



THE SKYLINE REPORT

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Residential Real Estate Market Summary for Benton and Washington Counties November 2005



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COLLEGE of BUSINESS

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Residential Real Estate Market Summary for Benton and Washington Counties

This report is the sixth 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 Third Quarter of 2005

- Rogers accounted for 22 percent of the 1,405 Northwest Arkansas residential building permits issued from June through August 2005. Bella Vista, Fayetteville, Springdale, Bentonville, and Centerton followed with 21, 16, 10, 7, and 6 percents respectively.
- There were 15,737 lots in the 231 active subdivisions in Northwest Arkansas in the third quarter.
- From the second quarter of 2005 to the third quarter of 2005, 1,075 houses in active subdivisions became occupied. This absorption rate is a significant increase from the 823 houses absorbed in the second quarter.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 32.7 months.
- Bentonville and Fayetteville had the highest numbers of complete, but unoccupied houses with 269 and 239 respectively. Washington County has experienced an 80.4 percent increase in available completed inventory since the third quarter of 2004, while Benton County has experienced a 60.2 percent increase.
- There are an additional 10,245 residential lots that have been at least preliminarily approved in Bentonville, Bethel Heights, Centerton, Rogers, and Siloam Springs. The Elkins, Elm Springs, Farmington, Fayetteville, Goshen, Prairie Grove and Springdale planning commissions have approved an additional 6,874 new residential lots.
- From May 16 to August 15, 2005, there were 2,270 existing houses sold in Benton and Washington Counties. This is an increase of 13.4 percent from the same quarter in 2004.
- In the third quarter of 2005 in Northwest Arkansas, the average sales price of existing houses increased from third quarter 2004 levels by 12.6 percent in Washington County and by 11.3 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 third 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.¹ 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.² 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 sixth edition of the Skyline Report, some time trend data are available for the different series that are collected. Both annual and quarter-to-quarter percent changes are presented to help differentiate between seasonal effects and trend growth or decline. 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 third quarter of 2005 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 third quarter 2005 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.

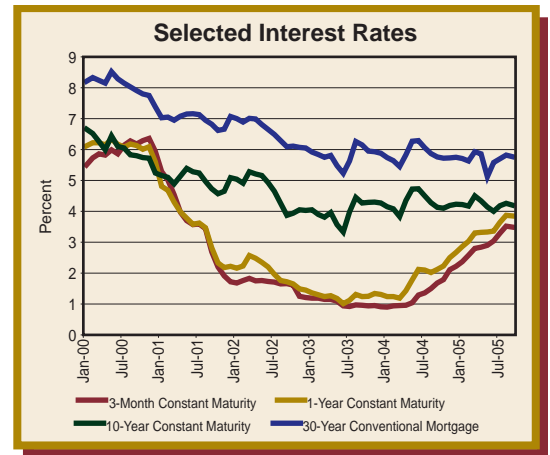
Gross domestic product (GDP) is the measure of national output. In the third quarter of 2005, the preliminary overall real growth rate in GDP was a healthy 3.8 percent. This is above the average growth rate in GDP of 3.6 percent over the past 50 years. The growth rate in GDP in the second quarter of 2005 was 3.3 percent. The U.S. Department of Commerce Bureau of Economic

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

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

Analysis (BEA) reported that the major contributors to the increase in real GDP in the third quarter were personal consumption expenditures, equipment and software, residential fixed investment, and federal government spending. The contributions of these components were partly offset by a negative contribution from private inventory investment. In order to sustain this steady economic growth, the Federal Reserve Board continues to raise short term interest rates from their historically low levels in 2003. On September 20, 2005, the Federal Reserve raised its target for the federal funds rate by 25 basis points to 3.75 percent. As the associated graph shows, in September 2005, the 10-year constant maturity treasury and the conventional 30-year mortgage remained at roughly their January 2003 levels. Short term rates were up over 275 basis points during the same period.

The U.S. Bureau of Labor Statistics (BLS) reports various price indexes. There are some inflationary pressures in the economy, exacerbated by the effects of Hurricanes Katrina and Rita. In 2004, prices increased by 3.3 percent. This compares with an increase of 1.9 percent for all of 2003. In the first nine months of 2005, inflation has increased 3.8 percent over the December 2004 level. This is equivalent to an annual rate of 5.1 percent. Part of the impetus for the Federal Reserve's continued raising of short term interest rates is to contain potential inflationary pressures. Of particular interest is the producer price index for construction costs, which increased 7.8 percent in 2004, and in the first eight months of 2005 advanced at an annual rate of 12.4 percent. The construction costs inflation statistics presented do not take into account any cost effects from Hurricanes Katrina and Rita. As of press time, the U.S. Bureau of Labor Statistics had not reported that September price index. It is, however, safe to assume that consumer prices (including energy prices) and construction costs will have increased at rates faster than predicted before the hurricanes hit.



The BLS also reports labor force statistics. At the national level in September 2005, the unemployment rate was a seasonally adjusted 5.1 percent. This rate was up from the August 2005 rate of 4.9 percent and was lower than the September 2004 rate of 5.4 percent. From December 2003 to December 2004, U.S. employment growth was 1.3 percent. In the first nine months of 2005, U.S. employment grew at an annualized rate of 2.0 percent.

The U.S. Census Bureau reports on new residential construction. In September 2005, national building permits were at a seasonally adjusted annual rate of 2,219,000. This is 3.8 percent above the August rate of 2,138,000 and is 8.8 percent above the September 2004 number of 2,039,000. The National Association of Realtors reports national existing home sales. The seasonally adjusted annual rate of existing single-family home sales in September 2005 was 7,280,000, the same as in August 2005 and an increase of 7.2 percent from September 2004. Taken together, these numbers present a robust housing market that is not yet showing signs of a slowdown.

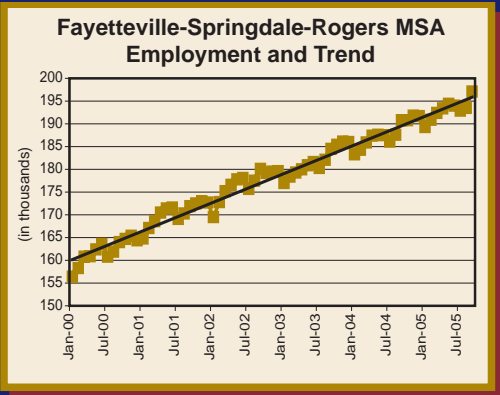
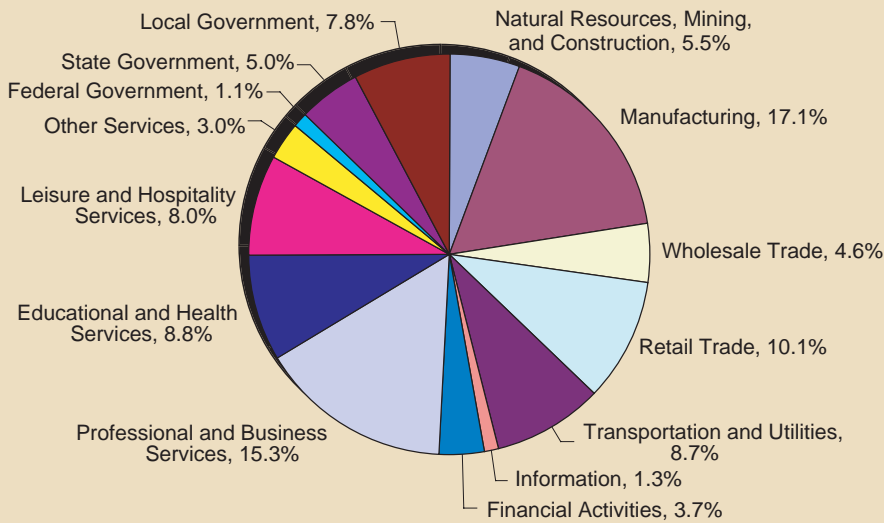
Regional Indicators

Regional Employment Trends

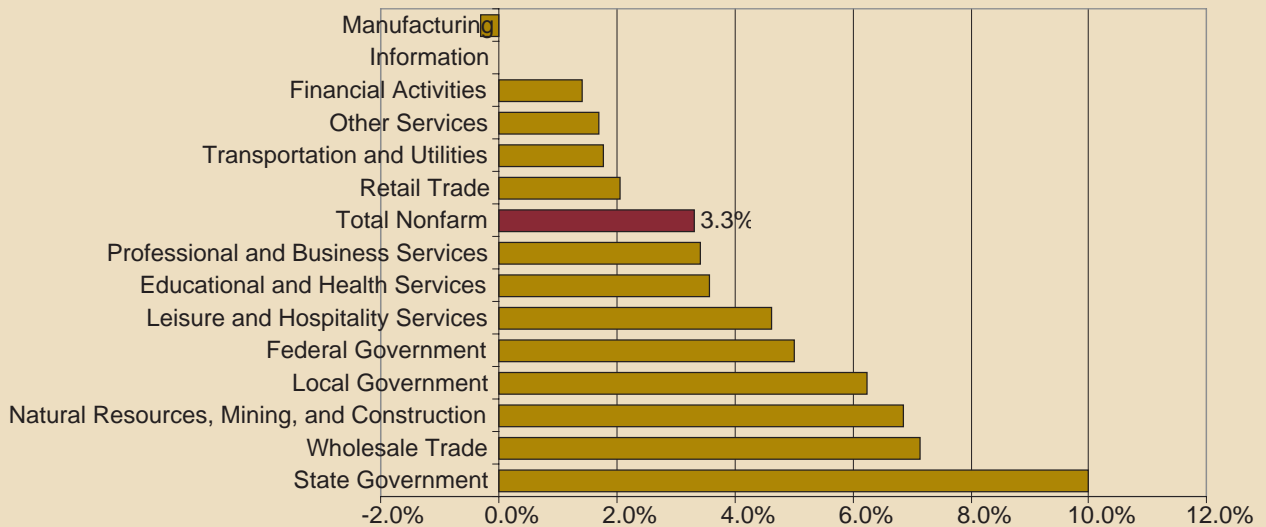
Just as national housing trends follow the direction of the macroeconomy, local demand for real estate is uniquely associated with employment growth in the region. The Northwest Arkansas employment situation has been extremely conducive to both residential and commercial development in recent years. 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 June to August 2005, employment in the Fayetteville-Springdale-Rogers MSA increased just below trend levels, while in September of 2005 employment growth was a bit above trend. These effects were likely seasonal in nature. Each year from 2000 through 2005 shows similar dips in the months of July and August and rebounds in September. Since January of 2000, employment growth has averaged 0.3 percent per month, or about 490 jobs per month.

Fayetteville-Springdale-Rogers MSA Employment Breakdown by Sector September 2005



Percent Change in Fayetteville-Springdale-Rogers MSA Employment Breakdown by Sector September 2004 - September 2005



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 September 2005 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, manufacturing had the largest share of employment (17.1 percent) in Northwest Arkansas, followed by professional and business services (15.3 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 3.3 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 state government, wholesale trade, and construction sectors had the largest percentage increases.

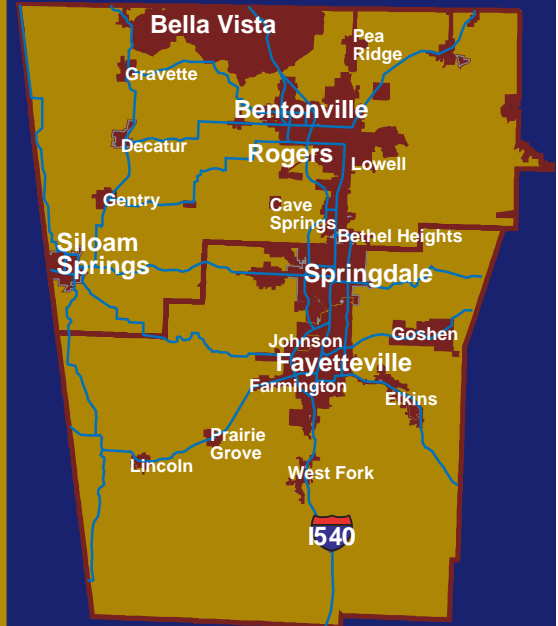
Other Regional Economic Indicators

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 August 2005, the unemployment rate in Northwest Arkansas was a preliminary 2.9 percent, down from 3.3 percent in August of 2004. In both June and July 2005, the unemployment rate was at 3.3 percent. In August, the state unemployment rate was 5.1 percent and the national unemployment rate was 4.9 percent. Under any measure, Northwest Arkansas continues to outperform the state and national economies.

Regional Housing Market Summary

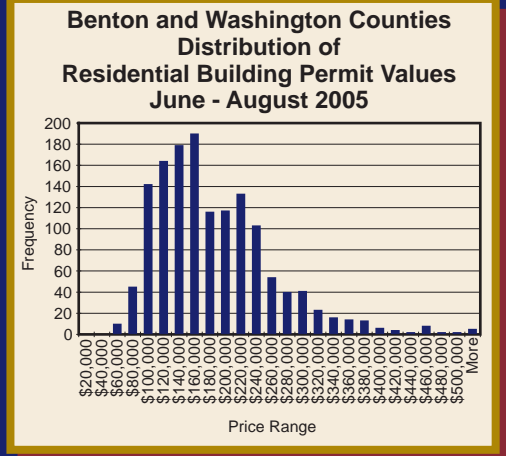
There were 1,405 building permits issued in Benton and Washington Counties from June to August 2005. This number is 18.9 percent higher than the 1,182 building permits issued during the same period in 2004. Benton County accounted for 963 of the residential building permits, while Washington County accounted for 442. The average value of all building permits in Northwest Arkansas from June to August 2005 was \$178,791 up 17.0 percent from the June to August 2004 average value of \$152,816. The most active value range for building permits was the \$140,000-\$160,000 range with 189, but there were over 140 building permits issued in each of the \$80,000-\$100,000, the \$100,000-\$120,000, and the \$120,000-\$140,000 ranges. 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 15,737 lots were in the 231 active subdivisions identified by CBER researchers in the third quarter of 2005. Of these lots, 6,019 were classified as empty, 347 were classified as starts, 1,948 were classified as being under construction, 1,257 were classified as complete, but unoccupied, and 6,213 were classified as occupied. From the second quarter to the third quarter of 2005, 1,075 houses in active subdivisions became occupied, as compared to



Benton and Washington Counties Number and Average Value of Residential Building Permits Q3 2005 and Q3 2004

City	Q3 2005 Number of Building Permits	Q3 2004 Number of Building Permits	Q3 2005 Average Value of Building Permits	Q3 2004 Average Value of Building Permits
Bella Vista	289	229	\$154,287	\$160,123
Bentonville	95	172	\$225,765	\$184,207
Bethel Heights	34	15	\$113,238	\$137,942
Cave Springs	12	12	\$235,384	\$261,500
Centerton	80	146	\$113,623	\$100,996
Decatur	0	0	—	—
Elkins	3	15	\$103,704	—
Elm Springs	6	0	\$213,833	—
Farmington	9	18	\$162,111	\$93,020
Fayetteville	223	201	\$195,518	\$146,922
Gentry	16	7	\$78,866	\$78,802
Goshen	3	7	\$205,989	\$197,439
Greenland	16	18	\$115,572	\$78,425
Johnson	2	26	\$368,213	\$226,363
Lincoln	6	0	\$117,997	—
Little Flock	2	3	\$266,675	\$93,333
Lowell	13	1	\$302,982	\$198,756
Pea Ridge	75	0	\$111,945	—
Prairie Grove	19	9	\$113,947	\$100,429
Rogers	305	154	\$210,399	\$160,065
Siloam Springs	42	33	\$125,534	\$139,869
Springdale	147	111	\$218,367	\$165,543
West Fork	8	5	\$124,531	\$128,200
Northwest Arkansas	1,405	1,182	\$178,791	\$152,816



the 823 houses that became occupied during the second quarter of 2005. This represents a recovery in absorption that is most likely seasonally related. Using the absorption rate from the past year implies that there was a 32.7 month supply of remaining lots in the subdivisions that were active in the third quarter in Northwest Arkansas. In the second quarter the absorption rate implied a smaller 25.6 month supply, but there were over 1,100 empty lots added to the sample in the third quarter. When the remaining third quarter inventory is examined on a county-by-county basis, Benton County had 41.1 months of remaining lot inventory (rather than 27.9 months) and Washington County had 23.8 months of remaining inventory (rather than 22.3 months) in active subdivisions.

For the cities of Bentonville, Bethel Heights, Centerton, Rogers, Siloam Springs, Elkins, Elm Springs, Farmington, Fayetteville, Goshen, Prairie Grove, and Springdale, 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 3,301 lots in 39 subdivisions. Bethel Heights had 387 approved lots in 10 subdivisions. In Centerton, there were 30 subdivisions planned with 4,000 lots. The Rogers planning commission had approved 33 subdivisions with 1,847 lots. There were 710 coming lots in 24 subdivisions in Siloam Springs. Fayetteville, Prairie Grove, and Springdale had in their pipelines 1,974 lots in 37 subdivisions, 1,213 lots in 7 subdivisions and 2,802 lots in 52 subdivisions, respectively. Elkins, Elm Springs, Farmington, and Goshen accounted for an additional 885 approved lots.

From May 16 to August 15, 2005, there were 2,270 existing houses sold in Benton and Washington Counties. This is an increase of 13.4 percent from the total houses sold during the same time period in 2004. In the third quarter of 2005 in Northwest Arkansas, the average sales price, in both absolute and per square foot terms, of existing houses increased from third quarter 2004 levels. In Benton County, prices rose 11.4 percent during the year to an average of \$179,769. In Washington County sold house prices rose 12.6 percent to an average of \$187,033.



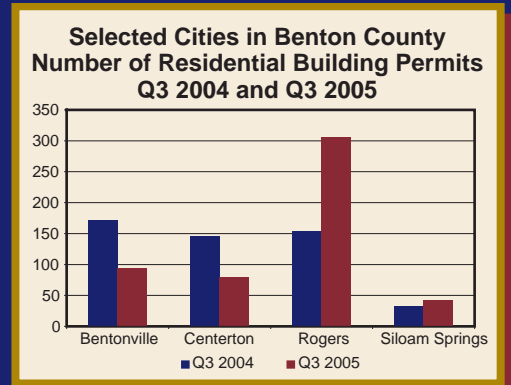
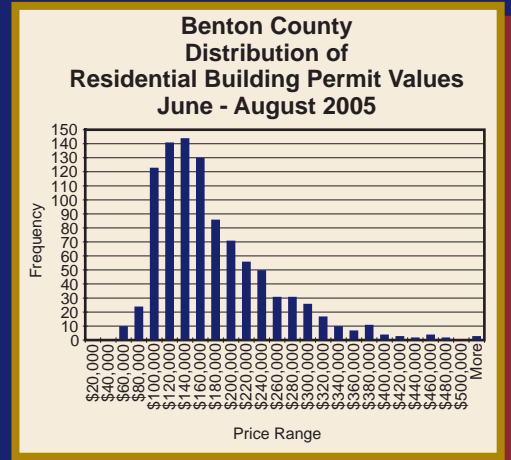
Benton County

Building Permits

From June to August 2005, there were 947 residential building permits issued in Benton County. The third quarter 2005 total was 23.8 percent higher than the third quarter 2004 total of 765 residential building permits. The average value of the Benton County June to August 2005 building permits was \$171,729, up 14.1 percent from the same time period in 2004. About 60 percent of the third quarter building permits were valued between \$100,000 and \$200,000, with 25 percent higher than \$200,000 and 15 percent lower than \$100,000. In Benton County, the dominant building permit value points were between \$100,000 and \$160,000.

Rogers accounted for 32 percent of the residential building permits in Benton County. Bella Vista and Bentonville had 31 and 10 percent of the Benton County residential building permits, respectively. Eight percent of the building permits were from Centerton and Pea Ridge and the remaining 11 percent were from the other small cities in the county.

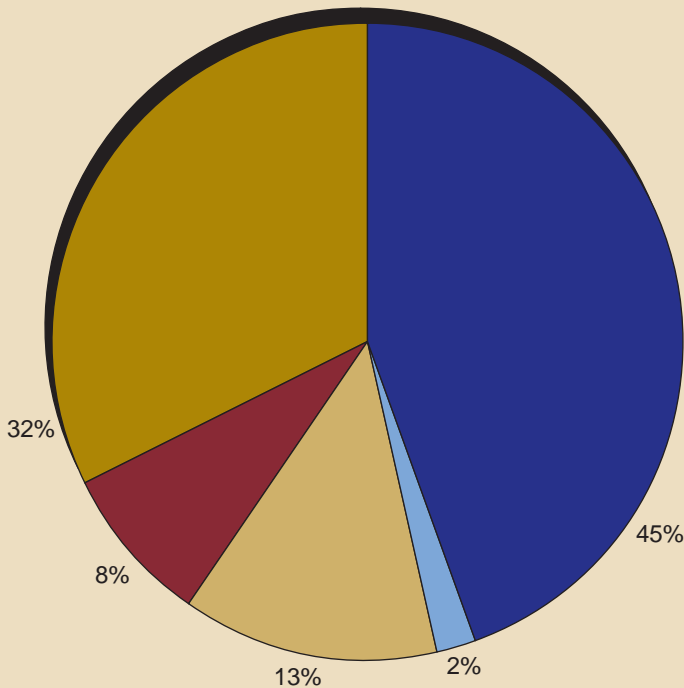
From the third quarter of 2004 to the third quarter of 2005, more building permits were issued in Bella Vista, Bethel Heights, Lowell, Pea Ridge, Rogers, and Siloam Springs, and fewer building permits were issued in Bentonville, Centerton, and Little Flock.



Benton County Residential Building Permit Values by City June - August 2005

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+	Q3 2005 Total	Q3 2004 Total
Bella Vista	0	50	122	74	33	9	1	0	0	0	0	289	229
Bentonville	0	1	9	27	27	20	6	4	0	1	0	95	172
Bethel Heights	3	11	14	6	0	0	0	0	0	0	0	34	15
Cave Springs	0	0	2	4	3	0	0	2	0	1	0	12	12
Centerton	0	35	38	7	0	0	0	0	0	0	0	80	146
Little Flock	0	0	0	0	0	2	0	0	0	0	0	2	3
Lowell	0	1	2	0	0	3	0	4	2	1	0	13	1
Pea Ridge	0	24	48	3	0	0	0	0	0	0	0	75	-
Rogers	0	4	115	63	62	30	20	7	1	1	2	305	154
Siloam Springs	0	11	24	7	0	0	0	0	0	0	0	42	33
Benton County	3	137	374	191	125	64	27	17	3	4	2	947	765

Benton County Status of Houses in Active Subdivisions by Percentage Q3 2005



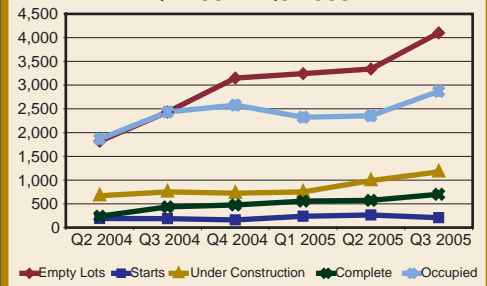
Empty Lots
 Start
 Under Construction
 Complete
 Occupied

Subdivisions

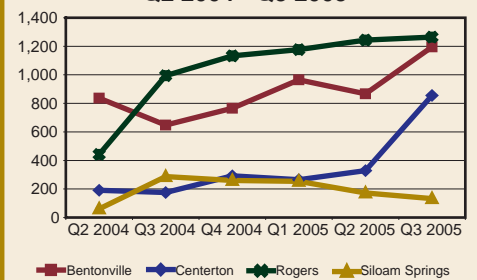
There were 9,028 lots in the 126 active subdivisions in Benton County in the third quarter of 2005.³ Within the active subdivisions, 45 percent of the lots were empty, 2 percent were starts, 13 percent were under construction, 8 percent were complete, but unoccupied houses, and 32 percent were occupied houses. In the third quarter of 2005, Rogers had the most empty lots, starts, and houses under construction in active subdivisions, while Bentonville had the most complete but unoccupied and occupied within active subdivisions. During the third quarter of 2005, the most active subdivisions in terms of houses under construction were Camden Way in Rogers, Bellview in Rogers, and Graystone in Centerton. Of these top 3 subdivisions for new construction, Camden Way was also among the most active in the second quarter of 2005.

From the second quarter to the third quarter of 2005, 521 houses in active subdivisions became occupied in Benton County. This was an increase from the second quarter total of 422. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Benton County had 41.1 months of lot inventory at the end of the third quarter. This is a substantial

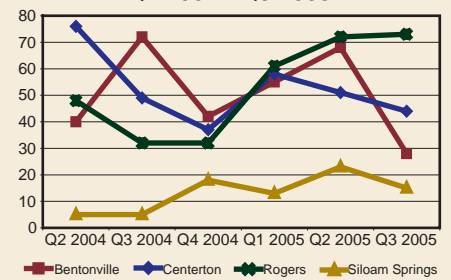
Benton County House Status in Active Subdivisions Q2 2004 - Q3 2005



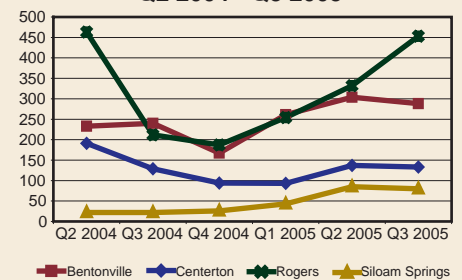
Benton County Number of Empty Lots in Active Subdivisions Q2 2004 - Q3 2005



Benton County Number of Starts in Active Subdivisions Q2 2004 - Q3 2005



Benton County Number of Houses Under Construction in Active Subdivisions Q2 2004 - Q3 2005



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



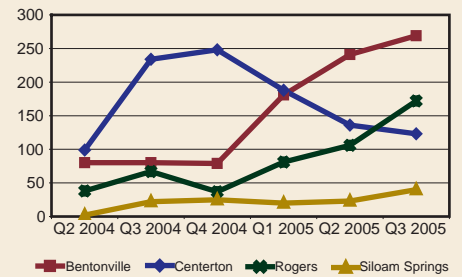
increase from the 27.9 months of inventory at the end of the second quarter and is due to the supply of new lots outstripping even the increase in absorption.

Sales of Existing Houses

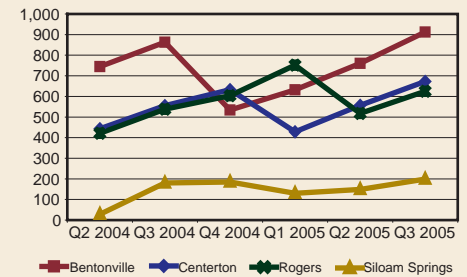
Examining the sales of existing houses in the third quarter of 2005 yields some interesting results. A total of 1,397 existing houses were sold from May 16 to August 15, 2005. This represents an increase of 13.3 percent from the same time period in 2004. About 28 percent of the houses were sold in Bella Vista, 23 percent in Rogers, 20 percent in Bentonville, and 9 percent in Siloam Springs. The average price of all houses sold in Benton County was \$179,769 and the average house price per square foot was \$90.88. For the third quarter of 2005, the average amount of time between the initial listing of a house and the sale date was 113 days. The average sales price increased by 11.4 percent, the price per square foot increased by 5.1 percent, and the duration on the market increased by 2.9 percent over the same time period in 2004. The small change in duration and the increases in the existing housing prices indicate continued pricing strength in the market.

From mid-May to mid-August, on average, the largest houses in Benton County were sold in Cave Springs. On average, homes sold fastest in Lowell.

