



# THE SKYLINE REPORT

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## Multifamily Real Estate Market Summary for Benton and Washington Counties November 2005



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## Multifamily Real Estate Market Summary for Benton and Washington Counties

This report is the fifth edition of the Skyline Report for Benton and Washington Counties-Multifamily 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 multifamily real estate market. This study is a companion piece to the quarterly single-family residential and commercial Skyline Reports. As the population of the region grows, there is increased demand for all types of housing. Understanding the supply of multifamily housing opportunities is critical to understanding the overall residential market, particularly as low interest rates have made home ownership more appealing relative to leasing comparable residential space. The information contained in the following pages details the current condition of the multifamily market and sets the stage for future comparisons.

## Highlights from the Third Quarter of 2005

- Vacancy rates for multifamily properties in Northwest Arkansas declined from their second quarter level of 8.0 percent to 5.7 percent in the third quarter.
- Siloam Springs had the lowest aggregate vacancy rate at 1.3 percent. The vacancy rate in Fayetteville tumbled from 7.0 percent in the second quarter to 3.9 percent in the third quarter of 2005.
- Bentonville and Springdale each experienced increases in vacancy rates in the third quarter, while Rogers saw a substantial decline from 18.5 percent to 13.2 percent.
- The average lease price per month for a multifamily property unit in Northwest Arkansas declined from \$499 to \$483.
- On a price per square foot basis, multifamily units were least expensive on average in Siloam Springs at \$0.54 per square foot and most expensive on average in Rogers at \$0.63 per square foot.

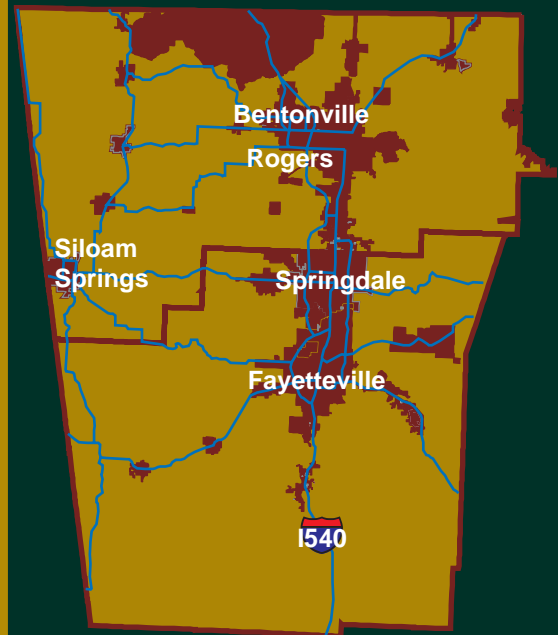
## Study Structure and Methodology

The results of an in-depth data gathering process are presented and analyzed in this report. Data from three distinct sources were used to examine the characteristics of the Northwest Arkansas multifamily residential housing market. First, building permit data were examined to identify any multifamily units that were new to the market. Then, the databases from the Benton and Washington County Assessors' offices were searched to identify existing multifamily properties. Finally, a survey of the population of multifamily property managers was conducted in order to collect the characteristics of the Northwest Arkansas multifamily housing market.

The Skyline Report is structured in the following way. In the first section, a review of relevant economic statistics is presented to set a context for examining multifamily housing. In the section that follows the economic overview, regional comparisons are detailed. A table containing information about multifamily building permits issued thus far in 2005 is shown first, followed by a short discussion about the kinds of properties that are being permitted. A table with announcements of coming multifamily projects follows. Next, there is an analysis of the data obtained from the Benton and Washington County Assessors' offices. The total number and the square footage of the population multifamily properties in Northwest Arkansas are broken down by major city. Then, the coverage of the sample of CBER survey respondents is discussed in relation to that population. Finally, vacancy rates, average unit sizes and average floor plan prices, all calculated from the survey sample, are presented on a regional basis.

The report then turns to a more detailed city-by-city analysis. For this report, Bentonville, Fayetteville, Rogers, Siloam Springs, and Springdale were examined. For each city, information on the size and lease price of available floor plans is presented. Following those aggregated numbers are two matrixes with details about the sampled properties. The first matrix includes occupancy statistics and available lease durations for each property in the city's sample. The second matrix details the mix of amenities that each property provides for its residents.

In order to collect this specific information about Northwest Arkansas multifamily residential properties, CBER researchers surveyed the population of multifamily property managers. To identify potential respondents, databases from the Washington and Benton County Assessors' offices were searched. Contact information was obtained where available and at least three phone contacts were attempted for each respondent. When no response was forthcoming, the properties were physically visited by a surveyor.



The Northwest Arkansas multifamily market includes the following five major cities:

1. Bentonville
2. Fayetteville
3. Rogers
4. Siloam Springs
5. Springdale

As the fifth edition of the multifamily series of the Skyline Report, this study begins to provide some comparisons in vacancy rates, prices, unit sizes, and other multifamily property characteristics. In future reports, trends will be further examined.

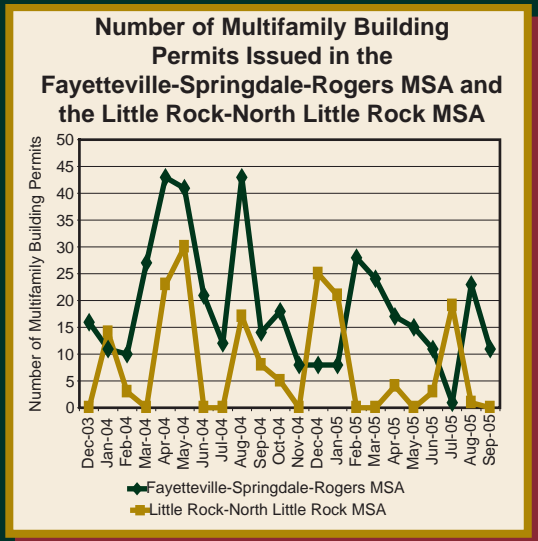
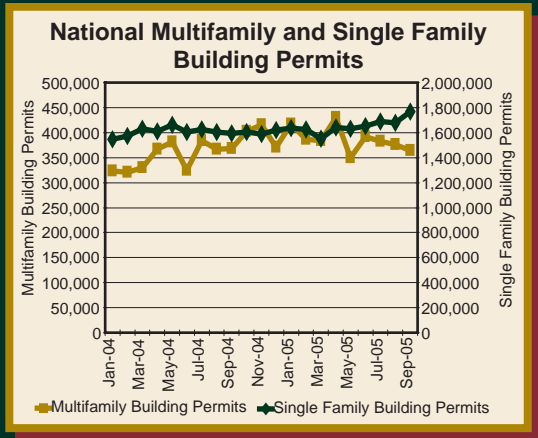
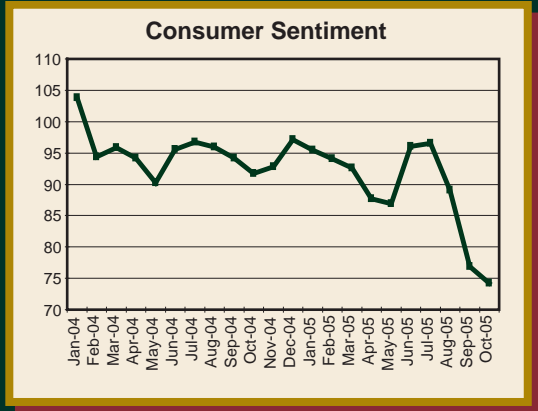
## Economic Overview

To get a sense of the Northwest Arkansas multifamily housing market, it is useful to look at some key macroeconomic statistics. The University of Michigan produces the Consumer Sentiment Index. In October, the index continued falling from its most recent high in July 2005. The aftermaths of Hurricanes Katrina and Rita were a major cause for the steep drop in September. The continuing decline in October was due to the cumulative strain of higher prices on the financial situation of consumers. The current outlook for higher costs of home heating, higher interest rates, and falling real incomes will cause cutbacks in consumer spending in the coming months. Based on the survey data, the growth rate in real consumption spending is expected to be about 1 percent in both the fourth quarter and in the first quarter of 2006. Consumer confidence acts as a signal about the likely trends in spending for consumers and is directly related to their perceptions of the real estate market. In as much as purchasing single family houses becomes more attractive relative to leasing, the multifamily housing market will be directly affected by this statistic.

The U.S. Census Bureau estimates the issuance of building permits. Since June of 2005, growth in the number of residential building permits issued has trended up, nationally, while the number of multifamily building permits has trended down. These trends can be seen in the associated graph.

Turning to the two major metropolitan areas in Arkansas, the Fayetteville-Springdale-Rogers (FSR) MSA and the Little Rock-North Little Rock (LR) MSA, similar patterns on a smaller scale are apparent. The accompanying graphs show the number of multifamily building permits and total number of residential building permits issued in the two metro areas. Interestingly, despite its much smaller population, the FSR metro area had a greater number of building permits (both multifamily and total) than the LR metro area in 2004 and the first nine months of 2005. Despite a great deal of seasonal variation, the trends of all of these series are barely positive. This implies that no significant changes in the pace of growth in the number of residential or multifamily building permits are expected.

On November 1, 2005 the Federal Reserve Board raised its target for the federal funds rate an additional 25 basis points to 4.0 percent, bringing the total increase from the recent lows to 300 basis points. As the accompanying graph shows, the spread between short term rates and conventional 30-year mortgage rates has declined more than 275 basis points since its most recent peak in May 2004. Because the ten-year treasury interest





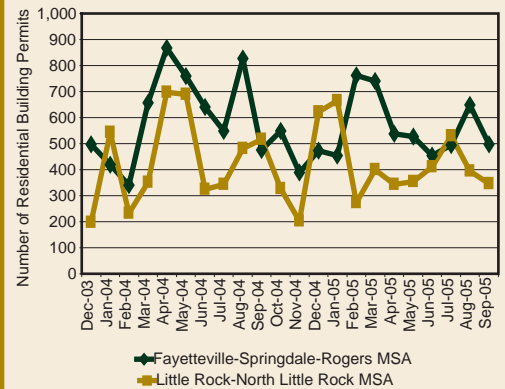
rate and the 30-year conventional mortgage rate have remained essentially constant since July 2004, buying a single family house remains relatively attractive compared to leasing comparable multifamily housing.

Finally, a graph showing employment trends in the FSR metro area is included. Employment in the region continues to grow at the same pace as its five-year trend, adding approximately 485 jobs a month to the region. Because employment growth is the single most important factor in determining demand for housing of all kinds, there must be an awareness of the possibility of structural changes in the labor market. The data show no evidence that the rate of job growth in Northwest Arkansas will abate in the near term.

