

# THE SKYLINE REPORT

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SAM M.  
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COLLEGE of BUSINESS

*Center for Business and Economic Research*

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

This report is the fourteenth 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 2007

- In the third quarter of 2007 in Northwest Arkansas, there were 653 building permits issued, down from 870 issued in the third quarter of 2006.
- There were more building permits issued in the third quarter of 2007 than in the third quarter of 2006 in Fayetteville, Rogers, and Siloam Springs and fewer in Bella Vista, Bentonville, Centerton, and Springdale.
- There were 26,613 lots in the 356 active subdivisions in Northwest Arkansas in the third quarter of 2007.
- From the second to the third quarter of 2007, 1,106 houses in active subdivisions became occupied. This absorption rate is a decline from the second quarter 2007 total of 1,166 and an increase from the third quarter 2006 total of 944.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 38.3 months, down from 42.1 months in the second quarter of 2007.
- In the third quarter of 2007, there were 2,276 complete but unoccupied houses, a decline from 2,411 in the second quarter. Benton County experienced a decline of 8.8 percent in available complete inventory from the second quarter of 2007, and a decline of 31.7 percent from the third quarter of 2006. In comparison, Washington County experienced a 2.3 percent inventory increase over the past quarter and a cumulative increase of 7.7 percent over the past year.
- There were an additional 18,623 residential lots that have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 87.4 months of inventory in Northwest Arkansas.
- From May 16, 2007 to August 15, 2007, there were 2,015 existing houses sold in Benton and Washington Counties. This is a decline of 9.5 percent from the same time period in 2006.
- In the third quarter of 2007 in Northwest Arkansas, the average sales price of existing houses declined from third quarter 2006 levels by 1.2 percent in Washington County and increased from third quarter 2006 levels by 2.5 percent in Benton County.

# Report Structure

This report contains the results of an extensive data gathering and analysis effort. The single family residential real estate market encompasses two kinds of houses—new construction and existing structures. The Skyline Report addresses both aspects of the market. Four primary sources of data are examined to get a more complete picture of the total single family housing market. First, residential building permit data are collected from each of the cities in Benton and Washington County. Each city has its own standard for reporting these data, so CBER researchers manually standardize the information. These building permit data give the first indication of where to find “active” subdivisions in Northwest Arkansas. Active subdivisions are defined as those where construction is currently occurring or where construction has occurred in the recent past and a significant number of empty lots still exists. For the second primary data source, plats are obtained from the Benton and Washington County Clerks’ offices for all active subdivisions and for any new subdivisions that had been approved during the third quarter. CBER staff members then physically examine each active subdivision and classify each lot as empty, a start, under construction, complete, but unoccupied, or occupied. 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 fourteenth edition of the Skyline Report, time trend data are available for the different series that are collected. CBER analysts are able to separate the seasonality and trend effects and discuss the direction of the Northwest Arkansas market 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 2007 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 results are offered. An additional section on activity in West Washington County is included. West Washington County is defined as Farmington, Greenland, Lincoln, Prairie Grove, and West Fork.



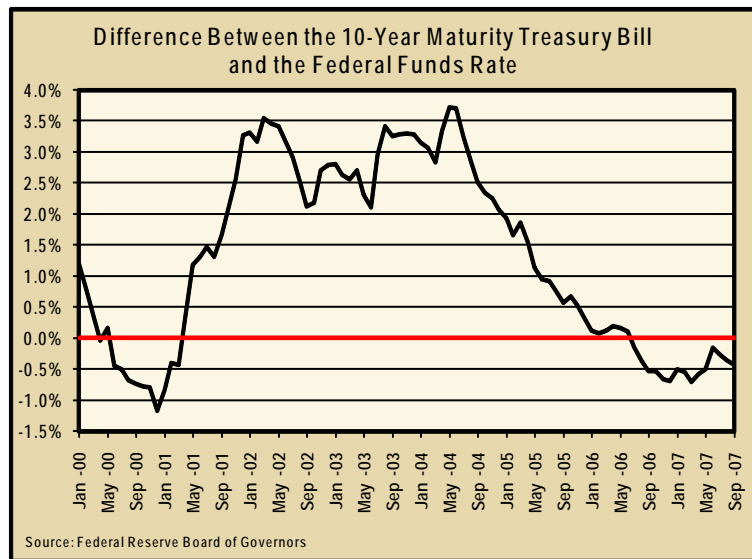
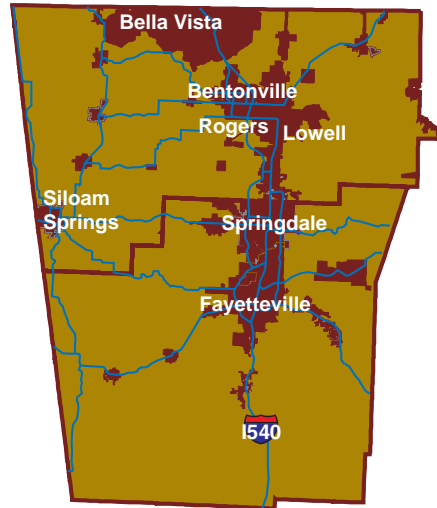
# Economic Overview

## 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 third quarter of 2007, the overall real growth rate in GDP was 3.9 percent, up from a revised 3.8 percent rate in the second quarter of 2007, according to advance estimates released by the U.S. Department of Commerce Bureau of Economic Analysis (BEA). The growth rate in GDP in the third quarter of 2006 was 1.1 percent, in comparison. BEA reported that the increase in real GDP in the third quarter primarily reflected positive contributions from personal consumption expenditures (PCE), exports, federal government spending, equipment and software, nonresidential structures, private inventory investment, and state and local government spending that were partly offset by a negative contribution from residential fixed investment. Imports, which are a subtraction in the calculation of GDP, increased. The slight acceleration in real GDP growth in the third quarter primarily reflected accelerations in PCE and in exports that were partly offset by an upturn in imports, a larger decrease in residential fixed investment, and a deceleration in nonresidential structures. Final sales of computers contributed 0.29 percentage points to third-quarter growth in real GDP after contributing 0.21 percentage points to second-quarter growth. Motor vehicle output contributed 0.33 percentage points to third-quarter growth in real GDP after contributing 0.03 percentage points to second-quarter growth.

