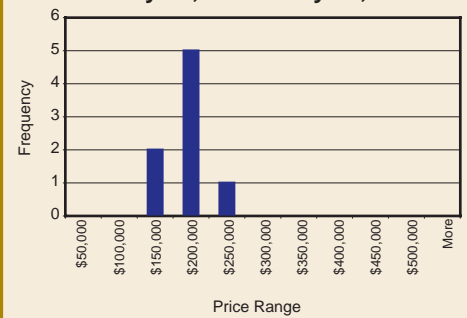
Bethel Heights Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	2	25.0%	1,740	83	97%	\$86.76
\$150,001 - \$200,000	5	62.5%	1,805	112	99%	\$95.43
\$200,001 - \$250,000	1	12.5%	2,200	85	98%	\$113.64
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Bethel Heights	8	100.0%	1,838	101	98%	\$95.54

Bethel Heights Approved Final and Preliminary Subdivisions Q2 2006

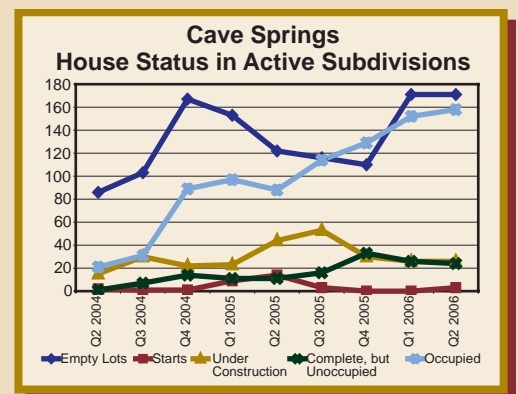
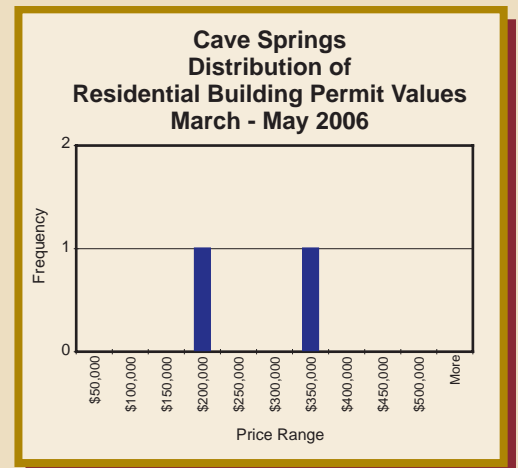
Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Chantal, Phase II	Q3 2005	51
English Oaks	Q3 2005	12
Great Meadows	Q3 2005	62
Logan Heights, Phase II	Q3 2005	26
Marvin Moles	Q3 2005	33
Remington	Q3 2005	32
Spring Meadows	Q3 2005	60
Terry Acres	Q3 2005	33
Bethel Heights		309

**Bethel Heights
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006**



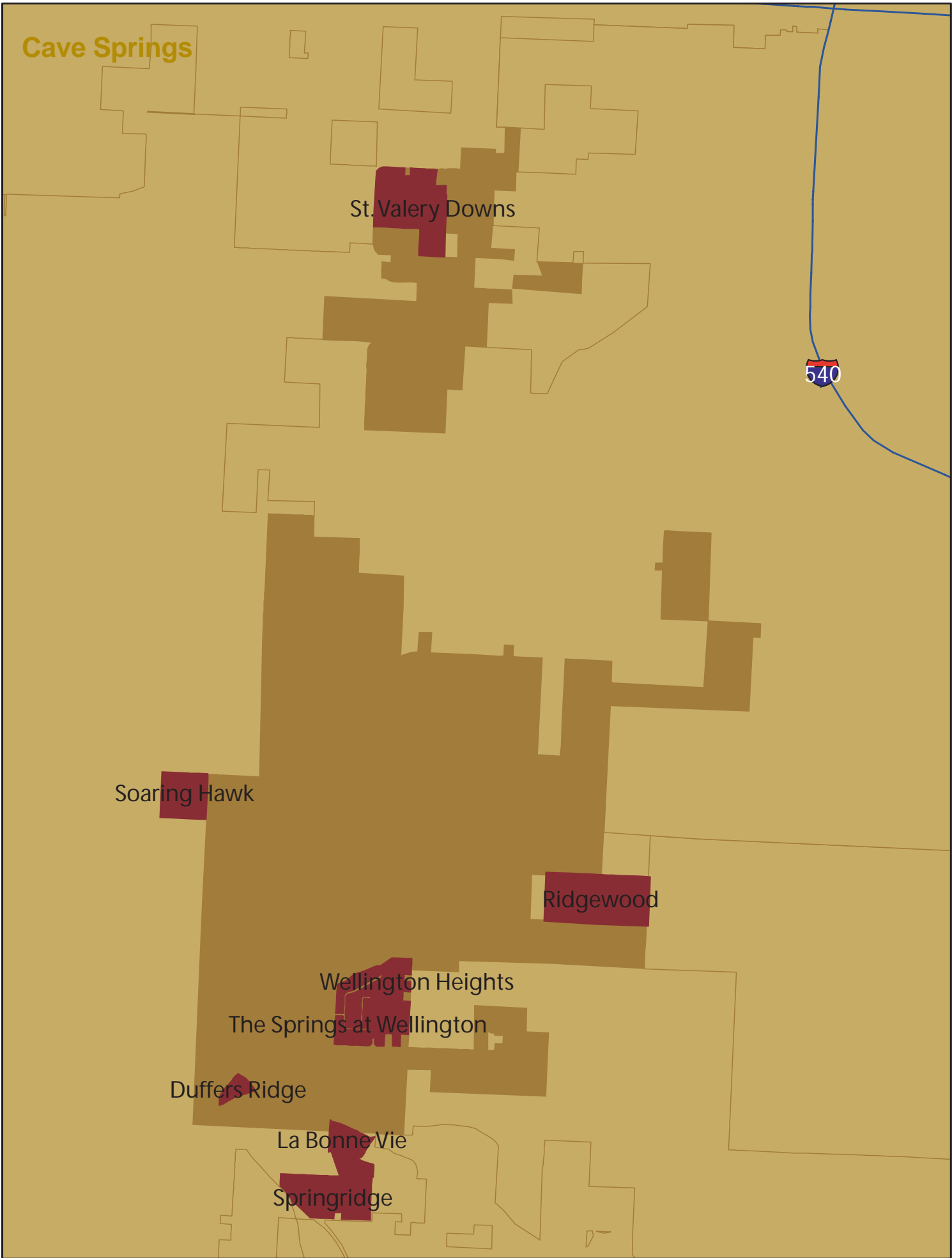
Cave Springs

- From March to May 2006, there were 2 residential building permits issued in Cave Springs. This represents an 81.8 percent decrease from the second quarter of 2005.
- The average residential building permit value in Cave Springs declined by 22.6 percent from the second quarter in 2005 to \$258,100 in the second quarter of 2006.
- There were 382 total lots in active subdivisions in Cave Springs in the second quarter of 2006. About 41 percent of the lots were occupied, 6 percent were complete, but unoccupied, 7 percent were under construction, 1 percent were starts, and 45 percent were vacant lots.
- 7 new houses in Cave Springs became occupied in the second quarter of 2006. The annual absorption rate implies that there are 49.8 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Cave Springs in the second quarter were Spring Ridge with 9 and St. Valery Downs with 6.
- An additional 422 lots in 3 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Cave Springs.
- There were 11 existing houses sold in Cave Springs from February 16, 2006 to May 15, 2006, or 57.1 percent more than the previous quarter and 120.0 percent more than in the same period last year.
- The average price of a house sold in Cave Springs decreased from \$252,603 in the first quarter of 2006 to \$184,673 in the second quarter. In the second quarter of 2006 the average sales price was 26.9 percent lower than in the previous quarter and 22.2 percent lower than in the same period last year.
- In Cave Springs, the average number of days from the initial house listing to the sale increased from 105 days in the first quarter of 2006 to 109 days in the second quarter of 2006.
- About 1.0 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Cave Springs. The average sales price of a house in Cave Springs was 99.2 percent of the county average.



Cave Springs House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Duffers Ridge	7	0	0	1	0	8	0	--
La Bonne Vie, Phase II	5	0	2	0	0	7	0	--
Ridgewood	72	3	5	0	0	80	0	--
Soaring Hawk	5	0	2	0	9	16	0	21.0
Spring Ridge	20	0	9	11	21	61	2	22.9
Springs at Wellington	21	0	2	1	28	52	1	28.8
St. Valery Downs	38	0	6	11	26	81	1	60.0
Wellington Heights, Phases I, II	3	0	0	0	74	77	3	4.5
Cave Springs	171	3	26	24	158	382	7	49.8

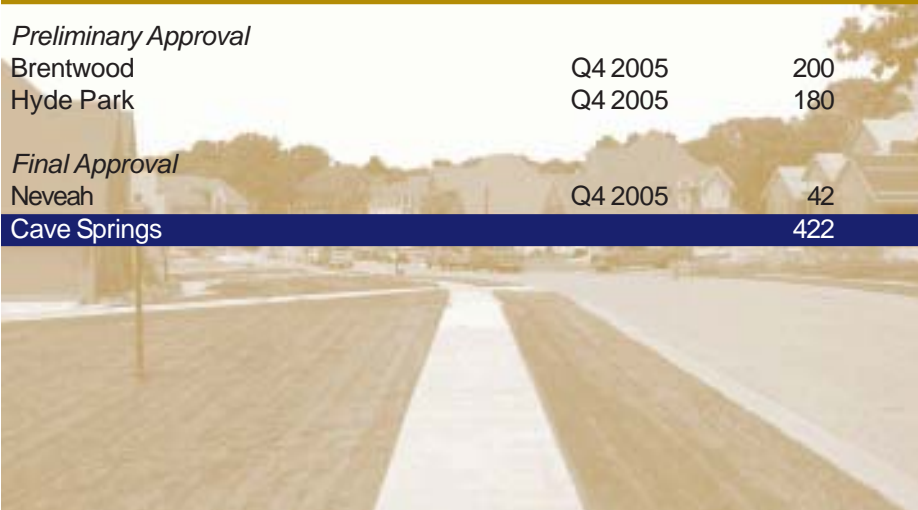


Cave Springs Price Range of Houses Sold February 16 - May 15, 2006

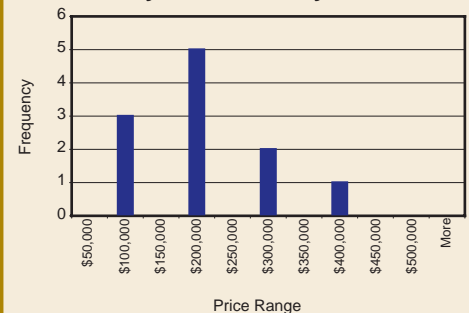
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	3	27.3%	992	79	93%	\$81.99
\$100,001 - \$150,000	0	0.0%	--	--	--	--
\$150,001 - \$200,000	5	45.5%	1,674	91	99%	\$106.84
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	2	18.2%	2,488	101	100%	\$106.74
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	1	9.1%	3,154	310	98%	\$119.21
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Cave Springs	11	100.0%	1,771	109	97%	\$101.17

Cave Springs Approved Final and Preliminary Subdivisions Q2 2005

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Brentwood	Q4 2005	200
Hyde Park	Q4 2005	180
<i>Final Approval</i>		
Neveah	Q4 2005	42
Cave Springs		422

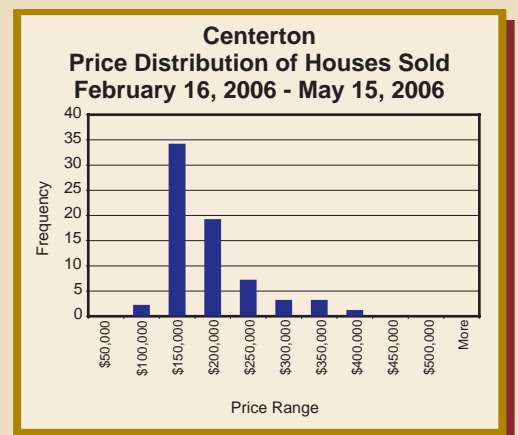
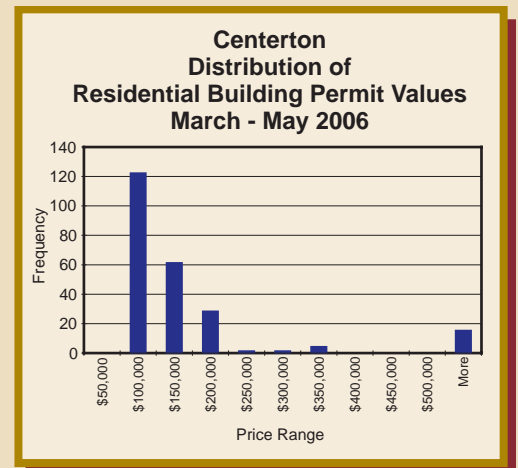


**Cave Springs
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006**



Centerton

- From March to May 2006, there were 232 residential building permits issued in Centerton. This represents a 125.2 percent increase from the second quarter of 2005.
- The average residential building permit value in Centerton increased by 80.7 percent from the second quarter of 2005 to \$162,283 in the second quarter of 2006. This was in large part due to the permitting of 15 fourplexes with values from \$674,440 to \$1,130,480.
- The major price points for Centerton building permits were in the \$50,000 to \$100,000 range.
- There were 2,221 total lots in active subdivisions in Centerton in the second quarter of 2006. About 22 percent of the lots were occupied, 10 percent were complete, but unoccupied, 10 percent were under construction, 2 percent were starts, and 56 percent were vacant lots.
- 69 new houses in Centerton became occupied in the second quarter of 2006. The annual absorption rate implies that there are 59.3 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Centerton in the second quarter were Quail Ridge with 42, Copper Oaks with 39, and Sienna at Cooper's Farm with 33.
- An additional 3,244 lots in 25 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Centerton.
- There were 69 existing houses sold in Centerton from February 16, 2006 to May 15, 2006, or 32.7 percent more than in the previous quarter and 39.5 percent less than in the same period last year.
- The average price of a house sold in Centerton decreased from \$170,037 in the first quarter of 2006 to \$167,879 in the second quarter. In the second quarter of 2006 the average sales price was 1.3 percent lower than in the previous quarter and 16.3 percent higher than in the same period last year.
- In Centerton, the average number of days from the initial house listing to the sale declined from 134 days in the first quarter of 2006 to 123 days in the second quarter of 2006.
- About 6.4 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Centerton. The average sales price of a house in Centerton was 90.2 percent of the county average.
- 76.8 percent of the sold houses in Centerton were in the \$100,000 to \$200,000 range.

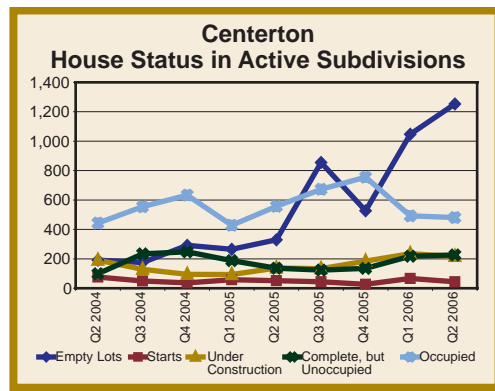


Centerton Price Range of Houses Sold February 16 - May 15, 2006

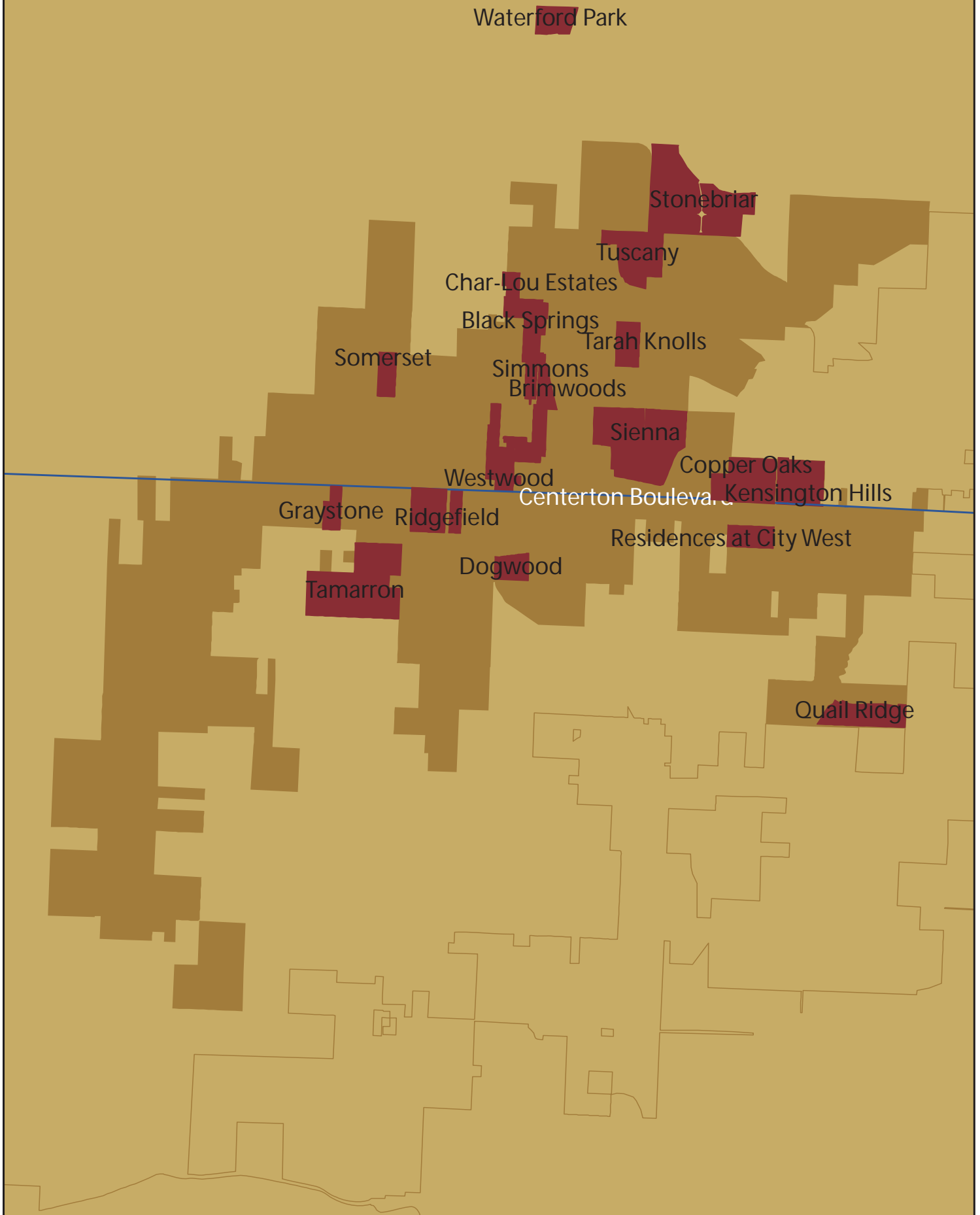
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	2	2.9%	1,094	141	95%	\$79.98
\$100,001 - \$150,000	34	49.3%	1,420	117	100%	\$92.66
\$150,001 - \$200,000	19	27.5%	1,794	171	99%	\$97.99
\$200,001 - \$250,000	7	10.1%	1,945	94	100%	\$109.71
\$250,001 - \$300,000	3	4.3%	2,518	50	99%	\$104.66
\$300,001 - \$350,000	3	4.3%	2,574	17	99%	\$127.46
\$350,001 - \$400,000	1	1.4%	2,907	95	100%	\$136.00
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Centerton	69	100.0%	1,686	123	99%	\$98.15

Centerton House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Apple Ridge	0	0	0	0	60	60	6	0.0
Black Springs, Block I	24	4	8	10	6	52	1	69.0
Brimwoods, Phase I	0	0	0	1	34	35	34	0.2
Char Lou Estates, Phases I, II	68	0	19	37	4	128	2	372.0
Copper Oaks	73	2	39	2	0	116	0	--
Dogwood	0	0	5	13	30	48	0	7.2
Graystone	0	0	0	56	16	72	2	42.0
Kensington Hills	54	4	5	37	35	135	4	36.4
Quail Ridge, Phases I, II	108	7	42	24	4	185	2	543.0
The Residences at City West	21	2	16	15	0	54	0	--
Ridgefield Addition, Blocks I, II	32	1	4	0	24	61	0	24.7
Sienna at Cooper's Farm, Phases IB, II, III	375	3	33	8	167	586	4	49.8
Simmons	0	0	0	3	29	32	0	5.1
Somerset	35	0	8	6	2	51	1	294.0
Stonebriar, Phases I, II	5	0	0	0	52	57	1	6.7
Stonegate	62	9	11	0	0	82	0	--
Tamarron	281	8	10	0	0	299	0	--
Tarah Knolls	37	3	10	2	0	52	0	--
Tuscany, Phase I	66	0	5	0	0	71	0	--
Waterford Park	12	1	2	1	5	21	5	38.4
Westwood, Phase II	0	0	0	11	13	24	7	7.6
Centerton	1,253	44	217	226	481	2,221	69	59.3



Centerton

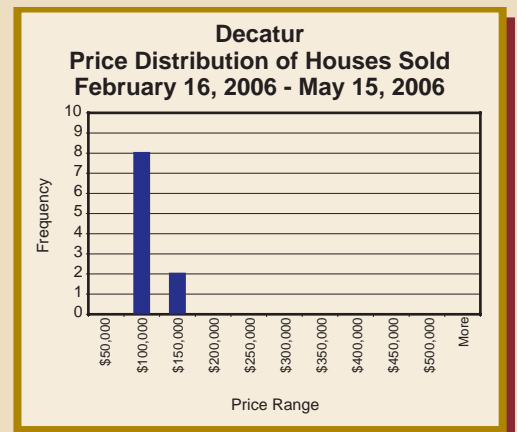
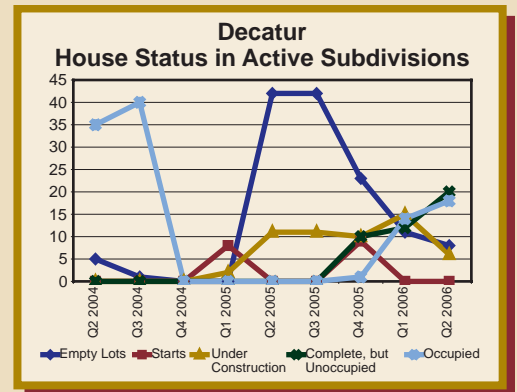


Centerton Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Quarter	Number of Lots
Arbor Vista	Q1 2005	224
Blossom Hills	Q4 2005	72
Brandon-Horne	Q4 2005	155
Char-Lou Estates, Phase III	Q4 2004	283
Cherrie Place	Q4 2004	28
Christian Lane	Q4 2004	4
Clark Estates	Q2 2005	57
Dunn Roven Property	Q4 2004	124
Eden's Court	Q2 2006	18
Fair St. Townhomes	Q2 2005	10
Ginn Property	Q4 2004	508
Layne Bridge, Phase II	Q2 2005	40
Lindsey, Phases I, II	Q4 2004	95
Maribel Heights	Q4 2004	60
Marple Property	Q4 2004	204
McKissic Creek	Q4 2004	9
The Meadows	Q4 2004	21
Meadow Valley	Q4 2005	49
Oak Grove (Duplexes and Townhouses)	Q1 2005	187
Oak Tree	Q2 2006	200
Ridgefield, Phase II	Q1 2006	72
Timber Ridge I, II	Q4 2004	99
Versailles	Q2 2005	134
Wellington Woods	Q4 2004	186
Willow Crossing	Q4 2004	405
Centerton		3,244

Decatur

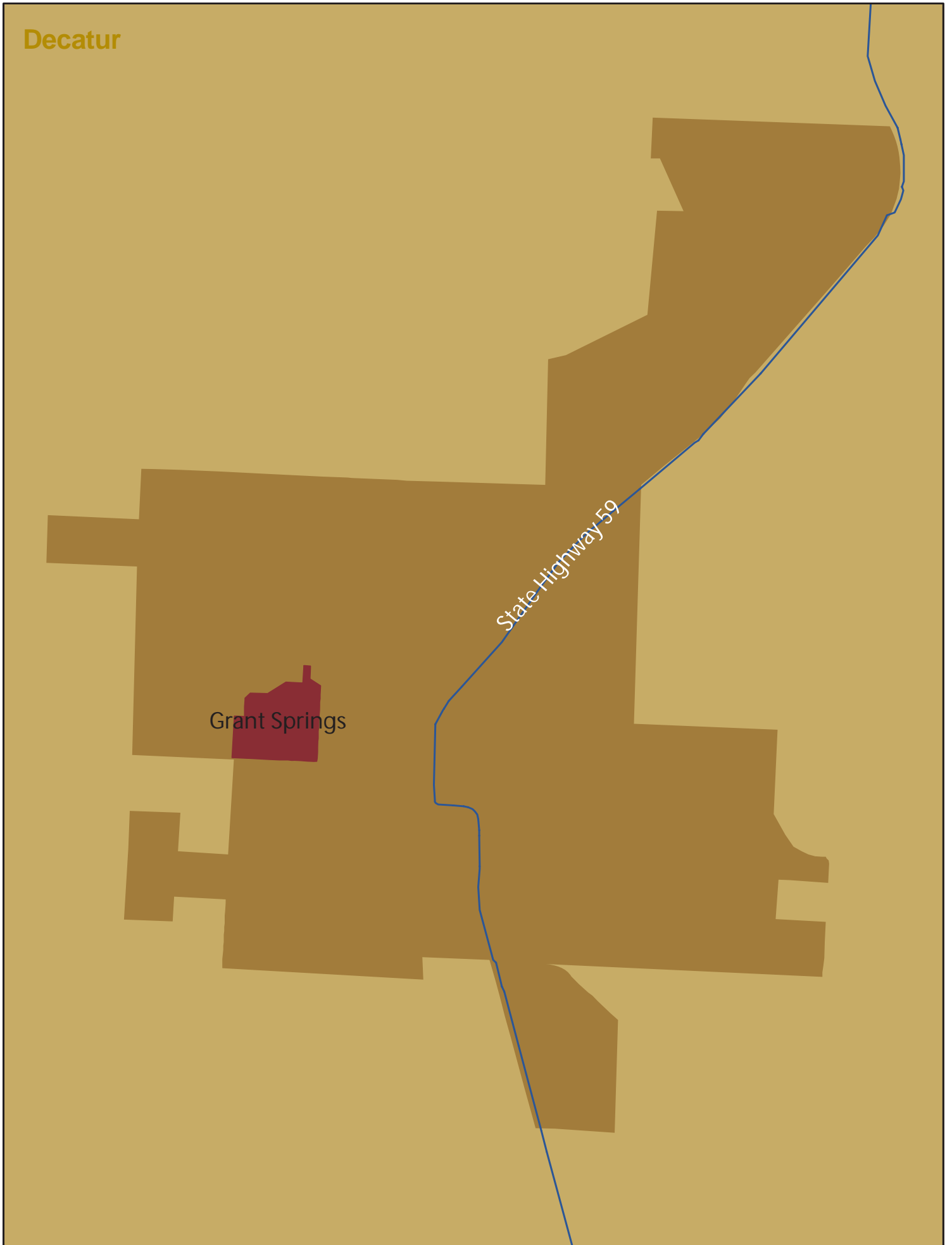
- From March to May 2006, there was 1 residential building permit issued in Decatur.
- There were 52 total lots in active subdivisions in Decatur in the second quarter of 2006. About 35 percent of the lots were occupied, 38 percent were complete, but unoccupied, 12 percent were under construction, and 15 percent were vacant lots.
- 4 new houses in Decatur became occupied in the second quarter of 2006. The annual absorption rate implies that there are 21.5 months of remaining inventory in active subdivisions.
- There were 6 houses under construction in the Grant Springs subdivision.
- There were 10 existing houses sold in Decatur from February 16, 2006 to May 15, 2006, or 42.9 percent more than in the previous quarter and 150.0 percent more than in the same period last year.
- The average price of a house sold in Decatur increased from \$63,793 in the first quarter of 2006 to \$96,505 in the second quarter. In the second quarter of 2006 the average sales price was 51.3 percent higher than in the previous quarter and 26.8 percent lower than in the same period last year.
- In Decatur, the average number of days from the initial house listing to the sale declined from 109 days in the first quarter of 2006 to 78 days in the second quarter of 2006.
- About 0.9 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Decatur. The average sales price of a house in Decatur was 51.8 percent of the county average.
- 80.0 percent of the sold houses in Decatur were in the \$50,000 to \$100,000 range.