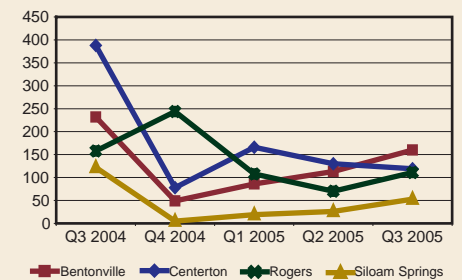
**Benton County
Number of Completed, but Unoccupied
Houses in Active Subdivisions
Q2 2004 - Q3 2005**



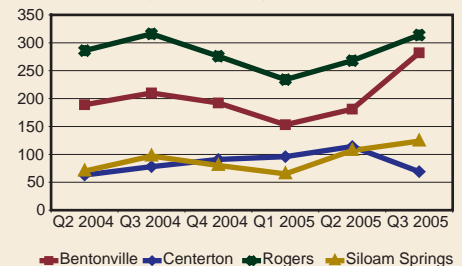
**Benton County
Number of Occupied Houses
in Active Subdivisions
Q2 2004 - Q3 2005**



**Benton County
Number of Absorbed Houses
in Active Subdivisions
Q3 2004 - Q3 2005**



**Benton County
Number of Houses Sold
Q2 2004 - Q3 2005**

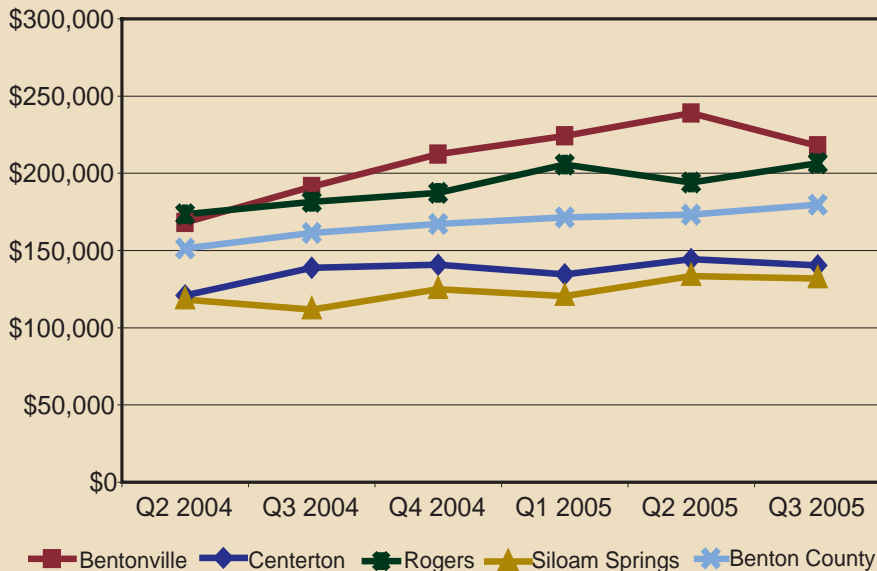


Benton County Sold House Characteristics by City

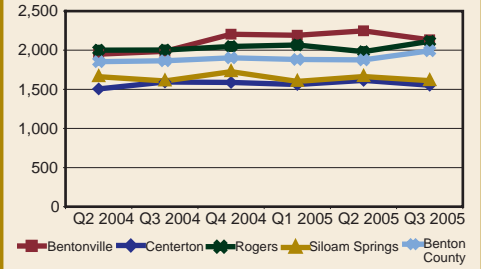
May 16 - August 15, 2005

City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Avoca	\$85,000	\$53.17	88	2	0.1%
Bella Vista	\$163,098	\$87.22	103	396	28.3%
Bentonville	\$217,722	\$98.11	115	282	20.2%
Bethel Heights	\$162,933	\$94.77	108	6	0.4%
Cave Springs	\$243,225	\$104.55	204	4	0.3%
Centerton	\$140,286	\$90.26	166	69	4.9%
Decatur	\$192,600	\$114.98	88	5	0.4%
Garfield	\$138,424	\$87.55	108	22	1.6%
Gentry	\$144,281	\$81.30	149	29	2.1%
Gravette	\$139,628	\$76.92	141	20	1.4%
Highfill	\$489,000	\$390.58	254	1	
Hiwasse	\$65,000	\$55.94	213	1	0.1%
Lowell	\$152,639	\$92.68	71	48	3.4%
Pea Ridge	\$125,740	\$85.50	118	36	2.6%
Rogers	\$206,616	\$93.26	118	314	22.5%
Siloam Springs	\$131,985	\$80.92	89	124	8.9%
Springdale	\$229,390	\$98.69	148	38	2.7%
Benton County	\$179,769	\$90.88	113	1,397	100.0%

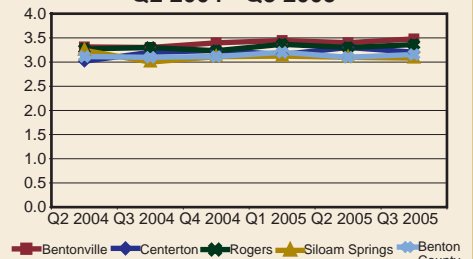
Benton County Average Price of Houses Sold Q2 2004 - Q3 2005



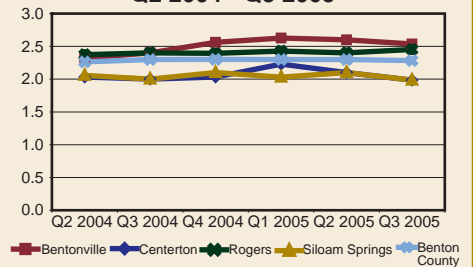
Benton County Average Square Footage of Houses Sold Q2 2004 - Q3 2005



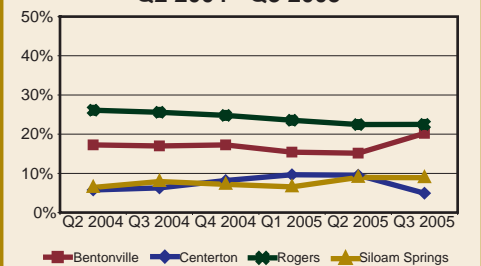
Benton County Average Number of Bedrooms in Houses Sold Q2 2004 - Q3 2005



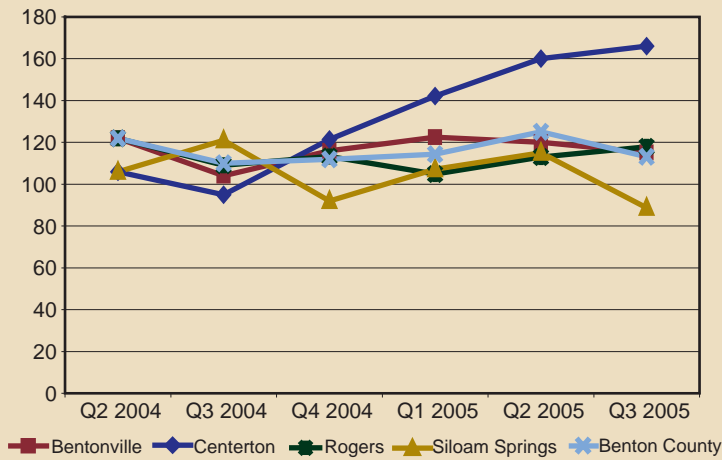
Benton County Average Number of Bathrooms in Houses Sold Q2 2004 - Q3 2005



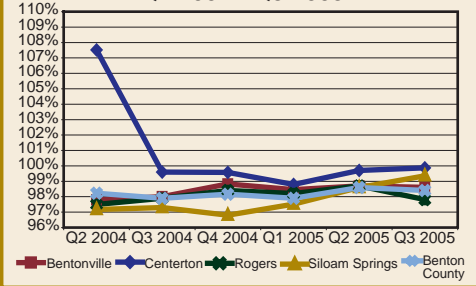
Benton County Percentage of Houses Sold Q2 2004 - Q3 2005



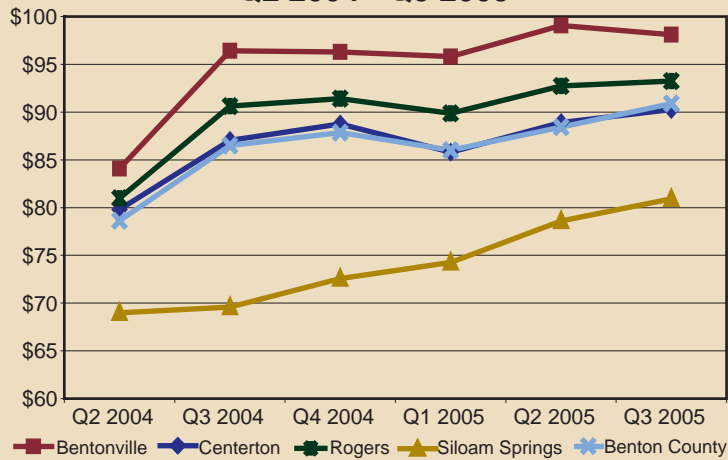
Benton County Average Number of Days on the Market for Houses Sold Q2 2004 - Q3 2005



Benton County Average Sold Price as a Percentage of Average List Price of Houses Sold Q2 2004 - Q3 2005



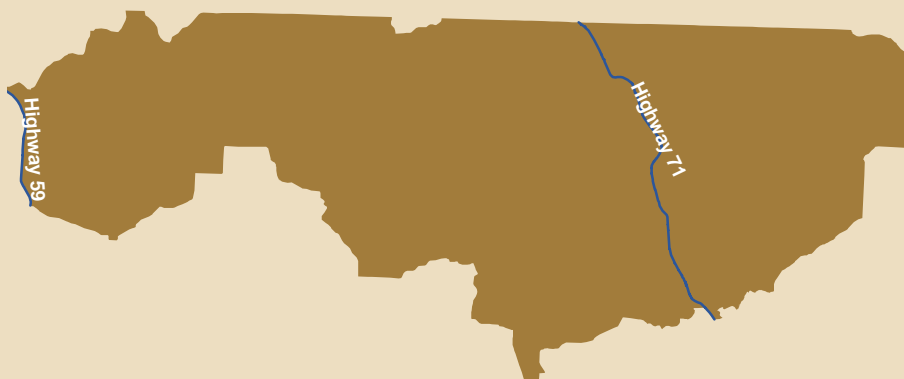
Benton County Average Price Per Square Foot for Houses Sold Q2 2004 - Q3 2005



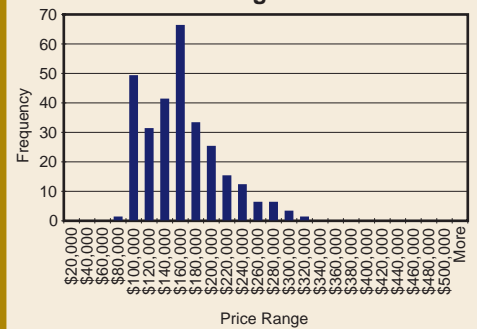
Bella Vista

- From June to August 2005, there were 289 residential building permits issued in Bella Vista. This represents a 26.2 percent increase from the same period in 2004.
- The average residential building permit value in Bella Vista declined by 3.6 percent from the third quarter of 2004 to \$154,287.
- The major price points for Bella Vista building permits was the \$140,000 to \$160,000 range.
- There were 395 existing houses sold in Bella Vista from May 16, 2005 to August 15, 2005, or 20.4 percent more than in the previous quarter and 24.6 percent more than in the same period last year.
- The average price of a house sold in Bella Vista increased from \$151,651 in the second quarter to \$163,098 in the third quarter. In the third quarter of 2005, the average sales price was 7.5 percent higher than in the previous quarter and 7.0 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 decreased from 116 days in the second quarter to 103 days in the third quarter of 2005.
- About 28.3 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Bella Vista. The average sales price of a house in Bella Vista was only about 90.7 percent of the county average.
- 39 percent of the sold houses in Bella Vista were in the \$100,000 to \$150,000 range.

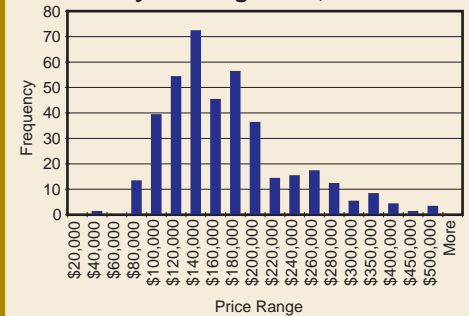
Subdivision status numbers are unavailable for Bella Vista due to technical difficulties with obtaining accurate data.



**Bella Vista
Distribution of
Residential Building Permit Values
June - August 2005**



**Bella Vista
Price Distribution of Houses Sold
May 16 - August 15, 2005**

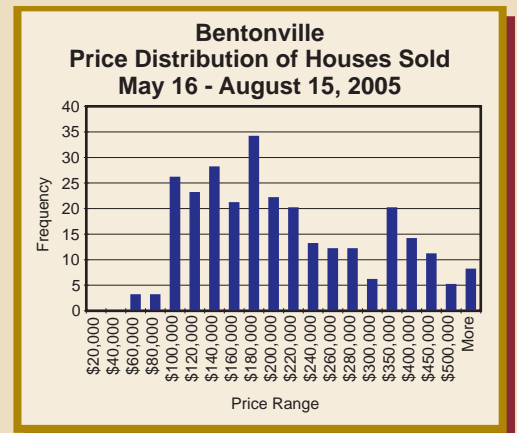
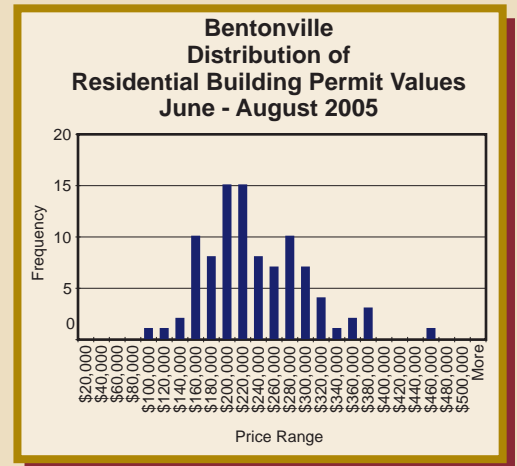


Bella Vista Price Range of Houses Sold May 16 - August 15, 2005

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	1%	826	61	96.4%	\$33.15
\$50,001 - \$100,000	52	13%	1,227	66	98.6%	\$71.67
\$100,001 - \$150,000	153	39%	1,558	103	99.0%	\$83.06
\$150,001 - \$200,000	110	28%	1,915	107	98.9%	\$93.33
\$200,001 - \$250,000	41	10%	2,414	111	98.8%	\$95.80
\$250,001 - \$300,000	22	6%	2,970	112	97.7%	\$94.30
\$300,001 - \$350,000	8	2%	2,989	171	96.4%	\$110.74
\$350,001 - \$400,000	4	1%	3,913	131	94.9%	\$99.42
\$400,001 - \$450,000	1	0%	3,300	118	98.4%	\$122.27
\$450,001 - \$500,000	3	1%	4,098	203	98.3%	\$121.50
\$500,000+	--	--	--	--	--	--
Bella Vista	396	100%	1,854	103	98.7%	\$87.22

Bentonville

- From June to August 2005, there were 95 residential building permits issued in Bentonville. This represents a 44.8 percent decrease from the same period in 2004.
- The average residential building permit value in Bentonville increased by 22.6 percent from the third quarter of 2004 to \$225,765.
- The largest price points for Bentonville building permits were in the \$180,000 to \$220,000 range.
- There were 2,693 total lots in active subdivisions in Bentonville in the third quarter of 2005. About 34 percent of the lots were occupied, 10 percent were complete, but unoccupied, 11 percent were under construction, 1 percent were starts, and 44 percent were vacant lots.
- 160 new houses in Bentonville became occupied in the third quarter of 2005. The annual absorption rate implies that there are 52.4 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Bentonville in the second quarter were Lake Bentonville with 27, Lochmoor Club with 26, and Chapel Hill and Oxford Ridge with 20.
- An additional 3,301 lots in 39 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Bentonville.
- There were 282 existing houses sold in Bentonville from May 16, 2005 to August 15, 2005, or 55.8 percent more than in the previous quarter and 34.3 percent more than in the same period last year.
- The average price of a house sold in Bentonville decreased from \$239,018 in the second quarter to \$217,722 in the third quarter. In the third quarter of 2005, the average sales price was 8.9 percent lower than in the previous quarter and 13.8 percent higher than in the same period last year.
- In Bentonville, the average number of days from the initial house listing to the sale declined from 120 days in the second quarter to 115 days in the third quarter of 2005.
- About 20.2 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Bentonville. The average sales price of a house in Bentonville was about 121 percent of the county average.
- 23 percent of the sold houses in Bentonville were in the \$100,000 to \$150,000 range.

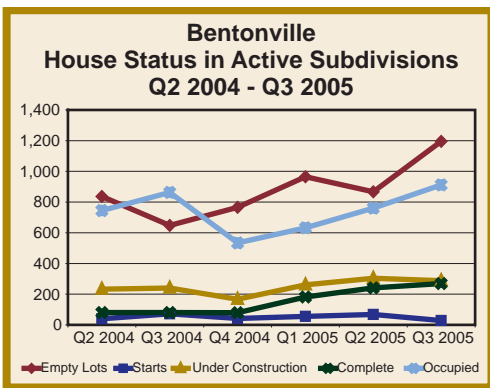


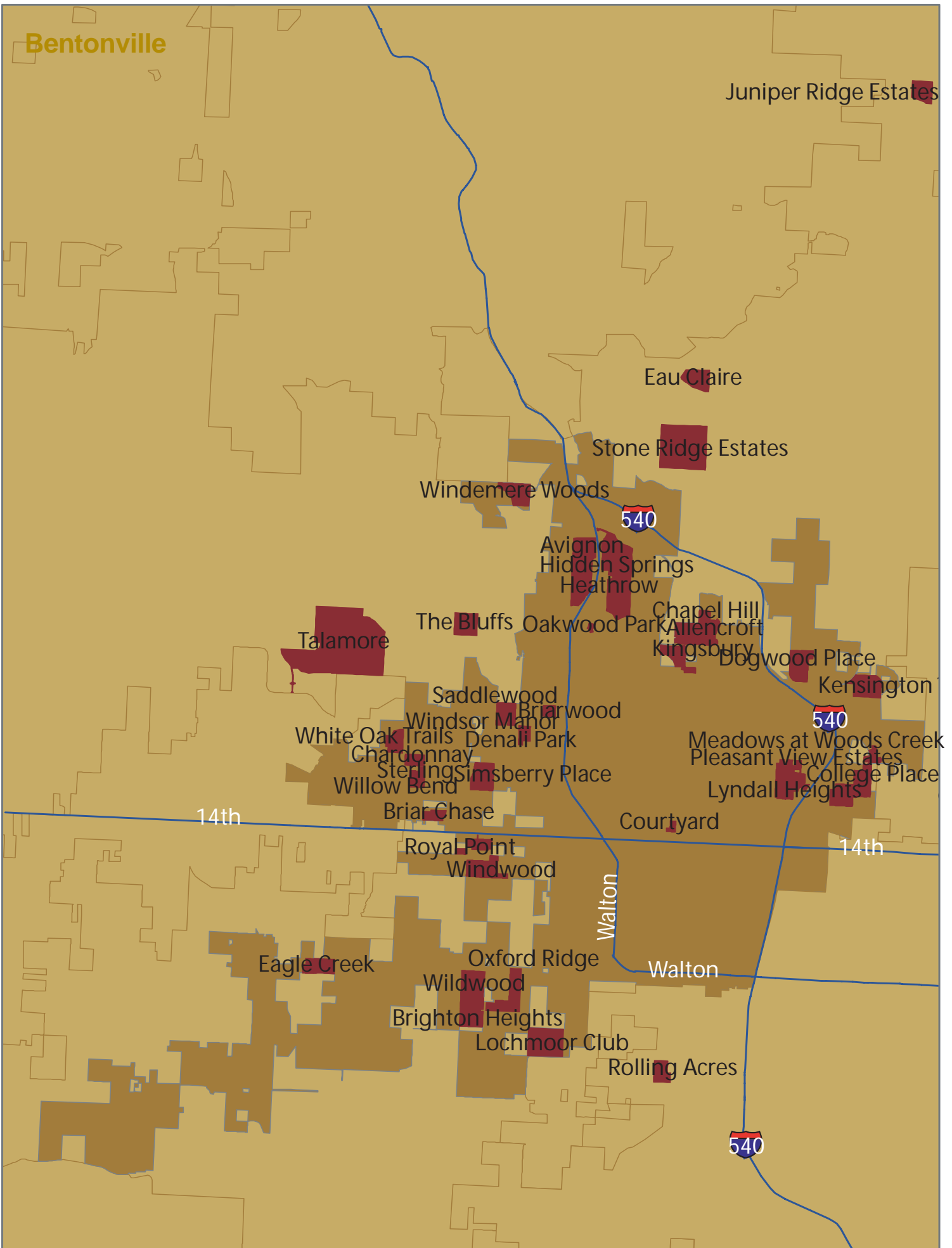
Bentonville Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	33	11.7%	1,098	54	98.5%	\$80.28
\$100,001 - \$150,000	64	22.7%	1,485	71	98.3%	\$86.69
\$150,001 - \$200,000	64	22.7%	1,895	114	99.1%	\$93.90
\$200,001 - \$250,000	39	13.8%	2,261	132	98.9%	\$101.01
\$250,001 - \$300,000	24	8.5%	2,523	151	98.7%	\$109.40
\$300,001 - \$350,000	20	7.1%	2,850	129	99.7%	\$114.29
\$350,001 - \$400,000	14	5.0%	3,315	229	98.2%	\$115.55
\$400,001 - \$450,000	11	3.9%	3,466	192	98.9%	\$122.29
\$450,001 - \$500,000	5	1.8%	3,769	167	98.0%	\$126.89
\$500,000+	8	2.8%	4,987	174	97.2%	\$126.40
Bentonville	282	100.0%	2,133	115	98.7%	\$98.11

Bentonville House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Allencroft	19	0	1	51	46	117	0	60.9
Avignon	11	1	5	3	19	39	1	34.3
The Bluffs	18	0	2	0	1	21	1	60.0
Briarchase	0	0	0	31	18	49	13	20.7
Briarwood	12	1	1	0	16	30	1	84.0
Brighton Heights	53	2	18	15	1	89	1	792.0
Chapel Hill	93	1	20	7	4	125	4	363.0
Chardonay	16	1	4	6	25	52	6	19.1
College Place, Phase VII	8	0	14	8	30	60	9	15.7
Courtyard	0	0	4	0	15	19	0	8.0
Denali Park	3	0	0	1	36	40	4	6.0
Dogwood Place	7	0	0	0	29	36	0	--
Eagle Creek, Phases I & II	11	1	13	28	47	100	13	16.7
Eau Claire	22	2	1	0	1	26	0	300.0
Halifax	0	0	15	0	0	15	0	--
Heathrow	14	0	1	1	48	64	3	13.7
Hidden Springs, Phase IV	4	1	0	0	43	48	0	30.0
Juniper Ridge Estates	8	0	0	0	2	10	1	48.0
Kensington, Phases I & III	29	3	6	1	43	82	0	66.9
Kingsbury, Phases I - III	17	0	7	2	49	75	11	22.3
Lake Bentonville	1	0	27	0	0	28	0	--
Lochmoor Club	109	1	26	31	44	211	16	45.5
Lyndal Heights, Phases IV & V	24	0	3	5	9	41	2	64.0
The Meadows at Woods Creek, Blocks I - V	0	0	4	2	36	42	8	4.5
Oakwood Park	7	0	0	0	0	7	0	--
Oxford Ridge	140	5	20	2	0	167	0	--
Pleasant View Estates	0	0	10	3	11	24	2	52.0
Rolling Acres	90	2	1	0	0	93	0	--
Royal Point	0	0	0	0	28	28	9	0.0
Saddlebrook	0	0	1	1	50	52	1	4.0
Simsberry Place	9	0	0	1	74	84	2	20.0
Sterling	0	0	5	11	0	16	0	--
Stone Ridge Estates	63	1	8	0	1	73	1	172.8
Stoneburrow	197	0	0	0	0	197	0	--
Talamore	24	0	11	2	55	92	5	23.4
White Oak Trails, Phase I	45	0	15	12	0	72	0	--
Wildwood, Phases II & III	13	0	14	8	74	109	16	6.2
Willowbend	25	0	2	14	9	50	4	54.7
Windemere Woods	35	1	8	9	26	79	7	35.3
Windsor Manor	15	2	15	0	0	32	0	--
Windwood, Phase IV	54	3	6	14	22	99	19	42.0
Bentonville	1,196	28	288	269	912	2,693	160	52.4





Bentonville

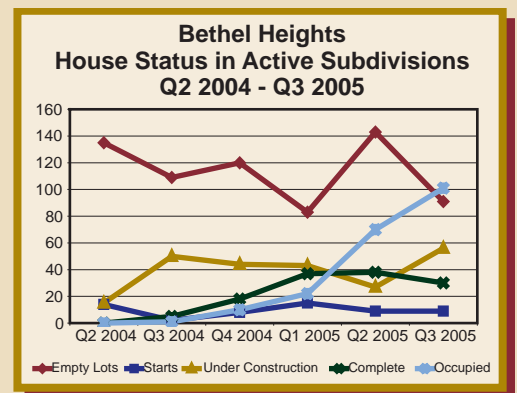
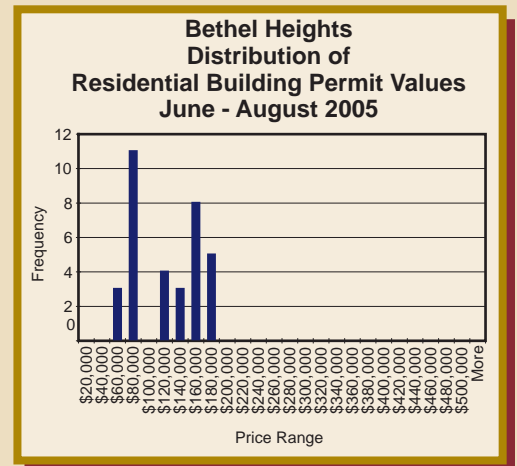
Approved Final and Preliminary Subdivisions

Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Apple Creek	43
Barron Road Duplexes	96
Brighton Farm	172
Chapel Hill, Phase II	54
Cobblestone	39
College Place, Phases XIII, IX	115
Cornerstone	43
Eden's Brooke	3
Eventide	44
The Farms	62
Grace Addition	110
Hardcastle	9
High Meadows	110
Highpointe Addition	76
Hillcrest Estates	163
Keystone	107
Laurnwood Estates	109
Legacy Village	1
No Name	199
No Name	93
North Fork Addition	86
Olympia	170
Pennington	65
Pontiac	29
Rainbow Junction	11
Riverwalk Farm Estates	137
Riverwalk Estates, Phases II-IV	285
Sonavid Place	32
Stonechase	97
Thornbrook Village, Phase I	148
Virginia's Grove	28
Wildwood, Phase V	103
Wilshire	111
Windemere Woods, Phase II	50
Windwood, Phase V	73
Woods Creek South, Phase I	117
<i>Final Approval</i>	
Bolte Acres/Regency Park	6
Fountain Plaza	17
Stonegate	88
Bentonville	3,301

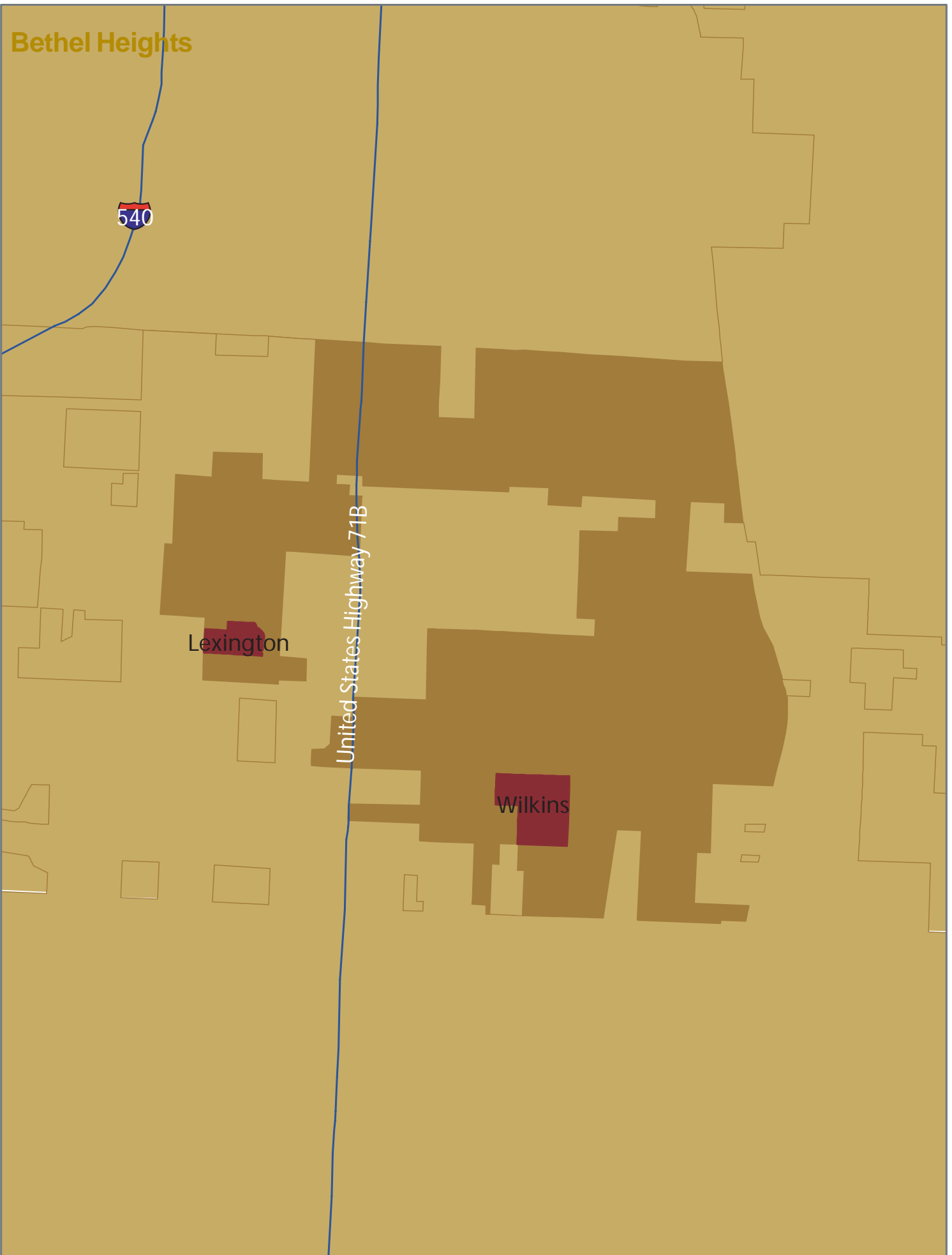
Bethel Heights

- From June to August 2005, there were 34 residential building permits issued in Bethel Heights. This represents a 126.7 percent increase from the same period in 2004.
- The average residential building permit value in Bethel Heights decreased by 17.9 percent from the third quarter of 2004 to \$113,238.
- The major price points for Bethel Heights building permits were in the \$60,000 to \$80,000 range and \$140,000 to \$160,000 range.
- There were 287 total lots in active subdivisions in Bethel Heights in the third quarter of 2005. About 35 percent of the lots were occupied, 10 percent were complete, but unoccupied, 20 percent were under construction, 3 percent were starts, and 32 percent were vacant lots.
- 32 new houses in Bethel Heights became occupied in the third quarter of 2005. The annual absorption rate implies that there are 22.1 months of remaining inventory in active subdivisions.
- Chantel Subdivision had 29 new houses under construction and Wilkins Subdivision had 15.
- An additional 387 lots in 10 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Bethel Heights.
- There were 6 existing houses sold in Bethel Heights from May 16, 2005 to August 15, 2005, or 25 percent fewer than in the previous quarter.
- The average price of a house sold in Bethel Heights increased from \$159,675 in the second quarter to \$162,933 in the third quarter. In the third quarter of 2005, the average sales price was 2 percent higher than in the previous quarter.
- In Bethel Heights, the average number of days from the initial house listing to the sale increased from 97 days in the second quarter to 108 days in the third quarter of 2005.
- Only 0.4 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Bethel Heights. The average sales price of the houses sold in Bethel Heights was 90.6 percent of the county average.
- 100 percent of the sold houses in Bethel Heights were in the \$150,000 to \$200,000 range.



