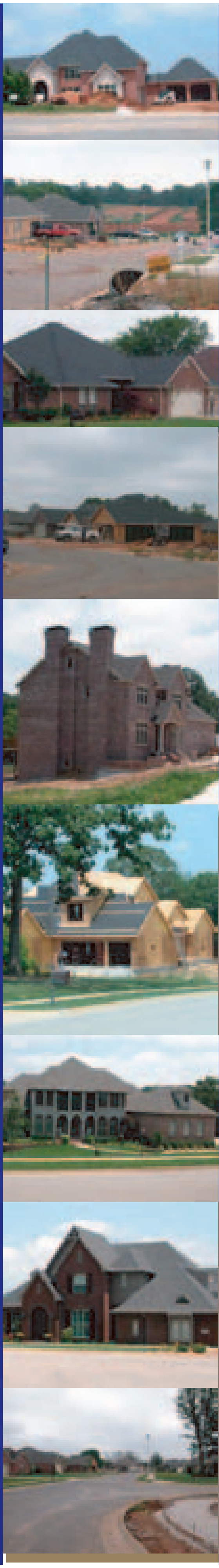


THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

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

Center for Business and Economic Research
Sam M. Walton College of Business
University of Arkansas
Fayetteville, AR 72701
Telephone: 479.575.4151
http://cber.uark.edu/

THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

Contents

Residential Real Estate Market Summary for Benton and Washington Counties

This report is the tenth 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 2006

- The volume of new building permits issued in the third quarter declined dramatically year over year from 1,405 to 870.
- There were 20,791 lots in the 281 active subdivisions in Northwest Arkansas in the third quarter, up from 19,326 in the previous quarter.
- From the second quarter to the third quarter of 2006, 944 houses in active subdivisions became occupied. This absorption rate is a substantial increase from the second quarter total of 638, but down from the third quarter 2005 total of 1,075.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 46.8 months, up from 41.9 months in the second quarter of 2006.
- In the third quarter of 2006, there were 2,956 complete but unoccupied houses. Benton County experienced an increase of 229 percent in available complete inventory from the third quarter of 2005, with a 23 percent increase in the most recent quarter alone. In comparison, Washington County experienced a 17 percent inventory increase over the past twelve months.
- There were an additional 19,543 residential lots that have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields a whopping 112.9 months of inventory in Northwest Arkansas.
- From May 16 to August 15, 2006, there were 2,224 existing houses sold in Benton and Washington Counties. This is a decline of 1.9 percent from the same time period in 2005.
- In the third quarter of 2006 in Northwest Arkansas, the average sales price of existing houses increased from third quarter 2005 levels by 2.3 percent in Washington County and by 6.1 percent in Benton County.

Study Structure

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

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

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

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

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

Economic Overview

National Indicators

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

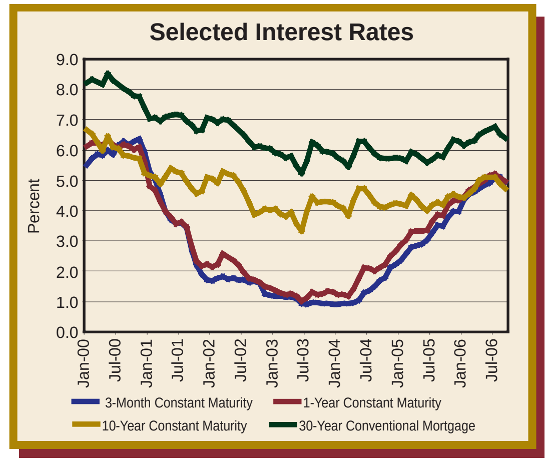
In the second quarter of 2006, the overall real growth rate in GDP was a revised 2.6 percent, down from a 5.6 percent rate in the first quarter of 2006. The growth rate in GDP in the second quarter of 2005 was 3.3 percent, in comparison. The U.S. Department of Commerce Bureau of Economic Analysis (BEA) reported that the increase in real GDP in the second quarter of 2006 primarily reflected positive contributions from personal consumption expenditures (PCE) for services, exports, nonresidential

---

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

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

structures, state and local government spending, and private inventory investment that were partly offset by negative contributions from residential fixed investment and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. The deceleration in real GDP growth in the second quarter primarily reflected downturns in PCE for durable goods, in equipment and software, and in federal government spending, decelerations in PCE for nondurable goods and in exports, and a larger decrease in residential fixed investment that were partly offset by a deceleration in imports, an acceleration in PCE for services, and an upturn in private inventory investment.



Consensus forecasts for average real GDP growth for all of 2006 are about 3.2 percent.

The Federal Reserve has paused for three consecutive meetings in its incremental raising of short-term interest rates in the third quarter of 2006. The Fed Funds target continues to stand at 5.25 percent, up 425 basis points from its historic low in 2003. Indications are that the Fed will continue to remove monetary stimulus from the economy if inflationary pressures continue to mount, but that the Fed might actually cut rates if the macroeconomic risks tilt more toward recession. Given this significant level of uncertainty, many observers are expecting the Federal Reserve to maintain the current "neutral" monetary policy until clear evidence mounts about the overall direction of the economy.

The U.S. Bureau of Labor Statistics (BLS) reports various price indexes. From September 2005 to September 2006, overall inflation was moderate. During the first eight months of 2006, the CPI-U rose at a 4.6 percent seasonally adjusted annual rate (SAAR). This compares with an increase of 3.4 percent for all of 2005. The index for energy, which rose 17.1 percent in 2005, advanced at a 22.3 percent SAAR in the first eight months of 2006. In terms of construction prices, the producer price index for construction industries increased at an 8.0 percent SAAR during the first eight months of the year. For 2005, that index increased 7.8 percent.

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 2006, the unemployment rate in Northwest Arkansas was a preliminary 3.1 percent, barely up from 3.0 percent in August of 2005. In July 2006, the unemployment rate was at 3.7 percent. In August, the state unemployment rate was 5.3 percent and the national unemployment rate was 4.6 percent. Under any measure, Northwest Arkansas continues to outperform the state and national economies.

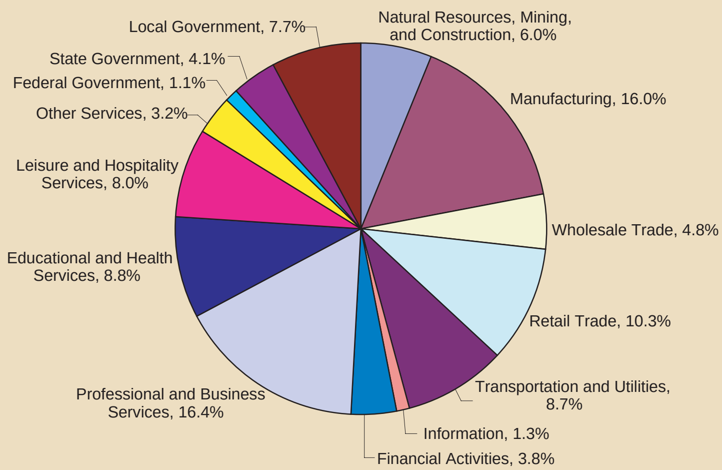
The U.S. Census Bureau reports on new residential construction. In September 2006, national building permits were at a seasonally adjusted annual rate of 1,638,000. This is 5.2 percent below the August rate of 1,727,000 and is 26.9 percent below the September 2005 number of 2,240,000. The National Association of Realtors reports national existing home sales. The seasonally adjusted annual rate of existing single-family home sales in September 2006 was 6,180,000, down from 6,300,000 in August 2006 and down from 7,200,000 in September 2005. Taken together, these numbers present a housing market that is showing clear signs of a slowdown.

Regional Indicators

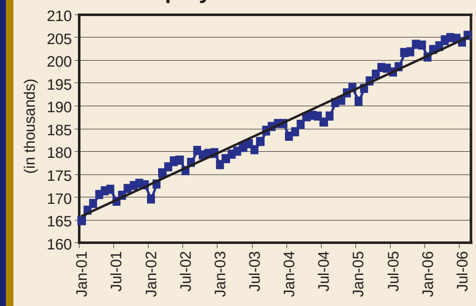
Regional Employment Trends

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 show that during 2005 and 2006, the Northwest Arkansas economy has been creating new jobs at an even better pace than in 2003 and 2004. The accompanying figure shows that from January to May 2006, employment in the Fayetteville-Springdale-Rogers MSA increased at above trend levels. Since January of 2001, employment growth has averaged 0.3 percent per month, or about 600 jobs per month.

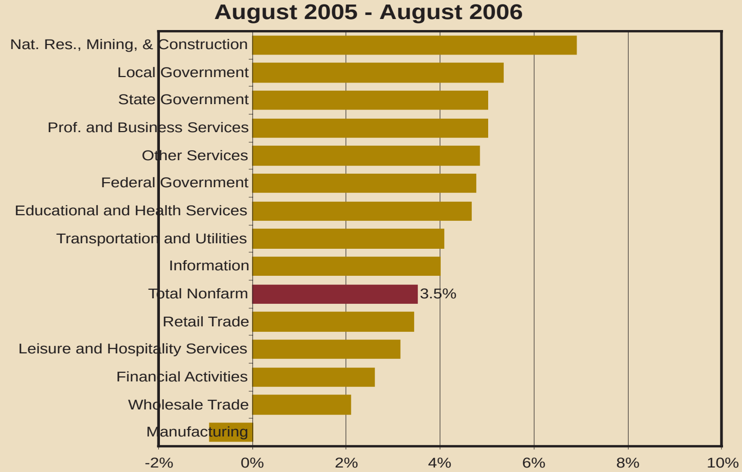
Fayetteville-Springdale-Rogers MSA Employment Breakdown by Sector August 2006



Fayetteville-Springdale-Rogers MSA Employment and Trend



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



In order to delve more closely into the makeup of the job growth in Northwest Arkansas, two additional figures are provided. The second shows the August 2006 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, professional and business services had the largest share of employment (16.4 percent) in Northwest Arkansas, followed by manufacturing (16.0 percent), and retail trade (10.3 percent). The third figure shows the annual percentage change in the MSA's employment by sector from August 2005 to August 2006. Total nonfarm employment increased by 3.5 percent during that time, so those sectors with larger employment growth rates are increased in relative impact and those sectors with smaller employment growth rates decreased in relative impact. The construction, local government, state government, professional and business services, and other services 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 2006, the unemployment rate in Northwest Arkansas was a preliminary 3.1 percent, barely up from 3.0 percent in August of 2005. In July 2006, the unemployment rate was at 3.7 percent. In August, the state unemployment rate was 5.3 percent and the national unemployment rate was 4.6 percent. Under any measure, Northwest Arkansas continues to outperform the state and national economies.

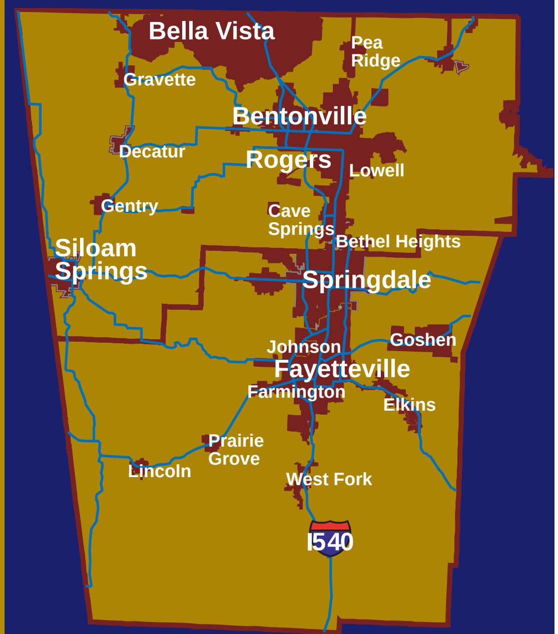
Regional Housing Market Summary

There were 870 building permits issued in Benton and Washington Counties from June to August 2006. This number is 38.1 percent lower than the 1,405 building permits issued during the same period in 2005. Benton County accounted for 510 of the residential building permits, while Washington County accounted for 360. The average value of all building permits in Northwest Arkansas from June to August 2006 was $164,736, down 7.9 percent from the June to August 2005 average value of $178,791. The most active value range for building permits was the $100,000-$150,000 range with 360, but there were 239 building permits issued in the $200,000-$250,000 range, 235 building permits issued in the $150,000 to $200,000 range and 108 building permits issued in the $50,000-$100,000 range. Building permit values do not include land prices, and so do not represent the total price to a purchaser of a completed house.

A total of 20,791 lots were in the 281 active subdivisions identified by CBER researchers in the third quarter of 2006. Of these lots, 9,057 were classified as empty, 204 were classified as starts, 1,600 were classified as being under construction, 2,956 were classified as complete, but unoccupied, and 6,974 were classified as occupied. From the second quarter to the third quarter of 2006, 944 houses in active subdivisions became occupied, as compared to the 638 houses that became occupied during the second quarter of 2006 and the 1,075 houses that were occupied in the third quarter of 2005. This seasonal recovery in absorption alleviates some concerns about the decline in the previous quarter, but still demonstrates a year-over-year drop. Using the absorption rate from the past twelve months implied that there was a 46.8 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 slightly smaller 41.9 month supply. When the remaining third quarter inventory is examined on a county-by-county basis, Benton County had 54.8 months of remaining lot inventory (rather than 55.7 months) and Washington County had 36.7 months of remaining inventory (rather than 26.3 months) in active subdivisions.

For the cities of Bentonville, Bethel Heights, Cave Springs, Centerton, Gentry, Pea Ridge, Rogers, Siloam Springs, Elkins, Elm Springs, Farmington, Fayetteville, Goshen, Greenland, Johnson, Lincoln, Prairie Grove, Springdale, and West Fork a list of subdivisions that have either preliminary or final approval from their respective planning commissions, but have not yet begun construction on any lots was compiled. In the Bentonville pipeline, there were 3,586 lots in 47 subdivisions. In Centerton, there were 25subdivisions planned with 3,244 lots. The Rogers planning commission had approved 39 subdivisions with 1,911 lots. There were 1,344 coming lots in 30 subdivisions in Siloam Springs. Bethel Heights, Cave Springs, Gentry, and Pea Ridge had approved an additional 1,488 lots in 17 subdivisions. Fayetteville, Prairie Grove, and Springdale had in their pipelines 3,097 lots in 56 subdivisions, 221 lots in 2 subdivisions and 2,818 lots in 61 subdivisions, respectively. Elkins, Elm Springs, Farmington, Goshen, Greenland, Johnson, Lincoln, and West Fork accounted for an additional 1,834 approved lots in 25 subdivisions. Totaling up all of these numbers accounts for 19,543 approved lots within the two counties. If this lot inventory is added to the remaining lots in active subdivisions, then there are 112.9 months of inventory in Northwest Arkansas. However, this should be viewed as a worst case scenario as many of the projects with approval may be significantly delayed or changed before becoming active.

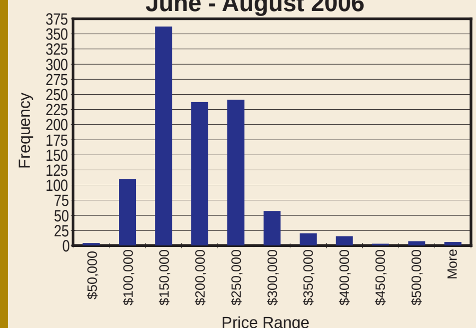
From May 16 to August 15, 2006, there were 2,224 existing houses sold in Benton and Washington Counties. This is a decrease of 1.9 percent from the total houses sold during the same time period in 2005. In the third quarter of 2006 in Northwest Arkansas, the average sales price, in both absolute and per square foot terms, of existing houses increased from first quarter 2005 levels. In Benton County, prices rose 6.1 percent during the year to an average of $190,820. In Washington County sold house prices rose 2.3 percent to an average of $191,253. In per square foot terms, average Benton County prices rose 6.9 percent to $97.16 and average Washington County prices rose 7.7 percent to $103.63.



Benton and Washington Counties Number and Average Value of Residential Building Permits Q3 2005 and Q3 2006

City	Q3 2005 Number of Building Permits	Q3 2006 Number of Building Permits	Q3 2005 Average Value of Building Permits	Q3 2006 Average Value of Building Permits
Bella Vista	289	130	$154,287	$168,184
Bentonville	95	144	$225,765	$177,736
Bethel Heights	34	12	$113,238	$105,404
Cave Springs	12	1	$235,384	$500,000
Centerton	80	80	$113,623	$115,973
Decatur	0	0	–	–
Elkins	3	2	$103,704	$90,234
Elm Springs	6	3	$213,833	$203,333
Farmington	9	6	$162,111	$124,833
Fayetteville	223	99	$195,518	$184,990
Gentry	16	0	$78,866	–
Goshen	3	0	$205,989	–
Gravette	0	0	–	–
Greenland	16	0	$115,572	–
Johnson	2	11	$368,213	$385,146
Lincoln	6	9	$117,997	$113,866
Little Flock	2	0	$266,675	–
Lowell	13	14	$302,982	$232,632
Pea Ridge	75	50	$111,945	$97,507
Prairie Grove	19	21	$113,947	$125,048
Rogers	305	71	$210,399	$162,734
Siloam Springs	42	8	$125,534	$151,750
Springdale	147	196	$218,367	$169,826
Tontitown	0	9	–	$273,654
West Fork	8	4	$124,531	$107,500
Northwest Arkansas	1,405	870	$178,791	$164,736

Benton and Washington Counties Distribution of Residential Building Permit Values June - August 2006



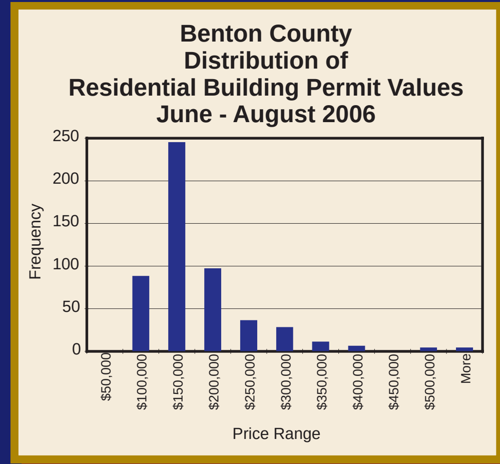
Benton County

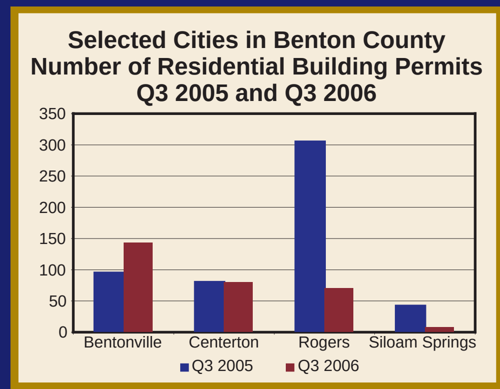
Building Permits

From June to August 2006, there were 510 residential building permits issued in Benton County. The third quarter 2006 total was 47.0 percent lower than the third quarter 2005 total of 963 residential building permits. The average value of the Benton County June to August 2006 building permits was $155,688, a decline of 9.3 percent from the average value of $171,729 during the same time period in 2005. About 67 percent of the third quarter building permits were valued between $100,000 and $200,000, with 17 percent higher than $200,000 and 17 percent lower than $100,000. In Benton County, the dominant building permit value points were between $100,000 and $150,000.

Bentonville accounted for 28 percent of the residential building permits in Benton County. Bella Vista, Centerton, and Rogers had 25, 16, and 14 percent of the Benton County residential building permits, respectively. The remaining 17 percent were from the other small cities in the county.

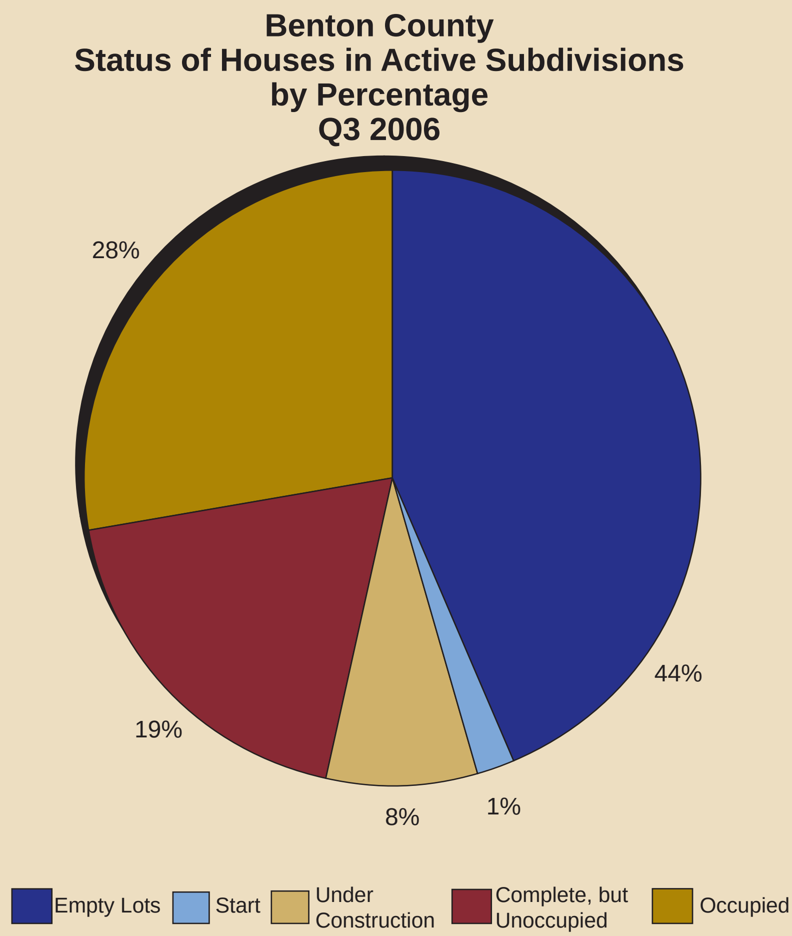
From the third quarter of 2005 to the third quarter of 2006, fewer building permits were issued in each city except Bentonville and Lowell.





Benton County Residential Building Permit Values by City
June - August 2006

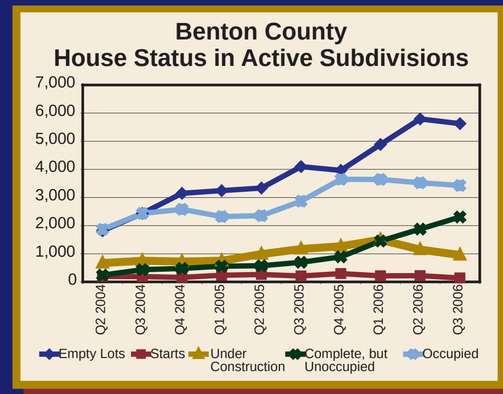
City	$0 - $50,000	$50,001 - $100,000	$100,001 - $150,000	$150,001 - $200,000	$200,001 - $250,000	$250,001 - $300,000	$300,001 - $350,000	$350,001 - $400,000	$400,001 - $500,000	$450,001 - $500,000	$500,000+	Q3 2006 Total	Q3 2005 Total
Bella Vista	0	5	64	39	11	8	2	0	0	1	0	130	289
Bentonville	0	0	82	29	11	13	4	2	0	1	2	144	95
Bethel Heights	0	2	10	0	0	0	0	0	0	0	0	12	34
Cave Springs	0	0	0	0	0	0	0	0	0	1	0	1	12
Centerton	0	27	42	7	4	0	0	0	0	0	0	80	80
Decatur	0	0	0	0	0	0	0	0	0	0	0	0	0
Gentry	0	0	0	0	0	0	0	0	0	0	0	0	16
Gravette	0	0	0	0	0	0	0	0	0	0	0	0	0
Little Flock	0	0	0	0	0	0	0	0	0	0	0	0	2
Lowell	0	0	1	4	5	1	2	1	0	0	0	14	13
Pea Ridge	0	44	5	0	1	0	0	0	0	0	0	50	75
Rogers	0	9	38	11	3	5	2	2	0	0	1	71	305
Siloam Springs	0	0	2	6	0	0	0	0	0	0	0	8	42
Benton County	0	87	244	96	35	27	10	5	0	3	3	510	963

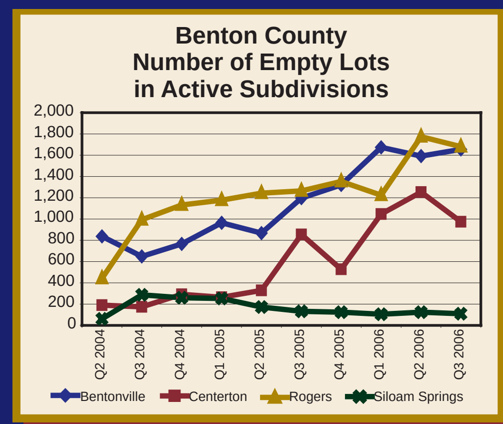


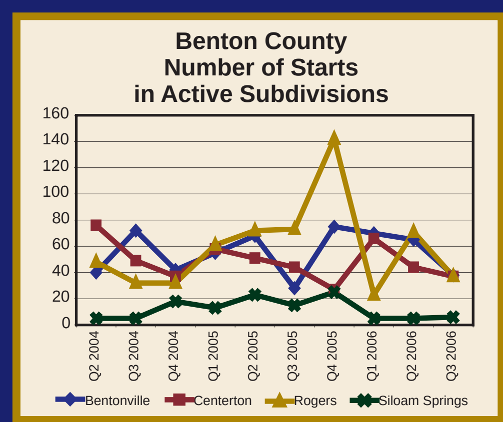
Subdivisions

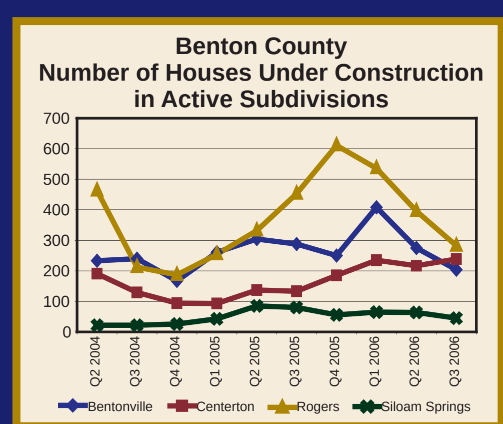
There were 12,454 lots in the 153 active subdivisions in Benton County in the third quarter of 2006. Within the active subdivisions, 44 percent of the lots were empty, 1 percent was starts, 8 percent were under construction, 19 percent were complete, but unoccupied houses, and 28 percent were occupied houses. In the third quarter of 2006, Rogers had the most empty lots, lots under construction, complete but unoccupied lots, and occupied lots within active subdivisions. Bentonville had the most starts. During the third quarter of 2006, the most active subdivisions in terms of houses under construction were: Roller's Ridge and Pinnacle in Rogers and Copper Oaks in Centerton. Of these top 3 subdivisions for new construction, none were also among the most active in the second quarter of 2006.

From the second quarter to the third quarter of 2006, 552 houses in active subdivisions became occupied in Benton County. This was an increase from the second quarter total of 406. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Benton County had 54.8 months of lot inventory at the end of the third quarter. This is down from the 55.7 months of inventory at the end of the second quarter.









---

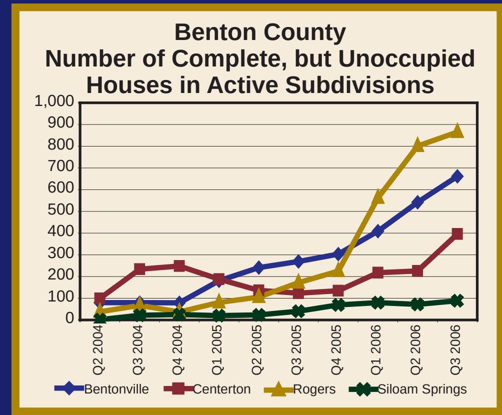
[3]Bella Vista is not included in the Benton County subdivision status numbers due to technical difficulties with obtaining accurate data.

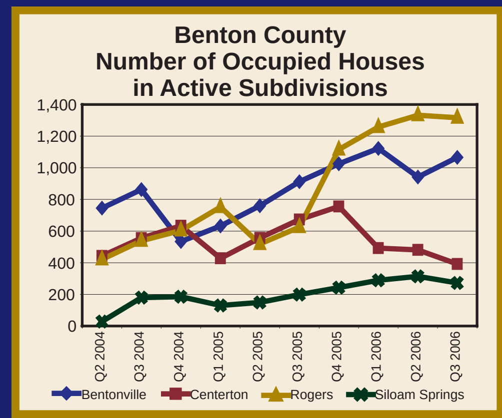
Information was also collected from each city about subdivisions that had received either preliminary or final approval, but where no construction had yet occurred. In the third quarter of 2006, there were 11,573 lots in 158 subdivisions in Benton County that had received approval. Bentonville accounted for 31.0 percent of the coming lots, Centerton accounted for 28.0 percent of the coming lots, and Rogers accounted for 16.5 percent of the coming lots.

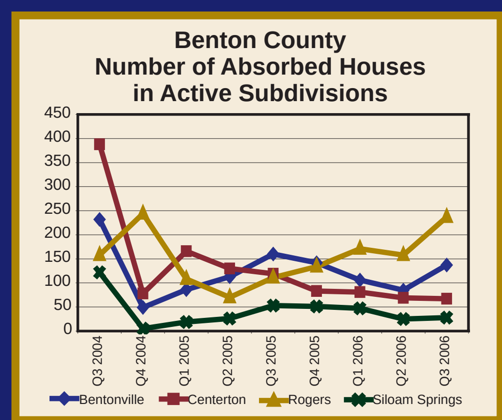
Sales of Existing Houses

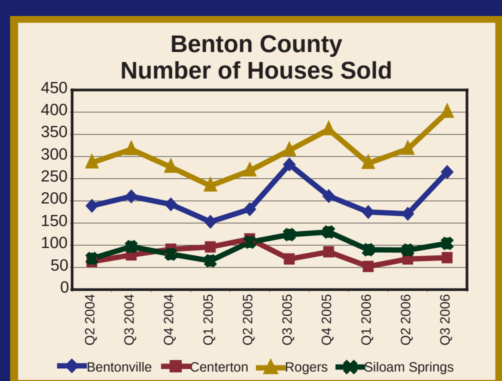
Examining the sales of existing houses in the third quarter of 2006 yields some interesting results. A total of 1,394 existing houses were sold from May 16 to August 15, 2006. This represents a decline of 0.2 percent from the same time period in 2005. About 29 percent of the houses were sold in Rogers, 25 percent in Bella Vista, 19 percent in Bentonville, and 7 percent in Siloam Springs. The average price of all houses sold in Benton County was $190,820 and the average house price per square foot was $97.16. For the third quarter of 2006, the average amount of time between the initial listing of a house and the sale date was 120 days. The average sales price increased by 6.1 percent, the price per square foot increased by 6.9 percent, and the duration on the market increased by 6.1 percent over the same time period in 2005.