The Federal Reserve implemented its first decrease in short term interest rates since 2003 during the third quarter of 2007. The Fed Funds target stand at 4.94 percent now, up 394 basis points from its historic low in



2003. According to the Fed, moderate growth in overall economic activity has continued despite a notable contraction in the housing sector that began in the second half of 2005. The housing correction has intensified this year as demand has declined further, inventories of unsold new homes have climbed relative to sales, and house prices have decelerated, with some areas of the country experiencing outright declines in home values. Financial markets overall had improved somewhat, but tighter terms and standards in the mortgage market--particularly in the nonprime and jumbo segments--appeared likely to intensify the correction in housing significantly, with adverse implications for construction activity

and house prices. Indeed, incoming housing data had continued to soften even before the advent of the stress in financial markets. A further sharp contraction in residential construction seems likely to hold down overall economic growth in the fourth quarter and in early 2008.

According to the U.S. Bureau of Labor Statistics (BLS), the overall inflation was a moderate 1.9 percent from August 2006 to August 2007. During the first eight months of 2007, the Consumer Price Index for All Urban Consumers (CPI-U) rose at a 3.7 percent seasonally adjusted annual rate (SAAR). This compares with an increase of 2.5 percent



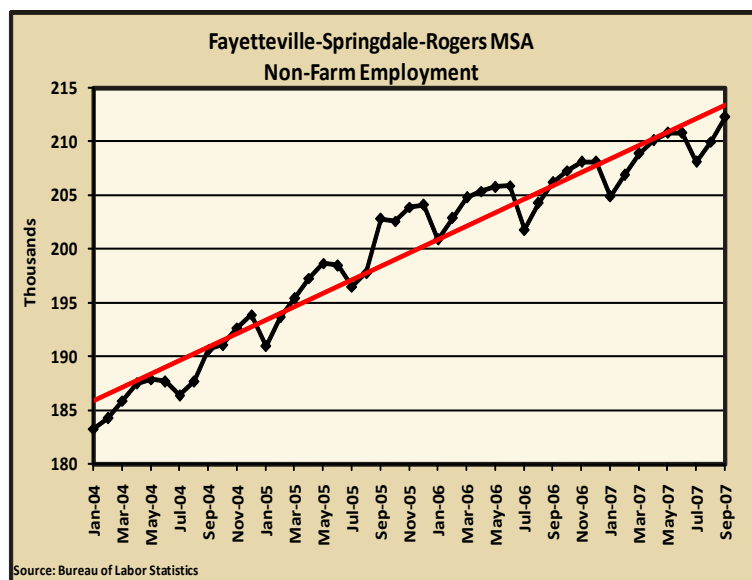
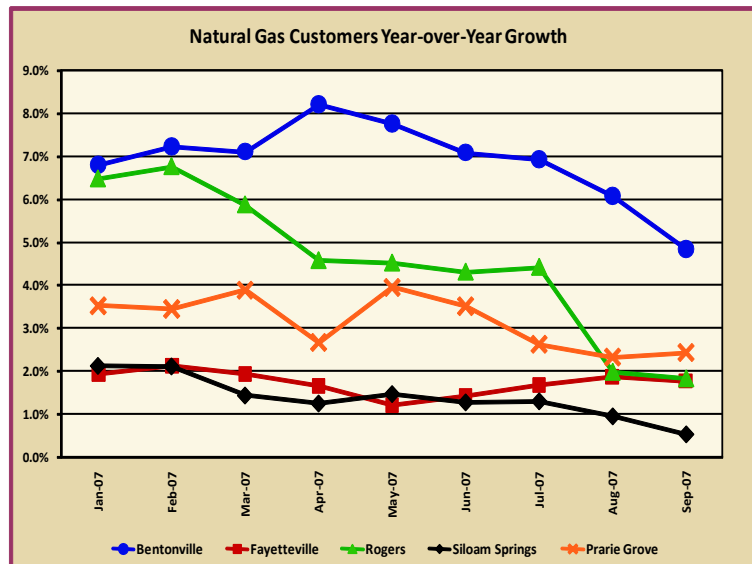
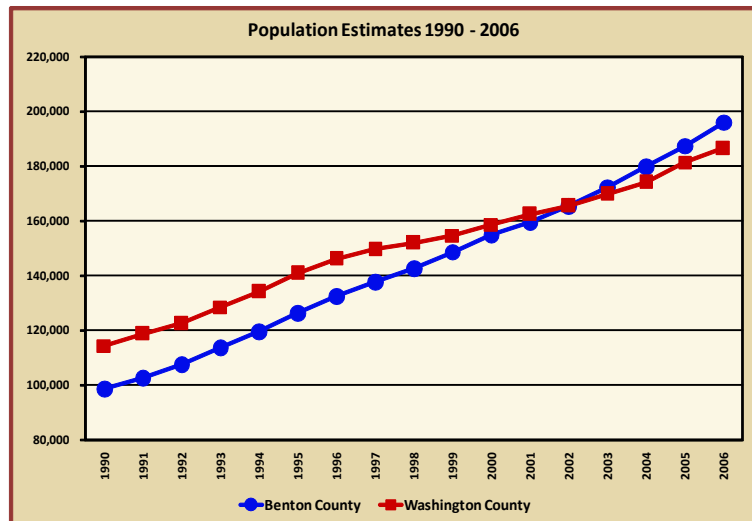
# Economic Overview