Bethel Heights House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Chantel	39	4	29	0	1	73	0	432.0
Courtyard, Phase III	3	1	9	0	1	14	0	78.0
Lexington Heights	0	0	0	6	35	41	3	2.1
Sunset Ridge	21	0	3	4	5	33	0	56.0
Wilkins	28	4	15	20	59	126	29	13.6
Bethel Heights	91	9	56	30	101	287	32	22.1

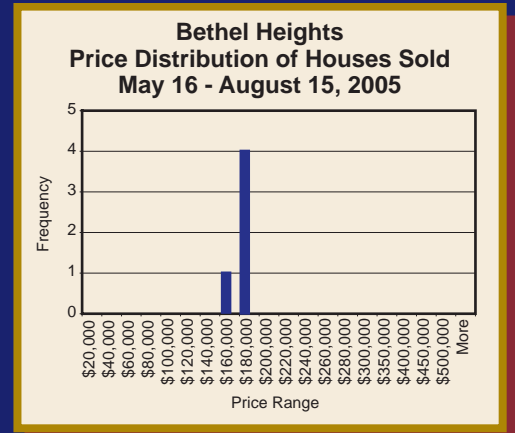


Bethel Heights Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	--	--	--	--	--	--
\$100,001 - \$150,000	--	--	--	--	--	--
\$150,001 - \$200,000	6	100%	1,721	108	100.4%	\$94.77
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Bethel Heights	6	100%	1,721	108	100.4%	\$94.77

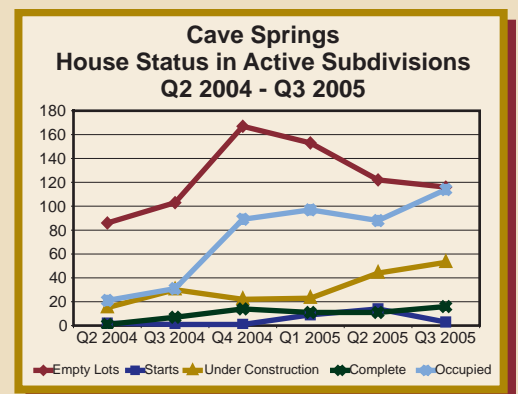
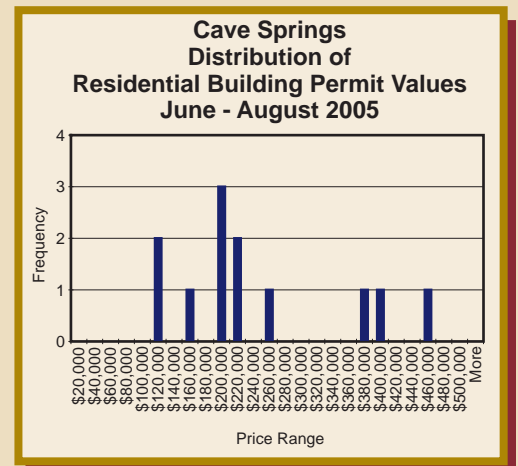
Bethel Heights Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Chantel, Phase II	51
English Oaks	12
Great Meadows	62
Logan Heights, Phase I	17
Logan Heights, Phase II	26
Marvin Moles	33
Oak Place	61
Remington	32
Spring Meadows	60
Terry Acres	33
Bethel Heights	387



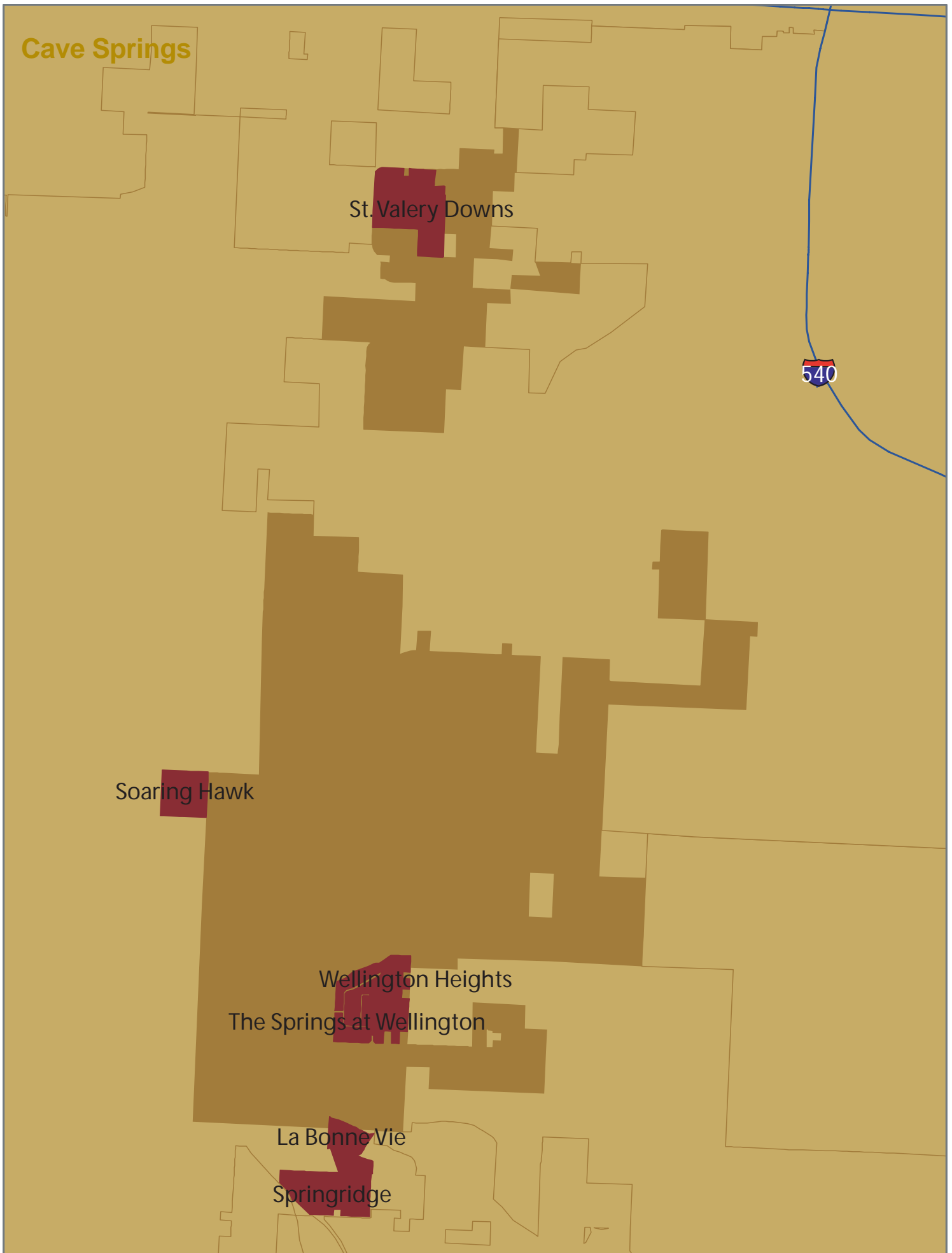
Cave Springs

- From June to August 2005, there were 12 residential building permits issued in Cave Springs. This is the same number of building permits issued during the same period in 2004.
- The average residential building permit value in Cave Springs declined by 10.0 percent from the third quarter in 2004 to \$235,384.
- The major price points in Cave Springs were in the \$180,000 to \$220,000 range.
- There were 302 total lots in active subdivisions in Cave Springs in the third quarter of 2005. About 38 percent of the lots were occupied, 5 percent were complete, but unoccupied, 18 percent were under construction, 1 percent were starts, and 38 percent were vacant lots.
- 9 new houses in Cave Springs became occupied in the third quarter of 2005. The annual absorption rate implies that there are 56.4 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Cave Springs in the third quarter were Spring Ridge with 26 and St. Valery Downs with 13.
- There were 4 existing houses sold in Cave Springs from May 16, 2005 to August 15, 2005, or a 20 percent drop from the previous quarter and 100.0 percent more than in the same period last year.
- The average price of a house sold in Cave Springs increased from \$237,360 in the second quarter to \$243,225 in the third quarter. In the third quarter of 2005, the average sales price was 2.5 percent higher than in the previous quarter and 9.4 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 169 days in the second quarter to 204 days in the third quarter of 2005.
- About 0.3 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Cave Springs. The average sales price of a house in Cave Springs was 135 percent of the county average.
- 50 percent of the sold houses in Cave Springs were in the \$250,000 to \$300,000 range.



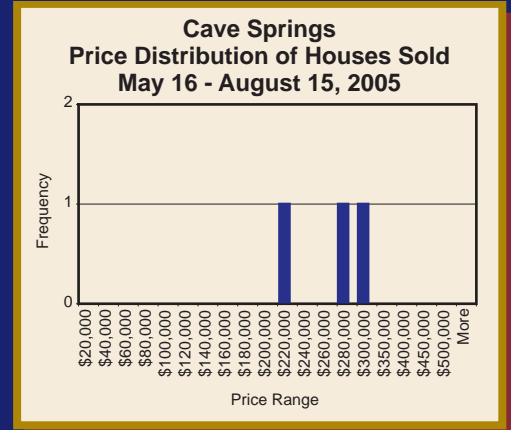
Cave Springs House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Duffers Ridge	7	0	1	0	0	8	0	--
La Bonne Vie, Phase II	7	0	0	0	0	7	0	--
Soaring Hawk	7	0	3	0	6	16	1	30.0
Spring Ridge	27	1	26	5	2	61	2	354.0
Springs at Wellington	23	1	4	3	21	52	2	20.7
St. Valery Downs	41	1	13	7	19	81	4	67.6
Wellington Heights, Phase II	4	0	6	1	66	77	0	26.4
Cave Springs	116	3	53	16	114	302	9	56.4



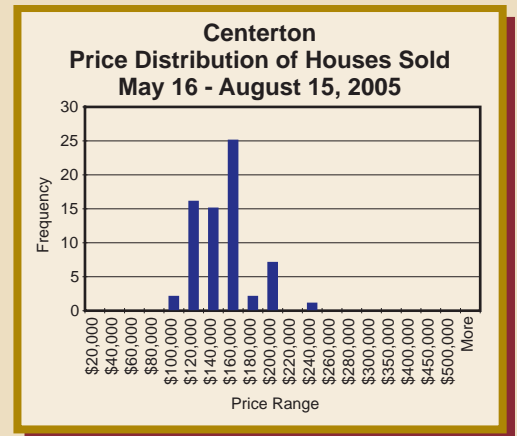
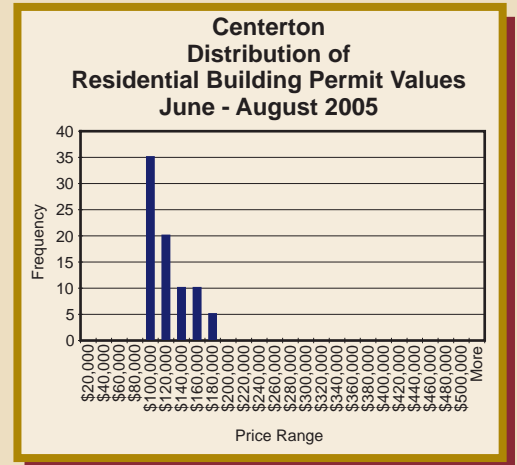
Cave Springs Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	--	--	--	--	--	--
\$100,001 - \$150,000	--	--	--	--	--	--
\$150,001 - \$200,000	1	25%	1,890	76	97.3%	\$95.24
\$200,001 - \$250,000	1	25%	2,087	186	95.6%	\$104.46
\$250,001 - \$300,000	2	50%	2,631	278	102.8%	\$109.26
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Cave Springs	4	100%	2,310	204	99.6%	\$104.55



Centerton

- From June to August 2005, there were 80 residential building permits issued in Centerton. This represents a 45.2 percent decline from the same period in 2004.
- The average residential building permit value in Centerton increased by 12.5 percent from the third quarter of 2004 to \$113,623.
- The major price points for Centerton building permits were in the \$80,000 to \$100,000 range.
- There were 1,805 total lots in active subdivisions in Centerton in the third quarter of 2005. About 37 percent of the lots were occupied, 7 percent were complete, but unoccupied, 7 percent were under construction, 2 percent were starts, and 47 percent were vacant lots.
- 119 new houses in Centerton became occupied in the third quarter of 2005. The annual absorption rate implies that there are 27.6 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Centerton in the third quarter were Graystone with 50 and Kensington Hills with 19.
- An additional 4,000 lots in 30 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Centerton.
- There were 69 existing houses sold in Centerton from May 16, 2005 to August 15, 2005, or 39.5 percent less than in the previous quarter and 11.5 percent less than in the same period last year.
- The average price of a house sold in Centerton decreased from \$144,369 in the second quarter to \$140,286 in the third quarter. In the third quarter of 2005, the average sales price was 2.8 percent lower than in the previous quarter and 1.1 percent higher than in the same period last year.
- In Centerton, the average number of days from the initial house listing to the sale increased from 160 days in the second quarter to 166 days in the third quarter of 2005.
- About 4.9 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Centerton. The average sales price of a house in Centerton was 78 percent of the county average.
- 64 percent of the sold houses in Centerton were in the \$100,000 to \$150,000 range.

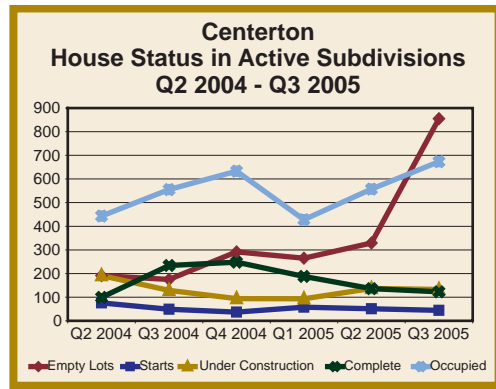


Centerton Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	3	4%	1,174	64	101.2%	\$77.81
\$100,001 - \$150,000	44	64%	1,466	167	100.0%	\$88.49
\$150,001 - \$200,000	21	30%	1,752	177	99.7%	\$95.42
\$200,001 - \$250,000	1	1%	2,273	203	100.0%	\$97.01
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Centerton	69	100%	1,552	166	100.0%	\$90.26

Centerton House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Apple Ridge	6	0	4	5	45	60	17	4.2
Bliss Orchard	1	0	1	0	24	26	0	1.5
Centerpoint, Phases VIII & IX	0	0	0	3	134	137	15	0.3
Char Lou Estates	65	2	3	0	0	70	0	--
Copper Oaks	116	0	0	0	0	116	0	--
Dogwood	14	6	14	5	9	48	9	39.0
Graystone	0	4	50	18	0	72	0	--
Kensington Hills	71	2	19	32	11	135	9	135.3
Layne Bridge	2	0	0	1	52	55	1	1.6
Quail Ridge	89	8	2	0	1	100	1	297.0
Ridgefield Addition, Block I	2	1	6	2	15	26	9	8.8
Sienna, Phases IA, IIB, & II	411	9	10	47	215	692	43	32.0
Simmons	4	2	0	0	26	32	4	9.0
Sonoma Valley	0	0	0	4	75	79	4	1.0
Stonebriar, Phases I & II	5	0	3	6	43	57	0	18.7
The Residences at City West	54	0	0	0	0	54	0	--
Waterford Park	15	1	5	0	0	21	0	--
Westwood	0	9	16	0	23	25	7	1.4
Centerton	855	44	133	123	673	1,805	119	27.6



Centerton

Waterford Park

Stonebriar

Laynebridge

Sonoma Valley
Bliss Orchard

Centerpoint

Sienna

Westwood

Kensington Hills

Centerton Boulevard

Ridgefield

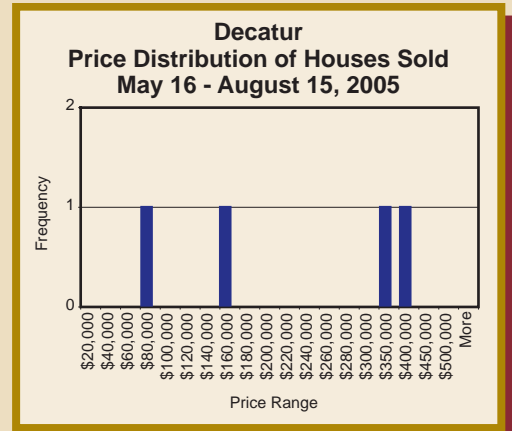
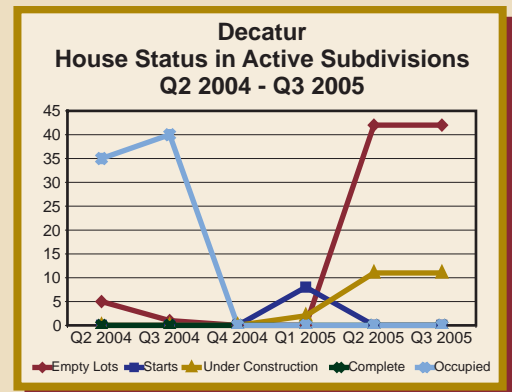
Dogwood

Centerton Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
Arbor Vista	224
Black Springs	52
Brim Woods	104
Char-Lou Estates, Phases II, III	341
Cherrie Place	28
Christian Lane	4
Clark Estates	57
Dunn Roven Property	124
Fair St. Townhomes	10
Ginn Property	508
Layne Bridge, Phase II	40
Lindsey, Phases I, II	95
Mariel Heights	60
Marple Property	204
McKissic Creek	9
The Meadows	21
Oak Grove (Duplexes and Townhouses)	187
Quail Ridge, Phase II	113
Residences at City West	54
Ridgefield, Phase II	72
Somerset	53
Stoneleigh Apartments	280
Tammaron	300
Tarah Knolls	52
Timber Ridge, Phases I, II	99
Tuscany	160
Versailles	134
Wellington Woods	186
Westwood, Phase II	24
Willow Crossing	405
Centerton	4,000

Decatur

- From June to August 2005, there were no residential building permits issued in Decatur.
- There were 53 total lots in active subdivisions in Decatur in the third quarter of 2005. 21 percent were starts and 79 percent were empty.
- The annual absorption rate for the third quarter was zero.
- There were 11 houses under construction in the Grant Springs subdivision.
- There were 5 existing houses sold in Decatur from May 16, 2005 to August 15, 2005, or 25 percent more than in the previous quarter and 16.7 percent fewer than in the same period last year.
- The average price of a house sold in Decatur increased from \$131,875 in the second quarter to \$192,600 in the third quarter. In the third quarter of 2005, the average sales price was 46 percent higher than in the previous quarter and 115.9 percent higher than in the same period last year.
- In Decatur, the average number of days from the initial house listing to the sale declined from 93 days in the second quarter to 88 days in the third quarter of 2005.
- About 0.4 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Decatur. The average sales price of a house in Decatur was 107.1 percent of the county average.
- 40 percent of the sold houses in Decatur were in the \$300,000 to \$400,000 range.



Decatur House Status in Active Subdivisions Q3 2005

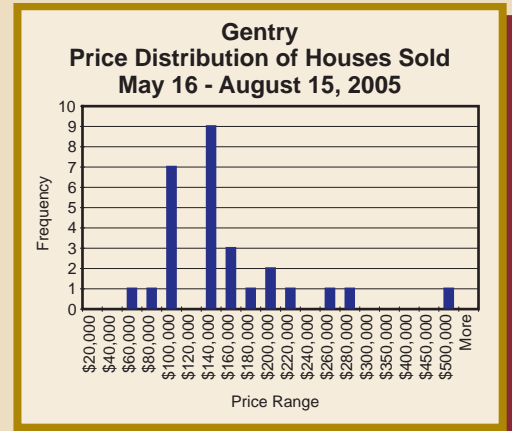
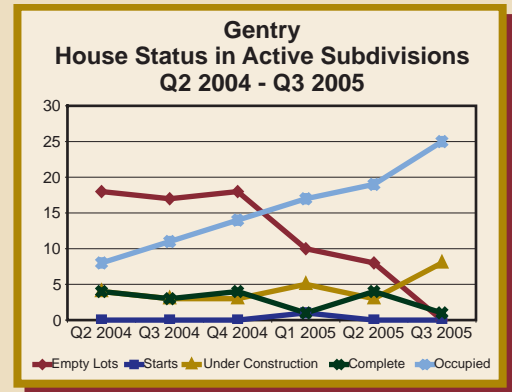
Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Grant Springs	42	0	11	0	0	53	0	--
Decatur	42	0	11	0	0	53	0	--

Decatur Price Range of Houses Sold May 16 - August 15, 2005

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	20%	1,530	50	90.9%	\$32.68
\$50,001 - \$100,000	1	20%	1,215	59	95.5%	\$51.03
\$100,001 - \$150,000	1	20%	1,416	53	103.6%	\$102.40
\$150,001 - \$200,000	--	--	--	--	--	--
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	1	20%	1,600	180	73.3%	\$206.25
\$350,001 - \$400,000	1	20%	2,060	98	99.2%	\$182.52
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Decatur	5	100%	1,564	88	92.5%	\$114.98

Gentry

- From June to August 2005, there were 16 residential building permits issued in Gentry. This represents a 128.6 percent increase from the same period in 2004.
- The average residential building permit value in Gentry increased by 0.1 percent from the third quarter of 2004 to \$78,866.
- There were 34 total lots in active subdivisions in Gentry in the third quarter of 2005. About 74 percent of the lots were occupied, 3 percent were complete, but unoccupied, and 24 percent were under construction.
- 6 new houses in Gentry became occupied in the third quarter of 2005. The annual absorption rate implies that there are 6.4 months of remaining inventory in active subdivisions.
- There were 8 houses under construction in the Cobblestone subdivision.
- There were 29 existing houses sold in Gentry from May 16, 2005 to August 15, 2005, or 70.6 percent more than in the previous quarter and 11.5 percent more than in the same period last year.
- The average price of a house sold in Gentry increased from \$98,036 in the second quarter to \$144,281 in the third quarter. In the third quarter of 2005, the average sales price was 47.2 percent higher than in the previous quarter and 19.8 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 124 days in the second quarter to 149 days in the third quarter of 2005.
- About 2.1 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Gentry. The average sales price of a house in Gentry was only 80.3 percent of the county average.
- 34.5 percent of the sold houses in Gentry were in the \$50,000 to \$100,000 range.

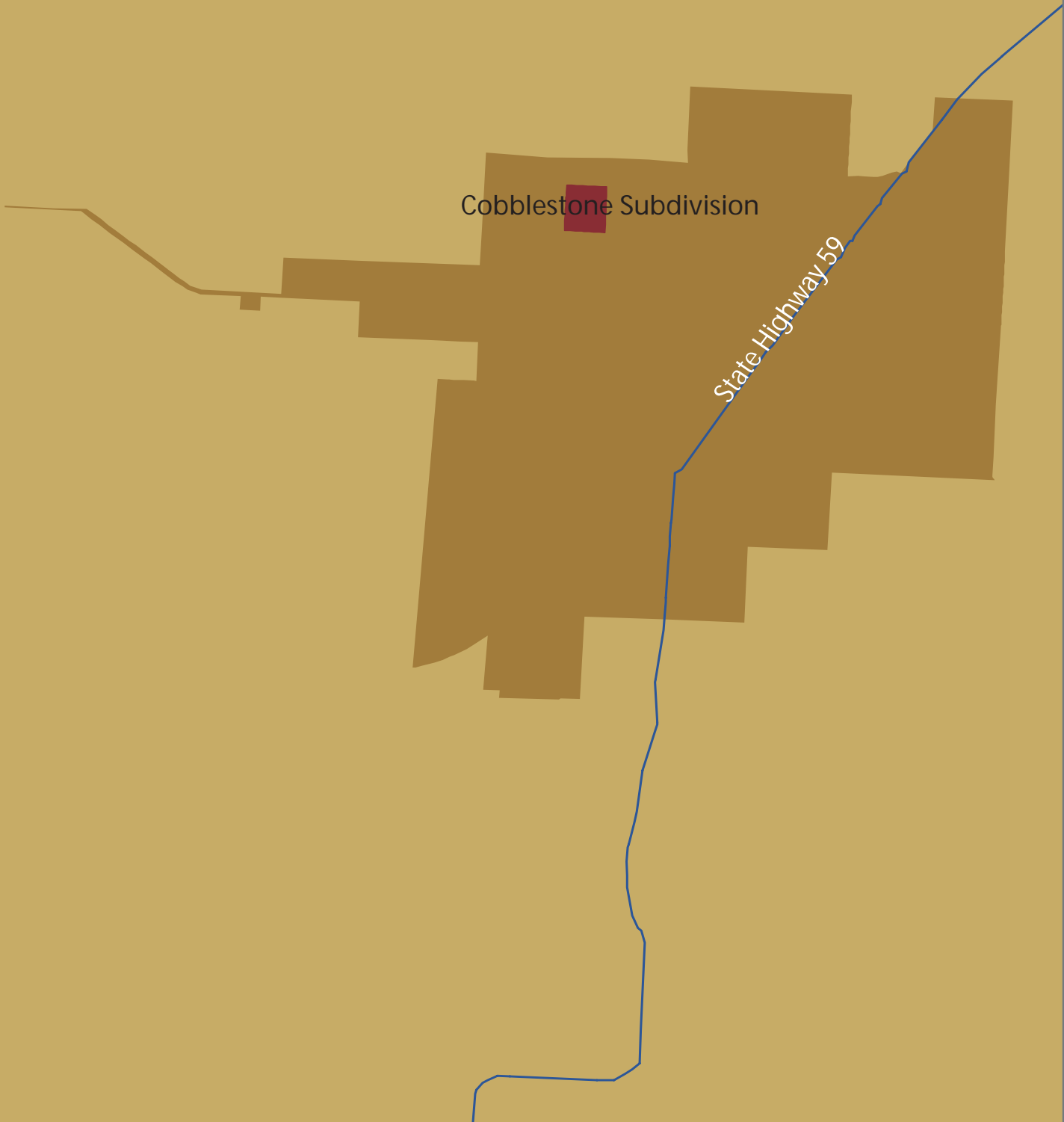


Gentry House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Cobblestone	0	0	8	1	25	34	6	7.7
Gentry	0	0	8	1	25	34	6	6.4

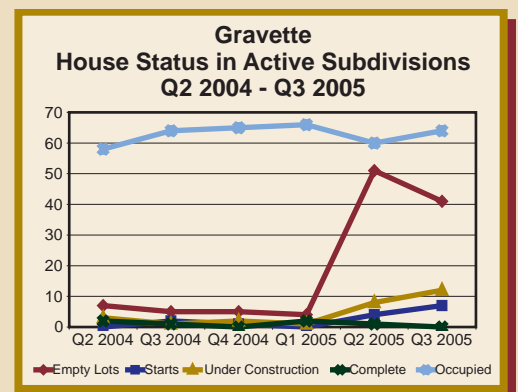
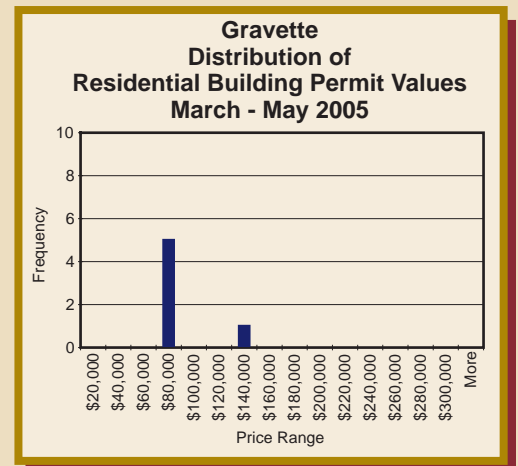
Gentry Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$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	1	50.0%	2,990	170	100.0%	\$131.07
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	1	50.0%	3,495	176	100.9%	\$131.55
\$500,000+	--	--	--	--	--	--
Goshen	2	100.0%	3,243	173	100.4%	\$131.31