Decatur House Status in Active Subdivisions Q2 2006

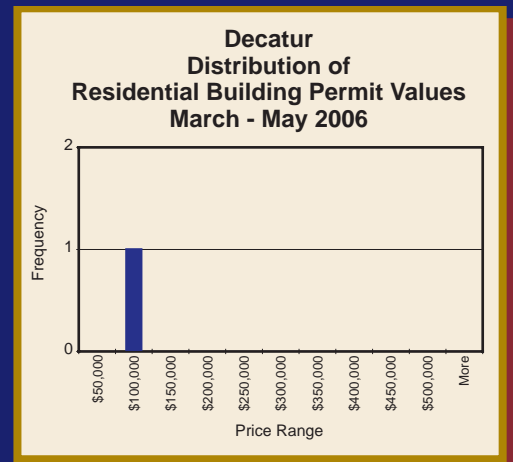
Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Total Occupied	Total Lots	Absorbed Lots	Months of Inventory
Grant Springs	8	0	6	20	18	52	4	21.5
Decatur	8	0	6	20	18	52	4	21.5

Decatur



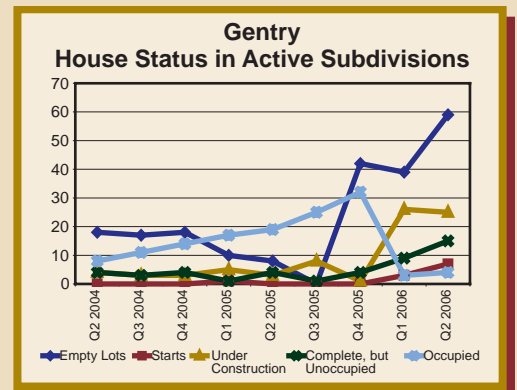
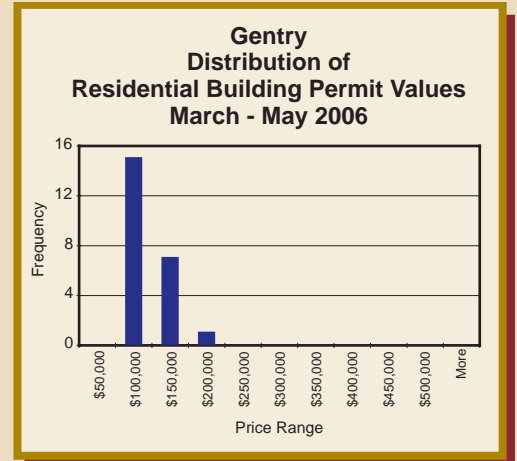
Decatur Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	8	80.0%	1,266	78	99%	\$76.54
\$100,001 - \$150,000	2	20.0%	1,328	80	102%	\$81.74
\$150,001 - \$200,000	0	0.0%	--	--	--	--
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Decatur	10	100.0%	1,278	78	100%	\$77.58



Gentry

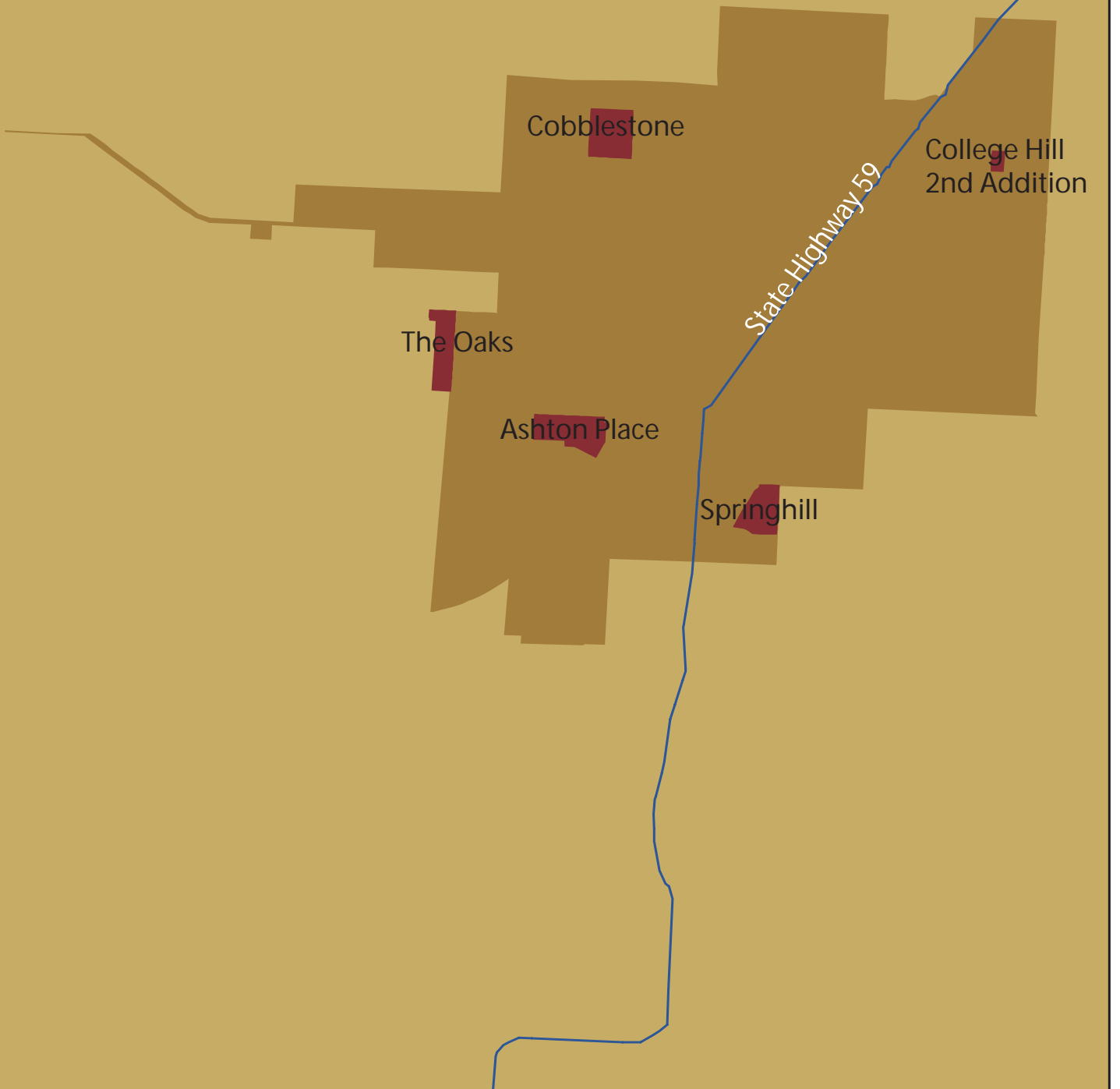
- From March to May 2006, there were 23 residential building permits issued in Gentry. There were no building permits issued in the same period in 2005.
- The average residential building permit value in Gentry was \$98,174.
- The major price points for Gentry building permits were in the \$50,000 to \$100,000 range.
- There were 110 total lots in active subdivisions in Gentry in the second quarter of 2006. About 4 percent of the lots were occupied, 14 percent were complete, but unoccupied, 23 percent was under construction, 6 percent were starts, and 54 percent were vacant lots.
- 1 new house in Gentry became occupied in the second quarter of 2006. The annual absorption rate implies that there are 74.8 months of remaining inventory in active subdivisions.
- There were 18 houses under construction in the Ashton Place subdivision.
- An additional 648 lots in 5 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Gentry.
- There were 10 existing houses sold in Gentry from February 16, 2006 to May 15, 2006, or 50.0 percent fewer than in the previous quarter and 41.2 percent fewer than in the same period last year.
- The average price of a house sold in Gentry increased from \$143,390 in the first quarter of 2006 to \$166,550 in the second quarter. In the second quarter of 2006 the average sales price was 16.2 percent higher than in the previous quarter and 69.9 percent higher than in the same period last year.
- In Gentry, the average number of days from the initial house listing to the sale increased from 108 days in the first quarter of 2006 to 111 days in the second quarter of 2006.
- About 0.9 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Gentry. The average sales price of a house in Gentry was only 89.4 percent of the county average.
- 60.0 percent of the sold houses in Gentry were in the \$50,000 to \$150,000 range.



Gentry House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Ashton Place	19	0	18	0	0	37	0	--
College Hill Second Addition	2	1	2	2	1	8	0	63.0
The Oaks	12	2	5	13	3	35	1	64.0
Springhill	26	4	0	0	0	30	0	--
Gentry	59	7	25	15	4	110	1	74.8

Gentry

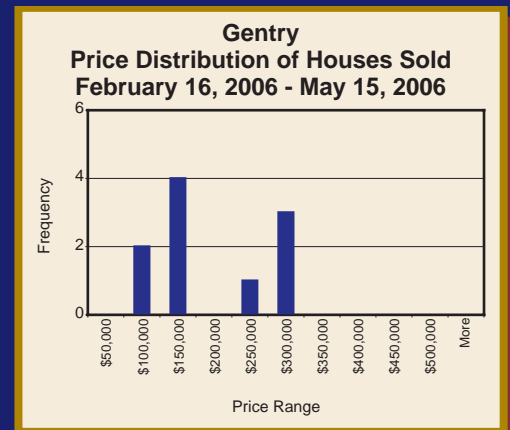


Gentry Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	2	20.0%	1,202	116	101%	\$66.75
\$100,001 - \$150,000	4	40.0%	1,447	151	101%	\$86.43
\$150,001 - \$200,000	0	0.0%	--	--	--	--
\$200,001 - \$250,000	1	10.0%	2,202	51	96%	\$99.91
\$250,001 - \$300,000	3	30.0%	2,401	73	97%	\$109.33
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Gentry	10	100.0%	1,760	111	99%	\$90.71

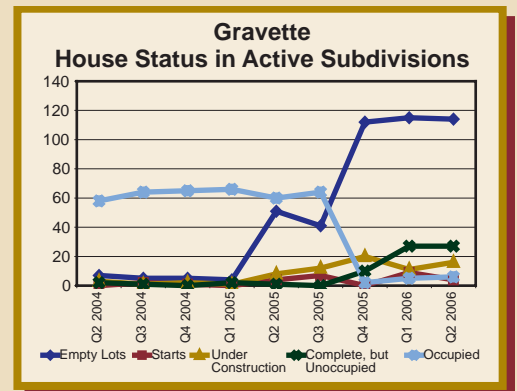
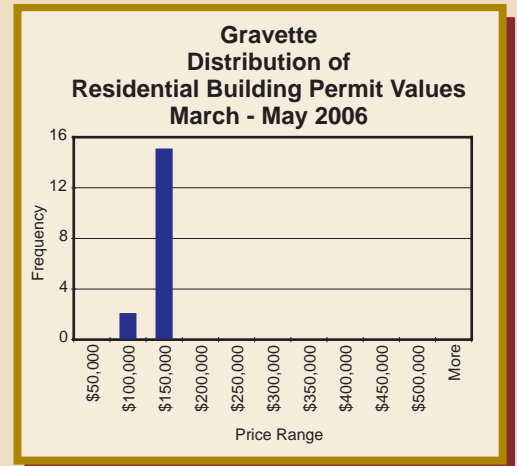
Gentry Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Castleberry	Q1 2006	61
Gayle Meadows	Q1 2006	54
McClellan Meadows	Q1 2006	242
The Orchards	Q1 2006	288
<i>Final Approval</i>		
Stonegate	Q1 2006	3
Gentry		648



Gravette

- From March to May 2006, there were 17 residential building permits issued in Gravette. This was a 183.3 percent increase over the same time period in 2005.
- The average residential building permit value in Gravette increased by 55.2 percent from the second quarter of 2005 to \$117,165 in the second quarter of 2006.
- The major price points for Gravette building permits were in the \$100,000 to \$150,000 range.
- There were 167 total lots in active subdivisions in Gravette in the second quarter of 2006. About 4 percent of the lots were occupied, 16 percent were complete, but unoccupied, 10 percent were under construction, 2 percent were starts, and 68 percent were vacant lots.
- 1 new house in Gravette became occupied in the second quarter of 2006. The annual absorption rate implies that there are 193.2 months of remaining inventory in active subdivisions.
- There were 11 houses under construction in the Patriot Park and 5 houses under construction in the Walnut Creek subdivision in Gravette.
- There were 24 existing houses sold in Gravette from February 16, 2006 to May 15, 2006, or 20.0 percent more than in the previous quarter and 4.0 percent fewer than in the same period last year.
- The average price of a house sold in Gravette increased from \$105,280 in the first quarter of 2006 to \$153,423 in the second quarter. In the second quarter of 2006 the average sales price was 45.7 percent higher than in the previous quarter and 8.8 percent higher than in the same period last year.
- In Gravette, the average number of days from the initial house listing to the sale increased from 122 days in the first quarter of 2006 to 135 days in the second quarter of 2006.
- About 2.2 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Gravette. The average sales price of a house in Gravette was 82.4 percent of the county average.
- 50.0 percent of the sold houses in Gravette were in the \$50,000 to \$150,000 range.



Gravette House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Patriot Park	29	0	11	19	3	62	0	177.0
Walnut Creek	85	4	5	8	3	105	1	306.0
Gravette	114	4	16	27	6	167	1	193.2

Gravette



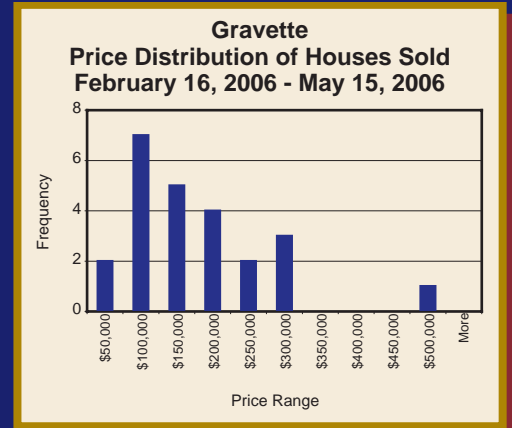
Walnut Creek

Patriot Park

State Highway 59

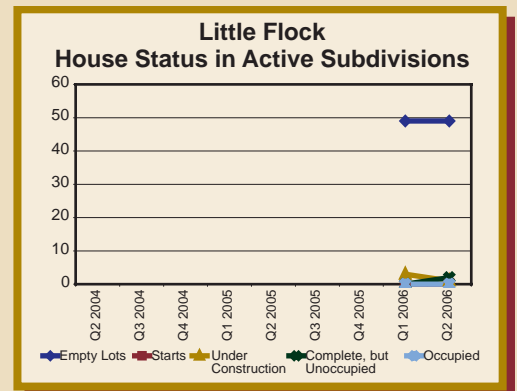
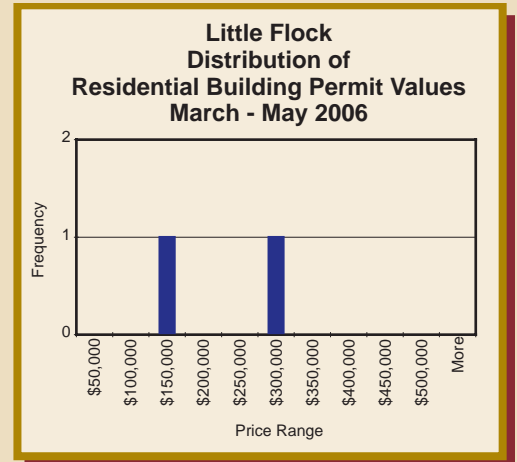
Gravette Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	8.3%	1,362	157	94%	\$33.56
\$50,001 - \$100,000	7	29.2%	1,154	149	92%	\$70.58
\$100,001 - \$150,000	5	20.8%	1,342	152	100%	\$92.36
\$150,001 - \$200,000	4	16.7%	2,393	71	97%	\$76.82
\$200,001 - \$250,000	2	8.3%	2,332	165	95%	\$92.02
\$250,001 - \$300,000	3	12.5%	2,338	150	91%	\$116.46
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	1	4.2%	4,800	66	98%	\$94.79
\$500,000+	0	0.0%	--	--	--	--
Gravette	24	100.0%	1,815	135	95%	\$81.61



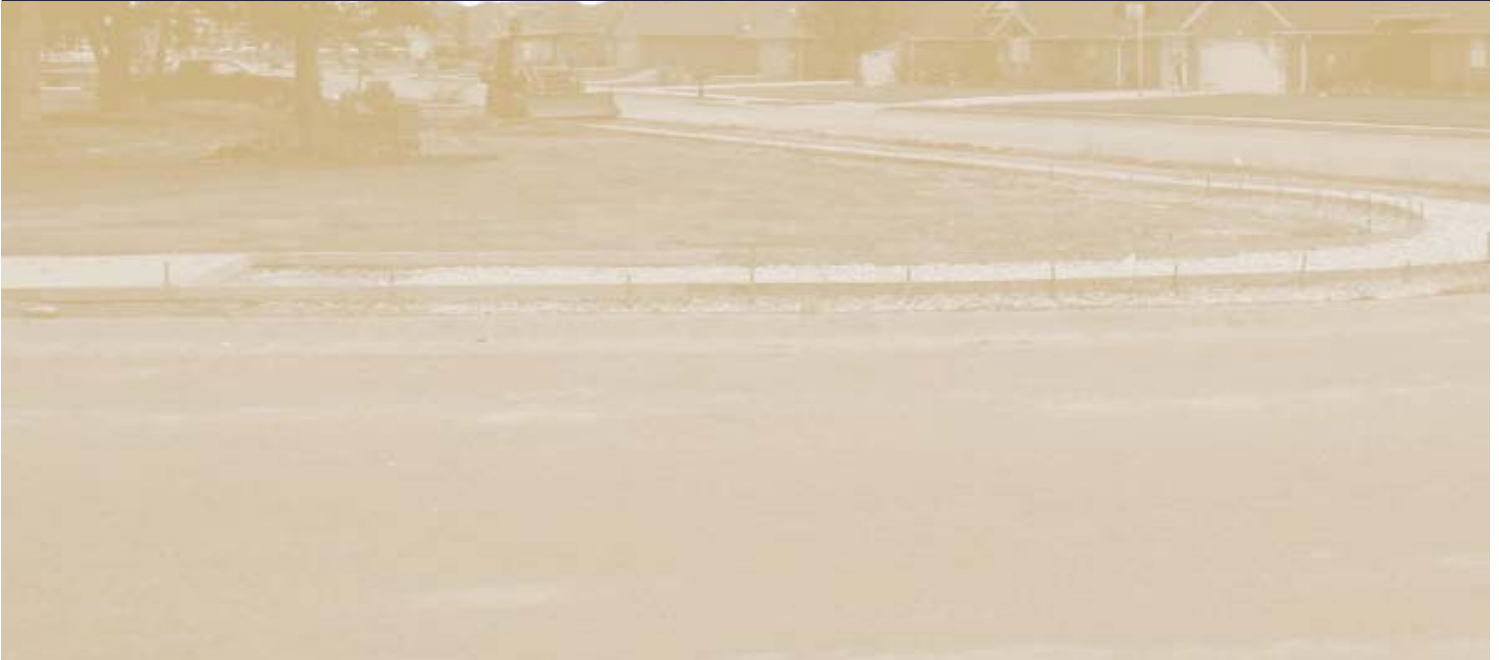
Little Flock

- From March to May 2006, there were 2 residential building permits issued in Little Flock.
- The average residential building permit value in Little Flock was \$225,000 in the second quarter of 2006.
- There were 52 total lots in 1 active subdivision in Little Flock in the second quarter of 2006. About 4 percent were complete, but unoccupied, 2 percent were under construction, and 94 percent were vacant lots.
- No new houses in Little Flock became occupied in the second quarter of 2006. There was 1 house under construction in The Meadows subdivisions in Little Flock.
- There was 1 existing house sold in Little Flock from February 16, 2006 to May 15, 2006.

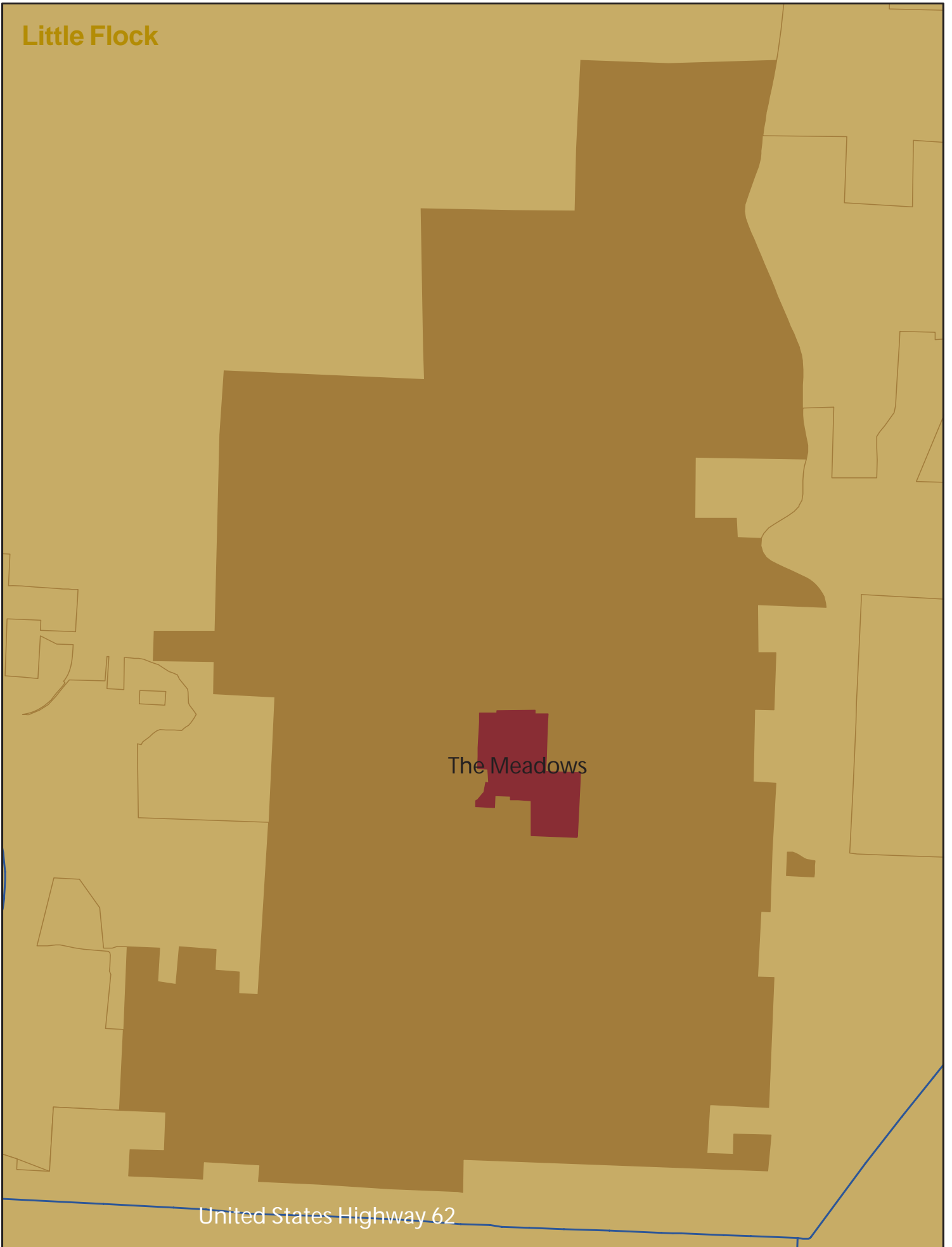


Little Flock House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
The Meadows	49	0	1	2	0	52	0	--
Little Flock	49	0	1	2	0	52	0	--