for all of 2006. The larger advance thus far this year was due to larger increases in the energy and food indexes. Despite registering declines in each of the last three months, the index for energy increased at a 12.7 percent SAAR through August 2007 (compare with a 2.9 percent rise of the overall energy index last year). The food index also increased much more so far this year compared with last year, a 5.6 percent SAAR compared with a 2.1 percent rise for all of 2006. The producer price index for materials and components for construction edged down at a 0.2 percent SAAR during the third quarter of 2007 after rising at a 4.5 percent SAAR during the second quarter.

The U.S. Census Bureau reports on new residential construction. Privately-owned housing units authorized by building permits in September were at a seasonally adjusted annual rate of 1,226,000. This is 7.3 percent below the revised August rate of 1,322,000 and is 25.9 percent below the revised September 2006 estimate of 1,654,000. The National Association of Realtors reports national existing home sales. The sales of existing homes dropped by 8.0 percent in September 2007, to a seasonally adjusted annual rate of 5,040,000, the lowest sales pace in almost five years. However, sales of new one-family houses in September rose about 4.8 percent to a 770,000 SAAR, according to the U.S. Census Bureau and the Department of Housing and Urban Development. The increase, though, happened after new homes sales reached an all-time low in August and still were 23.3 percent below the September 2006 estimate.

## Regional Employment Trends

Local demand for real estate is uniquely associated with employment growth in the region. The accompanying graph shows population growth in Benton and Washington Counties from 1990 to 2006. The following graph shows the growth rate in number of new residential gas hookups, in order to give



Source: Bureau of Labor Statistics





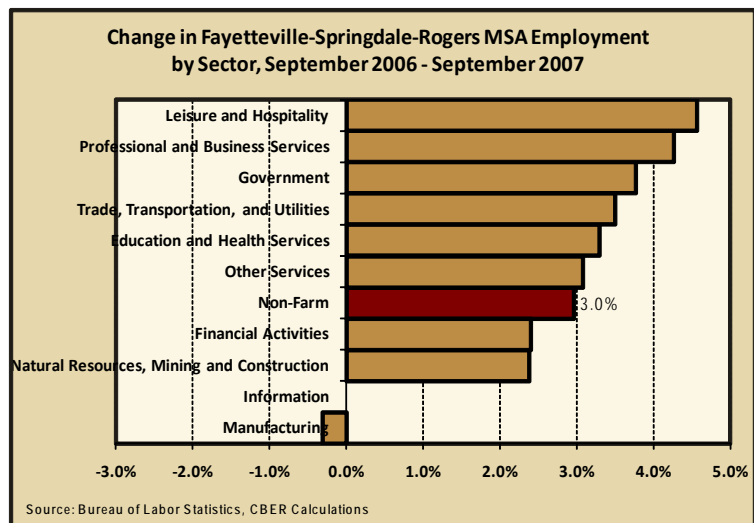
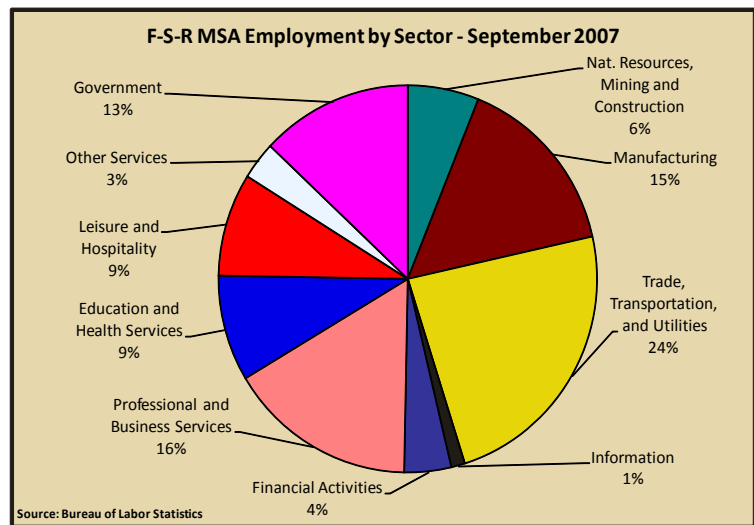
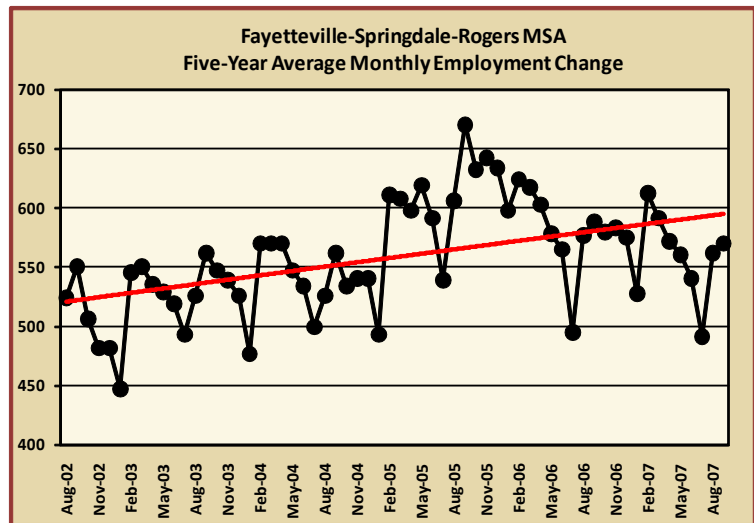
# Economic Overview

some indication of what population growth might look like in 2007. As the graph indicates, the rate of growth has been fairly steady in Bentonville and Prairie Grove, but has declined somewhat in Rogers, Fayetteville, and Siloam Springs.