Gravette

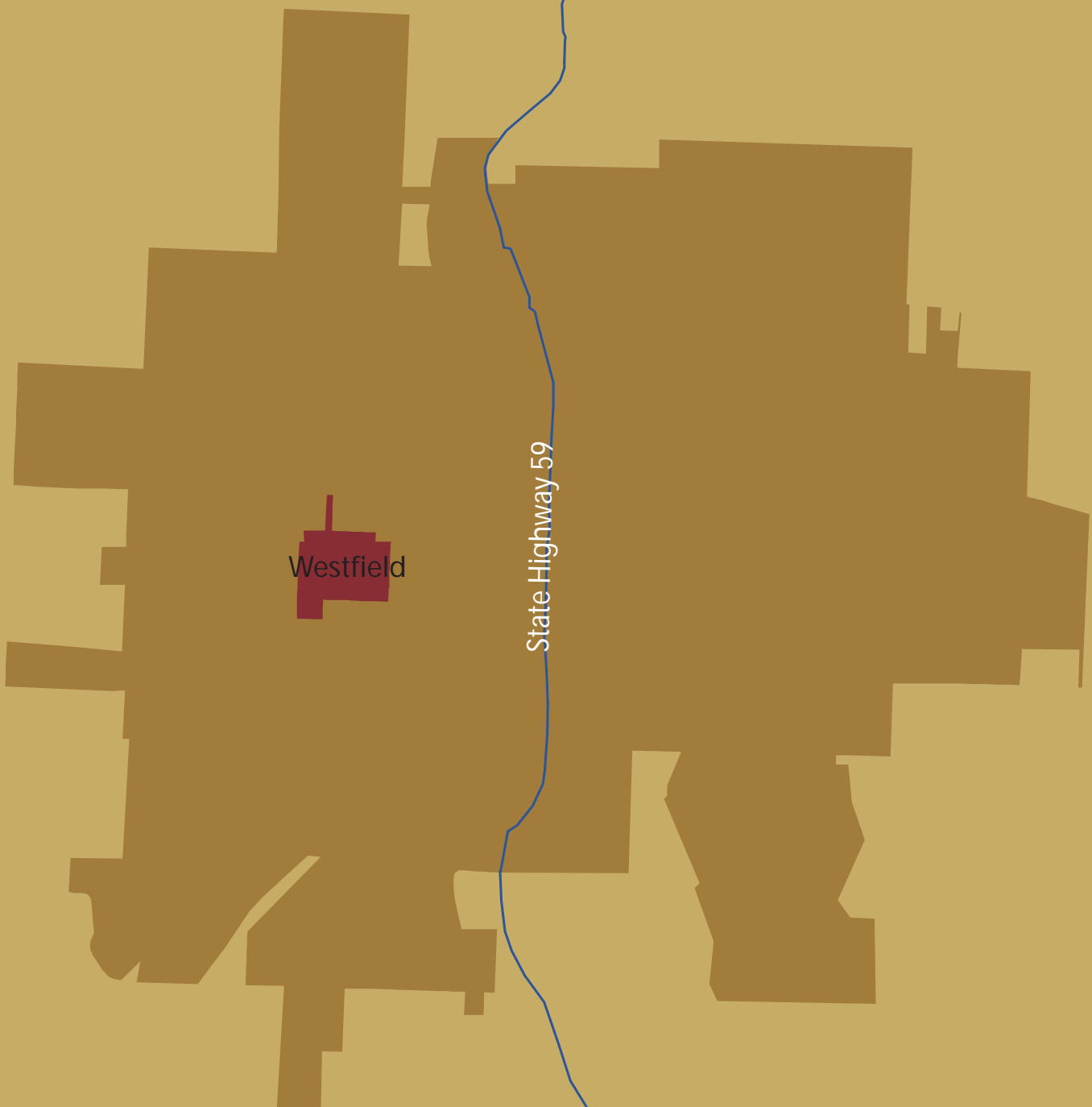
- There were 124 total lots in active subdivisions in Gravette in the third quarter of 2005. About 52 percent of the lots were occupied, 0 percent was complete, but unoccupied, 10 percent were under construction, 6 percent were starts, and 33 percent were vacant lots.
- 4 new houses in Gravette became occupied in the third quarter of 2005. The annual absorption rate implies that there are 80 months of remaining inventory in active subdivisions.
- There were 12 houses under construction in the Patriot Park subdivision in Gravette.
- There were 20 existing houses sold in Gravette from May 16, 2005 to August 15, 2005, or 20 percent fewer than in the previous quarter and 20 percent fewer than in the same period last year.
- The average price of a house sold in Gravette decreased from \$141,072 in the second quarter to \$139,628 in the third quarter. In the third quarter of 2005, the average sales price was 1 percent lower than in the previous quarter and 47.2 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 131 days in the second quarter to 141 days in the third quarter of 2005.
- About 1.4 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Gravette. The average sales price of a house in Gravette was 77.7 percent of the county average.
- 60 percent of the sold houses in Gravette were in the \$50,000 to \$150,000 range.



Gravette House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Patriot Park	40	7	12	0	2	61	1	177.0
Westfield	1	0	0	0	62	63	3	2.0
Gravette	41	7	12	0	64	124	4	80.0

Gravette

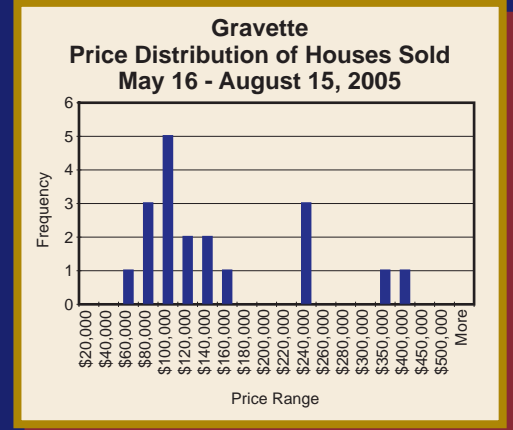


Westfield

State Highway 59

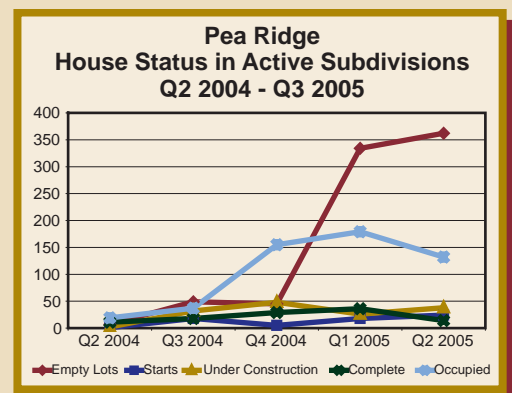
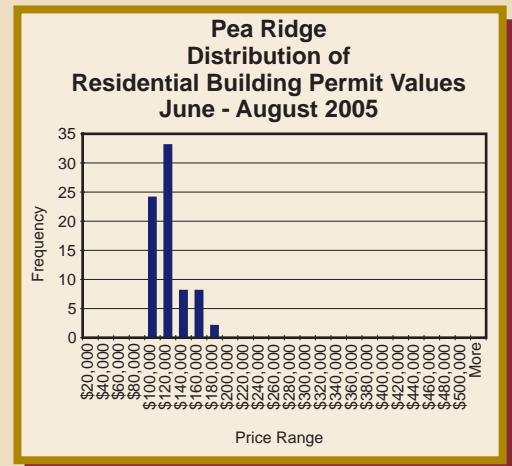
Gravette Price Range of Houses Sold May 16 - August 15, 2005

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	10%	944	104	87.6%	\$48.35
\$50,001 - \$100,000	8	40%	1,336	189	93.6%	\$62.82
\$100,001 - \$150,000	4	20%	1,603	133	98.1%	\$79.17
\$150,001 - \$200,000	1	5%	1,870	66	94.4%	\$85.56
\$200,001 - \$250,000	3	15%	2,861	151	96.3%	\$84.51
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	1	5%	2,538	62	97.1%	\$124.31
\$350,001 - \$400,000	1	5%	2,514	0	100.0%	\$159.11
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Gravette	20	100%	1,725	141	94.8%	\$76.92



Pea Ridge

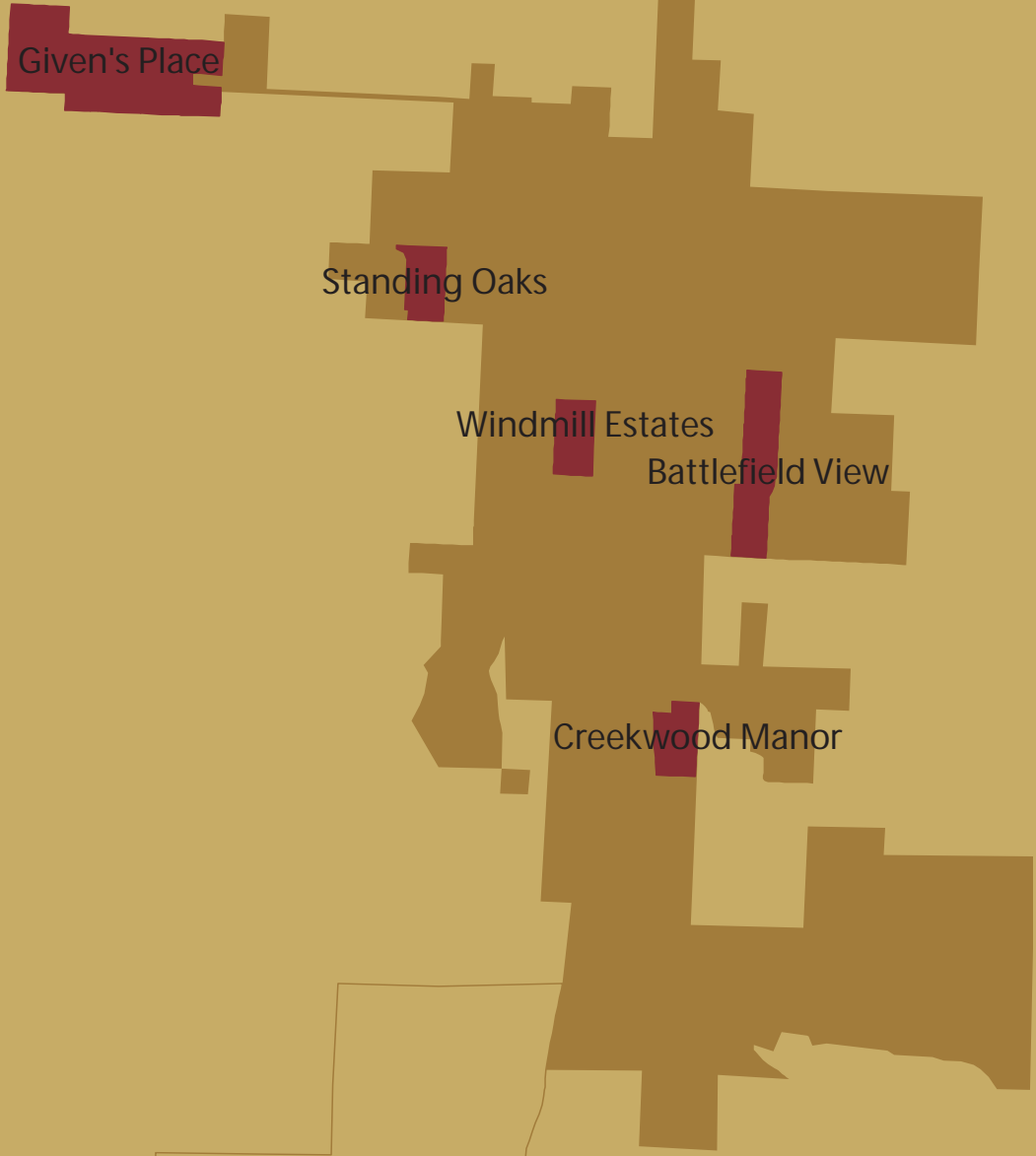
- From June to August 2005, there were 75 building permits issued in Pea Ridge.
- The average residential building permit value in Pea Ridge was \$111,945 in the third quarter of 2005.
- The major price points for Pea Ridge building permits were in the \$80,000 to \$120,000 range.
- There were 676 total lots in active subdivisions in Pea Ridge in the third quarter of 2005. About 24 percent of the lots were occupied, 7 percent were complete, but unoccupied, 12 percent were under construction, 4 percent were starts, and 54 percent were vacant lots.
- 27 new houses in Pea Ridge became occupied in the third quarter of 2005. The annual absorption rate implies that there are 60.8 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Pea Ridge in the third quarter were Standing Oaks with 33, Patterson Place with 11, and Windmill Estates with 11.
- There were 36 existing houses sold in Pea Ridge from May 16, 2005 to August 15, 2005, or a 16.1 percent increase from the previous quarter and 20 percent more than in the same period last year.
- The average price of a house sold in Pea Ridge increased from \$115,852 in the second quarter to \$125,740 in the third quarter. In the third quarter of 2005, the average sales price was 8.5 percent higher than in the previous quarter and 7.7 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 decreased from 134 days in the second quarter to 118 days in the third quarter of 2005.
- About 2.6 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Pea Ridge. The average sales price of a house in Pea Ridge was 70 percent of the county average.
- 61 percent of the sold houses in Pea Ridge were in the \$100,000 to \$150,000 range.



Pea Ridge House Status in Active Subdivisions Q3 2005

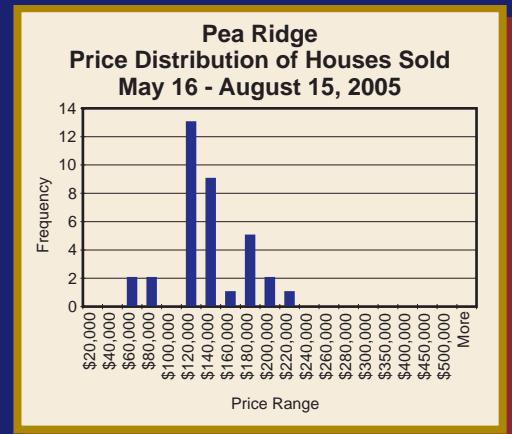
Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Battlefield Estates	101	0	4	2	0	107	0	-
Battlefield View	73	8	10	11	16	118	15	57.4
Creekwood Manor	45	0	0	0	0	45	0	-
Givens Place, Block I - V	21	0	9	4	134	168	5	8.7
Maple Leaf Heights	11	0	0	0	0	11	0	-
Patterson Place	43	6	11	0	0	60	0	-
Ridgeview Acres	33	0	0	0	0	33	0	-
Standing Oaks, Blocks II & III	10	10	33	24	0	77	0	-
Windmill Estates	25	4	11	8	9	57	7	48.0
Pea Ridge	362	28	78	49	159	676	27	60.8

Pea Ridge



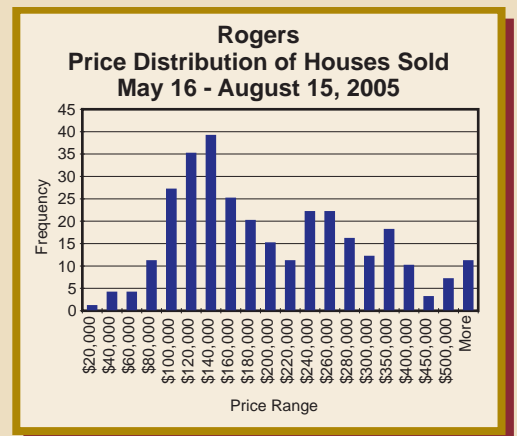
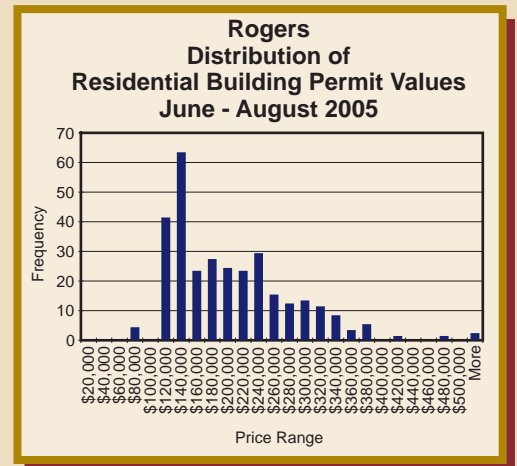
Pea Ridge Price Range of Houses Sold May 16 - August 15, 2005

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	3%	960	35	95.4%	\$43.65
\$50,001 - \$100,000	4	11%	1,153	143	97.8%	\$56.38
\$100,001 - \$150,000	22	61%	1,408	121	99.7%	\$85.90
\$150,001 - \$200,000	8	22%	1,803	116	101.3%	\$95.43
\$200,001 - \$250,000	1	3%	1,350	55	93.3%	\$155.56
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Pea Ridge	36	100%	1,453	118	99.6%	\$85.50



Rogers

- From June to August 2005, there were 305 residential building permits issued in Rogers. This represents a 98.1 percent increase from the same period in 2004.
- The average residential building permit value in Rogers increased by 31.4 percent from the third quarter of 2004 to \$210,399.
- The major price points for Rogers building permits were in the \$120,000 to \$140,000 range and the \$220,000 to \$240,000 range.
- There were 2,587 total lots in active subdivisions in Rogers in the third quarter of 2005. About 24 percent of the lots were occupied, 7 percent were complete, but unoccupied, 18 percent were under construction, 3 percent were starts, and 49 percent were vacant lots.
- 111 new houses in Rogers became occupied in the third quarter of 2005. The annual absorption rate implies that there are 31.2 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Rogers in the third quarter were The Peaks with 45, Post Meadows with 38, and Pinnacle and Shadow Valley both with 31.
- An additional 1,847 lots in 33 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Rogers.
- There were 314 existing houses sold in Rogers from May 16, 2005 to August 15, 2005, or 17.2 percent more than in the previous quarter and 0.6 percent fewer than in the same period last year.
- The average price of a house sold in Rogers increased from \$194,092 in the second quarter to \$206,616 in the third quarter. In the third quarter of 2005, the average sales price was 6.5 percent higher than in the previous quarter and 13.8 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 113 days in the second quarter to 118 days in the third quarter of 2005.
- About 22.5 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Rogers. The average sales price of a house in Rogers was 115 percent of the county average.
- 29 percent of the sold houses in Rogers were in the \$100,000 to \$150,000 range.

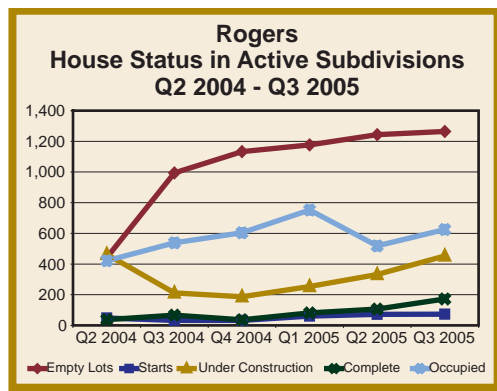


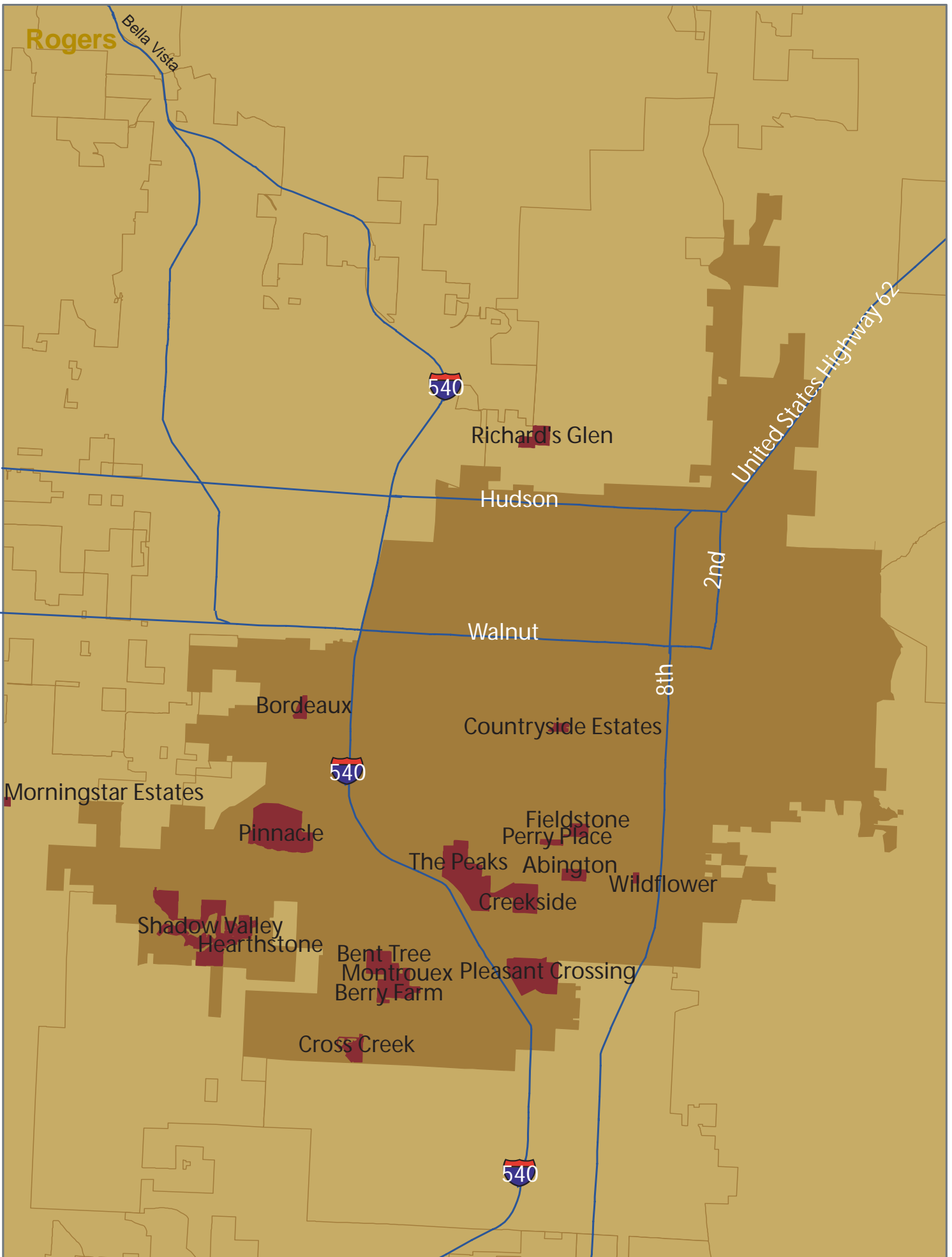
Rogers Price Range of Houses Sold May 16 - August 15, 2005

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	8	2.5%	1,096	105	85.8%	\$26.69
\$50,001 - \$100,000	40	12.7%	1,125	62	98.1%	\$76.14
\$100,001 - \$150,000	91	29.0%	1,533	68	99.0%	\$83.90
\$150,001 - \$200,000	43	13.7%	2,185	117	97.6%	\$83.03
\$200,001 - \$250,000	46	14.6%	2,298	157	99.0%	\$102.80
\$250,001 - \$300,000	37	11.8%	2,575	143	99.2%	\$109.53
\$300,001 - \$350,000	18	5.7%	2,927	155	98.5%	\$111.21
\$350,001 - \$400,000	10	3.2%	2,966	166	100.1%	\$122.97
\$400,001 - \$450,000	3	1.0%	3,543	233	98.0%	\$119.22
\$450,001 - \$500,000	7	2.2%	4,572	178	89.7%	\$116.32
\$500,000+	11	3.5%	4,583	327	98.9%	\$148.46
Rogers	314	100.0%	2,113	118	98.2%	\$93.26

Rogers House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Abington	1	0	7	11	42	61	22	5.4
Bellview, Phases I & II	211	8	61	14	2	296	2	1,323.0
Bent Tree, Phase II	11	2	10	13	27	63	4	4.7
Berry Farm, Phases I & II	0	0	1	5	78	84	0	0.9
Bordeaux	0	0	2	0	26	28	1	0.9
Camden Way	74	4	68	12	2	160	2	711.0
Countryside Estates	7	0	2	1	18	28	4	6.7
Creekside	59	0	21	0	0	80	0	-
Creekwood (Rogers/Lowell)	164	12	25	0	0	201	0	-
Cross Creek, Blocks I - V	65	5	20	13	16	119	6	77.3
Fieldstone	7	2	6	3	33	51	2	6.5
Hearthstone, Phases I & II	48	1	23	23	62	157	13	18.4
Legacy Estates	13	3	14	0	0	30	0	-
Lexington	100	5	14	0	0	119	0	-
Liberty Bell	80	7	18	0	0	105	0	-
Louis Knight Duplexes	0	0	0	0	4	4	4	0.0
Montroux	0	0	2	2	43	47	2	1.1
The Peaks, Phases I - III	60	0	45	4	1	110	0	654.0
Perry Place	8	0	9	5	10	32	10	26.4
Pinewoods	20	0	0	17	8	45	8	27.8
Pinnacle, Phases I - IV	135	6	31	7	63	242	8	42.1
Post Meadows	73	14	38	0	0	125	0	-
Richard's Glen	7	0	1	0	19	27	0	4.8
Sandalwood	52	0	0	0	0	52	0	-
Shadow Valley, Phases I - VI	66	4	31	23	165	289	23	9.0
Wildflower, Phase I	0	0	4	18	0	22	0	-
Williamsburg Place	3	0	0	1	6	10	0	4.8
Rogers	1,264	73	453	172	625	2,587	111	31.2





Rogers

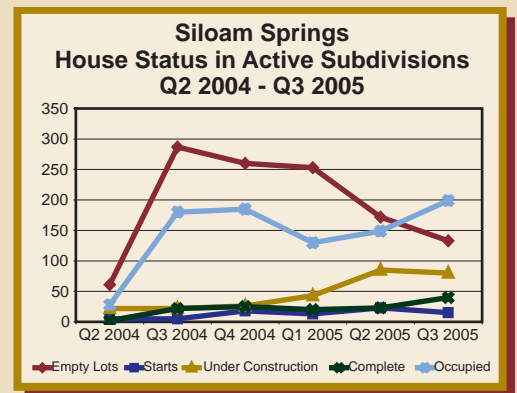
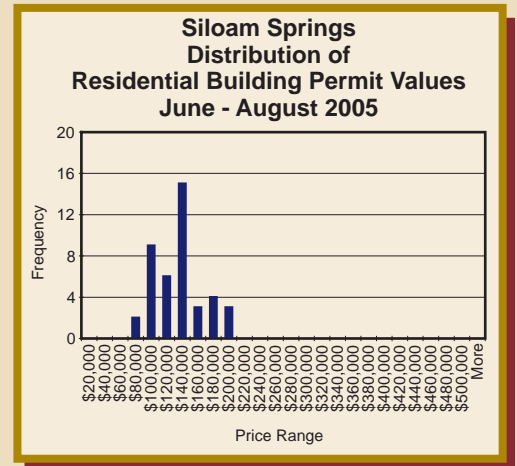
Approved Final and Preliminary Subdivisions

Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Arbor Glen	55
Biltmore	112
Centre Pointe, Phase II	5
Chenal Addition	185
Cottage Wood	49
Cross Timbers North	16
Cross Timbers South	16
Greenfield Place	52
Lakewood	58
Madison Subdivision	35
Meadow Wood	76
Metro Park	22
Meyer Ranch	
Oldetown Estates	54
Park Central Mix Development	
Pinion Subdivision	5
Pinnacle Gardens	40
Post Meadows	117
Post Meadows, Phase II	10
Rocky Creek	53
Roller's Ridge	134
Royal Heights	12
Sagely	77
Stoney Brook Place	5
Taldo Subdivision	425
Top Flite, Phase VI	34
Vintage Subdivision	23
Walz Subdivision	7
Wildflower, Phase II	28
<i>Final Approval</i>	
Centre Pointe, Phase I	2
Liberty Bell Estates	249
Pleasant Crossing, Phase II	
Ray Neal Subdivision	5
Rogers Wellness Center	3
Rogers	1,847

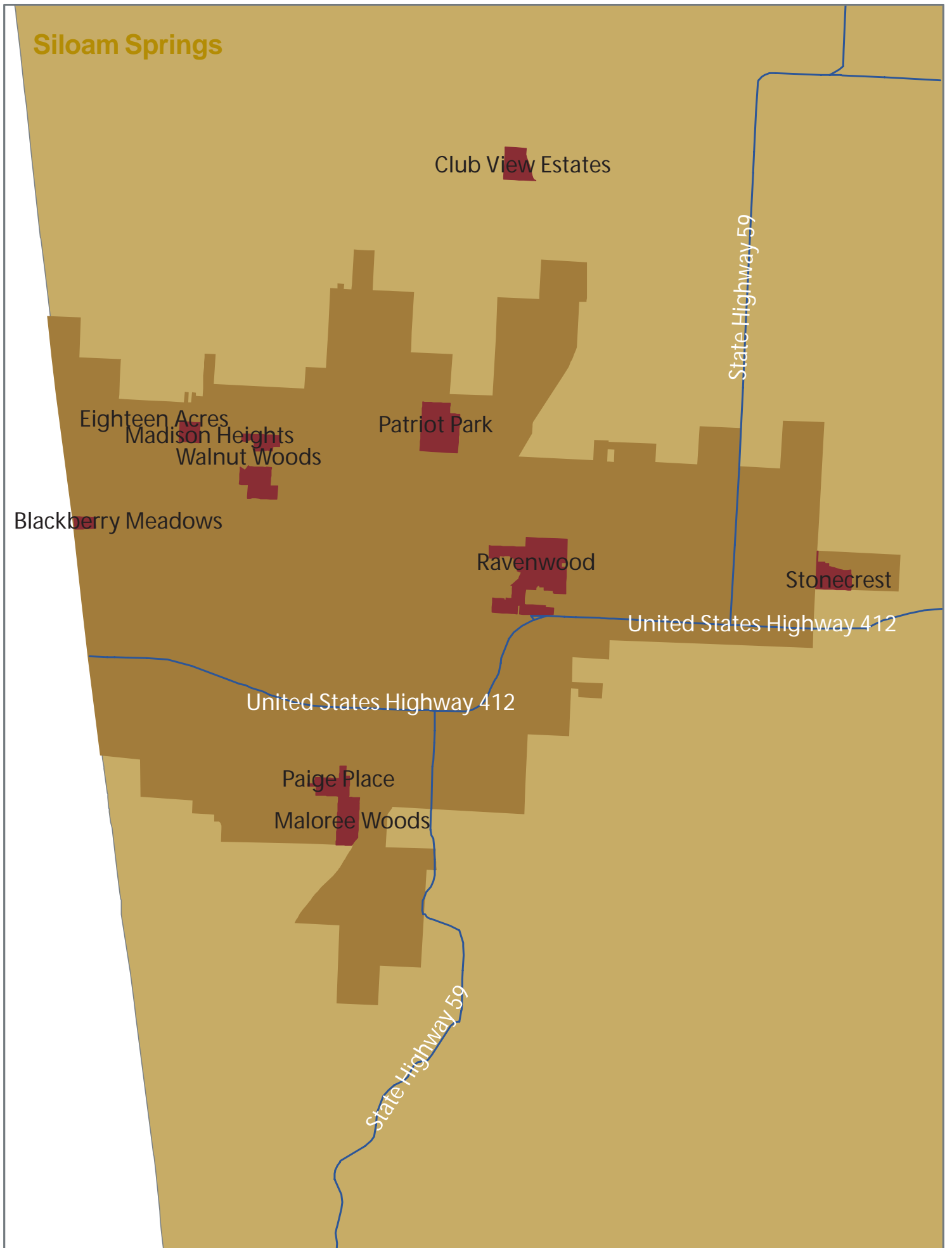
Siloam Springs

- From June to August 2005, there were 42 residential building permits issued in Siloam Springs. This represents a 27.3 percent increase from the same time period in 2004.
- The average residential building permit value in Siloam Springs declined by 10.2 percent from the third quarter of 2004 to \$125,534.
- The major price points for Siloam Springs building permits were in the \$120,000 to \$140,000 range.
- There were 467 total lots in active subdivisions in Siloam Springs in the third quarter of 2005. About 43 percent of the lots were occupied, 9 percent were complete, but unoccupied, 17 percent were under construction, 3 percent were starts, and 28 percent were vacant lots.
- 53 new houses in Siloam Springs became occupied in the third quarter of 2005. The annual absorption rate implies that there are 31.2 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Siloam Springs in the third quarter was Patriot Park with 42.
- An additional 710 lots in 24 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Siloam Springs.
- There were 124 existing houses sold in Siloam Springs from May 16, 2005 to August 15, 2005, or 15.8 percent more than in the previous quarter and 27.8 percent more than in the same period last year.
- The average price of a house sold in Siloam Springs declined from \$133,416 in the second quarter to \$131,985 in the third quarter. In the third quarter of 2005, the average sales price was 1.1 percent lower than in the previous quarter and 18 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 decreased from 115 days in the second quarter to 89 days in the third quarter of 2005.
- About 8.9 percent of all houses sold in Benton County in the third quarter of 2005 were sold in Siloam Springs. The average sales price of a house in Siloam Springs was 73 percent of the county average.
- 68 percent of the sold houses in Siloam Springs were in the \$50,000 to \$150,000 range.