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







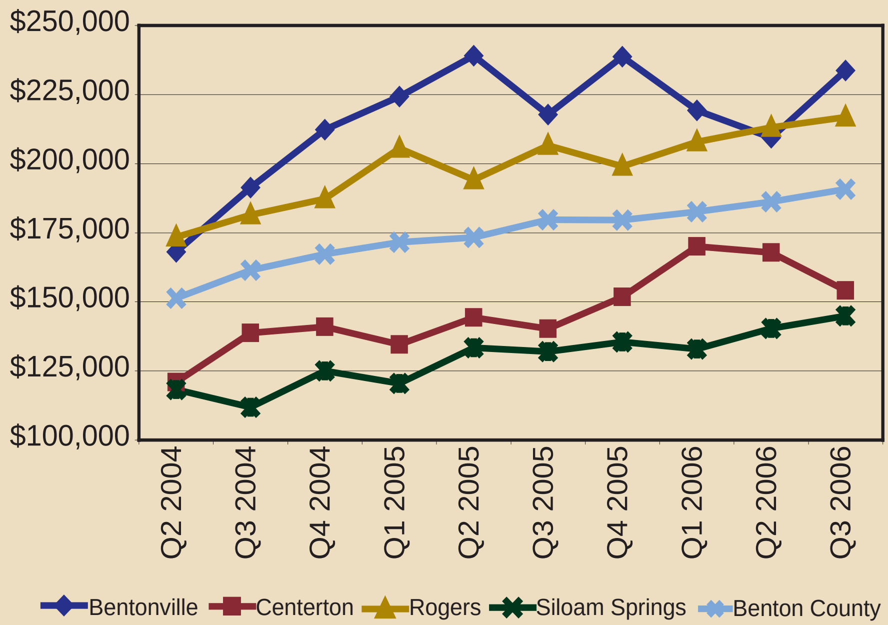


Benton County Sold House Characteristics by City

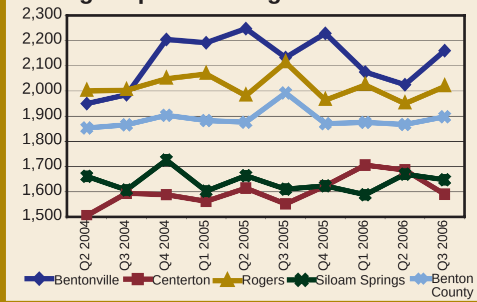
May 16 - August 15, 2006

City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Avoca	$89,250	$71.91	107	2	1.7%
Bella Vista	$173,549	$91.47	112	346	288.2%
Bentonville	$233,739	$102.26	129	265	220.8%
Bethel Heights	$234,000	$115.78	162	3	2.5%
Cave Springs	$270,827	$115.45	102	7	5.8%
Centerton	$154,156	$95.84	92	72	60.0%
Decatur	$90,663	$70.94	101	8	6.7%
Garfield	$139,031	$100.15	86	13	10.8%
Gentry	$117,998	$75.51	104	30	25.0%
Gravette	$129,710	$89.51	115	39	32.5%
Little Flock	–	–	–	0	0.0%
Lowell	$166,144	$98.10	68	55	45.8%
Pea Ridge	$134,564	$89.75	144	42	35.0%
Rogers	$216,800	$104.59	134	400	333.2%
Siloam Springs	$144,920	$86.45	109	104	86.6%
Springdale	$319,411	$108.40	269	7	5.8%
Benton County	$194,011	$100.61	120	1,393	100.0%

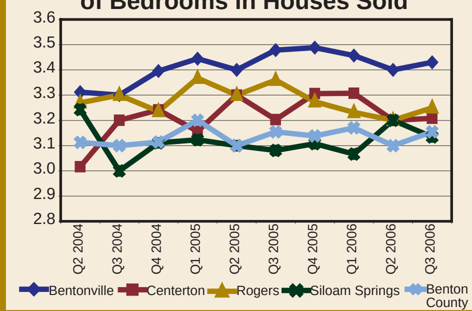
Benton County
Average Price of Houses Sold



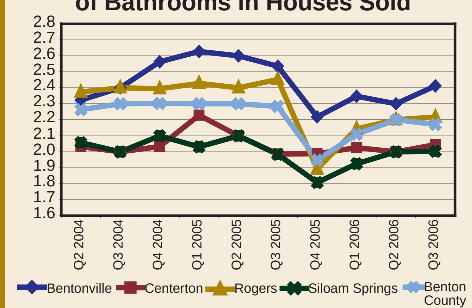
Benton County
Average Square Footage of Houses Sold



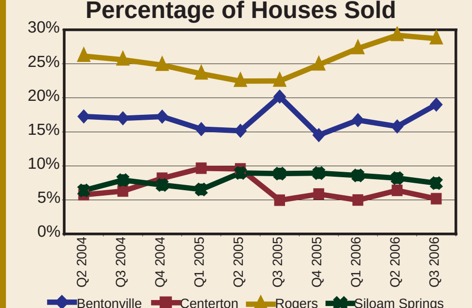
Benton County Average Number of Bedrooms in Houses Sold

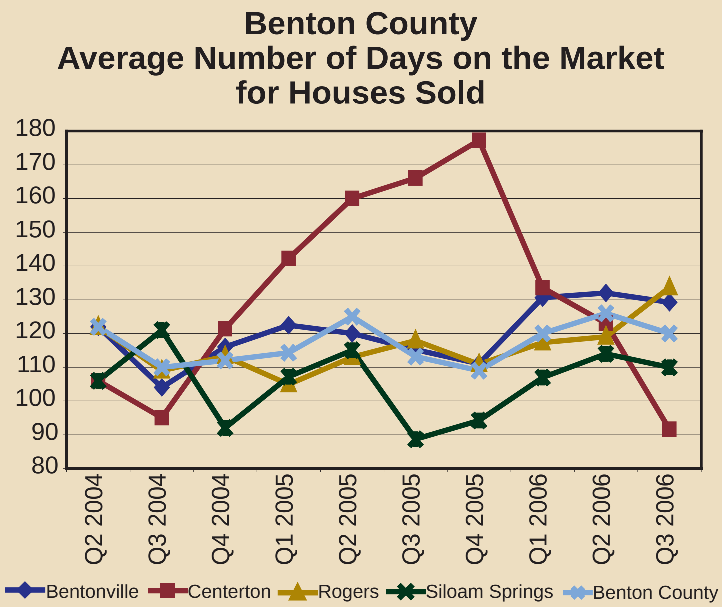


Benton County Average Number of Bathrooms in Houses Sold

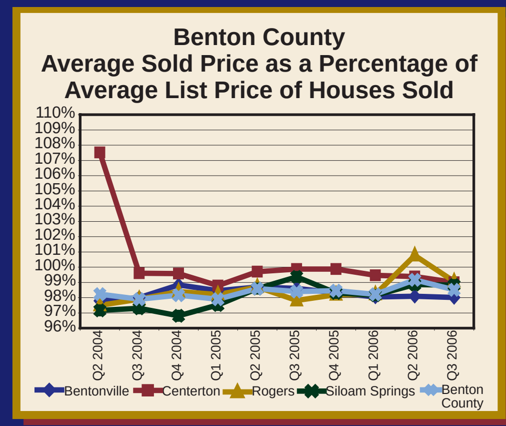


Benton County
Percentage of Houses Sold

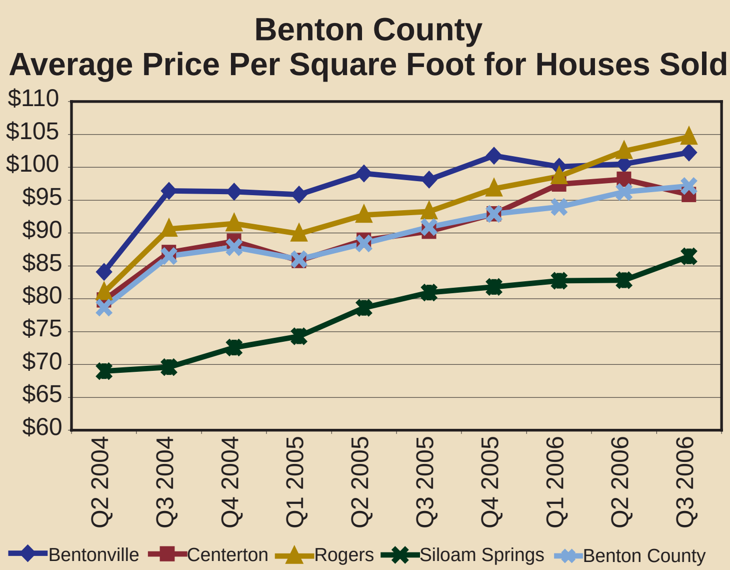




Benton County
Average Number of Days on the Market
for Houses Sold
180
170
160
150
140
130
120
110
100
90
80
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Bentonville
Centerton
Rogers
Siloam Springs
Benton County



Benton County
Average Sold Price as a Percentage of
Average List Price of Houses Sold
110%
109%
108%
107%
106%
105%
104%
103%
102%
101%
100%
99%
98%
97%
96%
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Bentonville
Centerton
Rogers
Siloam Springs
Benton County

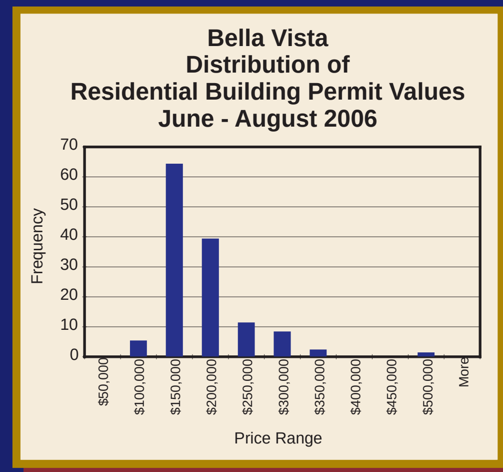


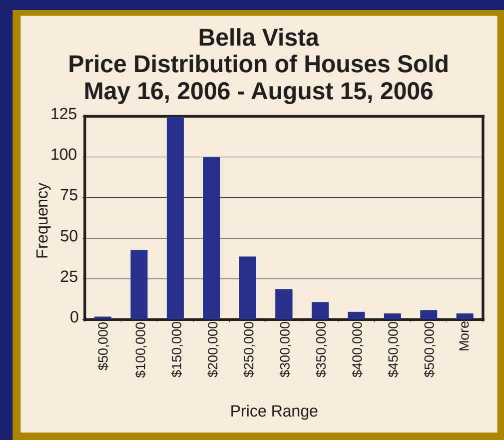
Benton County
Average Price Per Square Foot for Houses Sold
$110
$105
$100
$95
$90
$85
$80
$75
$70
$65
$60
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Bentonville
Centerton
Rogers
Siloam Springs
Benton County

Bella Vista

- From June to August 2006, there were 130 residential building permits issued in Bella Vista. This represents a 55.0 percent decline from the third quarter of 2005.
- The average residential building permit value in Bella Vista increased by 9.0 percent from the third quarter of 2005 to $168,184 in the third quarter of 2006.
- The major price point for Bella Vista building permits was the $100,000 to $150,000 range.
- There were 346 existing houses sold in Bella Vista from May 16, 2006 to August 15, 2006, or 20.1 percent more than in the previous quarter and 12.6 percent fewer than in the same period last year.
- The average price of a house sold in Bella Vista increased from $163,469 in the second quarter of 2006 to $173,549 in the third quarter. In the third quarter of 2006 the average sales price was 3.0 percent higher than in the previous quarter and 6.4 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 declined from 131 days from the second quarter of 2006 to 112 days in the third quarter of 2006.
- About 24.8 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Bella Vista. The average sales price of a house in Bella Vista was only about 90.9 percent of the county average.
- 64.4 percent of the sold houses in Bella Vista were in the $100,000 to $200,000 range.

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



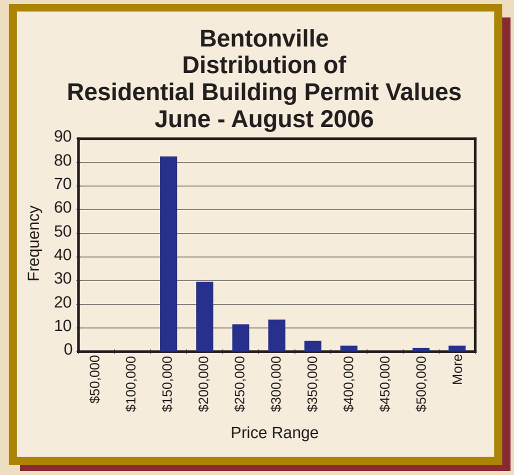


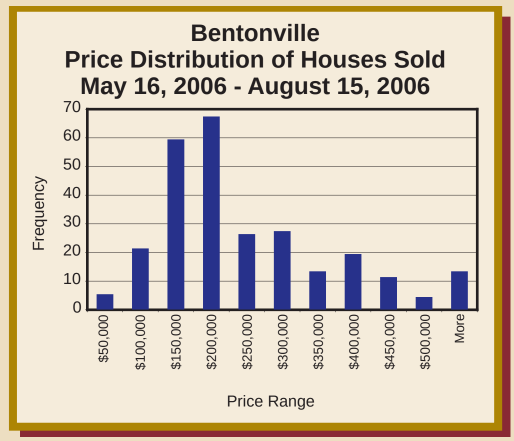
Bella Vista Price Range of Houses Sold May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	0.3%	1,048	97	85.4%	$35.78
$50,001 - $100,000	42	12.1%	1,151	83	97.3%	$77.21
$100,001 - $150,000	124	35.8%	1,506	99	98.4%	$86.23
$150,001 - $200,000	99	28.6%	1,823	126	98.6%	$94.43
$200,001 - $250,000	38	11.0%	2,353	113	98.5%	$97.21
$250,001 - $300,000	18	5.2%	2,803	170	98.2%	$99.33
$300,001 - $350,000	10	2.9%	3,106	116	98.2%	$108.93
$350,001 - $400,000	4	1.2%	3,259	115	95.5%	$122.99
$400,001 - $450,000	3	0.9%	3,362	215	96.5%	$123.62
$450,001 - $500,000	5	1.4%	4,227	150	96.3%	$114.52
$500,000+	3	0.9%	4,650	80	98.6%	$135.96
Bella Vista	346	100.0%	1,863	112	98.2%	$91.47

Bentonville

- From June to August 2006, there were 144 residential building permits issued in Bentonville. This represents a 51.6 percent increase from the third quarter of 2006.
- The average residential building permit value in Bentonville declined by 21.3 percent from the third quarter of 2005 to $177,736 in the third quarter of 2006.
- The largest price point for Bentonville building permits was the $100,000 to $150,000 range.
- There were 3,624 total lots in active subdivisions in Bentonville in the third quarter of 2006. About 29 percent of the lots were occupied, 18 percent were complete, but unoccupied, 6 percent were under construction, 1 percent was starts, and 46 percent were vacant lots.
- 137 new houses in Bentonville became occupied in the third quarter of 2006. The annual absorption rate implies that there are 70.8 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Bentonville in the third quarter were Kerelaw Castle with 20 and Riverwalk Farm Estates with 17.
- An additional 3,586 lots in 47 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Bentonville.
- There were 265 existing houses sold in Bentonville from May 16, 2006 to August 15, 2006, or 55.0 percent more than in the previous quarter and 6.0 percent fewer than in the same period last year.
- The average price of a house sold in Bentonville increased from $209,342 in the second quarter of 2006 to $233,739 in the third quarter. In the third quarter of 2006 the average sales price was 11.7 percent higher than in the previous quarter and 7.4 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 132 days in the second quarter of 2006 to 129 days in the third quarter of 2006.
- About 19.0 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Bentonville. The average sales price of a house in Bentonville was about 122.5 percent of the county average.
- 47.6 percent of the sold houses in Bentonville were in the $100,000 to $200,000 range.



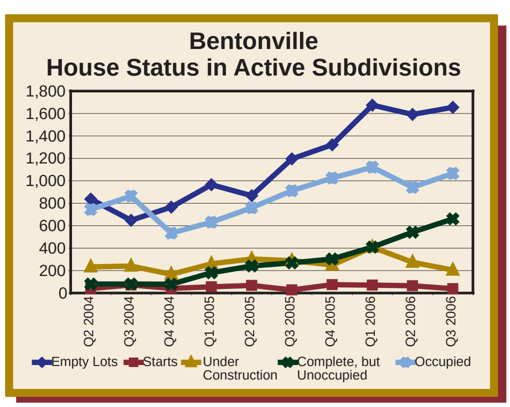


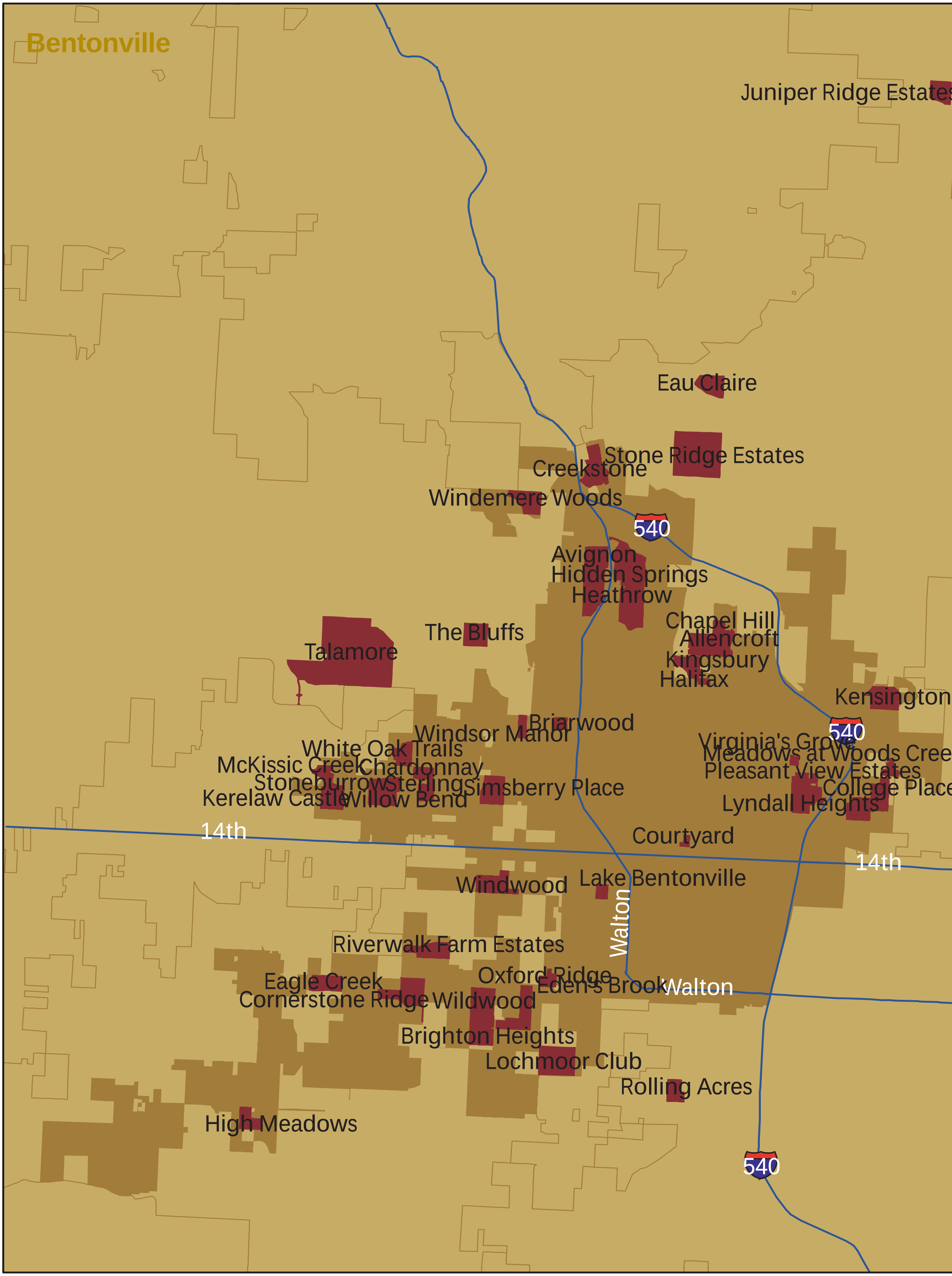
Bentonville Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	5	1.9%	938	173	81.3%	$51.43
$50,001 - $100,000	21	7.9%	1,068	105	97.9%	$83.83
$100,001 - $150,000	59	22.3%	1,392	83	98.7%	$94.50
$150,001 - $200,000	67	25.3%	1,832	128	98.1%	$95.47
$200,001 - $250,000	26	9.8%	2,232	150	98.6%	$102.30
$250,001 - $300,000	27	10.2%	2,642	143	99.1%	$104.91
$300,001 - $350,000	13	4.9%	2,830	146	100.5%	$115.29
$350,001 - $400,000	19	7.2%	3,143	230	98.0%	$120.83
$400,001 - $450,000	11	4.2%	3,670	127	97.3%	$115.14
$450,001 - $500,000	4	1.5%	4,092	201	98.4%	$117.71
$500,000+	13	4.9%	4,455	116	95.4%	$160.27
Bentonville	265	100.0%	2,161	129	98.0%	$102.26

Bentonville House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Allencroft	21	0	0	12	84	117	9	9.9
Avignon	11	0	2	1	24	38	1	28.0
The Bluffs	16	0	3	1	1	21	0	240.0
Briarwood	11	0	1	0	18	30	0	48.0
Brighton Heights	46	0	7	20	15	88	0	51.5
Chapel Hill	81	0	6	19	20	126	6	79.5
Chardonnay	15	0	2	6	29	52	7	30.7
College Place, Phase VII	6	0	1	12	41	60	1	17.5
Cornerstone Ridge, Phase I	85	1	8	31	0	125	0	--
Courtyard	0	0	0	5	14	19	0	30.0
Creekstone, Phase II	29	0	3	0	0	32	0	--
Eagle Creek, Phases I, 3I	7	1	3	13	76	100	5	9.9
Eau Claire	19	0	3	1	3	26	1	138.0
Eden's Brooke	16	2	10	1	0	29	0	--
Halifax	0	0	0	11	4	15	3	33.0
Heathrow	20	0	4	4	37	65	0	336.0
Hidden Springs, Phase IV	4	0	0	1	43	48	2	30.0
High Meadows	0	9	17	83	3	112	3	327.0
Kensington, Phases I, III	20	0	4	6	52	82	4	30.0
Kerelaw Castle	140	0	20	0	0	160	0	--
Kingsbury, Phases I-III	19	0	2	4	50	75	2	50.0
Lake Bentonville	1	0	0	14	13	28	4	13.8
Lochmoor Club	79	2	9	35	86	211	4	35.7
Lyndal Heights, Phase V	19	0	2	2	1	24	1	30.7
McKissic Creek Estates	6	0	1	1	1	9	0	72.0
The Meadows at Woods Creek, Block I - V	0	0	0	4	38	42	0	8.0
North Fork Addition	89	0	6	0	0	95	0	--
Oxford Ridge	107	1	9	33	17	167	5	79.4
Pleasant View Estates	0	0	0	10	14	24	2	15.0
Riverwalk Farm Estates, Phases I, II	178	11	17	126	8	340	6	249.0
Rolling Acres	62	1	5	19	6	93	4	87.0
Simsberry Place	8	0	0	0	76	84	1	19.2
Sterling	0	0	0	8	8	16	3	10.7
Stone Ridge Estates	56	2	5	1	9	73	0	96.0
Stoneburrow, Phases I, II	150	1	14	89	42	296	35	72.6
Talamore	20	0	7	4	61	92	0	46.5
Virginia's Grove	26	0	2	0	0	28	0	--
White Oak Trails, Phase I	41	0	2	18	11	72	2	66.5
Wildwood, Phases III, IV	75	3	8	29	43	158	7	60.0
Willowbend	20	0	1	10	19	50	4	37.2
Windemere Woods	33	0	4	4	38	79	5	41.0
Windsor Manor	9	0	6	13	4	32	1	84.0
Windwood, Phase IV	40	2	3	4	50	99	6	21.0
Woods Creek South, Phases I, II	70	2	7	6	7	92	3	109.3
Bentonville	1,655	38	204	661	1,066	3,624	137	70.8





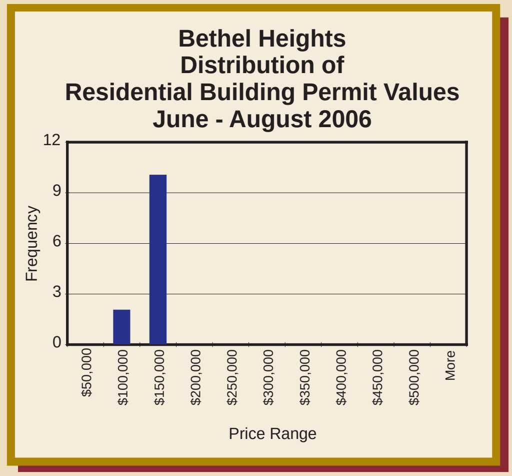
Bentonville
Juniper Ridge Estates
Eau Claire
Stone Ridge Estates
Creekstone
Windemere Woods
540
Avignon
Hidden Springs
Heathrow
Chapel Hill
Allencroft
Kingsbury
Halifax
The Bluffs
Talamore
Kensington
Briarwood
Windsor Manor
White Oak Trails
McKissic Creek
Chardonnay
Stoneburrow
Sterlings
Simsberry Place
Kerelaw Castle
Willow Bend
540
Virginia's Grove
Meadows at Woods Creek
Pleasant View Estates
College Place
Lyndall Heights
14th
Courtyard
14th
Windwood
Lake Bentonville
Walton
Riverwalk Farm Estates
Oxford Ridge
Eagle Creek
Eden's Brook
Walton
Cornerstone Ridge
Wildwood
Brighton Heights
Lochmoor Club
Rolling Acres
High Meadows
540

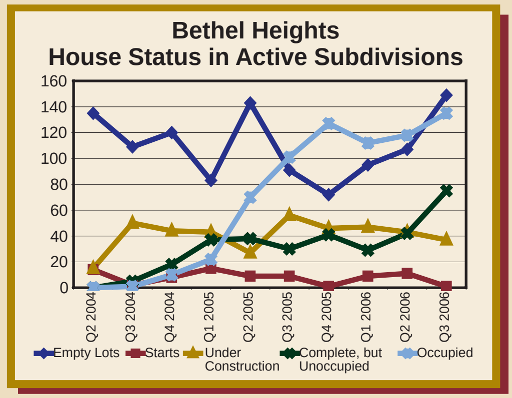
Bentonville
Approved Final and Preliminary Subdivisions
Q3 2006

Subdivision	Approved	Number of Lots
Preliminary Approval		
Apple Creek	Q2 2005	43
Barron Road Duplexes	Q1 2005	96
The Bluffs, Phase II	Q4 2005	104
Brighton Farms	Q2 2005	171
Cascades Subdivision	Q2 2006	57
Chapel Hill, Phase II	Q2 2005	54
Cobblestone	Q1 2005	39
College Place, Phases VIII, IX	Q2 2005	115
Estates at Osage Falls	Q4 2005	42
Eventide	Q4 2004	44
The Farms	Q4 2004	62
Garrison Village	Q4 2005	11
Hardcastle	Q1 2005	9
Hillcrest Estates	Q4 2004	163
Legacy Village	Q4 2004	1
Lochmore Club, Phase II	Q4 2005	106
Olympia	Q4 2004	170
Osage Falls	Q1 2006	42
Oxford Ridge	Q2 2006	151
Oxford Ridge, Phase II	Q3 2006	103
Pennington	Q4 2004	65
Plum Tree Place	Q4 2005	6
Pontiac	Q4 2004	29
Rainbow Junction	Q1 2005	11
Sonavid Place	Q4 2004	32
Stonechase	Q4 2004	97
Thornbrook Village, Phases I, II	Q4 2004	252
Wilshire	Q1 2005	111
Windemere Woods, Phase II	Q4 2004	50
Windwood, Phase V	Q2 2005	73
Final Approval		
Bolte Acres/Regency Park	Q2 2005	6
Cornerstone Ridge, Phase IV	Q1 2006	50
Crystal Hills Terrace	Q2 2006	23
Eden's Brooke, Phase III	Q4 2005	28
Fountain Plaza	Q2 2005	17
Grace Addition	Q4 2004	114
Highpointe Addition	Q4 2004	139
Keystone Subdivision	Q1 2006	23
Laurynwood Estates	Q4 2004	100
Oak Lawn Hills Subdivision	Q1 2006	64
Oakwood Park	Q1 2006	7
Riverwalk Farm Estates, Phase III	Q1 2006	113
Stonecreek	Q1 2006	67
Stonegate	Q1 2005	78
Stone Meadow Addition	Q3 2006	259
Summerlyn, Phase II	Q3 2006	85
Wildwood, Phase V	Q4 2005	104
Bentonville		3,586

Bethel Heights

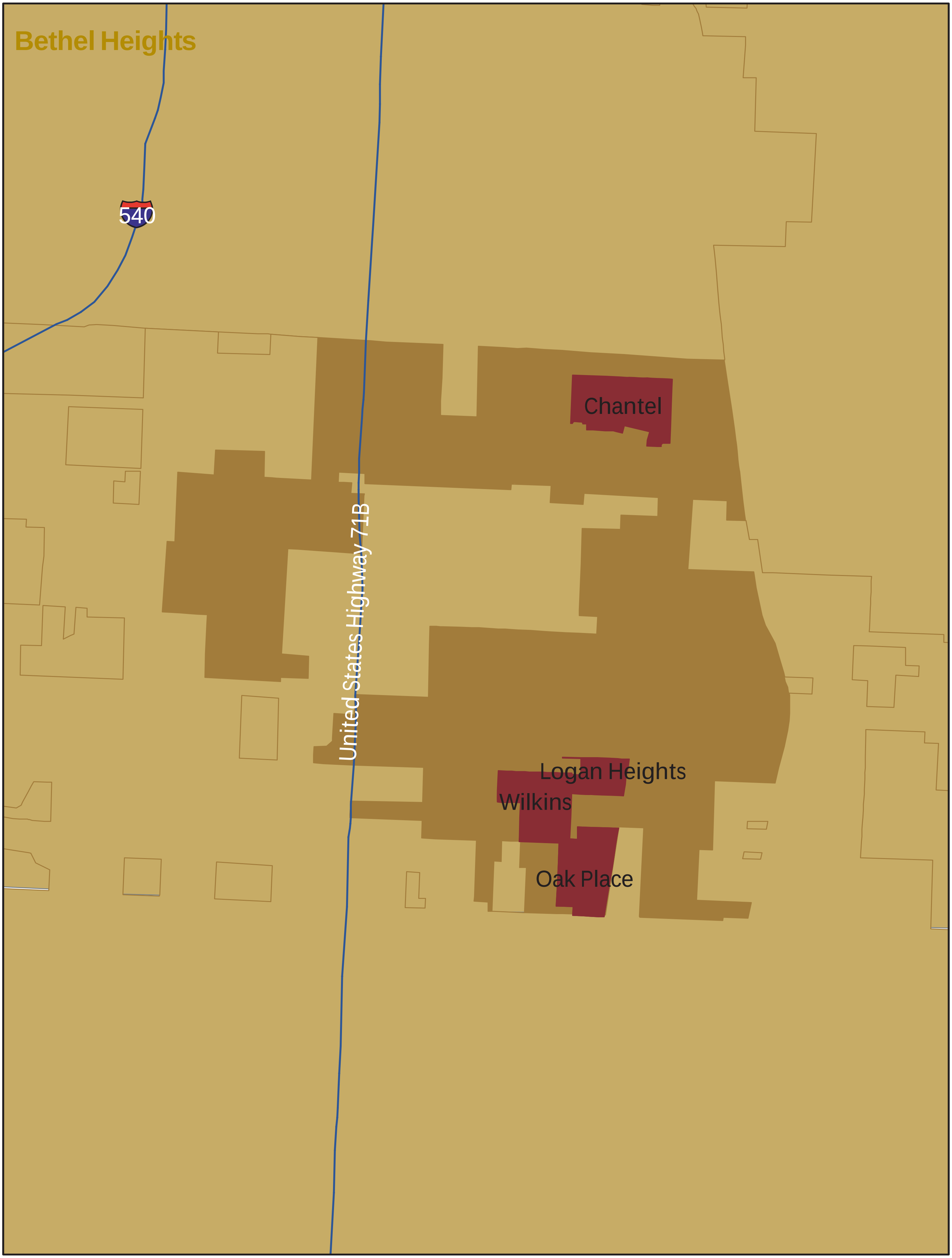
- From June to August 2006, there were 12 residential building permits issued in Bethel Heights. This represents a 64.7 percent decline from the third quarter of 2005.
- The average residential building permit value in Bethel Heights declined by 6.9 percent from the third quarter of 2005 to $105,404 in the third quarter of 2006.
- The major price points for Bethel Heights building permits were in the $100,000 to $150,000 range.
- There were 397 total lots in active subdivisions in Bethel Heights in the third quarter of 2006. About 34 percent of the lots were occupied, 19 percent were complete, but unoccupied, 9 percent were under construction, 0 percent were starts, and 38 percent were vacant lots.
- 18 new houses in Bethel Heights became occupied in the third quarter of 2006. The annual absorption rate implies that there are 44.3 months of remaining inventory in active subdivisions.
- Great Meadows and Logan Heights each had 9 new houses under construction.
- An additional 247 lots in 7 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Bethel Heights.
- There were 3 existing houses sold in Bethel Heights from May 16, 2006 to August 15, 2006, or 62.5 percent fewer than in the previous quarter and 50.0 percent fewer than the same period last year.
- The average price of a house sold in Bethel Heights increased from $176,156 in the second quarter of 2006 to $234,000 in the third quarter. In the third quarter of 2006 the average sales price was 32.8 percent higher than in the previous quarter and 43.6 percent higher than in the same period last year.
- In Bethel Heights, the average number of days from the initial house listing to the sale increased from 101 days in the second quarter of 2006 to 162 days in the third quarter of 2006.
- Only 0.2 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Bethel Heights. The average sales price of the houses sold in Bethel Heights was 122.6 percent of the county average.
- 66.7 percent of the sold houses in Bethel Heights were in the $200,000 to $250,000 range.





Bethel Heights House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Chantel	26	0	6	34	7	73	3	113.1
Courtyard, Phase III	1	0	0	3	10	14	10	4.8
Great Meadows	52	1	9	0	0	62	0	--
Logan Heights, Phase I	12	0	9	7	0	28	0	--
Oak Place	30	0	7	23	1	61	1	180.0
Sunset Ridge	15	0	3	1	14	33	3	25.3
Wilkins	13	0	3	7	103	126	1	6.3
Bethel Heights	149	1	37	75	135	397	18	44.3

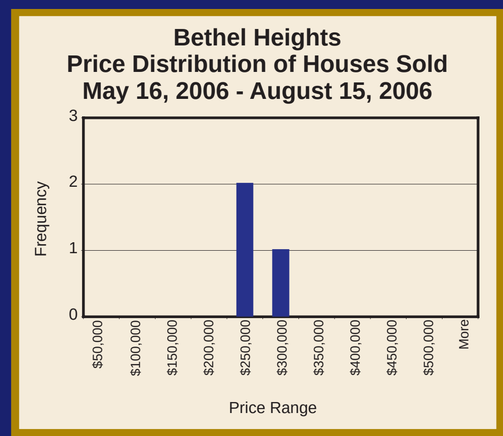

Bethel Heights
540
United States Highway 71B
Chantel
Logan Heights
Wilkins
Oak Place

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	0	0.0%	–	–	–	–
$100,001 - $150,000	0	0.0%	–	–	–	–
$150,001 - $200,000	0	0.0%	–	–	–	–
$200,001 - $250,000	2	66.7%	1,959	201	95.0%	$115.19
$250,001 - $300,000	1	33.3%	2,142	83	101.6%	$116.95
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Bethel Heights	3	100.0%	2,020	162	97.2%	$115.78

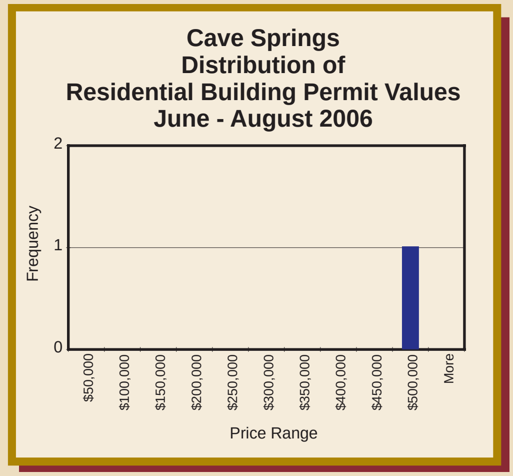
Bethel Heights
Approved Final and Preliminary Subdivisions
Q3 2006

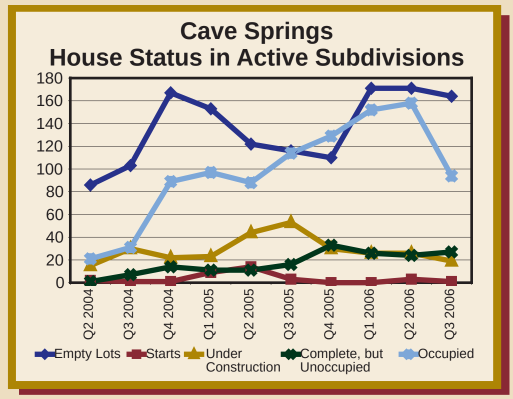
Subdivision	Approved	Number of Lots
Preliminary Approval		
Chantal, Phase II	Q3 2005	51
English Oaks	Q3 2005	12
Logan Heights, Phase II	Q3 2005	26
Marvin Moles	Q3 2005	33
Remington Place	Q3 2005	32
Spring Meadows	Q3 2005	60
Terry Acres	Q3 2005	33
Bethel Heights		247



Cave Springs

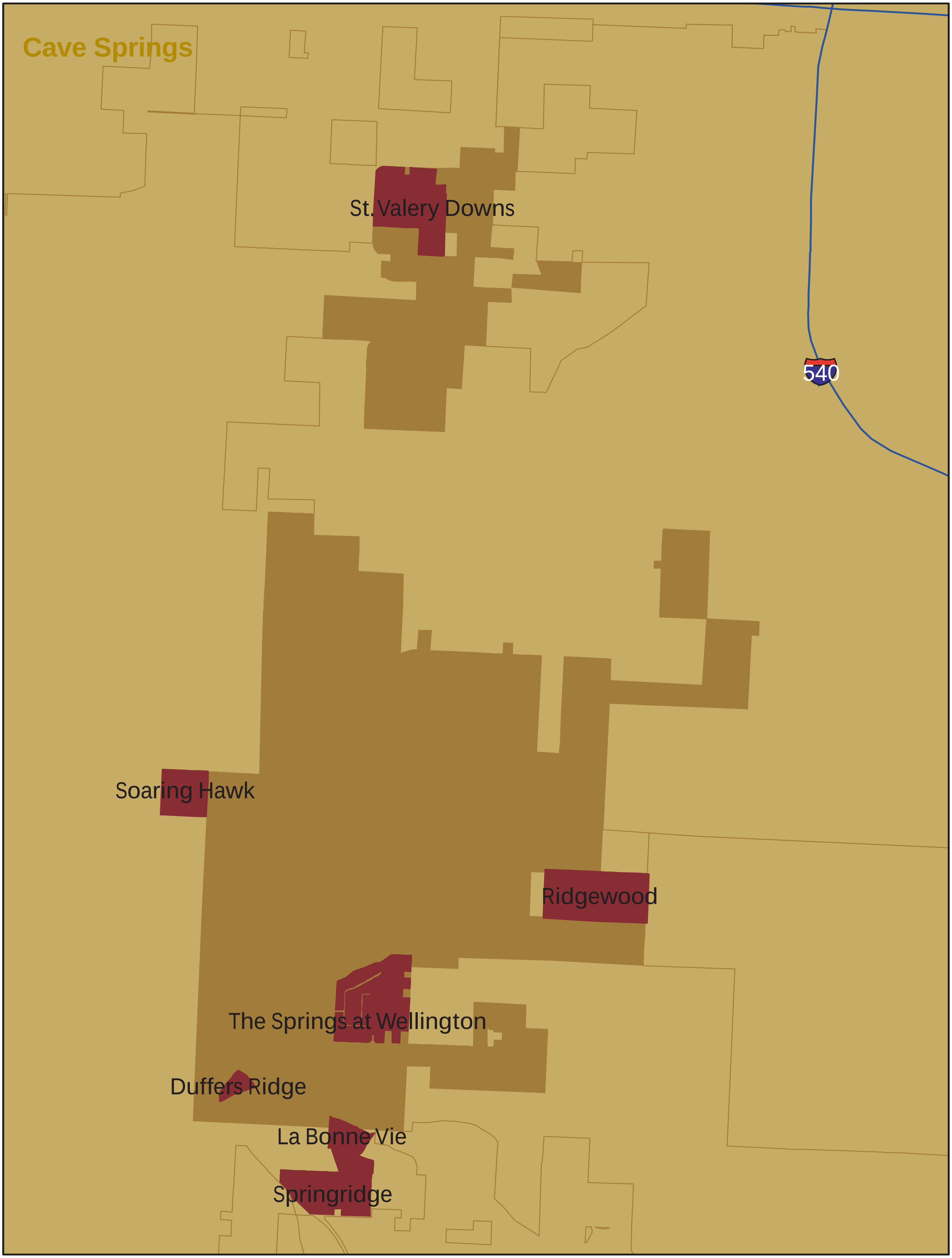
- From June to August 2006, there was 1 residential building permit issued in Cave Springs. This represents a 91.7 percent decrease from the third quarter of 2005.
- The average residential building permit value in Cave Springs increased by 112.4 percent from the third quarter in 2005 to $500,000 in the third quarter of 2006.
- There were 305 total lots in active subdivisions in Cave Springs in the third quarter of 2006. About 31 percent of the lots were occupied, 9 percent were complete, but unoccupied, 6 percent were under construction, 0 percent were starts, and 54 percent were vacant lots.
- 11 new houses in Cave Springs became occupied in the third quarter of 2006. The annual absorption rate implies that there are 52.8 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Cave Springs in the third quarter were Ridgewood with 9 and Spring Ridge with 4.
- An additional 422 lots in 3 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Cave Springs.
- There were 7 existing houses sold in Cave Springs from May 16, 2006 to August 15, 2006, or 36.41 percent fewer than the previous quarter and 75.0 percent more than in the same period last year.
- The average price of a house sold in Cave Springs increased from $184,673 in the second quarter of 2006 to $270,827 in the third quarter. In the third quarter of 2006 the average sales price was 46.7 percent higher than in the previous quarter and 11.3 percent higher than in the same period last year.
- In Cave Springs, the average number of days from the initial house listing to the sale declined from 109 days in the second quarter of 2006 to 102 days in the third quarter of 2006.
- About 0.5 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Cave Springs. The average sales price of a house in Cave Springs was 141.9 percent of the county average.