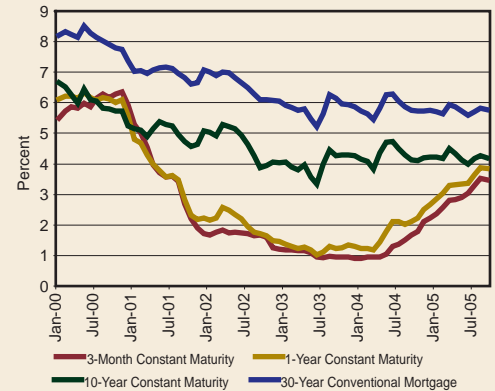
## Regional Overview

The Northwest Arkansas multifamily housing market is driven by the demands of the populations in its various communities. Multifamily housing serves multiple purposes in Northwest Arkansas. In Fayetteville, home of the University of Arkansas, the state's flagship institution of higher education, much of the supply of multifamily housing is designed to serve the increasing and ever-changing student population. In addition to providing student housing, multifamily properties also act as low-income housing for those whose financial status and credit ratings are not sufficient to purchase a single-family home. Thus, as areas like South Fayetteville are redeveloped and previously existing affordable single family residences are demolished, the demand for multifamily housing should increase. Finally, multifamily properties serve as transitional housing for those who are between single family residences or for those who unlikely to remain in a particular location long enough to make the purchase of a house make economic sense. The growth in the number of executive suites in Northwest Arkansas is a testament to demand driven by transitional factors. Additionally, in Rogers and Bentonville, a number of upscale properties with monthly leases comparable to monthly mortgage payments have entered the market. These properties are designed to provide easy accessibility to the commercial districts of the cities and are designed to appeal to tenants looking to eliminate property maintenance responsibilities. These upscale properties are pushing up average rents in the cities and are having an impact on vacancy rates.

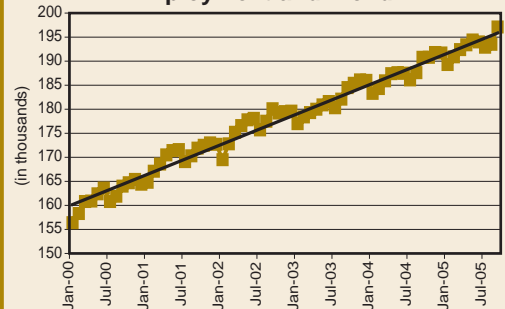
**Number of All Residential Building Permits Issued in the Fayetteville-Springdale-Rogers MSA and the Little Rock-North Little Rock MSA**



**Selected Interest Rates**



**Fayetteville-Springdale-Rogers MSA Employment and Trend**



## Building Permits

The associated table details the building permits that have been issued for multifamily housing purposes since the beginning of 2005. Ten projects with values greater than a million dollars were permitted by the end of August 2005. Three of these were located in Fayetteville, three were located in Rogers, two were located in Bentonville, and two were located in Springdale. The Fayetteville projects involve the construction of the North Corner Apartments on Leverett Street, the construction of the Salem Road Townhouses on the west side of town, and Phase II of the Southern View Apartment complex just off of 6th Street and I-540. The Springdale projects are Phase II of the Hidden Lakes Apartments, located just south of Highway 412 between Old Missouri Road and Butterfield Coach Road and the Wobbe Road Apartments on the north side of town. In Bentonville, the Glen at Polo Park apartment complex will be located near the Northwest Arkansas Regional Airport in Highfill and the Harbin Pointe (senior) Apartments near the intersection of Highways 12 and 112. In Rogers, there are condos being built at The Peaks subdivision, just east of I-540, apartments being constructed at the Ranch at Pinnacle Point and apartments being constructed at the Arbors at Pinnacle Ridge.

The business press was examined to formulate the table of announced new projects. These projects are in addition to those that have already been mentioned in the building permit section and should be considered jointly with the building permit information in order to get a firm picture about the supply that is coming onto the market.

### Multifamily Residence Building Permits Q3 2005

Date	Complex or Developer	Number of Permits	Total Value of Permits	City
1/11/2005	M.P. Construction of Springdale	2	\$635,652	Fayetteville
1/14/2005	Jenning Mills Apartments	2	\$871,164	Fayetteville
1/18/2005	North Corner Apartments	2	\$1,488,928	Fayetteville
1/19/2005	Lee Jackson	1	\$40,760	Fayetteville
2/9/2005	Glen at Polo Park	20	\$24,195,966	Bentonville
2/14/2005	Aaron Nickel Homes	1	\$446,729	Fayetteville
3/18/2005	Salem Road Townhomes	6	\$3,387,384	Fayetteville
3/18/2005	Hometown Developments	1	\$348,371	Fayetteville
3/29/2005	Bedford Apartments	1	\$475,536	Fayetteville
4/7/2005	Condos at the Peaks	56	\$6,557,446	Rogers
5/5/2005	Southern View, Phase II	6	\$9,407,802	Fayetteville
5/8/2005	Hidden Lake, Phase II	4	\$2,640,424	Springdale
6/22/2005	Ranch at Pinnacle Point	16	\$26,822,960	Rogers
8/11/2005	Wobbe Road Apartments	4	\$1,565,724	Springdale
8/15/2005	Arbors at Pinnacle Ridge	33	\$3,045,891	Rogers
8/16/2005	Razorback Apartments	2	\$828,460	Fayetteville
8/16/2005	Harbin Pointe Apartments	10	\$13,253,204	Bentonville
8/26/2005	Dunn Street Apartments	1	\$300,000	Fayetteville
9/2/2005	40 E Maple Street	1	\$262,300	Fayetteville
Total		102	\$96,574,701	

## Announcements of New Projects

Complex	Developer	Construction Costs	Number of Units	City
Grandview Heights	E & S Development and Properties	\$100,000,000	486	Beaver Lake
Bank of America Condominiums	Polk Stanley/Rowland Curzon	--	6	Fayetteville
Barnhill Condominiums	Kevin Curry	--	43	Fayetteville
Beacon Flats	Beacon Flats LLC	\$1,500,000	9	Fayetteville
Dickson Street Condominiums	The Barber Group	\$1,000,000	34	Fayetteville
Legacy Building	The Barber Group	\$17,000,000	37	Fayetteville
Renaissance Towers	John Nock and AMA	\$30,000,000	18	Fayetteville
Sequoyah Commons	Houses Inc.	\$4,550,000	26	Fayetteville
The Lofts at Underwood Plaza	John Nock and AMA	\$18-\$20,000,000	72	Fayetteville
Clear Creek Apartments	Clear Creek II LLC	\$6,500,000	112	Johnson
Indian Creek Duplexes	Morton Asset Management Inc.	\$1,900,000	24	Rogers
Valley West Drive Project	Kim Fugitt	\$1,350,000	15	Rogers
Dick Smith Duplexes	Moulden Construction	\$3,500,000	30	Springdale

## Northwest Arkansas Multifamily Properties

Building permits give a good indication of the types and amounts of space that will become available on the market in the near future. However, to understand the existing stock of multifamily properties, CBER researchers examined the property tax databases from the offices of the Benton and Washington County assessors. From those databases, parcels that were classified as multifamily residential were identified and then results were aggregated by complex to avoid double counting. Unfortunately, the databases do not include any measure of the number of units associated with a particular property, but rather the total square feet of any buildings on the parcels are provided. Therefore, the number of properties by city and the total square feet of multifamily residential space are provided in the accompanying table.

The database search showed that Fayetteville had the most multifamily properties in Northwest Arkansas with 280, totaling over 3.5 million square feet. Following Fayetteville, in descending order from most multifamily properties to fewest were Rogers, Bentonville, Springdale, and Siloam Springs. The total number of multifamily properties in these cities in the third quarter of 2005 was 727 with a total size of just over 10.4 million square feet.

CBER staff attempted to obtain additional information about each of the multifamily residential properties in these five cities. A survey instrument was developed to ascertain the number of units in each property, the number of units currently available for lease, the types of different floor plans, the prices of different floor plans, lease durations, and the amenities associated with

## Total Inventory of Multifamily Properties and Sample Coverage Q3 2005

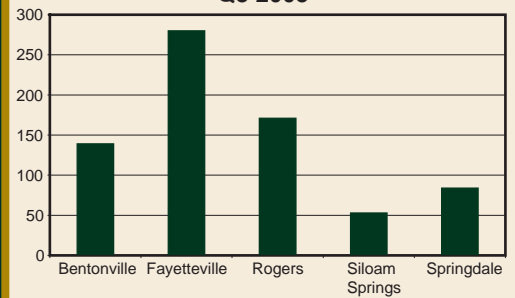
City	Number of Multifamily Properties in County Assessor Databases	Total Square Feet of Multifamily Properties in County Assessor Databases	Number of Multifamily Properties in Sample	Total Square Feet of Multifamily Properties in Sample	Percent Coverage of Total Square Feet
Bentonville	139	2,092,851	52	1,633,512	78.1%
Fayetteville	280	3,510,406	179	2,769,988	78.9%
Rogers	171	2,690,773	50	1,830,946	68.0%
Siloam Springs	53	635,235	25	485,021	76.4%
Springdale	84	1,508,432	61	1,301,845	86.3%
<b>Northwest Arkansas</b>	<b>727</b>	<b>10,437,697</b>	<b>367</b>	<b>8,021,312</b>	<b>76.8%</b>



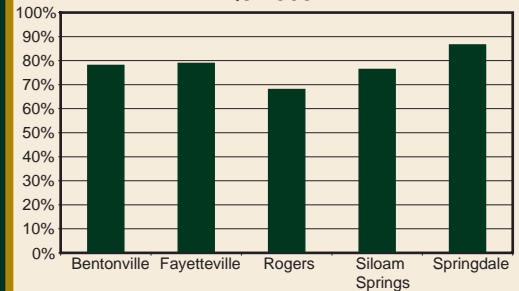
each property. An online data collection tool was used to streamline the process and to make responding more convenient for apartment managers. The results from this surveying effort comprise the remainder of this report. In the third quarter of 2005, information was collected on 76.8 percent of the existing square footage of multifamily properties, compared to 69.0 percent in the second quarter of 2005.

In the analysis that follows, it is important to remember that the survey sample disproportionately measures large properties with many units, rather than small multifamily properties. In as much as the large properties drive the market for multifamily housing, extrapolating the results to the entire population is entirely reasonable. Within the third quarter survey sample, there were 19,868 total units in 367 multifamily residential properties. These properties had a combined vacancy rate of 5.7 percent, down from 8.0 percent in the second quarter. The highest vacancy rate was in Rogers, at 13.2 percent and the lowest vacancy rate was in Siloam Springs at 1.3 percent. In the third quarter of 2005, Fayetteville had a vacancy rate of 3.6 percent, Springdale had a vacancy rate of 6.0 percent, and Bentonville had a vacancy rate of 3.9 percent. Within the sample, the average lease price per month in Northwest Arkansas was \$482.90, down from \$499.07 in the second quarter. The average size of a unit was 800 square feet, basically unchanged from 799 square feet in the previous quarter. The average monthly price per square foot of a multifamily property was \$0.60. Breaking down the price and square footage by floor plan yields other interesting statistics. On a price per square foot basis, the least expensive floor plans had three bedrooms at \$0.55. The most expensive floor plans, on average, were four bedroom apartments at \$0.78 per square foot per month.