Siloam Springs House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Arkansas State Bank Subdivision	5	0	0	0	0	5	0	-
Blackberry Meadows	2	0	3	0	1	6	1	45
Club View Estates	7	0	7	0	0	14	0	-
Eighteen Acres, Phase I	3	0	1	1	9	14	2	12.0
Madison Heights	3	0	4	0	1	8	0	63.0
Maloree Woods	16	3	2	2	35	58	3	23.0
Meadows Edge	15	1	2	0	0	18	0	-
Meadowview	8	0	0	0	0	8	0	-
Paige Place, Phases I & II	12	1	7	6	31	57	5	44.6
Patriot Park	56	5	42	14	37	154	23	37.9
Ravenwood, Phase II	1	2	1	0	7	11	2	24
Stonecrest	0	1	5	5	29	40	12	5.1
Walnut Woods II, Phases I, IV, V	10	2	6	12	49	79	5	36.0
Siloam Springs	133	15	80	40	199	467	53	31.2



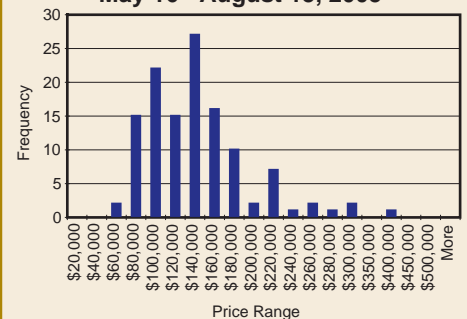
Siloam Springs Price Range of Houses Sold May 16 - August 15, 2005

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	0.8%	940	50	92.6%	\$52.13
\$50,001 - \$100,000	39	31.5%	1,209	81	99.4%	\$69.19
\$100,001 - \$150,000	47	37.9%	1,553	81	99.9%	\$81.71
\$150,001 - \$200,000	23	18.5%	1,882	72	102.1%	\$89.88
\$200,001 - \$250,000	8	6.5%	2,175	143	97.9%	\$99.28
\$250,001 - \$300,000	5	4.0%	2,867	140	96.3%	\$96.65
\$300,001 - \$350,000	-	--	-	--	--	-
\$350,001 - \$400,000	1	0.8%	3,650	480	96.0%	\$98.63
\$400,001 - \$450,000	-	--	-	--	--	-
\$450,001 - \$500,000	-	--	-	--	--	-
\$500,000+	-	--	-	--	--	-
Siloam Springs	124	100.0%	1,611	89	99.8%	\$80.92

Siloam Springs Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Ashley Park, Phases II, III	81
Copper Leaf	61
Deer Lodge	19
Eastern Hills	31
Haden Place Addition	40
Heritage Ranch, Phases II, III	53
Meadowbrook	20
Ravenwood, Phase V	10
Royal Oak	53
Stonecrest, Phases II, III	63
The Woodlands	111
Washington Court	14
Washington Street Addition	20
<i>Final Approval</i>	
Ashley Park, Phase I	32
CD Gunter's Addition	5
Chanel Court, Phase II	3
Chatterong Heights, Phase III	6
Gabriel Park	8
Heritage Ranch, Phase I	26
Highland Court	10
Progress Development	1
Rosemead	19
South Pointe Center Addition	20
Spencer's Addition	4
Siloam Springs	710

Siloam Springs
Price Distribution of Houses Sold
May 16 - August 15, 2005



Washington County

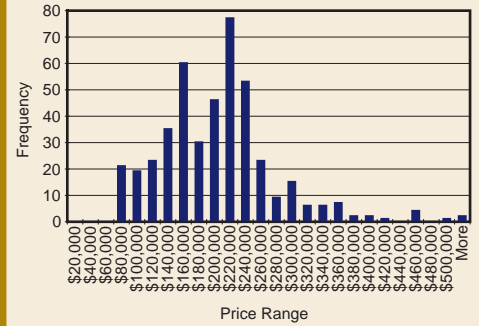
Building Permits

From June to August 2005, there were 442 residential building permits issued in Washington County. The third quarter 2005 total was 7.8 percent higher than the third quarter 2004 total of 410 residential building permits. The average value of the Washington County June to August 2005 building permits was \$194,177, up 34.0 percent from \$144,868 for June to August 2004 residential building permits. About 76 percent of the third quarter building permits were valued between \$100,000 and \$200,000, with 15 percent higher than \$200,000 and 9 percent lower than \$100,000. In Washington County, the dominant building permit price points were between \$200,000 and \$220,000 and between \$140,000 and \$160,000.

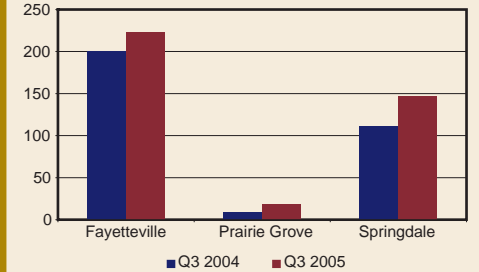
Fayetteville accounted for 50 percent of the residential building permits in Washington County. Springdale followed with 33 percent and the remaining 17 percent were from the other small cities in the county.

From the third quarter of 2004 to the third quarter of 2005, fewer building permits were issued in Elkins, Farmington, Goshen, Greenland, and Johnson, while Elm Springs, Fayetteville, Lincoln, Prairie Grove, Springdale, and West Fork had an absolute increase in the number of building permits issued.

**Washington County
Distribution of
Residential Building Permit Values
June - August 2005**



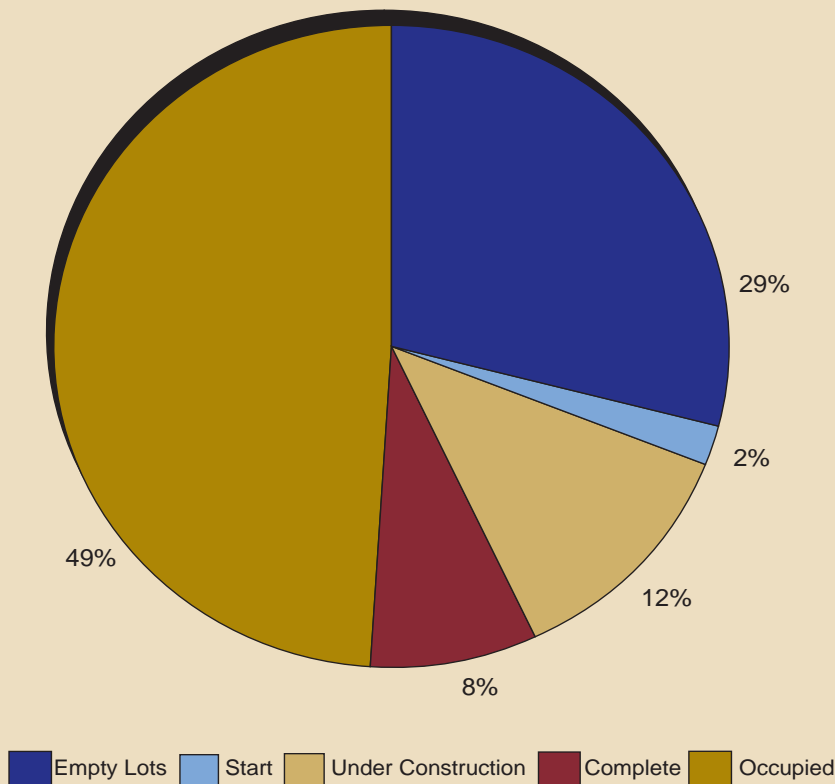
**Selected Cities in Washington County
Number of Residential Building Permits
Q3 2004 and Q3 2005**



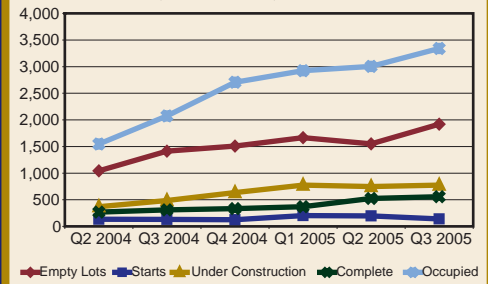
Washington County Residential Building Permit Values by City June - August 2005

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+	Q3 2005 Total	Q3 2004 Total
Elkins	0	1	2	0	0	0	0	0	0	0	0	3	15
Elm Springs	0	0	1	1	2	2	0	0	0	0	0	6	-
Farmington	0	0	4	4	1	0	0	0	0	0	0	9	18
Fayetteville	0	17	29	72	70	21	11	1	2	0	0	223	201
Goshen	0	1	0	1	0	0	0	1	0	0	0	3	7
Greenland	0	3	13	0	0	0	0	0	0	0	0	16	18
Johnson	0	0	1	0	0	0	0	0	0	0	1	2	26
Lincoln	0	0	6	0	0	0	0	0	0	0	0	6	0
Prairie Grove	0	15	3	0	0	0	0	0	0	1	0	19	9
Springdale	0	0	9	43	68	13	7	3	3	0	1	147	111
West Fork	0	3	3	2	0	0	0	0	0	0	0	8	5
Washington County	0	40	71	123	141	36	18	5	5	1	2	442	410

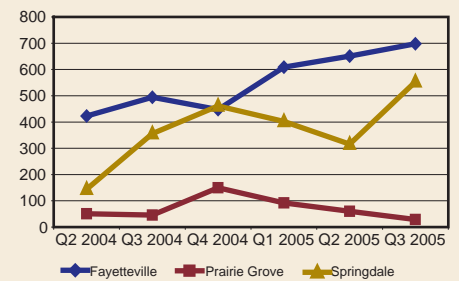
Washington County Status of Houses in Active Subdivisions by Percentage Q3 2005



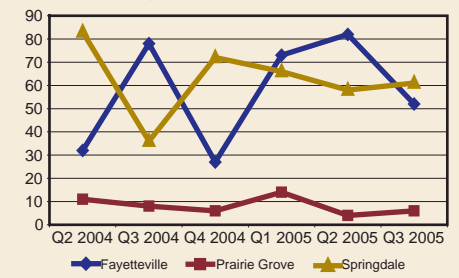
Washington County House Status in Active Subdivisions Q2 2004 - Q3 2005



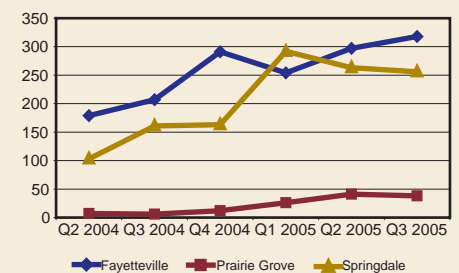
Washington County Number of Empty Lots in Active Subdivisions Q2 2004 - Q3 2005



Washington County Number of Starts in Active Subdivisions Q2 2004 - Q3 2005



Washington County Number of Houses Under Construction in Active Subdivisions Q2 2004 - Q3 2005



Subdivisions

There were 6,709 lots in the 105 active subdivisions in Washington County in the third quarter of 2005. Within the active subdivisions, 29 percent of the lots were empty, 2 percent were starts, 12 percent were under construction, 8 percent were complete, but unoccupied houses, and 49 percent were occupied houses. In the third quarter of 2005, Fayetteville had the most empty lots, houses under construction, and complete but unoccupied houses. Springdale had the most starts, and occupied houses in active subdivisions. During the third quarter of 2005, the most active subdivisions in terms of houses under construction were Cross Keys in Fayetteville, Stonebridge Meadows in Fayetteville, and Memory Lane in Springdale. Of these top 3 subdivisions for new construction, Stonebridge Meadows was also among the most active in the second quarter of 2005.

From the second quarter to the third quarter of 2005, 554 houses in active subdivisions became occupied in Washington County. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Washington County had 23.8 months of lot inventory at the end of the third quarter. This was an increase from the second quarter's lot inventory of 22.3 months and is due to the supply of lots outstripping the increases in absorption.

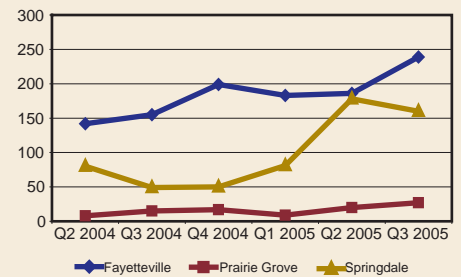


Sales of Existing Houses

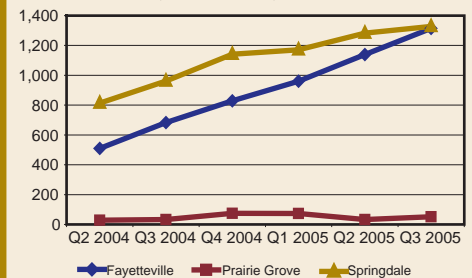
Examining the sales of existing houses in the third quarter of 2005 yields some interesting results. A total of 873 existing houses were sold from May 16 to August 15, 2005. This represents an increase of 7.4 percent from the same period in 2004. About 43 percent of the houses were sold in Fayetteville and 37 percent were sold in Springdale. The average price of all houses sold in Washington County was \$187,033 and the average house price per square foot was \$96.20. For the third quarter of 2005, the average amount of time between the initial listing of a house and the sale date was 103 days. These statistics indicate continuing strength in the market.

From mid-May to mid-August, on average, the largest houses in Washington County were sold in Tontitown and Goshen. The average had 3.2 bedrooms, while 1.5 to 2.5 bathrooms were the norm across Washington County. The average house was most expensive in Goshen in both absolute and per square foot terms. On average, homes sold fastest in Springdale and Tontitown.

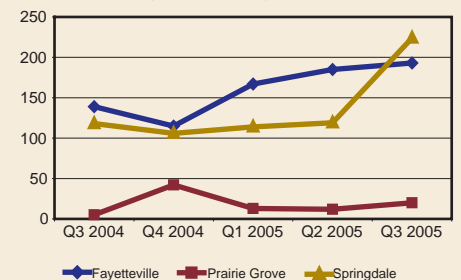
**Washington County
Number of Complete, but Unoccupied
Houses in Active Subdivisions
Q2 2004 - Q3 2005**



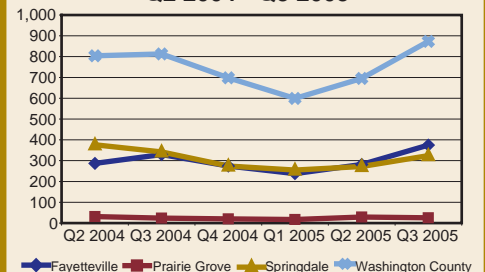
**Washington County
Number of Occupied Houses
in Active Subdivisions
Q2 2004 - Q3 2005**



**Washington County
Number of Absorbed Houses
in Active Subdivisions
Q3 2004 - Q3 2005**



**Washington County
Number of Houses Sold
Q2 2004 - Q3 2005**

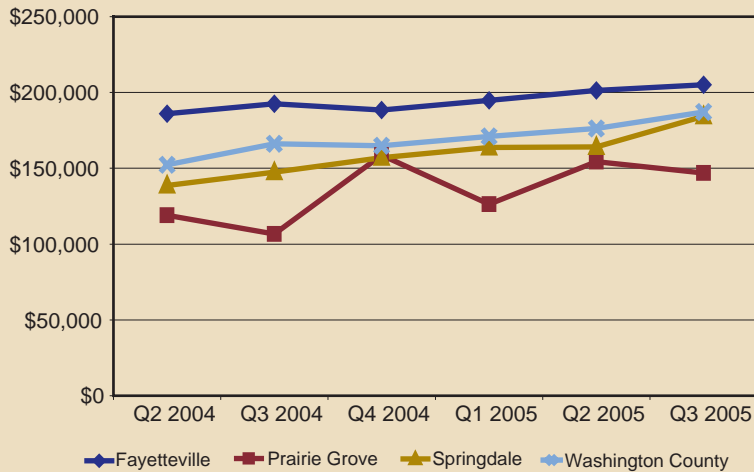


Washington County Sold House Characteristics by City

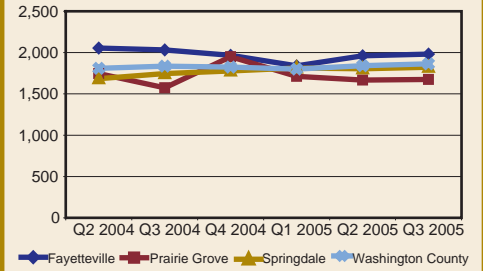
May 16 - August 15, 2005

City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Cane Hill	\$189,500	\$123.05	125	1	0.1%
Elkins	\$139,727	\$86.44	125	45	5.2%
Elm Springs	\$323,414	\$109.80	114	7	0.8%
Farmington	\$173,146	\$95.29	102	34	3.9%
Fayetteville	\$205,151	\$101.77	112	375	43.0%
Goshen	\$425,838	\$131.31	173	2	0.2%
Greenland	\$184,200	\$99.88	109	5	0.6%
Johnson	\$154,000	\$93.50	15	1	0.1%
Lincoln	\$83,448	\$65.97	114	21	2.4%
Prairie Grove	\$146,810	\$85.13	106	25	2.9%
Springdale	\$184,411	\$94.70	88	324	37.1%
Summers	\$77,000	\$56.62	64	1	0.1%
Tontitown	\$367,500	\$105.49	97	2	0.2%
West Fork	\$132,538	\$85.87	109	25	2.9%
Winslow	\$99,200	\$66.56	113	5	0.6%
Washington County	\$187,033	\$96.20	103	873	100.0%

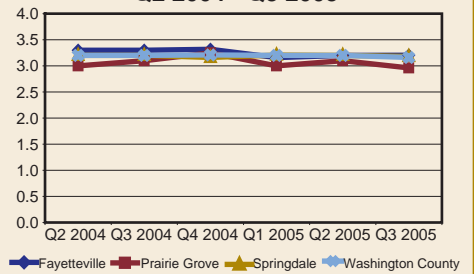
Washington County Average Price of Houses Sold Q2 2004 - Q3 2005



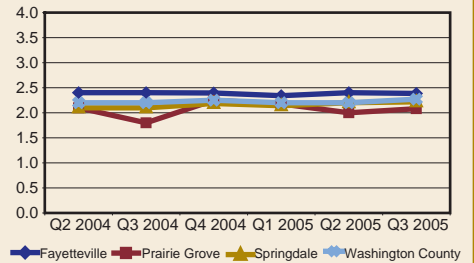
Washington County Average Square Footage of Houses Sold Q2 2004 - Q3 2005



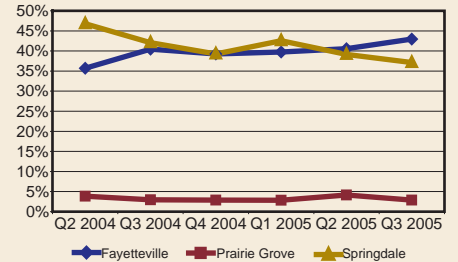
Washington County Average Number of Bedrooms in Houses Sold Q2 2004 - Q3 2005



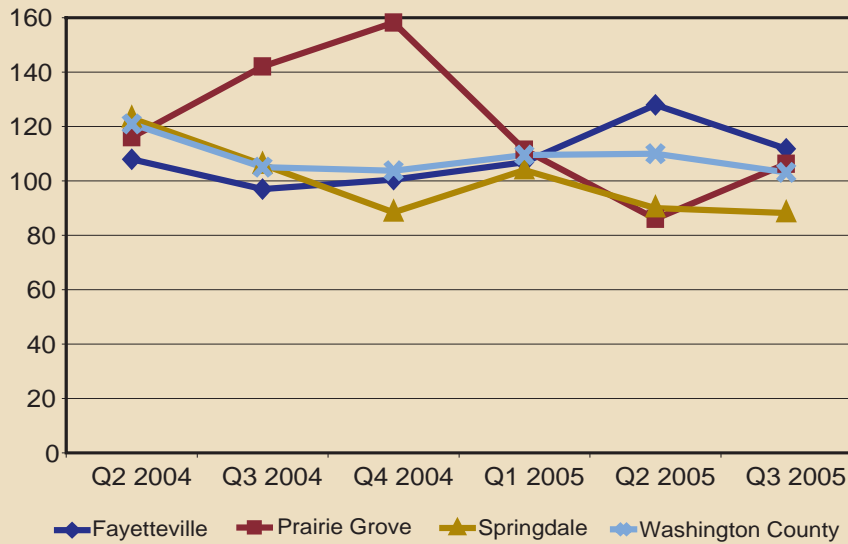
Washington County Average Number of Bathrooms in Houses Sold Q2 2004 - Q3 2005



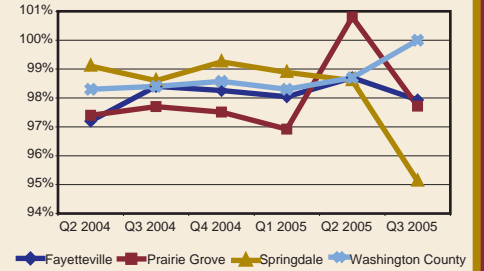
Washington County Percentage of Houses Sold Q2 2004 - Q3 2005



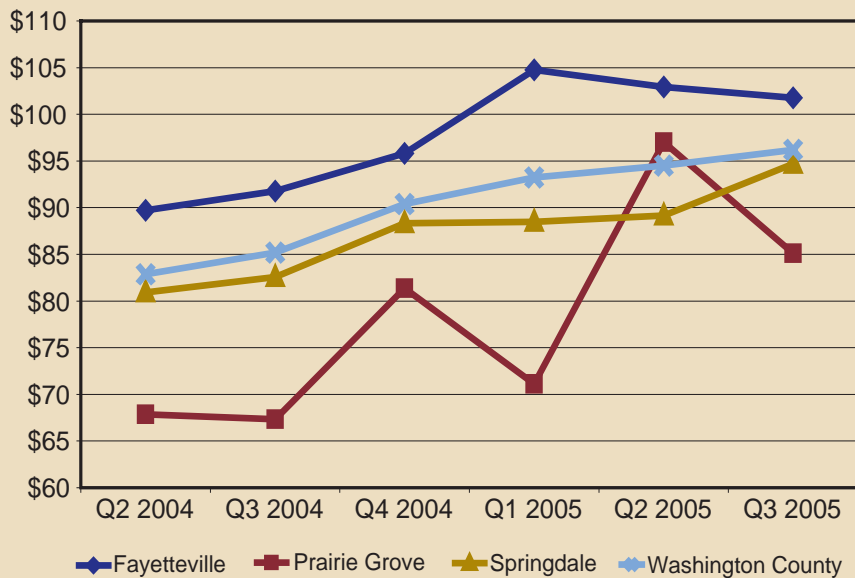
Washington County Average Number of Days on the Market for Houses Sold Q2 2004 - Q3 2005



Washington County Average Sold Price as a Percentage of Average List Price of Houses Sold Q2 2004 - Q3 2005

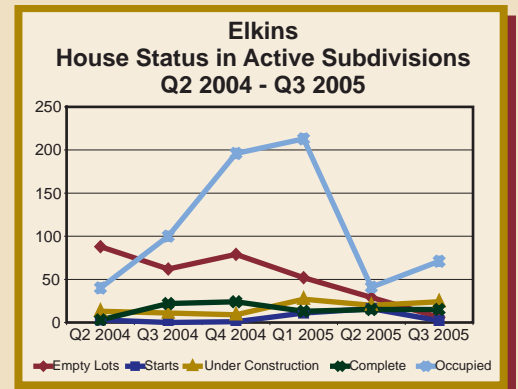
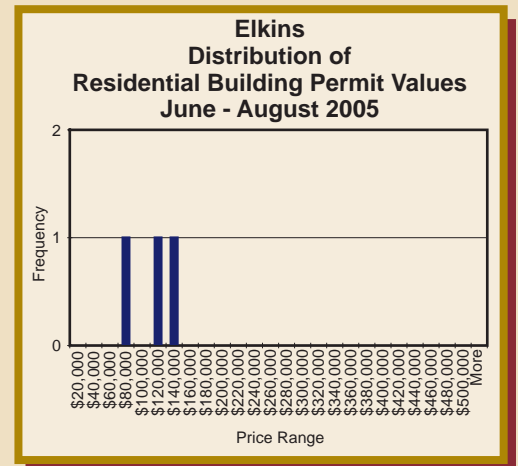


Washington County Average Price Per Square Foot of Houses Sold Q2 2004 - Q3 2005



Elkins

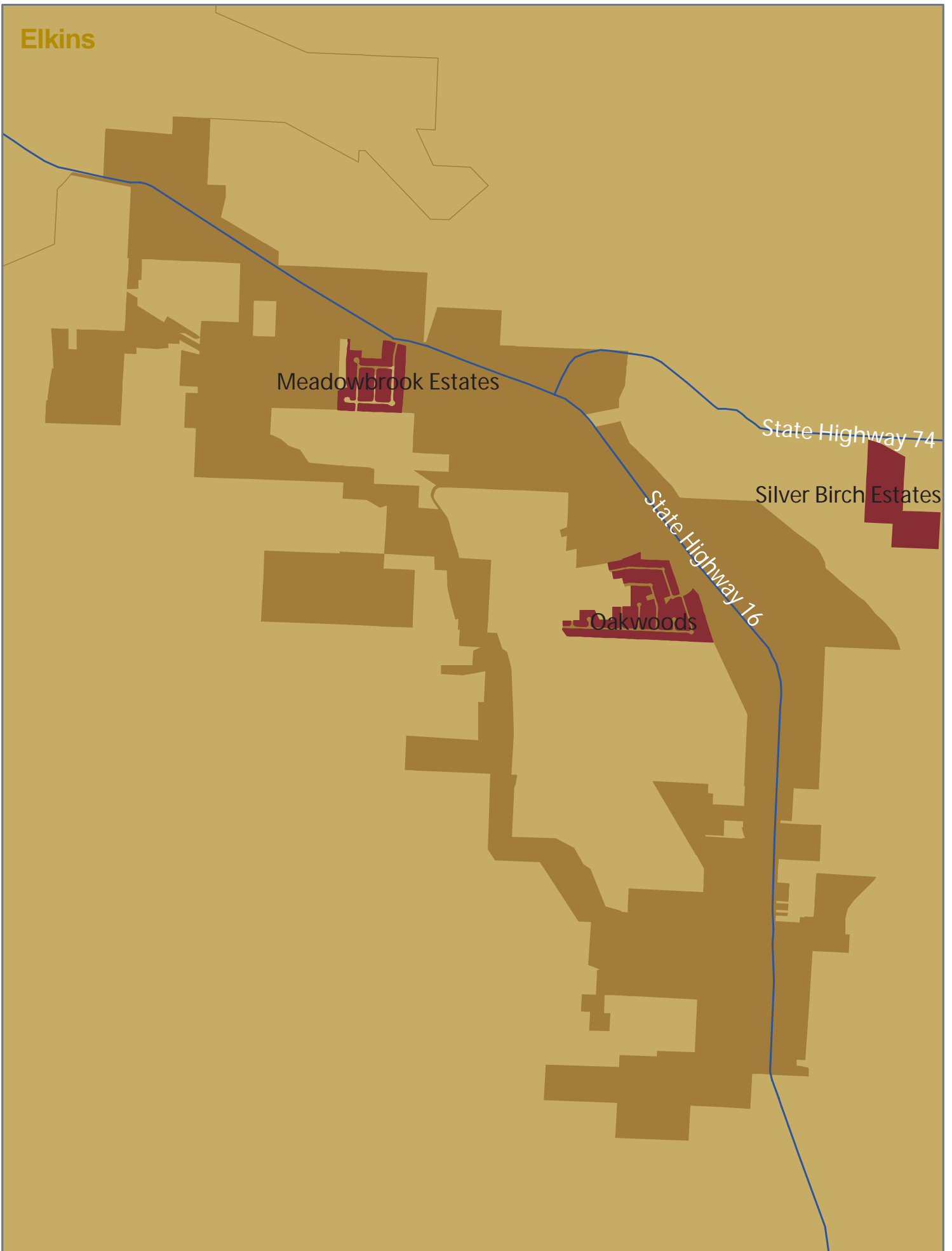
- There were 3 building permits issued in Elkins from June to August 2005.
- The average residential building permit value in Elkins was \$103,704 in the third quarter of 2005.
- There were 118 total lots in active subdivisions in Elkins in the third quarter of 2005. About 60 percent of the lots were occupied, 13 percent were complete, but unoccupied, 20 percent were under construction, 2 percent were starts, and 5 percent were vacant lots.
- An additional 504 lots in 6 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Elkins.
- 31 new houses in Elkins became occupied in the third quarter of 2005. The annual absorption rate implies that there are 8.3 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Elkins in the third quarter was Meadowbrooke with 22.
- There were 45 existing houses sold in Elkins from May 16 to August 15, 2005, or 60.7 percent more than in the previous quarter and 95.7 percent more than in the same period last year.
- The average price of a house sold in Elkins increased from \$123,529 in the second quarter to \$139,727 in the third quarter. In the third quarter of 2005, the average sales price was 13.1 percent higher than in the previous quarter and 31.7 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 159 days in the second quarter to 125 days in the third quarter of 2005.
- About 5.2 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Elkins. The average sales price of a house in Elkins was 75 percent of the county average.
- 71 percent of the sold houses in Elkins were in the \$100,000 to \$150,000 range.