Cave Springs House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Duffers Ridge	7	0	0	1	0	8	0	--
La Bonne Vie, Phase II	5	0	1	1	0	7	0	--
Ridgewood	71	0	9	0	0	80	0	--
Soaring Hawk	5	0	1	2	8	16	0	24.0
Spring Ridge	20	0	4	10	27	61	6	16.3
Springs at Wellington	20	0	1	0	31	52	3	22.9
St. Valery Downs	36	1	3	13	28	81	2	70.7
Cave Springs	164	1	19	27	94	305	11	52.8

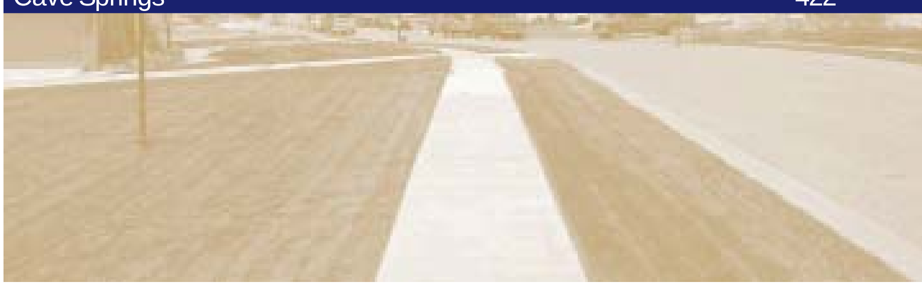

Cave Springs
St. Valery Downs
540
Soaring Hawk
Ridgewood
The Springs at Wellington
Duffers Ridge
La Bonne Vie
Springridge

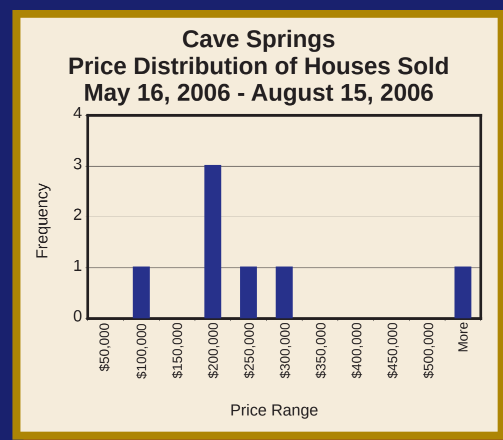
Cave Springs Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	1	14.3%	1,248	58	96.8%	$69.71
$100,001 - $150,000	0	0.0%	–	–	–	–
$150,001 - $200,000	3	42.9%	1,533	75	97.6%	$110.02
$200,001 - $250,000	1	14.3%	1,493	173	91.7%	$140.66
$250,001 - $300,000	1	14.3%	2,554	124	96.4%	$103.76
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	1	14.3%	5,056	132	103.8%	$163.98
Cave Springs	7	100.0%	2,136	102	97.3%	$115.45

Cave Springs
Approved Final and Preliminary Subdivisions
Q3 2006

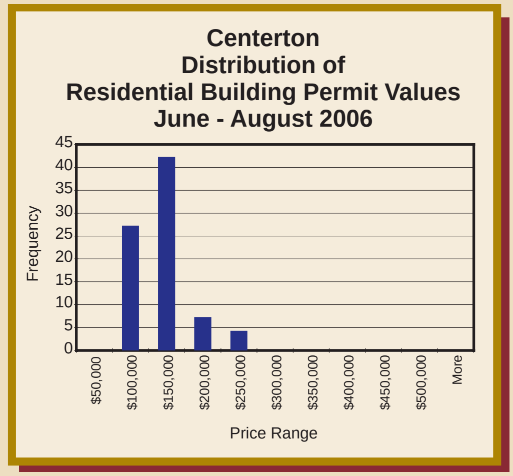
Subdivision	Approved	Number of Lots
Preliminary Approval		
Brentwood	Q4 2005	200
Hyde Park	Q4 2005	180
Final Approval		
Neveah	Q4 2005	42
Cave Springs		422





Centerton

- From June to August 2006, there were 80 residential building permits issued in Centerton. This represents no change from the third quarter of 2005.
- The average residential building permit value in Centerton increased by 2.1 percent from the third quarter of 2005 to $115,973 in the third quarter of 2006.
- The major price points for Centerton building permits were in the $100,000 to $150,000 range.
- There were 2,038 total lots in active subdivisions in Centerton in the third quarter of 2006. About 19 percent of the lots were occupied, 19 percent were complete, but unoccupied, 12 percent were under construction, 2 percent were starts, and 48 percent were vacant lots.
- 67 new houses in Centerton became occupied in the third quarter of 2006. The annual absorption rate implies that there are 55.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Centerton in the third quarter were Copper Oaks with 45, Quail Ridge with 43, and the Residences at City West with 38.
- An additional 3,244 lots in 25 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Centerton.
- There were 72 existing houses sold in Centerton from May 16, 2006 to August 15, 2006, or 4.3 percent more than in the previous quarter and 4.3 percent more than in the same period last year.
- The average price of a house sold in Centerton declined from $167,879 in the second quarter of 2006 to $154,156 in the third quarter. In the third quarter of 2006 the average sales price was 8.2 percent lower than in the previous quarter and 9.9 percent higher than in the same period last year.
- In Centerton, the average number of days from the initial house listing to the sale declined from 123 days in the second quarter of 2006 to 92 days in the third quarter of 2006.
- About 5.1 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Centerton. The average sales price of a house in Centerton was 80.8 percent of the county average.
- 81.9 percent of the sold houses in Centerton were in the $100,000 to $200,000 range.

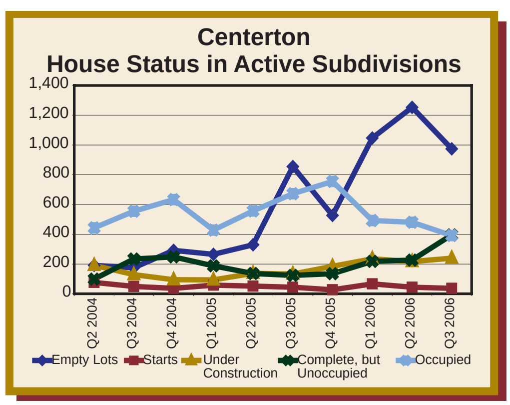


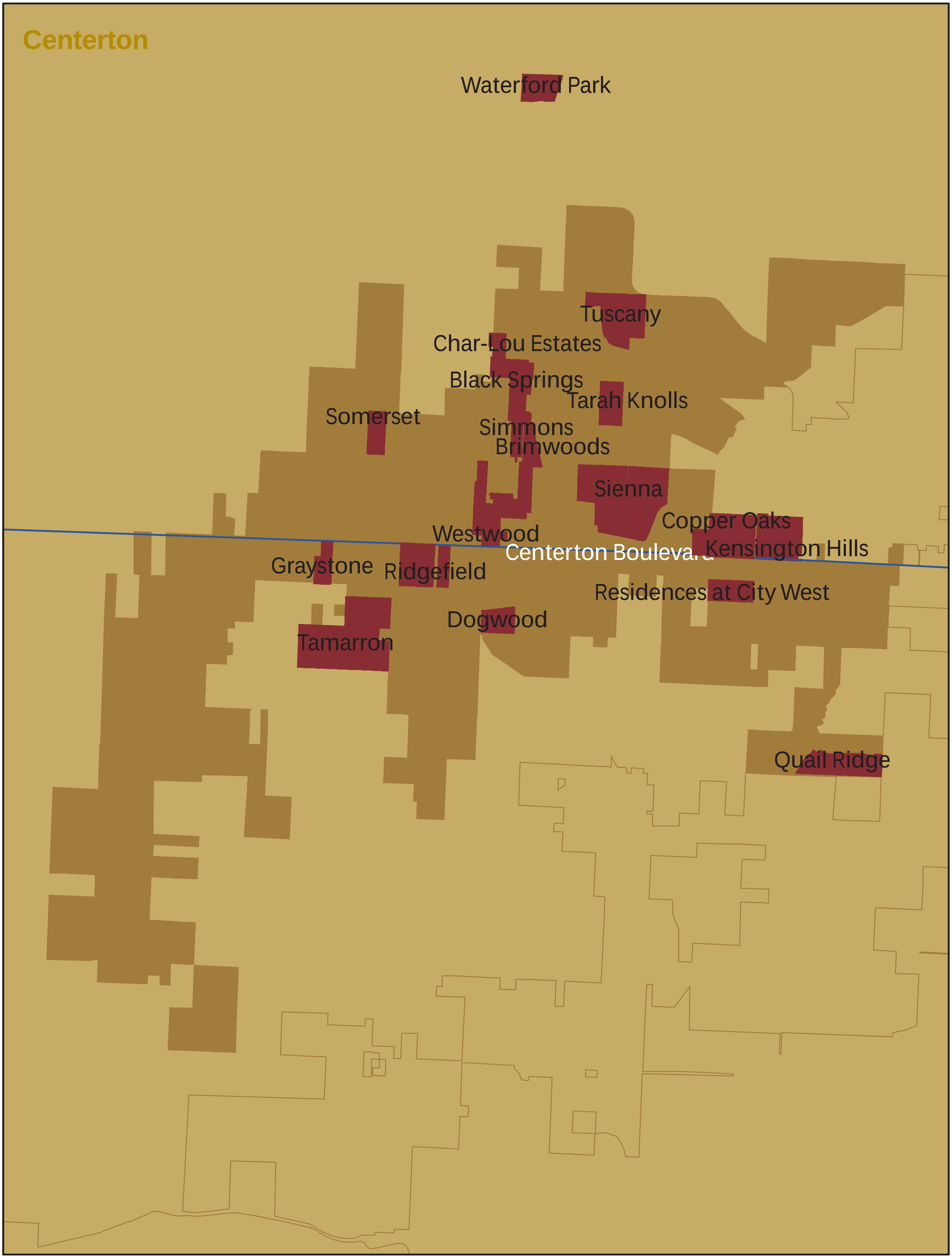
Centerton Price Range of Houses Sold May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	2	2.8%	1,028	64	95.1%	$79.43
$100,001 - $150,000	42	58.3%	1,383	107	99.1%	$92.08
$150,001 - $200,000	17	23.6%	1,816	83	99.1%	$97.86
$200,001 - $250,000	7	9.7%	2,037	77	99.0%	$107.68
$250,001 - $300,000	4	5.6%	2,307	3	100.0%	$114.25
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Centerton	72	100.0%	1,590	92	99.0%	$95.84

Centerton House Status in Active Subdivisions
Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Black Springs, Block I	18	2	10	7	15	52	9	22.2
Brimwoods, Phase I	29	5	0	0	1	35	1	5.8
Char Lou Estates, Phase I	8	1	8	42	11	70	7	48.3
Copper Oaks	34	4	45	47	0	130	0	--
Dogwood	0	0	1	6	41	48	11	2.6
Graystone	0	0	0	53	19	72	3	25.1
Kensington Hills	55	0	0	32	48	135	12	29.0
Keystone	21	0	2	0	0	23	0	--
Quail Ridge, Phases I, II	92	0	43	45	5	185	1	405.0
The Residences at City West	19	0	38	60	1	118	1	351.0
Ridgefield Addition, Blocks I, II	24	4	8	1	24	61	0	49.3
Sienna at Cooper's Farm, Phase IB, II	207	13	13	49	160	442	1	57.4
Simmons	0	0	0	2	30	32	1	6.0
Somerset	35	0	4	5	7	51	5	56.6
Stonegate	54	0	34	20	9	117	9	36.0
Tamarron	265	8	16	10	0	299	0	--
Tarah Knolls	35	0	9	7	1	52	1	153.0
Tuscany, Phase I	66	0	5	0	0	71	0	--
Waterford Park	12	0	3	4	2	21	0	22.8
Westwood, Phase II	0	0	0	6	18	24	5	3.0
Centerton	974	37	239	396	392	2,038	67	55.9



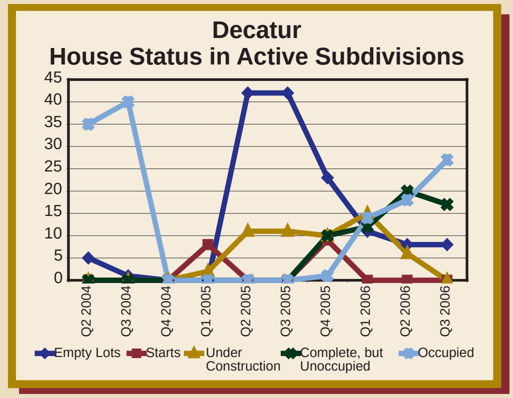

Centerton
Waterford Park
Tuscany
Char-Lou Estates
Black Springs
Tarah Knolls
Somerset
Simmons
Brimwoods
Sienna
Copper Oaks
Westwood
Centerton Boulevard
Kensington Hills
Graystone
Ridgefield
Residences at City West
Dogwood
Tamarron
Quail Ridge

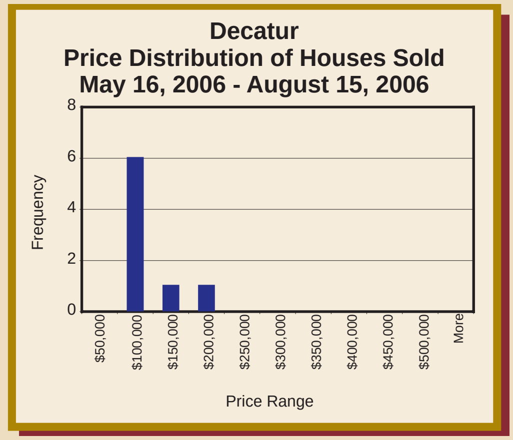
Centerton
Approved Final and Preliminary Subdivisions
Q3 2006

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

Decatur

- Fom June to August 2006, there were no residential building permits issued in Decatur. There were no residential building permits issued in the third quarter of 2005, either.
- There were 52 total lots in active subdivisions in Decatur in the third quarter of 2006. About 52 percent of the lots were occupied, 33 percent were complete, but unoccupied, and 15 percent were vacant lots.
- 9 new houses in Decatur became occupied in the third quarter of 2006. The annual absorption rate implies that there are 10.7 months of remaining inventory in active subdivisions.
- There were 8 existing houses sold in Decatur from May 16, 2006 to August 15, 2006, or 20.0 percent fewer than in the previous quarter and 60.0 percent more than in the same period last year.
- The average price of a house sold in Decatur declined from $96,505 in the second quarter of 2006 to $90,663 in the third quarter. In the third quarter of 2006 the average sales price was 6.1 percent lower than in the previous quarter and 52.9 percent lower than in the same period last year.
- In Decatur, the average number of days from the initial house listing to the sale increased from 78 days in the second quarter of 2006 to 101 days in the third quarter of 2006.
- About 0.6 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Decatur. The average sales price of a house in Decatur was 47.5 percent of the county average.
- 75.0 percent of the sold houses in Decatur were in the $50,000 to $100,000 range.



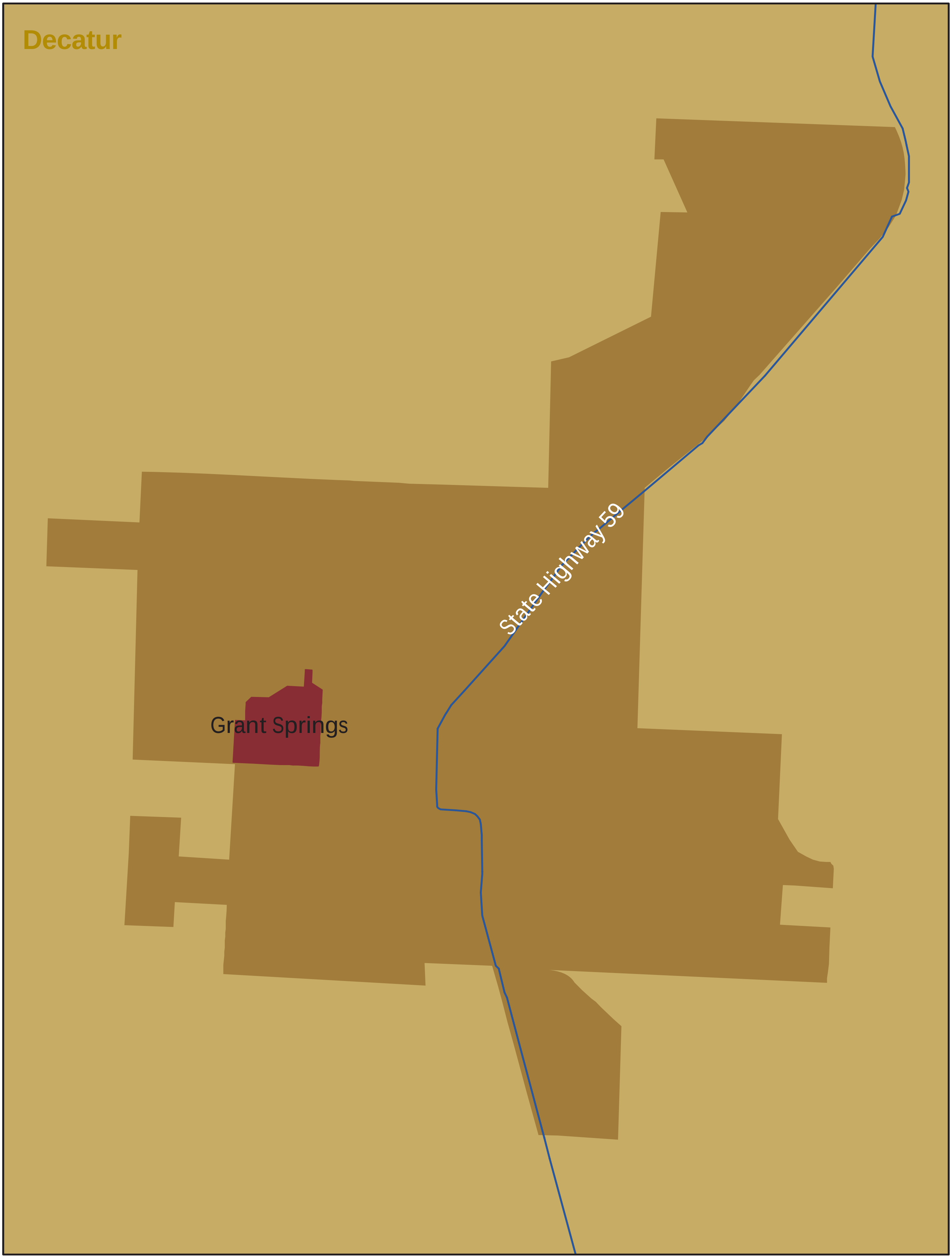


Decatur House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Grant Springs	8	0	0	17	27	52	9	10.7
Decatur	8	0	0	17	27	52	9	10.7

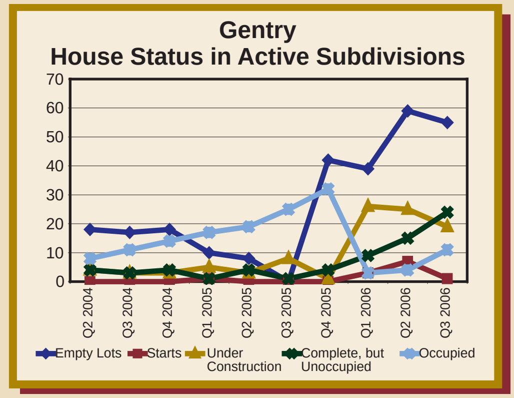
Decatur Price Range of Houses Sold May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	6	75.0%	1,239	93	97.7%	$64.83
$100,001 - $150,000	1	12.5%	1,280	156	108.0%	$83.98
$150,001 - $200,000	1	12.5%	1,608	99	95.1%	$94.53
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	0	0.0%	–	–	–	–
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Decatur	8	100.0%	1,290	101	98.7%	$70.94


Decatur
State Highway 59
Grant Springs

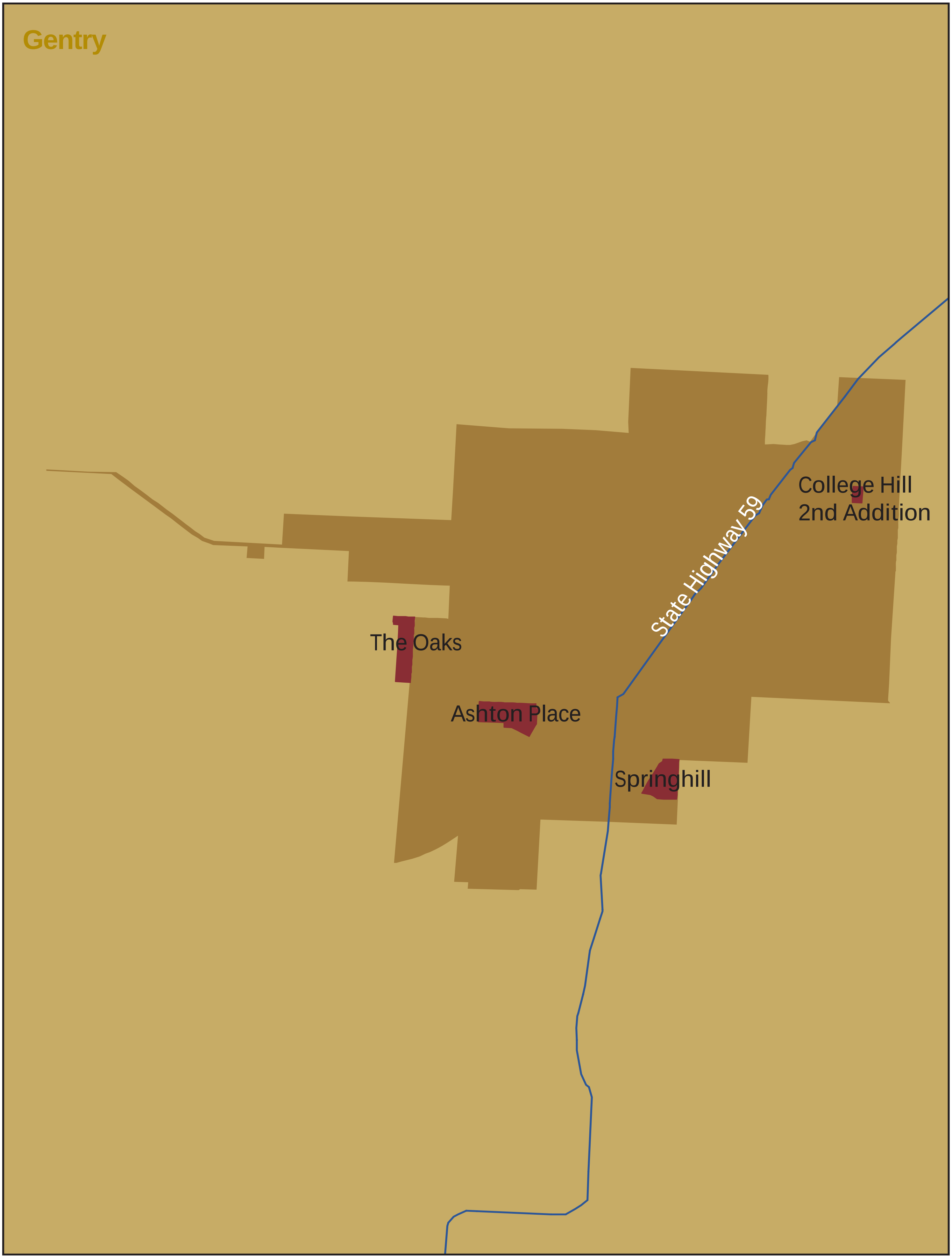
Gentry

- From June to August 2006, there were no residential building permits issued in Gentry. There were 16 residential building permits issued in the third quarter of 2005.
- There were 110 total lots in active subdivisions in Gentry in the third quarter of 2006. About 10 percent of the lots were occupied, 22 percent were complete, but unoccupied, 17 percent was under construction, 1 percent was starts, and 50 percent were vacant lots.
- 7 new houses in Gentry became occupied in the third quarter of 2006. The annual absorption rate implies that there are 108.0 months of remaining inventory in active subdivisions.
- There were 7 houses under construction in the Ashton Place subdivision and 5 each in The Oaks and the Springhill subdivisions.
- An additional 819 lots in 7 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Gentry.
- There were 30 existing houses sold in Gentry from May 16, 2006 to August 15, 2006, or 200.0 percent more than in the previous quarter and 3.4 percent more than in the same period last year.
- The average price of a house sold in Gentry declined from $166,550 in the second quarter of 2006 to $117,998 in the third quarter. In the third quarter of 2006 the average sales price was 29.2 percent lower than in the previous quarter and 18.2 percent lower than in the same period last year.
- In Gentry, the average number of days from the initial house listing to the sale declined from 111 days in the second quarter of 2006 to 104 days in the third quarter of 2006.
- About 2.1 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Gentry. The average sales price of a house in Gentry was only 61.8 percent of the county average.
- 83.4 percent of the sold houses in Gentry were in the $50,000 to $150,000 range.



Gentry House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Ashton Place	16	0	7	13	1	37	1	108.0
College Hill Second Addition	2	1	2	2	1	8	0	63.0
The Oaks	12	0	5	9	9	35	6	34.7
Springhill	25	0	5	0	0	30	0	--
Gentry	55	1	19	24	11	110	7	108.0

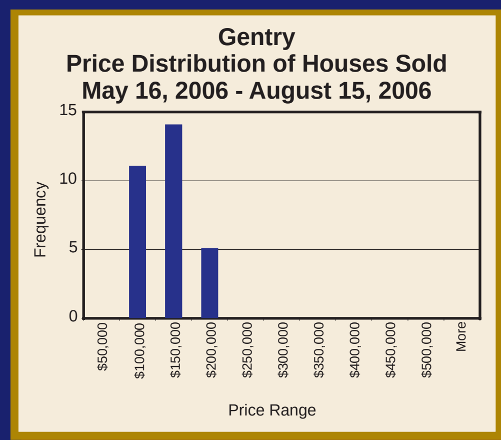

Gentry
College Hill
2nd Addition
State Highway 59
The Oaks
Ashton Place
Springhill

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	11	36.7%	1,430	105	96.2%	$59.46
$100,001 - $150,000	14	46.7%	1,551	102	99.8%	$85.04
$150,001 - $200,000	5	16.7%	2,101	107	96.9%	$84.13
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	0	0.0%	–	–	–	–
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Gentry	30	100.0%	1,598	104	98.0%	$75.51

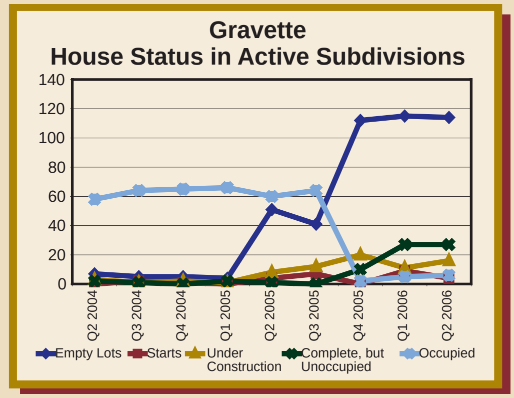
Gentry
Approved Final and Preliminary Subdivisions
Q3 2006

Subdivision	Approved	Number of Lots
Preliminary Approval		
Castleberry	Q1 2006	61
Gayle Meadows	Q1 2006	54
McClellan Meadows	Q1 2006	242
The Orchards	Q1 2006	288
Pines Subdivision	Q3 2006	134
Final Approval		
Stonegate	Q1 2006	3
The Oaks, Phase II	Q3 2006	37
Gentry		819



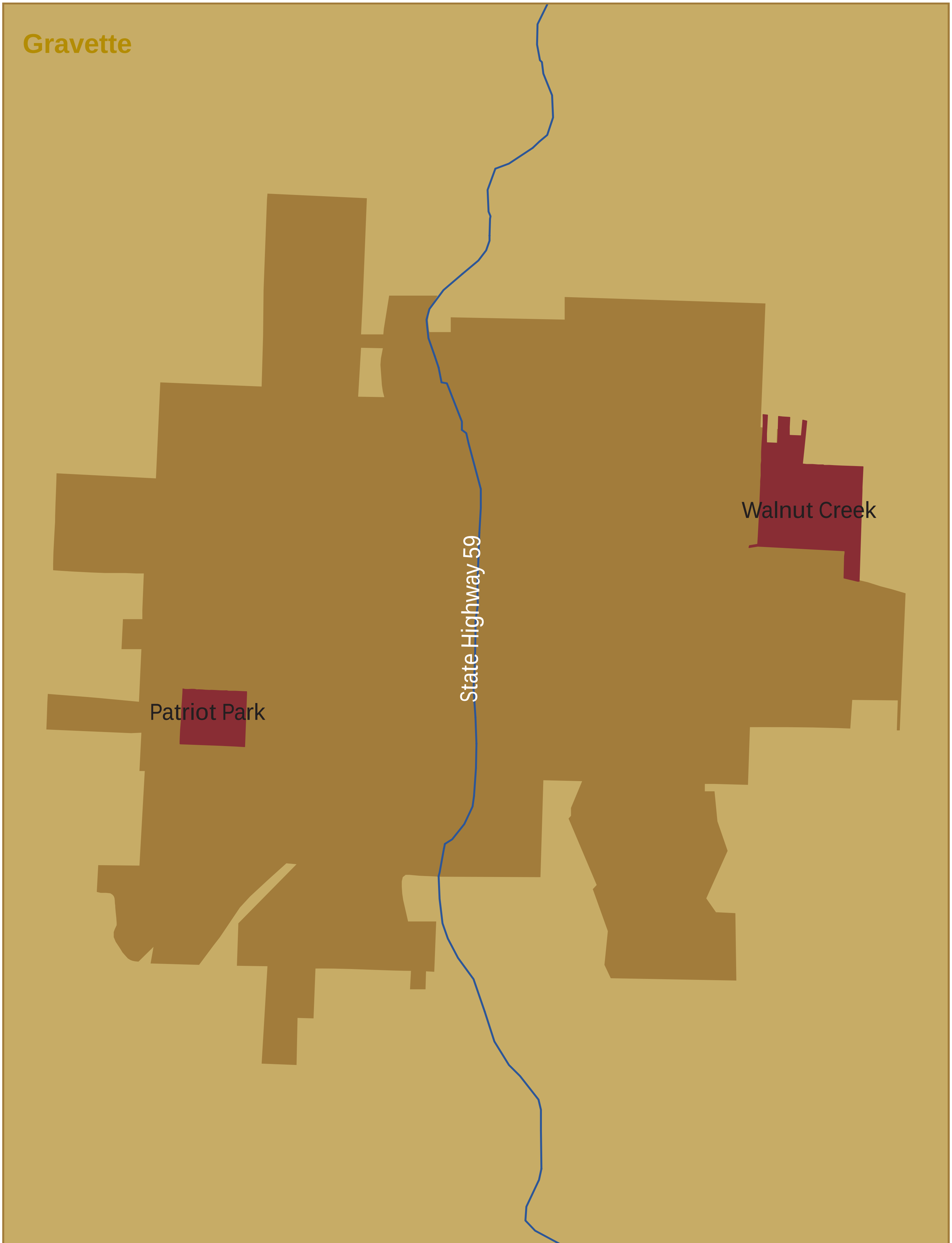
Gravette

- From June to August 2006, there were no residential building permits issued in Gravette. There were no residential building permits issued in the third quarter of 2005, either.
- There were 167 total lots in active subdivisions in Gravette in the third quarter of 2006. About 8 percent of the lots were occupied, 14 percent were complete, but unoccupied, 13 percent were under construction, 2 percent were starts, and 63 percent were vacant lots.
- 8 new houses in Gravette became occupied in the third quarter of 2006. The annual absorption rate implies that there are 98.4 months of remaining inventory in active subdivisions.
- There were 12 houses under construction in the Walnut Creek and 9 houses under construction in the Patriot Park subdivision in Gravette.
- There were 39 existing houses sold in Gravette from May 16, 2006 to August 15, 2006, or 62.5 percent more than in the previous quarter and 95.0 percent more than in the same period last year.
- The average price of a house sold in Gravette declined from $153,423 in the second quarter of 2006 to $129,710 in the third quarter. In the third quarter of 2006 the average sales price was 15.5 percent lower than in the previous quarter and 7.1 percent lower than in the same period last year.
- In Gravette, the average number of days from the initial house listing to the sale declined from 135 days in the second quarter of 2006 to 115 days in the third quarter of 2006.
- About 2.8 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Gravette. The average sales price of a house in Gravette was 68.0 percent of the county average.
- 74.4 percent of the sold houses in Gravette were in the $50,000 to $150,000 range.