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 the first three quarters of 2007, employment growth has been below its recent five-year trend. The accompanying figure shows that from January to September 2007, employment in the Fayetteville-Springdale-Rogers MSA increased at below trend levels.

The monthly employment change graph illustrates how average monthly employment, calculated over the previous five years, has varied. The graph clearly demonstrates a recent slowdown in the torrid pace of growth with late 2006 and 2007 levels looking more like 2004 than 2005. In September the five-year average monthly employment growth was 570 jobs per month. This is down from the recent high of 613 jobs per month in February 2007.

In order to delve more closely into the makeup of the job growth in Northwest Arkansas, two additional figures are provided. The first shows the September 2007 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, trade, transportation and utilities had the largest share of employment (24 percent) in Northwest Arkansas, followed by professional and business services (16 percent), manufacturing (15 percent), government (13 percent), education and health services (9 percent), and leisure and hospitality (9 percent). The second figure shows the annual percentage change in the MSA's employment by sector from September 2006 to September 2007. Total nonfarm employment increased by 3.0 percent during that time, so those sec-



# Regional Housing Market

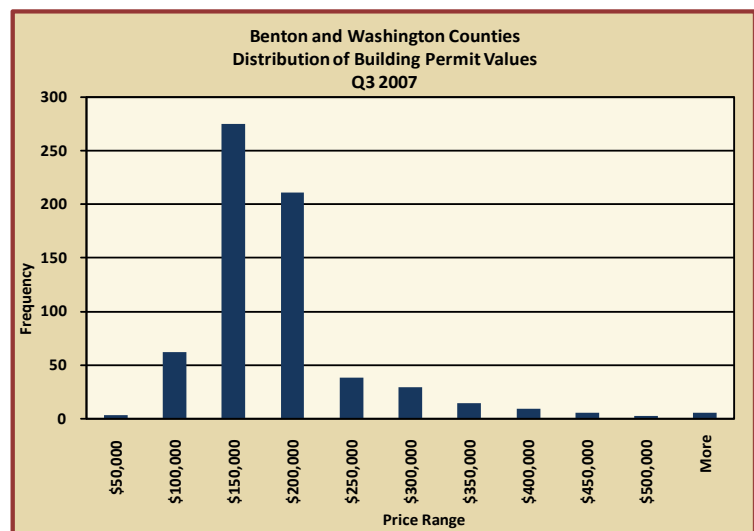
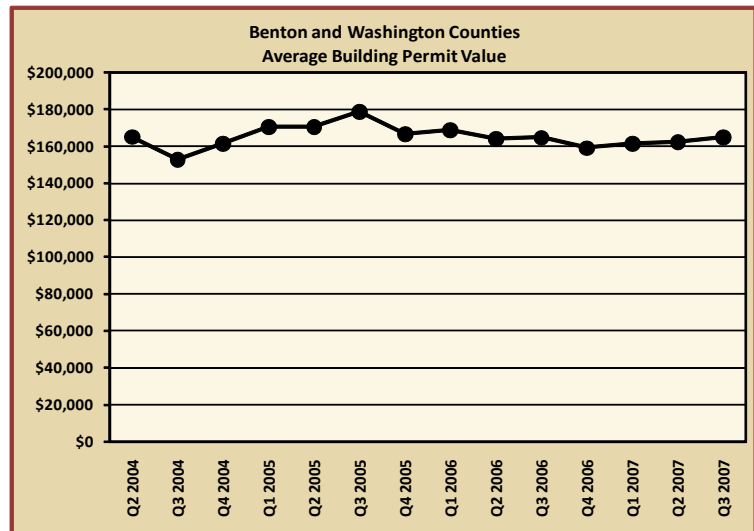
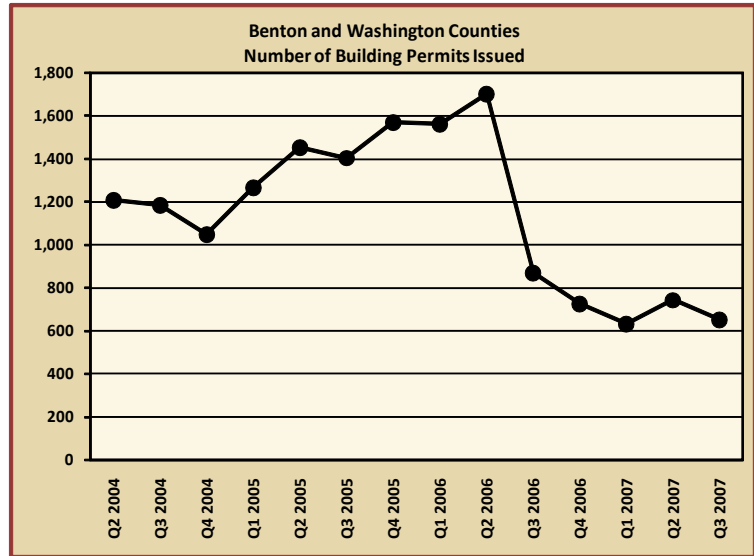
tors with larger employment growth rates are increased in relative impact and those sectors with smaller employment growth rates decreased in relative impact. The leisure and hospitality, professional and business services, government, trade, transportation, and utilities, and education and health services sectors had the largest percentage increases.