Little Flock

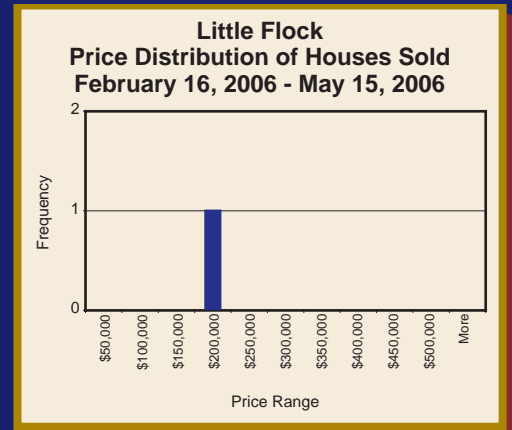


The Meadows

United States Highway 62

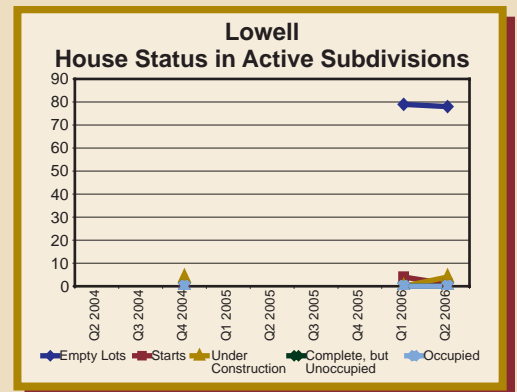
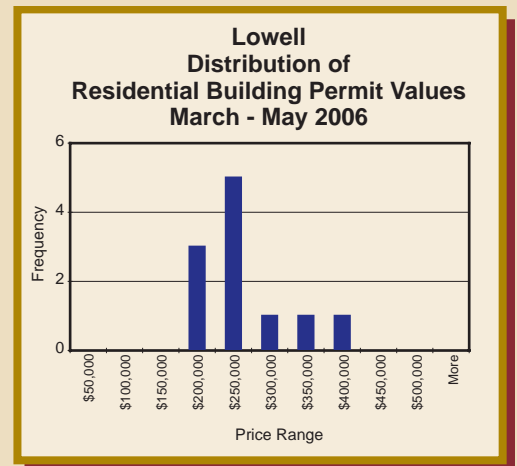
Little Flock Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	0	0.0%	--	--	--	--
\$150,001 - \$200,000	1	100.0%	1,990	62	97%	\$82.41
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Little Flock	1	100.0%	1,990	62	97%	\$82.41



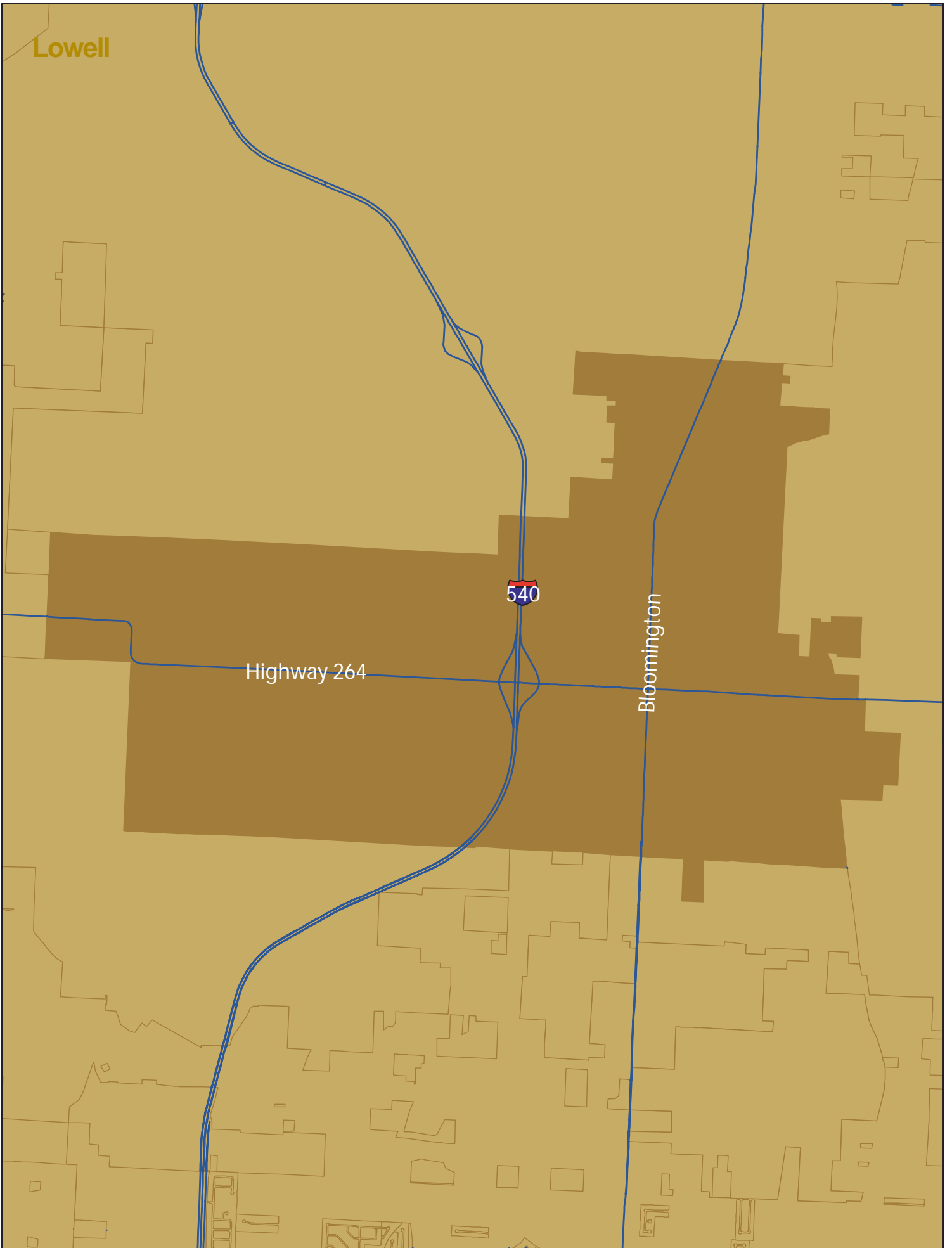
Lowell

- From March to May 2006, there were 11 building permits issued in Lowell. This was a 37.5 percent increase from the second quarter of 2005.
- The average residential building permit value in Lowell declined by 26.0 percent from the second quarter of 2005 to \$240,909 in the second quarter of 2006.
- The major price points for Lowell building permits were in the \$150,000 to \$250,000 range.
- There were 83 total lots in active subdivisions in Lowell in the second quarter of 2006. About 5 percent were under construction, 1 percent were starts, and 94 percent were vacant lots.
- No new houses in Lowell became occupied in the second quarter of 2006.
- There were 25 existing houses sold in Lowell from February 16, 2006 to May 15, 2006, or a 49.0 percent fewer than in the previous quarter and a 26.5 percent fewer than in the same period last year.
- The average price of a house sold in Lowell increased from \$165,562 in the first quarter of 2006 to \$166,688 in the second quarter. In the second quarter of 2006 the average sales price was 0.7 percent higher than in the previous quarter and 5.6 percent higher than in the same period last year.
- In Lowell, the average number of days from the initial house listing to the sale declined from 86 days in the first quarter of 2006 to 69 days in the second quarter of 2006.
- About 2.3 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Lowell. The average sales price of a house in Lowell was 89.5 percent of the county average.
- 80.0 percent of the sold houses in Lowell were in the \$100,000 to \$200,000 range.



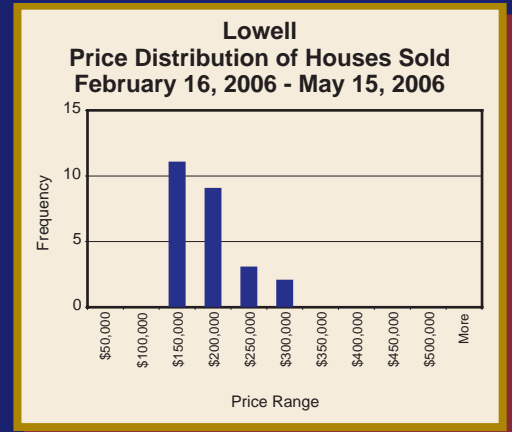
Lowell House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Total Occupied	Total Lots	Absorbed Lots	Months of Inventory
Borghese, Phase I	78	1	4	0	0	83	0	--
Lowell	78	1	4	0	0	83	0	--



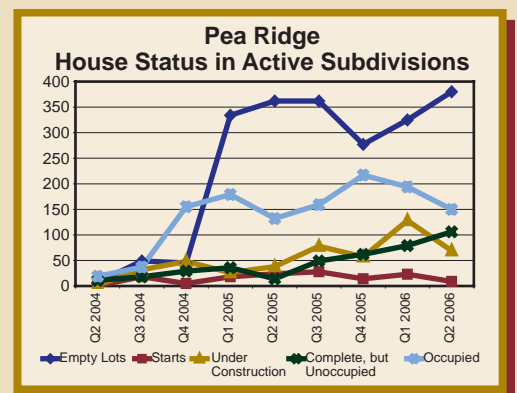
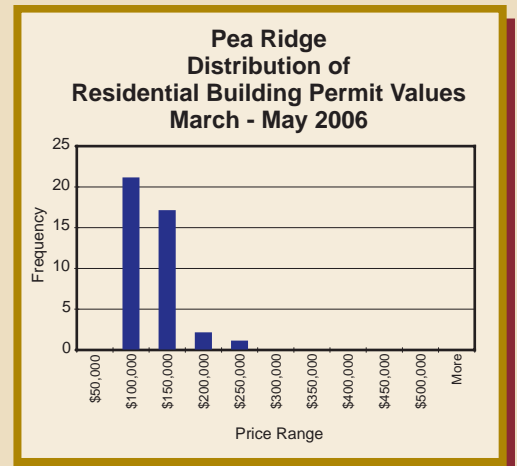
Lowell Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	11	44.0%	1,497	62	99%	\$93.18
\$150,001 - \$200,000	9	36.0%	1,862	78	98%	\$92.31
\$200,001 - \$250,000	3	12.0%	2,063	39	99%	\$110.90
\$250,001 - \$300,000	2	8.0%	2,248	109	100%	\$118.20
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Lowell	25	100.0%	1,757	69	99%	\$97.00



Pea Ridge

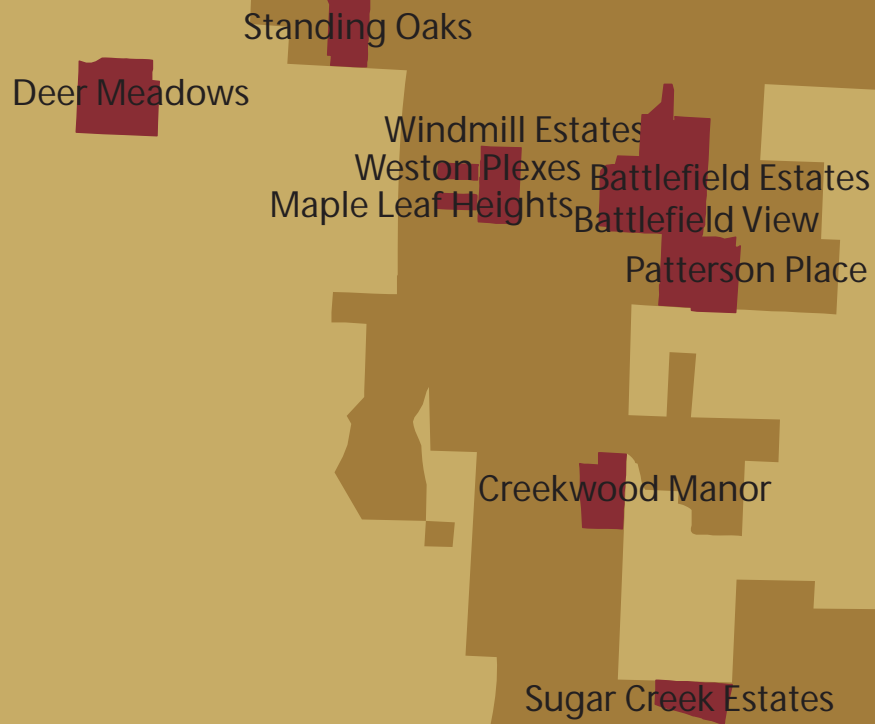
- From March to May 2006, there were 41 building permits issued in Pea Ridge. This was a decline of 29.3 percent from the second quarter of 2005.
- The average residential building permit value in Pea Ridge increased by 11.6 percent from the second quarter of 2005 to \$111,459 in the second quarter of 2006.
- The major price points for Pea Ridge building permits were in the \$50,000 to \$100,000 range.
- There were 714 total lots in active subdivisions in Pea Ridge in the second quarter of 2006. About 21 percent of the lots were occupied, 15 percent were complete, but unoccupied, 10 percent were under construction, 1 percent were starts, and 53 percent were vacant lots.
- 50 new houses in Pea Ridge became occupied in the second quarter of 2006. The annual absorption rate implies that there are 42.0 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Pea Ridge in the second quarter were Battlefield View and Weston Plexes with 18 each.
- An additional 45 lots in 1 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Pea Ridge.
- There were 35 existing houses sold in Pea Ridge from February 16, 2006 to May 15, 2006, or a 22.2 percent fewer than in the previous quarter and a 12.9 percent more than in the same period last year.
- The average price of a house sold in Pea Ridge increased from \$130,580 in the first quarter of 2006 to \$149,183 in the second quarter. In the second quarter of 2006 the average sales price was 14.2 percent higher than in the previous quarter and 28.8 percent higher than in the same period last year.
- In Pea Ridge, the average number of days from the initial house listing to the sale increased from 144 days in the first quarter of 2006 to 172 days in the second quarter of 2006.
- About 3.2 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Pea Ridge. The average sales price of a house in Pea Ridge was 80.1 percent of the county average.
- 65.7 percent of the sold houses in Pea Ridge were in the \$100,000 to \$150,000 range.



Pea Ridge House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Battlefield Estates	96	0	4	4	3	107	2	416.0
Battlefield View, Phases I, II	100	0	18	11	45	174	11	35.2
Creekwood Manor	40	5	0	0	0	45	0	—
Deer Meadows	84	2	5	0	1	92	1	546.0
Maple Leaf Heights	7	0	1	2	1	11	0	120.0
Patterson Place	27	0	9	23	1	60	1	708.0
Standing Oaks, Blocks II, III	0	0	0	0	77	77	30	0.0
Sugar Creek Estates	14	0	1	0	2	17	0	67.5
The Oaks, Block I	0	0	6	47	1	54	1	318.0
Weston Plexes	2	0	18	0	0	20	0	—
Windmill Estates	10	2	7	19	19	57	4	26.8
Pea Ridge	380	9	69	106	150	714	50	42.0

Pea Ridge

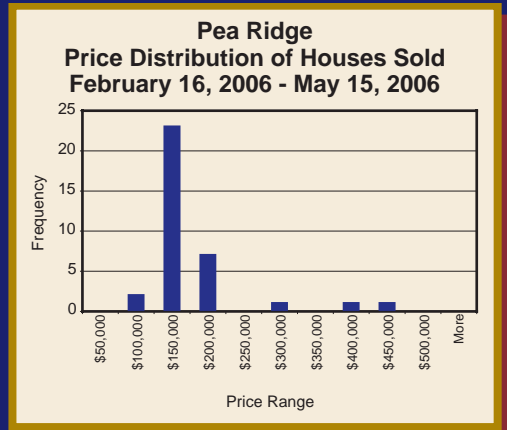


Pea Ridge Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	2	5.7%	972	61	98%	\$87.62
\$100,001 - \$150,000	23	65.7%	1,438	180	100%	\$86.62
\$150,001 - \$200,000	7	20.0%	1,758	177	99%	\$93.92
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	1	2.9%	2,405	122	92%	\$124.74
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	1	2.9%	2,200	88	166%	\$169.55
\$400,001 - \$450,000	1	2.9%	3,990	323	98%	\$105.26
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Pea Ridge	35	100.0%	1,597	172	101%	\$92.13

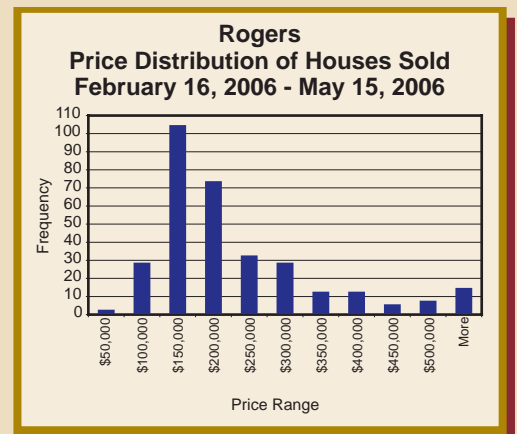
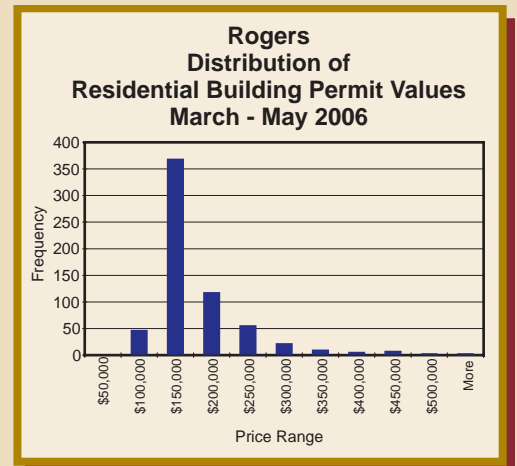
Pea Ridge Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Final Approval</i>		
Creekwood Manor	Q4 2005	45
Pea Ridge		45



Rogers

- From March to May 2006, there were 622 residential building permits issued in Rogers. This represents a 101.3 percent increase from the second quarter of 2005.
- The average residential building permit value in Rogers declined by 10.4 percent from the second quarter of 2005 to \$146,155 in the second quarter of 2006.
- The major price points for Rogers building permits were in the \$100,000 to \$150,000 range.
- There were 4,375 total lots in active subdivisions in Rogers in the second quarter of 2006. About 30 percent of the lots were occupied, 18 percent were complete, but unoccupied, 9 percent were under construction, 2 percent were starts, and 41 percent were vacant lots.
- 158 new houses in Rogers became occupied in the second quarter of 2006. The annual absorption rate implies that there are 63.6 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Rogers in the second quarter were The Plantation with 90, Pinnacle with 42, and Post Meadows and Shenandoah with 26 each.
- An additional 2,006 lots in 40 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Rogers.
- There were 317 existing houses sold in Rogers from February 16, 2006 to May 15, 2006, or 11.2 percent more than in the previous quarter and 18.3 percent more than in the same period last year.
- The average price of a house sold in Rogers increased from \$207,834 in the first quarter of 2006 to \$213,087 in the second quarter. In the second quarter of 2006 the average sales price was 2.5 percent higher than in the previous quarter and 9.8 percent higher than in the same period last year.
- In Rogers, the average number of days from the initial house listing to the sale increased from 117 days in the first quarter of 2006 to 119 days in the second quarter of 2006.
- About 29.2 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Rogers. The average sales price of a house in Rogers was 114.4 percent of the county average.
- 55.8 percent of the sold houses in Rogers were in the \$100,000 to \$200,000 range.

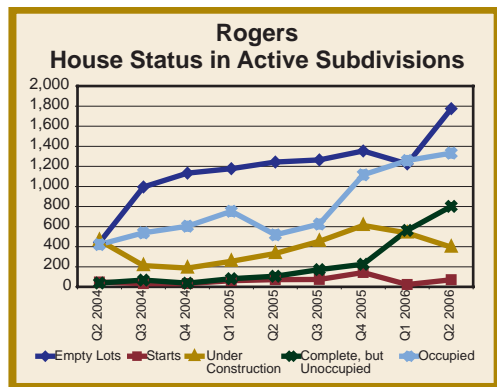


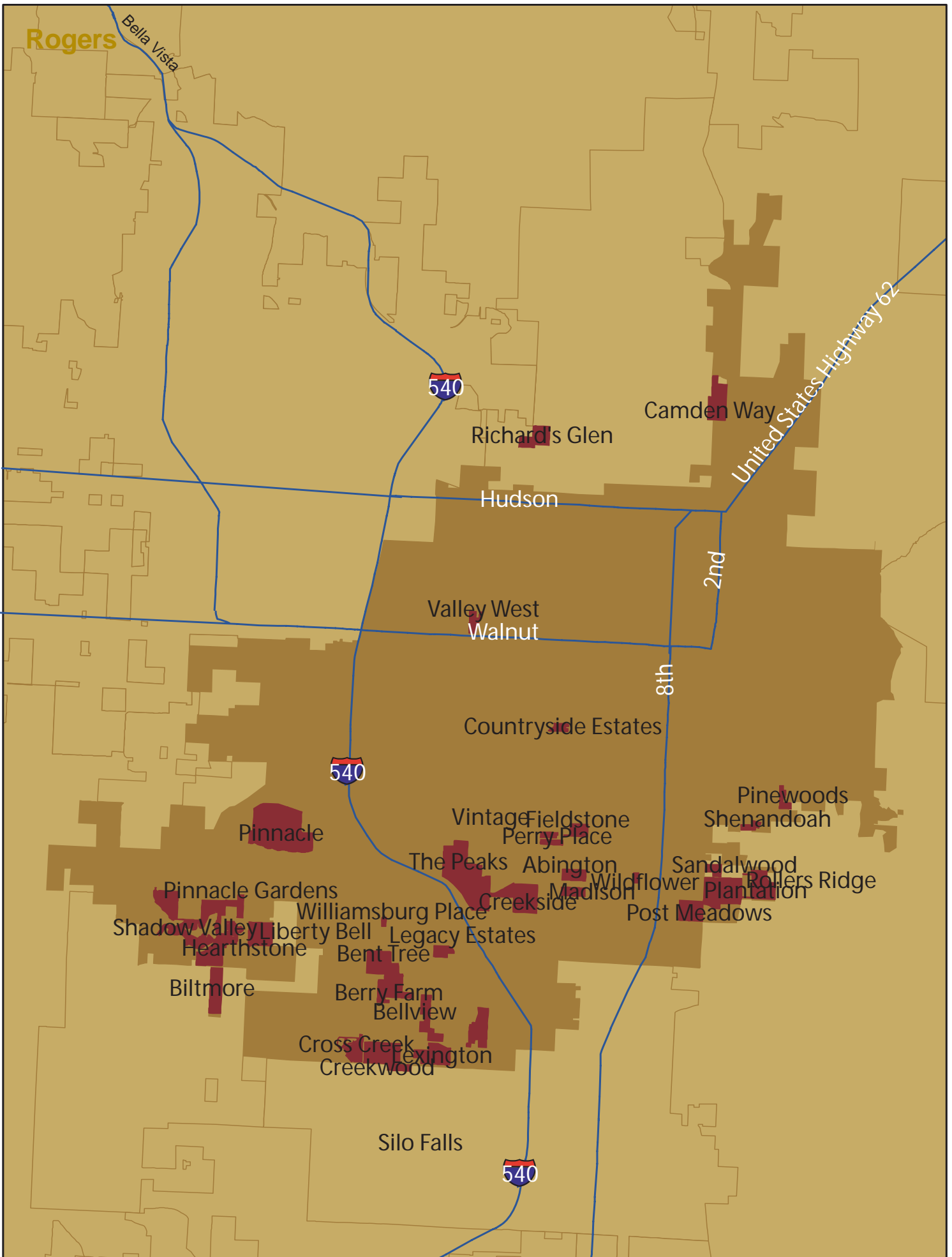
Rogers Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	0.6%	1,884	53	88%	\$24.42
\$50,001 - \$100,000	28	8.8%	1,069	73	97%	\$74.30
\$100,001 - \$150,000	104	32.8%	1,429	91	98%	\$89.07
\$150,001 - \$200,000	73	23.0%	1,800	140	99%	\$96.88
\$200,001 - \$250,000	32	10.1%	2,049	92	127%	\$115.12
\$250,001 - \$300,000	28	8.8%	2,390	121	98%	\$116.87
\$300,001 - \$350,000	12	3.8%	2,787	196	98%	\$118.59
\$350,001 - \$400,000	12	3.8%	3,027	174	96%	\$129.28
\$400,001 - \$450,000	5	1.6%	3,204	156	97%	\$137.34
\$450,001 - \$500,000	7	2.2%	3,250	112	98%	\$149.16
\$500,000+	14	4.4%	4,525	242	96%	\$163.55
Rogers	317	100.0%	1,950	119	101%	\$102.43

Rogers House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Abington	1	0	0	1	59	61	1	0.6
Bellview, Phases I, II	160	0	3	74	57	294	20	49.9
Bent Tree, Phase II	6	0	3	12	42	63	4	13.3
Berry Farm, Phase I,II	0	0	1	0	83	84	1	2.4
Biltmore	106	1	3	0	0	110	0	–
Camden Way	53	0	14	67	26	160	18	61.8
Countryside Estates	4	0	1	1	22	28	0	9.0
Courtyard II	0	0	18	0	0	18	0	–
Creekside	51	1	13	10	5	80	0	180.0
Creekwood (Rogers/Lowell)	138	2	17	36	8	201	5	289.5
Cross Creek, Blocks I - VI	60	0	3	24	32	119	0	47.5
Fieldstone	2	2	3	3	41	51	0	12.0
Hearthstone, Phases I, II	43	1	3	16	94	157	1	16.8
Legacy Estates	2	0	11	13	4	30	3	78.0
Lexington	83	1	19	10	6	119	0	226.0
Liberty Bell	64	1	17	23	0	105	0	–
Madison	31	0	3	1	0	35	0	–
The Peaks, Phases I - III	60	0	1	39	10	110	6	133.3
Perry Place	0	0	3	8	21	32	2	6.3
Pinewoods	0	0	0	11	34	45	2	3.9
Pinnacle Gardens	0	0	4	34	1	39	1	342.0
Pinnacle Golf & Country Club	92	1	15	4	369	481	4	23.4
Pinnacle, Phases I - IV	102	1	42	13	85	243	6	63.2
The Plantation, Phases I, II	143	23	90	288	32	576	30	153.0
Post Meadows	10	0	26	68	21	125	18	59.4
Richard's Glen	6	0	1	0	20	27	1	84.0
Roller's Ridge	166	14	0	0	0	180	0	–
Royal Heights	6	3	1	0	0	10	0	–
Sandalwood	32	1	4	10	5	52	3	112.8
Shadow Valley, Phases I - VII	177	9	20	21	224	451	14	32.4
Shenandoah	0	6	26	0	0	32	0	–
Silo Falls, Phases I, II	162	3	22	0	0	187	0	–
Valley West Townhomes	0	0	0	7	8	15	8	2.6
Vintage	13	1	9	0	0	23	0	–
Wildflower, Phase I	0	0	0	6	16	22	10	4.5
Williamsburg Place	2	0	0	1	7	10	0	36.0
Rogers	1,775	71	396	801	1,332	4,375	158	63.6