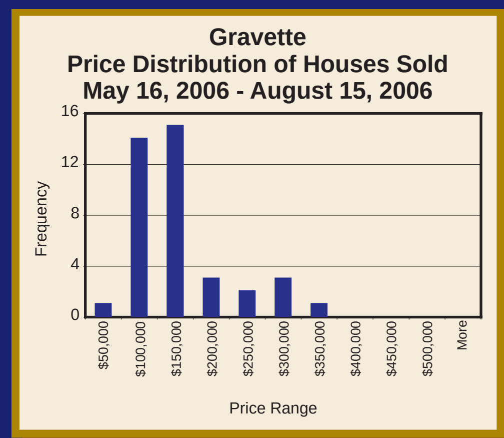
Gravette House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Patriot Park	29	0	9	18	6	62	3	84.0
Walnut Creek	76	4	12	5	8	105	5	109.1
Gravette	105	4	21	23	14	167	8	98.4


Gravette
Walnut Creek
State Highway 59
Patriot Park

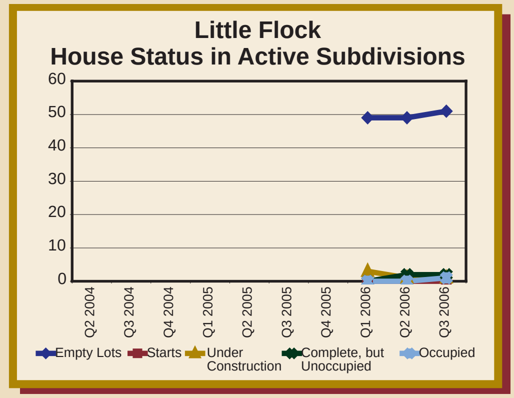
Gravette Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	2.6%	748	380	100.0%	$65.37
$50,001 - $100,000	14	35.9%	1,232	101	97.8%	$69.10
$100,001 - $150,000	15	38.5%	1,512	100	98.2%	$80.53
$150,001 - $200,000	3	7.7%	1,860	145	99.5%	$110.03
$200,001 - $250,000	2	5.1%	1,804	94	100.1%	$121.95
$250,001 - $300,000	3	7.7%	2,210	115	98.2%	$124.90
$300,001 - $350,000	1	2.6%	1,120	221	96.7%	$301.34
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Gravette	39	100.0%	1,477	115	98.3%	$89.51



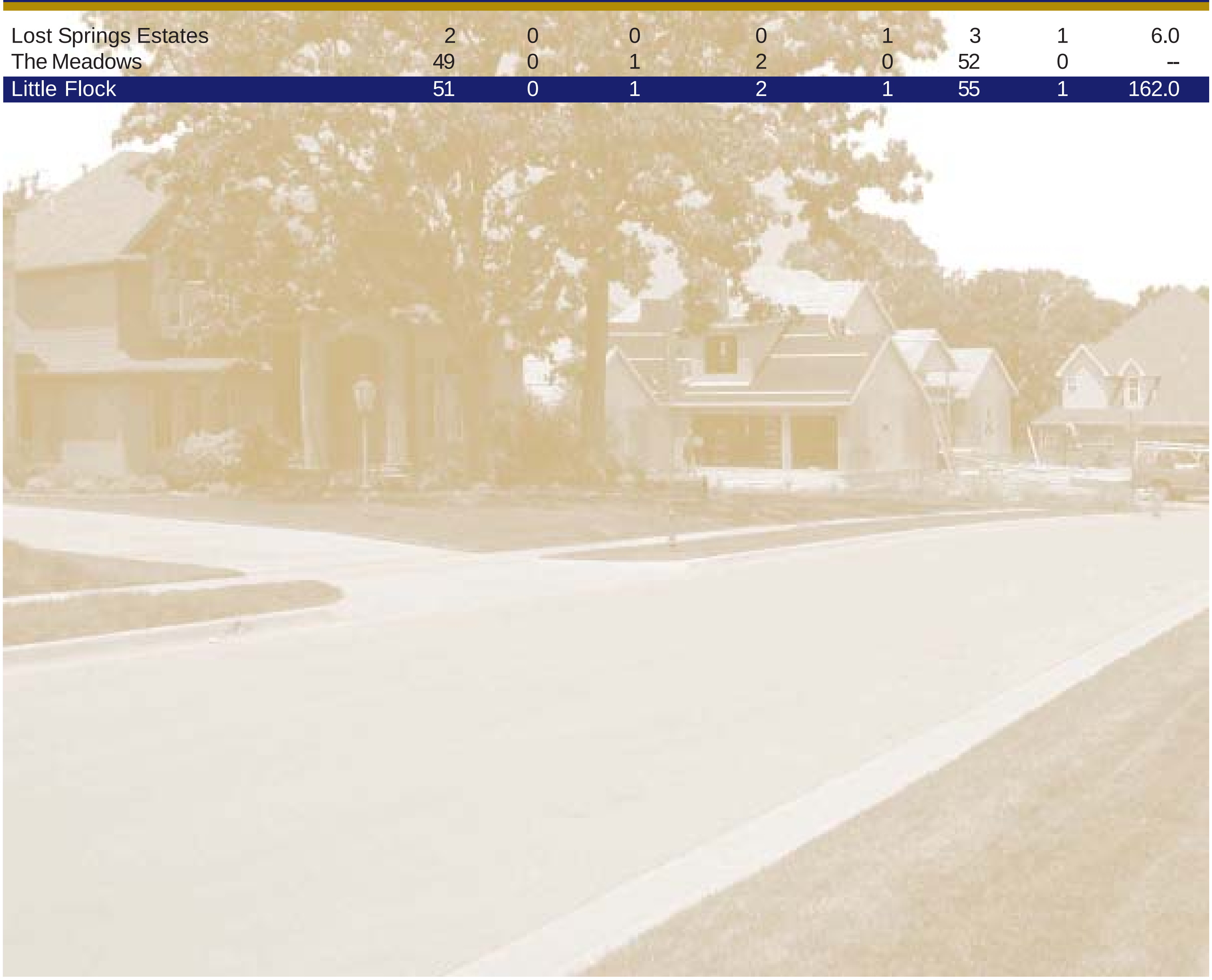
Little Flock

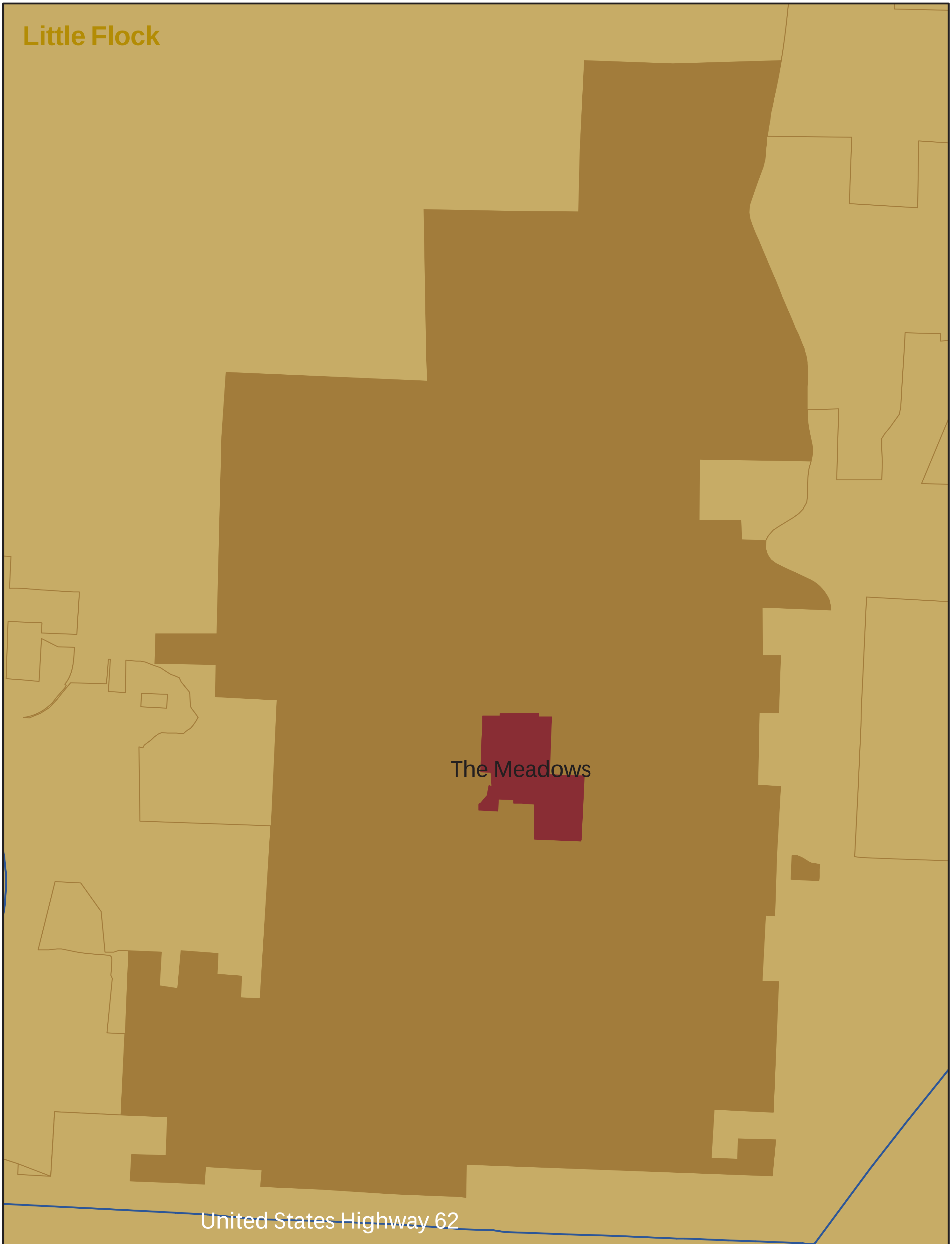
- From June to August 2006, there were no residential building permits issued in Little Flock. There were 2 residential building permits issued in the third quarter of 2005.
- There were 55 total lots in 2 active subdivisions in Little Flock in the third quarter of 2006. About 2 percent were occupied, 4 percent were complete, but unoccupied, 2 percent were under construction, and 93 percent were vacant lots.
- 1 new house in Little Flock became occupied in the third quarter of 2006. There was 1 house under construction in The Meadows subdivisions in Little Flock.
- There were no existing houses sold in Little Flock from May 16, 2006 to August 15, 2006.



Little Flock House Status in Active Subdivisions Q3 2006

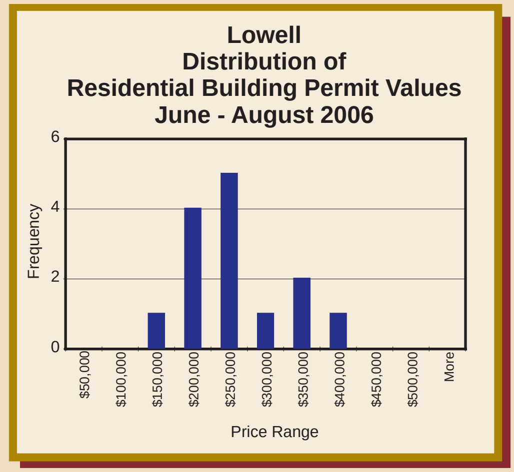
Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Lost Springs Estates	2	0	0	0	1	3	1	6.0
The Meadows	49	0	1	2	0	52	0	--
Little Flock	51	0	1	2	1	55	1	162.0

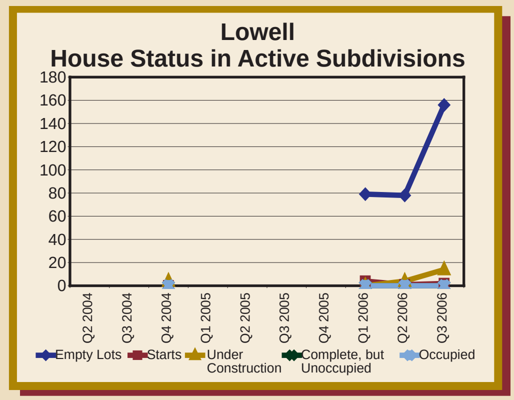



Little Flock
The Meadows
United States Highway 62

Lowell

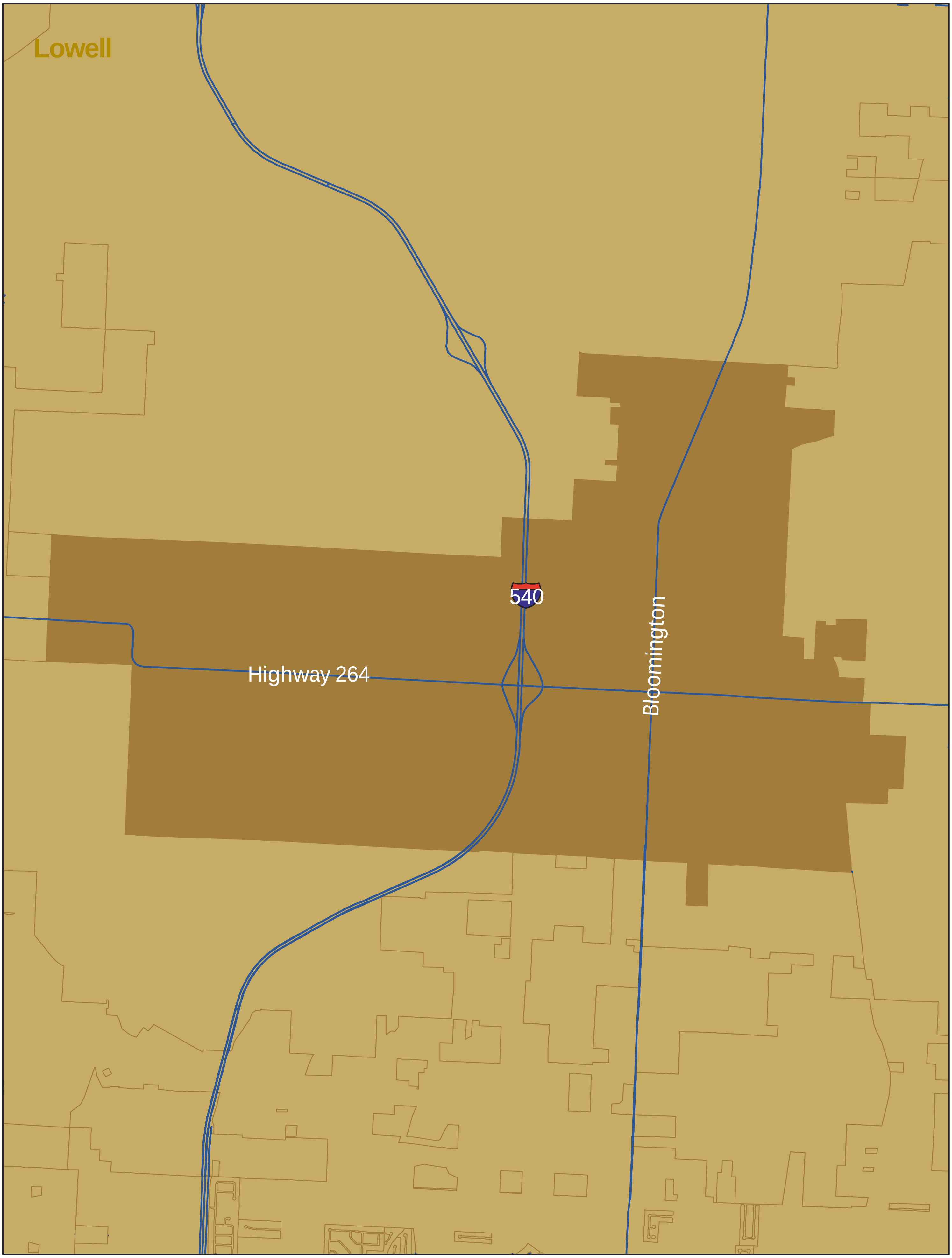
- From June to August 2006, there were 14 residential building permits issued in Lowell. This was a 7.7 percent increase from the third quarter of 2005.
- The average residential building permit value in Lowell declined by 23.2 percent from the third quarter of 2005 to $232,632 in the third quarter of 2006.
- The major price points for Lowell building permits were in the $150,000 to $250,000 range.
- There were 172 total lots in active subdivisions in Lowell in the third quarter of 2006. About 8 percent were under construction, 1 percent was starts, and 91 percent were vacant lots.
- No new houses in Lowell became occupied in the third quarter of 2006.
- There were 55 existing houses sold in Lowell from May 16, 2006 to August 15, 2006, or 120.0 percent more than in the previous quarter and a 14.6 percent more than in the same period last year.
- The average price of a house sold in Lowell declined from $166,688 in the second quarter of 2006 to $166,144 in the third quarter. In the third quarter of 2006 the average sales price was 0.3 percent lower than in the previous quarter and 8.8 percent higher than in the same period last year.
- In Lowell, the average number of days from the initial house listing to the sale declined from 69 days in the second quarter of 2006 to 68 days in the third quarter of 2006.
- About 4.0 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Lowell. The average sales price of a house in Lowell was 87.1 percent of the county average.
- 80.0 percent of the sold houses in Lowell were in the $100,000 to $200,000 range.





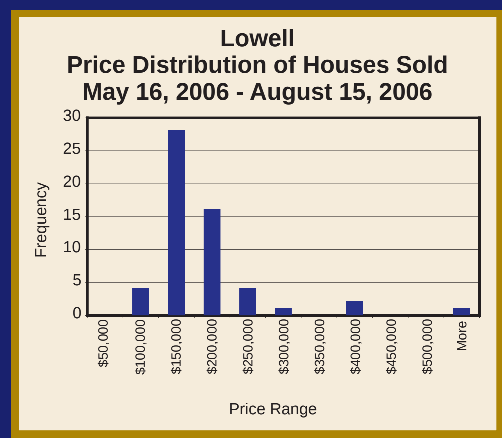
Lowell House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Borghese, Phase I	76	0	7	0	0	83	0	--
Park Central, Phase I	80	2	7	0	0	89	0	--
Lowell	156	2	14	0	0	172	0	--


Lowell
540
Highway 264
Bloomington

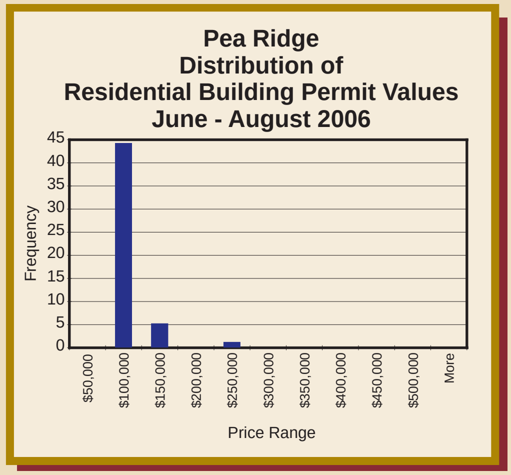
Lowell Price Range of Houses Sold
May 16 - August 15, 2006

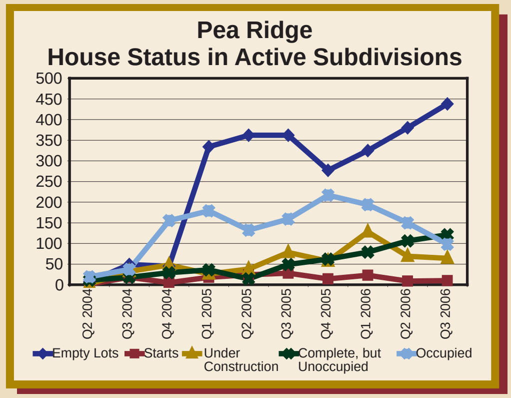
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	4	7.3%	1,086	63	91.7%	$80.45
$100,001 - $150,000	28	50.9%	1,381	66	98.3%	$97.25
$150,001 - $200,000	16	29.1%	1,741	69	98.2%	$97.42
$200,001 - $250,000	4	7.3%	1,871	55	96.7%	$118.21
$250,001 - $300,000	1	1.8%	3,900	175	97.8%	$75.00
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	2	3.6%	3,497	77	98.7%	$102.88
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	1	1.8%	4,314	79	93.9%	$161.10
Lowell	55	100.0%	1,672	68	97.7%	$98.10



Pea Ridge

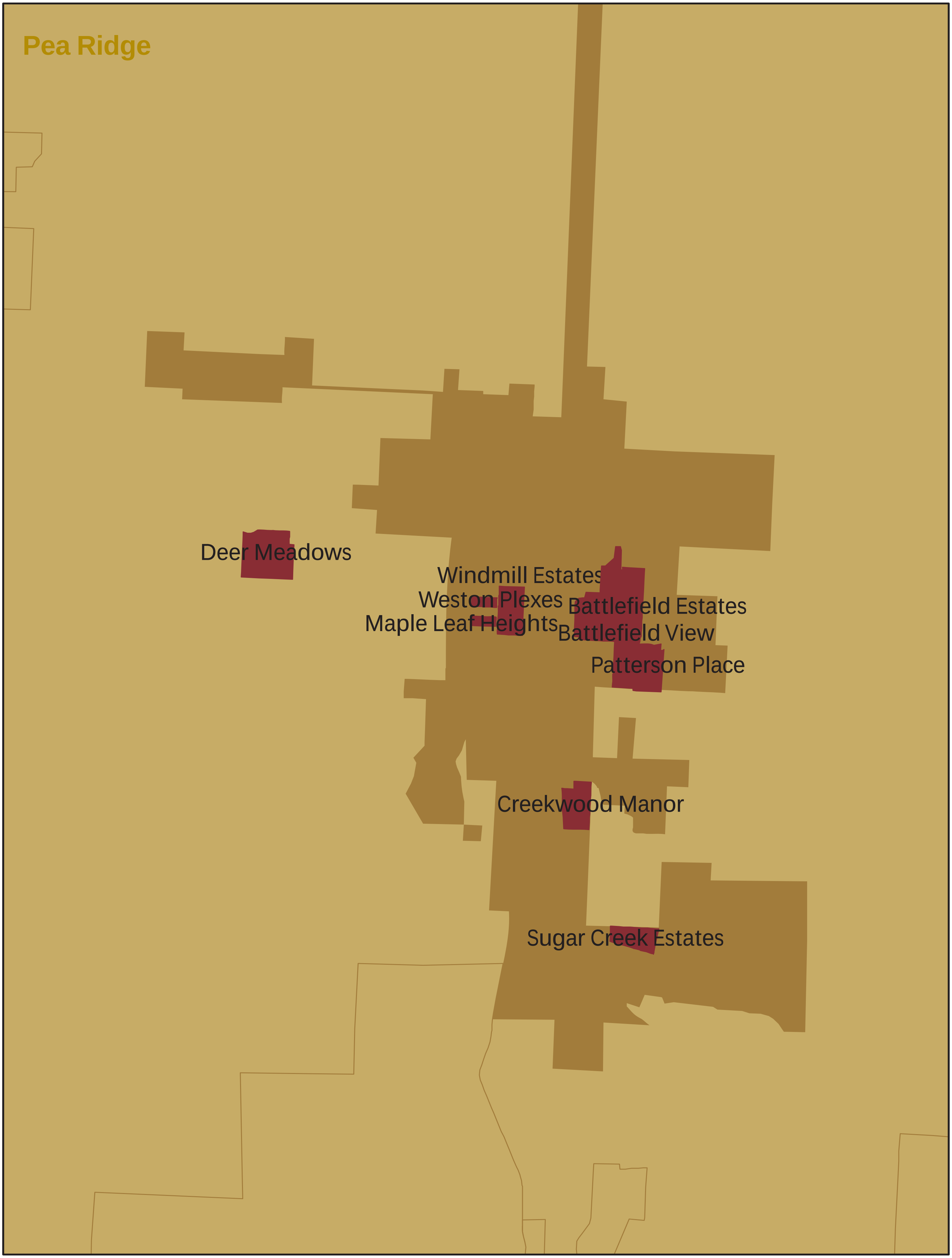
- From June to August 2006, there were 50 building permits issued in Pea Ridge. This was a decline of 33.3 percent from the third quarter of 2005.
- The average residential building permit value in Pea Ridge declined by 12.9 percent from the third quarter of 2005 to $97,507 in the third quarter of 2006.
- The major price points for Pea Ridge building permits were in the $50,000 to $100,000 range.
- There were 731 total lots in active subdivisions in Pea Ridge in the third quarter of 2006. About 13 percent of the lots were occupied, 17 percent were complete, but unoccupied, 9 percent were under construction, 1 percent was starts, and 60 percent were vacant lots.
- 27 new houses in Pea Ridge became occupied in the third quarter of 2006. The annual absorption rate implies that there are 101.3 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Pea Ridge in the third quarter were the Weston Plexes with 18 and Battlefield View and Maple Glenn with 11 each.
- There were 42 existing houses sold in Pea Ridge from May 16, 2006 to August 15, 2006, or 20.0 percent more than in the previous quarter and 16.7 percent more than in the same period last year.
- The average price of a house sold in Pea Ridge declined from $149,183 in the second quarter of 2006 to $134,564 in the third quarter. In the third quarter of 2006 the average sales price was 9.8 percent lower than in the previous quarter and 7.0 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 declined from 172 days in the second quarter of 2006 to 144 days in the third quarter of 2006.
- About 3.0 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Pea Ridge. The average sales price of a house in Pea Ridge was 70.5 percent of the county average.
- 64.3 percent of the sold houses in Pea Ridge were in the $100,000 to $150,000 range.





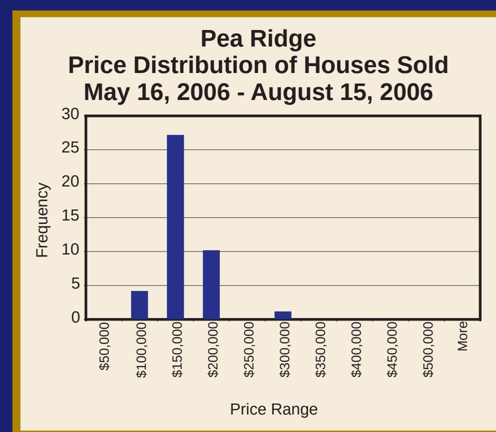
Pea Ridge House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Battlefield Estates	96	0	1	5	5	107	2	183.6
Battlefield View	32	6	11	23	46	118	1	28.8
Creekwood Manor	39	0	5	1	0	45	0	--
Deer Meadows	85	0	4	3	0	92	0	552.0
Maple Glenn	102	4	11	0	0	117	0	--
Maple Leaf Heights	5	0	2	2	2	11	2	27.0
The Oaks, Block I	0	0	0	42	12	54	11	21.0
Patterson Place	24	0	3	31	2	60	1	174.0
Ridgeview Acres	31	0	1	1	0	33	0	--
Sugar Creek Estates	14	0	1	0	2	17	0	90.0
Weston Plexes	2	0	18	0	0	20	0	--
Windmill Estates	8	0	7	13	29	57	10	16.8
Pea Ridge	438	10	64	121	98	731	27	101.3


Pea Ridge
Deer Meadows
Windmill Estates
Weston Plexes
Maple Leaf Heights
Battlefield Estates
Battlefield View
Patterson Place
Creekwood Manor
Sugar Creek Estates

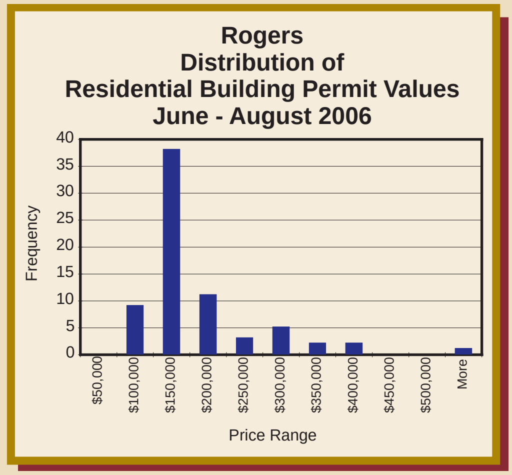
Pea Ridge Price Range of Houses Sold
May 16 - August 15, 2006

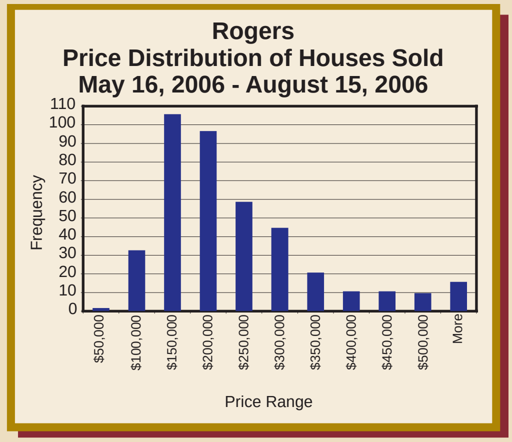
Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	4	9.5%	1,215	43	97.6%	$65.91
$100,001 - $150,000	27	64.3%	1,405	148	100.7%	$90.21
$150,001 - $200,000	10	23.8%	1,795	161	101.1%	$92.20
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	1	2.4%	1,857	263	115.1%	$148.09
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Pea Ridge	42	100.0%	1,491	144	100.8%	$89.75



Rogers

- From June to August 2006, there were 71 residential building permits issued in Rogers. This represents a 76.7 percent decline from the third quarter of 2005.
- The average residential building permit value in Rogers declined by 22.7 percent from the third quarter of 2005 to $162,734 in the third quarter of 2006.
- The major price points for Rogers building permits were in the $100,000 to $150,000 range.
- There were 4,181 total lots in active subdivisions in Rogers in the third quarter of 2006. About 31 percent of the lots were occupied, 21 percent were complete, but unoccupied, 7 percent were under construction, 1 percent was starts, and 40 percent were vacant lots.
- 237 new houses in Rogers became occupied in the third quarter of 2006. The annual absorption rate implies that there are 43.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Rogers in the third quarter were Roller's Ridge with 51 and Pinnacle with 46.
- An additional 1,911 lots in 39 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Rogers.
- There were 400 existing houses sold in Rogers from May 16, 2006 to August 15, 2006, or 26.2 percent more than in the previous quarter and 27.4 percent more than in the same period last year.
- The average price of a house sold in Rogers increased from $213,087 in the second quarter of 2006 to $216,800 in the third quarter. In the third quarter of 2006 the average sales price was 1.7 percent higher than in the previous quarter and 4.9 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 119 days in the second quarter of 2006 to 134 days in the third quarter of 2006.
- About 28.7 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Rogers. The average sales price of a house in Rogers was 113.6 percent of the county average.
- 50.3 percent of the sold houses in Rogers were in the $100,000 to $200,000 range.



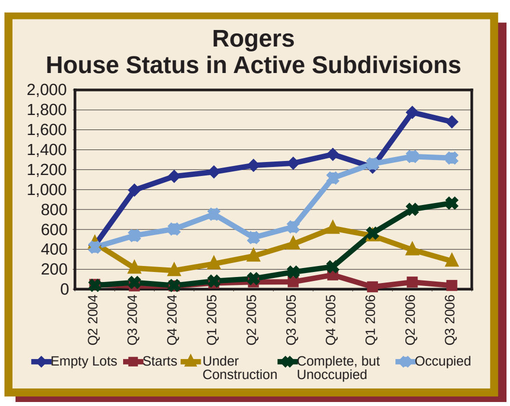


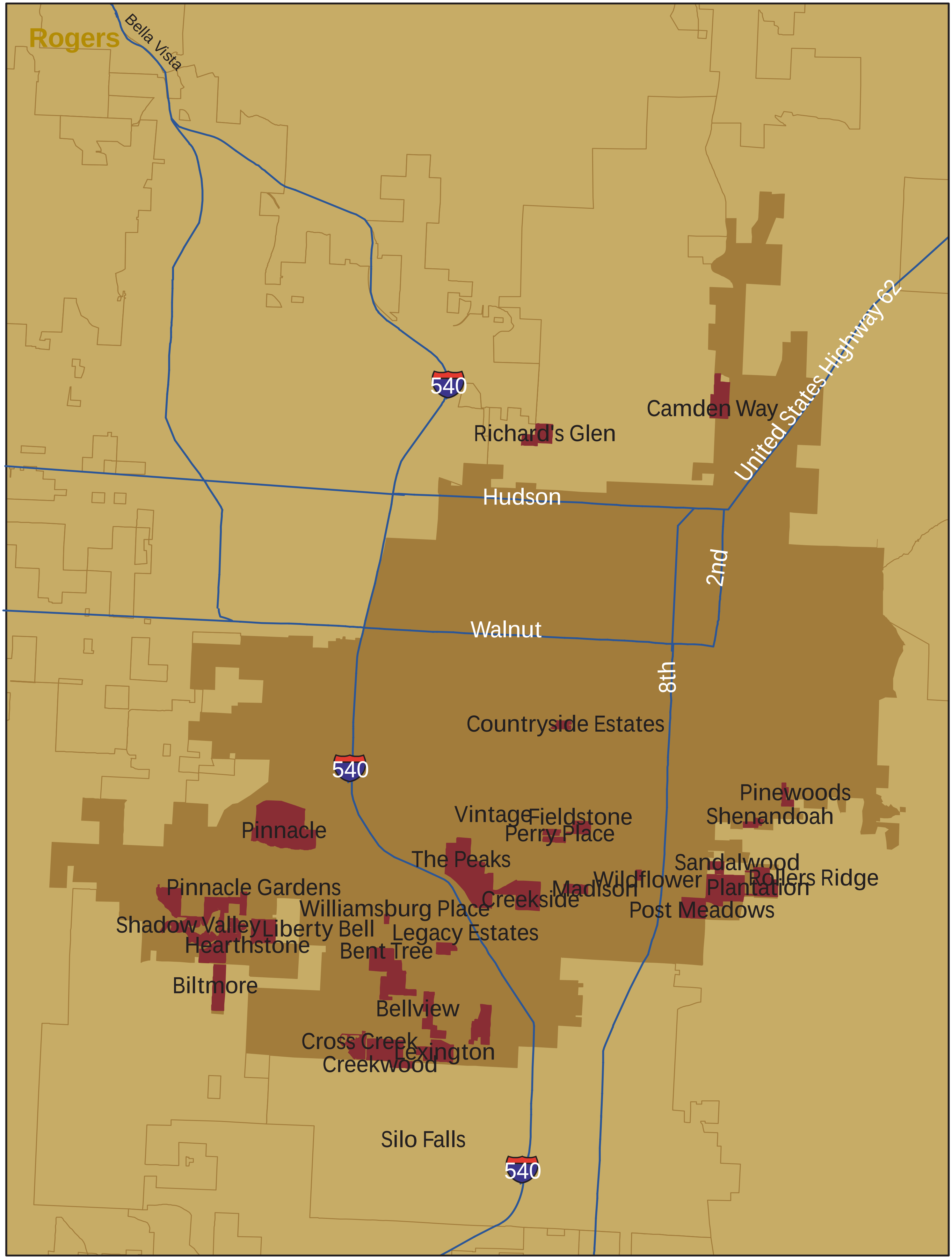
Rogers Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	0.3%	600	168	89.0%	$77.17
$50,001 - $100,000	32	8.0%	1,109	68	97.4%	$77.72
$100,001 - $150,000	105	26.3%	1,471	108	99.1%	$90.58
$150,001 - $200,000	96	24.0%	1,782	144	99.5%	$97.85
$200,001 - $250,000	58	14.5%	2,120	128	98.0%	$111.16
$250,001 - $300,000	44	11.0%	2,419	136	98.5%	$120.56
$300,001 - $350,000	20	5.0%	2,743	175	97.2%	$123.33
$350,001 - $400,000	10	2.5%	3,354	179	98.7%	$115.56
$400,001 - $450,000	10	2.5%	3,302	132	98.0%	$129.39
$450,001 - $500,000	9	2.3%	3,172	335	117.9%	$159.86
$500,000+	15	3.8%	4,410	195	98.3%	$150.79
Rogers	400	100.0%	2,018	134	99.1%	$104.59