## Other Regional Economic Indicators

The Bureau of Labor Statistics has revised its unemployment numbers so that the most recent measurements are consistent with those of the past five years. In August 2007, the unemployment rate in Northwest Arkansas was a preliminary 3.8 percent, up barely from 3.5 percent in August of 2006. The August unemployment rate is down from its 2007 high of 4.3 percent in July. Northwest Arkansas continues to outperform the state and national economies, whose August unemployment rates were 5.3 and 4.6 percent respectively.

## Regional Housing Market Summary

There were 653 building permits issued in Benton and Washington Counties from June to August 2007. This number is 24.9 percent lower than the 870 building permits issued during the same period in 2006. Benton County accounted for 401 of the residential building permits, while Washington County accounted for 252. The average value of all building permits in Northwest Arkansas from June to August 2007 was \$164,877, up 0.1 percent from the June to August 2006 average value of \$164,736. The most active value range for building permits was the \$100,001-\$150,000 range with 275, but there were 211 building permits issued in the \$150,001 to \$200,000 range and 62 building permits issued in the \$50,001-\$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.



# Regional Housing Market

A total of 26,613 lots were in the 356 active subdivisions identified by CBER researchers in the third quarter of 2007. Of these lots, 12,422 were classified as empty, 150 were classified as starts, 1,046 were classified as being under construction, 2,276 were classified as complete, but unoccupied, and 10,719 were classified as occupied. During the third quarter of 2007, 1,042 houses in active subdivisions became occupied, down 10.6 percent from the 1,166 houses occupied in the second quarter of 2007, and up 10.4 percent from the 944 houses occupied in the third quarter of 2006. Absorption demonstrated a year-over-year increase for the fourth quarter in a row. Using the absorption rate from the past twelve months implied that there was a 38.3 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 larger 42.1 month supply. When the remaining third quarter inventory is examined on a county-by-county basis, Benton County had 37.4 months of remaining lot inventory (rather than 37.1 months in the second quarter) and Washington County had 50.8 months of remaining inventory (rather than 52.8 months) in active subdivisions. This is the third consecutive quarter that remaining months of inventory were larger in Washington County than in Benton County.

For the cities of Bentonville, Bethel Heights, Cave Springs, Centerton, Gentry, Pea Ridge, Rogers, Siloam Springs, Elkins, Elm Springs, Farmington, Fayetteville, Goshen, Greenland, Lincoln, Prairie Grove, Springdale, Tontitown, 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 2,757 lots in 38 subdivisions. In Centerton, there were 21 subdivisions planned with 2,534 lots. The Rogers planning commission had approved 41 subdivisions with 2,240 lots. There were 1,243 coming lots in 26 subdivisions in Si-

## Benton and Washington Counties Number and Average Value of Residential Building Permits Q3 2006 and Q3 2007

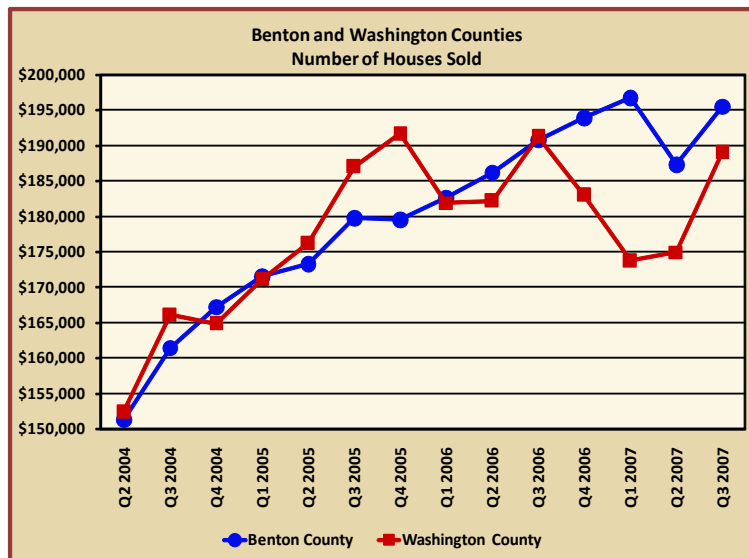
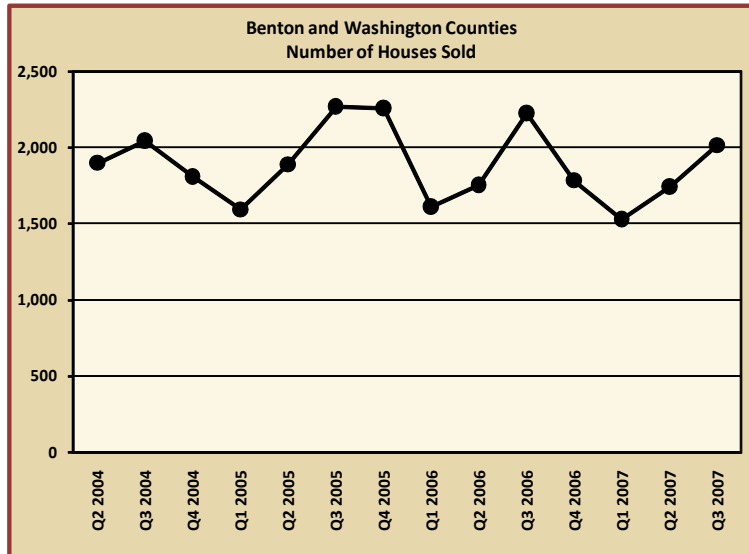
| City                      | Q3 2006<br>Number<br>of Building<br>Permits | Q3 2007<br>Number<br>of Building<br>Permits | Q3 2006<br>Average Value<br>of Building<br>Permits | Q3 2007<br>Average Value<br>of Building<br>Permits |
|---------------------------|---|---|--|--|
| Bella Vista               | 130   | 47  | \$168,184  | \$206,143  |
| Bentonville               | 144   | 118   | \$177,736  | \$176,138  |
| Bethel Heights            | 12  | 6   | \$105,404  | \$137,000  |
| Cave Springs              | 1   | 45  | \$500,000  | \$144,268  |
| Centerton                 | 80  | 28  | \$115,973  | \$134,998  |
| Decatur                   | 0   | 0   | --   | --   |
| Elkins                    | 2   | NA  | \$90,234   | NA   |
| Elm Springs               | 3   | 7   | \$203,333  | \$167,857  |
| Farmington                | 6   | 0   | \$124,833  | --   |
| Fayetteville              | 99  | 122   | \$184,990  | \$164,455  |
| Gentry                    | 0   | 6   | --   | \$105,500  |
| Goshen                    | 0   | 3   | --   | \$268,763  |
| Gravette                  | 0   | 0   | --   | --   |
| Greenland                 | 0   | 2   | --   | \$160,000  |
| Johnson                   | 11  | 5   | \$385,146  | \$442,041  |
| Lincoln                   | 9   | 2   | \$113,866  | \$108,323  |
| Little Flock              | 0   | 2   | --   | \$190,000  |
| Lowell                    | 14  | 5   | \$232,632  | \$162,656  |
| Pea Ridge                 | 50  | 18  | \$97,507   | \$99,851   |
| Prairie Grove             | 21  | 11  | \$125,048  | \$78,909   |
| Rogers                    | 71  | 102   | \$162,734  | \$143,923  |
| Siloam Springs            | 8   | 24  | \$151,750  | \$133,723  |
| Springdale                | 196   | 95  | \$169,826  | \$188,635  |
| Tontitown                 | 9   | 1   | \$273,654  | \$574,848  |
| West Fork                 | 4   | 4   | \$107,500  | \$107,500  |
| <b>Northwest Arkansas</b> | <b>870</b>                                  | <b>653</b>                                  | <b>\$164,736</b>                                   | <b>\$164,877</b>                                   |