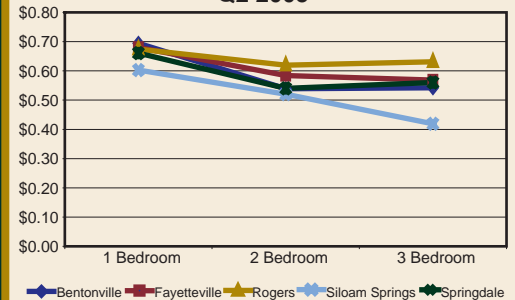
**Number of Multifamily Properties in Assessor Databases Q3 2005**



**Sample Coverage of Total Square Feet of Multifamily Properties by City Q3 2005**



**Price per Square Foot by Number of Bedrooms by City Q2 2005**





## Sample Vacancy Rates Q1 2005 - Q3 2005

Market Area	Number of Apartment Complexes	Number of Units	Q3 2005 Vacancy Rate	Q2 2005 Vacancy Rate	Q1 2005 Vacancy Rate
Bentonville	52	2,181	3.9%	2.9%	2.0%
Fayetteville	179	9,387	3.6%	7.0%	7.6%
Rogers	50	3,361	13.2%	18.5%	10.8%
Siloam Springs	25	925	1.3%	7.1%	10.4%
Springdale	61	4,014	6.0%	4.7%	3.5%
<b>Northwest Arkansas</b>	<b>367</b>	<b>19,868</b>	<b>5.7%</b>	<b>8.1%</b>	<b>7.9%</b>

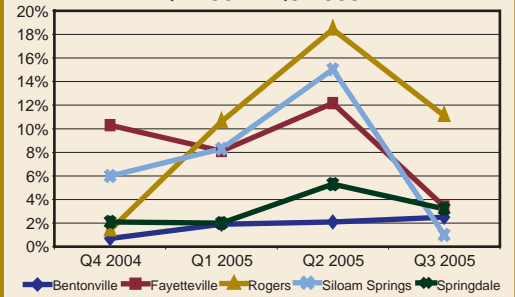
## Northwest Arkansas Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	450	\$343.23	\$0.76
1 Bedroom	599	\$402.84	\$0.67
2 Bedroom	889	\$509.38	\$0.57
3 Bedroom	1,137	\$634.39	\$0.56
4 Bedroom	1,655	\$1,285.00	\$0.78
<b>Northwest Arkansas</b>	<b>800</b>	<b>\$482.90</b>	<b>\$0.60</b>

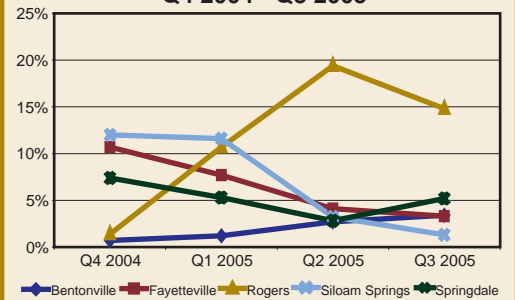
## Northwest Arkansas Vacancy Rates by Floor Plan Q3 2005

Market Area	1 Bedroom	2 Bedroom	3 Bedroom
Bentonville	2.5%	3.4%	13.1%
Fayetteville	3.4%	3.3%	8.9%
Rogers	11.1%	14.8%	8.2%
Siloam Springs	1.0%	1.3%	0.0%
Springdale	3.2%	5.2%	24.9%
<b>Northwest Arkansas</b>	<b>4.5%</b>	<b>5.7%</b>	<b>15.4%</b>

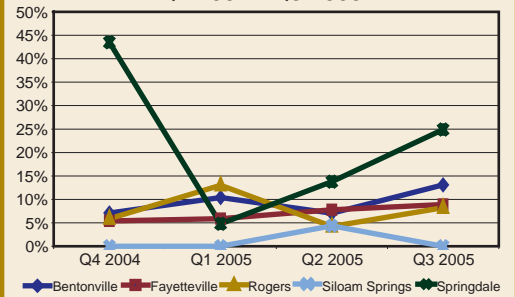
### One Bedroom Apartment Vacancy Rates by City Q4 2004 - Q3 2005



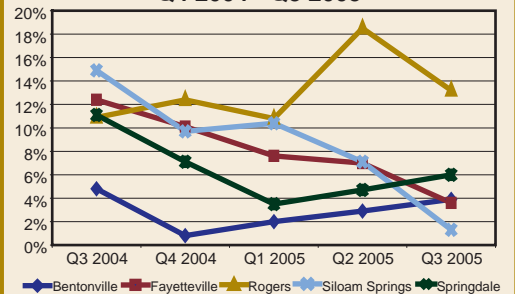
### Two Bedroom Apartment Vacancy Rates by City Q4 2004 - Q3 2005



### Three Bedroom Apartment Vacancy Rates by City Q4 2004 - Q3 2005



### Multifamily Vacancy Rates by City Q4 2004 - Q3 2005



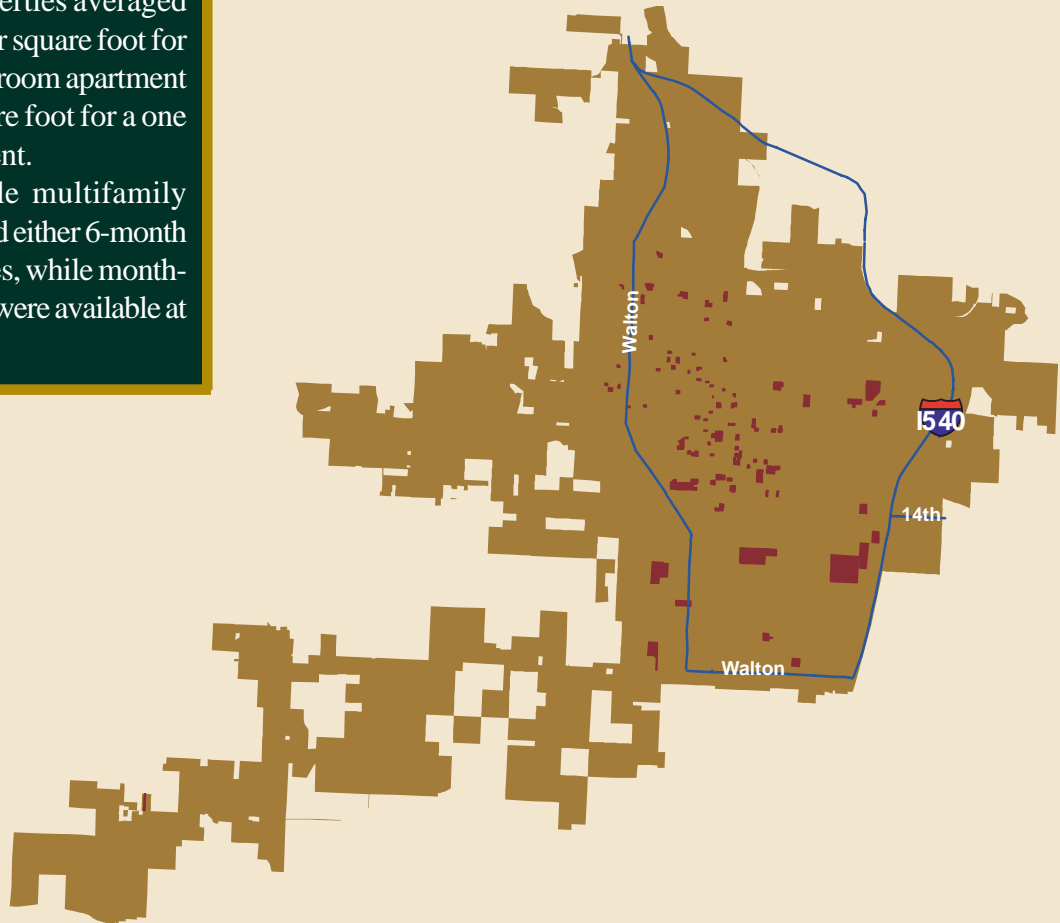
## Bentonville

- In the database from the office of the Benton County Assessor, there were 139 multifamily properties in Bentonville in the third quarter of 2005. These properties comprised 2,092,851 square feet.
- The 52 Bentonville Skyline Report survey respondents accounted for 77.7 percent of the square footage of all of the multifamily properties in the city.
- In the 2,181 units that were reported by Skyline Report survey respondents, there was a 3.9 percent vacancy rate, up from 2.9 percent in the second quarter of 2005.
- The average lease rate of all units in Bentonville was \$477, while the average size of a unit was 818 square feet.
- The monthly leases for Bentonville multifamily properties averaged between \$0.54 per square foot for a two or three bedroom apartment to \$0.69 per square foot for a one bedroom apartment.
- Most Bentonville multifamily properties required either 6-month or 12-month leases, while month-to-month options were available at a few properties.