Rogers House Status in Active Subdivisions
Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Arbor Glenn	36	7	11	0	0	54	0	--
Bellview, Phases I, II	136	10	20	57	74	297	14	28.2
Bent Tree, Phase II	6	0	2	9	46	63	4	8.2
Biltmore	105	0	4	0	1	110	1	327.0
Camden Way	50	0	4	58	48	160	22	43.4
Countryside Estates	4	0	0	1	23	28	2	2.3
Courtyard, Phase II	0	0	0	16	2	18	2	8.0
Creekside	49	1	11	14	5	80	2	81.8
Creekwood (Rogers/Lowell)	136	1	7	39	18	201	10	104.6
Cross Creek, Blocks I-IV (Rogers/Lowell)	61	0	1	26	31	119	3	35.2
Fieldstone	1	0	2	3	45	51	4	4.8
Hearthstone, Phases I, II	41	0	3	17	96	157	4	16.3
Legacy Estates	2	0	0	22	6	30	2	41.1
Lexington	82	1	8	13	15	119	9	62.4
Liberty Bell	64	0	5	33	3	105	3	306.0
Madison	30	0	2	3	0	35	0	--
The Peaks, Phases I - III	59	0	1	33	17	110	7	62.0
Perry Place	0	0	0	2	30	32	9	1.1
Pinnacle Gardens	0	0	0	37	2	39	1	222.0
Pinnacle, Phases I-IV, Golf & Country Club	186	5	46	24	411	672	15	29.3
The Plantation, Phases I, II	134	0	28	302	109	573	77	50.2
Post Meadows	2	0	4	68	51	125	30	16.4
Richard's Glen	5	0	1	1	20	27	0	84.0
Rocky Creek	43	0	12	0	0	55	0	--
Roller's Ridge	80	3	51	0	0	134	0	--
Royal Heights	5	3	3	0	0	11	0	--
Sandalwood	30	1	2	14	5	52	0	80.6
Shadow Valley, Phases I-VII	159	4	34	26	228	451	7	28.5
Shenandoah	0	0	0	29	2	31	2	14.5
Silo Falls, Phases I, II	159	1	10	14	3	187	3	61.3
Vintage	13	0	10	0	0	23	0	--
Wildflower, Phase I	0	0	0	2	20	22	4	0.9
Williamsburg Place	2	0	0	2	6	10	0	48.0
Rogers	1,680	37	282	865	1,317	4,181	237	43.9





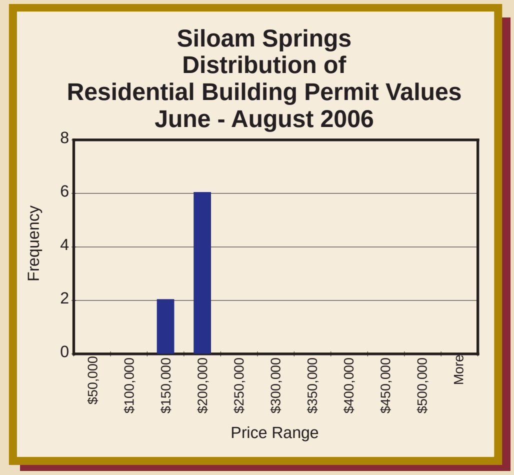
Rogers
Bella Vista
540
Camden Way
United States Highway 62
Richard's Glen
Hudson
2nd
Walnut
8th
Countryside Estates
540
Pinewoods
Shenandoah
Vintage
Fieldstone
Perry Place
Pinnacle
The Peaks
Sandalwood
Wildflower
Rollers Ridge
Madison
Plantation
Pinnacle Gardens
Creekside
Post Meadows
Williamsburg Place
Shadow Valley
Liberty Bell
Legacy Estates
Hearthstone
Bent Tree
Biltmore
Bellview
Cross Creek
Lexington
Creekwood
Silo Falls
540

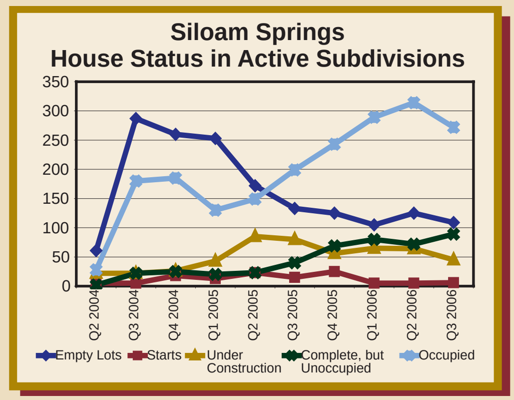
Rogers
Approved Final and Preliminary Subdivisions
Q3 2006

Subdivision	Quarter	Number of Lots
Preliminary Approval		
Camelot Estates	Q4 2005	15
Centre Pointe, Phase II	Q1 2005	5
Chelsea Point	Q4 2005	135
Chenal Addition	Q4 2004	185
Clower Subdivision	Q4 2005	79
Cottage Wood	Q3 2005	49
Edgewater Subdivision	Q2 2006	10
Elk Estates	Q2 2006	41
Greenfield Place	Q1 2005	52
The Grove	Q4 2005	46
Habitat Trails	Q2 2006	18
The Iveys	Q4 2005	168
Lakewood	Q2 2005	58
Meadow Wood	Q2 2005	76
NE Industrial Park	Q1 2006	4
Pinion Subdivision	Q4 2004	5
Post Meadows, Phase II	Q4 2004	10
Sagely	Q2 2005	77
Saine Michelle	Q4 2005	65
Sandalwood, Phase II	Q4 2005	40
Signature Subdivision	Q3 2006	13
Taldo Subdivision	Q4 2004	425
Turtle Creek	Q2 2006	
Walz Subdivision	Q4 2004	7
Wildflower, Phase II	Q3 2005	28
Final Approval		
Centre Pointe, Phase I	Q2 2005	2
Creekside Place, Phase II	Q1 2006	3
Cross Timbers North	Q1 2005	16
Cross Timbers South	Q4 2004	16
Mailes Subdivision	Q1 2006	18
Metro Park	Q2 2006	22
Myers Ranch	Q4 2004	6
Oldetown Estates	Q1 2006	54
Ray Neal Subdivision	Q1 2005	5
Rogers Wellness Center	Q3 2005	3
Stoney Brook Place	Q1 2005	5
Top Flite, Phase VI	Q4 2005	34
Warren Glen	Q4 2005	110
West Olrich Addition	Q2 2006	6
Rogers		1,911

Siloam Springs

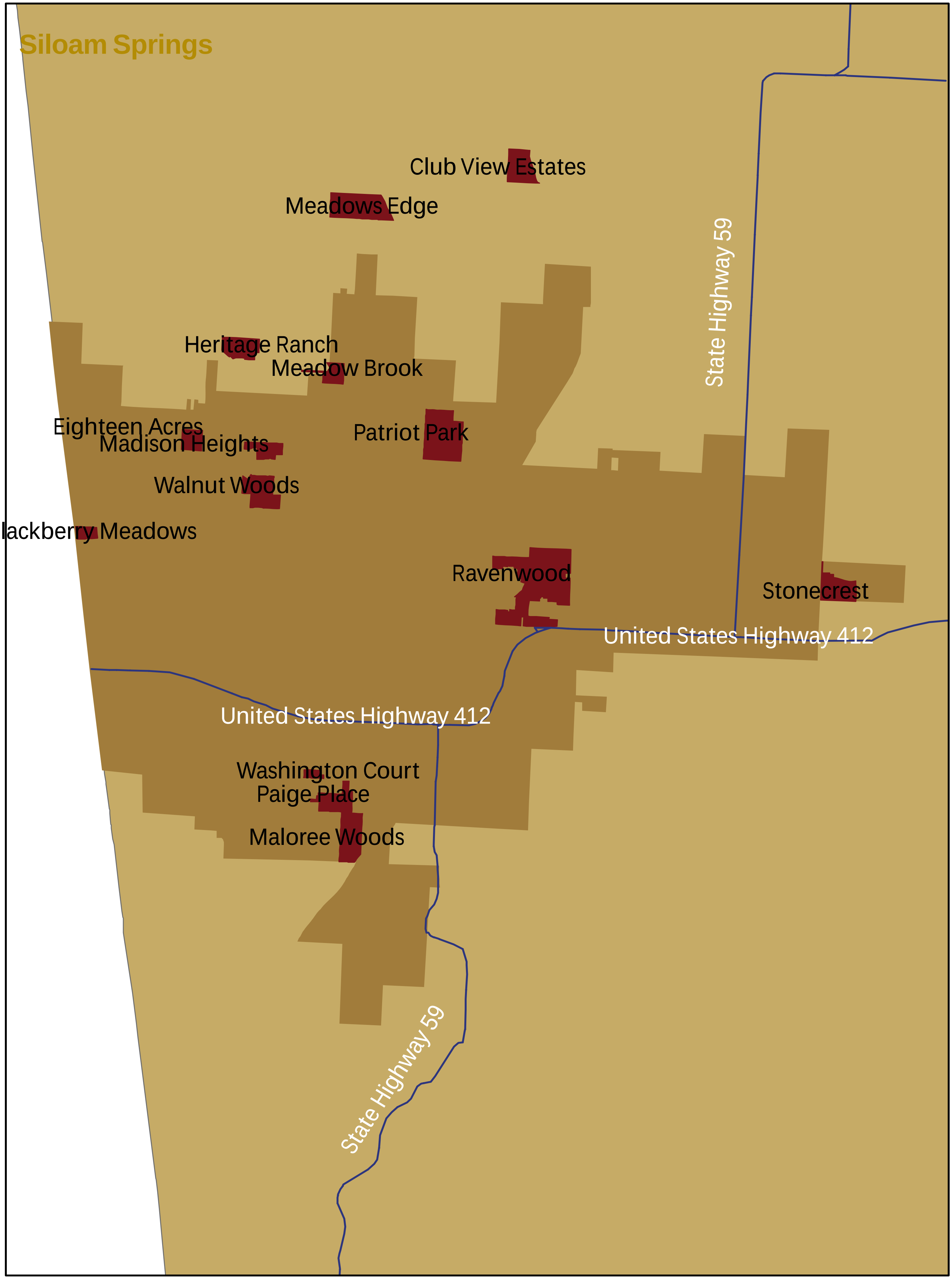
- From June to August 2006, there were 8 residential building permits issued in Siloam Springs. This represents an 81.0 percent decline from the third quarter of 2005.
- The average residential building permit value in Siloam Springs increased by 20.9 percent from the third quarter of 2005 to $151,750 in the third quarter of 2006.
- The major price points for Siloam Springs building permits were in the $150,000 to $200,000 range.
- There were 521 total lots in active subdivisions in Siloam Springs in the third quarter of 2006. About 52 percent of the lots were occupied, 17 percent were complete, but unoccupied, 9 percent were under construction, 1 percent was starts, and 21 percent were vacant lots.
- 28 new houses in Siloam Springs became occupied in the third quarter of 2006. The annual absorption rate implies that there are 19.8 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Siloam Springs in the third quarter was Ravenwood with 18.
- An additional 1,344 lots in 30 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Siloam Springs.
- There were 104 existing houses sold in Siloam Springs from May 16, 2006 to August 15, 2006, or 16.9 percent more than in the previous quarter and 16.1 percent fewer than in the same period last year.
- The average price of a house sold in Siloam Springs increased from $140,399 in the second quarter of 2006 to $144,920 in the third quarter. In the third quarter of 2006 the average sales price was 3.2 percent higher than in the previous quarter and 9.8 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 declined from 114 days in the second quarter of 2006 to 110 days in the third quarter of 2006.
- About 7.5 percent of all houses sold in Benton County in the third quarter of 2006 were sold in Siloam Springs. The average sales price of a house in Siloam Springs was 75.9 percent of the county average.
- 52.9 percent of the sold houses in Siloam Springs were in the $100,000 to $150,000 range.





Siloam Springs House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Blackberry Meadows	1	0	0	0	6	7	1	2.3
Club View Estates	7	0	0	3	4	14	1	30.0
Eighteen Acres, Phase I	1	0	0	1	12	14	0	6.0
Heritage Ranch	22	0	2	1	1	26	1	75.0
Madison Heights	2	0	2	0	4	8	1	16.0
Maloree Woods	14	0	3	5	36	58	0	132.0
Meadow Brook	16	0	4	0	0	20	0	--
Meadows Edge	8	2	2	1	5	18	4	26.0
Paige Place, Phase II	8	0	2	11	6	27	1	63.0
Patriot Park	3	2	2	27	119	153	9	5.0
Ravenwood, Phase V	0	2	18	0	0	20	0	--
Stonecrest, Phases II, III	17	0	7	29	11	64	4	28.9
Walnut Woods, No. 2, Phases I, IV, V	6	0	1	8	63	78	1	12.9
Washington Court	4	0	2	3	5	14	5	5.4
Siloam Springs	109	6	45	89	272	521	28	19.8

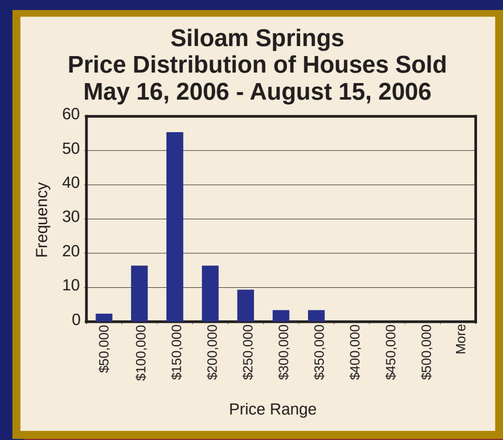

Siloam Springs
Club View Estates
Meadows Edge
State Highway 59
Heritage Ranch
Meadow Brook
Eighteen Acres
Madison Heights
Patriot Park
Walnut Woods
Blackberry Meadows
Ravenwood
Stonecrest
United States Highway 412
United States Highway 412
Washington Court
Paige Place
Maloree Woods
State Highway 59

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	2	1.9%	908	31	101.5%	$47.71
$50,001 - $100,000	16	15.4%	1,175	79	98.2%	$67.33
$100,001 - $150,000	55	52.9%	1,472	114	98.8%	$86.59
$150,001 - $200,000	16	15.4%	1,884	113	99.3%	$93.57
$200,001 - $250,000	9	8.7%	2,487	139	99.4%	$93.63
$250,001 - $300,000	3	2.9%	2,567	153	96.0%	$106.55
$300,001 - $350,000	3	2.9%	2,636	95	98.6%	$125.72
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Siloam Springs	104	100.0%	1,632	109	98.8%	$86.45

Siloam Springs
Approved Final and Preliminary Subdivisions
Q3 2006

Subdivision	Quarter	Number of Lots
Preliminary Approval		
Ashley Park, Phases II,III	Q3 2005	81
Copper Leaf	Q1 2005	61
Eastern Hills	Q2 2005	31
Garden Meadows	Q1 2006	190
Heritage Ranch, Phases II,III	Q3 2005	53
Pleasant Valley	Q1 2006	43
Prairie View Estates	Q3 2006	22
Royal Oak	Q1 2005	53
Stonecrest, Phases II,III	Q3 2005	63
Stoneridge	Q1 2006	88
Walnut Ridge	Q1 2006	5
The Woodlands	Q1 2005	111
Washington Street Addition	Q1 2005	20
Final Approval		
Ashley Park, Phase I	Q2 2005	32
Autumn Glen	Q2 2006	196
Castlewood R-1	Q2 2006	101
CD Gunter's Addition	Q2 2005	5
Chanel Court II	Q2 2005	3
Chattering Heights III	Q1 2005	6
Deer Lodge	Q2 2005	19
Gabriel Park	Q2 2005	8
Haden Place Addition	Q1 2005	40
Highlands	Q1 2006	10
Lowe's	Q2 2006	4
Meadowview	Q4 2005	8
Progress Development	Q3 2005	1
Rosemead	Q2 2005	19
South Pointe Center Addition	Q2 2005	20
Spencer's Addition	Q1 2005	4
The Woodlands, Phase II	Q3 2006	47
Siloam Springs		1,285



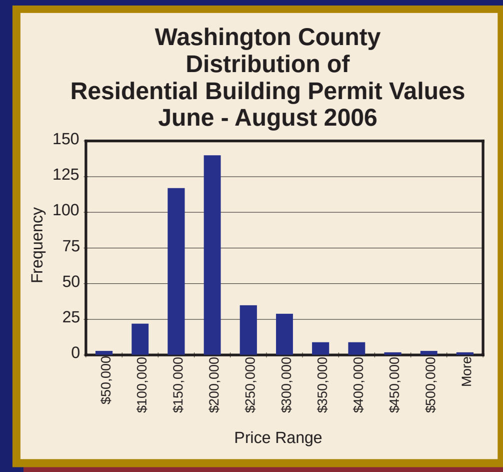
Washington County

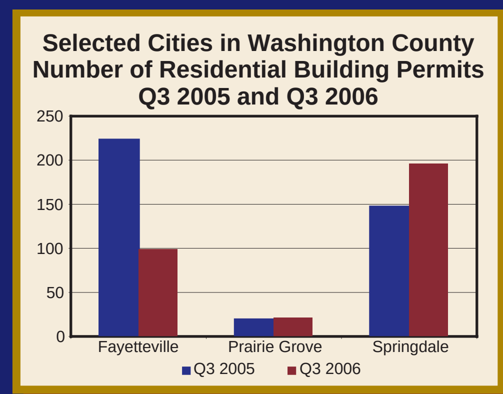
Building Permits

From June to August 2006, there were 360 residential building permits issued in Washington County. The third quarter 2006 total was 19.0 percent lower than the third quarter 2005 total of 442 residential building permits. The average value of the Washington County June to August 2006 building permits was $177,555, down 8.6 percent from $194,177 for June to August 2005 residential building permits. About 71 percent of the third quarter building permits were valued between $100,000 and $200,000, with 22 percent higher than $200,000 and 7 percent lower than $100,000. In Washington County, the dominant building permit price points were in the $150,000 to $200,000 range.

Springdale accounted for 54 percent of the residential building permits in Washington County, while Fayetteville accounted for 28 percent. The remaining 18 percent were from the other small cities in the county.

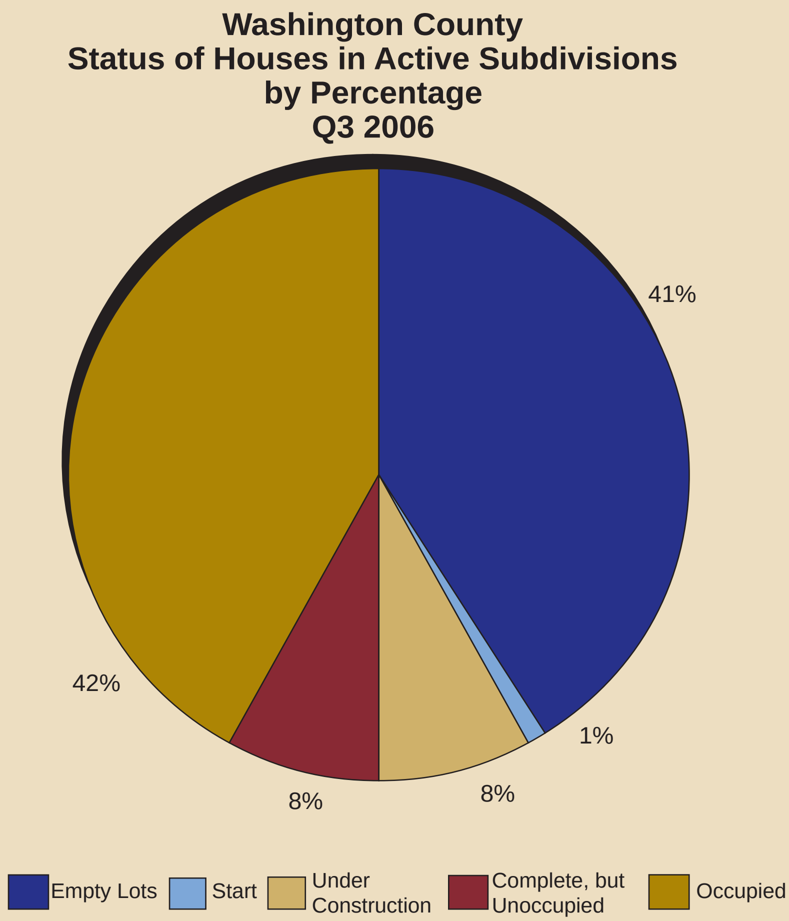
From the third quarter of 2005 to the third quarter of 2006, fewer building permits were issued in all Washington County cities except Johnson, Lincoln, Prairie Grove, Springdale, and Tontitown.





Washington County Residential Building Permit Values by City June - August 2006

City	$0 - $50,000	$50,001 - $100,000	$100,001 - $150,000	$150,001 - $200,000	$200,001 - $250,000	$250,001 - $300,000	$300,001 - $350,000	$350,001 - $400,000	$400,001 - $500,000	$450,001 - $500,000	$500,000+	Q3 2006 Total	Q3 2005 Total
Elkins	0	2	0	0	0	0	0	0	0	0	0	2	3
Elm Springs	0	0	0	2	1	0	0	0	0	0	0	3	6
Farmington	0	3	1	1	1	0	0	0	0	0	0	6	9
Fayetteville	2	4	30	28	16	14	5	0	0	0	0	99	223
Goshen	0	0	0	0	0	0	0	0	0	0	0	0	3
Greenland	0	0	0	0	0	0	0	0	0	0	0	0	16
Johnson	0	0	0	0	1	1	0	8	0	0	1	11	2
Lincoln	0	1	7	1	0	0	0	0	0	0	0	9	6
Prairie Grove	0	10	6	4	0	1	0	0	0	0	0	21	19
Springdale	0	0	69	103	13	6	2	0	1	2	0	196	147
Tontitown	0	0	0	0	2	6	1	0	0	0	0	9	0
West Fork	0	1	3	0	0	0	0	0	0	0	0	4	8
Washington County	2	21	116	139	34	28	8	8	1	2	1	360	442

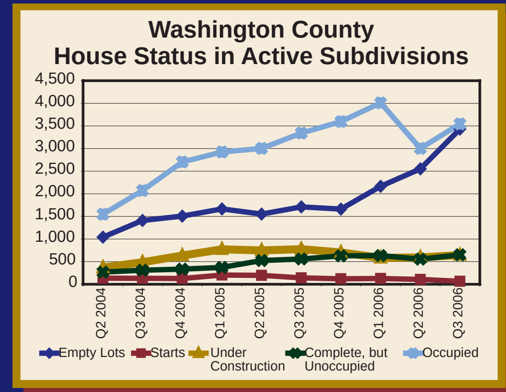


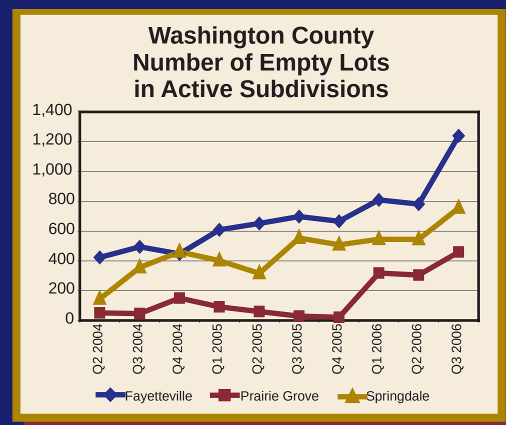
Subdivisions

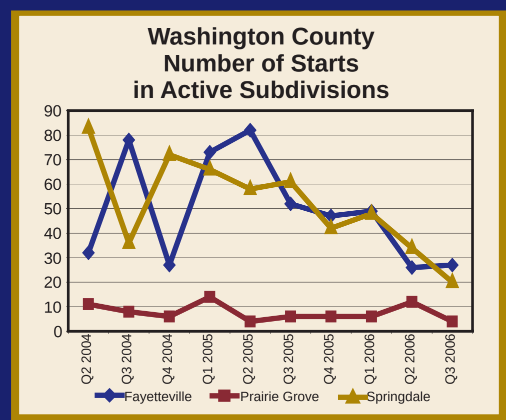
There were 8,337 lots in the 128 active subdivisions in Washington County in the third quarter of 2006. Within the active subdivisions, 41 percent of the lots were empty, 1 percent was starts, 8 percent were under construction, 8 percent were complete, but unoccupied houses, and 42 percent were occupied houses. In the third quarter of 2006, Fayetteville had the most empty lots, starts, houses under construction, and occupied houses in active subdivisions, while Springdale had the most complete, but unoccupied houses. During the third quarter of 2006, the most active subdivisions in terms of houses under construction were Hidden Hills and Butterfield Gardens in Springdale and Homestead in Greenland. Of these top 3 subdivisions for new construction, Homestead was also among the most active in the second quarter.

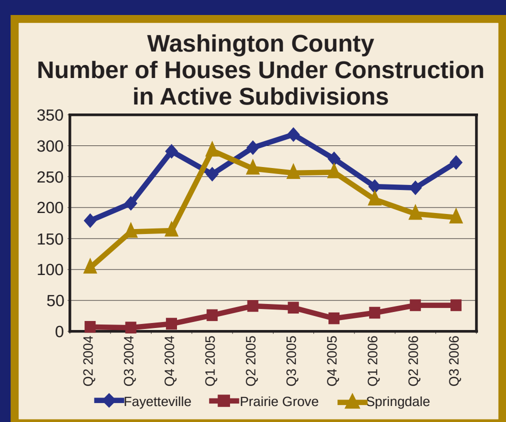
From the second quarter to the third quarter of 2006, 392 houses in active subdivisions became occupied in Washington County. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Washington County had 36.7 months of lot inventory at the end of the third quarter. This was an increase from the second quarter's lot inventory of 26.3 months.

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







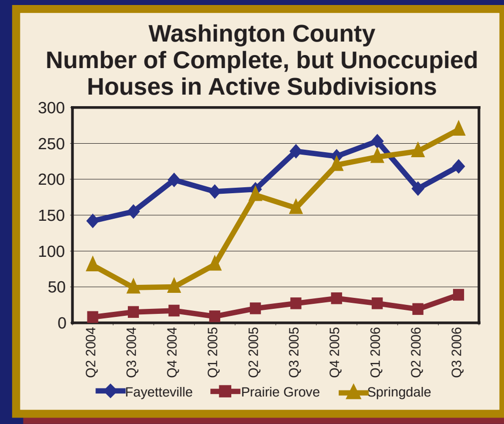


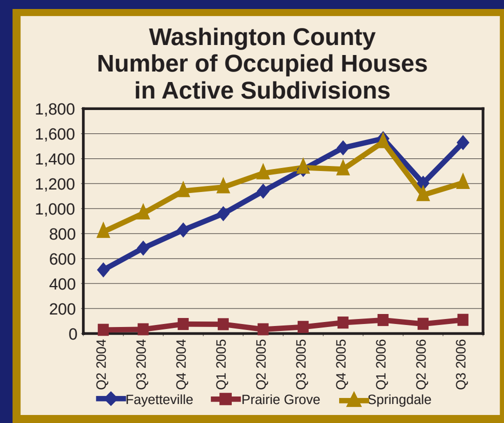
yet occurred. In the third quarter of 2006, there were 7,970 lots in 142 subdivisions in Washington County that had received approval. Fayetteville accounted for 38.9 percent of the coming lots, Springdale accounted for 35.4 percent of the coming lots, and Greenland accounted for 7.4 percent of the coming lots.

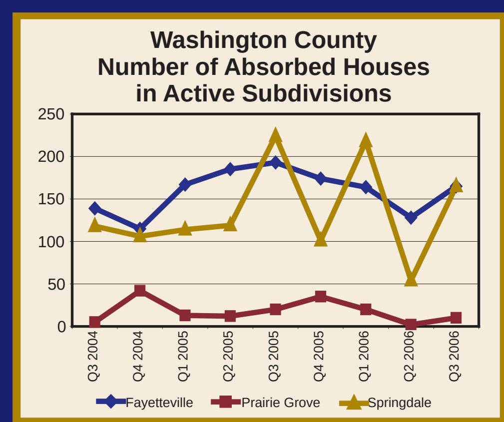
Sales of Existing Houses

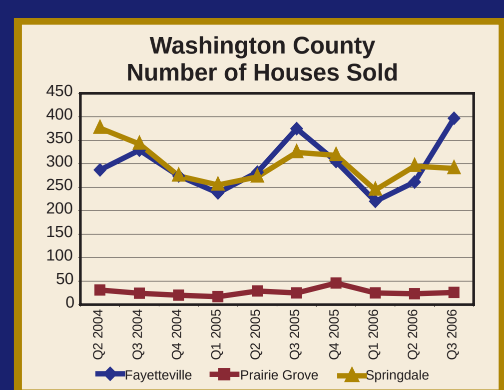
Examining the sales of existing houses in the third quarter of 2006 yields some interesting results. A total of 670 existing houses were sold from May 16 to August 15, 2006. This represents a decline of 3.6 percent from the same period in 2005. About 44 percent of the houses were sold in Springdale and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

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



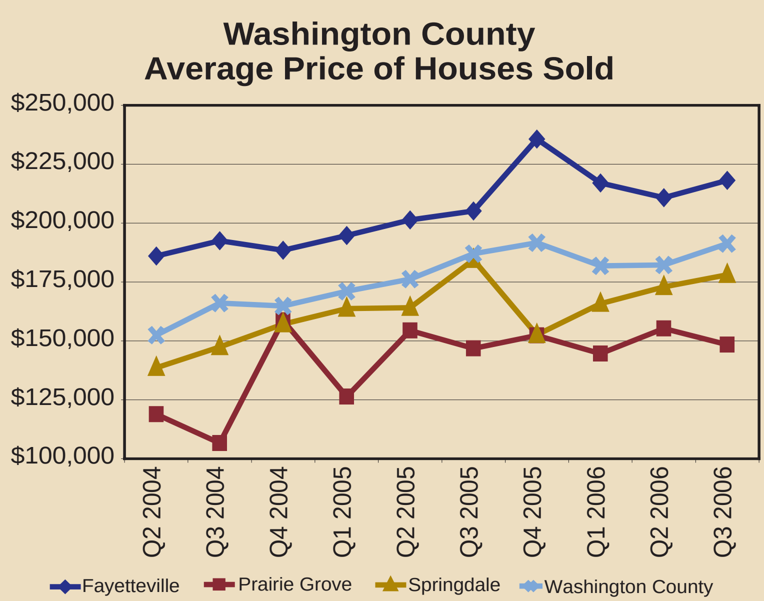


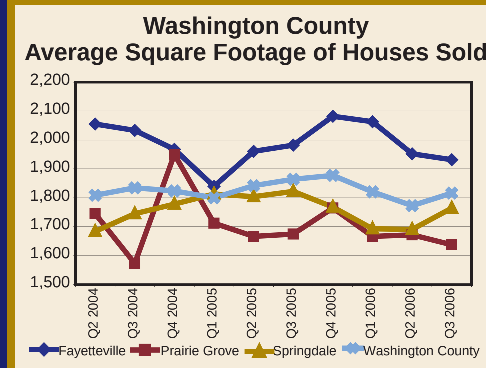


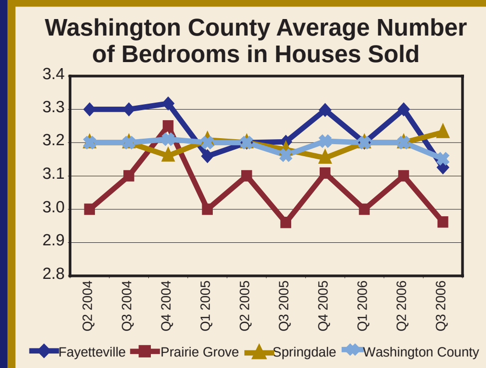


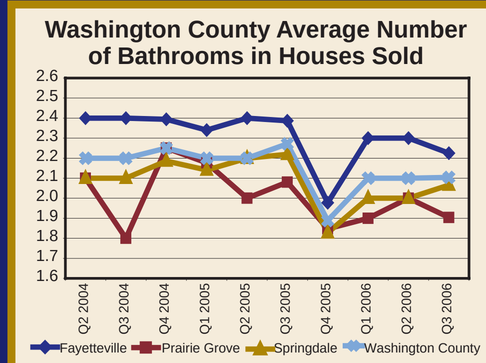
Washington County Sold House Characteristics by City
May 16 - August 15, 2006

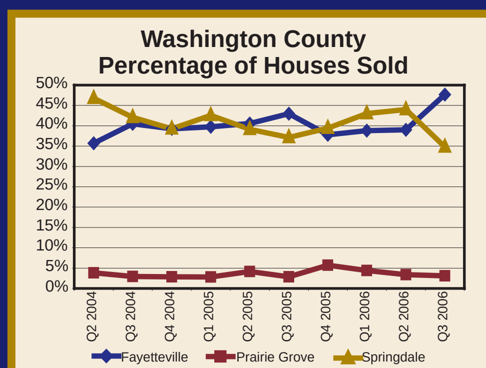
City	Average Price	Average Price Per Square Foot	Average Days on Market	Number of Houses Sold	Percentage of County Sales
Cane Hill	$74,107	$59.06	153	3	0.4%
Elkins	$114,588	$90.25	128	16	1.9%
Elm Springs	$223,000	$101.36	67	1	0.1%
Farmington	$177,764	$99.94	107	35	4.2%
Fayetteville	$218,129	$111.98	100	397	47.7%
Goshen	–	–	–	0	0.0%
Greenland	$114,633	$73.86	80	3	0.4%
Johnson	–	–	–	0	0.0%
Lincoln	$114,579	$83.72	144	28	3.4%
Prairie Grove	$124,763	$69.57	103	4	0.5%
Springdale	$148,451	$87.85	166	26	3.1%
Summers	$178,107	$99.09	114	290	34.9%
Tontitown	$161,658	$96.12	81	19	2.3%
West Fork	$133,422	$81.68	93	9	1.1%
Winslow	$118,000	$87.28	88	1	0.1%
Washington County	$191,254	$105.28	109	832	100.0%