# Regional Housing Market

loam Springs, Bethel Heights, Cave Springs, Gentry, and Pea Ridge had approved an additional 1,610 lots in 19 subdivisions. Fayetteville and Springdale had in their pipelines 3,160 lots in 58 subdivisions and 3,718 lots in 56 subdivisions, respectively. Elkins, Elm Springs, Farmington, Goshen, Greenland, Lincoln, Prairie Grove, Tontitown and West Fork accounted for an additional 1,361 approved lots in 15 subdivisions. Totaling up these numbers, accounts for 18,623 approved lots within the two counties. If this lot inventory is added to the remaining lots in active subdivisions, then there are 91.1 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, 2007 to August 15, 2007, there were 2,015 existing houses sold in Benton and Washington Counties. This is a decrease of 9.4 percent from the total houses sold during the same time period in 2006. In the third quarter of 2007 in Northwest Arkansas, the average sales price, in both absolute and per square foot terms, of existing houses continued to move in mixed directions. In Benton County, absolute prices rose 2.5 percent during the year to an average of \$195,500. In Washington County sold house absolute prices fell 1.2 percent to an average of \$189,018. In per square foot terms, average Benton County prices fell 1.5 percent to \$95.73 and average Washington County prices fell 2.4 percent to \$101.13 from the third quarter of 2006 to the third quarter of 2007.