## Bentonville Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	--	--	--
1 Bedroom	636	\$441.62	\$0.69
2 Bedroom	885	\$477.06	\$0.54
3 Bedroom	1,103	\$598.33	\$0.54
4 Bedroom	--	--	--
<b>Bentonville</b>	<b>818</b>	<b>\$476.78</b>	<b>\$0.58</b>

## Bentonville Multifamily Properties



## Bentonville Vacancy Rates and Lease Durations by Property Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
1002 SE C Street	20	20	0.0%					
1018 & 1020 SE Benton	2	2	0.0%		✓			
1114 NW D Street	7	6	14.3%		✓		✓	
1208 Cedar Place	1	1	0.0%					
1209 NW 12th Street	1	1	0.0%					✓
1318A & 1318B Royal Drive	2	1	50.0%		✓			
1504 & 1506 Bella Vista Road	2	2	0.0%		✓			
201-209 SE 6th St, 507A & 507B SE A St	10	10	0.0%		✓			
203 SE A Street	4	4	0.0%					
205 NW 4th Street	4	4	0.0%					✓
2404 SE Jayel Terrace	24	17	29.2%		✓		✓	
302 & 304 SW 7th Street	2	2	0.0%					
302 NW C Street	3	3	0.0%					✓
306 S Main Street - #1 to #6	6	6	0.0%		✓			
3275 Blueberry	2	2	0.0%					✓
404 & 406 NW D Street	8	8	0.0%		✓			
404 SE G Street	12	11	8.3%					✓
408 SE G Street	8	6	25.0%		✓		✓	
421 SE A Street	10	10	0.0%					✓
4A & 4B Jonquilla	2	2	0.0%		✓			
502 & 503 A Street	8	8	0.0%		✓			
502 & 504 SE A Street	8	7	12.5%		✓			
502 W Central	8	8	0.0%					✓
504 SE A Street	16	15	6.3%		✓		✓	
504 SE B Street	4	4	0.0%					
5th & SE J Street (Duplex)	4	4	0.0%			✓		
5th & SE J Street (Triplex)	6	6	0.0%				✓	
602 & 604 SW C Street	8	7	12.5%		✓		✓	
706-712 NW 3rd Street	4	3	25.0%		✓			
714-716 NW 3rd Street	2	2	0.0%		✓			
801 AB & 803 AB SE H Street	4	4	0.0%		✓			
802 SE 8th Street	4	4	0.0%		✓			
Adams House	21	20	4.8%	✓	✓	✓	✓	✓
Bentonville Commons	240	223	7.1%		✓			
Cabin Courts	15	15	0.0%					✓
Court III Apartments	8	8	0.0%					✓
Court IV Apartments	6	6	0.0%					✓
Del Mar Apartments	128	128	0.0%				✓	
Four Seasons Colonial Apartments	12	12	0.0%		✓			✓
Garden Walk	24	23	4.2%				✓	
Garland Square of Bentonville	57	32	43.9%		✓		✓	
Links at Bentonville	432	432	0.0%					
Meadowoods Apartments	24	24	0.0%				✓	
Merchants Building (3rd Floor Apt)	10	3	70.0%	✓	✓	✓	✓	✓
Moberly Manor Apartments I & II	216	216	0.0%				✓	
Moberly Place	120	120	0.0%				✓	
Osage Terrace	40	38	5.0%					
Rose Garden Apartments	196	184	6.1%		✓		✓	
Touchstone Village 8-Plex	190	187	1.6%				✓	
Villa I Apartments	20	20	0.0%		✓			
Waterside Apartments	216	214	0.9%		✓		✓	
<b>Bentonville</b>	<b>2,181</b>	<b>2,095</b>	<b>3.9%</b>					

## Bentonville Amenities by Property Q2 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
1002 SE C Street	2													
1018 & 1020 SE Benton	4												✓	
1114 NW D Street	2											✓		
1208 Cedar Place	2												✓	
1209 NW 12th Street														
1318A & 1318B Royal Drive	2									✓			✓	
1504 & 1506 Bella Vista Road	2												✓	
201-209 SE 6th St, 507A & 507B SE A Street	2												✓	
203 SE A Street	2												✓	
205 NW 4th Street	2												✓	✓
2404 SE Jayel Terrace	2											✓		
302 & 304 SW 7th Street	2									✓			✓	
302 NW C Street	2												✓	
306 S Main Street - # 1 to #6	0												✓	
3275 Blueberry	2													
404 & 406 NW D Street	2									✓			✓	
404 SE G Street												✓		
408 SE G Street	8											✓	✓	
421 SE A Street	2													
4A & 4B Jonquilla	2											✓	✓	
502 & 503 A Street													✓	
502 & 504 SE A Street	2												✓	
502 W Central	2													
504 SE A Street												✓		
504 SE B Street														✓
5th & SE J Street (Duplex)									✓	✓		✓		
5th & SE J Street (Triplex)	2													
602 & 604 SW C Street	2											✓		
706-712 NW 3rd Street	2													✓
714-716 NW 3rd Street	2													✓
801 AB & 803 AB SE H Street	2													✓
802 SE 8th Street	2													✓
Adams House	1	✓			✓							✓		✓
Bentonville Commons	2	✓	✓	✓	✓							✓	✓	
Cabin Courts	2												✓	
Court III Apartments	2											✓		
Court IV Apartments	2											✓		
Del Mar Apartments		✓								✓				
Four Seasons Colonial Apts	2											✓	✓	
Garden Walk	1													
Garland Square of Bentonville	2				✓	✓						✓	✓	
Links at Bentonville		✓	✓	✓	✓				✓					
Meadowoods Apartments	1	✓										✓		✓
Merchants Building (3rd Floor Apt)	2	✓									✓			
Moberly Manor Apartments I & II			✓	✓	✓	✓				✓				
Moberly Place										✓				



## Bentonville Amenities by Property (Cont.) Q2 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Osage Terrace	1	✓									✓		✓	✓
Rose Garden Apartments	2	✓				✓				✓		✓	✓	
Touchstone Village 8-Plex	2		✓		✓							✓	✓	
Villa I Apartments	2												✓	
Waterside Apartments	2		✓	✓	✓	✓		✓				✓	✓	

✓ Allows or has specific amenity.



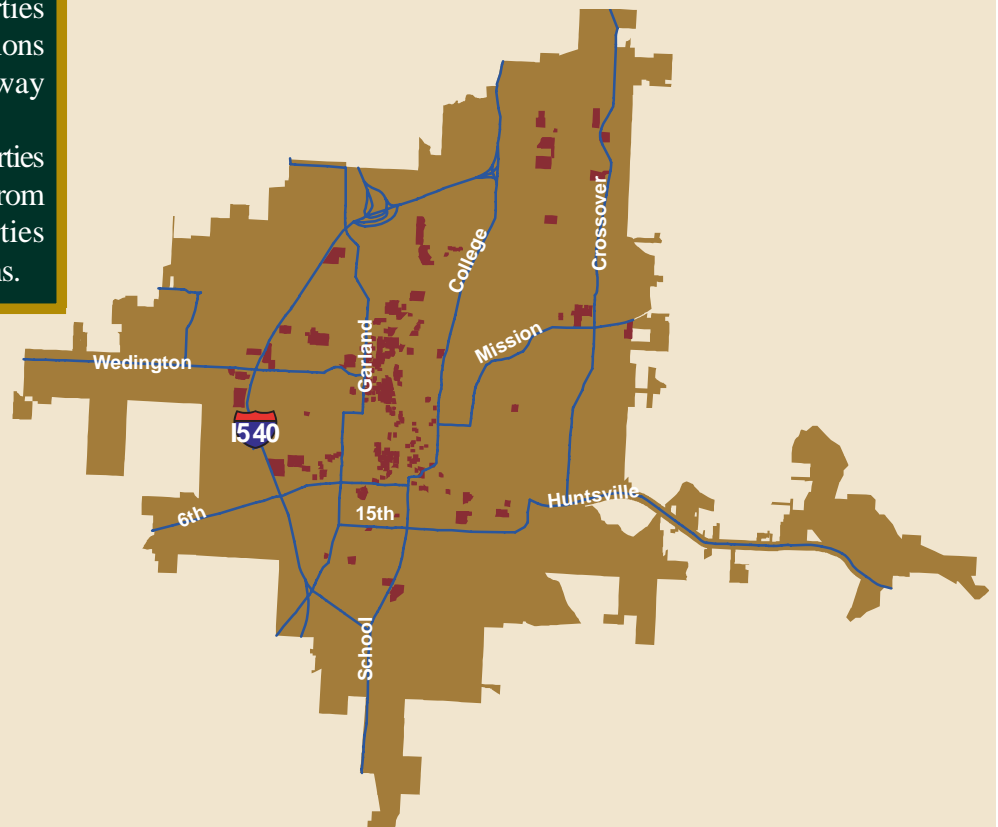
## Fayetteville

- In the database from the office of the Washington County Assessor, there were 280 multifamily properties in Fayetteville in the third quarter of 2005. These properties comprised 3,510,406 square feet.
- The 179 Fayetteville Skyline Report survey respondents accounted for 78.9 percent of the square footage of all of the multifamily properties in the city.
- In the 9,387 units that were reported by Skyline Report survey respondents, there was a 3.6 percent vacancy rate down from 7.0 percent in the second quarter of 2005.
- The average price of all units in Fayetteville was \$500, while the average size of a unit was 815 square feet.
- The monthly leases for Fayetteville multifamily properties averaged between \$0.57 per square foot for a three bedroom apartment to \$0.74 per square foot for a four bedroom apartment.
- Fayetteville multifamily properties had a wide variety of lease durations from month-to-month all the way through 12-month leases.
- Fayetteville had multifamily properties with many different floor plans, from studio to four bedroom properties with many configurations of baths.

## Fayetteville Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	507	\$358.33	\$0.71
1 Bedroom	598	\$406.85	\$0.68
2 Bedroom	905	\$528.40	\$0.58
3 Bedroom	1,101	\$626.20	\$0.57
4 Bedroom	1,744	\$1,285.00	\$0.74
<b>Fayetteville</b>	<b>815</b>	<b>\$500.24</b>	<b>\$0.61</b>

## Fayetteville Multifamily Properties



## Fayetteville Vacancy Rates and Lease Durations by Property Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
102 S School	1	0	100.0%					
110 N School	4	4	0.0%				✓	
1112 Rochier Street	10	10	0.0%				✓	
1118 & 1120 Rochier	4	4	0.0%				✓	
1131 N Oakland Avenue	6	6	0.0%				✓	
1205 N Oakland Avenue	4	3	25.0%				✓	
1209 & 1211 N Oakland Avenue	4	3	25.0%				✓	
1524-1536 Addington	6	6	0.0%				✓	
1540 Nettleship	16	13	18.8%		✓	✓	✓	
1556 Leverett	22	21	4.5%			✓	✓	
1621 Leverett	10	10	0.0%				✓	
1711 Sang Street	5	5	0.0%				✓	
1725 Bedford Loop	12	10	16.7%				✓	
1828 Gregg	8	7	12.5%				✓	
1931 Deane	21	18	14.3%			✓	✓	✓
196 -198 Ball Avenue	4	3	25.0%		✓		✓	
211-217 Fletcher Street	4	4	0.0%		✓		✓	
218 E Maple	1	1	0.0%				✓	
219 Meadow Street	5	5	0.0%				✓	
2305 - 2315 Kantz Cove	6	5	16.7%		✓		✓	
247-261 Lewis Avenue	6	4	33.3%				✓	
250 & 260 W 6th Street	2	2	0.0%				✓	
2660 Wedington	4	4	0.0%		✓			
2756 - 2768 Arroyo	7	7	0.0%		✓			
305-317 Berry Street	42	41	2.4%				✓	
4068-4082 Sunflower Circle	8	8	0.0%					
41 Gregg Street	10	10	0.0%					
5 S Hill Avenue	8	8	0.0%					✓
502 N Washington	5	5	0.0%		✓		✓	
522 Locust	1	1	0.0%					✓
555 W Maple Street	28	27	3.6%					
601 W Center	6	6	0.0%		✓			
610 W Lafayette	18	18	0.0%					
650 W Center Street	18	18	0.0%		✓		✓	
7 S Duncan	8	8	0.0%					✓
723-732 Paris	8	8	0.0%				✓	
744 & 752 W Cleveland Street	2	2	0.0%				✓	
750 W Cleveland Street	12	12	0.0%				✓	
755 Paris & 816 & 818 Rose	8	8	0.0%				✓	
775-889 W 15th Street	8	8	0.0%				✓	
8 S Hill Avenue	14	13	7.1%					✓
800 W Berry	4	4	0.0%				✓	
815 Storer Avenue	7	7	0.0%				✓	
911 W Hughes	8	8	0.0%				✓	
944 N Storer	20	20	0.0%				✓	
970 N Oakland Avenue	12	11	8.3%				✓	
970 W Berry	10	10	0.0%				✓	
Adams Street Townhomes	10	10	0.0%				✓	
Appleby Apartments	216	211	2.3%			✓		
At the Pines	24	24	0.0%				✓	
Bay Apartments	6	6	0.0%		✓		✓	
Bedford Loop Apartment	48	40	16.7%				✓	
Beverly Manor Apartments	21	21	0.0%					
Boardwalk Jeans	20	20	0.0%					✓
Brookes Park	56	56	0.0%		✓			
Brook Allison Apartments	32	31	3.1%		✓			