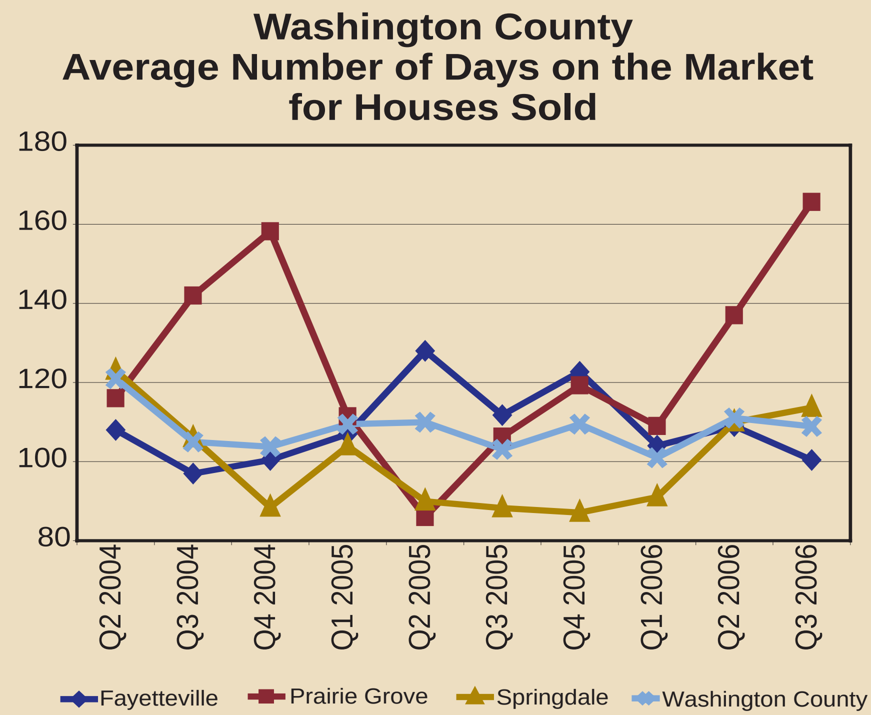


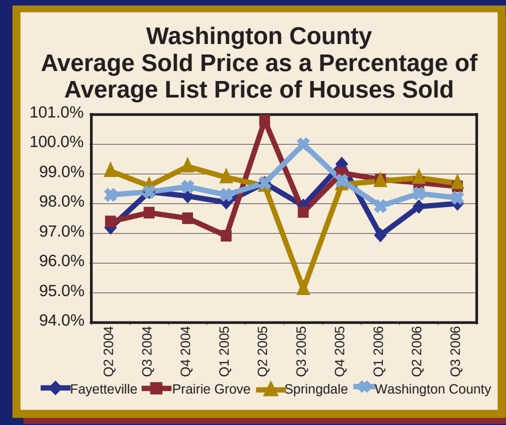


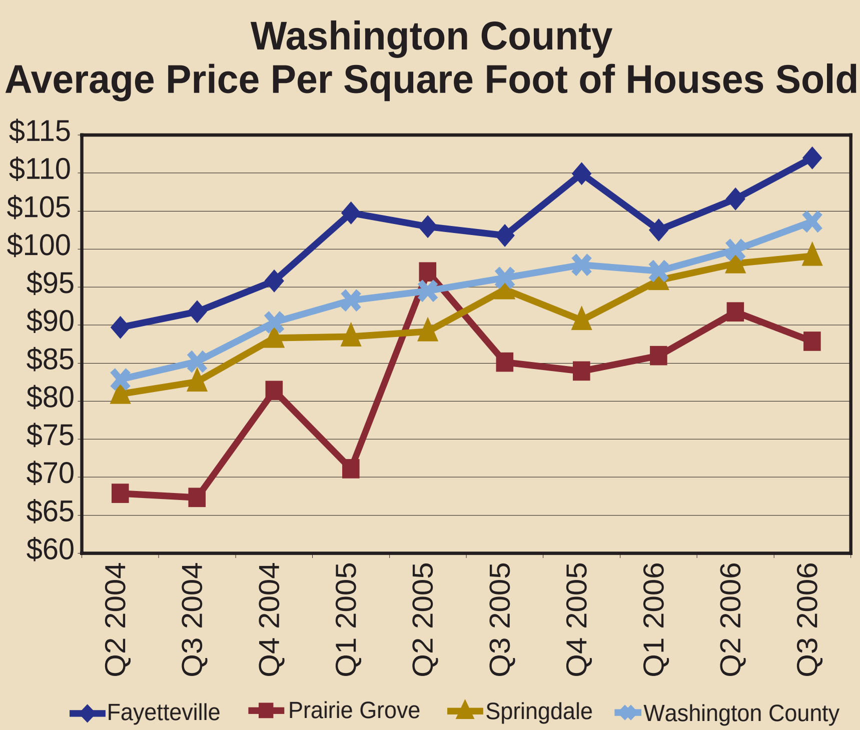






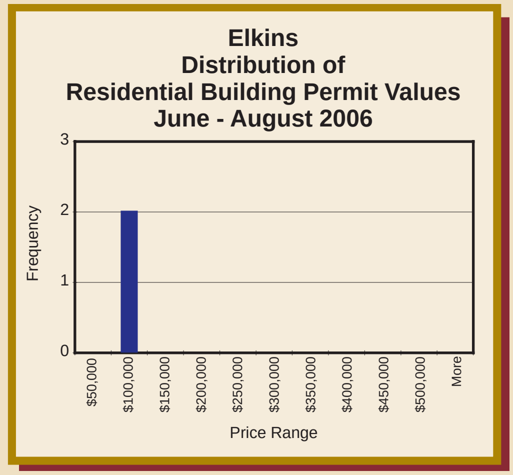

Washington County
Average Number of Days on the Market
for Houses Sold
180
160
140
120
100
80
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Fayetteville
Prairie Grove
Springdale
Washington County

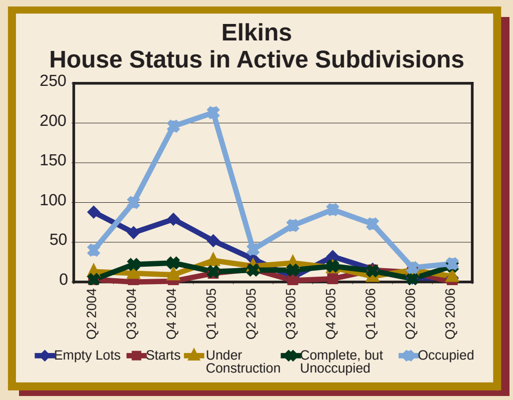

Washington County
Average Sold Price as a Percentage of
Average List Price of Houses Sold
101.0%
100.0%
99.0%
98.0%
97.0%
96.0%
95.0%
94.0%
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Fayetteville
Prairie Grove
Springdale
Washington County


Washington County
Average Price Per Square Foot of Houses Sold
$115
$110
$105
$100
$95
$90
$85
$80
$75
$70
$65
$60
Q2 2004
Q3 2004
Q4 2004
Q1 2005
Q2 2005
Q3 2005
Q4 2005
Q1 2006
Q2 2006
Q3 2006
Fayetteville
Prairie Grove
Springdale
Washington County

Elkins

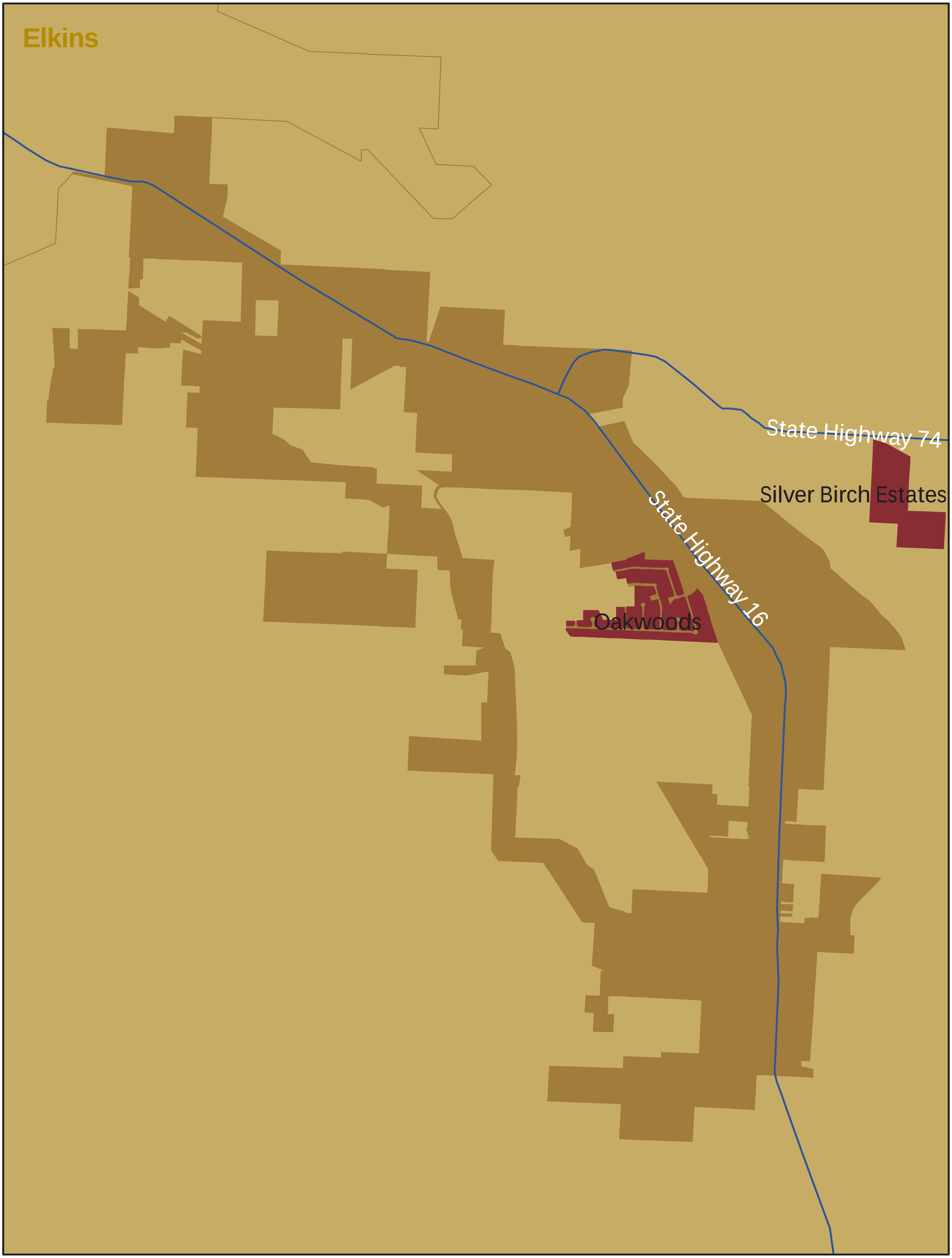
- There were 2 building permits issued in Elkins from June to August 2006. This represents a decline of 33.3 percent from the third quarter of 2005.
- The average residential building permit value in Elkins decreased by 13.0 percent from the third quarter of 2005 to $90,234 in the third quarter of 2006.
- Both permits issued in Elkins were in the $50,000 to $100,000 range.
- There were 55 total lots in active subdivisions in Elkins in the third quarter of 2006. About 42 percent of the lots were occupied, 36 percent were complete, but unoccupied, 13 percent were under construction, 0 percent were starts, and 9 percent were vacant lots.
- 5 new houses in Elkins became occupied in the third quarter of 2006. The annual absorption rate implies that there are 14.2 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Elkins in the third quarter was Oakwoods with 7.
- An additional 463 lots in 5 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Elkins.
- There were 16 existing houses sold in Elkins from May 16, 2006 to August 15, 2006, or 54.3 percent fewer than in the previous quarter and 64.4 percent fewer than in the same period last year.
- The average price of a house sold in Elkins declined from $126,706 in the second quarter to $114,588 in the third quarter. In the third quarter of 2006, the average sales price was 9.6 percent lower than in the previous quarter and 18.0 percent lower than in the same period last year.
- In Elkins, the average number of days from the initial house listing to the sale increased from 114 days in the second quarter to 128 days in the third quarter of 2006.
- About 1.9 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Elkins. The average sales price of a house in Elkins was 59.9 percent of the county average.
- 81.3 percent of the sold houses in Elkins were in the $50,000 to $150,000 range.





Elkins House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Oakwoods, Phase IV	0	0	7	18	22	47	5	11.5
Silver Birch Estates	5	0	0	2	1	8	0	84.0
Elkins	5	0	7	20	23	55	5	14.2

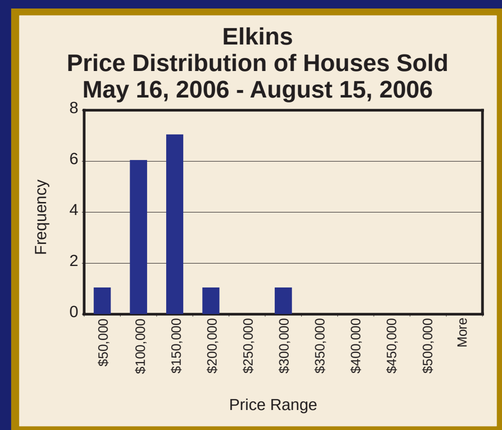

Elkins
State Highway 74
Silver Birch Estates
State Highway 16
Oakwoods

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	6.3%	784	109	61.2%	$56.12
$50,001 - $100,000	6	37.5%	922	125	97.2%	$96.38
$100,001 - $150,000	7	43.8%	1,409	143	100.0%	$88.32
$150,001 - $200,000	1	6.3%	1,668	141	100.0%	$95.86
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	1	6.3%	2,630	44	106.8%	$95.44
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Elkins	16	100.0%	1,280	128	97.0%	$90.25

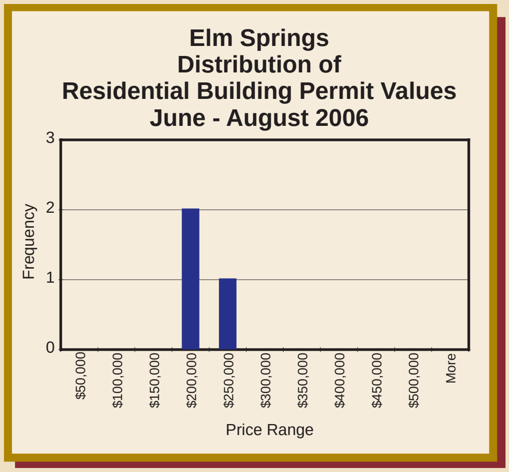
Elkins
Approved Final and Preliminary Subdivisions
Q3 2006

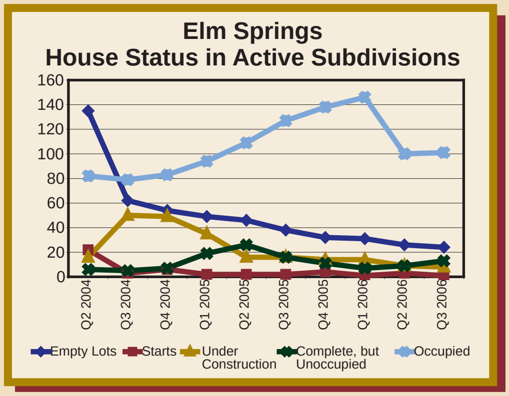
Subdivision	Approved	Number of Lots
Preliminary Approval		
Oak Leaf Manor	Q3 2005	149
Stokenbury Farms	Q3 2005	133
Stonecrest	Q3 2005	45
Final Approval		
Elkridge Plantation	Q3 2005	51
Millers Meadows	Q3 2005	85
Elkins		463



Elm Springs

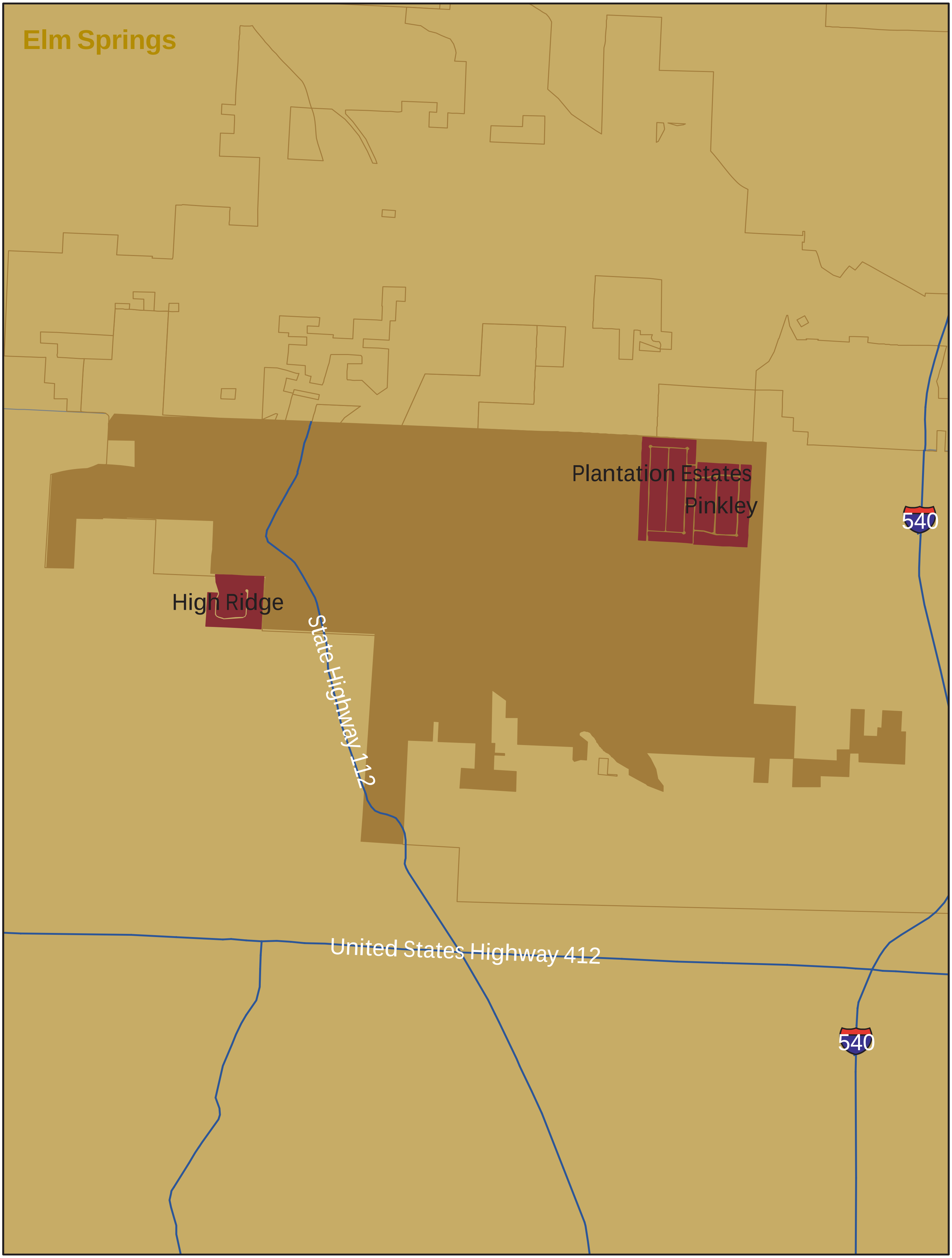
- There were 3 residential building permits issued in Elm Springs from June to August 2006. This was a decline of 50.0 percent from the third quarter of 2005.
- The average residential building permit value in Elm Springs declined by 4.9 percent from the third quarter of 2005 to $203,333 in the third quarter of 2006.
- There were 147 total lots in active subdivisions in Elm Springs in the third quarter of 2006. About 69 percent of the lots were occupied, 9 percent were complete, but unoccupied, 5 percent were under construction, 1 percent was starts, and 16 percent were vacant lots.
- 1 new house in Elm Springs became occupied in the third quarter of 2006. The annual absorption rate implies that there are 23.0 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Elm Springs in the third quarter was High Ridge with 4.
- An additional 233 lots in 4 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Elm Springs.
- There was 1 existing house sold in Elm Springs from May 16, 2006 to August 15, 2006.





Elm Springs House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
High Ridge	1	0	4	2	14	21	0	16.8
Pinkley, Phases I - III	14	0	2	1	44	61	1	51.0
Plantation Estates	9	1	2	10	43	65	0	17.6
Elm Springs	24	1	8	13	101	147	1	23.0

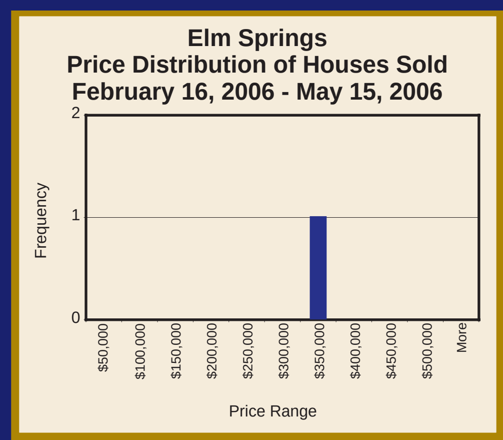

Elm Springs
Plantation Estates
Pinkley
High Ridge
State Highway 112
United States Highway 412
540
540

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	0	0.0%	–	–	–	–
$100,001 - $150,000	0	0.0%	–	–	–	–
$150,001 - $200,000	0	0.0%	–	–	–	–
$200,001 - $250,000	1	100.0%	2,200	67	96.1%	$101.36
$250,001 - $300,000	0	0.0%	–	–	–	–
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Elm Springs	1	100.0%	2,200	67	96.1%	$101.36

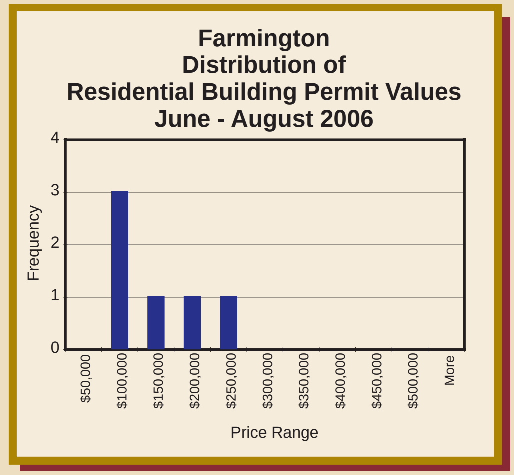
Elm Springs
Approved Final and Preliminary Subdivisions
Q3 2006

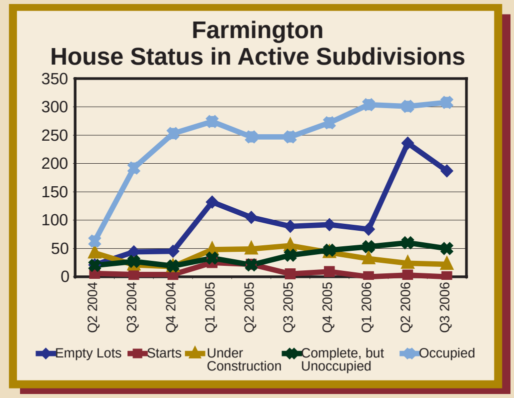
Subdivision	Approved	Number of Lots
Preliminary Approval		
Camelot	Q3 2005	65
Elm Valley	Q1 2006	140
Final Approval		
Brush Creek Estates	Q3 2005	24
Cabe	Q1 2006	4
Elm Springs		233



Farmington

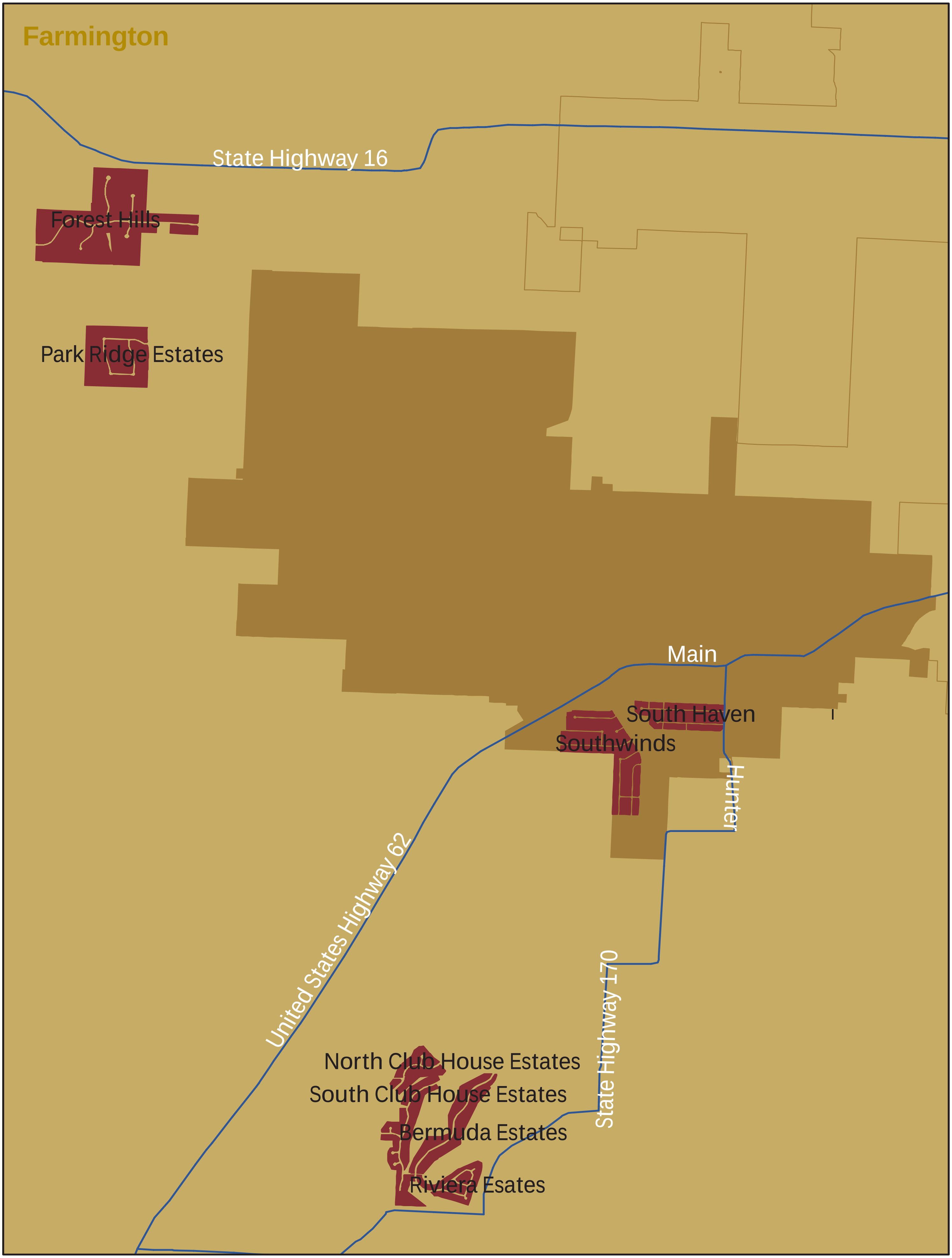
- From June to August 2006, there were 6 residential building permits issued in Farmington. This represents a decline of 33.3 percent from the third quarter of 2005.
- The average residential building permit value in Farmington declined by 23.0 percent from the third quarter of 2005 to $124,833 in the third quarter of 2006.
- The major price points for Farmington building permits were in the $50,000 to $100,000 range.
- There were 567 total lots in active subdivisions in Farmington in the third quarter of 2006. About 54 percent of the lots were occupied, 9 percent were complete, but unoccupied, 4 percent were under construction, and 33 percent were vacant lots.
- 18 new houses in Farmington became occupied in the third quarter of 2006. The annual absorption rate implies that there are 34.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Farmington in the third quarter were South Club House Estates, Southaven, and Twin Falls with 4 each.
- An additional 139 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Farmington.
- There were 35 existing houses sold in Farmington from May 16, 2006 to August 15, 2006, or 133.3 percent more than in the previous quarter and 2.9 percent more than in the same period last year.
- The average price of a house sold in Farmington declined from $186,689 in the second quarter to $177,764 in the third quarter. In the third quarter of 2006, the average sales price was 4.8 percent lower than in the previous quarter and 2.7 percent higher than in the same period last year.
- In Farmington, the average number of days from the initial house listing to the sale increased from 85 days in the second quarter to 107 days in the third quarter of 2006.
- About 4.2 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Farmington. The average sales price of a house in Farmington was 92.9 percent of the county average.
- 65.7 percent of the sold houses in Farmington were in the $100,000 to $200,000 range.





Farmington House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Bermuda Estates	20	0	0	28	18	66	10	33.9
Forest Hills, Phases I, II	4	0	1	0	46	51	0	15.0
North Club House Estates	44	0	3	0	0	47	0	--
Park Ridge Estates	20	0	3	1	2	26	2	36.0
Riviera Estates	1	0	1	10	44	56	0	12.0
South Club House Estates	19	0	4	3	60	86	5	12.0
Southaven, Phase III	0	0	4	0	84	88	0	2.2
Southwinds, Phases IV, V	17	0	2	7	54	80	1	39.0
Twin Falls, Phase I	62	0	4	1	0	67	0	--
Farmington	187	0	22	50	308	567	18	34.9

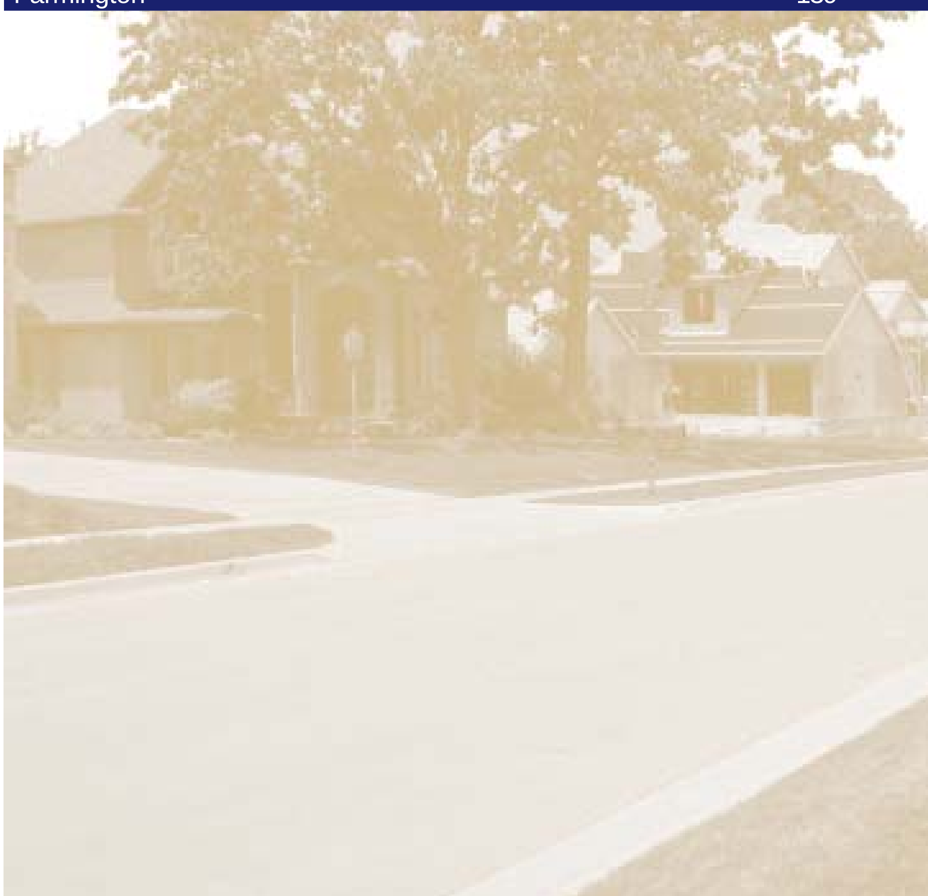

Farmington
State Highway 16
Forest Hills
Park Ridge Estates
Main
South Haven
Southwinds
Hunter
United States Highway 62
State Highway 170
North Club House Estates
South Club House Estates
Bermuda Estates
Riviera Esates

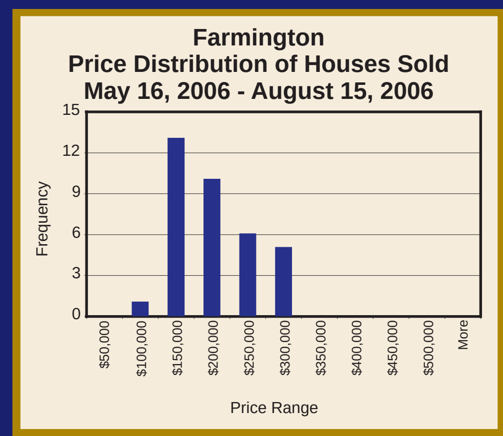
Farmington Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	0	0.0%	–	–	–	–
$50,001 - $100,000	1	2.9%	1,168	116	91.0%	$75.56
$100,001 - $150,000	13	37.1%	1,235	69	98.0%	$100.62
$150,001 - $200,000	10	28.6%	1,895	99	98.5%	$94.85
$200,001 - $250,000	6	17.1%	2,347	156	97.7%	$99.16
$250,001 - $300,000	5	14.3%	2,419	162	98.3%	$114.18
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Farmington	35	100.0%	1,782	107	98.0%	$99.94

Farmington
Approved Final and Preliminary Subdivisions
Q3 2006

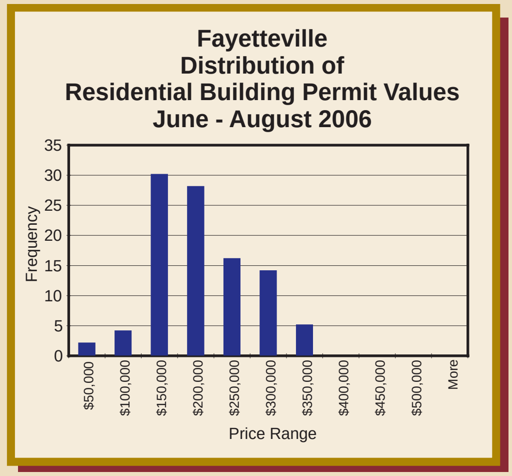
Subdivision		Number of Lots
Final Approval		
Farmington Heights	Q3 2005	105
Silverthorne, Phase II	Q3 2005	34
Farmington		139

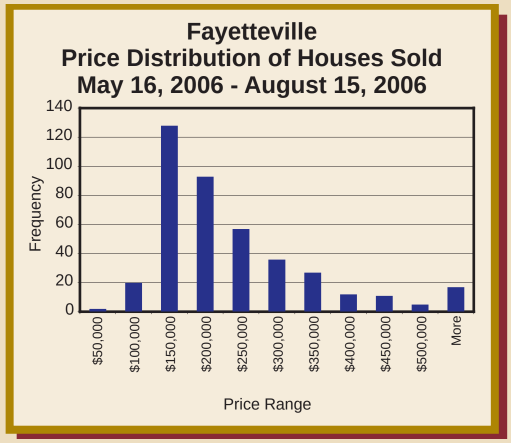




Fayetteville

- From June to August 2006, there were 99 residential building permits issued in Fayetteville. This represents a decline of 55.6 percent from the third quarter of 2005.
- The average residential building permit value in Fayetteville declined by 5.4 percent from the third quarter of 2005 to $184,990 in the third quarter of 2006.
- The major price points for Fayetteville building permits were in the $100,000 to $200,000 range.
- There were 3,286 total lots in active subdivisions in Fayetteville in the third quarter of 2006. About 47 percent of the lots were occupied, 7 percent were complete, but unoccupied, 8 percent were under construction, 1 percent was starts, and 38 percent were vacant lots.
- 165 new houses in Fayetteville became occupied in the third quarter of 2006. The annual absorption rate implies that there are 37.3 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Fayetteville in the third quarter were Rupple Row with 30 and Clabber Creek with 26.
- An additional 3,097 lots in 56 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Fayetteville.
- There were 397 existing houses sold in Fayetteville from May 16, 2006 to August 15, 2006, or 52.1 percent more than in the previous quarter and 5.9 percent more than in the same period last year.
- The average price of a house sold in Fayetteville increased from $210,769 in the second quarter to $218,129 in the third quarter. In the third quarter of 2006, the average sales price was 3.5 percent higher than in the previous quarter and 6.3 percent higher than in the same period last year.
- In Fayetteville, the average number of days from the initial house listing to the sale declined from 109 days in the second quarter to 100 days in the third quarter of 2006.
- About 47.7 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Fayetteville. The average sales price of a house in Fayetteville was 114.1 percent of the county average.
- 55.2 percent of the sold houses in Fayetteville were in the $100,000 to $200,000 range.