# Benton County

## Building Permits

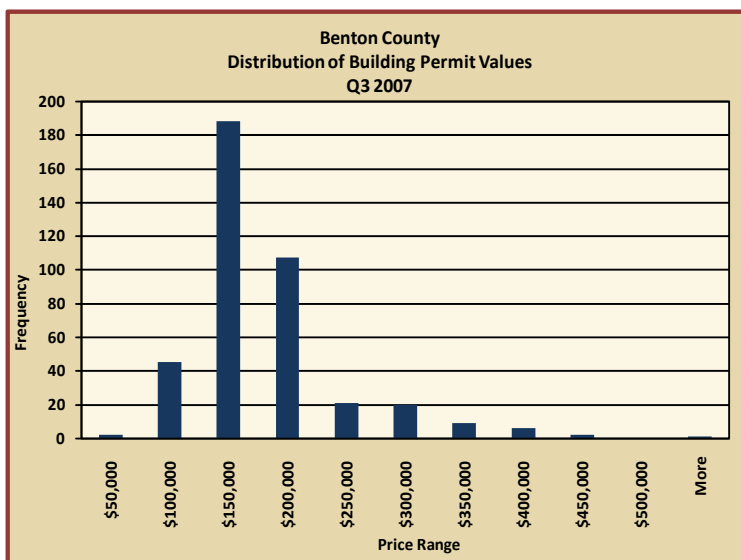
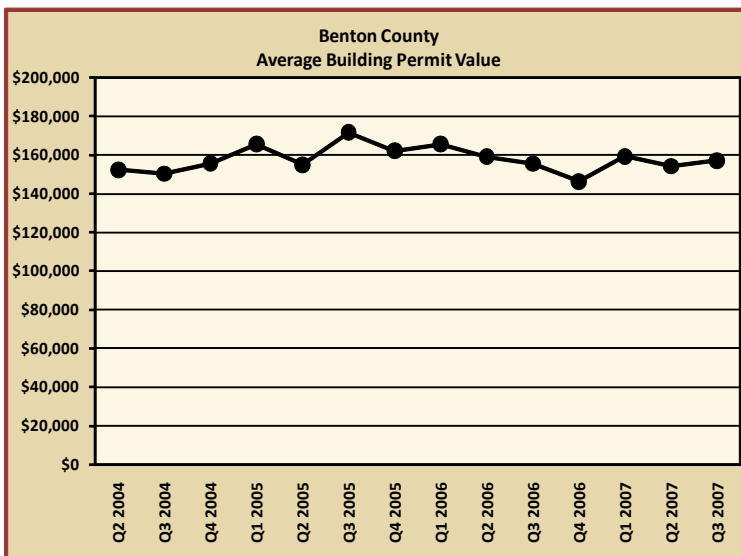
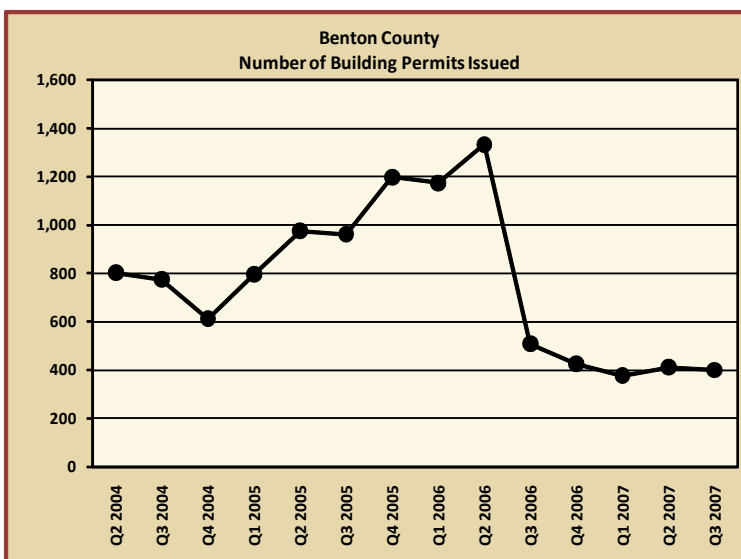
From June to August 2007, there were 401 residential building permits issued in Benton County. The third quarter 2007 total was 21.4 percent lower than the third quarter 2006 total of 510 residential building permits. The average value of the building permits in Benton County from June to August 2007 was \$157,307, an increase of 1.0 percent from the average value of \$155,688 during the same time period in 2006. About 73.6 percent of the third quarter building permits were valued between \$100,001 and \$200,000, with 14.7 percent higher than \$200,000 and 11.7 percent lower than \$100,000. In Benton County, the dominant building permit value points were between \$100,000 and \$150,000.

Bentonville accounted for 29.4 percent of the residential building permits in Benton County. Rogers, Bella Vista, and Cave Springs comprised 25.4, 11.7, and 11.2 percent of the Benton County residential building permits, respectively. The remaining 22.2 percent were from the other small cities in the county.

From the third quarter of 2006 to the third quarter of 2007, fewer building permits were issued in Bella Vista, Bentonville, Bethel Heights, Centerton, Lowell, and Pea Ridge in Benton County. The number of permits in Decatur and Gravette were flat (with zero permits). The rest of the cities in Benton County experienced increase in building permits.

## Subdivisions

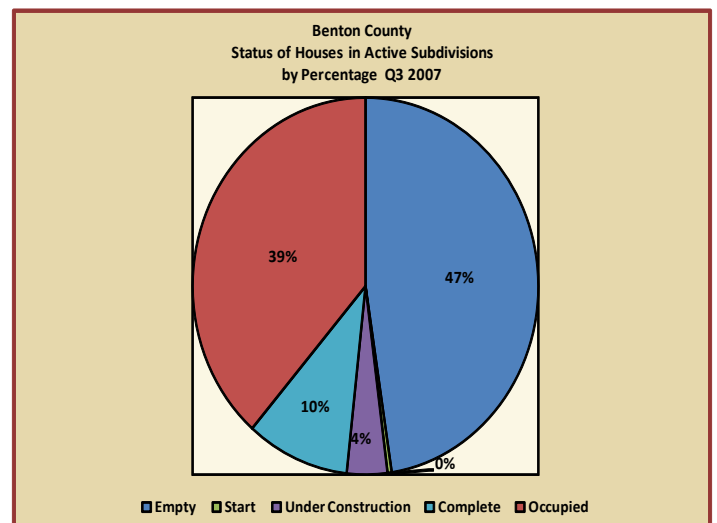
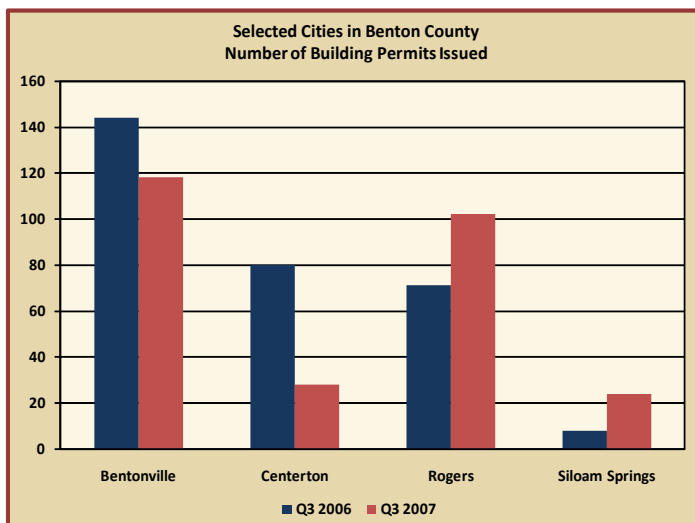
There were 16,332 lots in the 203 active subdivisions in Benton County in the third quarter of 2007. Within the active subdivisions, 47.6 percent of the lots were empty, 0.4 percent was starts, 3.8 percent were under construction, 9.6 percent were complete, but unoccupied houses, and 38.6 percent were occupied houses. In the third quarter of 2007, Bentonville had the most empty lots. Rogers had the most starts, lots under construction,