## Fayetteville Vacancy Rates and Lease Durations by Property (Cont.) Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
Brown Apartments	23	21	8.7%				✓	
Butterfield Trail Village	216	213	1.4%				✓	
Campus Connection	10	10	0.0%				✓	
Campus Corner	28	26	7.1%		✓		✓	
Campus Edge I	36	30	16.7%		✓		✓	
Campus Edge II	36	36	0.0%		✓		✓	
Campus Properties	8	8	0.0%				✓	
Candlelight Apartments	56	54	3.6%		✓		✓	
Chamberland Square Apartments	96	90	6.3%		✓	✓	✓	
Cheryl-Lynn Townhouses	28	26	7.1%					
Chestnut I	44	43	2.3%					
Chestnut II	216	216	0.0%					
Cleveland Place	12	12	0.0%			✓		
The Cliffs - Phase I	204	203	0.5%				✓	
The Cliffs - Phase II	192	192	0.0%				✓	
The Cliffs - Phase III	288	286	0.7%					
The Cliffs - Phase IV	60	60	0.0%					
The Cliffs Town Homes	12	9	25.0%					
College Point Apartments	11	11	0.0%			✓		
College Station	18	18	0.0%			✓		
College View	18	18	0.0%	✓			✓	
Collindale Heights	20	20	0.0%	✓	✓	✓	✓	
Colonial Arms Apartments	69	65	5.8%			✓	✓	
Cornerstone I	120	119	0.8%				✓	
Cornerstone II	48	46	4.2%		✓	✓	✓	
Cornerstone Place	108	108	0.0%					
Courts at Whitham	26	26	0.0%		✓		✓	
Crafton Place	84	79	6.0%				✓	
Crossover Terrace	84	84	0.0%				✓	
Deldonn Apartments	20	19	5.0%		✓	✓	✓	
Duckspond Townhomes	4	4	0.0%				✓	
Eagle and Oakland Townhouses	12	11	8.3%				✓	
Eagle Crest	7	7	0.0%				✓	
Eagle Street Apartments	6	6	0.0%				✓	
East Oaks Apartments	164	136	17.1%				✓	
Eastside and Westside	2	2	0.0%				✓	
Encore Apartments	26	26	0.0%		✓		✓	
Fair Park	228	228	0.0%			✓		
Fairgrounds Apartments	264	255	3.4%				✓	
Fairview Apartments	12	12	0.0%				✓	
Foxborough	51	50	2.0%		✓		✓	✓
Freeman Townhouses	14	14	0.0%				✓	
Garland Square	56	53	5.4%		✓		✓	
Georgetown Square	10	9	10.0%				✓	
Glendale Apartments	96	95	1.0%		✓	✓	✓	
Grandview Apartments	129	121	6.2%				✓	
Greenleaf Townhomes	60	60	0.0%		✓		✓	
Greens at Lakeside	384	367	4.4%					
Harbour	10	8	20.0%				✓	
Harman Place	28	28	0.0%		✓		✓	
Hayden Place	24	24	0.0%	✓	✓	✓	✓	
Holly Street Efficiencies	10	7	30.0%		✓	✓	✓	✓
Indian Springs	16	15	6.3%					
Jennings Mill	14	0	100.0%				✓	
The Jenny Lynn	23	23	0.0%				✓	✓
Lakeside Village I	132	128	3.0%					
Lakeside Village II	132	125	5.3%					



## Fayetteville Vacancy Rates and Lease Durations by Property (Cont.) Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
The Law Quad	84	68	19.0%	✓	✓	✓	✓	✓
Lawson Square Apartments	4	4	0.0%		✓	✓	✓	
Leverett Gardens	142	138	2.8%	✓	✓	✓	✓	✓
Leverett Landing	6	6	0.0%				✓	
Leverett Station	8	8	0.0%					
Leverett Townhouses	56	53	5.4%					
Lindell Place	14	14	0.0%			✓		
Maple Manor Apartments	128	128	0.0%		✓		✓	
Maple Terrace Apartments	12	12	0.0%				✓	
Maria H Apartments	92	82	10.9%	✓	✓	✓	✓	✓
Markham Hill	112	112	0.0%				✓	
Molly Court	33	31	6.1%				✓	
Morningside	60	58	3.3%					
Myers Apartments	9	9	0.0%		✓			
Nantucket Apartments	45	45	0.0%				✓	
Noble Oaks Apartments I	24	23	4.2%		✓	✓	✓	
Noble Oaks Apartments II	24	24	0.0%		✓	✓	✓	
Noble Oaks Apartments III	96	95	1.0%		✓	✓	✓	
North Creekside Apartments	196	191	2.6%		✓		✓	
Oakland Apartments	25	24	4.0%		✓	✓	✓	
Oakland Cottages	8	8	0.0%		✓			✓
Oaks Apartments	14	14	0.0%		✓			
Oakshire East I & II	212	202	4.7%				✓	
Oakwood Place	52	51	1.9%			✓	✓	
On the Hill	10	10	0.0%				✓	
Ozark Duplexes	24	17	29.2%		✓		✓	
Paradise View	132	130	1.5%			✓		
The Park I	264	254	3.8%			✓		
The Park II	60	60	0.0%			✓		
Park Lake A	10	4	60.0%					
Park Lake B	90	86	4.4%		✓	✓	✓	
Pleasant Wood Townhouses	58	58	0.0%				✓	
Porter Place Townhouses	72	54	25.0%			✓	✓	✓
Raspberry	22	20	9.1%		✓	✓	✓	
Razorback Plaza	20	20	0.0%		✓	✓	✓	
Red Bud Apartments	19	18	5.3%		✓	✓	✓	
Scholars Inn Apartments	56	54	3.6%		✓			
Shiloh Apartments	240	240	0.0%				✓	
South Creekside Apartments	156	147	5.8%		✓		✓	
South Hills Apartments	10	7	30.0%	✓	✓		✓	✓
Southern View	300	299	0.3%			✓		
Southmount Apartments	88	88	0.0%				✓	✓
Spring Street Apartments	8	8	0.0%				✓	
Starfire Apartments	60	55	8.3%				✓	
Stearns Street Apartments	276	276	0.0%					
Stonewood Terrace	20	15	25.0%		✓		✓	
Sugar Tree	86	84	2.3%		✓	✓	✓	
Summit Terrace	39	39	0.0%				✓	
Sunrise Apartments	21	19	9.5%				✓	
Sunshine Place	60	60	0.0%		✓		✓	
Three Sisters Complex	108	108	0.0%				✓	
Tower Apartments	18	16	11.1%					
Twin Bridges Apartments	14	13	7.1%					✓
UARK Apartments	156	156	0.0%		✓	✓	✓	✓
University Studio	40	40	0.0%		✓	✓	✓	
Valley View Townhomes	14	10	28.6%		✓	✓	✓	
Vineyards on Garland	58	57	1.7%		✓		✓	

## Fayetteville Vacancy Rates and Lease Durations by Property (Cont.) Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
Walker Stone Square Townhouses	14	14	0.0%		✓		✓	✓
Washington Plaza Apartments	128	128	0.0%				✓	
Waverly Woods Apartments	14	14	0.0%		✓			✓
Wedington Oaks Apartments	14	13	7.1%		✓		✓	
Wedington Place Senior Apartments	72	69	4.2%				✓	
Whitcreek Apartments	16	16	0.0%		✓		✓	
White Oak Apartments	9	9	0.0%		✓	✓	✓	
Willow Condos	8	8	0.0%				✓	
Woodway Apartments	72	63	12.5%	✓	✓	✓	✓	
<b>Fayetteville</b>	<b>9,387</b>	<b>9,053</b>	<b>3.6%</b>					



## Fayetteville Amenities by Property Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
102 S School	2												✓	
110 N School	2	✓	✓					✓					✓	
1112 Rochier Street	3											✓	✓	
1118 & 1120 Rochier	2											✓	✓	
1131 N Oakland Avenue	1											✓	✓	
1205 N Oakland Avenue	1											✓	✓	
1209 & 1211 N Oakland Avenue	1											✓	✓	
1524-1536 Addington	2													
1540 Nettleship	2	✓												
1556 Leverett	2													✓
1621 Leverett	2	✓	✓	✓	✓									✓
1711 Sang Street														✓
1725 Bedford Loop	1											✓	✓	
1828 Gregg	2											✓	✓	
1931 Deane	1													✓
196 -198 Ball Avenue	2											✓	✓	
211-217 Fletcher Street	2		✓				✓					✓	✓	
218 E Maple	1											✓	✓	
219 Meadow Street														✓
2305 - 2315 Kantz Cove	2	✓												
247-261 Lewis Avenue	1											✓	✓	
250 & 260 W 6th Street	2											✓	✓	
2660 Wedington	2											✓	✓	
2756 - 2768 Arroyo	2											✓	✓	
305-317 Berry Street	1	✓												✓
4068-4082 Sunflower Circle	2											✓	✓	
41 Gregg Street	2											✓	✓	
5 S Hill Avenue	2	✓										✓	✓	
502 N Washington	5													✓
522 Locust	1											✓	✓	
555 W Maple Street	2	✓										✓	✓	
601 W Center	2											✓	✓	
610 W Lafayette	1													
650 W Center Street	2													
7 S Duncan	1											✓	✓	
723-732 Paris	1											✓	✓	
744 & 752 W Cleveland Street	2											✓	✓	
750 W Cleveland Street	2	✓												✓
755 Paris & 816 & 818 Rose	2						✓					✓	✓	
775-889 W 15th Street	2											✓	✓	
8 S Hill Avenue	2	✓						✓				✓	✓	
800 W Berry	2													✓
815 Storer Avenue	1											✓	✓	
911 W Hughes												✓	✓	
944 N Storer	1											✓	✓	
970 N Oakland Avenue	1											✓	✓	
970 W Berry		✓										✓	✓	
Adams Street Townhomes	1													✓