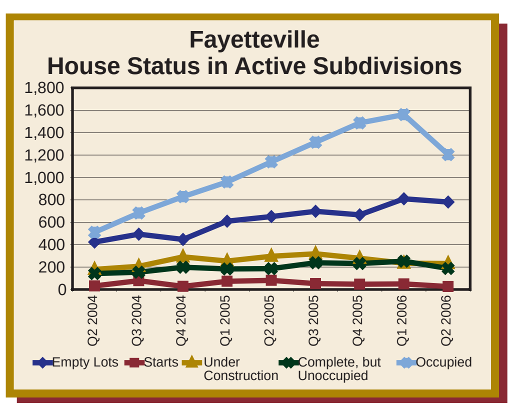


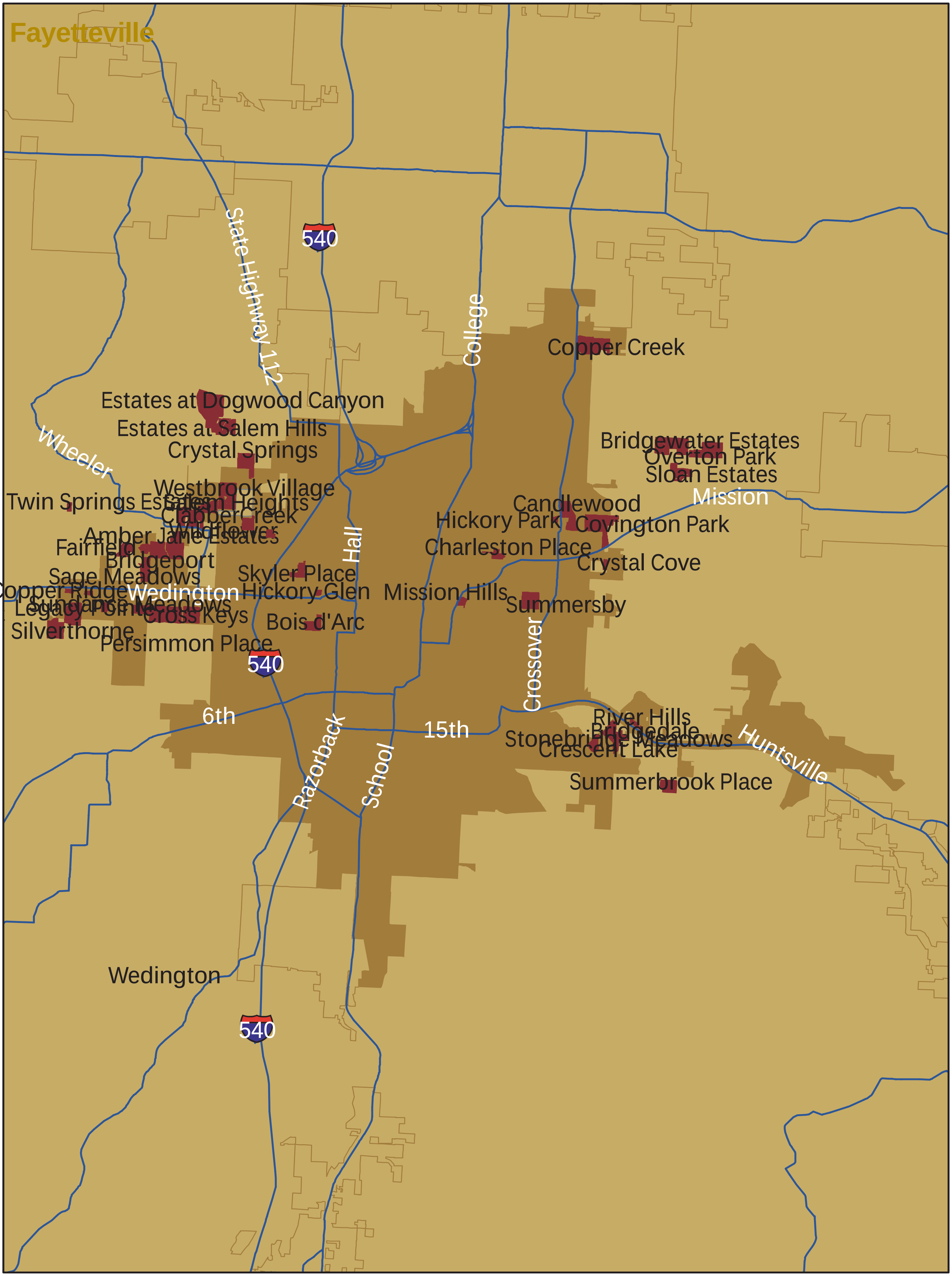
Fayetteville Price Range of Houses Sold May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	0.3%	1,260	16	78.2%	$30.95
$50,001 - $100,000	19	4.8%	986	82	97.7%	$99.42
$100,001 - $150,000	127	32.0%	1,286	57	98.1%	$104.01
$150,001 - $200,000	92	23.2%	1,700	100	98.9%	$108.19
$200,001 - $250,000	56	14.1%	2,100	108	98.3%	$109.33
$250,001 - $300,000	35	8.8%	2,568	160	97.4%	$108.84
$300,001 - $350,000	26	6.5%	2,808	133	97.1%	$117.94
$350,001 - $400,000	11	2.8%	3,072	131	96.4%	$127.73
$400,001 - $450,000	10	2.5%	3,232	156	96.1%	$132.64
$450,001 - $500,000	4	1.0%	3,648	264	101.0%	$130.89
$500,000+	16	4.0%	4,120	169	97.3%	$194.95
Fayetteville	397	100.0%	1,932	100	98.0%	$111.98

Fayetteville House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Amber Jane Estates	8	0	2	4	8	22	0	21.0
Bois D'Arc	6	0	3	1	9	19	2	30.0
Bridgedale	11	0	3	10	1	25	0	144.0
Bridgeport, Phases VII, VIII	16	0	4	2	2	24	1	66.0
Bridegwater Estates	17	0	7	0	5	29	0	72.0
Candlewood	2	0	1	0	55	58	0	36.0
Charleston Place	3	0	3	0	45	51	2	18.0
Clabber Creek, Phases I-III	51	0	26	30	174	281	4	21.8
Clearwood Crossing	33	0	15	0	0	48	0	--
Copper Creek, Phases I-II	55	0	15	17	75	162	7	37.3
Copper Ridge	10	0	0	1	13	24	2	8.8
Covington Park, Phases I-IV	10	1	7	2	149	169	2	24.0
Crescent Lake	39	0	2	0	1	42	0	492.0
Cross Keys	26	0	10	34	38	108	15	25.5
Crystal Cove	6	0	8	4	0	18	0	--
Crystal Springs, Phase III	79	1	9	1	11	101	11	24.5
Deerpath, Phase II	15	1	0	0	0	16	0	--
Estates at Dogwood Canyon	49	0	1	1	2	53	2	76.5
Estates at Salem Hill	3	0	0	2	18	23	2	5.0
Fairfield, Phases II, III	4	0	6	9	95	114	0	5.7
Harmon Trails Estates	22	1	1	0	2	26	2	36.0
Hickory Glen	0	0	0	6	10	16	10	1.8
Hickory Park	11	0	3	0	0	14	0	--
Legacy Pointe, Phases I-III	3	0	4	9	140	156	3	5.3
Maple Valley	3	1	5	1	9	19	3	6.7
Mission Hills	1	0	0	1	21	23	3	4.0
Overton Park	16	0	6	3	26	51	8	14.3
Persimmon Place	73	7	15	12	47	154	26	27.3
Piper's Glen	6	0	1	0	0	7	0	--
Prairie View Acres	35	0	1	0	0	36	0	--
River Hills	0	0	8	8	2	18	2	24.0
Rupple Row	190	0	30	0	0	220	0	--
Sage Meadows	0	0	0	14	72	86	4	4.3
Salem Heights	31	3	10	5	25	74	15	17.6
Sassafras Hill	3	0	1	4	0	8	0	--
Silverthorne, Phase II	19	1	0	1	12	33	4	31.5
Skyler Place Addition	0	0	0	0	126	126	4	0.0
Sloan Estates	43	0	13	1	1	58	1	171.0
Stone Mountain, Phase I	116	0	0	0	0	116	0	--
Stonebridge Meadows, Phases I-III	33	1	17	20	158	229	18	12.3
Summerbrook Place	0	0	1	4	7	12	0	7.5
Summersby	7	0	1	3	40	51	0	33.0
Sundance Meadows	19	0	0	5	1	25	1	72.0
Trinity Place	9	0	0	1	8	18	0	--
Twin Creeks Addition	2	1	8	0	0	11	0	--
Twin Maple Estates	5	0	3	0	4	12	2	12.0
Twin Springs Estates	2	0	0	0	3	5	3	2.0
Walnut Crossing	112	9	15	0	0	136	0	--
Westbrook Village	2	0	2	1	106	111	6	3.5
Wildflower Meadows	34	0	6	1	7	48	0	61.5
Fayetteville	1,240	27	273	218	1,528	3,286	165	37.3




Fayetteville
State Highway 112
540
College
Copper Creek
Estates at Dogwood Canyon
Estates at Salem Hills
Crystal Springs
Wheeler
Bridgewater Estates
Overton Park
Sloan Estates
Mission
Westbrook Village
Twin Springs Estates
Salem Heights
Clabber Creek
Candlewood
Hickory Park
Covington Park
Wildflower
Amber Jane Estates
Fairfield
Charleston Place
Bridgeport
Hall
Crystal Cove
Skyler Place
Sage Meadows
Copper Ridge
Wedington
Hickory Glen
Mission Hills
Summersby
Sundance Meadows
Cross Keys
Bois d'Arc
Silverthorne
Persimmon Place
540
Crossover
6th
River Hills
Razorback
15th
Bridgedale
Stonebridge Meadows
Crescent Lake
Huntsville
School
Summerbrook Place
Wedington
540

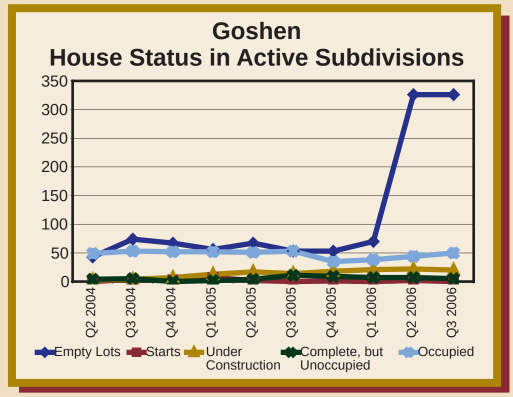
Fayetteville
Approved Final and Preliminary Subdivisions
Q3 2006

Subdivision	Approved	Number of Lots
Preliminary Approval		
Addison Acres	Q2 2006	18
Belclair Estates	Q1 2005	96
Benton Development	Q3 2005	31
Biella Estates	Q3 2005	100
Birwin Street	Q4 2005	7
Blueberry Meadows	Q3 2005	72
Bungalows at Cato Springs	Q1 2006	30
Clabber Creek, Phase V	Q4 2004	59
Cobblestone Crossing	Q1 2006	195
Depalma Addition	Q1 2006	5
Driver Subdivision	Q3 2006	6
Eagles Ridge	Q3 2005	3
Embry Acres	Q1 2006	57
Emerald Point	Q4 2005	26
Falcon Ridge	Q3 2005	62
Geneva Gardens	Q4 2005	8
Grand Valley Estates	Q4 2004	24
Grand Valley Stable	Q4 2004	24
Hamm Property	Q4 2005	53
Hamptons	Q4 2005	139
The Heights at Park West	Q2 2006	85
Horsebend Estates	Q2 2006	50
Legacy Point, Phase V	Q2 2006	133
Lewis/Wedington	Q1 2005	18
Mally Wagnon Estates	Q4 2005	80
Miner Acres	Q3 2005	7
Mountain Ranch, Phase II	Q2 2006	31
Pembridge Subdivision	Q4 2004	45
Salem Meadows, Phase II	Q4 2004	77
Schelgel Subdivision	Q4 2004	176
Skillern Road	Q4 2005	11
Springwoods, Lot I	Q4 2004	103
St. James Park	Q3 2005	63
Stonebridge Meadows, Phases IV,V	Q3 2005	76
Summit Place	Q3 2005	50
Walker Estates	Q4 2005	11
Water Brook, Phases I, II	Q3 2005	118
Weir Road Subdivision	Q1 2006	74
Wellspring	Q2 2006	129
West Haven	Q3 2005	44
Wilson/Hancock	Q1 2005	43

Subdivision	Approved	Number of Lots
Final Approval		
Appleby Landing	Q4 2005	12
Bellwood	Q4 2004	77
Clabber Creek, Phase IV	Q3 2006	83
Copper Creek, Phase III	Q2 2006	49
Springwoods, Lot V	Q4 2004	47
Cross Keys, Phase II	Q1 2006	20
Crossroads East	Q2 2006	6
Legacy Point, Phase IV	Q4 2004	77
Lynnwood Estates	Q2 2006	6
Mountain Ranch, Phase I	Q3 2006	118
Newcastle Estates	Q4 2005	10
Salem Heights, Phase II	Q3 2006	
Springwoods, Lot III	Q4 2005	36
Stonebridge, Phase IV	Q3 2006	6
Timber Trails	Q3 2006	111
Fayetteville		3,097

Goshen

- From June to August 2006, there were no residential building permits issued in Goshen. There were 3 permits issued in the third quarter of 2005.
- There were 401 total lots in active subdivisions in Goshen in the third quarter of 2006. About 12 percent of the lots were occupied, 1 percent were complete, but unoccupied, 5 percent were under construction, and 81 percent were vacant lots.
- 6 new houses in Goshen became occupied in the third quarter of 2006. The annual absorption rate implies that there are 221.7 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Goshen in the third quarter were Bridlewood with 5 and Vineyard and Waterford Estates with 4 each.
- An additional 130 lots in 4 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Goshen.
- There were no existing houses sold in Goshen from May 16, 2006 to August 15, 2006.

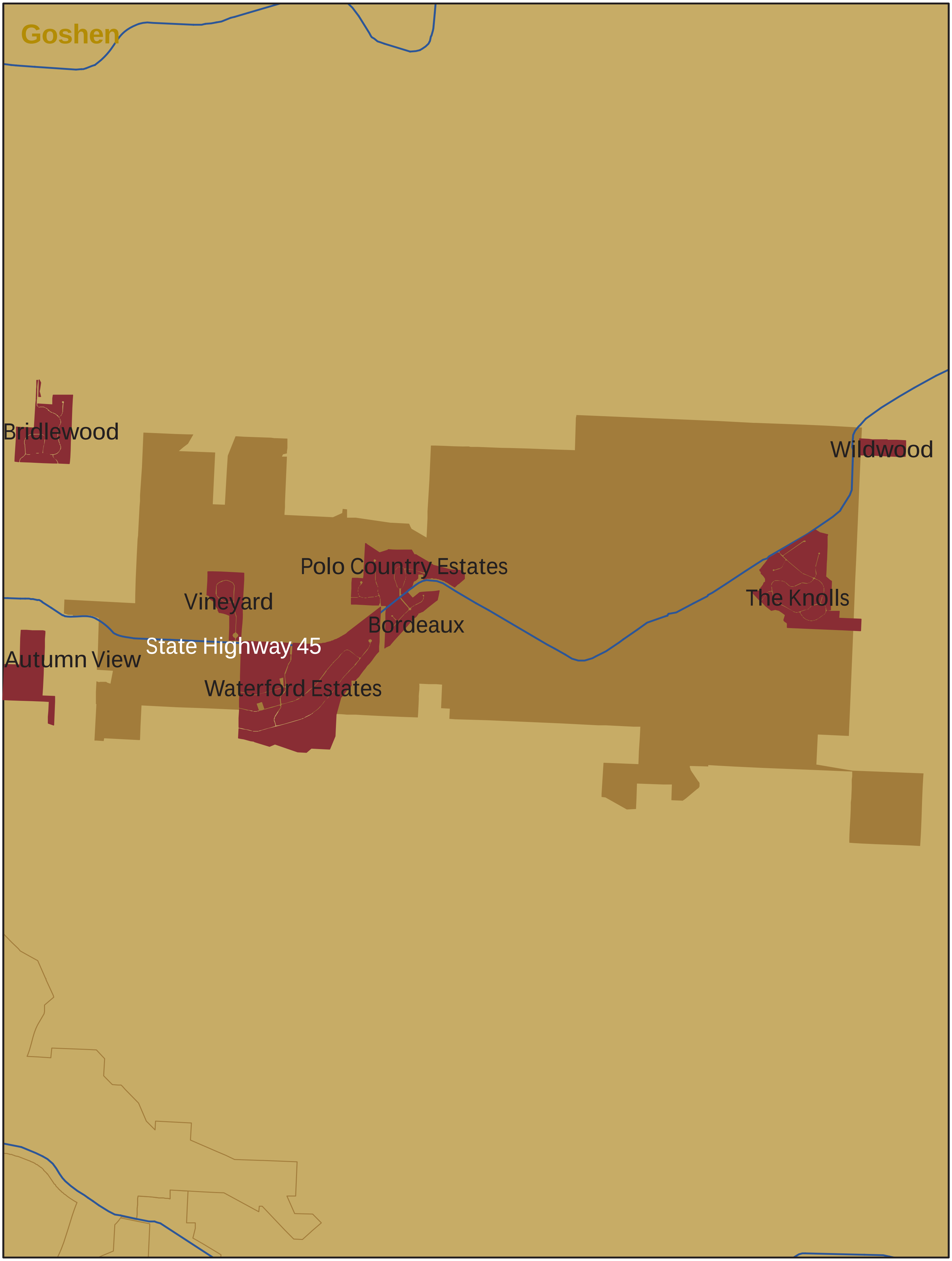


Goshen House Status in Active Subdivisions Q3 2006

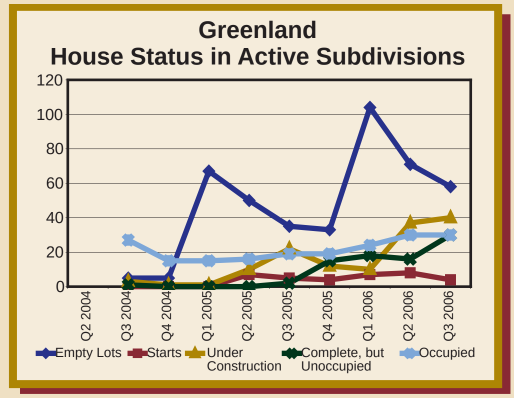
Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Autumn View	9	0	1	0	0	10	0	–
Bordeaux	5	0	1	1	14	21	0	15.8
Bridlewood, Phases I, II	41	0	5	0	4	50	3	69.0
The Knolls	62	0	2	0	1	65	1	192.0
Polo Country Estates	0	0	3	1	19	23	1	8.0
Vineyard	4	0	4	3	11	22	0	44.0
Waterford Estates	196	0	4	0	0	200	0	–
Wildwood	9	0	0	0	1	10	1	27.0
Goshen	326	0	20	5	50	401	6	221.7

Goshen Approved Final and Preliminary Subdivisions Q3 2006

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


Goshen
Bridlewood
Wildwood
Polo Country Estates
Vineyard
The Knolls
Bordeaux
State Highway 45
Autumn View
Waterford Estates

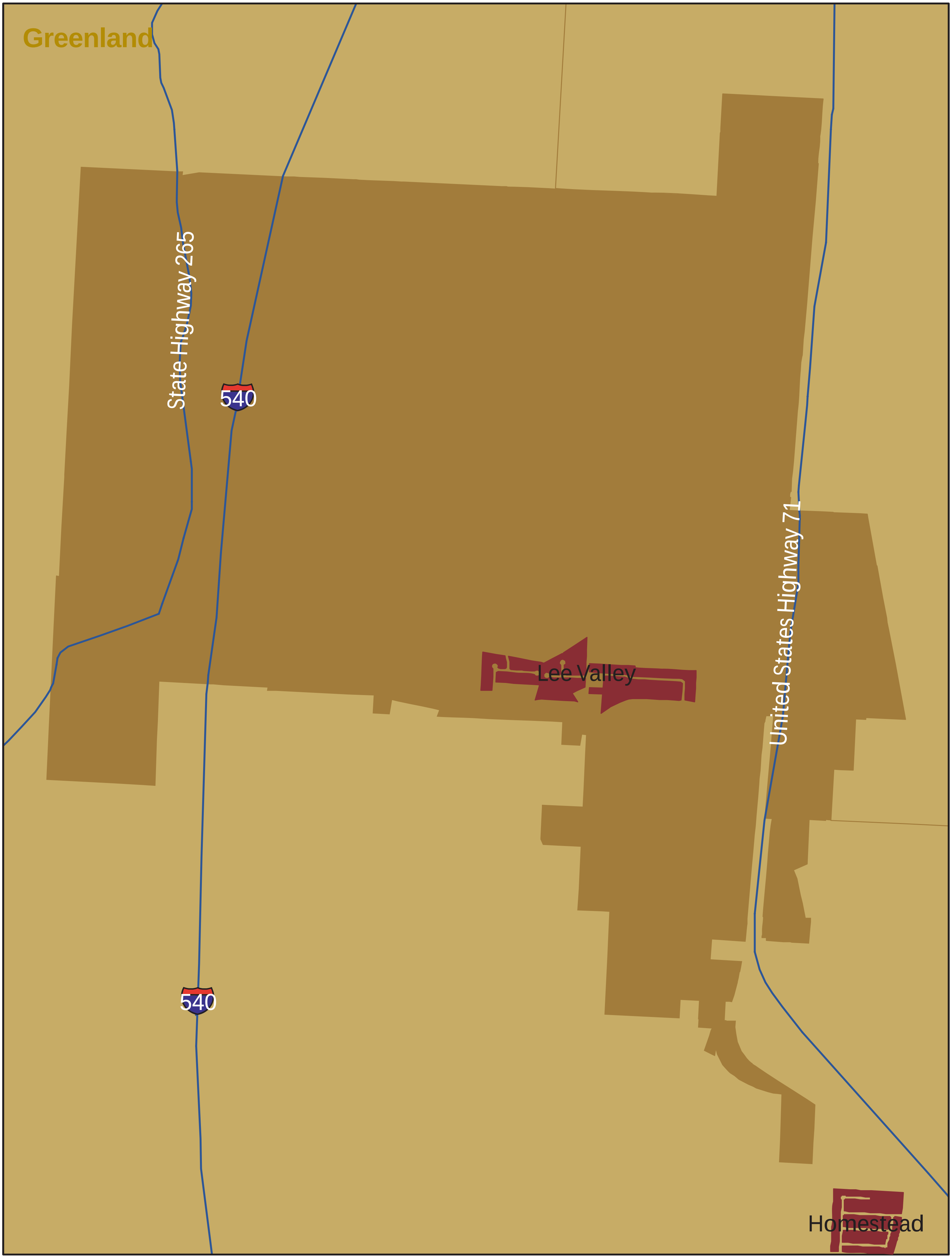
Greenland



- From June to August 2006, there were no residential building permits issued in Greenland. There were 13 permits issued during the third quarter of 2005.
- There were 162 total lots in active subdivisions in Greenland in the third quarter of 2006. About 19 percent of the lots were occupied, 19 percent were complete but unoccupied, 25 percent were under construction, 2 percent were starts, and 36 percent were vacant lots.
- 1 new house in Greenland became occupied in the third quarter of 2006. The annual absorption rate implies that there are 132.0 months of remaining inventory in active subdivisions.
- There were 33 houses under construction in the Homestead Addition and 7 in the Lee Valley subdivision.
- An additional 591 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2005 in Greenland.
- There were 3 existing houses sold in Greenland from May 16, 2006 to August 15, 2006 or 25.0 percent fewer than in the previous quarter and 40.0 percent fewer than in the same period last year.
- The average price of a house sold in Greenland declined from $181,250 in the second quarter to $114,633 in the third quarter. In the third quarter of 2006, the average sales price was 36.8 percent lower than in the previous quarter and 37.8 percent lower than in the same period last year.
- In Greenland, the average number of days from the initial house listing to the sale declined from 177 days in the second quarter to 80 days in the third quarter of 2006.
- About 0.4 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Greenland. The average sales price of a house in Greenland was 59.9 percent of the county average.

Greenland House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Homestead Addition	29	3	33	15	0	80	0	--
Lee Valley, Phases III, IV	29	1	7	15	30	82	1	39.0
Greenland	58	4	40	30	30	162	1	132.0

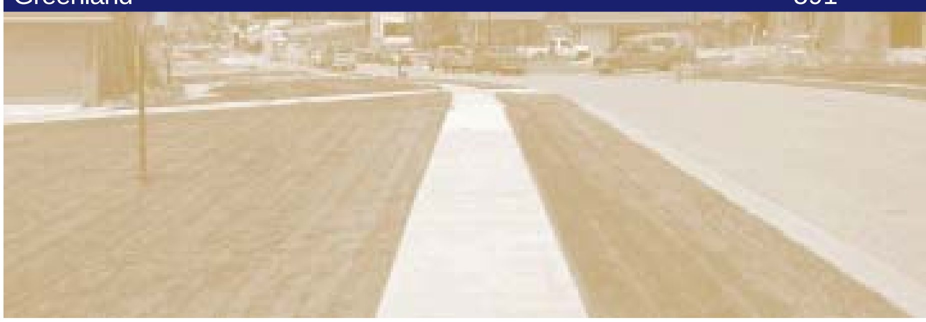

Greenland
State Highway 265
540
Lee Valley
United States Highway 71
540
Homestead

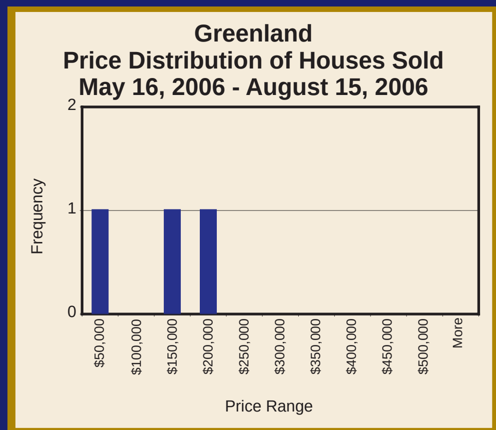
Greenland Price Range of Houses Sold
May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	33.3%	1,132	69	89.2%	$29.06
$50,001 - $100,000	0	0.0%	–	–	–	–
$100,001 - $150,000	1	33.3%	1,382	37	94.9%	$87.55
$150,001 - $200,000	1	33.3%	1,810	134	103.3%	$104.97
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	0	0.0%	–	–	–	–
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Greenland	3	100.0%	1,441	80	95.8%	$73.86

Greenland
Approved Final and Preliminary Subdivisions Q3 2006

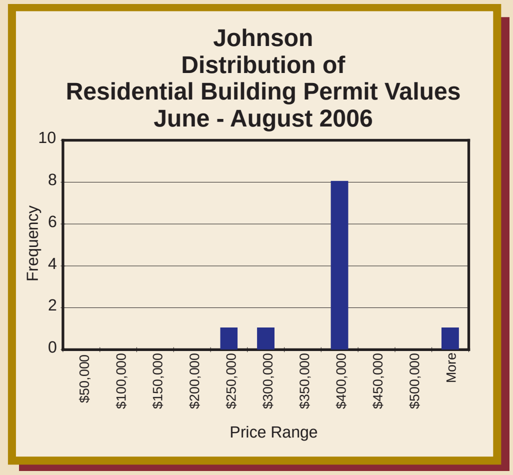
Subdivision	Approved	Number of Lots
Preliminary Approval		
Greenland Hills	Q1 2006	580
Final Approval		
Twin Creeks	Q1 2006	11
Greenland		591

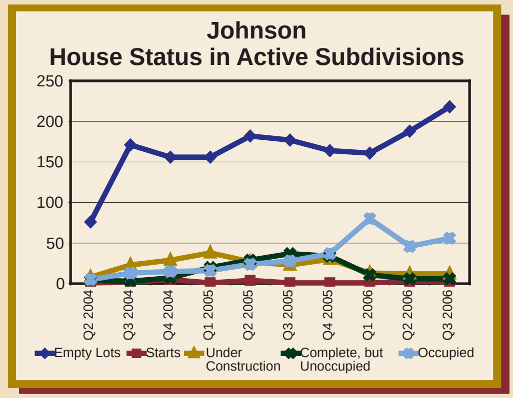




Johnson

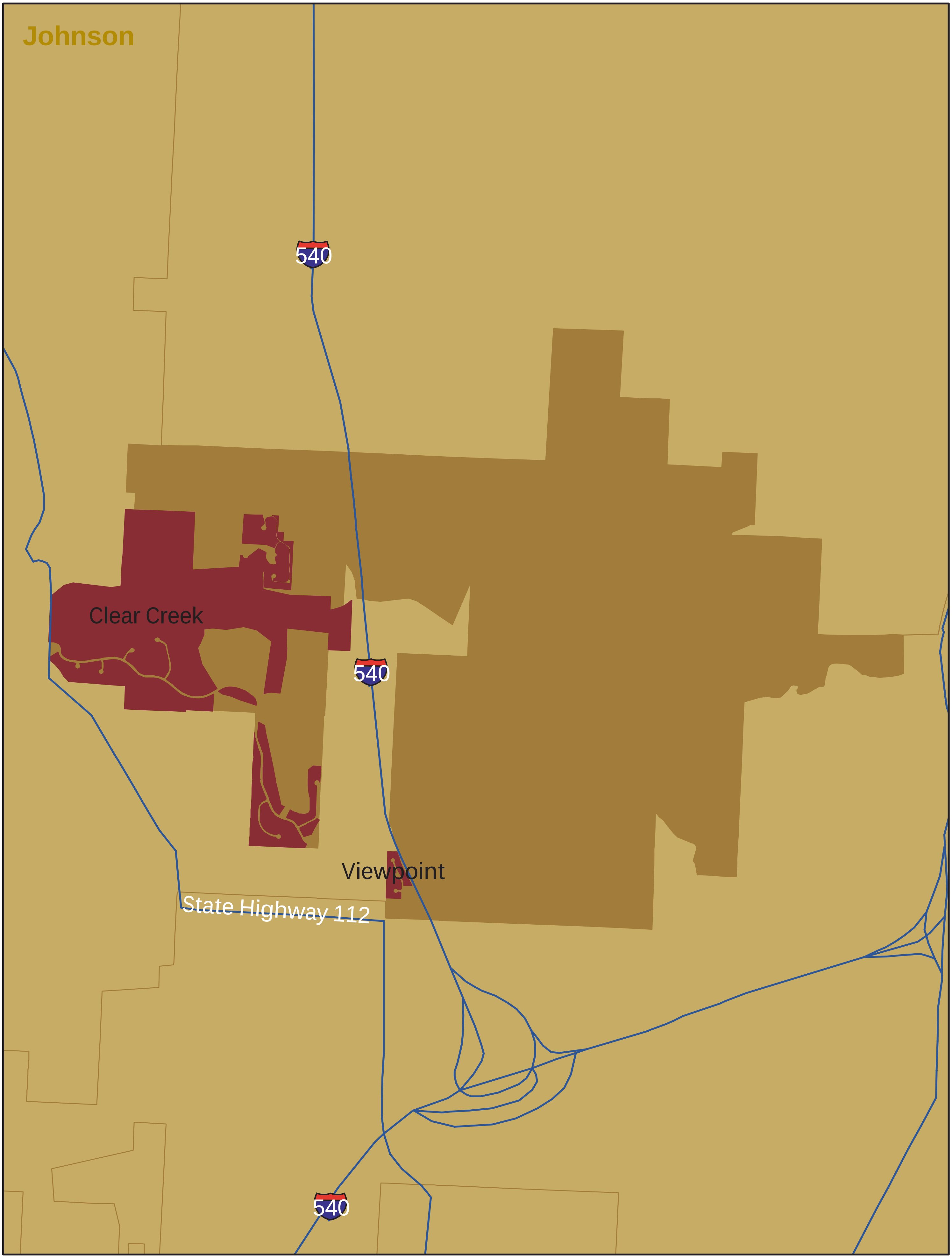
- From June to August 2006, there were 11 residential building permits issued in Johnson. This represents an increase of 450.0 percent from the third quarter of 2005.
- The average residential building permit value in Johnson increased by 4.6 percent from the third quarter of 2005 to $385,146 in the third quarter of 2006.
- The major price points for Johnson building permits were in the $350,000 to $400,000 range.
- There were 294 total lots in active subdivisions in Johnson in the third quarter of 2006. About 19 percent of the lots were occupied, 2 percent were complete, but unoccupied, 4 percent were under construction, 1 percent was starts, and 74 percent were vacant lots.
- 8 new houses in Johnson became occupied in the third quarter of 2006. The annual absorption rate implies that there are 102.0 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 8.
- There were no existing houses sold in Johnson from May 16, 2006 to August 15, 2006.





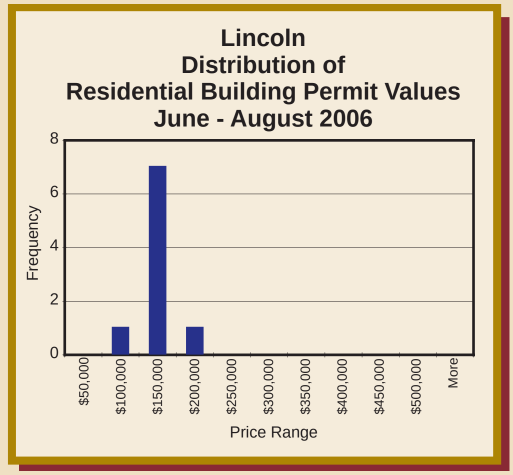
Johnson House Status in Active Subdivisions Q3 2006

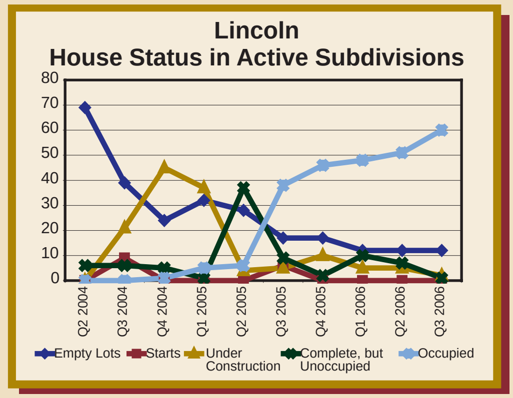
Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Clear Creek, Patio Homes	27	0	2	4	6	39	2	66.0
Clear Creek, Phases I-V	126	2	8	2	47	185	5	78.9
Heritage Hills	63	0	2	0	1	66	1	195.0
Viewpoint	2	0	0	0	2	4	0	--
Johnson	218	2	12	6	56	294	8	102.0


Johnson
540
Clear Creek
540
Viewpoint
State Highway 112
540

Lincoln

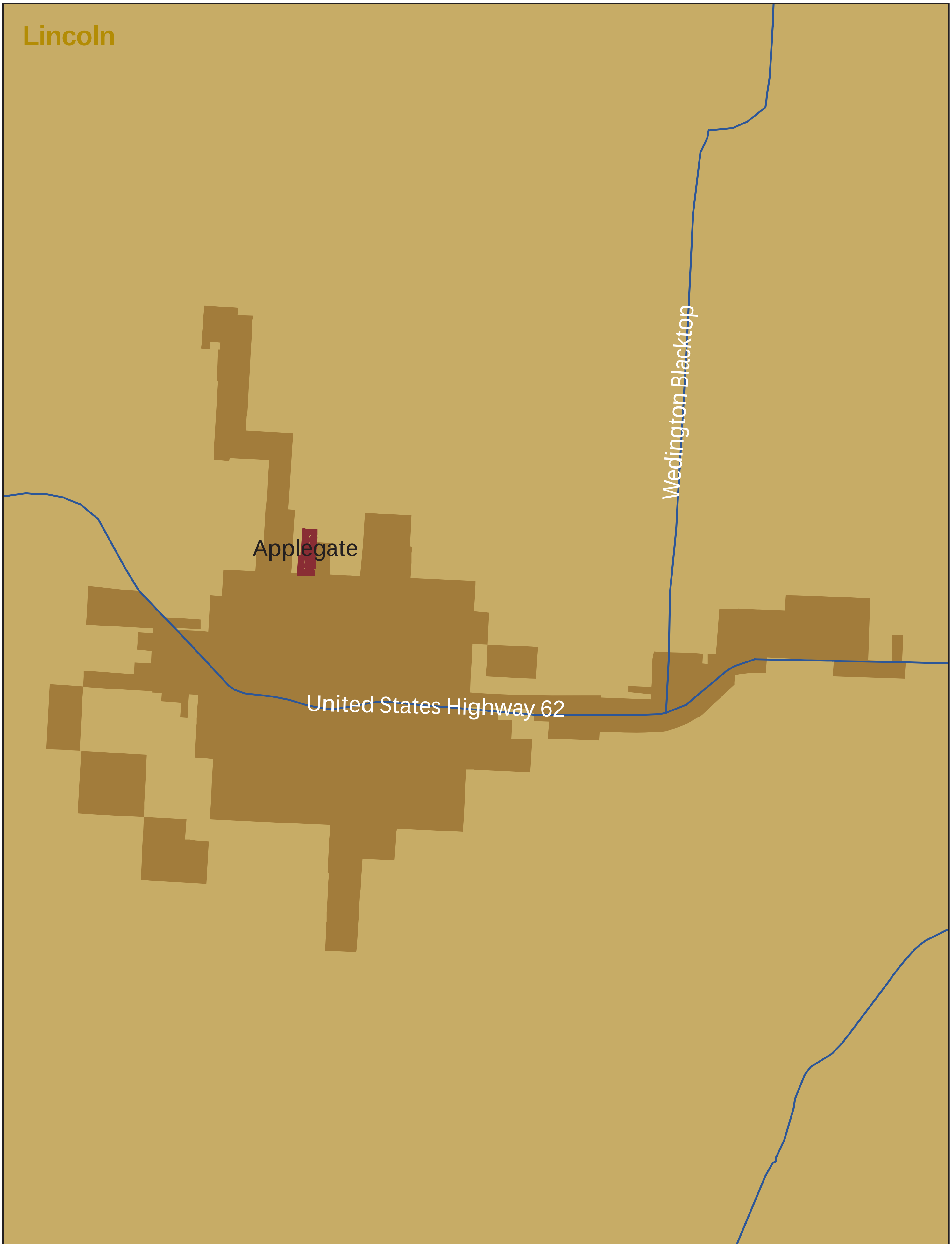
- From June to August 2006, there were 9 residential building permit issued in Lincoln. This represents a 50.0 percent increase from the third quarter of 2005.
- The average residential building permit value in Lincoln declined by 3.5 percent from the third quarter of 2005 to $113,866 in the third quarter of 2006.
- The major price points for Lincoln building permits were in the $100,000 to $150,000 range.
- There were 75 total lots in active subdivisions in Lincoln in the third quarter of 2006. About 80 percent of the lots were occupied, 1 percent were complete, but unoccupied, 3 percent were under construction, and 16 percent were vacant lots.
- 9 new houses in Lincoln became occupied in the third quarter of 2006. The annual absorption rate implies that there are 8.2 months of remaining inventory in active subdivisions.
- Applegate had 2 houses under construction during the third quarter of 2006.
- An additional 235 lots in 4 subdivisions had received either preliminary or final approval by the third quarter of 2005 in Lincoln.
- There were 28 existing houses sold in Lincoln from May 16, 2006 to August 15, 2006, or 133.3 percent more than in the previous quarter and 33.3 percent more than in the same period last year.
- The average price of a house sold in Lincoln increased from $92,249 in the second quarter to $114,579 in the third quarter. In the third quarter of 2006, the average sales price was 24.2 percent higher than in the second quarter and was 37.3 percent higher than in the same period last year.
- In Lincoln, the average number of days from the initial house listing to the sale increased from 141 days in the second quarter to 144 days in the third quarter of 2006.
- About 3.4 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Lincoln. The average sales price of a house in Lincoln was only 59.9 percent of the county average.
- 50.0 percent of the sold houses in Lincoln were between $100,000 and $150,000.