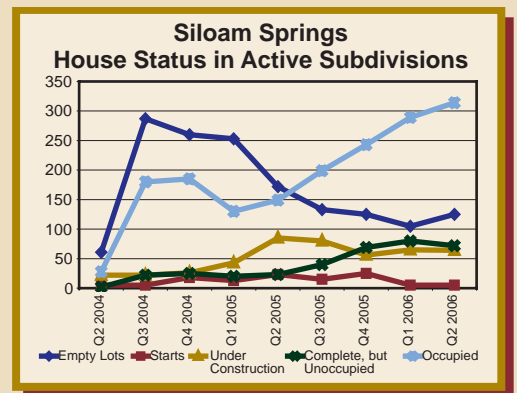
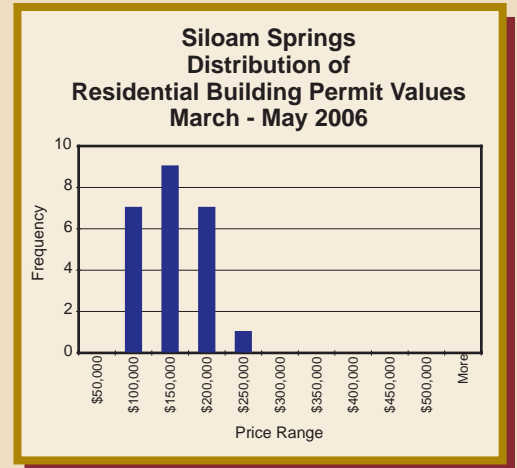


Rogers Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Quarter	Number of Lots
<i>Preliminary Approval</i>		
Camelot Estates	Q4 2005	15
Centre Pointe, Phase II	Q1 2005	5
Chelsea Point	Q4 2005	135
Chenal Addition	Q4 2004	185
Clower Subdivision	Q4 2005	79
Cottage Wood	Q3 2005	49
Edgewater Subdivision	Q2 2006	10
Elk Estates	Q2 2006	41
Greenfield Place	Q1 2005	52
The Grove	Q4 2005	46
Habitat Trails	Q2 2006	18
The Iveys	Q4 2005	168
Lakewood	Q2 2005	58
Malies Subdivision	Q1 2006	18
Meadow Wood	Q2 2005	76
NE Industrial Park	Q1 2006	4
Pinion Subdivision	Q4 2004	5
Post Meadows, Phase II	Q4 2004	10
Sagely	Q2 2005	77
Saine Michelle	Q4 2005	65
Sandalwood, Phase II	Q4 2005	40
Taldo Subdivision	Q4 2004	425
Turtle Creek	Q2 2006	
Walz Subdivision	Q4 2004	7
Wildflower, Phase II	Q3 2005	28
<i>Final Approval</i>		
Arbor Glen	Q2 2005	55
Centre Pointe, Phase I	Q2 2005	2
Creeside Place, Phase II	Q1 2006	3
Cross Timbers North	Q1 2005	16
Cross Timbers South	Q4 2004	16
Metro Park	Q2 2006	22
Myers Ranch	Q4 2004	6
Oldetown Estates	Q1 2006	54
Ray Neal Subdivision	Q1 2005	5
Rocky Creek	Q4 2004	53
Rogers Wellness Center	Q3 2005	3
Stoney Brook Place	Q1 2005	5
Top Flite, Phase VI	Q4 2005	34
Warren Glen	Q4 2005	110
West Olrich Addition	Q2 2006	6
Rogers		2,006

Siloam Springs

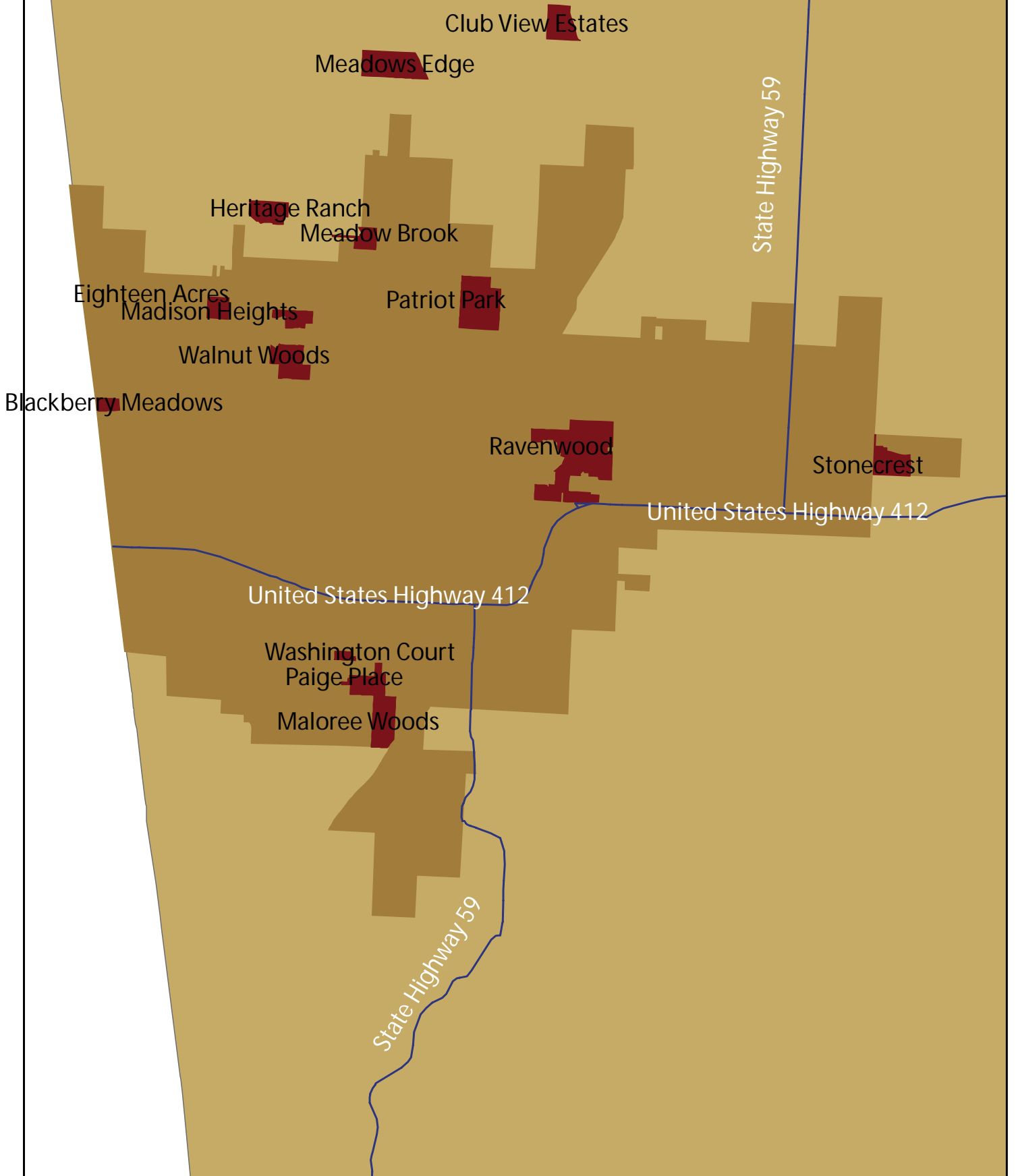
- From March to May 2006, there were 24 residential building permits issued in Siloam Springs. This represents a 68.4 percent decline from the second quarter of 2005.
- The average residential building permit value in Siloam Springs increased by 5.1 percent from the second quarter of 2005 to \$131,998 in the second quarter of 2006.
- The major price points for Siloam Springs building permits were in the \$100,000 to \$150,000 range.
- There were 580 total lots in active subdivisions in Siloam Springs in the second quarter of 2006. About 54 percent of the lots were occupied, 12 percent were complete, but unoccupied, 11 percent were under construction, 1 percent were starts, and 22 percent were vacant lots.
- 25 new houses in Siloam Springs became occupied in the second quarter of 2006. The annual absorption rate implies that there are 18.1 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Siloam Springs in the second quarter were Stonecrest with 19, Patriot Park with 12, and Washington Court with 10.
- An additional 1,285 lots in 29 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Siloam Springs.
- There were 89 existing houses sold in Siloam Springs from February 16, 2006 to May 15, 2006, or 1.1 percent fewer than in the previous quarter and 16.8 percent fewer than in the same period last year.
- The average price of a house sold in Siloam Springs increased from \$132,915 in the first quarter of 2006 to \$140,399 in the second quarter. In the second quarter of 2006 the average sales price was 5.6 percent higher than in the previous quarter and 5.2 percent higher than in the same period last year.
- In Siloam Springs, the average number of days from the initial house listing to the sale increased from 107 days in the first quarter of 2006 to 114 days in the second quarter of 2006.
- About 8.2 percent of all houses sold in Benton County in the second quarter of 2006 were sold in Siloam Springs. The average sales price of a house in Siloam Springs was 75.4 percent of the county average.
- 66.3 percent of the sold houses in Siloam Springs were in the \$50,000 to \$150,000 range.



Siloam Springs House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Blackberry Meadows	1	0	0	1	4	6	0	6.0
Club View Estates	7	0	0	4	3	14	1	44.0
Eighteen Acres, Phase I	1	0	1	0	12	14	1	4.0
Heritage Ranch	22	1	3	0	0	26	0	-
Madison Heights	2	0	2	1	3	8	0	30.0
Maloree Woods	15	0	4	2	37	58	0	50.4
Meadow Brook	16	1	3	0	0	20	0	-
Meadows Edge	10	0	6	0	2	18	0	96.0
Paige Place, Phases I, II	9	0	3	11	34	57	0	34.5
Patriot Park	4	0	12	26	110	152	16	5.3
Ravenwood, Phase V	8	2	0	0	0	10	0	-
Stonecrest, Phases I-III	20	1	19	17	47	104	3	22.8
Walnut Woods, No. 2, Phases I, IV, V	6	0	1	10	62	79	4	11.3
Washington Court	4	0	10	0	0	14	0	-
Siloam Springs	125	5	64	72	314	580	25	18.1

Siloam Springs



Siloam Springs Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	2.2%	743	94	92%	\$68.67
\$50,001 - \$100,000	21	23.6%	1,257	86	97%	\$67.32
\$100,001 - \$150,000	38	42.7%	1,515	114	100%	\$83.30
\$150,001 - \$200,000	17	19.1%	2,031	117	99%	\$88.72
\$200,001 - \$250,000	5	5.6%	2,585	243	100%	\$87.60
\$250,001 - \$300,000	4	4.5%	2,489	71	100%	\$110.61
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	2	2.2%	2,900	162	98%	\$131.86
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Siloam Springs	89	100.0%	1,670	114	99%	\$82.80

Siloam Springs Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Quarter	Number of Lots
<i>Preliminary Approval</i>		
Ashley Park, Phases II,III	Q3 2005	81
Copper Leaf	Q1 2005	61
Eastern Hills	Q2 2005	31
Garden Meadows	Q1 2006	190
Heritage Ranch, Phases II,III	Q3 2005	53
Pleasant Valley	Q1 2006	43
Ravenwood, Phase V	Q1 2005	10
Royal Oak	Q1 2005	53
Stonecrest, Phases II,III	Q3 2005	63
Stoneridge	Q1 2006	88
Walnut Ridge	Q1 2006	5
The Woodlands	Q1 2005	111
Washington Street Addition	Q1 2005	20
<i>Final Approval</i>		
Ashley Park, Phase I	Q2 2005	32
Autumn Glen	Q2 2006	196
Castlewood R-1	Q2 2006	101
CD Gunter's Addition	Q2 2005	5
Chanel Court II	Q2 2005	3
Chattering Heights III	Q1 2005	6
Deer Lodge	Q2 2005	19
Gabriel Park	Q2 2005	8
Haden Place Addition	Q1 2005	40
Highlands	Q1 2006	10
Lowe's	Q2 2006	4
Meadowview	Q4 2005	8
Progress Development	Q3 2005	1
Rosemead	Q2 2005	19
South Pointe Center Addition	Q2 2005	20
Spencer's Addition	Q1 2005	4
Siloam Springs		1,285

Siloam Springs
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006



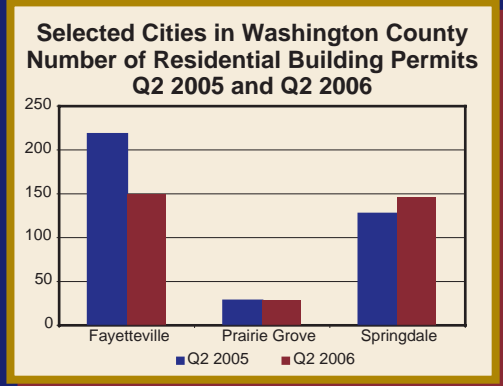
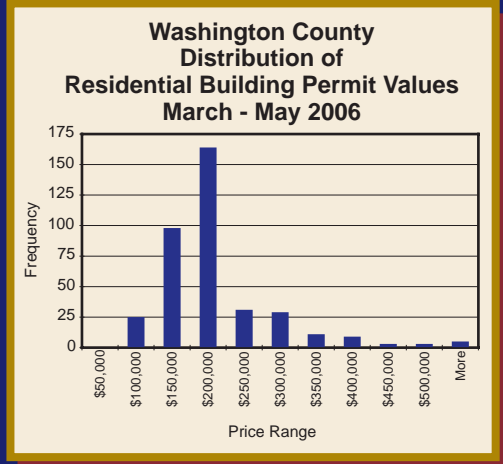
Washington County

Building Permits

From March to May 2006, there were 368 residential building permits issued in Washington County. The second quarter 2006 total was 22.9 percent lower than the second quarter 2005 total of 477 residential building permits. The average value of the Washington County March to May 2006 building permits was \$180,078, down 10.8 percent from \$201,827 for March to May 2005 residential building permits. About 71 percent of the second quarter building permits were valued between \$100,000 and \$200,000, with 23 percent higher than \$200,000 and 7 percent lower than \$100,000. In Washington County, the dominant building permit price points were in the \$150,000 to \$200,000 range.

Fayetteville accounted for 41 percent of the residential building permits in Washington County, while Springdale accounted for 40 percent. The remaining 19 percent were from the other small cities in the county.

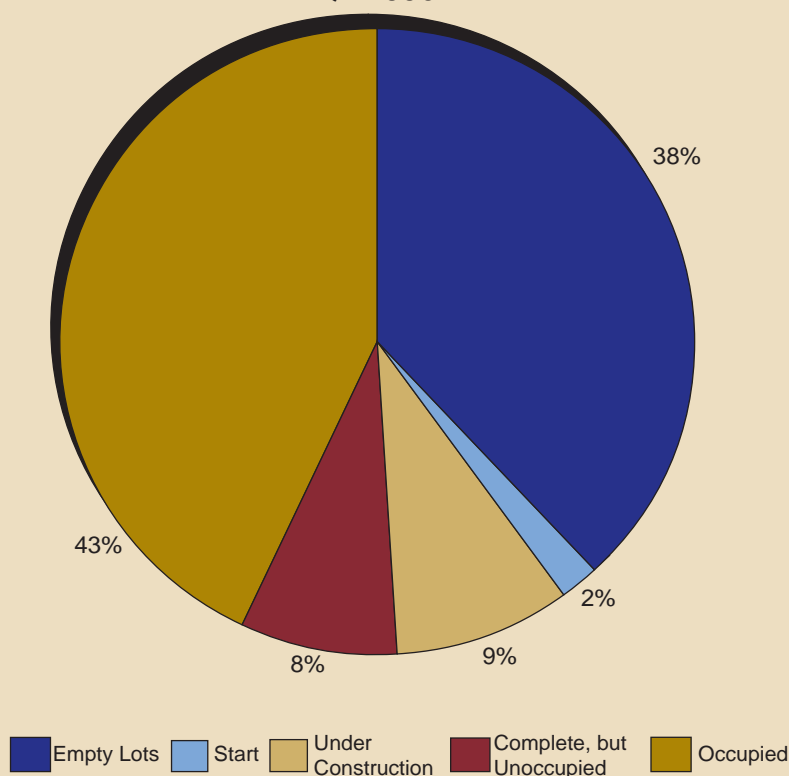
From the second quarter of 2005 to the second quarter of 2006, fewer building permits were issued in all Washington County cities except Goshen, Prairie Grove, Springdale, and Tontitown.



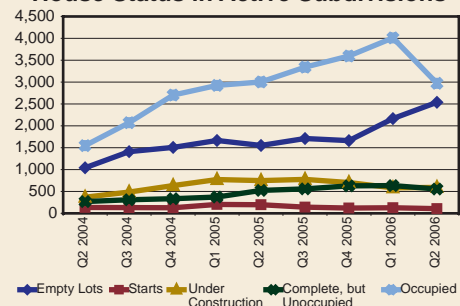
Washington County Residential Building Permit Values by City March - May 2006

City	\$0 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$150,000	\$150,001 - \$200,000	\$200,001 - \$250,000	\$250,001 - \$300,000	\$300,001 - \$350,000	\$350,001 - \$400,000	\$400,001 - \$500,000	\$450,001 - \$500,000	\$500,000+	Q2 2006 Total	Q2 2005 Total
Elkins	0	12	0	0	0	0	0	0	0	0	0	12	36
Elm Springs	0	0	0	2	1	2	0	0	0	0	0	5	8
Farmington	0	0	1	0	0	0	0	0	0	0	0	1	6
Fayetteville	0	1	27	79	17	16	6	3	0	1	0	150	218
Goshen	0	0	0	1	2	2	0	0	0	0	0	5	3
Greenland	0	0	1	0	0	0	0	0	0	0	0	1	23
Johnson	0	0	0	0	0	1	0	0	0	0	2	3	18
Lincoln	0	0	2	0	0	0	0	0	0	0	0	2	6
Prairie Grove	0	9	17	2	1	0	0	0	0	0	0	29	28
Springdale	0	1	46	79	8	3	2	2	2	1	2	146	127
Tontitown	0	0	1	3	1	3	2	3	0	0	0	13	
West Fork	0	1	0	0	0	0	0	0	0	0	0	1	4
Washington County	0	24	95	166	30	27	10	8	2	2	4	368	477

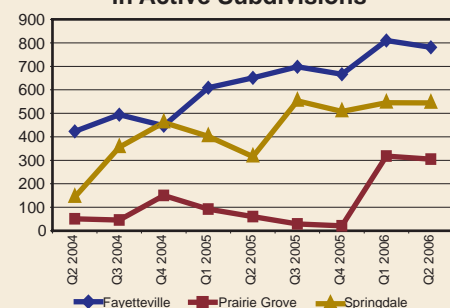
Washington County Status of Houses in Active Subdivisions by Percentage Q2 2006



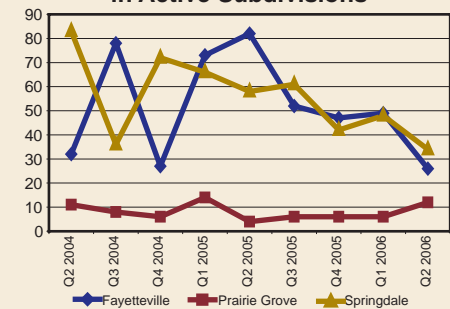
Washington County House Status in Active Subdivisions



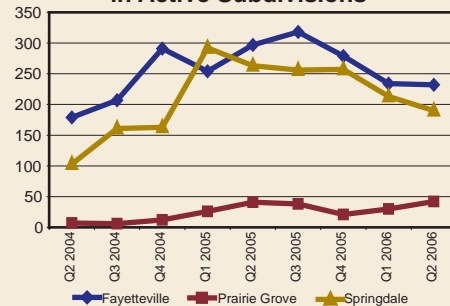
Washington County Number of Empty Lots in Active Subdivisions



Washington County Number of Starts in Active Subdivisions



Washington County Number of Houses Under Construction in Active Subdivisions



Subdivisions

There were 6,764 lots in the 106 active subdivisions in Washington County in the second quarter of 2006. Within the active subdivisions, 38 percent of the lots were empty, 2 percent were starts, 9 percent were under construction, 8 percent were complete, but unoccupied houses, and 43 percent were occupied houses. In the second quarter of 2006, Fayetteville had the most empty lots, houses under construction, and occupied houses in active subdivisions, while Springdale had the most starts and complete, but unoccupied houses. During the second quarter of 2006, the most active subdivisions in terms of houses under construction were Springhill and Covenant Creek in Springdale and Homestead in Greenland. Of these top 3 subdivisions for new construction, Springhill was also among the most active in the first quarter of 2006.

From the first quarter to the second quarter of 2006, 232 houses in active subdivisions became occupied in Washington County. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Washington County had 26.3 months of lot inventory at the end of the second quarter. This was an increase from the first quarter's lot inventory of 22.2 months.

Information was also collected from each city about subdivisions that had received either preliminary or final approval, but where no construction had



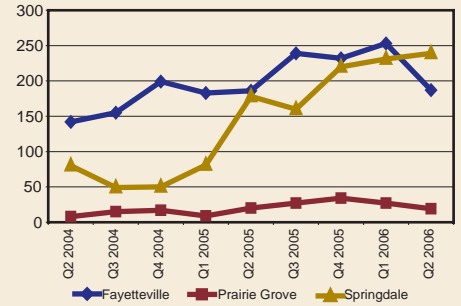
yet occurred. In the second quarter of 2006, there were 8,565 lots in 143 subdivisions in Washington County that had received approval. Fayetteville accounted for 40.7 percent of the coming lots, Springdale accounted for 34.3 percent of the coming lots, and Greenland accounted for 6.9 percent of the coming lots.

Sales of Existing Houses

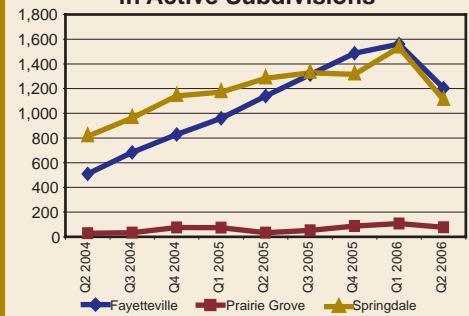
Examining the sales of existing houses in the second quarter of 2006 yields some interesting results. A total of 670 existing houses were sold from February 16 to May 15, 2006. This represents a decline of 3.6 percent from the same period in 2005. About 44 percent of the houses were sold in Springdale and 39 percent were sold in Fayetteville. The average price of all houses sold in Washington County was \$182,205 and the average house price per square foot was \$99.88. For the second quarter of 2006, the average amount of time between the initial listing of a house and the sale date was 111 days, up from 101 days in the previous quarter.

From mid-February to mid-May, on average, the largest houses in Washington County were sold in Elm Springs. The average house was most expensive in Elm Springs in both absolute and per square foot terms. On average, homes sold fastest in Elm Springs and Goshen.