## Fayetteville Amenities by Property (Cont.) Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Appleby Apartments		✓	✓	✓				✓						
At the Pines													✓	
Bay Apartments	1											✓	✓	
Bedford Loop Apartment	2											✓	✓	
Beverly Manor Apartments	2	✓										✓		
Boardwalk Jeans														
Brookes Park	2									✓				
Brook Allison Apartments	2											✓	✓	
Brown Apartments	1													
Butterfield Trail Village		✓	✓	✓	✓	✓		✓						
Campus Connection	1	✓											✓	
Campus Corner	2													
Campus Edge I	2											✓	✓	
Campus Edge II	2											✓	✓	
Campus Properties	1											✓	✓	
Candlelight Apartments	1	✓	✓										✓	
Chamberland Square Apartments	2	✓	✓		✓	✓						✓	✓	
Cheryl-Lynn Townhouses		✓	✓										✓	
Chestnut I		✓	✓	✓	✓	✓	✓	✓						
Chestnut II		✓	✓	✓	✓	✓	✓	✓						
Cleveland Place														
The Cliffs - Phase I		✓	✓	✓	✓									
The Cliffs - Phase II		✓	✓	✓	✓									
The Cliffs - Phase III														
The Cliffs - Phase IV														
The Cliffs Town Homes	2	✓											✓	
College Point Apartments														
College Station														
College View		✓											✓	
Collindale Heights	1													
Colonial Arms Apartments	1	✓	✓										✓	
Cornerstone Apartments		✓	✓		✓									
Cornerstone II			✓	✓		✓		✓				✓	✓	
Cornerstone I														
Courts at Whitham													✓	
Crafton Place		✓				✓								
Crossover Terrace		✓												
Deldonn Apartments	2												✓	
Duckspond Townhomes	2									✓				
Eagle and Oakland Townhouses	2									✓		✓	✓	
Eagle Crest	2		✓				✓					✓	✓	
Eagle Street Apartments	2												✓	
East Oaks Apartments			✓	✓	✓		✓							
Eastside and Westside	2												✓	
Encore Apartments	2													
Fair Park		✓	✓	✓		✓								
Fairgrounds Apartments		✓	✓	✓	✓	✓	✓	✓	✓					
Fairview Apartments	1	✓											✓	



## Fayetteville Amenities by Property (Cont.) Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Foxborough	1	✓					✓					✓	✓	
Freeman Townhouses	2													
Garland Square	2		✓	✓	✓	✓						✓	✓	
Georgetown Square	1													✓
Glendale Apartments		✓	✓											✓
Grandview Apartments	2	✓										✓	✓	
Greenleaf Townhomes	2		✓	✓	✓	✓	✓	✓				✓	✓	
Greens at Lakeside									✓					
Harbour		✓										✓	✓	
Harman Place	2		✓											✓
Hayden Place	1													
Holly Street Efficiencies	1	✓	✓											
Indian Springs														
Jennings Mill	2											✓		
The Jenny Lynn	1											✓	✓	
Lakeside Village I														
Lakeside Village II														
The Law Quad	3	✓	✓		✓	✓								
Lawson Square Apartments			✓											
Leverett Gardens	2	✓	✓		✓							✓	✓	
Leverett Landing												✓		
Leverett Station														
Leverett Townhouses														
Lindell Place														
Maple Manor Apartments	2	✓	✓			✓		✓				✓	✓	
Maple Terrace Apartments												✓	✓	
Maria H Apartments	2	✓	✓									✓	✓	
Markham Hill		✓												
Molly Court	2	✓								✓			✓	
Morningside	2											✓	✓	
Myers Apartments	2											✓	✓	
Nantucket Apartments	2	✓										✓		✓
Noble Oaks Apartments I			✓											
Noble Oaks Apartments II			✓											
Noble Oaks Apartments III														
North Creekside Apartments	2	✓												
Oakland Apartments		✓												✓
Oakland Apartments	2	✓												✓
Oakland Cottages	1											✓	✓	
Oaks Apartments	1													✓
Oakshire East I & II		✓	✓	✓										
Oakwood Place														
On the Hill	1													✓
Ozark Duplexes														✓
Paradise View		✓	✓	✓	✓	✓	✓	✓						
The Park I		✓	✓	✓	✓	✓	✓							
The Park II		✓	✓	✓	✓	✓	✓							
Park Lake A														

## Fayetteville Amenities by Property (Cont.) Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Park Lake B	2	✓	✓		✓	✓	✓							✓
Pleasant Wood Townhouses			✓	✓										
Porter Place Townhouses	2													✓
Raspberry									✓					
Razorback Plaza														
Red Bud Apartments														
Scholars Inn Apartments	2	✓												✓
Shiloh Apartments		✓	✓	✓	✓									
South Creekside Apartments	2	✓	✓			✓	✓							✓
South Hills Apartments	2											✓	✓	
Southern View		✓	✓	✓										
Southmount Apartments	2				✓									✓
Spring Street Apartments	1													✓
Starfire Apartments		✓				✓								
Stearns Street Apartments		✓	✓	✓	✓									
Stonewood Terrace														
Sugar Tree	2	✓										✓	✓	
Summit Terrace	2	✓										✓	✓	
Sunrise Apartments	1	✓										✓		
Sunshine Place	1												✓	
Sycamore Place Apartments	2	✓											✓	
Three Sisters Complex		✓	✓		✓									
Tower Apartments	1													
Twin Bridges Apartments	2											✓	✓	
UARK Apartments	1													✓
University Studio														
Valley View Townhomes														
Vineyards on Garland	2									✓				
Walker Stone Square Townhouses														
Washington Plaza Apartments	1	✓			✓									✓
Waverly Woods Apartments	1											✓	✓	
Wedington Oaks Apartments	2											✓	✓	
Wedington Place Senior Apts	2	✓		✓							✓	✓	✓	
Whitcreek Apartments	2											✓	✓	
White Oak Apartments														
Willow Condos	2													✓
Woodway Apartments	4	✓	✓		✓	✓						✓	✓	

✓ Allows or has specific amenity.

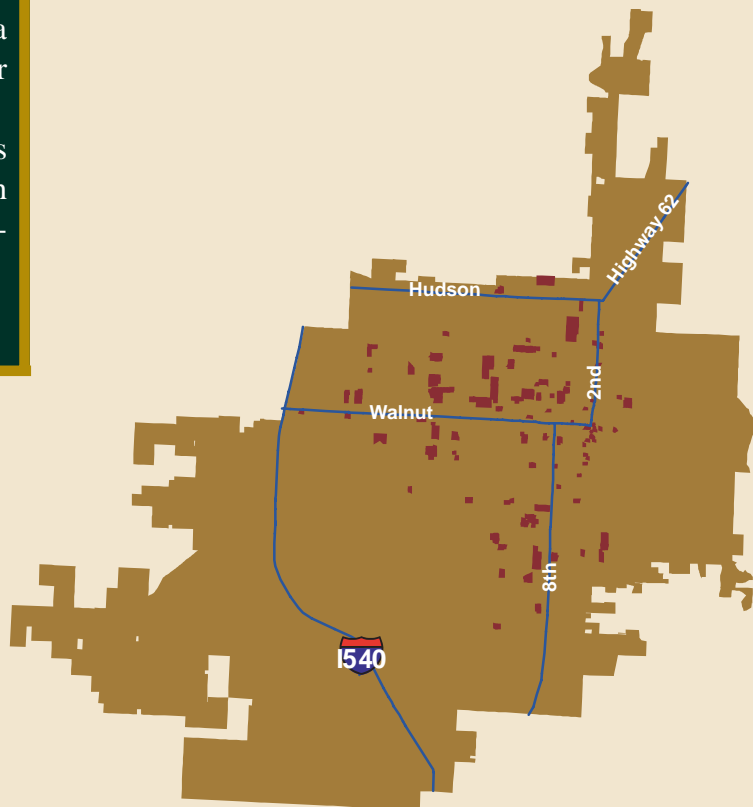
## Rogers

- In the database from the office of the Benton County Assessor, there were 171 multifamily properties in Rogers in the third quarter of 2005. These properties comprised 2,690,773 square feet.
- The 50 Rogers Skyline Report survey respondents accounted for 68.0 percent of the square footage of all of the multifamily properties in the city.
- In the 3,361 units that were reported by Skyline Report survey respondents, there was an 13.2 percent vacancy rate in the third quarter of 2005, down from 18.5 percent in the second quarter.
- The average price of all units in Rogers was \$528, while the average size of a unit was 835 square feet.
- The monthly leases for Rogers multifamily properties averaged between \$0.62 per square foot for a two bedroom apartment to \$0.67 for a one bedroom apartment.
- Most Rogers multifamily properties required either 6-month or 12-month leases, although some month-to-month leases were available.