Lincoln House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Applegate	0	0	2	1	27	30	9	2.3
Lincoln Gardens	12	0	0	0	33	45	0	24.0
Lincoln	12	0	2	1	60	75	9	8.2

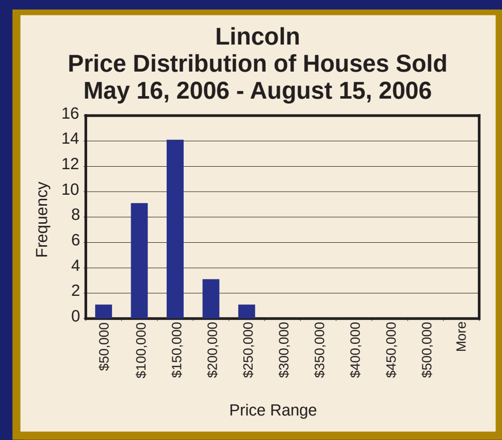

Lincoln
Wedington Blacktop
Applegate
United States Highway 62

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	3.6%	1,344	324	81.8%	$33.48
$50,001 - $100,000	9	32.1%	1,139	106	99.5%	$73.74
$100,001 - $150,000	14	50.0%	1,593	172	99.0%	$77.54
$150,001 - $200,000	3	10.7%	1,777	97	98.4%	$106.16
$200,001 - $250,000	1	3.6%	1,152	70	94.9%	$243.06
$250,001 - $300,000	0	0.0%	–	–	–	–
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Lincoln	28	100.0%	1,442	144	98.3%	$83.72

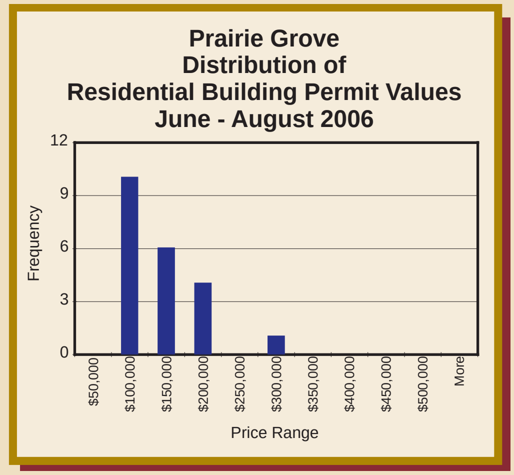
Lincoln
Approved Final and Preliminary Subdivisions Q3 2006

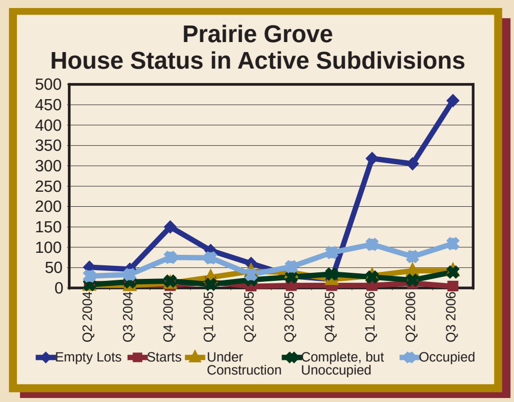
Subdivision	Approved	Number of Lots
Preliminary Approval		
Carter Johnson	Q1 2006	12
Carter Square	Q1 2006	6
Wolf Run Trail	Q1 2006	130
Final Approval		
Country Meadows	Q3 2006	87
Greenland		235



Prairie Grove

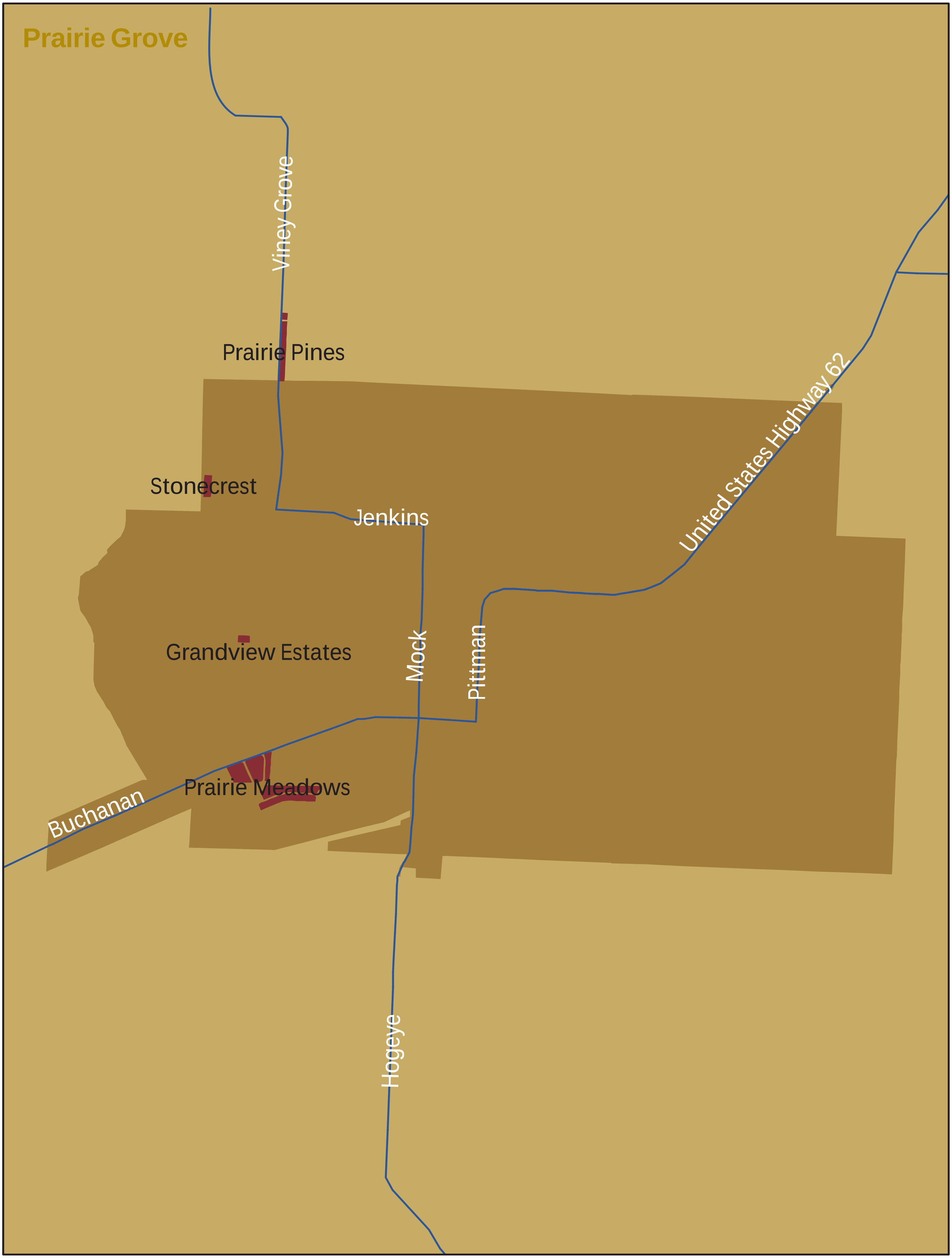
- From June to August 2006, there were 21 residential building permits issued in Prairie Grove. This represents an increase of 10.5 percent from the third quarter of 2005.
- The average residential building permit value in Prairie Grove increased by 9.7 percent from the third quarter of 2005 to $125,048 in the third quarter of 2006.
- The major price points for Prairie Grove building permits were in the $50,000 to $100,000 range.
- There were 654 total lots in active subdivisions in Prairie Grove in the third quarter of 2006. About 17 percent of the lots were occupied, 6 percent were complete, but unoccupied, 6 percent were under construction, 1 percent was starts, and 70 percent were vacant lots.
- 10 new houses in Prairie Grove became occupied in the third quarter of 2006. The annual absorption rate implies that there are 107.2 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 15 and Sundowner with 16.
- An additional 221 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Prairie Grove.
- There were 26 existing houses sold in Prairie Grove from May 16, 2006 to August 15, 2006, or 13.0 percent more than in the previous quarter and 4.0 percent more than in the same period last year.
- The average price of a house sold in Prairie Grove declined from $155,236 in the second quarter to $148,451 in the third quarter. In the third quarter of 2006, the average sales price was 4.4 percent lower than in the previous quarter and 1.1 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 137 days in the second quarter to 166 days in the third quarter of 2006.
- About 3.1 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Prairie Grove. The average sales price of a house in Prairie Grove was 77.6 percent of the county average.
- 73.1 percent of the sold houses in Prairie Grove were in the $100,000 to $200,000 range.





Prairie Grove House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Battlefield Estates II	121	0	5	0	0	126	0	--
Grandview Estates, Phase IB	4	0	2	2	2	10	2	32.0
Lahera	1	0	1	2	24	28	0	9.6
Prairie Meadows, Phases II, III	115	0	15	20	72	222	8	40.9
Prairie Pines	0	0	0	4	8	12	0	6.9
Stonecrest Addition, Phases I, II	41	2	3	1	3	50	0	282.0
Sundowner, Phase I, Sections I, II	178	2	16	10	0	206	0	--
Prairie Grove	460	4	42	39	109	654	10	107.2

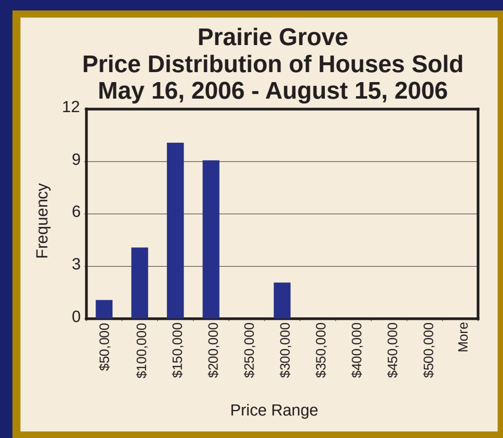

Prairie Grove
Viney Grove
Prairie Pines
Stonecrest
Jenkins
United States Highway 62
Grandview Estates
Mock
Pittman
Buchanan
Prairie Meadows
Hogeye

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

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	3.8%	1,064	126	81.6%	$39.47
$50,001 - $100,000	4	15.4%	1,199	51	97.9%	$64.49
$100,001 - $150,000	10	38.5%	1,595	207	99.5%	$90.62
$150,001 - $200,000	9	34.6%	1,732	158	100.7%	$94.99
$200,001 - $250,000	0	0.0%	–	–	–	–
$250,001 - $300,000	2	7.7%	2,594	240	94.5%	$112.78
$300,001 - $350,000	0	0.0%	–	–	–	–
$350,001 - $400,000	0	0.0%	–	–	–	–
$400,001 - $450,000	0	0.0%	–	–	–	–
$450,001 - $500,000	0	0.0%	–	–	–	–
$500,000+	0	0.0%	–	–	–	–
Prairie Grove	26	100.0%	1,638	166	98.6%	$87.85

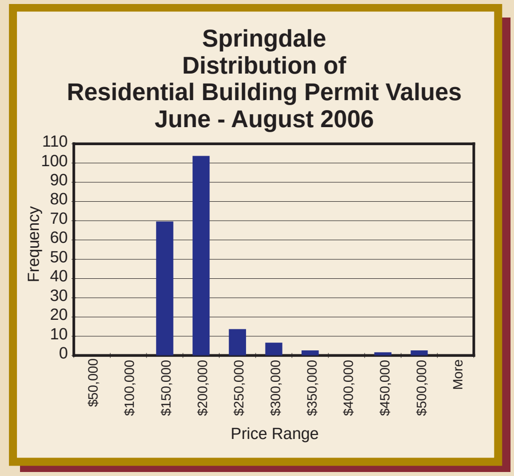
Prairie Grove
Approved Final and Preliminary Subdivisions
Q3 2006

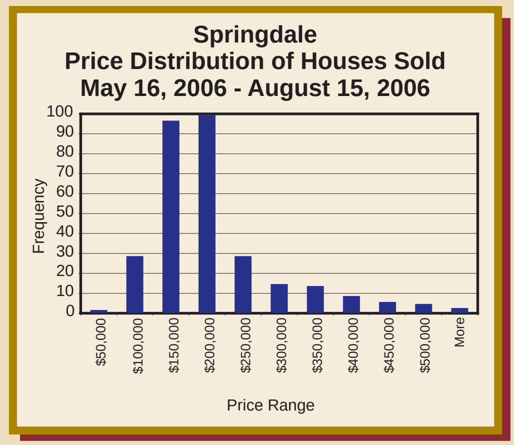
Subdivision	Approved	Number of Lots
Preliminary Approval		
Belle Meade	Q3 2005	176
Prairie Pines, Phase II	Q3 2005	45
Prairie Grove		221



Springdale

- From June to August 2006, there were 196 residential building permits issued in Springdale. This represents an increase of 33.3 percent from the third quarter of 2005.
- The average residential building permit value in Springdale decreased by 22.2 percent from the third quarter of 2005 to $169,826 in the third quarter of 2006.
- The major price points for Springdale building permits were in the $150,000 to $200,000 range.
- There were 2,434 total lots in active subdivisions in Springdale in the third quarter of 2006. About 50 percent of the lots were occupied, 11 percent were complete, but unoccupied, 8 percent were under construction, 1 percent was starts, and 31 percent were vacant lots.
- 165 new houses in Springdale became occupied in the third quarter of 2006. The annual absorption rate implies that there are 34.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Springdale in the third quarter were Hidden Hills with 49 and Butterfield Gardens with 31.
- An additional 2,818 lots in 61 subdivisions had received either preliminary or final approval by the third quarter of 2006 in Springdale.
- There were 297 existing houses sold in Springdale from May 16, 2006 to August 15, 2006, or 4.2 percent fewer than in the previous quarter and 18.0 percent fewer than in the same period last year.
- The average price of a house sold in Springdale increased from $177,338 in the second quarter to $181,437 in the third quarter. In the third quarter of 2006, the average sales price was 2.3 percent higher than in the previous quarter and 8.1 percent higher than in the same period last year.
- In Springdale, the average number of days from the initial house listing to the sale increased from 110 days in the second quarter to 117 days in the third quarter of 2006.
- About 34.8 percent of all houses sold in Washington County in the third quarter of 2006 were sold in Springdale. The average sales price of a house in Springdale was 93.1 percent of the county average.
- 65.6 percent of the sold houses in Springdale were in the $100,000 to $200,000 range.



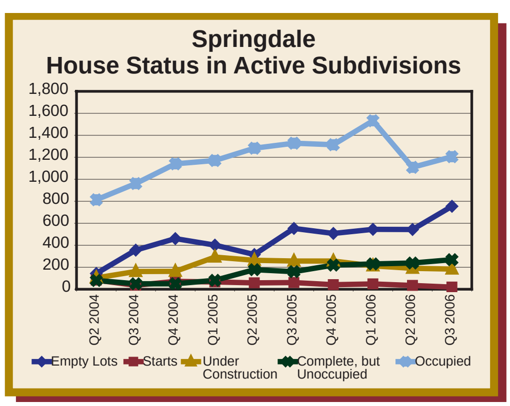


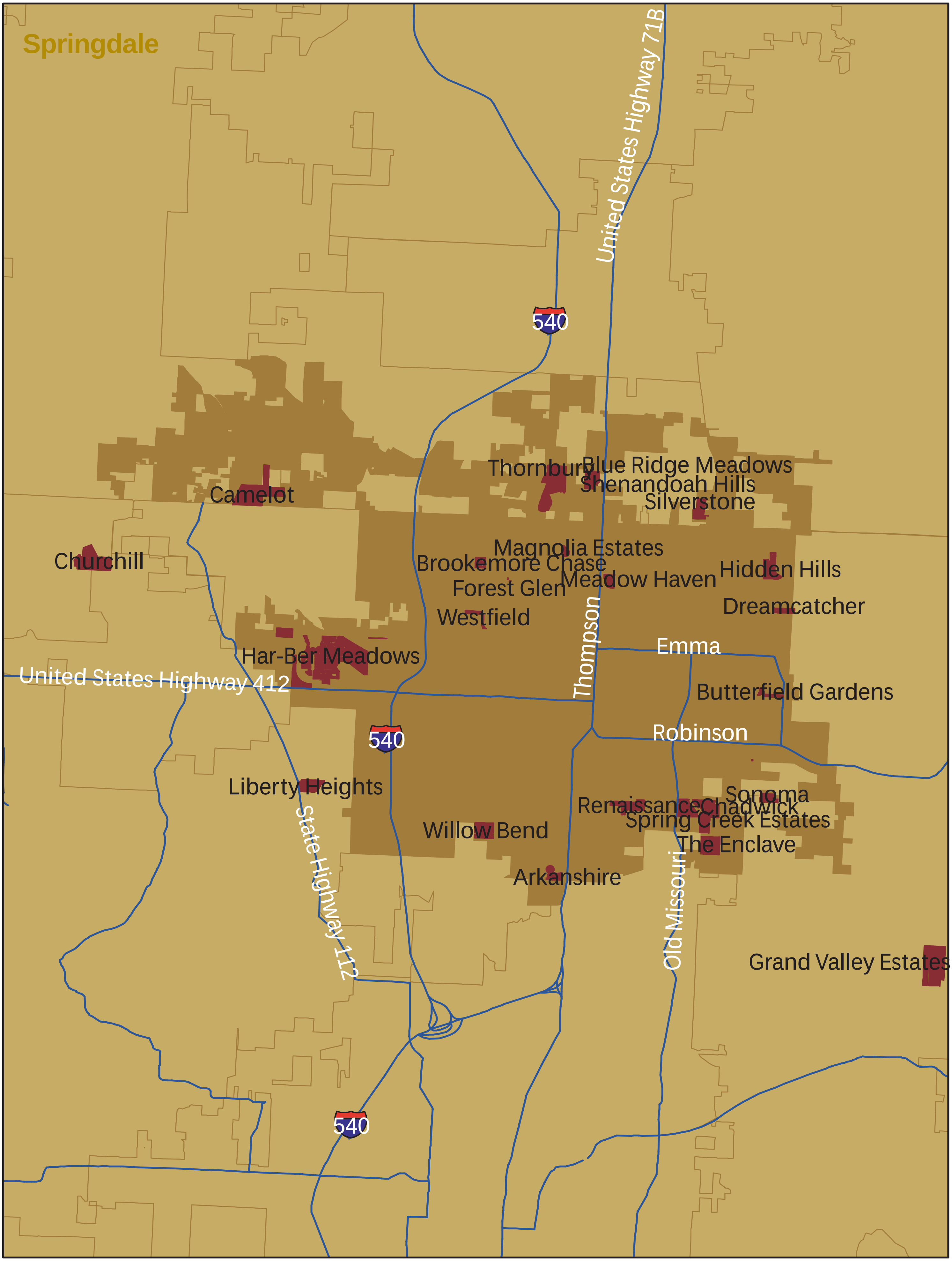
Springdale Price Range of Houses Sold May 16 - August 15, 2006

Price Range	Number Sold	Percentage of Houses Sold	Average Square Footage	Average Days on Market	Average Sold Price as a Percentage of List Price	Average Price Per Square Foot
$0 - $50,000	1	0.3%	1,080	124	88.9%	$37.04
$50,001 - $100,000	28	9.4%	1,064	76	98.8%	$84.58
$100,001 - $150,000	96	32.3%	1,354	93	98.7%	$94.98
$150,001 - $200,000	99	33.3%	1,799	130	99.5%	$98.15
$200,001 - $250,000	28	9.4%	2,149	141	98.1%	$103.40
$250,001 - $300,000	14	4.7%	2,370	117	97.8%	$120.25
$300,001 - $350,000	13	4.4%	2,764	136	97.5%	$116.38
$350,001 - $400,000	8	2.7%	3,281	266	96.6%	$116.17
$400,001 - $450,000	5	1.7%	3,665	196	97.6%	$117.71
$450,001 - $500,000	4	1.3%	3,774	122	97.9%	$123.43
$500,000+	2	0.7%	3,990	102	91.7%	$129.25
Springdale	297	100.0%	1,792	117	98.7%	$99.31

Springdale House Status in Active Subdivisions
Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Arkanshire	8	0	3	2	58	71	0	156.0
Blue Ridge Meadows (Benton County)	7	0	0	0	30	37	0	8.4
Brookemore Chasse	23	0	0	5	4	32	1	84.0
Butterfield Gardens, Phases II, III	73	0	31	21	42	167	22	26.8
Camelot (Benton County)	57	0	2	2	0	61	0	--
Carriage Crossing	11	1	3	4	1	20	1	85.5
Chadwick	0	0	0	30	32	62	22	5.6
Churchill Crescent, Phase III	7	0	2	2	3	14	0	132.0
Covenant Creek	2	0	8	21	17	48	16	10.9
Dreamcatcher	8	2	11	5	14	40	14	5.6
The Enclave	41	0	4	5	16	66	4	60.0
Forest Glen	0	0	0	5	22	27	1	6.0
Grand Valley Estates	23	0	0	1	0	24	0	--
Grand Valley Stables at Guy Terry Farms	22	0	0	1	0	23	0	--
Har-Ber Meadows	32	2	9	6	503	552	9	14.0
Hidden Hills, Phase II	33	1	49	0	0	83	0	16.1
Liberty Heights	0	0	1	1	28	30	3	3.0
Magnolia Estates	1	0	0	1	10	12	0	18.0
Meadow Haven	14	0	1	13	8	36	4	31.5
Oaklawn Place	1	0	0	2	14	17	0	12.0
Renaissance South	20	0	2	12	24	58	3	29.1
Shenandoah Hills (Benton County)	1	0	0	23	29	53	4	11.5
Silverstone, Phases I, II (Benton County)	0	0	4	0	90	94	1	9.0
Sonoma	6	0	0	21	31	58	12	12.0
Spring Creek Estates, Phases IIA-IIC	62	1	10	19	74	166	28	15.5
Spring Creek Park	144	9	6	0	0	159	0	--
Springhill (Benton County)	27	1	12	35	5	80	3	90.0
Stockton Place	57	0	1	0	0	58	0	--
Sylvan Acres (Benton County)	25	0	0	0	1	26	0	225.0
Thornbury, Phases II-V (Benton County)	37	1	5	2	62	107	0	81.0
Westfield, Phase II	11	2	18	30	35	96	17	15.7
Willowbend	2	0	2	0	53	57	0	24.0
Springdale	755	20	184	269	1,206	2,434	165	32.4




Springdale
United States Highway 71B
540
Thornbury
Blue Ridge Meadows
Shenandoah Hills
Silverstone
Camelot
Churchill
Magnolia Estates
Brookemore Chase
Meadow Haven
Hidden Hills
Forest Glen
Westfield
Dreamcatcher
Thompson
Emma
Har-Ber Meadows
United States Highway 412
Butterfield Gardens
540
Robinson
Liberty Heights
State Highway 112
Sonoma
Renaissance
Chadwick
Spring Creek Estates
Willow Bend
The Enclave
Arkanshire
Old Missouri
Grand Valley Estates
540

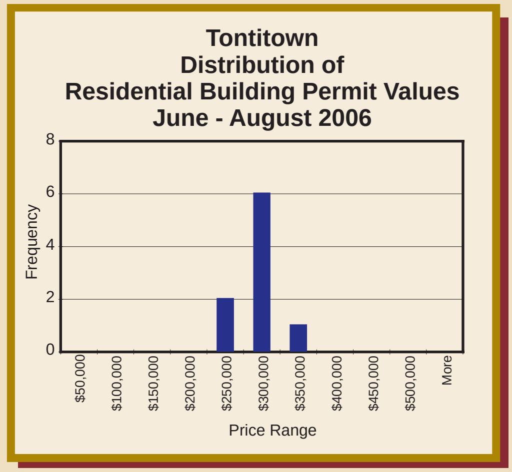
Springdale
Approved Final and Preliminary Subdivisions
Q3 2006

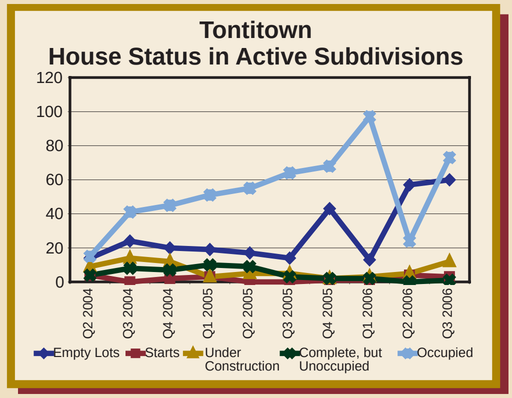
Subdivision	Approved	Number of Lots
Preliminary Approval		
Arbor Estates	Q4 2004	103
Ben Caston	Q2 2005	26
Berry Field Subdivision	Q4 2004	56
Bobby Marks Subdivision	Q4 2004	23
Canyon Creek	Q4 2004	196
Chimney Hills Subdivision	Q2 2006	
Coppergate Subdivision	Q1 2005	85
Dave Chapman Subdivision	Q4 2004	481
Dave Chapman Subdivision, Phase II	Q4 2004	87
Eastview Estates Subdivision	Q4 2004	132
Ferne's Valley Subdivision	Q4 2004	53
Fox Creek Subdivision	Q1 2006	32
Habberton Ridge PUD	Q2 2006	239
Harlan Brown	Q1 2005	69
Ivey Lane East	Q1 2005	34
Ivey Lane North	Q1 2005	21
J.J. Road Subdivision	Q4 2004	96
Jacob's Court	Q1 2006	28
Jim Bryan Duplexes	Q1 2005	15
Lifestyle Development Subdivision	Q4 2004	20
Lifestyle Homes	Q4 2004	60
Meadow Brook, Phase II	Q2 2005	50
The Meadows at River Mist	Q3 2005	
Mill's Quarter	Q1 2006	
Moddy Lane Development	Q2 2005	7
Mountain View Townhomes	Q3 2005	
Mountain Terrace Subdivision	Q4 2004	32
Parker's Place	Q1 2006	73
Peppermill	Q3 2005	
Perry Road Subdivision	Q1 2005	9
Pinewood Park	Q2 2006	6
Pleasant Meadows	Q3 2005	
Remington Place	Q3 2005	44
Rolling Hills Subdivision, Phase II	Q4 2004	32
Rosson Creek Subdivision	Q2 2006	
Sage Field Subdivision	Q3 2006	16
Scott Property Subdivision	Q1 2005	35
Shelohn Acres Subdivision	Q1 2006	
Springdale Development II	Q1 2005	61
Taldo West End Subdivision	Q4 2004	36
Teague Subidivsion	Q4 2004	39
Wagon Wheel Bend	Q1 2006	24
Walter Stone Estates	Q4 2004	17
Wilkins Subdivision	Q1 2006	39
Wilkins #7 Subdivision	Q3 2006	

Subdivision	Approved	Number of Lots
Final Approval		
Andrew Marks	Q2 2006	
Anthony R Botto	Q3 2006	
Conestoga Park	Q2 2006	8
East Ridge Subdivision	Q1 2005	8
The Falls	Q2 2006	
Gary Brandon	Q2 2006	69
Gary Frazier	Q3 2006	
Har-Ber Meadows, Phase XX	Q2 2006	
John Johnson Road Subdivision	Q2 2006	80
Mia Subdivision	Q2 2006	17
Savannah Ridge	Q2 2006	95
Spring Creek Estates	Q2 2006	
Sugg Subdivision	Q3 2006	18
Tuscany Village	Q2 2005	8
Wagon Wheel Road--Combs	Q2 2006	130
Westside Village	Q2 2006	9
Springdale		2,818

Tontitown

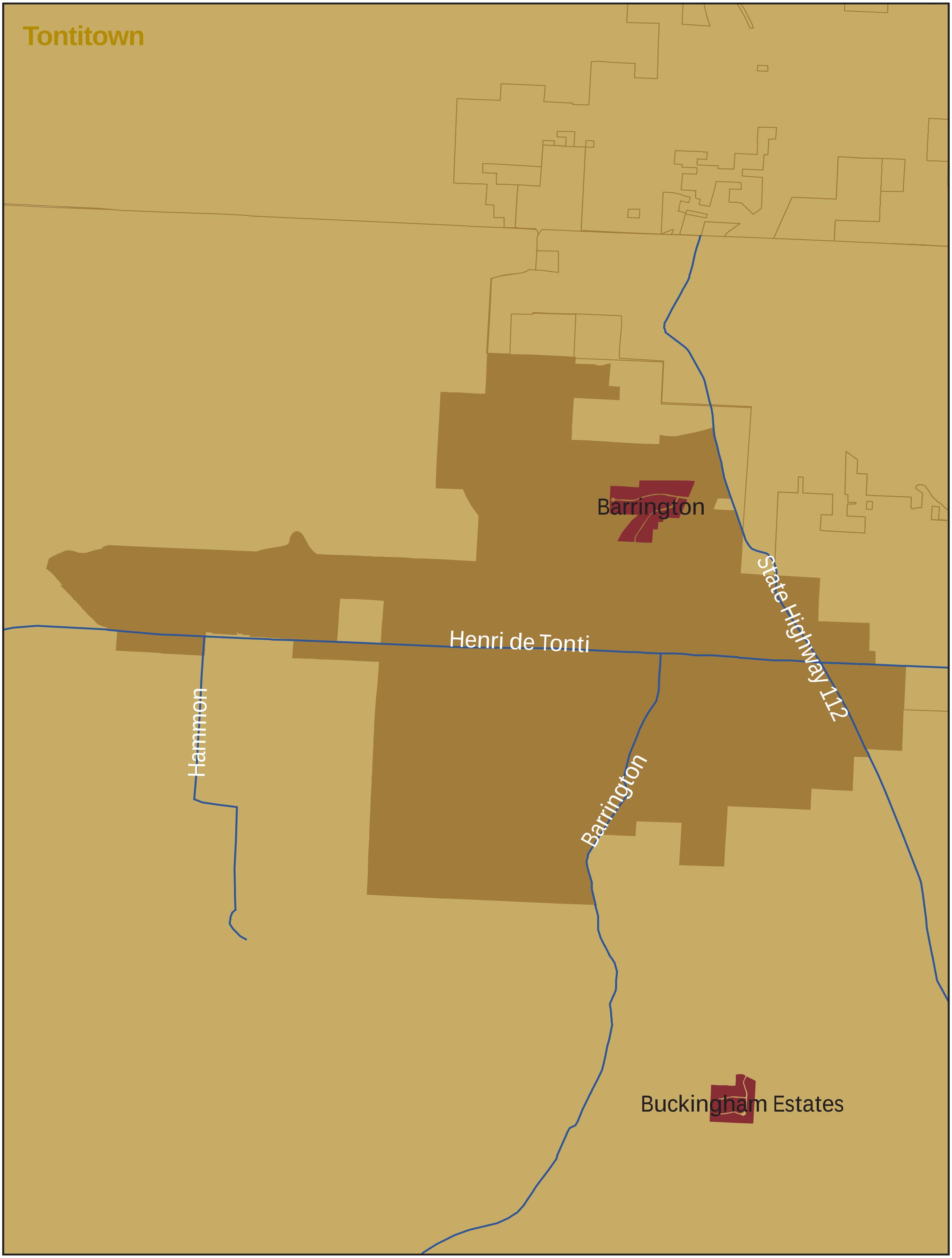
- There were 9 building permits issued in Tontitown from June to August 2006.
- The average building permit value in the third quarter of 2006 was $273,654.
- The major price points for Tontitown building permits were in the $250,000 to $300,000 range.
- There were 149 total lots in active subdivisions in Tontitown in the third quarter of 2006. About 49 percent of the lots were occupied, 1 percent was complete, but unoccupied, 8 percent were under construction, 2 percent were starts, and 40 percent were vacant lots.
- 3 new houses in Tontitown became occupied in the third quarter of 2006. The annual absorption rate implies that there are 25.3 months of remaining inventory in active subdivisions.
- Barrington Heights had 6 houses under construction in the third quarter.
- There were no existing houses sold in Tontitown from May 16, 2006 to August 15, 2006.





Tontitown House Status in Active Subdivisions Q3 2006

Subdivision	Empty Lots	Start	Under Construction	Complete, but Unoccupied	Occupied	Total Lots	Absorbed Lots	Months of Inventory
Barrington Heights	23	0	6	0	1	30	1	9.7
Brush Creek	1	1	0	0	18	20	0	24.0
Buckingham Estates	0	1	0	1	24	26	0	8.0
Coppertree	13	0	1	0	0	14	0	--
GPJ Subdivision	15	1	3	0	0	19	0	--
Western Trails Estates	5	0	0	0	20	25	0	22.5
White Oak Estates	3	0	2	0	10	15	2	15.0
Tontitown	60	3	12	1	73	149	3	25.3



Tontitown
Barrington
Henri de Tonti
State Highway 112
Hammon
Barrington
Buckingham Estates