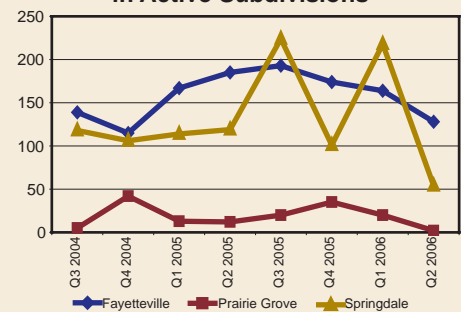
**Washington County
Number of Complete, but Unoccupied
Houses in Active Subdivisions**



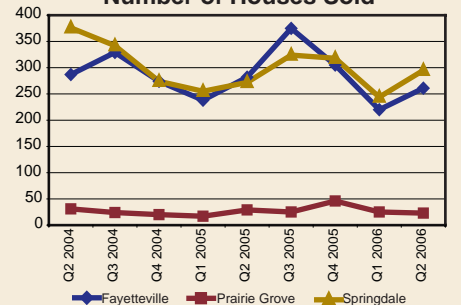
**Washington County
Number of Occupied Houses
in Active Subdivisions**



**Washington County
Number of Absorbed Houses
in Active Subdivisions**



**Washington County
Number of Houses Sold**

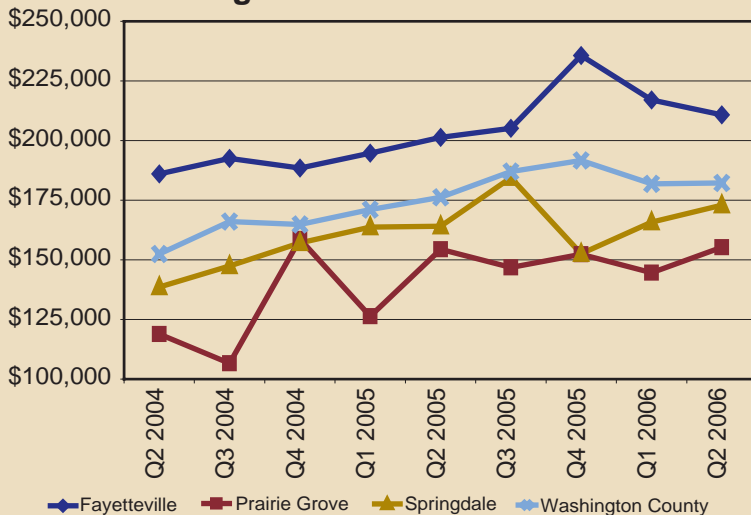


Washington County Sold House Characteristics by City

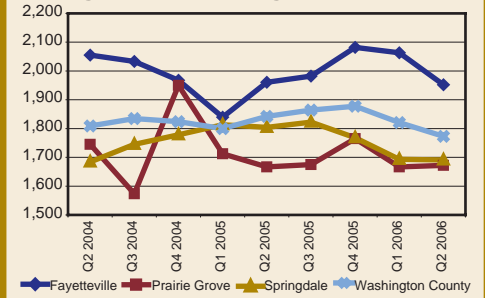
February 16 - May 15, 2006

City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Cane Hill	--	--	--	--	--
Elkins	\$126,706	\$94.49	114	35	5.2%
Elm Springs	\$345,000	\$115.00	17	1	0.1%
Farmington	\$186,689	\$93.45	85	15	2.2%
Fayetteville	\$210,769	\$106.58	109	261	39.0%
Goshen	\$80,000	\$68.73	23	1	0.1%
Greenland	\$181,250	\$101.98	177	4	0.6%
Johnson	--	--	--	--	--
Lincoln	\$92,249	\$66.86	141	12	1.8%
Prairie Grove	\$155,236	\$91.73	137	23	3.4%
Springdale	\$172,953	\$98.12	110	295	44.0%
Summers	\$125,000	\$115.31	189	1	0.1%
Tontitown	\$118,000	\$87.28	88	1	0.1%
West Fork	\$139,038	\$90.12	118	13	1.9%
Winslow	\$116,538	\$69.55	156	8	1.2%
Washington County	\$182,205	\$99.88	111	670	100.0%

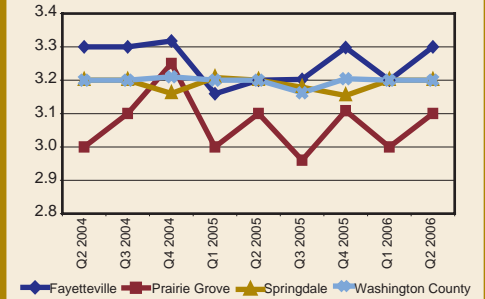
Washington County Average Price of Houses Sold



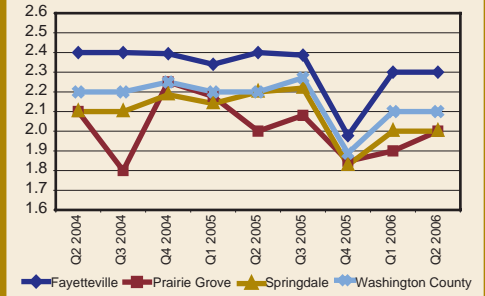
Washington County Average Square Footage of Houses Sold



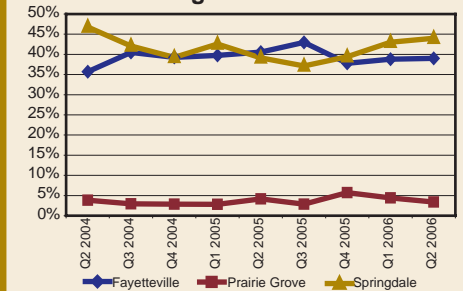
Washington County Average Number of Bedrooms in Houses Sold



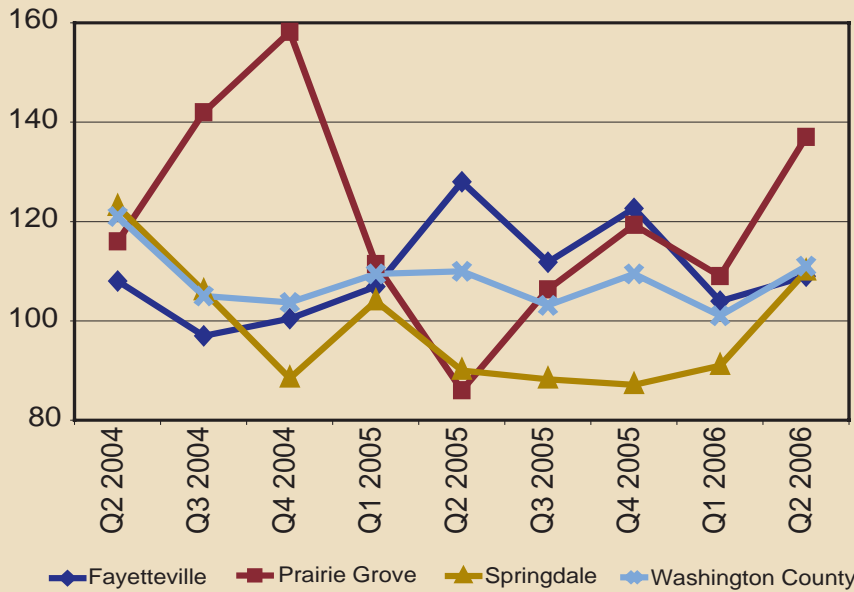
Washington County Average Number of Bathrooms in Houses Sold



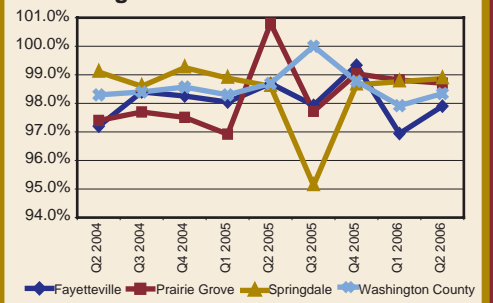
Washington County Percentage of Houses Sold



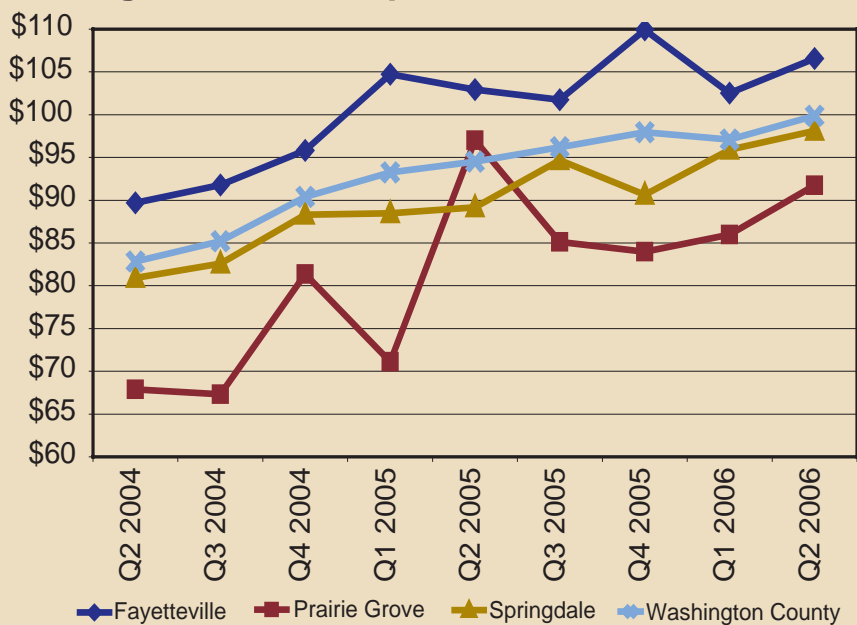
Washington County Average Number of Days on the Market for Houses Sold



Washington County Average Sold Price as a Percentage of Average List Price of Houses Sold

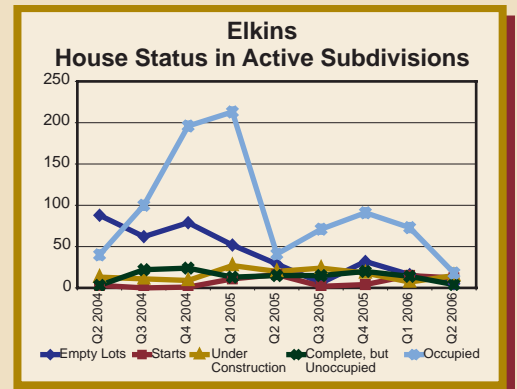
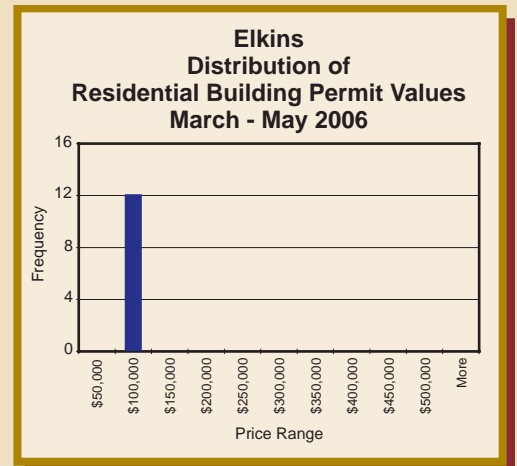


Washington County Average Price Per Square Foot of Houses Sold



Elkins

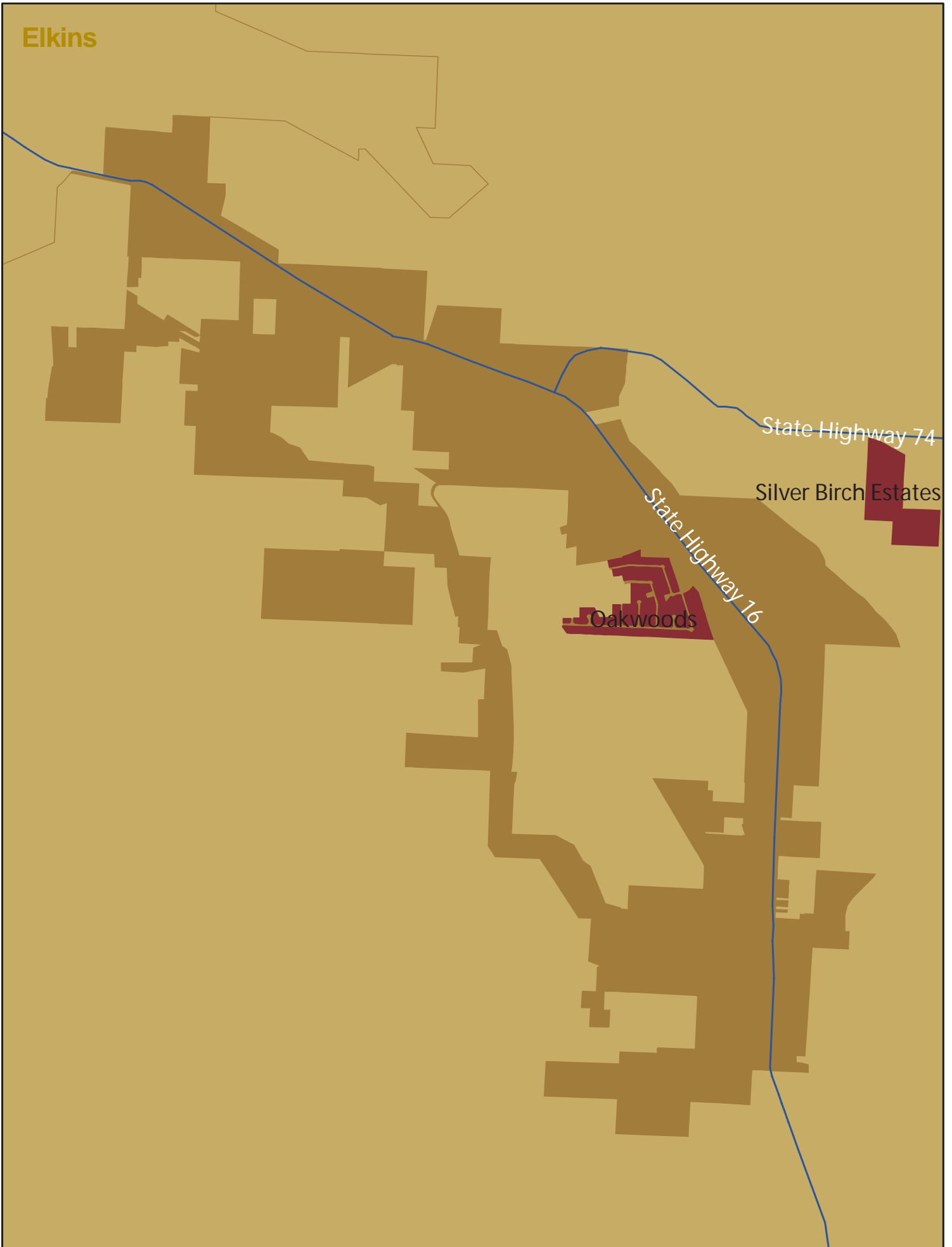
- There were 12 building permits issued in Elkins from March to May 2006. This represents a decline of 66.7 percent from the second quarter of 2005.
- The average residential building permit value in Elkins decreased by 14.6 percent from the second quarter of 2005 to \$77,637 in the second quarter of 2006.
- The major price points in Elkins were in the \$50,000 to \$100,000 range.
- There were 54 total lots in active subdivisions in Elkins in the second quarter of 2006. About 33 percent of the lots were occupied, 7 percent were complete, but unoccupied, 28 percent were under construction, 22 percent were starts, and 9 percent were vacant lots.
- 16 new houses in Elkins became occupied in the second quarter of 2006. The annual absorption rate implies that there are 4.9 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Elkins in the second quarter was Oakwoods with 15.
- An additional 457 lots in 5 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Elkins.
- There were 35 existing houses sold in Elkins from February 16, 2006 to May 15, 2006, or 9.4 percent more than in the previous quarter and 25.0 percent more than in the same period last year.
- The average price of a house sold in Elkins declined from \$131,131 in the first quarter to \$126,706 in the second quarter. In the second quarter of 2006, the average sales price was 3.4 percent lower than in the previous quarter and 2.6 percent higher than in the same period last year.
- In Elkins, the average number of days from the initial house listing to the sale declined from 127 days in the first quarter to 114 days in the second quarter of 2006.
- About 5.2 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Elkins. The average sales price of a house in Elkins was 69.5 percent of the county average.
- 74.3 percent of the sold houses in Elkins were in the \$100,000 to \$150,000 range.



Elkins House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Oakwoods, Phase IV	1	12	15	2	17	47	16	15.9
Silver Birch Estates	4	0	0	2	1	7	0	72.0
Elkins	5	12	15	4	18	54	16	4.9

Elkins



State Highway 74

Silver Birch Estates

State Highway 16

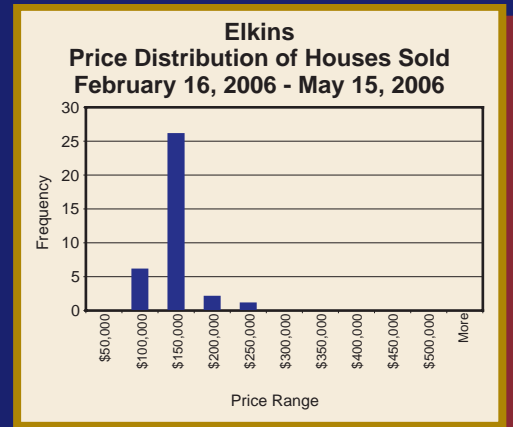
Oakwoods

Elkins Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	6	17.1%	954	75	99%	\$89.71
\$100,001 - \$150,000	26	74.3%	1,405	126	100%	\$91.76
\$150,001 - \$200,000	2	5.7%	1,905	60	100%	\$97.76
\$200,001 - \$250,000	1	2.9%	1,280	124	98%	\$187.50
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Elkins	35	100.0%	1,353	114	100%	\$94.49

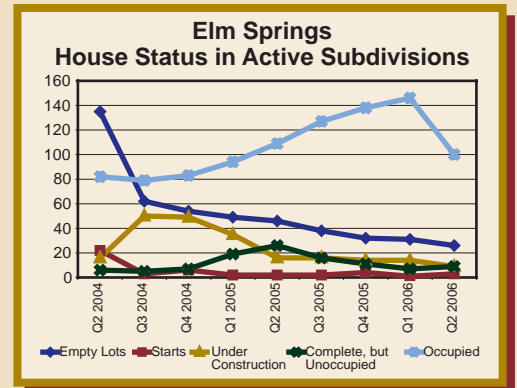
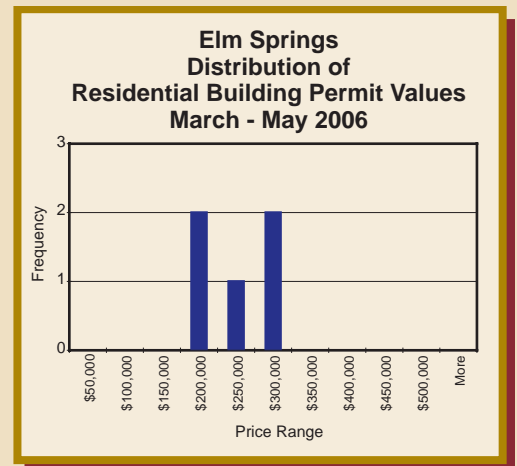
Elkins Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Elkridge Plantation	Q3 2005	40
Millers Meadows	Q3 2005	85
Oak Leaf Manor	Q3 2005	149
Stokenbury Farms	Q3 2005	138
Stonecrest	Q3 2005	45
Elkins		457



Elm Springs

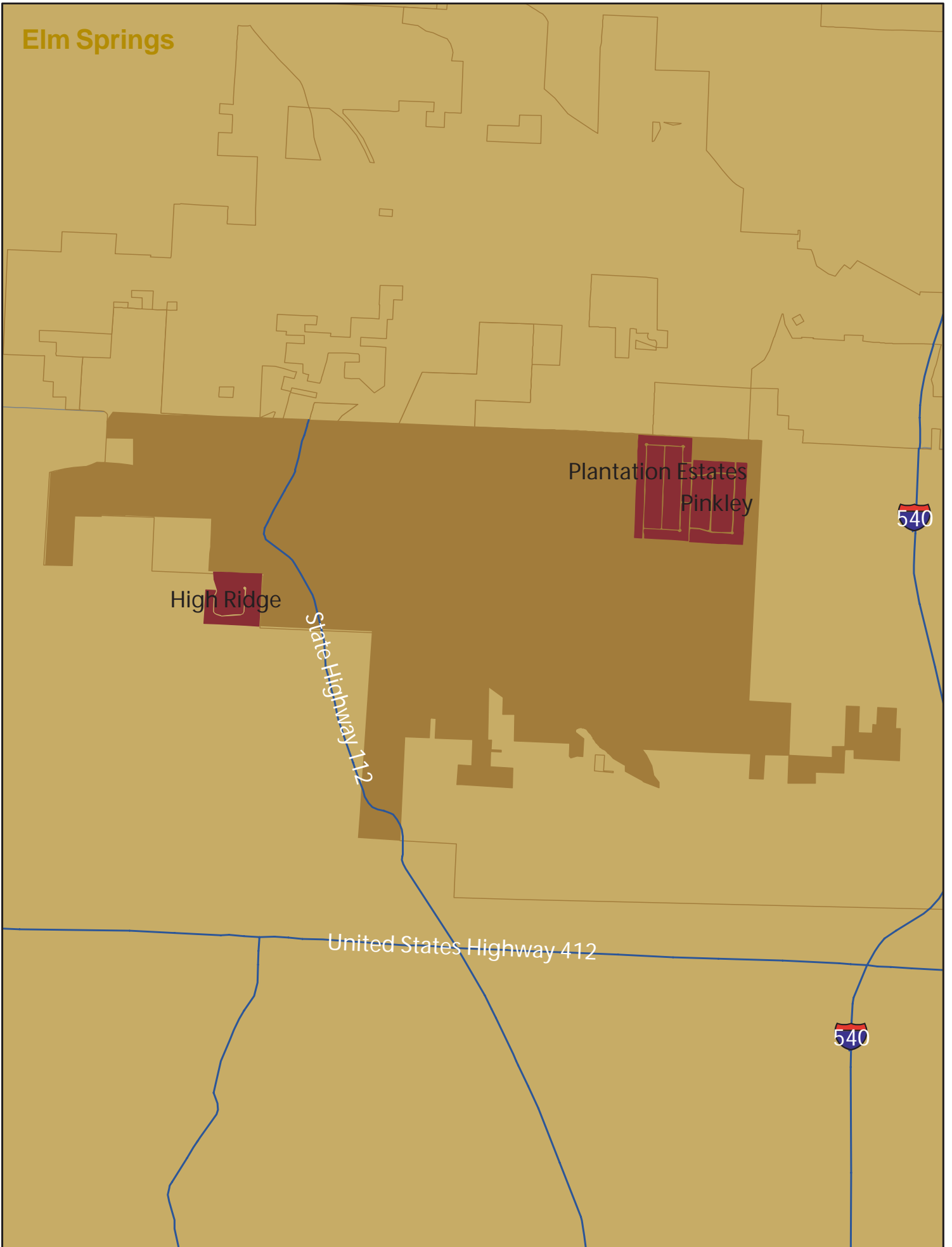
- There were 5 residential building permits issued in Elm Springs from March to May 2006. This was a decline of 37.5 percent from the second quarter of 2005.
- The average residential building permit value in Elm Springs increased by 44.9 percent from the second quarter of 2005 to \$239,200 in the second quarter of 2006.
- There were 147 total lots in active subdivisions in Elm Springs in the second quarter of 2006. About 68 percent of the lots were occupied, 6 percent were complete, but unoccupied, 6 percent were under construction, 2 percent were starts, and 18 percent were vacant lots.
- 3 new houses in Elm Springs became occupied in the second quarter of 2006. The annual absorption rate implies that there are 13.8 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Elm Springs in the second quarter was High Ridge with 4.
- An additional 233 lots in 4 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Elm Springs.
- There was 1 existing house sold in Elm Springs from February 16, 2006 to May 15, 2006.



Elm Springs House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Total Occupied	Total Lots	Absorbed Lots	Months of Inventory
High Ridge	1	1	4	1	14	21	2	9.3
Pinkley, Phases I - III	14	1	3	0	43	61	0	72.0
Plantation Estates	11	1	2	8	43	65	1	9.1
Elm Springs	26	3	9	9	100	147	3	13.8

Elm Springs

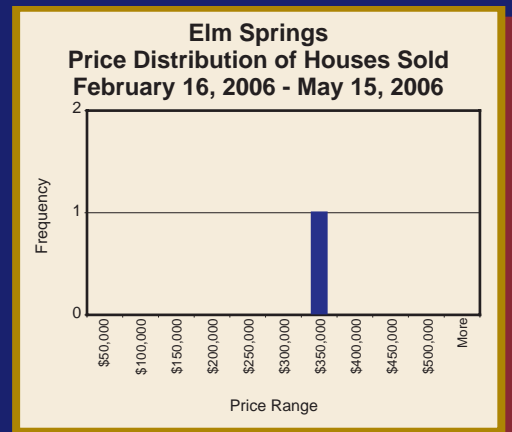


Elm Springs Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	0	0.0%	--	--	--	--
\$150,001 - \$200,000	0	0.0%	--	--	--	--
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	1	100.0%	3,000	17	99%	\$115.00
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Elm Springs	1	100.0%	3,000	17	99%	\$115.00

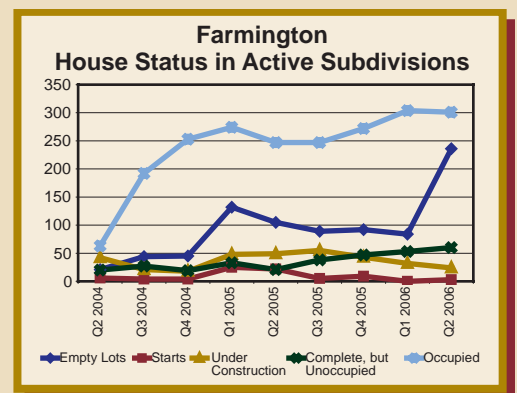
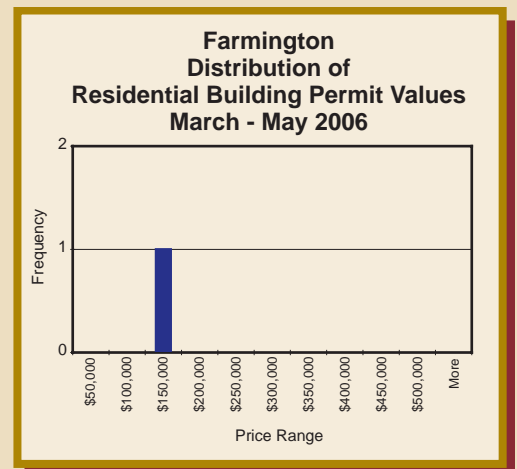
Elm Springs Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Camelot	Q3 2005	65
Elm Valley	Q1 2006	140
<i>Final Approval</i>		
Brush Creek Estates	Q3 2005	24
Cabe	Q1 2006	4
Elm Springs		233



Farmington

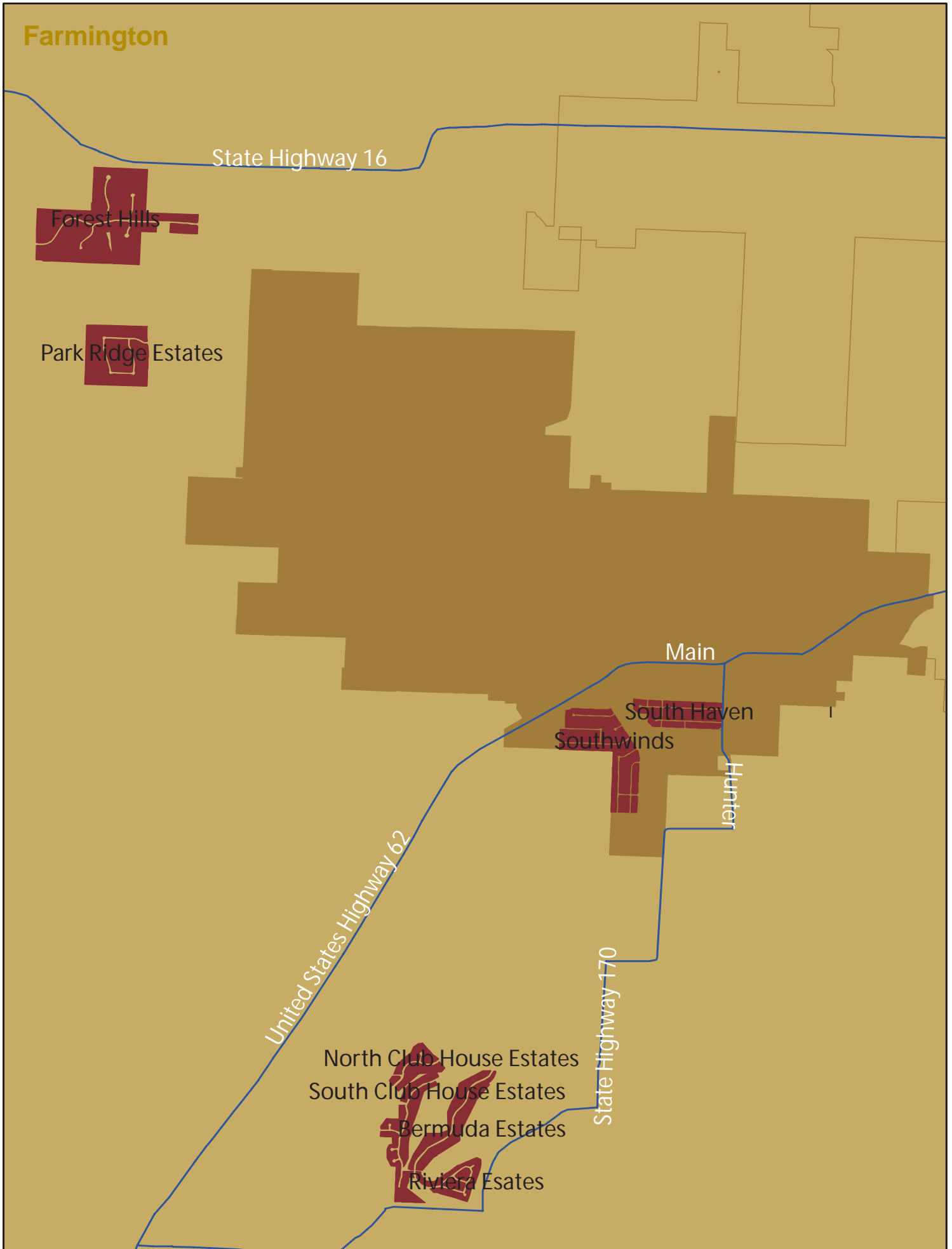
- From March to May 2006, there was 1 residential building permit issued in Farmington. This represents a decline of 83.3 percent from the second quarter of 2005.
- There were 624 total lots in active subdivisions in Farmington in the second quarter of 2006. About 48 percent of the lots were occupied, 10 percent were complete, but unoccupied, 4 percent were under construction, and 38 percent were vacant lots.
- 8 new houses in Farmington became occupied in the second quarter of 2006. The annual absorption rate implies that there are 44.6 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Farmington in the second quarter were Park Ridge Estates, South Club House Estates, and Southaven with 4 each.
- An additional 139 lots in 2 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Farmington.
- There were 15 existing houses sold in Farmington from February 16, 2006 to May 15, 2006, or 34.8 percent fewer than in the previous quarter and 63.4 percent fewer than in the same period last year.
- The average price of a house sold in Farmington increased from \$157,096 in the first quarter to \$186,689 in the second quarter. In the second quarter of 2006, the average sales price was 18.8 percent higher than in the previous quarter and 14.7 percent higher than in the same period last year.
- In Farmington, the average number of days from the initial house listing to the sale declined from 96 days in the first quarter to 85 days in the second quarter of 2006.
- About 2.2 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Farmington. The average sales price of a house in Farmington was 102.5 percent of the county average.
- 66.7 percent of the sold houses in Farmington were in the \$100,000 to \$200,000 range.