## Rogers Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	--	--	--
1 Bedroom	640	\$431.68	\$0.67
2 Bedroom	892	\$552.54	\$0.62
3 Bedroom	1,263	\$797.40	\$0.63
4 Bedroom	--	--	--
<b>Rogers</b>	<b>835</b>	<b>\$528.21</b>	<b>\$0.63</b>

## Rogers Multifamily Properties



## Rogers Vacancy Rates and Lease Durations by Property Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
1201-03-05-07 W Persimmon	4	4	0.0%		✓			
1700-1714 W Persimmon	8	6	25.0%					
2309 W Meadow Drive	4	4	0.0%		✓		✓	✓
2317 W Meadow Drive	4	4	0.0%		✓		✓	✓
2322 W Meadow Drive	4	4	0.0%		✓		✓	✓
2325 W Meadow Drive	4	3	25.0%		✓		✓	✓
2333 W Meadow Drive	4	4	0.0%		✓		✓	✓
2338 W Meadow Drive	4	4	0.0%		✓		✓	✓
300 Innisfree Circle	80	77	3.8%				✓	✓
6th Street Apartments	13	13	0.0%					
816 W Poplar Street	129	120	7.0%		✓			
Azalea Trail Apartments	127	124	2.4%	✓	✓		✓	✓
Breckenridge Apartments	64	60	6.3%				✓	
Brentwood Apartments	80	80	0.0%				✓	
Briarwood Apartments	96	96	0.0%				✓	
Coventry Meadows	40	38	5.0%				✓	✓
Doubletree I	216	210	2.8%				✓	
Doubletree II	120	109	9.2%				✓	
Edgewood Apartments	108	107	0.9%				✓	
Fairways at Lost Springs	180	171	5.0%				✓	
Fountain Plaza Apartments	48	44	8.3%				✓	
Gaffke Apartments	1	1	0.0%					✓
Greens at Lost Springs	156	152	2.6%				✓	
Greens on Blossom Way	384	117	69.5%					
Greenway Plaza	12	9	25.0%				✓	
Happy Hollow	17	14	17.6%				✓	
Indian Creek Apartments	8	8	0.0%				✓	
Kirksey Place Apartments	24	24	0.0%				✓	
Lost Springs	240	240	0.0%				✓	
Meadow Park Apartments	69	69	0.0%				✓	
Miller Place Senior Complex	24	24	0.0%					✓
New Hope Court	40	38	5.0%		✓		✓	✓
North Heights Manor	30	30	0.0%		✓			✓
Oak Park Place	8	8	0.0%				✓	
Oak Tree	8	8	0.0%				✓	
Olivebrook Manor	20	19	5.0%		✓			✓
Persimmon Place	112	112	0.0%		✓		✓	
Poplar Heights Apartments	9	9	0.0%				✓	
Rivendell Apartments	32	32	0.0%				✓	
Rogers Apartments	71	71	0.0%				✓	
Rogers Senior Citizens Apartment	56	56	0.0%				✓	
Stone Manor at Stoney Brook	254	154	39.4%		✓	✓	✓	✓
Summerhill Park Townhomes	7	6	14.3%				✓	
Sunset Manor	16	16	0.0%				✓	
Turtle Creek Park	83	83	0.0%				✓	
Turtle Creek West	72	72	0.0%				✓	
Villa I Apartments	52	52	0.0%		✓			
Wellington Place Apartments	147	139	5.4%		✓		✓	
Westbrook Apartments	32	32	0.0%		✓			✓
Westside Square Apartments	40	39	2.5%		✓		✓	
<b>Rogers</b>	<b>3,361</b>	<b>2,916</b>	<b>13.2%</b>					



# Rogers Amenities by Property

## Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
1201-03-05-07 W Persimmon	2												✓	
1700-1714 W Persimmon	2											✓	✓	
2309 W Meadow Drive	2									✓		✓	✓	
2317 W Meadow Drive	2									✓		✓	✓	
2322 W Meadow Drive	2									✓		✓	✓	
2325 W Meadow Drive	2									✓		✓	✓	
2333 W Meadow Drive	2									✓		✓	✓	
2338 W Meadow Drive	2									✓		✓	✓	
300 Innisfree Circle	2	✓	✓	✓	✓						✓	✓		✓
6th Street Apartments														
816 W Poplar Street	2									✓		✓	✓	
Azalea Trail Apartments	2	✓	✓	✓	✓	✓						✓		✓
Breckenridge Apartments	2		✓	✓	✓	✓						✓	✓	
Brentwood Apartments														
Briarwood Apartments														
Coventry Meadows	2		✓	✓						✓		✓	✓	
Doubletree I			✓	✓	✓	✓	✓							
Doubletree II			✓	✓	✓	✓	✓							
Edgewood Apartments			✓											
Fairways at Lost Springs		✓	✓	✓	✓	✓	✓		✓					
Fountain Plaza Apartments	2				✓									✓
Gaffke Apartments	4											✓		
Greens at Lost Springs		✓	✓	✓	✓	✓	✓	✓						
Greens on Blossom Way		✓	✓	✓	✓				✓					
Greenway Plaza	2									✓			✓	
Happy Hollow	2	✓											✓	
Indian Creek Apartments	4	✓											✓	
Kirksey Place Apartments	2									✓		✓		
Lost Springs			✓	✓	✓	✓	✓	✓	✓					
Meadow Park Apartments	2												✓	
Miller Place Senior Complex	2											✓	✓	✓
New Hope Court	1	✓				✓		✓					✓	
North Heights Manor	1												✓	
Oak Park Place	2											✓	✓	
Oak Tree	1	✓			✓							✓		✓
Olivebrook Manor	1												✓	
Persimmon Place	2	✓								✓			✓	
Poplar Heights Apartments														
Rivendell Apartments	2	✓	✓		✓	✓							✓	
Rogers Apartments	2	✓											✓	
Rogers Senior Citizens Apartment		✓			✓									✓
Stone Manor at Stoney Brook	2	✓	✓	✓	✓					✓		✓	✓	
Summerhill Park Townhomes	2									✓		✓	✓	
Sunset Manor	2	✓										✓	✓	
Turtle Creek Park			✓			✓								
Turtle Creek West			✓			✓								
Villa I Apartments	2												✓	
Wellington Place Apartments	2	✓	✓	✓	✓			✓					✓	

## Rogers Amenities by Property (Cont.) Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Westbrook Apartments	2											✓	✓	
Westside Square Apartments		✓											✓	

✓ Allows or has specific amenity



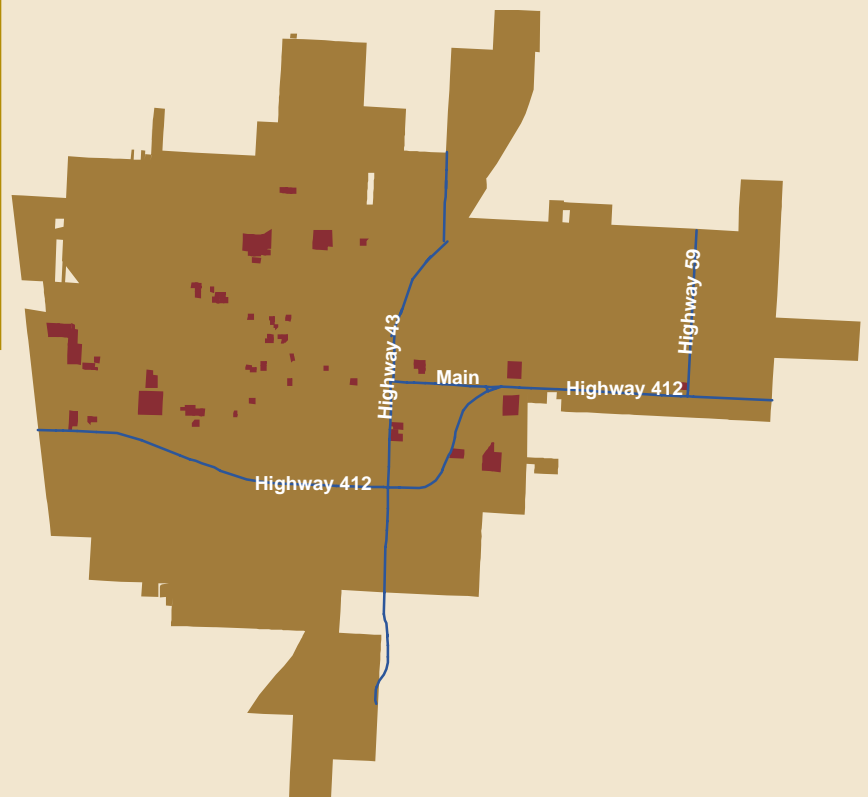
## Siloam Springs

- In the database from the office of the Benton County Assessor, there were 53 multifamily properties in Siloam Springs in the third quarter of 2005. These properties comprised 635,235 square feet.
- The 25 Siloam Springs Skyline Report survey respondents accounted for 76.4 percent of the square footage of all of the multifamily properties in the city.
- In the 925 units that were reported by Skyline Report survey respondents, there was a 1.3 percent vacancy rate, down from the 7.1 percent vacancy rate in the second quarter of 2005.
- The average price of all units in Siloam Springs was \$407, while the average size of a unit was 760 square feet.
- The monthly leases for Siloam Springs multifamily properties average between \$0.42 per square foot for a three bedroom apartment to \$0.87 per square foot for a studio apartment.
- Most Siloam Springs multifamily properties required 12-month leases, although some month-to-month leases were available.

## Siloam Springs Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	387	\$337.33	\$0.87
1 Bedroom	597	\$359.77	\$0.60
2 Bedroom	852	\$438.53	\$0.51
3 Bedroom	1,187	\$497.67	\$0.42
4 Bedroom	1,210	--	--
<b>Siloam Springs</b>	<b>760</b>	<b>\$406.58</b>	<b>\$0.53</b>

### Siloam Springs Multifamily Properties



## Siloam Springs Vacancy Rates and Lease Durations by Property Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
123,125 N Broadway	2	2	0.0%				✓	
412 S Britt	3	0	100.0%		✓		✓	
800 N Wright	3	3	0.0%				✓	
Benton Ridge	7	7	0.0%				✓	
Broadway Apartments	6	6	0.0%				✓	
Bruner Apartments	10	8	20.0%	✓	✓	✓	✓	✓
Cangelose Apartments	7	7	0.0%				✓	
Chrysler Apartments	12	9	25.0%				✓	✓
Del Mar Apartments	64	64	0.0%				✓	
E Central & S Maxwell	29	29	0.0%				✓	
Hereford Manor Limited	50	50	0.0%				✓	
Heritage Heights	124	124	0.0%				✓	✓
Heritage Square Apartments	28	27	3.6%				✓	
Kenwood Apartments	24	24	0.0%				✓	
Kenwood Village	20	20	0.0%				✓	
Locust Manor	22	22	0.0%				✓	
Mitchener Apartments	5	5	0.0%				✓	
Quaker Townhomes	42	42	0.0%				✓	
Remington Park Apartments	108	108	0.0%		✓	✓	✓	
Spring Valley Apartments I & II	264	262	0.8%					✓
West Helena Townhomes	5	5	0.0%					
West Twin Springs Apartments	32	32	0.0%				✓	
Westark Apartments	20	20	0.0%				✓	
Willis Apartments	8	8	0.0%				✓	
Woodcreek Apartments	30	29	3.3%		✓			
<b>Siloam Springs</b>	<b>925</b>	<b>913</b>	<b>1.3%</b>					



## Siloam Springs Amenities by Property Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
123,125 N Broadway	1												✓	
412 S Britt	2													
800 N Wright	2											✓	✓	
Benton Ridge	2									✓				
Broadway Apartments	2													
Bruner Apartments	10												✓	
Cangelose Apartments	2											✓	✓	
Chrysler Apartments	1												✓	
Del Mar Apartments														
E Central & S Maxwell	0													✓
Hereford Manor Limited	2	✓				✓						✓	✓	
Heritage Heights	1	✓			✓							✓		✓
Heritage Square Apartments	1				✓							✓		✓
Kenwood Apartments	1	✓												
Kenwood Village	1	✓				✓								✓
Locust Manor	2	✓										✓	✓	
Mitchener Apartments	2													✓
Quaker Townhomes	2					✓	✓	✓				✓	✓	
Remington Park Apartments	1	✓	✓	✓								✓	✓	
Spring Valley Apartments I & II				✓	✓	✓	✓	✓						
West Helena Townhomes	2													✓
West Twin Springs Apartments	2	✓												✓
Westark Apartments	2									✓		✓	✓	
Willis Apartments	1											✓	✓	
Woodcreek Apartments	2													✓