Elkins House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Meadowbrooke	1	2	22	11	35	71	20	14.9
Oakwoods, Phase III	0	0	0	4	36	40	11	1.3
Silver Birch Estates	5	0	2	0	0	7	0	63.0
Elkins	6	2	24	15	71	118	31	8.3

Elkins

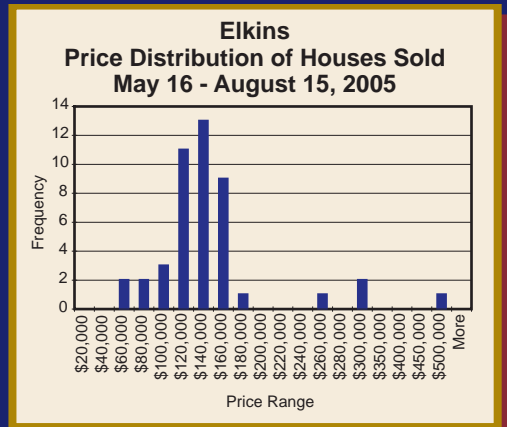


Elkins Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	6	13.6%	1,212	97	81.8%	\$62.20
\$100,001 - \$150,000	33	75.0%	1,487	112	100.2%	\$86.70
\$150,001 - \$200,000	1	2.3%	1,800	114	102.4%	\$83.56
\$200,001 - \$250,000	1	2.3%	2,463	43	99.5%	\$68.62
\$250,001 - \$300,000	2	4.5%	2,559	226	103.7%	\$106.01
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	1	2.3%	3,418	322	111.9%	\$137.51
\$500,000+	--	--	--	--	--	--
Elkins	44	100.0%	1,562	120	97.9%	\$84.06

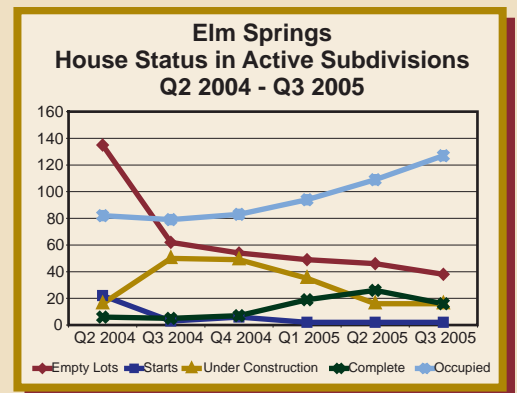
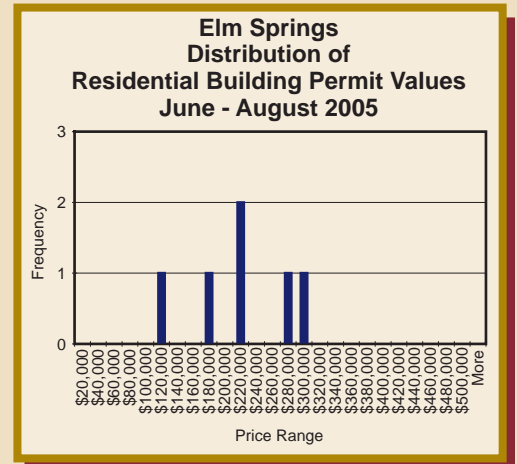
Elkins Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Elkridge Plantation	40
Millers Meadows	85
Oak Leaf Manor	149
Stokenbury Farms	138
Stonecrest	45
<i>Final Approval</i>	
Oakwoods, Phase IV	47
Elkins	504



Elm Springs

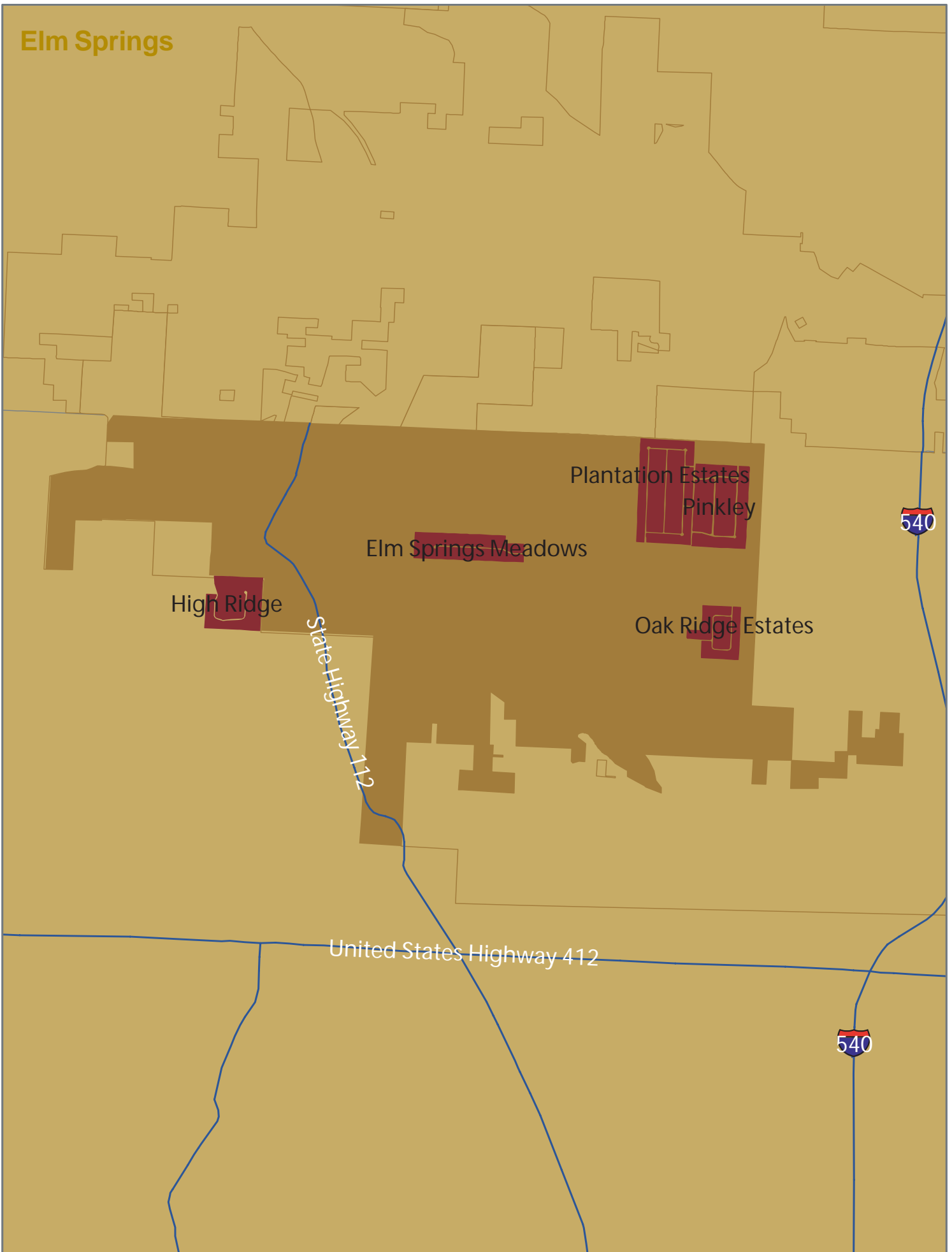
- There were 6 building permits issued in Elm Springs from June to August 2005.
- The average residential building permit value in Elm Springs was \$213,833 in the third quarter of 2005.
- There were 199 total lots in active subdivisions in Elm Springs in the third quarter of 2005. About 64 percent of the lots were occupied, 8 percent were complete, but unoccupied, 8 percent were under construction, 1 percent were starts, and 19 percent were vacant lots.
- 18 new houses in Elm Springs became occupied in the third quarter of 2005. The annual absorption rate implies that there are 18.0 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Elm Springs in the third quarter were Plantation Estates with 8 and High Ridge with 6.
- An additional 88 lots in 2 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Elm Springs.
- There were 7 existing houses sold in Elm Springs from May 16 to August 15, 2005, or 133 percent more than in the previous quarter and 133 percent more than in the same period last year.
- The average price of a house sold in Elm Springs increased from \$262,000 in the second quarter to \$323,414 in the third quarter. In the third quarter of 2005, the average sales price was 23.4 percent higher than in the previous quarter and 33.4 percent higher than in the same period last year.
- In Elm Springs, the average number of days from the initial house listing to the sale decreased from 155 days in the second quarter to 114 days in the third quarter of 2005.
- About 0.8 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Elm Springs. The average sales price of a house in Elm Springs was 173 percent of the county average.



Elm Springs House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Elm Springs Meadows	1	0	0	0	26	27	0	2.4
High Ridge	5	1	6	0	9	21	4	18.0
Oakridge Estates	2	0	0	0	23	25	0	8.0
Pinkley, Phases I - III	18	0	2	1	40	61	0	84.0
Plantation Estates	12	1	8	15	29	65	14	14.9
Elm Springs	38	2	16	16	127	199	18	18.0

Elm Springs

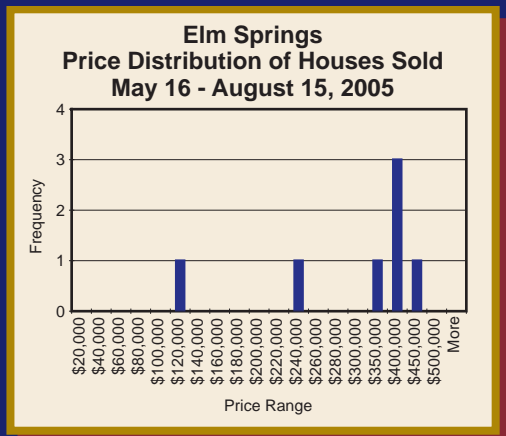


Elm Springs Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	--	--	--	--	--	--
\$100,001 - \$150,000	1	14%	1,337	47	100.0%	\$78.53
\$150,001 - \$200,000	--	--	--	--	--	--
\$200,001 - \$250,000	1	14%	2,277	84	99.2%	\$97.98
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	1	14%	2,850	178	100.0%	\$112.25
\$350,001 - \$400,000	3	43%	3,263	138	101.9%	\$119.42
\$400,001 - \$450,000	1	14%	3,701	77	105.9%	\$121.59
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Elm Springs	7	100%	2,851	114	101.6%	\$109.80

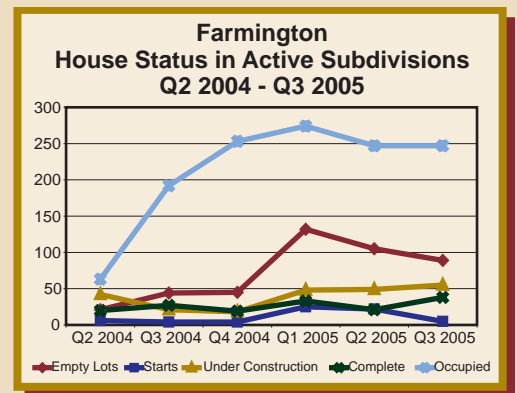
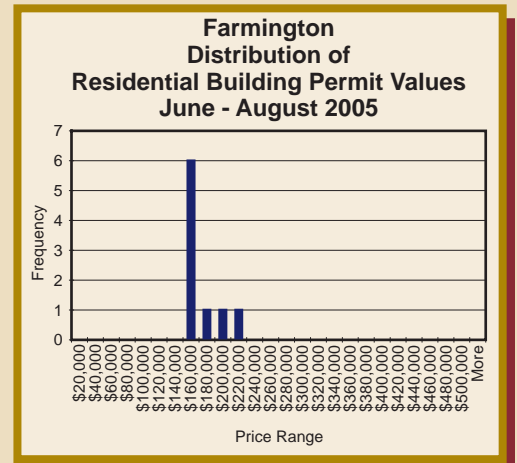
Elm Springs Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i> Camelot	65
<i>Final Approval</i> Brush Creek Estates	23
Elm Springs	88



Farmington

- From June to August 2005, there were 9 residential building permits issued in Farmington. This represents a decrease of 50.0 percent from the same period in 2004.
- The average residential building permit value in Farmington increased by 74.3 percent from the third quarter of 2004 to \$162,111.
- The major price point in Farmington was in the \$140,000 to \$160,000 range.
- There were 434 total lots in active subdivisions in Farmington in the third quarter of 2005. About 57 percent of the lots were occupied, 9 percent were complete, but unoccupied, 13 percent were under construction, 1 percent were starts, and 21 percent were vacant lots.
- 16 new houses in Farmington became occupied in the third quarter of 2005. The annual absorption rate implies that there are 15.7 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Farmington in the third quarter were Bermuda Estates with 29, Riviera Estates with 8, and Southaven with 8.
- An additional 153 lots in 2 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Farmington.
- There were 34 existing houses sold in Farmington from May 16 to August 15, 2005, or 17.1 percent fewer than in the previous quarter and 12.8 percent fewer than in the same period last year.
- The average price of a house sold in Farmington increased from \$162,693 in the second quarter to \$173,146 in the third quarter. In the third quarter of 2005, the average sales price was 6.4 percent higher than in the previous quarter and 20.2 percent higher than in the same period last year.
- In Farmington, the average number of days from the initial house listing to the sale decline from 113 days in the second quarter to 113 days in the third quarter of 2005.
- About 3.9 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Farmington. The average sales price of a house in Farmington was 92.6 percent of the county average.
- 21 percent of the sold houses in Farmington were in the \$50,000 to \$100,000 range.



Farmington House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Bermuda Estates	27	1	29	8	1	66	1	585.0
Forest Hills, Phases I, II	5	0	0	0	46	51	5	7.5
J & J Estates	0	0	0	0	5	5	1	0.0
Owl Creek	1	0	0	0	11	12	0	-
Riviera Estates	4	1	8	11	32	56	7	10.3
South Club House Estates	26	1	4	10	34	75	0	7.9
Southaven, Phase III	5	2	8	2	72	89	2	3.1
Southwinds, Phases IV, V	21	0	6	7	46	80	0	27.2
Farmington	89	5	55	38	247	434	16	15.7

Farmington

J & J Estates

State Highway 16

Forest Hills

Main

South Haven

Southwinds

Hunter

Owl Creek

United States Highway 62

State Highway 170

South Club House Estates

Bermuda Estates

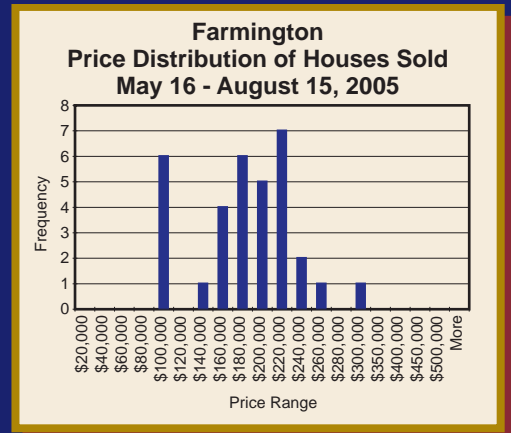
Riviera Esates

Farmington Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	7	21%	1,167	76	96.6%	\$77.07
\$100,001 - \$150,000	4	12%	1,597	109	97.9%	\$89.53
\$150,001 - \$200,000	12	35%	1,844	116	97.7%	\$99.36
\$200,001 - \$250,000	10	29%	2,124	101	99.0%	\$102.25
\$250,001 - \$300,000	2	6%	2,382	113	98.8%	\$115.10
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Farmington	34	100%	1,787	102	98.1%	\$95.19

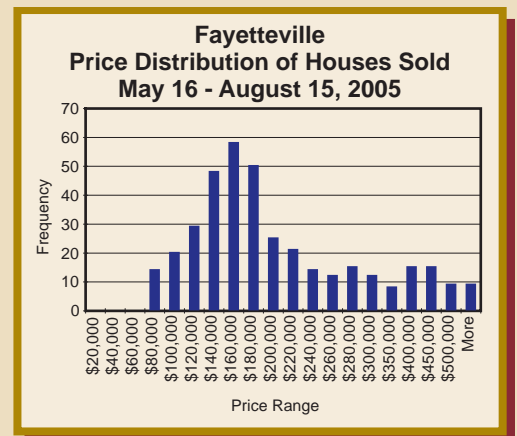
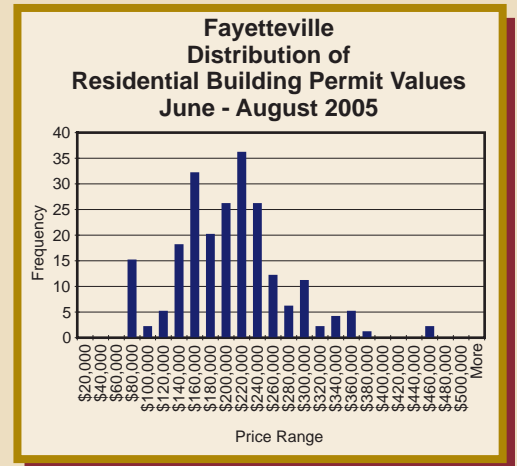
Farmington Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Final Approval</i>	
Farmington Heights	119
Silverthorne, Phase II	34
Farmington	153



Fayetteville

- From June to August 2005, there were 223 residential building permits issued in Fayetteville. This represents an increase of 10.9 percent from the same period in 2004.
- The average residential building permit value in Fayetteville increased by 33.1 percent from the third quarter of 2004 to \$195,518.
- The major price points for Fayetteville building permits were in the \$140,000 to \$160,000 range. Another peak can be found at the \$200,000 to \$220,000 range.
- There were 2,597 total lots in active subdivisions in Fayetteville in the third quarter of 2005. About 51 percent of the lots were occupied, 9 percent were complete, but unoccupied, 12 percent were under construction, 2 percent were starts, and 27 percent were vacant lots.
- 197 new houses in Fayetteville became occupied in the third quarter of 2005. The annual absorption rate implies that there are 23.2 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Fayetteville in the third quarter were Stonebridge Meadows with 51 and Westbrook Village with 13.
- An additional 1,974 lots in 37 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Fayetteville.
- There were 375 existing houses sold in Fayetteville from May 16 to August 15, 2005, or 33 percent more than in the previous quarter and 14 percent more than in the same period last year.
- The average price of a house sold in Fayetteville increased from \$201,357 in the second quarter to \$205,151 in the third quarter. In the third quarter of 2005, the average sales price was 1.9 percent higher than in the previous quarter and 6.6 percent higher than in the same period last year.
- In Fayetteville, the average number of days from the initial house listing to the sale decreased from 128 days in the second quarter to 112 days in the third quarter of 2005.
- About 43 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Fayetteville. The average sales price of a house in Fayetteville was 109.7 percent of the county average.
- 28.3 percent of the sold houses in Fayetteville were in the \$150,000 to \$200,000 range.

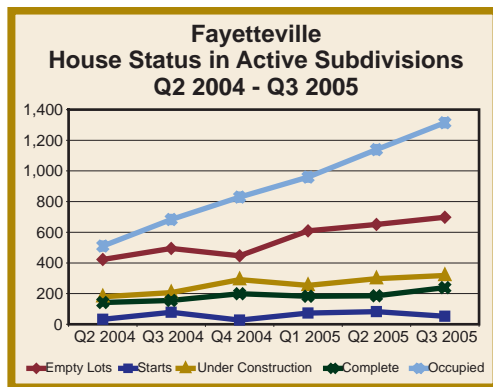


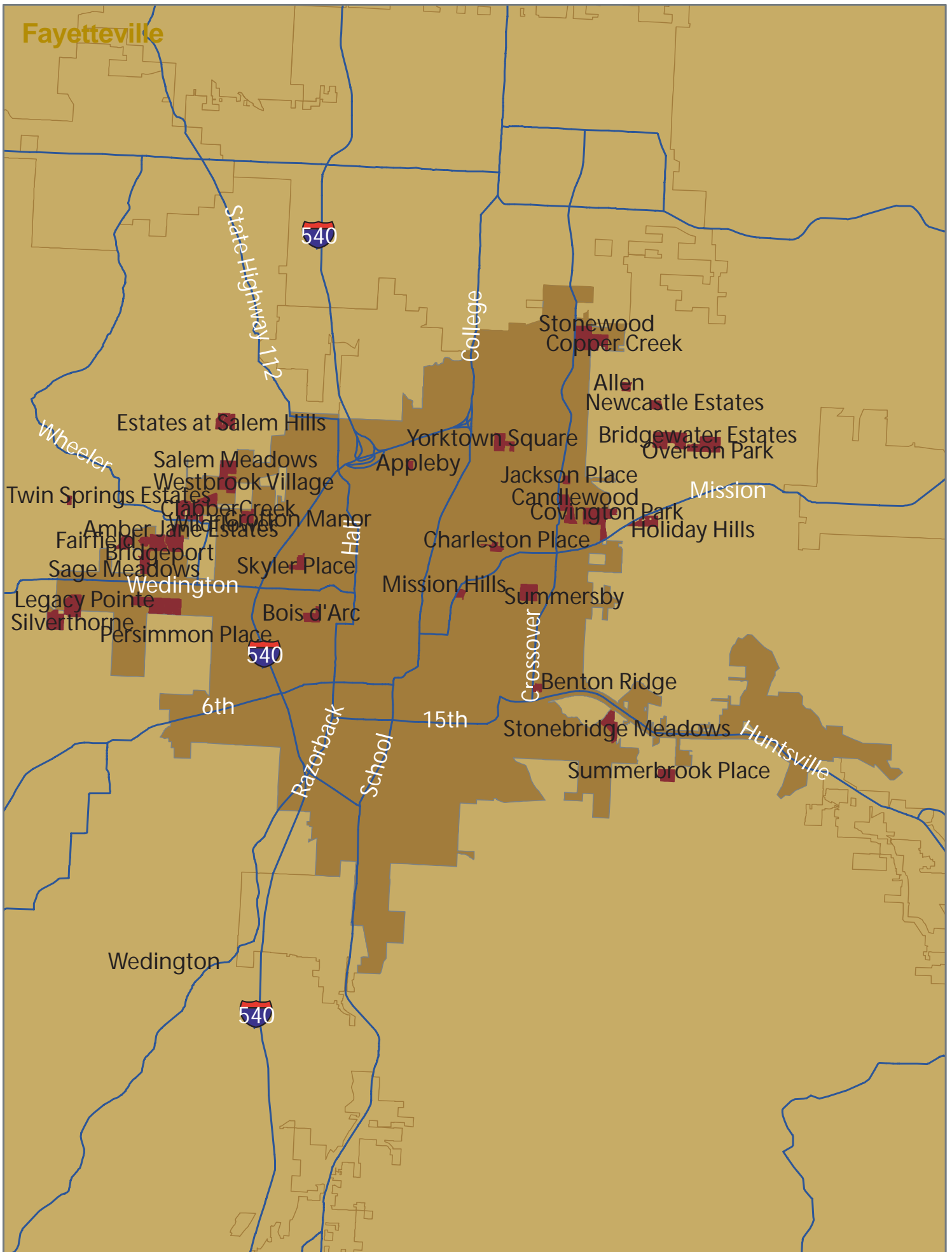
Fayetteville Price Range of Houses Sold May 16 - August 15, 2005

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	0.3%	1,378	35	93.5%	\$36.28
\$50,001 - \$100,000	34	9.1%	1,058	82	98.0%	\$81.59
\$100,001 - \$150,000	105	28.0%	1,414	73	99.3%	\$95.03
\$150,001 - \$200,000	105	28.0%	1,786	125	98.8%	\$97.34
\$200,001 - \$250,000	42	11.2%	2,175	143	97.7%	\$107.40
\$250,001 - \$300,000	32	8.5%	2,524	117	98.3%	\$112.15
\$300,001 - \$350,000	8	2.1%	2,969	112	96.2%	\$117.24
\$350,001 - \$400,000	15	4.0%	3,069	115	95.7%	\$124.68
\$400,001 - \$450,000	15	4.0%	3,503	190	99.1%	\$123.27
\$450,001 - \$500,000	9	2.4%	3,747	147	97.9%	\$128.99
\$500,000+	9	2.4%	4,641	203	96.6%	\$130.39
Fayetteville	375	100.0%	1,982	112	98.4%	\$101.60

Fayetteville House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Amber Jane Estates	9	1	12	0	0	22	0	--
Appleby	--	--	--	--	--	--	--	--
Benton Ridge	2	0	15	26	0	43	0	--
Bois D'Arc	8	1	5	0	5	19	1	168.0
Bridgedale	25	0	0	0	0	25	0	--
Bridgeport, Phases VII, VIII	16	0	5	1	2	24	2	99
Bridgewater Estates	22	0	5	1	1	29	1	336.0
Candlewood	2	0	0	3	54	59	3	7.5
Charleston Place	5	0	5	0	41	51	3	4.6
Clabber Creek, Phases I, II	7	0	5	70	115	197	27	11.9
Copper Creek, Phases I, II	79	10	12	8	47	156	7	50.3
Copper Ridge	10	0	10	4	0	0	0	--
Covington Park, Phases I - IV	17	0	7	3	142	169	5	21.6
Crofton Manor	1	0	3	24	28	56	28	9
Cross Keys	43	8	57	0	0	108	0	--
Estates at Salem Hill	6	0	3	6	8	23	1	20.0
Fairfield, Phasse II, III	12	5	23	17	57	114	13	12.0
Holiday Hills	0	0	0	0	18	18	3	0.0
Jackson Place	0	0	0	3	11	14	5	3.3
Legacy Pointe, Phases I - III	17	0	12	24	108	161	11	8.7
Mission Hills	2	1	3	2	15	23	1	12.0
Newcastle Estates	10	0	0	0	0	10	0	--
Overton Park	26	4	13	3	5	51	5	82.8
Persimmon Place	135	9	10	0	0	154	0	--
River Hills	18	0	0	0	0	18	0	--
Sage Meadows	24	2	14	13	33	86	17	21.9
Salem Meadows	1	0	0	2	98	101	23	0.5
Silverthorne, Phase II	24	0	9	0	0	33	0	--
Skyler Place Addition	6	0	10	0	110	126	0	1.8
Stonebridge Meadows, Phases I - III	72	9	51	9	89	230	15	73.6
Stonewood	13	0	0	1	102	116	7	18.7
Summerbrook Place	1	0	3	4	4	12	4	24
Summersby	9	2	3	2	36	52	7	13.7
Trinity Place	12	0	0	3	6	21	6	7.5
Twin Creeks Addition	12	0	0	0	0	12	0	--
Twin Maples	6	0	2	0	0	8	0	--
Twin Springs Estates	2	0	3	0	0	5	0	--
Westbrook Village (was Salem Village)	4	0	13	5	89	111	0	6.0
Wildflower Meadows	40	0	4	4	0	48	0	--
Yorktowne Square	0	0	1	1	90	92	2	3.4
Fayetteville	698	52	318	239	1,314	2,597	197	23.2