Farmington House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Bermuda Estates	20	0	3	35	8	66	4	87.0
East Creek Place	45	1	1	0	0	47	0	—
Forest Hills, Phases I, II	3	0	1	0	47	51	2	6.9
Park Ridge Estates	22	0	4	0	0	26	0	—
Riviera Estates	1	0	2	9	44	56	0	7.6
North Club House Estates	45	1	1	0	0	47	0	—
South Club House Estates	18	0	4	9	55	86	0	17.7
Southaven, Phase III	0	0	4	0	94	98	2	2.0
Southwinds, Phases IV, V	17	0	3	7	53	80	0	46.3
Twin Falls, Phase I	65	1	1	0	0	67	0	—
Farmington	236	3	24	60	301	624	8	44.6

Farmington



Farmington Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	1	6.7%	1,620	173	101%	\$55.49
\$100,001 - \$150,000	6	40.0%	1,480	91	97%	\$87.61
\$150,001 - \$200,000	4	26.7%	1,934	66	97%	\$89.50
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	1	6.7%	2,443	106	97%	\$110.48
\$300,001 - \$350,000	3	20.0%	2,792	62	97%	\$117.37
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Farmington	15	100.0%	1,937	85	98%	\$93.45

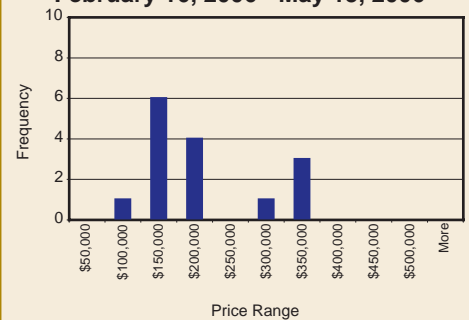
Farmington Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Number of Lots
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Final Approval

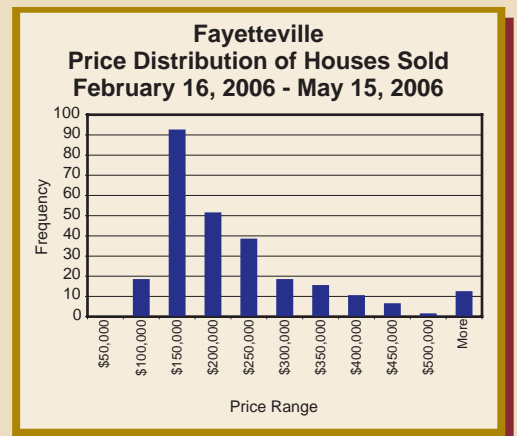
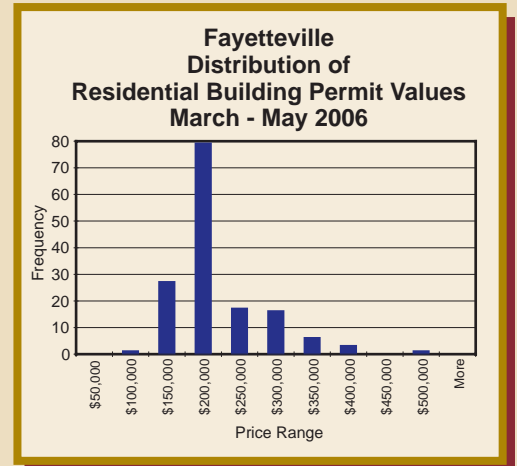
Farmington Heights	Q3 2005	105
Silverthorne, Phase II	Q3 2005	34
Farmington		139

Farmington
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006



Fayetteville

- From March to May 2006, there were 150 residential building permits issued in Fayetteville. This represents a decline of 31.2 percent from the second quarter of 2005.
- The average residential building permit value in Fayetteville declined by 8.8 percent from the second quarter of 2005 to \$189,536 in the second quarter of 2006.
- The major price points for Fayetteville building permits were in the \$150,000 to \$200,000 range.
- There were 2,430 total lots in active subdivisions in Fayetteville in the second quarter of 2006. About 50 percent of the lots were occupied, 8 percent were complete, but unoccupied, 10 percent were under construction, 1 percent were starts, and 32 percent were vacant lots.
- 128 new houses in Fayetteville became occupied in the second quarter of 2006. The annual absorption rate implies that there are 22.2 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Fayetteville in the second quarter were Copper Creek with 18 and Persimmon Place with 17.
- An additional 3,485 lots in 58 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Fayetteville.
- There were 261 existing houses sold in Fayetteville from February 16, 2006 to May 15, 2006, or 18.6 percent more than in the previous quarter and 7.4 percent fewer than in the same period last year.
- The average price of a house sold in Fayetteville declined from \$217,090 in the first quarter to \$210,769 in the second quarter. In the second quarter of 2006, the average sales price was 2.9 percent lower than in the previous quarter and 4.7 percent higher than in the same period last year.
- In Fayetteville, the average number of days from the initial house listing to the sale increased from 104 days in the first quarter to 109 days in the second quarter of 2006.
- About 39.0 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Fayetteville. The average sales price of a house in Fayetteville was 115.7 percent of the county average.
- 54.7 percent of the sold houses in Fayetteville were in the \$100,000 to \$200,000 range.

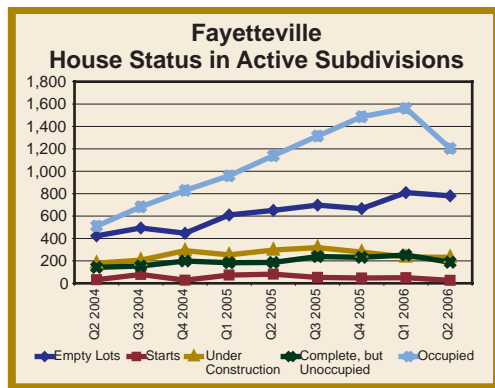


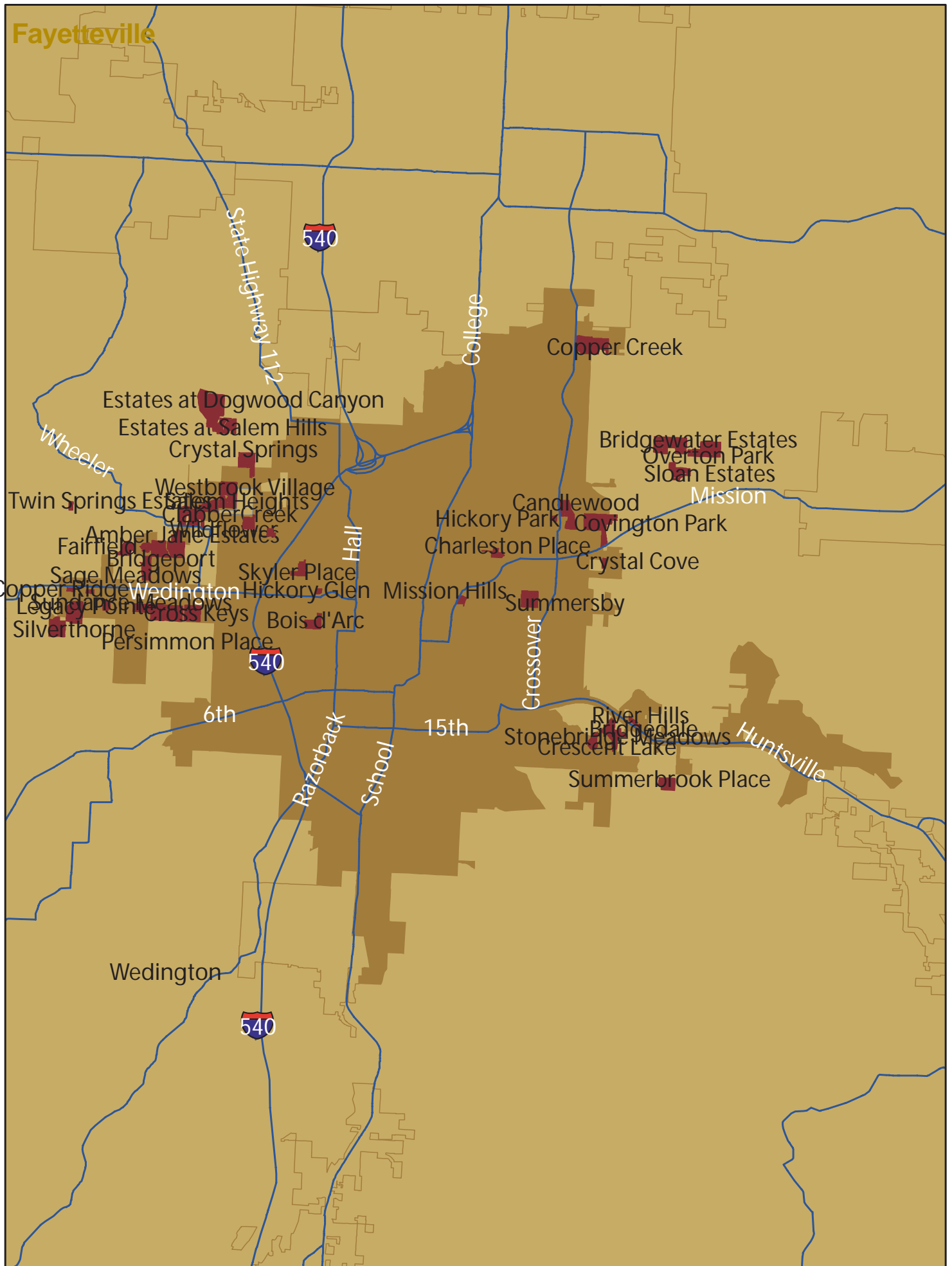
Fayetteville Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	18	6.9%	1,047	84	97%	\$88.81
\$100,001 - \$150,000	92	35.2%	1,351	66	98%	\$98.66
\$150,001 - \$200,000	51	19.5%	1,773	109	98%	\$101.77
\$200,001 - \$250,000	38	14.6%	2,160	143	98%	\$104.54
\$250,001 - \$300,000	18	6.9%	2,516	141	97%	\$115.61
\$300,001 - \$350,000	15	5.7%	2,856	160	99%	\$113.31
\$350,001 - \$400,000	10	3.8%	3,316	101	98%	\$116.07
\$400,001 - \$450,000	6	2.3%	3,400	105	98%	\$126.18
\$450,001 - \$500,000	1	0.4%	4,489	350	98%	\$109.16
\$500,000+	12	4.6%	3,962	242	97%	\$180.92
Fayetteville	261	100.0%	1,952	109	98%	\$106.58

Fayetteville House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Amber Jane Estates	9	0	1	4	8	22	3	21.0
Bois D'Arc	6	0	6	0	7	19	0	48.0
Bridgedale	11	0	12	1	1	25	1	288.0
Bridgeport, Phase VII, VIII	16	1	3	3	1	24	0	138.0
Bridgewater Estates	19	1	4	0	5	29	0	57.6
Charleston Place	4	0	2	2	43	51	0	19.2
Clabber Creek, Phase II	5	0	3	14	66	88	7	4.7
Copper Creek, Phases I, II	62	1	18	13	68	162	6	40.3
Copper Ridge	10	0	0	3	11	24	3	12.0
Covington Park, Phases I - IV	13	2	6	2	147	170	0	21.2
Crescent Lake	39	0	2	0	1	42	1	246.0
Cross Keys	31	3	14	37	23	108	15	44.3
Crystal Cove	6	1	11	0	0	18	0	--
Crystal Springs, Phase III	100	0	1	0	0	101	0	--
Estates at Salem Hill	3	0	2	2	16	23	0	7.6
Fairfield, Phases II, III	5	0	9	3	97	114	23	3.8
Harmon Trails Estates	23	1	2	0	0	26	0	--
Hickory Glen	0	0	16	0	0	16	0	--
Hickory Park	11	1	2	0	0	14	0	--
Legacy Pointe, Phases I - III	3	0	6	7	140	156	2	4.4
Maple Valley	8	1	2	2	6	19	6	19.5
Mission Hills	2	0	1	2	18	23	0	15.0
Overton Park	18	1	9	5	18	51	1	22.0
Persimmon Place	92	5	17	19	21	154	9	76.0
River Hills	0	0	16	2	0	18	0	--
Sage Meadows	0	0	14	3	68	85	11	3.9
Salem Heights	42	5	11	6	10	74	5	57.6
Silverthorne, Phase II	21	0	1	3	8	33	2	37.5
Skyler Place Addition	0	0	4	0	122	126	0	4.0
Sloan Estates	51	1	6	0	0	58	0	--
Stonebridge Meadows, Phase I - III	47	0	9	36	140	232	22	16.7
Summerbrook Place	0	0	1	3	8	12	4	6.0
Summersby	8	0	1	1	42	52	0	9.2
Sundance Meadows	19	0	4	2	0	25	0	--
The Estates at Dogwood Canyon	50	1	1	1	0	53	0	--
Twin Creeks Addition	7	0	4	0	0	11	0	--
Twin Maples	4	0	2	0	2	8	2	36.0
Twin Springs Estates	2	0	0	3	0	5	0	--
Westbrook Village	0	1	3	7	100	111	1	12.0
Wildflower Meadows	34	0	6	1	7	48	4	61.5
Fayetteville	781	26	232	187	1,204	2,430	128	22.2





Fayetteville

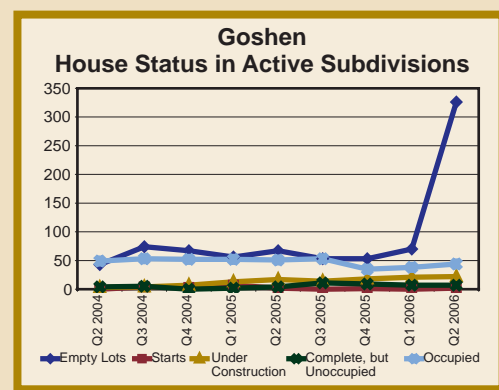
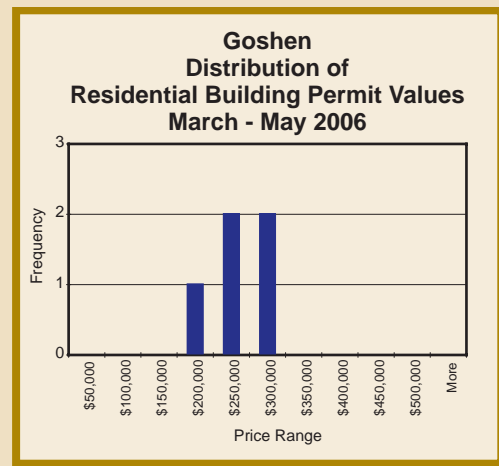
Approved Final and Preliminary Subdivisions

Q2 2006

Subdivision	Approved	Number of Lots	Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>			<i>Final Approval</i>		
Addison Acres	Q2 2006	18	Appleby Landing	Q4 2005	12
Belclair Estates	Q1 2005	96	Clabber Creek, Phase III	Q1 2006	110
Bellwood	Q4 2004	78	Clearwood Crossing	Q4 2005	47
Benton Development	Q3 2005	31	Copper Creek, Phase III	Q2 2006	49
Biella Estates	Q3 2005	100	Cross Keys, Phase II	Q1 2006	20
Birwin Street	Q4 2005	7	Crossroads East	Q2 2006	6
Blueberry Meadows	Q3 2005	72	Deerpath, Phase II	Q4 2005	16
Bungalows at Cato Springs	Q1 2006	30	Newcastle Estates	Q4 2005	10
Clabber Creek, Phases IV, V	Q4 2004	142	Prairie View Acres	Q4 2005	36
Cobblestone Crossing	Q1 2006	195	Ripple Row	Q4 2005	220
Depalma Addition	Q1 2006	5	Sassafras	Q4 2005	8
Eagles Ridge	Q3 2005	3	Springwoods, Lot III	Q4 2005	36
Embry Acres	Q1 2006	57	Stone Mountain, Phase I	Q2 2006	112
Emerald Point	Q4 2005	26	Walnut Crossing	Q2 2006	136
Falcon Ridge	Q3 2005	62	Lynnwood Estates	Q2 2006	6
Geneva Gardens	Q4 2005	8	Fayetteville		3,485
Grand Valley Estates	Q4 2004	24			
Grand Valley Stable	Q4 2004	24			
Hamm Property	Q4 2005	53			
Hamptons	Q4 2005	139			
The Heights at Park West	Q2 2006	85			
Horsebend Estates	Q2 2006	50			
Legacy Point, Phase IV	Q4 2004	20			
Legacy Point, Phase V	Q2 2006	133			
Lewis/Wedington	Q1 2005	18			
Mally Wagnon Estates	Q4 2005	80			
Miner Acres	Q3 2005	7			
Mountain Ranch, Phase II	Q2 2006	31			
Pembridge Subdivision	Q4 2004	45			
Salem Meadows, Phase II	Q4 2004	77			
Schelgel Subdivision	Q4 2004	176			
Skillern Road	Q4 2005	11			
Springwoods, Lot I	Q4 2004	103			
Springwoods, Lot V	Q4 2004	47			
St. James Park	Q3 2005	63			
Stonebridge Meadows, Phases IV,V	Q3 2005	76			
Summit Place	Q3 2005	50			
Walker Estates	Q4 2005	11			
Water Brook, Phases I,II	Q3 2005	118			
Weir Road Subdivision	Q1 2006	74			
Wellspring	Q2 2006	129			
West Haven	Q3 2005	44			
Wilson/Hancock	Q1 2005	43			

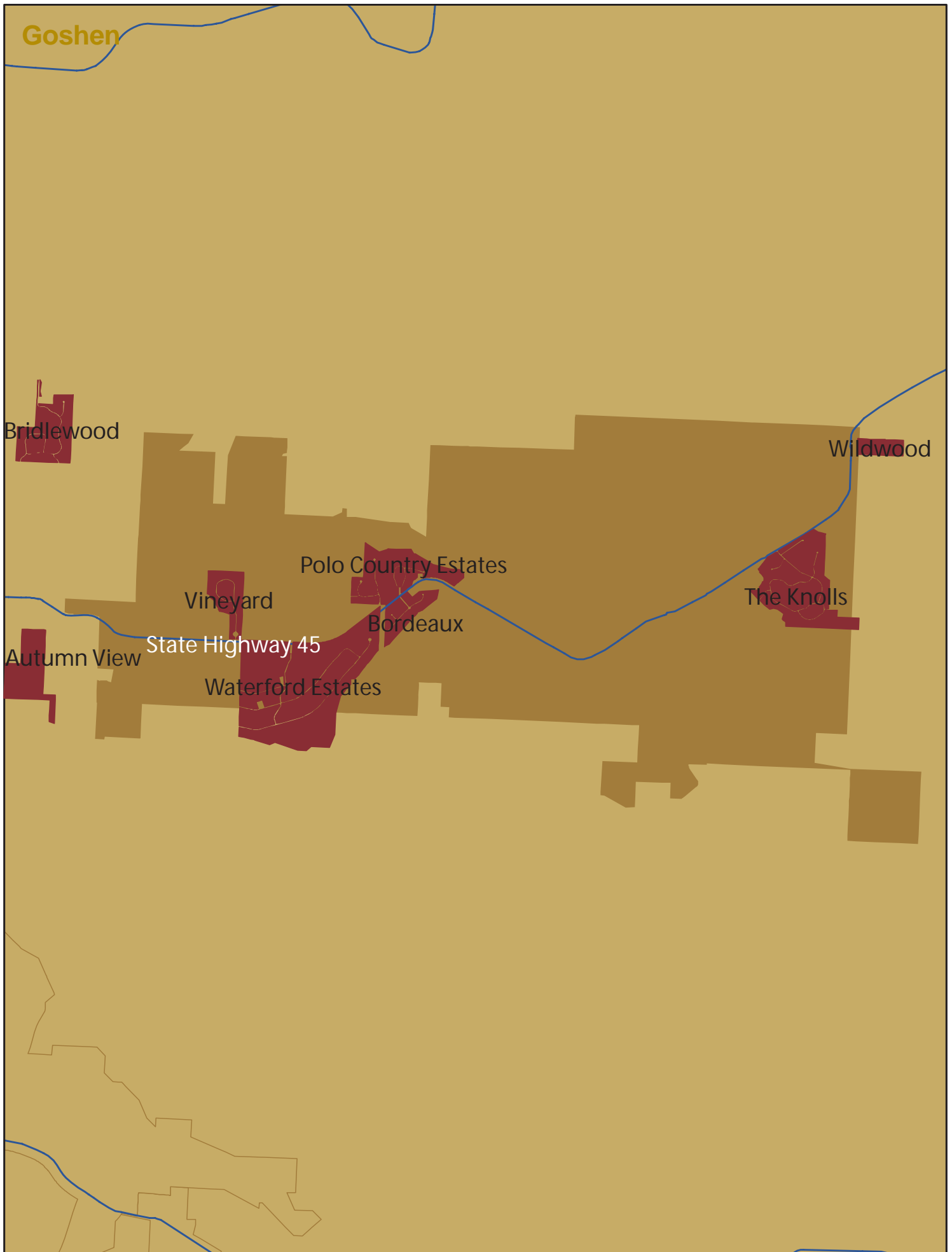
Goshen

- From March to May 2006, there were 5 residential building permits issued in Goshen. This represents an increase of 66.7 percent from the second quarter of 2005.
- The average residential building permit value in Goshen decreased by 2.0 percent from the second quarter of 2005 to \$233,593 in the second quarter of 2006.
- There were 401 total lots in active subdivisions in Goshen in the second quarter of 2006. About 11 percent of the lots were occupied, 2 percent were complete, but unoccupied, 5 percent were under construction, and 81 percent were vacant lots.
- 6 new houses in Goshen became occupied in the second quarter of 2006. The annual absorption rate implies that there are 285.6 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Goshen in the second quarter were Bridlewood with 7 and Vineyard with 4.
- An additional 130 lots in 4 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Goshen.
- There was 1 existing house sold in Goshen from February 16, 2006 to May 15, 2006.