✓ Allows or has specific amenity





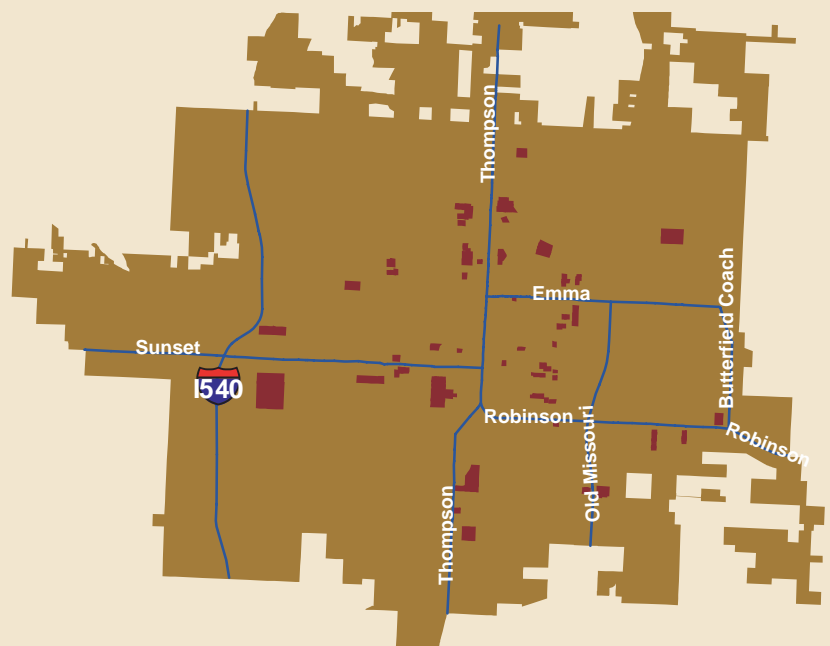
## Springdale

- In the database from the office of the Washington County Assessor, there were 84 multifamily properties in Springdale in the third quarter of 2005. These properties comprised 1,508,432 square feet.
- The 61 Springdale Skyline Report survey respondents accounted for 86.3 percent of the square footage of all of the multifamily properties in the city.
- In the 4,014 units that were reported by Skyline Report survey respondents, there was a 6.0 percent vacancy rate, up from 4.7 percent in the second quarter of 2005.
- The average price of all units in Springdale was \$424, while the average size of a unit was 729 square feet.
- The monthly leases for Springdale multifamily properties averaged between \$0.54 per square foot for a three bedroom apartment to \$0.75 per square foot for a studio apartment.
- Most Springdale multifamily properties required either 6-month or 12-month leases, although some 3-month, 9-month, and month-to-month leases were available.

## Springdale Average Unit Size and Price by Floor Plan Q3 2005

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	300	\$225.00	\$0.75
1 Bedroom	546	\$362.62	\$0.66
2 Bedroom	858	\$464.34	\$0.54
3 Bedroom	1,047	\$586.40	\$0.56
4 Bedroom	--	--	--
<b>Springdale</b>	<b>729</b>	<b>\$423.93</b>	<b>\$0.58</b>

## Springdale Multifamily Properties



## Springdale Vacancy Rates and Lease Durations by Property Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
1204 N Pleasant Street	1	1	0.0%		✓		✓	
1205 Henryetta	12	12	0.0%		✓			
1414 Powell	8	8	0.0%		✓		✓	
1706 Powell	12	12	0.0%		✓		✓	
315 Texas Lane	56	50	10.7%		✓			
701 Kay Sue Drive	4	4	0.0%		✓		✓	
702, 704, 800 Kay Sue Drive	12	12	0.0%		✓		✓	
707, 703, 705, 801 Bailey Avenue	16	16	0.0%		✓		✓	
707,801, 803 Kay Sue Drive	12	12	0.0%		✓		✓	
803 Bailey	8	8	0.0%		✓		✓	
805 Bailey	8	8	0.0%		✓		✓	
805 Kay Sue Drive	8	7	12.5%		✓		✓	
807 Kay Sue Drive	8	7	12.5%		✓	✓	✓	
813 E Hunstville Avenue	40	38	5.0%		✓		✓	
912, 914, 916 Powell	52	52	0.0%		✓	✓	✓	
Arbors	72	70	2.8%					✓
Bailey Apartments	32	32	0.0%				✓	
Black Oak	162	157	3.1%		✓		✓	✓
Bridgestone Apartments	84	84	0.0%				✓	
Brookhaven	298	204	31.5%		✓	✓	✓	
Cambridge Park	32	32	0.0%		✓			
Caudle Avenue Apartments	8	8	0.0%		✓			✓
Charles Street Apartments	14	14	0.0%		✓		✓	
Colony Square Apartments	116	116	0.0%		✓			
Crutcher Apartments	88	85	3.4%		✓	✓	✓	
Dogwood Apartments	17	17	0.0%		✓		✓	
Durango Apartments	75	75	0.0%		✓		✓	
Eastwood Apartments	216	210	2.8%					
Elmdale Manor	46	46	0.0%					✓
The Emily Apartments	20	18	10.0%		✓		✓	
Erin Place	54	51	5.6%		✓			✓
Foxfire	80	80	0.0%		✓	✓	✓	
Hidden Lake	24	24	0.0%				✓	
Holcomb Street Apartment	20	20	0.0%					
Huntsville Apartments	28	27	3.6%				✓	
J & B	35	31	11.4%	✓	✓	✓	✓	✓
Johnson Meadows Apt Community	144	144	0.0%					
Links at Springdale	492	492	0.0%					
Mill Creek Senior Apartments I	54	54	0.0%				✓	
Mill Creek Senior Apartments II	78	22	71.8%				✓	
Northwest Acres Apartments	78	75	3.8%				✓	
The Oaks Apartments	21	20	4.8%		✓			
Orchard Apartments	64	60	6.3%		✓			
The Orchard Townhomes	40	40	0.0%		✓			
Palisades Townhomes	24	24	0.0%				✓	
Park Street Apartments	12	12	0.0%		✓		✓	
Pleasant Point Apartments	80	78	2.5%					
Pleasant Street	6	5	16.7%					
Raintree Village	40	40	0.0%		✓	✓	✓	
Spring Meadows	82	82	0.0%				✓	
Springdale Ridge	162	137	15.4%		✓		✓	
The Station Apartments	240	239	0.4%				✓	
Strawberry Meadow Place	102	97	4.9%		✓	✓	✓	
Sunset Apartments	128	127	0.8%				✓	
Valley Lake	156	156	0.0%				✓	
Vanhook Apartments	8	8	0.0%				✓	

## Springdale Vacancy Rates and Lease Durations by Property (Cont.) Q3 2005

Complex	Total Number of Units	Number of Units Occupied	Vacancy Rate	3 Month Leases	6 Month Leases	9 Month Leases	Year Leases	Month-to-Month Leases
Vantage Point Apartments	56	49	12.5%					
Villa I	28	28	0.0%		✓			
Virginia Street	8	7	12.5%					
Walnut Tree	28	25	10.7%				✓	
West End Place	120	118	1.7%					
<b>Springdale</b>	<b>4,014</b>	<b>3,772</b>	<b>6.0%</b>					



## Springdale Amenities by Property Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
1204 N Pleasant Street	1												✓	
1205 Henryetta	1	✓			✓							✓		✓
1414 Powell	1	✓			✓							✓		
1706 Powell	2	✓											✓	
315 Texas Lane	2											✓	✓	
701 Kay Sue Drive	2												✓	
702, 704, 800 Kay Sue Drive	2	✓											✓	
707, 703, 705, 801 Bailey Avenue	2	✓												
707, 801, 803 Kay Sue Drive	2											✓	✓	
803 Bailey Avenue	2											✓	✓	
805 Bailey Avenue														
805 Kay Sue Drive	2											✓		
807 Kay Sue Drive	1												✓	
813 E Hunstville Avenue	1	✓			✓	✓							✓	
912, 914, 916 Powell	2	✓										✓	✓	
Arbors														
Bailey Apartments	2												✓	
Black Oak														
Bridgestone Apartments	2									✓			✓	
Brookhaven	1												✓	
Cambridge Park	2												✓	
Caudle Avenue Apartments	1	✓	✓									✓	✓	
Charles Street Apartments		✓												
Colony Square Apartments	2	✓								✓			✓	
Crutcher Apartments	2	✓										✓	✓	
Dogwood Apartments	1	✓	✓									✓	✓	
Durango Apartments	2												✓	
Eastwood Apartments	2	✓										✓		
Elmdale Manor	1	✓											✓	
The Emily Apartments	1												✓	
Erin Place	2	✓												
Foxfire														
Hidden Lake	2	✓								✓			✓	
Holcomb Street Apartment														
Huntsville Apartments		✓	✓	✓		✓								
J & B	2	✓										✓	✓	
Johnson Meadows Apt Community	2	✓	✓	✓	✓	✓	✓	✓				✓	✓	
Links at Springdale	2	✓	✓									✓	✓	
Mill Creek Senior Apartments I	1	✓			✓							✓		✓
Mill Creek Senior Apartments II		✓	✓	✓	✓		✓							
Northwest Acres Apartments			✓	✓	✓	✓	✓							
The Oaks Apartments	1												✓	
Orchard Apartments														
The Orchard Townhomes	1												✓	
Palisades Townhomes														
Park Street Apartments	2											✓		
Pleasant Point Apartments	2											✓	✓	
Pleasant Street	2									✓		✓		
Raintree Village	1												✓	

## Springdale Amenities by Property (Cont.) Q3 2005

Complex	Parking spaces/unit	On-Site Manager	Pool	Fitness Center	Community Room	Basketball	Tennis	Volleyball	Golf Course	Covered Parking	Elevators	Pets	Children	Senior
Spring Meadows	1												✓	
Springdale Ridge	1												✓	
The Station Apartments	1												✓	
Strawberry Meadow Place	1												✓	
Sunset Apartments	1												✓	
Valley Lake	2												✓	
Vanhook Apartments	2	✓		✓										
Vantage Point Apartments	2	✓											✓	
Villa I	2													
Virginia Street	2	✓	✓	✓	✓	✓						✓	✓	
Walnut Tree														
West End Place														

✓ Allows or has specific amenity