Fayetteville

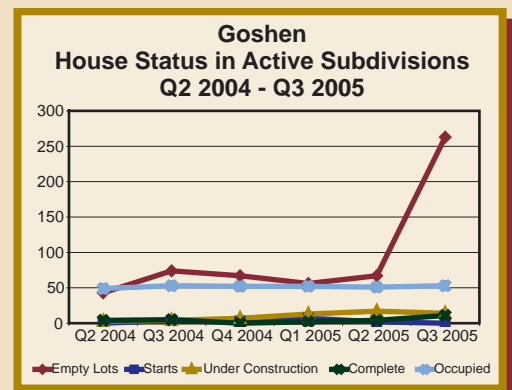
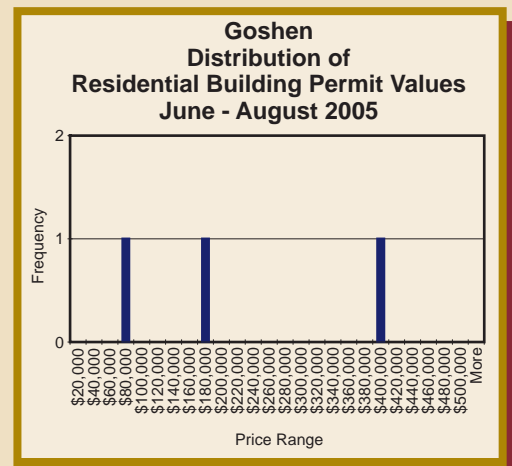
Approved Final and Preliminary Subdivisions

Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Belclair Estates	96
Bellwood	78
Benton	31
Biella Estates	100
Blueberry Meadows	72
Clabber Creek, Phases III-V	252
Craig Harper Subdivision	48
Crescent Lake	43
Cross Keys, Phase II	57
Crossroads East - replat	6
Deerpath Estates	16
Eagles Ridge	3
Falcon Ridge	62
Grand Valley Estates	24
Grand Valley Stable	24
Hays Estate	18
Legacy Point, Phase IV	20
Lewis/Wedington	18
Maple Valley	20
Miner Acres	7
Pembridge Subdivision	45
Pipers Glen	9
Salem Meadows, Phase II	77
Schelgel Subdivision	176
Sloan Estates	44
Springwoods, Lot 1	103
Springwoods, Lot 3	36
Springwoods, Lot 5	47
St. James Park	63
Stonebridge Meadows, Phases IV, V	76
Summit Place	50
Sundance Meadows	25
Water Brook, Phases I, II	118
West Haven	44
Wilson/Hancock	43
<i>Final Approval</i>	
Hickory Park	14
Springwoods	9
Fayetteville	1,974

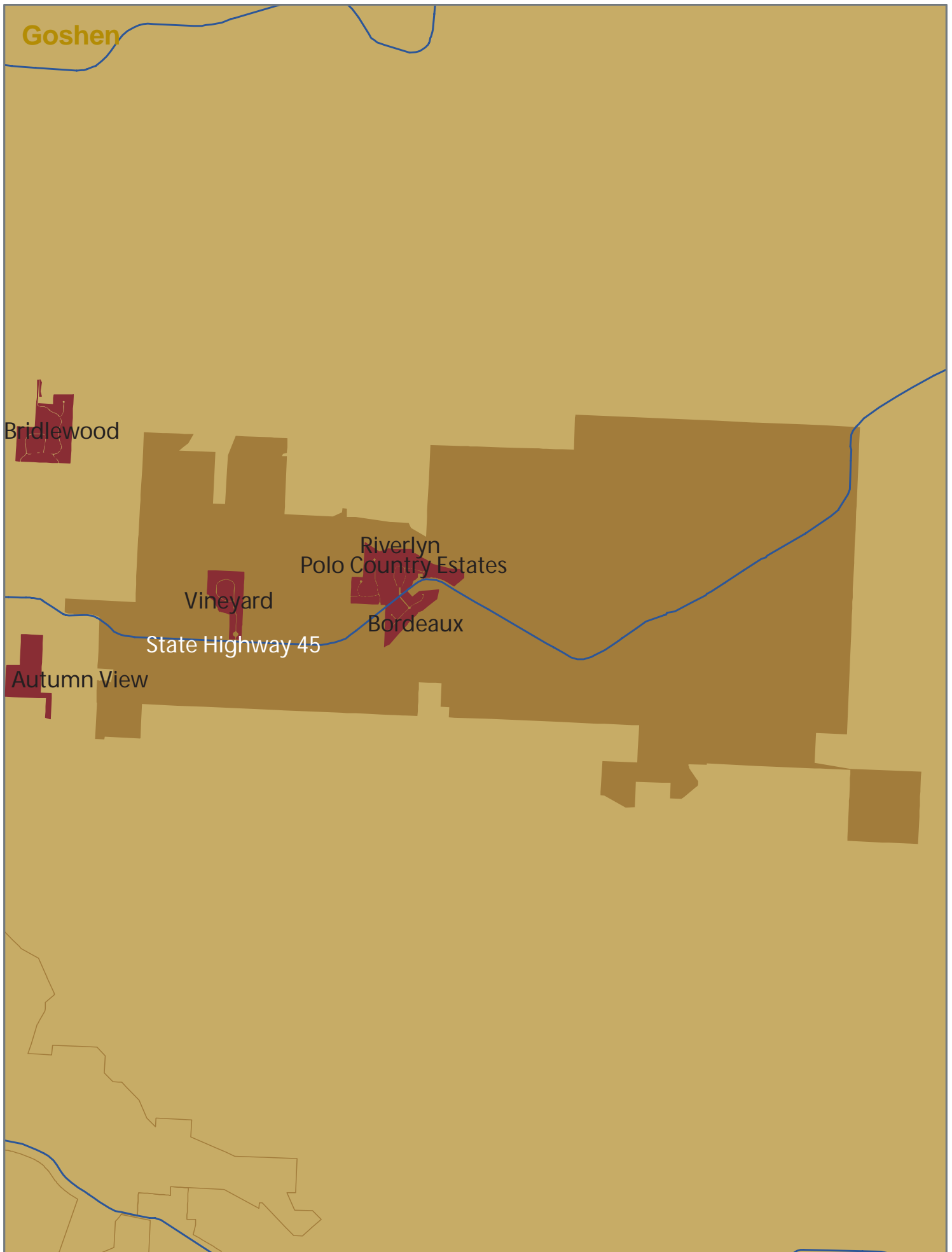
Goshen

- From June to August 2005, there were 3 residential building permits issued in Goshen. This represents a decrease of 57.1 percent from the same period in 2004.
- The average residential building permit value in Goshen increased by 4.3 percent from the third quarter of 2004 to \$205,989.
- There were 341 total lots in active subdivisions in Goshen in the third quarter of 2005. About 16 percent of the lots were occupied, 3 percent were complete, but unoccupied, 4 percent were under construction, 0 percent were starts, and 77 percent were vacant lots.
- 2 new houses in Goshen became occupied in the third quarter of 2005. The annual absorption rate implies that there are 216 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Goshen in the third quarter were Polo Country Estates with 6, Bridlewood with 4, and Vineyard with 4.
- An additional 140 lots in 5 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Goshen.
- There were 2 existing houses sold in Goshen from May 16 to August 15, 2005. 100 percent more than the second quarter and 50 percent more than in the same period last year.
- The average price of a house sold in Goshen was \$425,838 in the third quarter.
- In Goshen, the average number of days from the initial house listing to the sale increased from 0 days in the second quarter to 173 days in the third quarter of 2005.
- About 0.2 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Goshen. The average sales price of a house in Goshen was 228 percent of the county average.
- 100 percent of the sold houses in Goshen were in the \$350,000 to \$500,000 range.



Goshen House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Autumn View	10	0	0	0	0	10	0	-
Bordeaux	7	0	0	4	10	21	0	16.5
Bridlewood, Phase I	36	0	4	0	0	40	0	-
Polo Country Estates	1	0	6	3	13	23	0	120.0
Riverlyn	3	0	0	0	22	25	1	7.2
Vineyard	6	0	4	4	8	22	1	84.0
Waterford Estates	200	0	0	0	0	200	0	-
Goshen	263	0	14	11	53	341	2	216.0

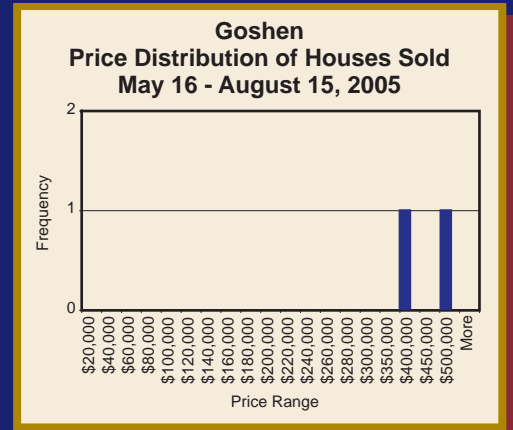


Goshen Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$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	1	50.0%	2,990	170	100.0%	\$131.07
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	1	50.0%	3,495	176	100.9%	\$131.55
\$500,000+	--	--	--	--	--	--
Goshen	2	100.0%	3,243	173	100.4%	\$131.31

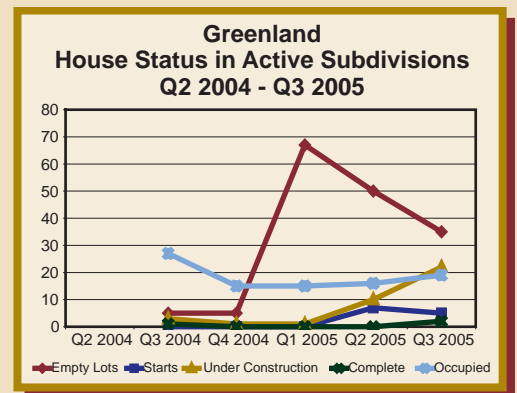
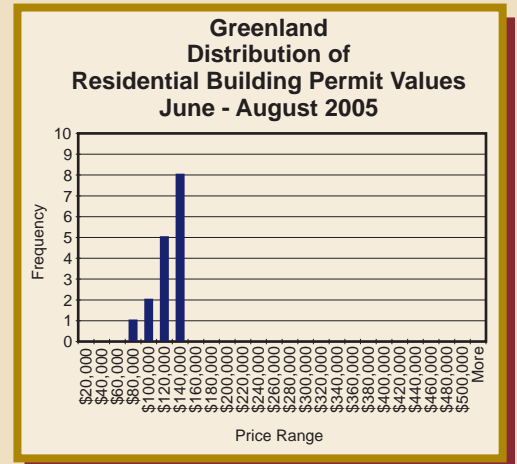
Goshen Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Brookstone, Phase II	64
<i>Final Approval</i>	
Abbey Lane	6
Brookstone, Phase I	45
Stone Meadows	15
Wild Wood	10
Goshen	140



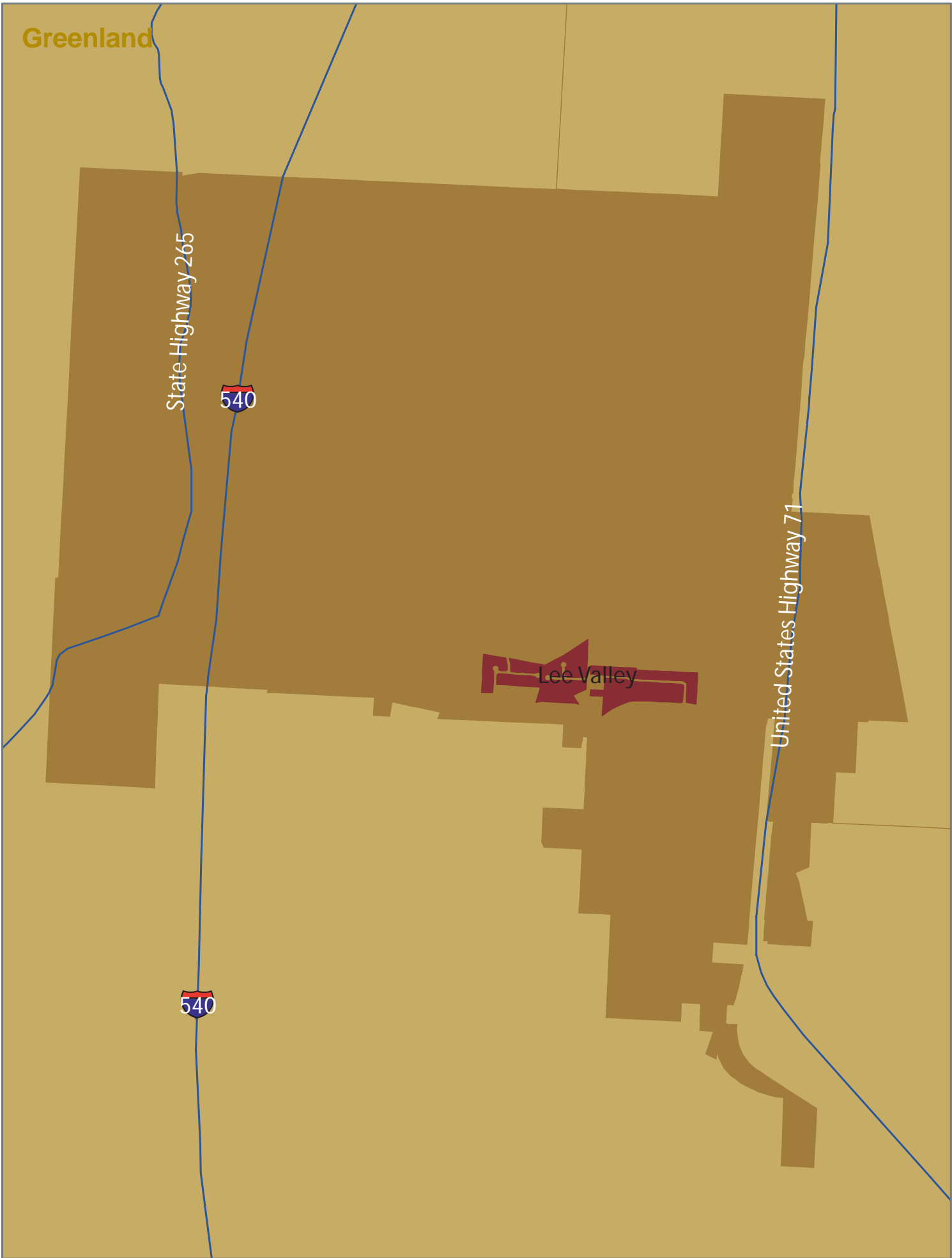
Greenland

- From June to August 2005, there were 16 residential building permits issued in Greenland. This represents a decrease of 11.1 percent from the same period in 2004.
- The average residential building permit value in Greenland increased by 47.4 percent from the third quarter of 2004 to \$115,572.
- The major price points for Greenland building permits were in the \$100,000 to \$140,000 range.
- There were 83 total lots in active subdivisions in Greenland in the third quarter of 2005. About 23 percent of the lots were occupied, 2 percent were complete but unoccupied, 27 were under construction, 6 percent were starts, and 42 percent were vacant lots.
- 3 new houses in Greenland became occupied in the third quarter of 2005. The annual absorption rate implies that there are 109.7 months of remaining inventory in active subdivisions.
- The only active subdivision in Greenland in the third quarter of 2005 was Lee Valley. There were 22 houses under construction.
- There were 5 existing houses sold in Greenland from May 16 to August 15, 2005, and there was 1 house sold in the previous quarter.
- The average price of a house sold in Greenland increased from \$150,000 in the second quarter to \$184,200 in the third quarter. In the third quarter of 2005, the average sales price was 22.8 percent higher than in the previous quarter and 35.3 percent higher than in the same period last year.
- In Greenland, the average number of days from the initial house listing to the sale increased from 82 days in the second quarter to 109 days in the third quarter of 2005.
- About 0.6 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Greenland. The average sales price of a house in Greenland was 98.5 percent of the county average.



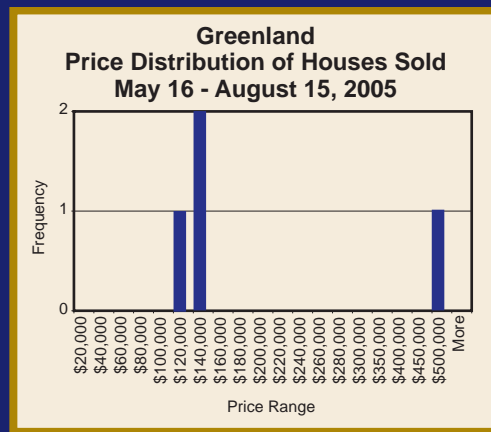
Greenland House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Lee Valley, Phases III & IV	35	5	22	2	19	83	3	109.7
Greenland	35	5	22	2	19	83	3	109.7



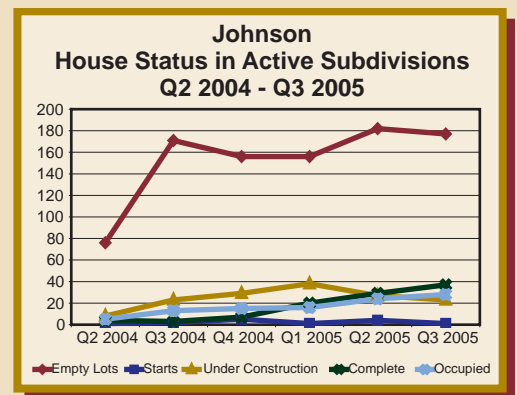
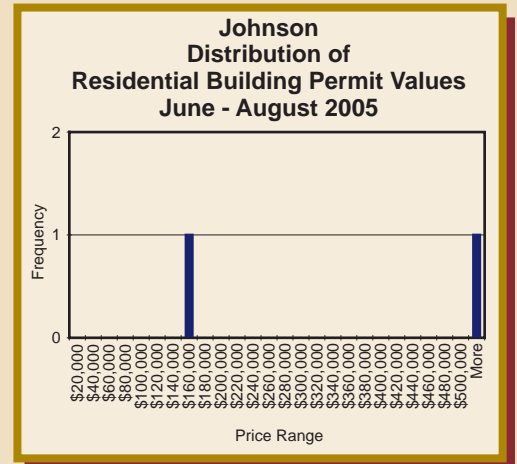
Greenland Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	1	20%	1,550	31	96.4%	\$59.68
\$100,001 - \$150,000	3	60%	1,473	159	94.8%	\$84.86
\$150,001 - \$200,000	--	--	--	--	--	--
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	1	20%	2,512	38	96.1%	\$185.11
\$500,000+	--	--	--	--	--	--
Greenland	5	100%	1,696	109	95.4%	\$99.88



Johnson

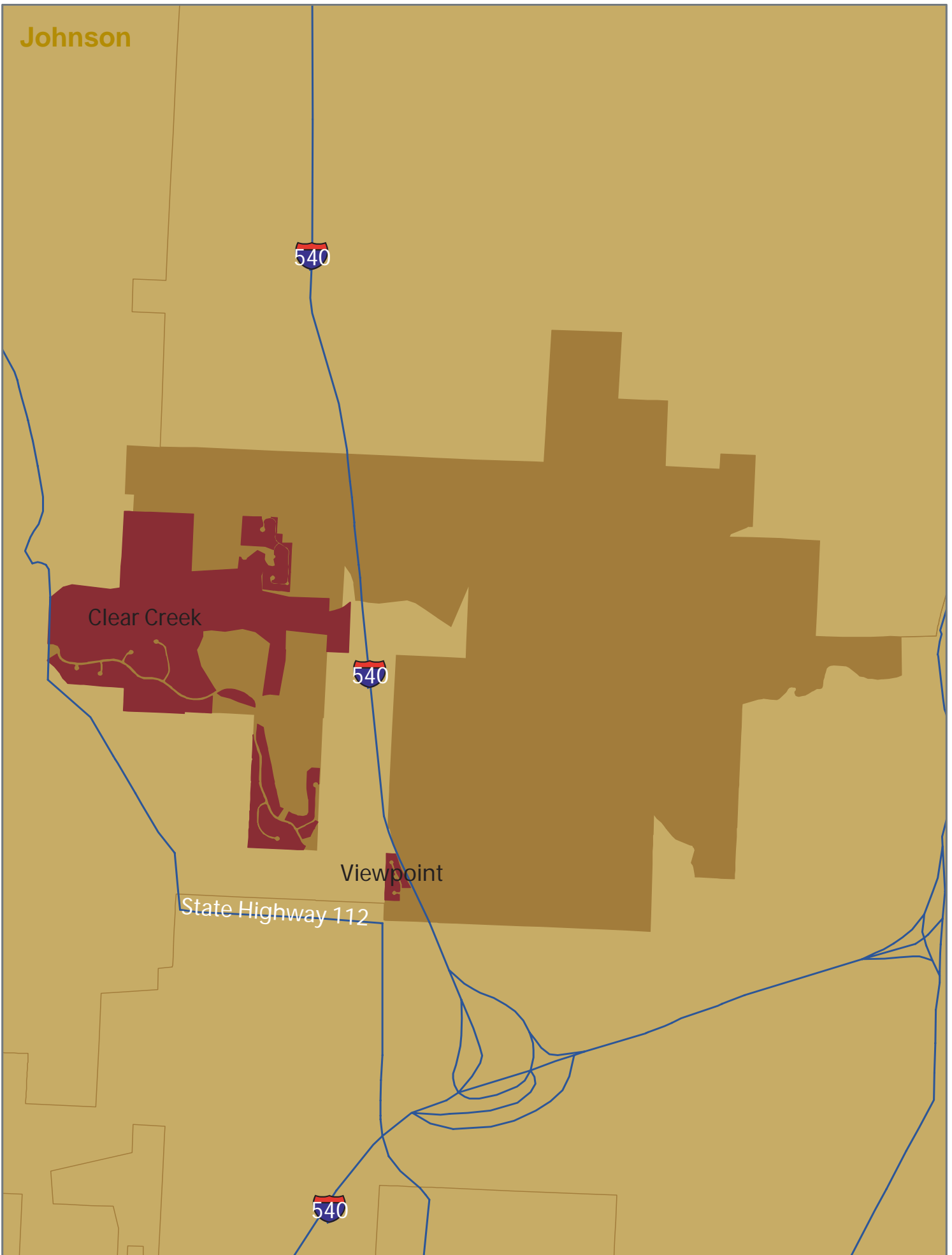
- From June to August 2005, there were 2 residential building permits issued in Johnson. This represents a decline of 92.3 percent from the same period in 2004.
- The average residential building permit value in Johnson increased by 62.7 percent from the third quarter of 2004 to \$368,213.
- There were 266 total lots in active subdivisions in Johnson in the third quarter of 2005. About 11 percent of the lots were occupied, 14 percent were complete, but unoccupied, 9 percent were under construction, 0 percent were starts, and 67 percent were vacant lots.
- 6 new houses in Johnson became occupied in the third quarter of 2005. The annual absorption rate implies that there are 125.7 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Johnson in the third quarter was Clear Creek with 23.
- There was 1 existing house sold in Johnson from May 16 to August 15, 2005, and there was 1 house sold in the previous quarter.
- The average price of a house sold in Johnson increased from \$124,000 in the second quarter to \$154,000 in the third quarter. In the third quarter of 2005, the average sales price was 24.2 percent higher than in the previous quarter.
- In Johnson, the average number of days from the initial house listing to the sale decreased from 56 days in the second quarter to 15 days in the third quarter of 2005.
- About 0.1 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Johnson. The average sales price of a house in Johnson was 82.3 percent of the county average.



Johnson House Status in Active Subdivisions Q3 2005

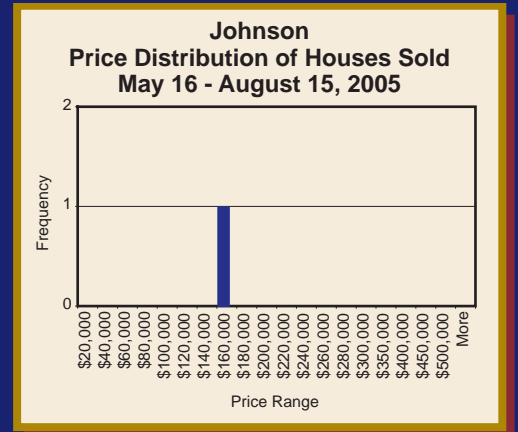
Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Clear Creek, Phases I - V & Patio Homes	164	1	23	10	26	224	6	148.5
Switch Townhomes	12	0	0	26	0	38	0	342.0
Viewpoint	1	0	0	1	2	4	0	12.0
Johnson	177	1	23	37	28	266	6	125.7

Johnson



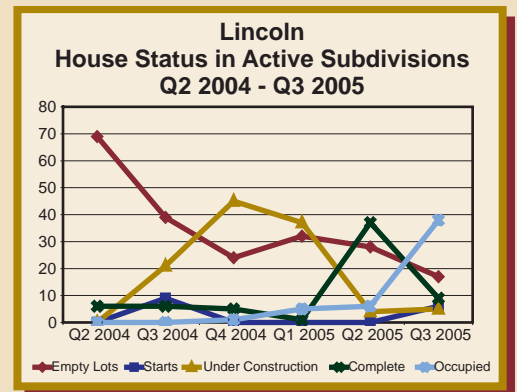
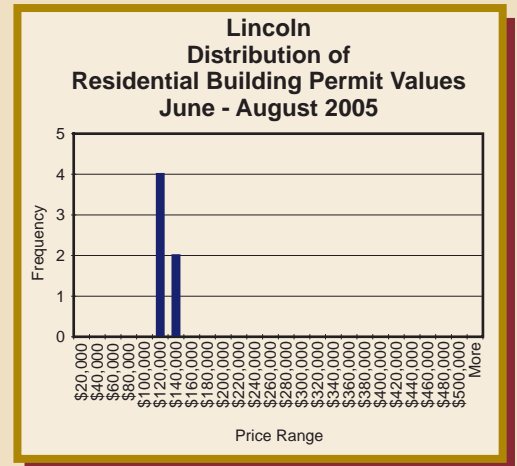
Johnson Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	--	--	--	--	--	--
\$100,001 - \$150,000	--	--	--	--	--	--
\$150,001 - \$200,000	1	100%	1,647	15	100.1%	\$93.50
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Johnson	1	100%	1,647	15	100.1%	\$93.50



Lincoln

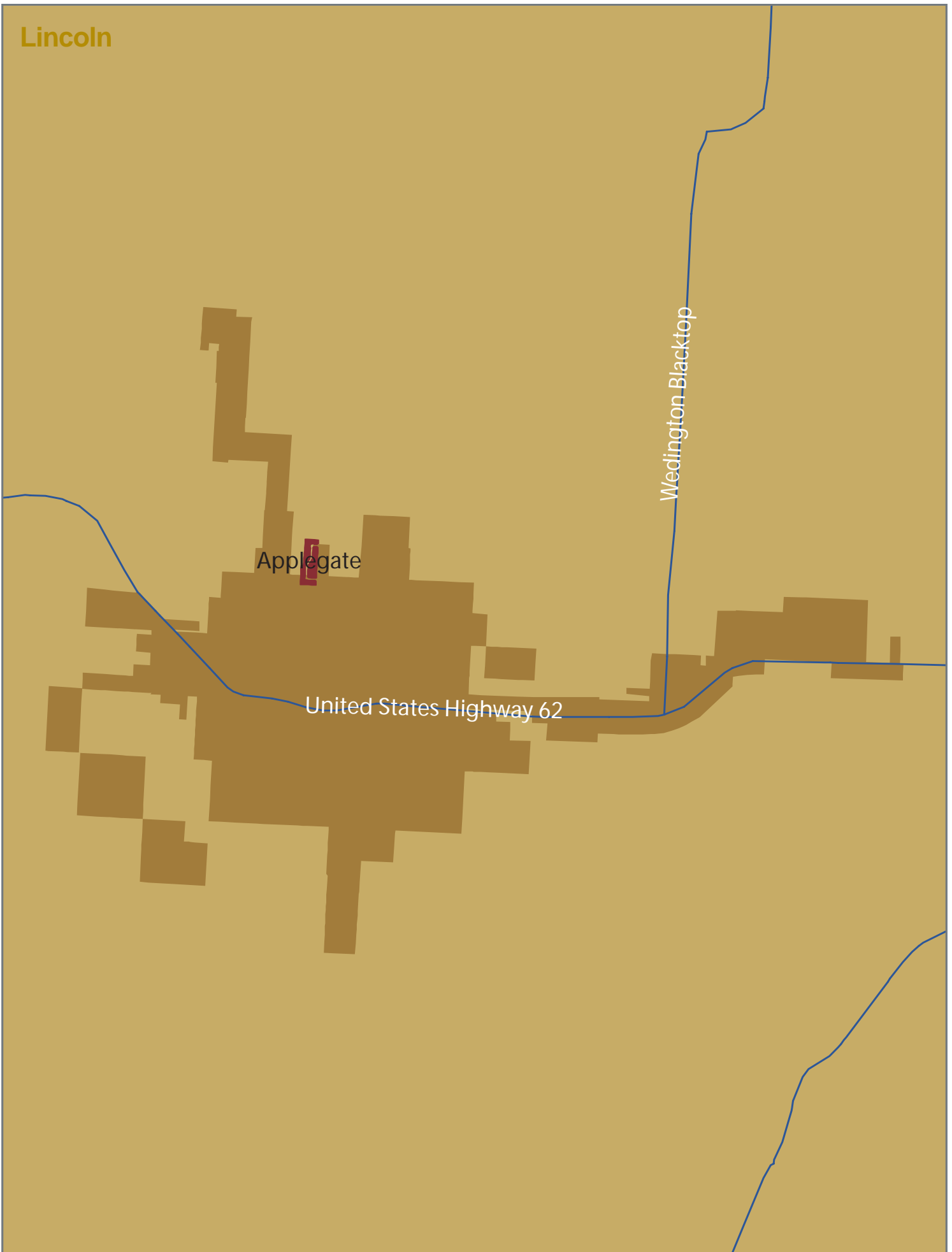
- From June to August, there were 6 residential building permits issued in Lincoln.
- The average residential building permit value in Lincoln increased in the third quarter as \$117,997.
- All 6 building permits were in the \$100,000 to \$140,000 range.
- There were 75 total lots in active subdivisions in Lincoln in the third quarter of 2005. About 51 percent of the lots were occupied, 12 percent were complete, but unoccupied, 7 percent were under construction, 8 percent were starts, and 23 percent were vacant lots.
- 32 new houses in Lincoln became occupied in the third quarter of 2005. The annual absorption rate implies that there are 11.7 months of remaining inventory in active subdivisions.
- Applegate had 5 houses under construction during the third quarter of 2005.
- There were 21 existing houses sold in Lincoln from May 16 to August 15, 2005, or 163 percent more than in the previous quarter and 10.5 percent more than in the same period last year.
- The average price of a house sold in Lincoln declined from \$123,767 in the second quarter to \$83,448 in the third quarter. In the third quarter of 2005, the average sales price was 32.6 percent lower than in the previous quarter and 5.6 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 100 days in the second quarter to 114 days in the third quarter of 2005.
- About 2.4 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Lincoln. The average sales price of a house in Lincoln was only 44.6 percent of the county average.
- 100 percent of the sold houses in Lincoln were less than \$150,000.