Goshen House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Autumn View	9	0	1	0	0	10	0	—
Bordeaux	5	1	0	1	14	21	2	21.0
Bridlewood, Phases I, II	41	0	7	1	1	50	1	588.0
The Knolls	62	0	3	0	0	65	0	—
Polo Country Estates	0	0	3	2	18	23	2	12.0
Vineyard	4	0	4	3	11	22	1	33.0
Waterford Estates	196	1	3	0	0	200	0	—
Wildwood	9	0	1	0	0	10	0	—
Goshen	326	2	22	7	44	401	6	285.6

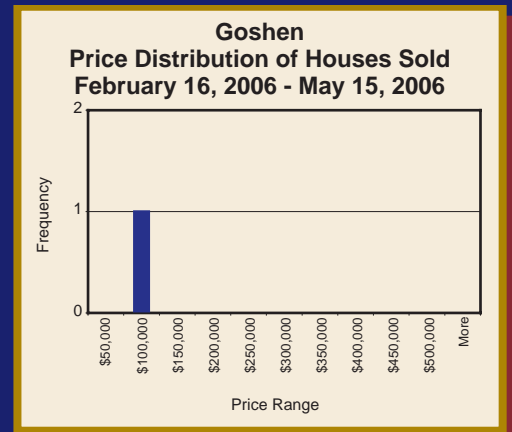


Goshen Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	1	100.0%	1,164	23	100%	\$68.73
\$100,001 - \$150,000	0	0.0%	--	--	--	--
\$150,001 - \$200,000	0	0.0%	--	--	--	--
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Goshen	1	100.0%	1,164	23	100%	\$68.73

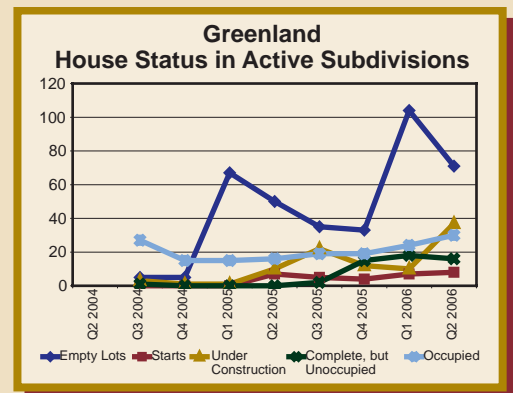
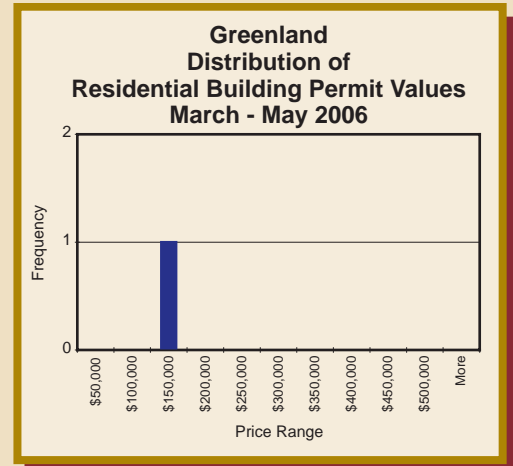
Goshen Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Brookstone, Phase II	Q3 2005	64
<i>Final Approval</i>		
Abbey Lane	Q3 2005	6
Brookstone, Phase I	Q3 2005	45
Stone Meadows	Q3 2005	15
Goshen		130



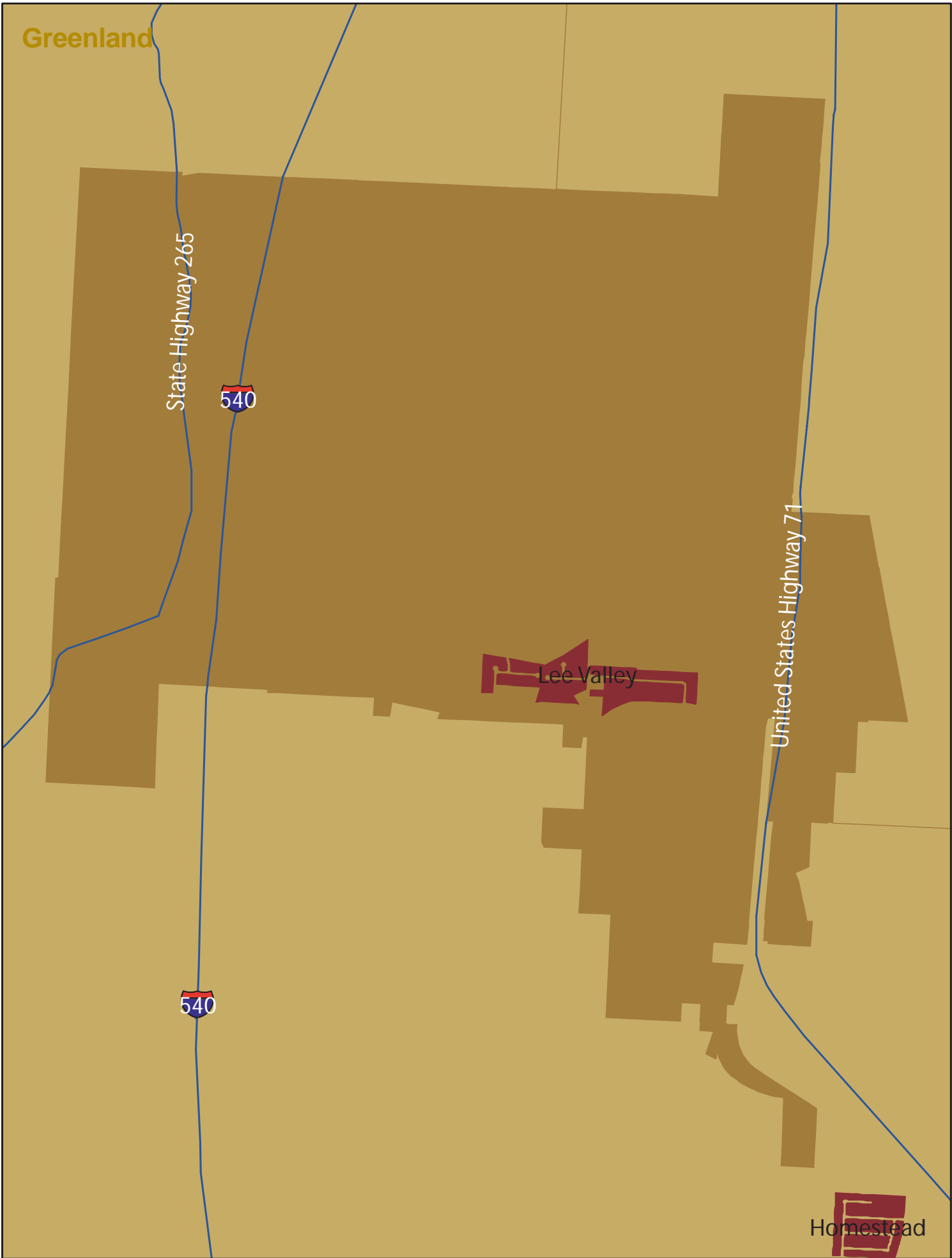
Greenland

- From March to May 2006, there was 1 residential building permit issued in Greenland. This represents a decline of 95.7 percent from the second quarter of 2005.
- There were 162 total lots in active subdivisions in Greenland in the second quarter of 2006. About 19 percent of the lots were occupied, 10 percent were complete but unoccupied, 23 were under construction, 5 percent were starts, and 44 percent were vacant lots.
- 6 new houses in Greenland became occupied in the second quarter of 2006. The annual absorption rate implies that there are 113.1 months of remaining inventory in active subdivisions.
- There were 31 houses under construction in the Homestead Addition and 6 in the Lee Valley subdivision.
- An additional 591 lots in 2 subdivisions had received either preliminary or final approval by the second quarter of 2005 in Greenland.
- There were 4 existing houses sold in Greenland from February 16, 2006 to May 15, 2006 or 300.0 percent more than in the previous quarter and 300.0 percent more than in the same period last year.
- The average price of a house sold in Greenland declined from \$229,999 in the first quarter to \$181,250 in the second quarter. In the second quarter of 2006, the average sales price was 21.2 percent lower than in the previous quarter and 20.8 percent higher than in the same period last year.
- In Greenland, the average number of days from the initial house listing to the sale declined from 189 days in the first quarter to 177 days in the second quarter of 2006.
- About 0.6 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Greenland. The average sales price of a house in Greenland was 99.5 percent of the county average.



Greenland House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Homestead Addition	41	8	31	0	0	80	0	--
Lee Valley, Phases III, IV	30	0	6	16	30	82	6	44.6
Greenland	71	8	37	16	30	162	6	113.1



Greenland Price Range of Houses Sold February 16 - May 15, 2006

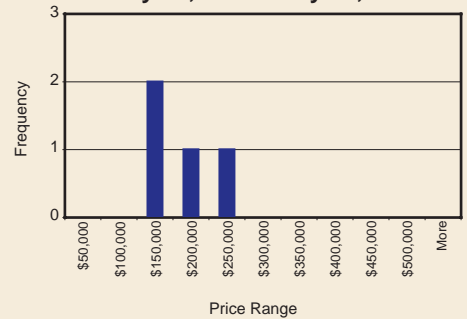
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	2	50.0%	1,700	163	98%	\$98.55
\$150,001 - \$200,000	1	25.0%	1,891	173	100%	\$103.12
\$200,001 - \$250,000	1	25.0%	2,275	211	93%	\$107.69
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Greenland	4	100.0%	1,891	177	97%	\$101.98

Greenland Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i> Greenland Hills	Q1 2006	580
<i>Final Approval</i> Twin Creeks	Q1 2006	11
Greenland		591

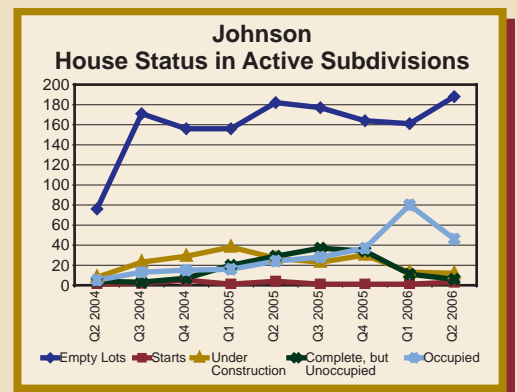
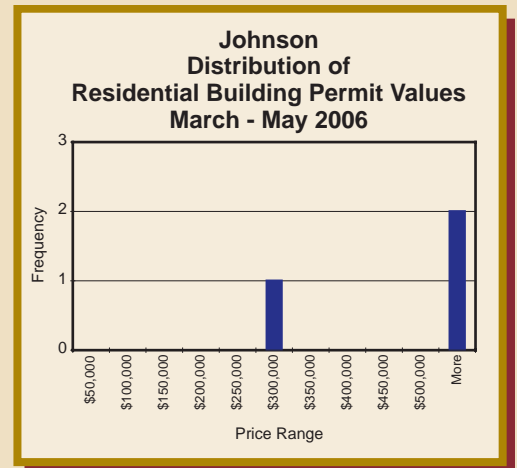


**Greenland
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006**



Johnson

- From March to May 2006, there were 3 residential building permits issued in Johnson. This represents a decrease of 83.3 percent from the second quarter of 2005.
- The average residential building permit value in Johnson increased by 18.0 percent from the second quarter of 2005 to \$594,386 in the second quarter of 2006.
- There were 255 total lots in active subdivisions in Johnson in the second quarter of 2006. About 18 percent of the lots were occupied, 2 percent were complete, but unoccupied, 5 percent were under construction, 1 percent were starts, and 74 percent were vacant lots.
- 6 new houses in Johnson became occupied in the second quarter of 2006. The annual absorption rate implies that there are 39.2 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Johnson in the second quarter was Clear Creek with 6.
- An additional 65 lots in 1 subdivision had received approval by the second quarter of 2005 in Johnson.
- There were no existing houses sold in Johnson from February 16, 2006 to May 15, 2006.



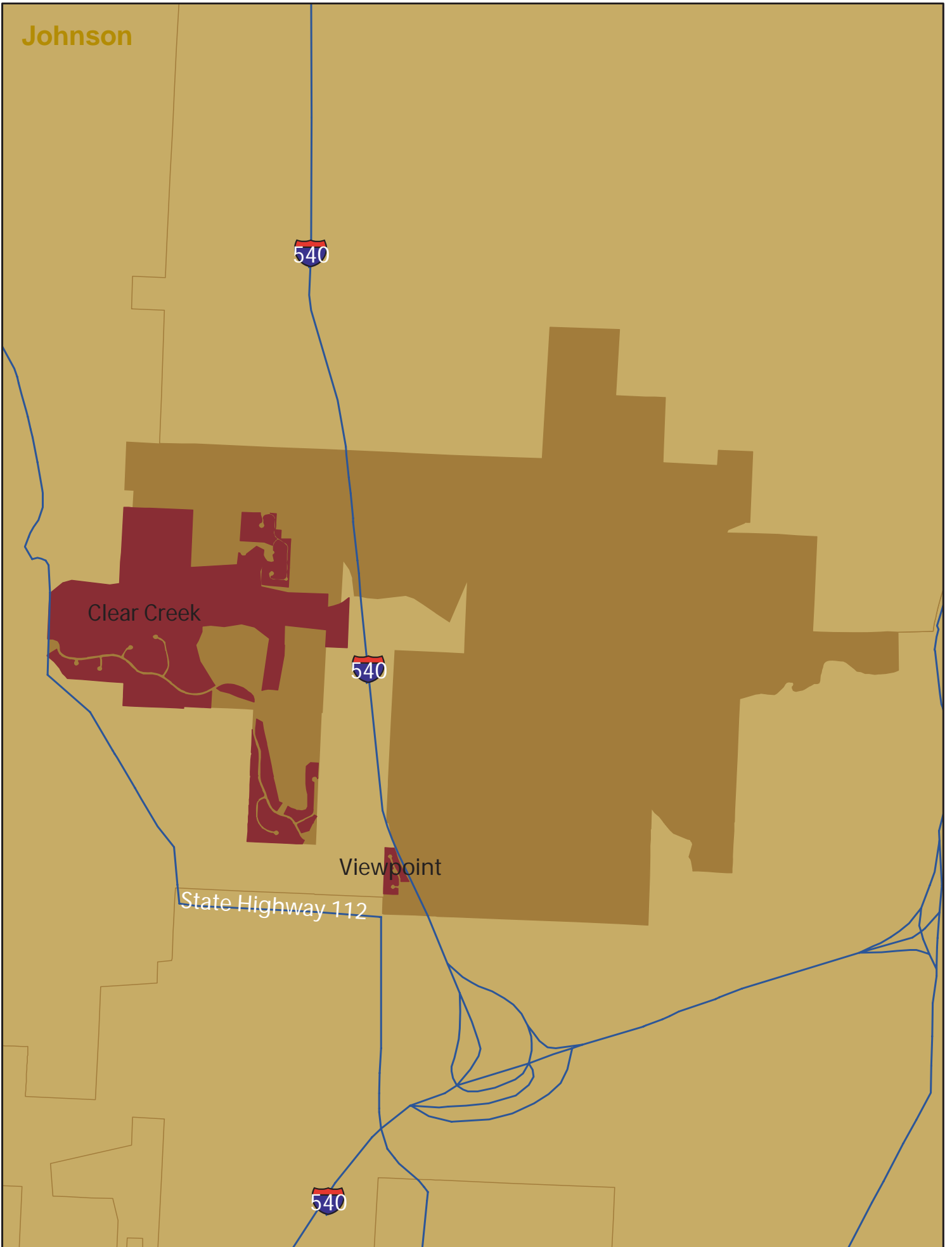
Johnson House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Clear Creek, Patio Homes	28	0	5	2	4	39	3	105.0
Clear Creek, Phases I - IV	95	3	6	4	42	150	3	58.9
Heritage Hills	65	0	1	0	0	66	0	—
Johnson	188	3	12	6	46	255	6	39.2

Johnson Approved Final and Preliminary Subdivisions Q2 2006

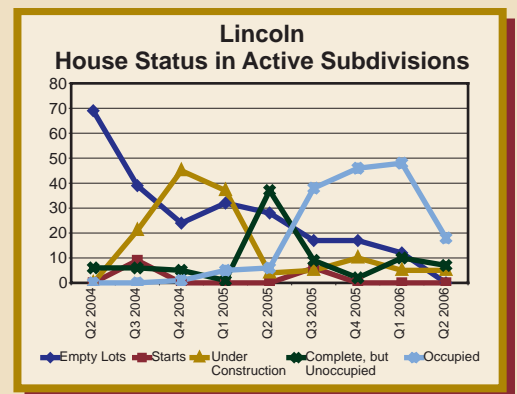
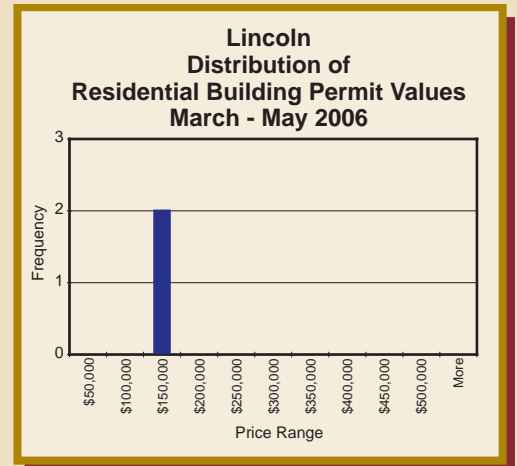
Subdivision	Approved	Number of Lots
Heritage Hills	Q1 2006	65
Johnson		65

Johnson



Lincoln

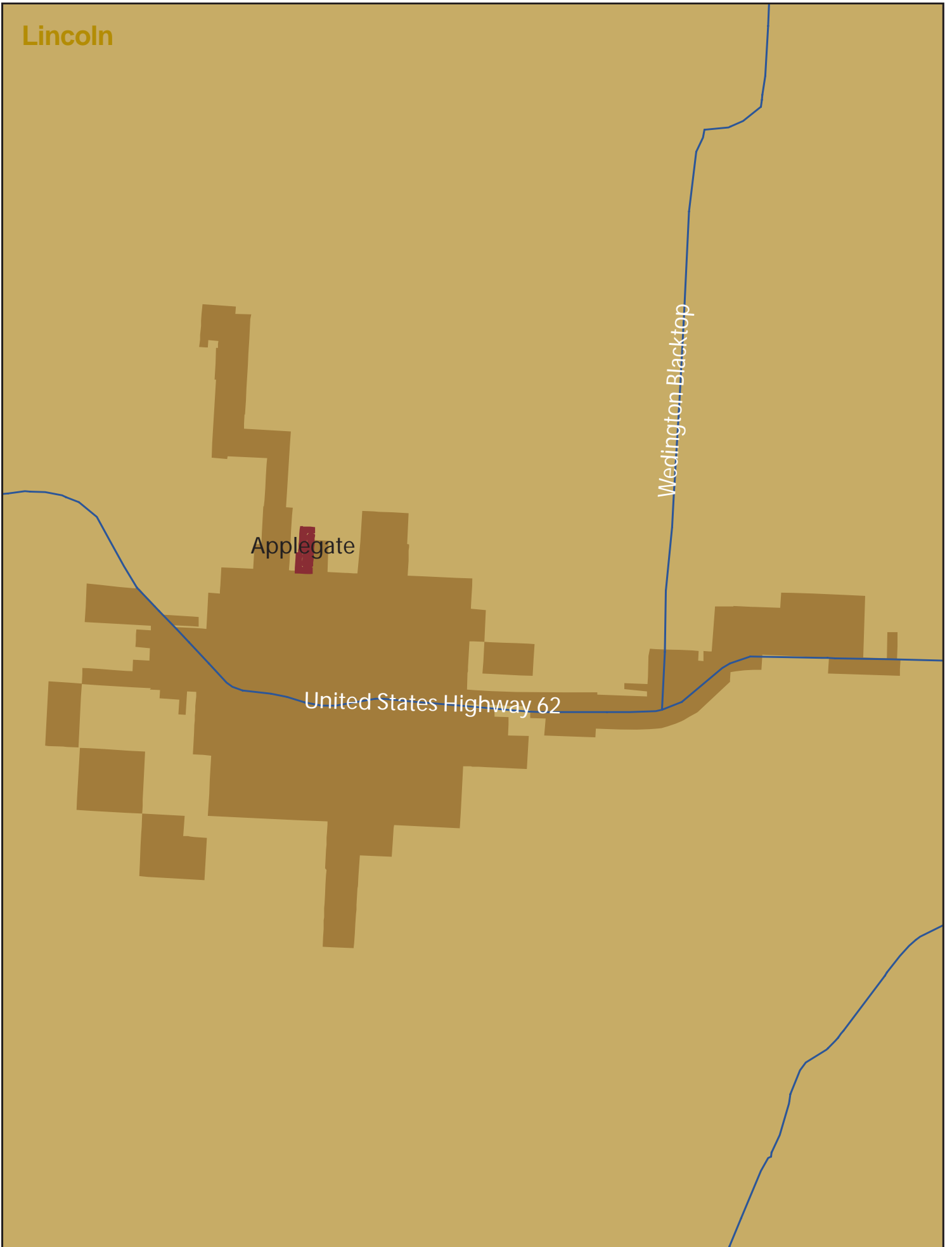
- From March to May 2006, there were 2 residential building permit issued in Lincoln. This represents a 66.7 percent decline from the second quarter of 2005.
- The average residential building permit value in Lincoln increased by 2.4 percent from the second quarter of 2005 to \$130,000 in the second quarter of 2006.
- There were 30 total lots in active subdivisions in Lincoln in the second quarter of 2006. About 60 percent of the lots were occupied, 23 percent were complete, but unoccupied, and 17 percent were under construction.
- 3 new houses in Lincoln became occupied in the second quarter of 2006. The annual absorption rate implies that there are 3.2 months of remaining inventory in active subdivisions.
- Applegate had 5 houses under construction during the second quarter of 2006.
- An additional 148 lots in 3 subdivisions had received either preliminary or final approval by the second quarter of 2005 in Lincoln.
- There were 12 existing houses sold in Lincoln from February 16, 2006 to May 15, 2006, or 20.0 percent more than in the previous quarter and 50.0 percent more than in the same period last year.
- The average price of a house sold in Lincoln declined from \$92,290 in the first quarter to \$92,249 in the second quarter. In the second quarter of 2006, the average sales price marginally declined from the previous quarter and was 25.5 percent lower than in the same period last year.
- In Lincoln, the average number of days from the initial house listing to the sale increased from 122 days in the first quarter to 141 days in the second quarter of 2006.
- About 1.8 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Lincoln. The average sales price of a house in Lincoln was only 50.6 percent of the county average.
- 50.0 percent of the sold houses in Lincoln were between \$50,000 and \$100,000.



Lincoln House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Total Occupied	Total Lots	Absorbed Lots	Months of Inventory
Applegate	0	0	5	7	18	30	3	12.0
Lincoln	0	0	5	7	18	30	3	3.2

Lincoln



Applegate

United States Highway 62

Wedington Blacktop

Lincoln Price Range of Houses Sold February 16 - May 15, 2006

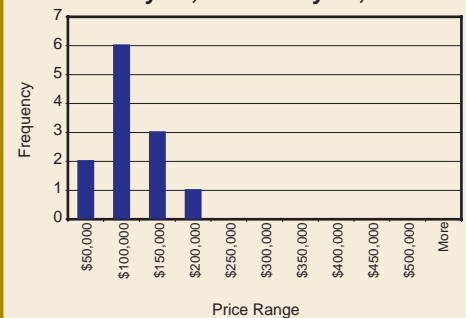
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	16.7%	1,212	110	97%	\$28.22
\$50,001 - \$100,000	6	50.0%	1,407	135	96%	\$66.17
\$100,001 - \$150,000	3	25.0%	1,273	173	100%	\$86.65
\$150,001 - \$200,000	1	8.3%	1,800	139	94%	\$88.89
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Lincoln	12	100.0%	1,374	141	97%	\$66.86

Lincoln Approved Final and Preliminary Subdivisions Q2 2006

Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Carter Johnson	Q1 2006	12
Carter Square	Q1 2006	6
Wolf Run Trail	Q1 2006	130
Greenland		148

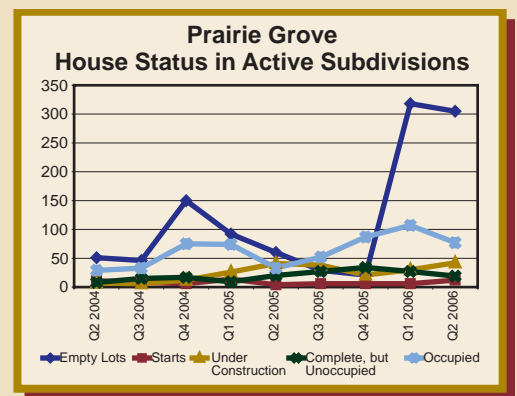
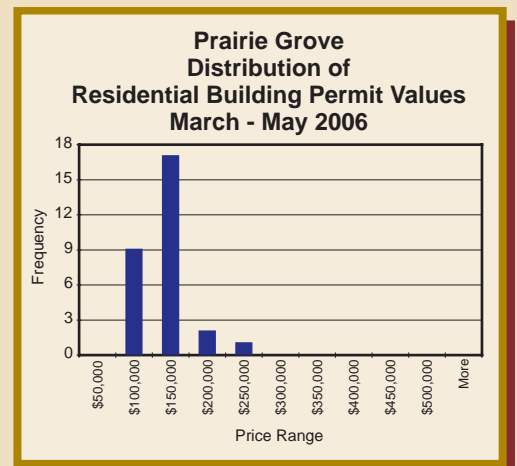


Lincoln
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006



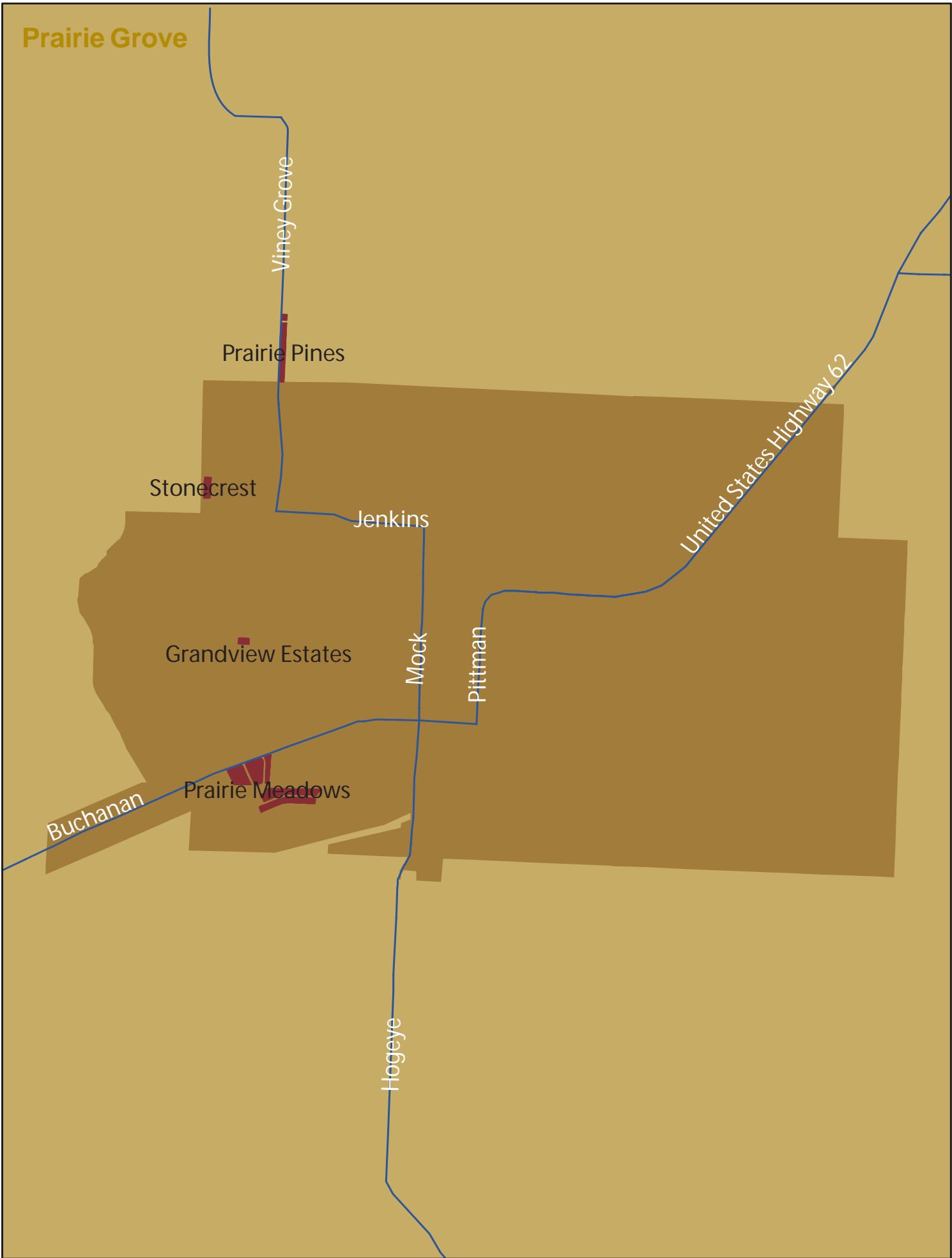
Prairie Grove

- From March to May 2006, there were 29 residential building permits issued in Prairie Grove. This represents an increase of 3.6 percent from the second quarter of 2005.
- The average residential building permit value in Prairie Grove increased by 15.7 percent from the second quarter of 2005 to \$116,207 in the second quarter of 2006.
- The major price points for Prairie Grove building permits were in the \$100,000 to \$150,000 range.
- There were 455 total lots in active subdivisions in Prairie Grove in the second quarter of 2006. About 17 percent of the lots were occupied, 4 percent were complete, but unoccupied, 9 percent were under construction, 3 percent were starts, and 67 percent were vacant lots.
- 2 new houses in Prairie Grove became occupied in the second quarter of 2006. The annual absorption rate implies that there are 58.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Prairie Grove in the second quarter were Sundowner with 18 and Prairie Meadows with 17.
- An additional 338 lots in 3 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Prairie Grove.
- There were 23 existing houses sold in Prairie Grove from February 16, 2006 to May 15, 2006, or 8.0 percent fewer than in the previous quarter and 20.7 percent fewer than in the same period last year.
- The average price of a house sold in Prairie Grove increased from \$144,659 in the first quarter to \$155,236 in the second quarter. In the second quarter of 2006, the average sales price was 7.3 percent higher than in the previous quarter and 0.5 percent higher than in the same period last year.
- In Prairie Grove, the average number of days from the initial house listing to the sale increased from 109 days in the first quarter to 137 days in the second quarter of 2006.
- About 3.4 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Prairie Grove. The average sales price of a house in Prairie Grove was 85.2 percent of the county average.
- 73.9 percent of the sold houses in Prairie Grove were in the \$100,000 to \$200,000 range.