Lincoln House Status in Active Subdivisions Q3 2005

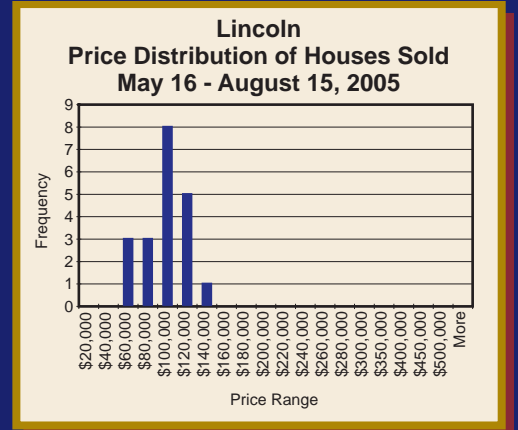
Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Applegate	5	6	5	3	11	30	5	20.7
Lincoln Gardens	12	0	0	6	27	45	27	8.0
Lincoln	17	6	5	9	38	75	32	11.7

Lincoln



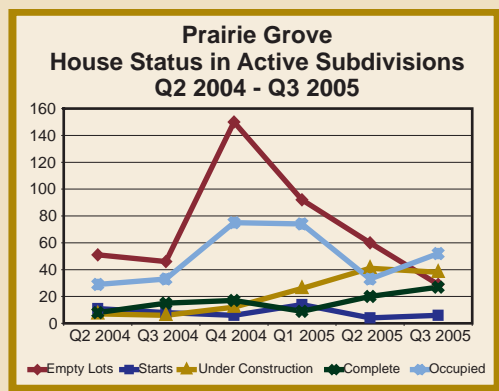
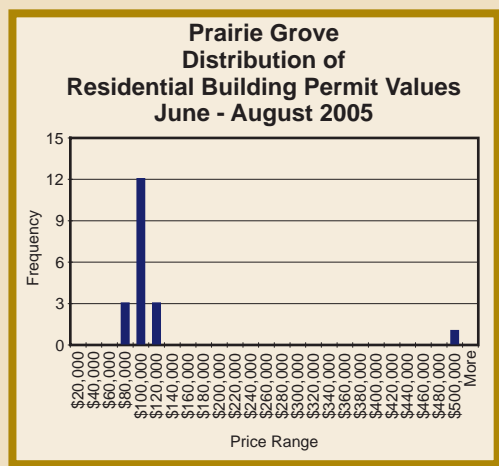
Lincoln Price Range of Houses Sold May 16 - August 15, 2005

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	4	19%	989	110	94.4%	\$40.54
\$50,001 - \$100,000	11	52%	1,330	122	95.9%	\$65.23
\$100,001 - \$150,000	6	29%	1,302	104	100.0%	\$84.21
\$150,001 - \$200,000	--	--	--	--	--	--
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	--	--	--	--	--	--
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Lincoln	21	100%	1,257	114	96.8%	\$65.95



Prairie Grove

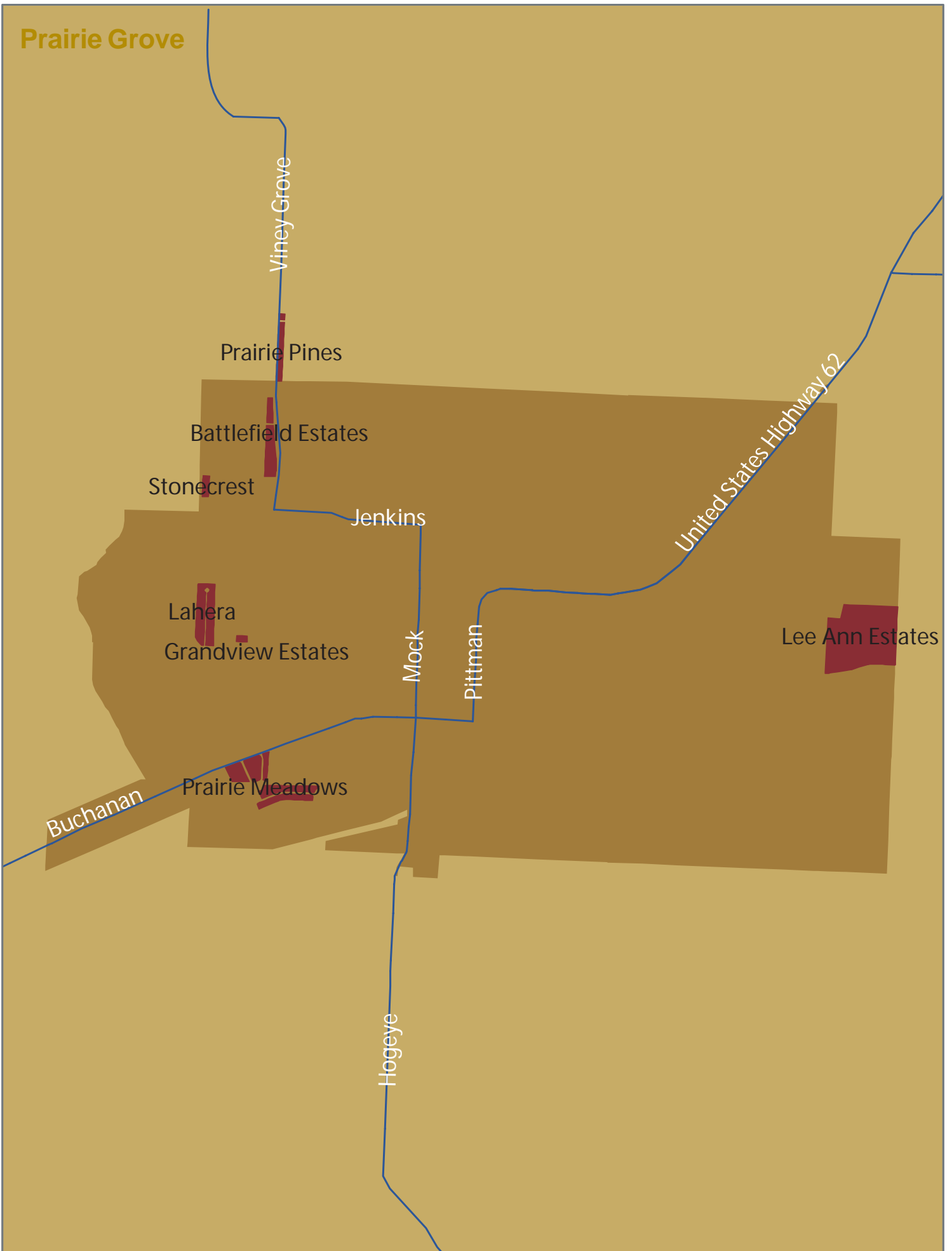
- From June to August 2005, there were 19 residential building permits issued in Prairie Grove. This represents an increase of 111.1 percent from the same time period in 2004
- The average residential building permit value in Prairie Grove increased by 13.5 percent from the third quarter of 2004 to \$113,947.
- The major price points for Prairie Grove building permits were in the \$80,000 to \$100,000 range.
- There were 152 total lots in active subdivisions in Prairie Grove in the third quarter of 2005. About 34 percent of the lots were occupied, 18 percent were complete, but unoccupied, 25 percent were under construction, 4 percent were starts, and 19 percent were vacant lots.
- 20 new houses in Prairie Grove became occupied in the third quarter of 2005. The annual absorption rate implies that there are 13.8 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Prairie Grove in the third quarter were Prairie Meadows with 27 and Battlefield Estates with 5.
- An additional 1,213 lots in 7 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Prairie Grove.
- There were 25 existing houses sold in Prairie Grove from May 16 to August 15, 2005, or 13.8 percent fewer than in the previous quarter and 4.2 percent more than in the same period last year.
- The average price of a house sold in Prairie Grove decreased from \$154,434 in the second quarter to \$146,810 in the third quarter. In the third quarter of 2005, the average sales price was 4.9 percent fewer than in the previous quarter and 37.7 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 86 days in the second quarter to 106 days in the third quarter of 2005.
- About 2.9 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Prairie Grove. The average sales price of a house in Prairie Grove was 78.5 percent of the county average.
- 40 percent of the sold houses in Prairie Grove were in the \$100,000 to \$150,000 range.



Prairie Grove House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Battlefield Estates	0	4	5	3	2	14	0	72.0
Grandview Estates, Phase IA	0	0	1	1	0	2	0	-
Lahera	6	0	1	2	19	28	0	21.6
Prairie Meadows, Phase II	19	2	27	16	27	91	19	10.5
Prairie Pines	2	0	3	4	3	12	1	36.0
Stonecrest Addition, Phase I	2	0	1	1	1	5	0	24
Prairie Grove	29	6	38	27	52	152	20	13.8

Prairie Grove

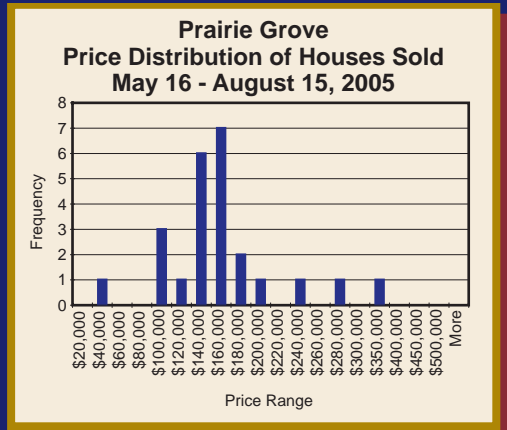


Prairie Grove Price Range of Houses Sold May 16 - August 15, 2005

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%	594	129	83.5%	\$57.87
\$50,001 - \$100,000	3	12%	1,300	51	93.4%	\$70.21
\$100,001 - \$150,000	10	40%	1,575	139	99.2%	\$87.39
\$150,001 - \$200,000	7	28%	1,875	91	100.1%	\$89.00
\$200,001 - \$250,000	1	4%	2,405	128	96.0%	\$93.76
\$250,001 - \$300,000	1	4%	2,750	61	94.3%	\$99.09
\$300,001 - \$350,000	1	4%	2,750	30	94.8%	\$112.08
\$350,001 - \$400,000	--	--	--	--	--	--
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Prairie Grove	25	100%	1,675	106	97.0%	\$85.13

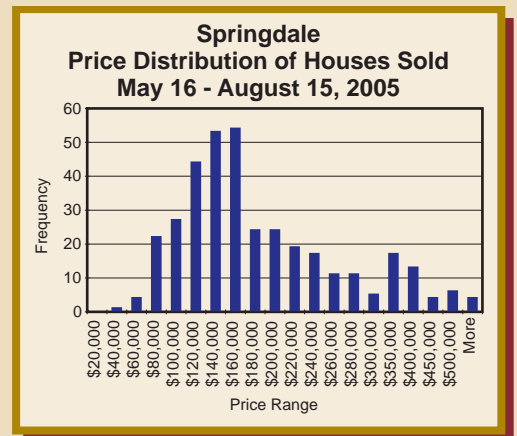
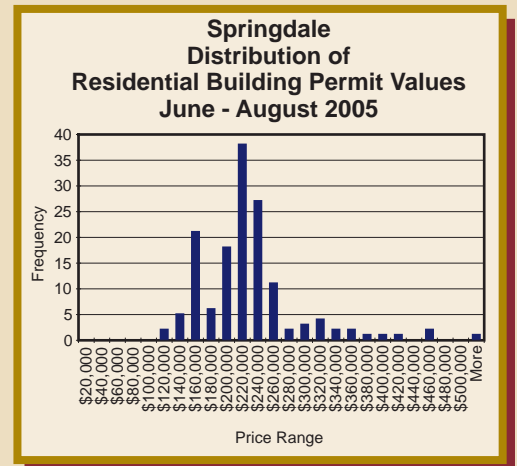
Prairie Grove Approved Final and Preliminary Subdivisions Q3 2005

Subdivision	Number of Lots
<i>Preliminary Approval</i>	
Battlefield Estates, Phase II	117
Belle Meade	176
Grandview Estates	31
Prairie Meadows, Phase III	163
Prairie Pines, Phase II	45
Stonecrest	50
Sundowner Ranch	631
Prairie Grove	1,213



Springdale

- From June to August 2005, there were 147 residential building permits issued in Springdale. This represents an increase of 32.4 percent from the same time period in 2004.
- The average residential building permit value in Springdale increased by 31.9 percent from the third quarter of 2004 to \$218,367.
- The major price points for Springdale building permits were in the \$200,000 to \$240,000 range.
- There were 2,358 total lots in active subdivisions in Springdale in the third quarter of 2005. About 56 percent of the lots were occupied, 7 percent were complete, but unoccupied, 11 percent were under construction, 3 percent were starts, and 23 percent were vacant lots.
- 224 new houses in Springdale became occupied in the third quarter of 2005. The annual absorption rate implies that there are 22 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Springdale in the third quarter were Memory Lane with 46, Spring Creek Estates with 37, Hidden Hills with 40, Sonoma with 21, and Shenandoah Hills with 20.
- An additional 2,802 lots in 52 subdivisions had received either preliminary or final approval in the third quarter of 2005 in Springdale.
- There were 324 existing houses sold in Springdale from May 16 to August 15, 2005, or 19.1 percent more than in the previous quarter and 5.3 percent fewer than in the same period last year.
- The average price of a house sold in Springdale increased from \$164,046 in the second quarter to \$184,411 in the third quarter. In the third quarter of 2005, the average sales price was 12.4 percent higher than in the previous quarter and 25.1 percent higher than in the same period last year.
- In Springdale, the average number of days from the initial house listing to the sale decreased from 90 days in the second quarter to 88 days in the third quarter of 2005.
- About 37.1 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Springdale. The average sales price of a house in Springdale was 98.6 percent of the county average.
- 36.1 percent of the sold houses in Springdale were in the \$100,000 to \$150,000 range.

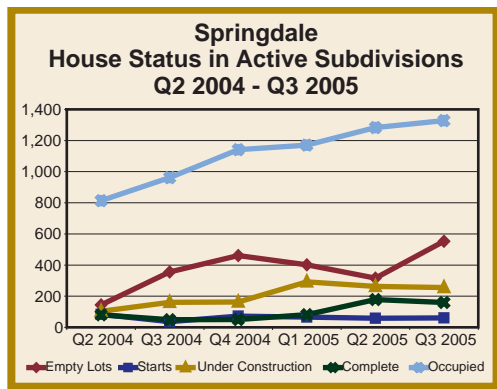


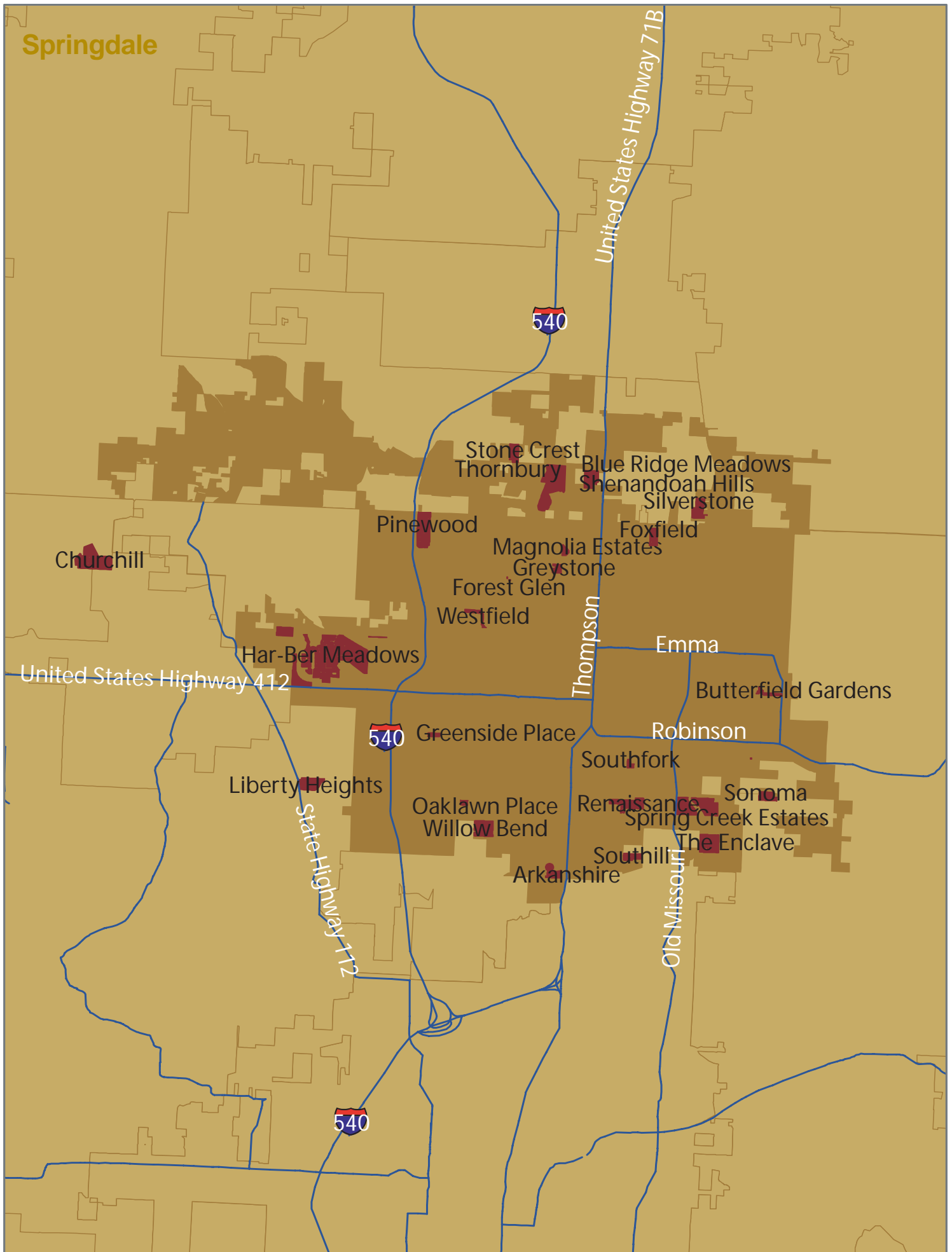
Springdale Price Range of Houses Sold May 16 - August 15, 2005

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	4	1.1%	859	77	85.4%	\$44.78
\$50,001 - \$100,000	51	14.1%	1,063	61	98.7%	\$80.32
\$100,001 - \$150,000	128	35.4%	1,478	70	99.4%	\$87.32
\$150,001 - \$200,000	72	19.9%	1,837	102	99.1%	\$93.72
\$200,001 - \$250,000	42	11.6%	2,202	122	98.6%	\$103.46
\$250,001 - \$300,000	20	5.5%	2,579	111	97.8%	\$106.66
\$300,001 - \$350,000	17	4.7%	2,978	137	99.1%	\$112.74
\$350,001 - \$400,000	13	3.6%	3,314	220	97.0%	\$112.23
\$400,001 - \$450,000	4	1.1%	3,216	253	96.8%	\$129.62
\$450,001 - \$500,000	6	1.7%	3,922	105	97.5%	\$120.88
\$500,000+	4	1.1%	5,297	57	79.6%	\$249.59
Springdale	362	100.0%	1,870	95	98.5%	\$95.03

Springdale House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Arkanshire	12	0	1	0	58	71	0	31.2
Blue Ridge Meadows (Benton County)	14	0	6	4	20	44	20	14.4
Brandon's Way	0	0	0	0	55	55	9	0.0
Brookemore Chasse	26	0	5	0	1	32	1	93.0
Butterfield Gardens, Phase II	60	29	2	0	0	91	0	--
Carriage Crossing	20	0	0	0	0	20	0	--
Churchill Crescent, Phase III	9	1	1	0	2	13	1	66.0
The Enclave	47	0	5	7	7	66	5	59.0
Forest Glen	3	1	3	6	14	27	13	11.1
Foxfield	0	0	14	10	86	110	9	3.4
Green Side Place	0	0	0	5	17	22	8	3.5
Greystone	0	0	0	0	27	27	4	0.0
Har-Ber Meadows	46	8	24	6	471	555	10	15.0
Hidden Hills, Phase I	10	2	24	35	93	164	86	9.2
Liberty Heights	0	0	4	6	20	30	12	6.0
Magnolia Estates	1	0	1	0	10	12	0	24.0
Memory Lane (Benton County)	0	0	46	0	0	46	0	--
Oaklawn Place	0	0	4	4	9	17	4	13.7
Pinewood	0	0	1	3	111	115	3	5.3
Renaissance South	32	0	13	3	10	58	8	33.9
Shenandoah Hills (Benton County)	3	2	20	21	7	53	6	78.9
Silverstone, Phases I & II (Benton County)	3	0	4	0	87	94	7	1.9
Sonoma	13	0	21	20	4	58	4	121.5
Southfork, Phase IIC	0	0	0	17	33	50	1	18.5
Southhill (Benton County)	1	0	0	1	32	34	0	4.8
Spring Creek Estates	64	8	37	5	4	118	4	62.2
Springhill	80	0	0	0	0	80	0	--
Stonecrest (Benton County)	2	0	1	0	40	43	0	3.0
Sylvan Acres (Benton County)	25	0	1	0	0	26	0	--
Thornbury, Phases II - IV (Benton County)	4	1	4	5	59	73	6	16.8
Westfield, Phase II	75	8	13	0	0	96	0	--
Willowbend	3	1	1	2	51	58	3	6.5
Springdale	553	61	256	160	1,328	2,358	224	22.0





Springdale

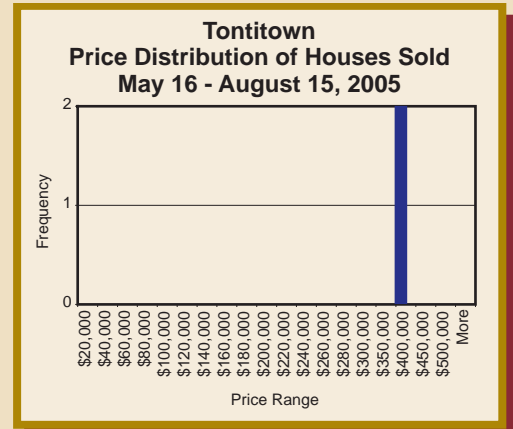
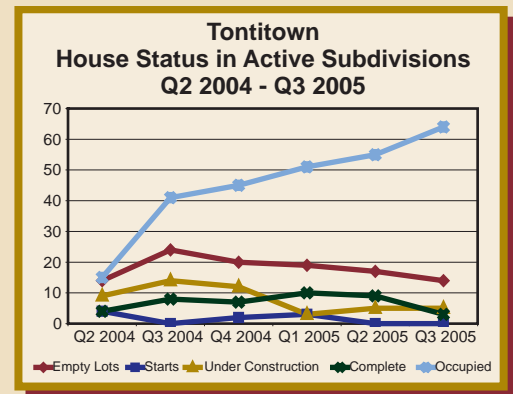
Approved Final and Preliminary Subdivisions

Q3 2005

Subdivision	Number of Lots	Subcivision	Number of Lots
<i>Preliminary Approval</i>		<i>Final Approval</i>	
Andrew Marks		East Ridge Subdivision	8
Arbor Estates	103	Spring Creek Estates, Phase IIA	64
Ben Caston	26	Spring Creek Estates, Phase IIB	51
Berry Field Subdivision	56	Springdale	2,867
Bobby Marks Subdivision	23		
Canyon Creek	196		
Chadwick Subdivision	65		
Conestoga Park	8		
Coppergate Subdivision	85		
Covenant Creek Subdivision	48		
Dave Chapman Subdivision	481		
Dave Chapman Subdivision, Phase II	87		
Dream Catcher	40		
Eastview Estates Subdivision	132		
Ferne's Valley Subdivision	53		
Gary Brandon			
Grand Valley			
Grand Valley Ridge			
Har-Ber Meadows, Phase IX	1		
Harlan Brown	69		
Hidden Hills, Phase II	83		
Ivey Lane East	34		
Ivey Lane North	21		
J.J. Road Subdivision	96		
Jim Bryan Duplexes	15		
Lifestyle Development Subdivision	20		
Lifestyle Homes	60		
Links at Springdale, Phase II			
Meadow Brook Subd, Phase II	50		
Moddy Lane Development	7		
Mountain View Townhomes			
Mountain Terrace Subdivision	32		
Peppermill			
Perry Road Subdivision	9		
Pleasant Meadows			
Remington Place	44		
Rolling Hills Subdivision, Phase II	32		
Savannah Ridge	76		
Scott Property Subdivision	35		
Spring Creek Estates, Phase II	161		
Spring Creek Park	144		
Springdale Development, Phase II	61		
Sugg Subdivision	18		
Taldo West End Subdivision	36		
Teague Subdivision	39		
The Falls			
The Meadows at River Mist			
Thornbury Subdivision, Phase V	34		
Tuscany Village	8		
Wagon Wheel Road	130		
Walter Stone Estates	17		
Westside Village	9		

Tontitown

- There were 86 total lots in active subdivisions in Tontitown in the third quarter of 2005. About 74 percent of the lots were occupied, 3 percent were complete, but unoccupied, 6 percent were under construction, and 16 percent were vacant lots.
- 9 new houses in Tontitown became occupied in the third quarter of 2005. The annual absorption rate implies that there are 10.6 months of remaining inventory in active subdivisions.
- The White Oaks Estates subdivision had the most houses under construction in Tontitown with 3.
- There were 2 existing houses sold in Tontitown from May 16 to August 15, 2005. This was a decrease of 33.3 percent over last quarter and a 33.3 decrease over the same period last year.
- The average price of the houses sold in Tontitown increased from \$263,167 in the second quarter to \$367,500 in the third quarter. This was a 39.6 percent increase from last quarter and a 135 percent increase over the same period last year.
- In Tontitown, the average number of days from the initial house listing to the sale increased from 58 days in the second quarter to 97 in the third quarter.
- About 0.2 percent of all houses sold in Washington County in the third quarter of 2005 were sold in Tontitown. The average sales price of a house in Tontitown was 196 percent of the county average.



Tontitown House Status in Active Subdivisions Q3 2005

Subdivision	Empty Lots	Start	Under Construction	Complete	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Brush Creek	2	0	1	0	17	20	0	36.0
Buckingham Estates	2	0	0	3	21	26	5	3.5
Western Trails Estates	5	0	1	0	19	25	0	72.0
White Oak Estates	5	0	3	0	7	15	4	16.0
Tontitown	14	0	5	3	64	86	9	10.6

Tontitown Price Range of Houses Sold May 16 - August 15, 2005

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	--	--	--	--	--	--
\$50,001 - \$100,000	--	--	--	--	--	--
\$100,001 - \$150,000	--	--	--	--	--	--
\$150,001 - \$200,000	--	--	--	--	--	--
\$200,001 - \$250,000	--	--	--	--	--	--
\$250,001 - \$300,000	--	--	--	--	--	--
\$300,001 - \$350,000	1	50.0%	3,273	49	93.3%	\$106.94
\$350,001 - \$400,000	1	50.0%	3,700	144	100.0%	\$104.05
\$400,001 - \$450,000	--	--	--	--	--	--
\$450,001 - \$500,000	--	--	--	--	--	--
\$500,000+	--	--	--	--	--	--
Tontitown	2	100.0%	3,487	97	96.7%	\$105.49

Tontitown