Prairie Grove House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Grandview Estates, Phase IB	5	1	3	1	0	10	0	--
Prairie Meadows, Phases II, III	117	6	17	18	64	222	2	34.5
Prairie Pines	0	0	2	0	10	12	0	3.0
Stonecrest Addition, Phase I	0	0	2	0	3	5	0	12.0
Sundowner, Phase I, Sections I, II	183	5	18	0	0	206	0	--
Prairie Grove	305	12	42	19	77	455	2	58.9



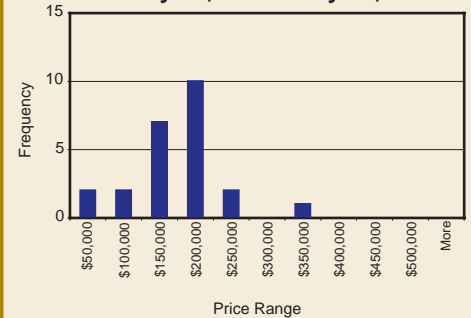
Prairie Grove Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	2	8.7%	743	94	92%	\$68.67
\$50,001 - \$100,000	2	8.7%	1,088	94	94%	\$73.26
\$100,001 - \$150,000	7	30.4%	1,398	186	100%	\$95.55
\$150,001 - \$200,000	10	43.5%	1,789	120	98%	\$93.74
\$200,001 - \$250,000	2	8.7%	2,084	144	97%	\$115.33
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	1	4.3%	3,023	142	100%	\$102.55
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Prairie Grove	23	100.0%	1,672	137	99%	\$91.73

Prairie Grove Approved Final and Preliminary Subdivisions Q2 2006

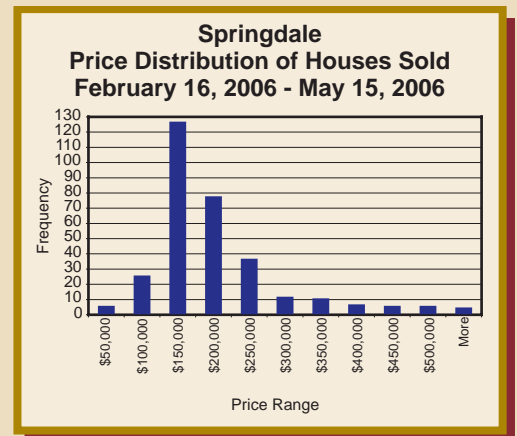
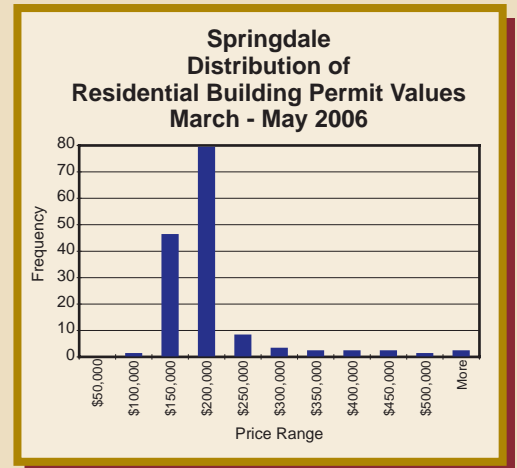
Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>		
Battlefield Estates, Phase II	Q3 2005	117
Belle Meade	Q3 2005	176
Prairie Pines, Phase II	Q3 2005	45
Prairie Grove		338

**Prairie Grove
Price Distribution of Houses Sold
February 16, 2006 - May 15, 2006**



Springdale

- From March to May 2006, there were 146 residential building permits issued in Springdale. This represents an increase of 15.0 percent from the second quarter of 2005.
- The average residential building permit value in Springdale decreased by 24.2 percent from the second quarter of 2005 to \$173,279 in the second quarter of 2006.
- The major price points for Springdale building permits were in the \$150,000 to \$200,000 range.
- There were 2,116 total lots in active subdivisions in Springdale in the second quarter of 2006. About 52 percent of the lots were occupied, 11 percent were complete, but unoccupied, 9 percent were under construction, 2 percent were starts, and 26 percent were vacant lots.
- 54 new houses in Springdale became occupied in the second quarter of 2006. The annual absorption rate implies that there are 20.2 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Springdale in the second quarter were Springhill with 36, Covenant Creek with 34, and Butterfield Gardens with 27.
- An additional 2,936 lots in 59 subdivisions had received either preliminary or final approval by the second quarter of 2006 in Springdale.
- There were 310 existing houses sold in Springdale from February 16, 2006 to May 15, 2006, or 13.6 percent more than in the previous quarter and 5.2 percent fewer than in the same period last year.
- The average price of a house sold in Springdale increased from \$165,867 in the first quarter to \$177,338 in the second quarter. In the second quarter of 2006, the average sales price was 6.9 percent higher than in the previous quarter and 8.1 percent higher than in the same period last year.
- In Springdale, the average number of days from the initial house listing to the sale increased from 91 days in the first quarter to 110 days in the second quarter of 2006.
- About 45.3 percent of all houses sold in Washington County in the second quarter of 2006 were sold in Springdale. The average sales price of a house in Springdale was 97.3 percent of the county average.
- 65.4 percent of the sold houses in Springdale were in the \$100,000 to \$200,000 range.



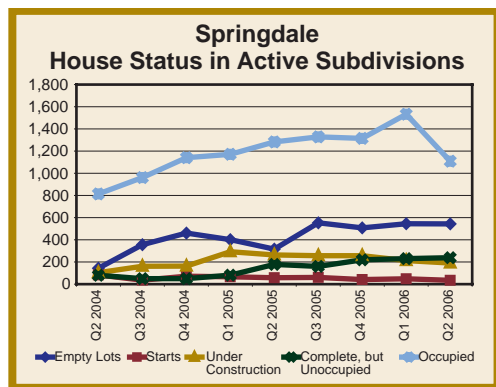
Springdale Price Range of Houses Sold February 16 - May 15, 2006

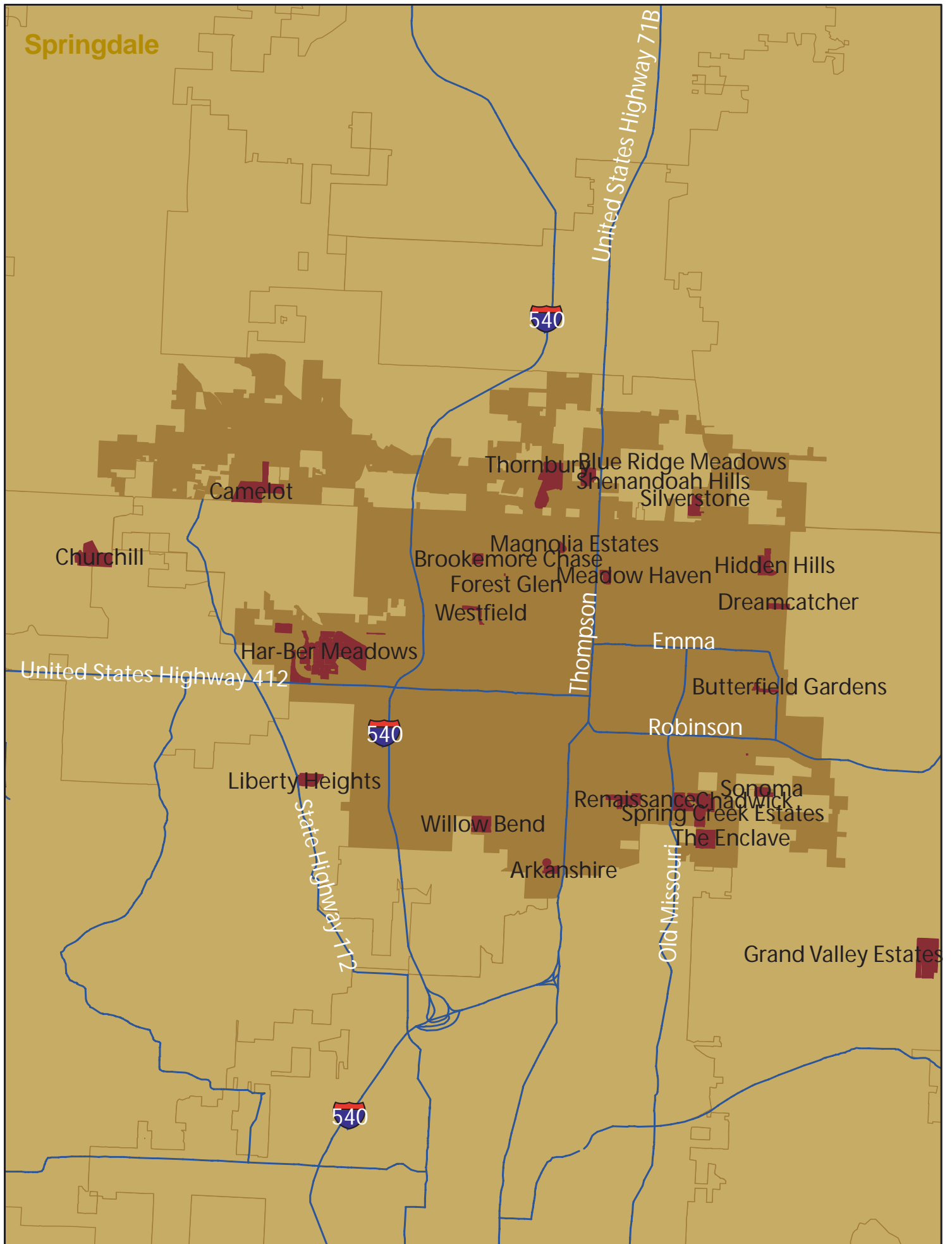
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	5	1.6%	811	91	80.9%	\$35.57
\$50,001 - \$100,000	25	8.1%	1,149	82	98.1%	\$82.72
\$100,001 - \$150,000	126	40.6%	1,325	96	99.4%	\$94.44
\$150,001 - \$200,000	77	24.8%	1,754	117	100.2%	\$98.23
\$200,001 - \$250,000	36	11.6%	2,112	118	99.0%	\$106.37
\$250,001 - \$300,000	11	3.5%	2,310	148	98.5%	\$107.26
\$300,001 - \$350,000	10	3.2%	2,878	174	95.8%	\$114.41
\$350,001 - \$400,000	6	1.9%	3,112	179	98.5%	\$118.40
\$400,001 - \$450,000	5	1.6%	3,708	271	95.2%	\$116.52
\$450,001 - \$500,000	5	1.6%	3,606	135	98.1%	\$134.90
\$500,000+	4	1.3%	3,880	238	97.5%	\$152.34
Springdale	310	100.0%	1,728	114	98.9%	\$98.39

Springdale House Status in Active Subdivisions

Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Arkanshire	8	0	3	1	59	71	0	144.0
Blue Ridge Meadows (Benton County)	7	0	0	0	30	37	1	2.8
Brookemore Chasse	23	1	2	3	3	32	0	116.0
Butterfield Gardens, Phase II	28	0	27	16	20	91	10	42.6
Camelot (Benton County)	59	1	1	0	0	61	0	—
Carriage Crossing	14	1	2	2	1	20	0	228.0
Chadwick	0	0	5	47	10	62	10	46.8
Churchill Crescent, Phase III	7	0	2	2	3	14	0	66.0
Covenant Creek	5	6	34	1	1	47	1	276.0
Dreamcatcher	27	1	0	12	0	40	0	—
The Enclave	41	0	5	7	13	66	0	57.8
Forest Glen	0	0	2	2	23	27	0	2.2
Grand Valley Estates	23	0	1	0	0	24	0	—
Grand Valley Stables at Guy Terry Farms	22	0	0	1	0	23	0	—
Har-Ber Meadows	40	3	8	7	494	552	4	16.2
Hidden Hills, Phases I, II	76	10	0	2	155	243	4	7.1
Liberty Heights	0	0	2	3	25	30	1	3.5
Magnolia Estates	1	0	0	0	11	12	0	12.0
Meadow Haven	15	0	5	12	4	36	0	72.0
Renaissance South	21	1	5	10	21	58	3	23.4
Shenandoah Hills (Benton County)	0	0	1	24	28	53	0	11.1
Silverstone, Phases I, II (Benton County)	0	0	4	0	90	94	0	4.8
Sonoma	6	0	6	27	19	58	4	24.6
Spring Creek Estates, Phases IIA, IIB	28	1	7	36	46	118	7	18.4
Springhill (Benton County)	32	2	36	8	2	80	2	468.0
Thornbury, Phases III, V (Benton County)	31	0	6	1	33	71	2	41.5
Westfield, Phase II	30	7	26	15	18	96	5	52.0
Willowbend	2	0	2	0	53	57	1	9.6
Springdale	544	34	190	239	1,109	2,116	54	20.2





Springdale

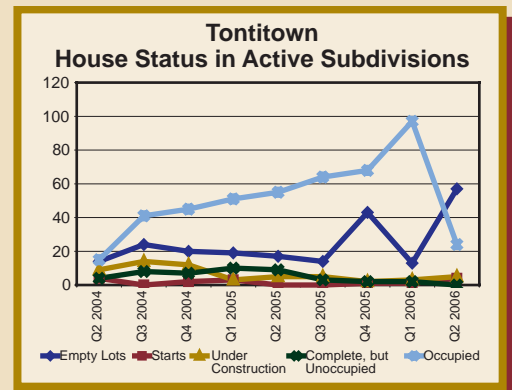
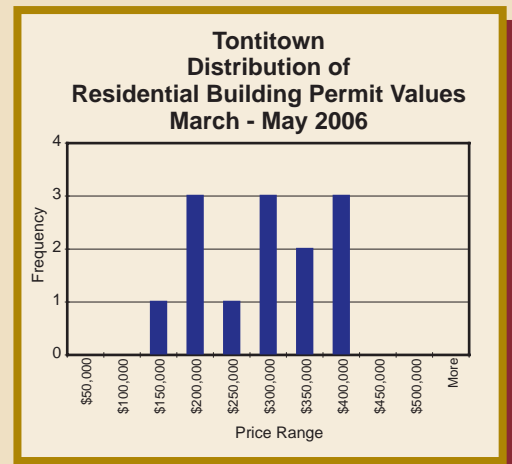
Approved Final and Preliminary Subdivisions

Q2 2006

Subdivision	Approved	Number of Lots	Subdivision	Approved	Number of Lots
<i>Preliminary Approval</i>			<i>Final Approval</i>		
Arbor Estates	Q4 2004	103	Andrew Marks	Q2 2006	
Ben Caston	Q2 2005	26	Conestoga Park	Q2 2006	8
Berry Field Subdivision	Q4 2004	56	East Ridge Subdivision	Q1 2005	8
Bobby Marks Subdivision	Q4 2004	23	The Falls	Q2 2006	
Canyon Creek	Q4 2004	196	Gary Brandon	Q2 2006	69
Chimney Hills Subdivision	Q2 2006		Har-Ber Meadows, Phase XX	Q2 2006	
Coppergate Subdivision	Q1 2005	85	John Johnson Road Subdivision	Q2 2006	80
Dave Chapman Subdivision	Q4 2004	481	Mia Subdivision	Q2 2006	17
Dave Chapman Subdivision, Phase II	Q4 2004	87	Savannah Ridge	Q2 2006	95
Eastview Estates Subdivision	Q4 2004	132	Spring Creek Estates	Q2 2006	
Ferne's Valley Subdivision	Q4 2004	53	Spring Creek Park	Q2 2006	76
Fox Creek Subdivision	Q1 2006	32	Stockton Place	Q2 2006	58
Habberton Ridge PUD	Q2 2006	239	Wagon Wheel Road--Combs	Q2 2006	130
Harlan Brown	Q1 2005	69	Westside Village	Q2 2006	9
Ivey Lane East	Q1 2005	34	Springdale		2,936
Ivey Lane North	Q1 2005	21			
J.J. Road Subdivision	Q4 2004	96			
Jacob's Court	Q1 2006	28			
Jim Bryan Duplexes	Q1 2005	15			
Lifestyle Development Subdivision	Q4 2004	20			
Lifestyle Homes	Q4 2004	60			
Meadow Brook, Phase II	Q2 2005	50			
Mill's Quarter	Q1 2006				
Moddy Lane Development	Q2 2005	7			
Mountain View Townhomes	Q3 2005				
Mountain Terrace Subdivision	Q4 2004	32			
Parker's Place	Q1 2006	73			
Peppermill	Q3 2005				
Perry Road Subdivision	Q1 2005	9			
Pinewood Park	Q2 2006	6			
Pleasant Meadows	Q3 2005				
Remington Place	Q3 2005	44			
Rolling Hills Subdivision, Phase II	Q4 2004	32			
Rosson Creek Subdivision	Q2 2006				
Scott Property Subdivision	Q1 2005	35			
Shelohn Acres Subdivision	Q1 2006				
Springdale Development II	Q1 2005	61			
Sugg Subdivision	Q1 2005	18			
Taldo West End Subdivision	Q4 2004	36			
Teague Subidivision	Q4 2004	39			
The Meadows at River Mist	Q3 2005				
Tuscany Village	Q2 2005	8			
Wagon Wheel Bend	Q1 2006	24			
Walter Stone Estates	Q4 2004	17			
Wilkins Subdivision	Q1 2006	39			

Tontitown

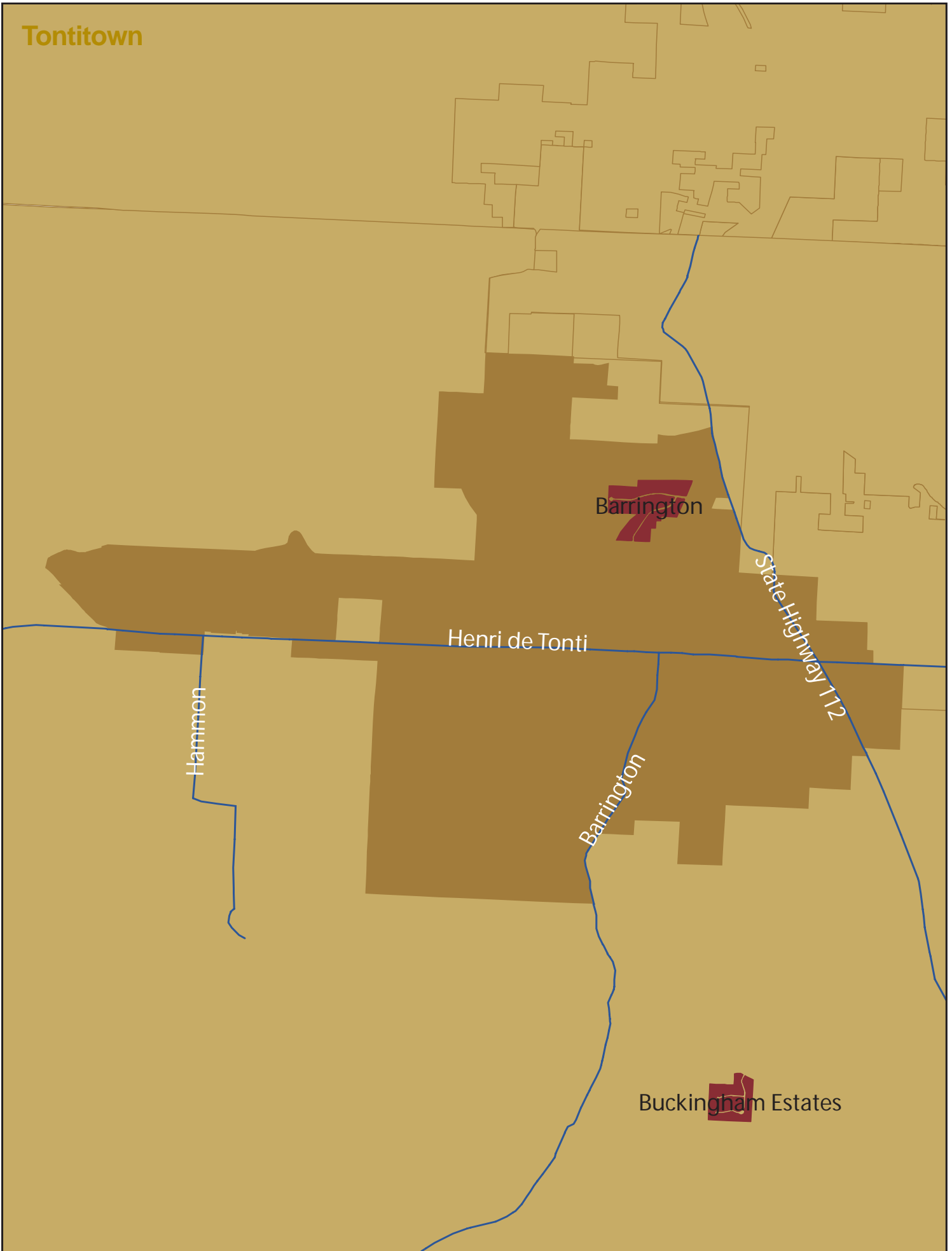
- There were 13 building permits issued in Tontitown from March to May 2006.
- The average building permit value in the second quarter of 2006 was \$257,389.
- There were 90 total lots in active subdivisions in Tontitown in the second quarter of 2006. About 27 percent of the lots were occupied, 6 percent were under construction, 4 percent were starts, and 63 percent were vacant lots.
- No new houses in Tontitown became occupied in the second quarter of 2006. The annual absorption rate implies that there are 18.9 months of remaining inventory in active subdivisions.
- Barrington Heights had 4 houses under construction in the second quarter.
- There was 1 existing house sold in Tontitown from February 16, 2006 to May 15, 2006.



Tontitown House Status in Active Subdivisions Q2 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Barrington Heights	25	1	4	0	0	30	0	--
Buckingham Estates	1	0	1	0	24	26	0	3.0
Coppertree	13	1	0	0	0	14	0	--
GPJ Subdivision	18	2	0	0	0	20	0	--
Tontitown	57	4	5	0	24	90	0	18.9

Tontitown



Tontitown Price Range of Houses Sold February 16 - May 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
\$0 - \$50,000	0	0.0%	--	--	--	--
\$50,001 - \$100,000	0	0.0%	--	--	--	--
\$100,001 - \$150,000	1	100.0%	1,352	88	99%	\$87.28
\$150,001 - \$200,000	0	0.0%	--	--	--	--
\$200,001 - \$250,000	0	0.0%	--	--	--	--
\$250,001 - \$300,000	0	0.0%	--	--	--	--
\$300,001 - \$350,000	0	0.0%	--	--	--	--
\$350,001 - \$400,000	0	0.0%	--	--	--	--
\$400,001 - \$450,000	0	0.0%	--	--	--	--
\$450,001 - \$500,000	0	0.0%	--	--	--	--
\$500,000+	0	0.0%	--	--	--	--
Tontitown	1	100.0%	1,352	88	99%	\$87.28