# Benton County

## Benton County Residential Building Permit Values by City June - August 2007

| 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 2007 Total | Q3 2006 Total |
|----------------------|----------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------|---------------|---------------|
| Bella Vista          | 0              | 1                    | 18                    | 13                    | 5                     | 4                     | 3                     | 2                     | 0                     | 0                     | 1          | 47            | 130           |
| Bentonville          | 0              | 1                    | 34                    | 61                    | 10                    | 5                     | 4                     | 2                     | 1                     | 0                     | 0          | 118           | 144           |
| Bethel Heights       | 0              | 2                    | 0                     | 4                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 6             | 12            |
| Cave Springs         | 0              | 1                    | 37                    | 5                     | 0                     | 1                     | 0                     | 0                     | 1                     | 0                     | 0          | 45            | 1             |
| Centerton            | 0              | 4                    | 19                    | 2                     | 0                     | 2                     | 1                     | 0                     | 0                     | 0                     | 0          | 28            | 80            |
| Decatur              | 0              | 0                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 0             | 0             |
| Gentry               | 0              | 3                    | 3                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 6             | 0             |
| Gravette             | 0              | 0                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 0             | 0             |
| Little Flock         | 0              | 0                    | 1                     | 0                     | 0                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0          | 2             | 0             |
| Lowell               | 0              | 0                    | 4                     | 0                     | 0                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0          | 5             | 14            |
| Pea Ridge            | 0              | 10                   | 7                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 18            | 50            |
| Rogers               | 2              | 21                   | 45                    | 20                    | 5                     | 6                     | 1                     | 2                     | 0                     | 0                     | 0          | 102           | 71            |
| Siloam Springs       | 0              | 2                    | 20                    | 1                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 24            | 8             |
| <b>Benton County</b> | <b>2</b>       | <b>45</b>            | <b>188</b>            | <b>107</b>            | <b>21</b>             | <b>20</b>             | <b>9</b>              | <b>6</b>              | <b>2</b>              | <b>0</b>              | <b>1</b>   | <b>401</b>    | <b>510</b>    |



# Benton County

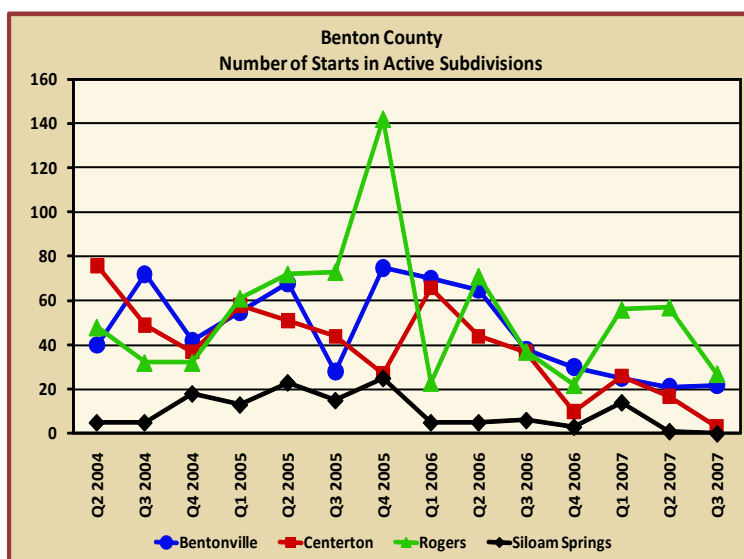
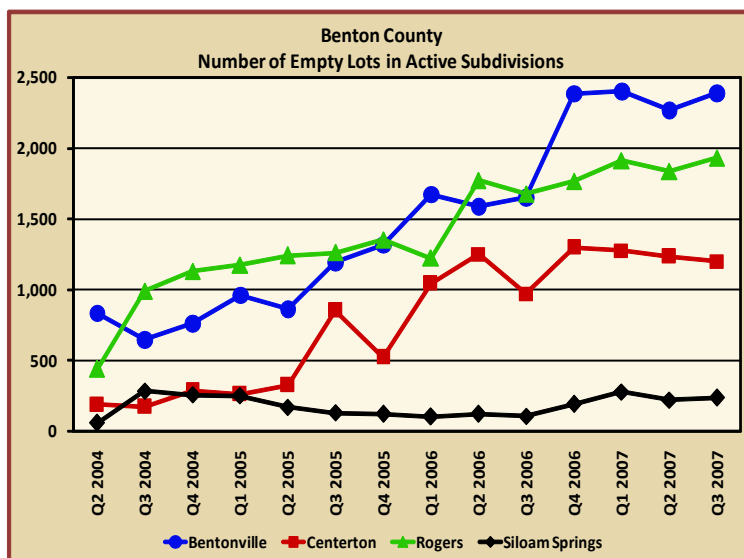
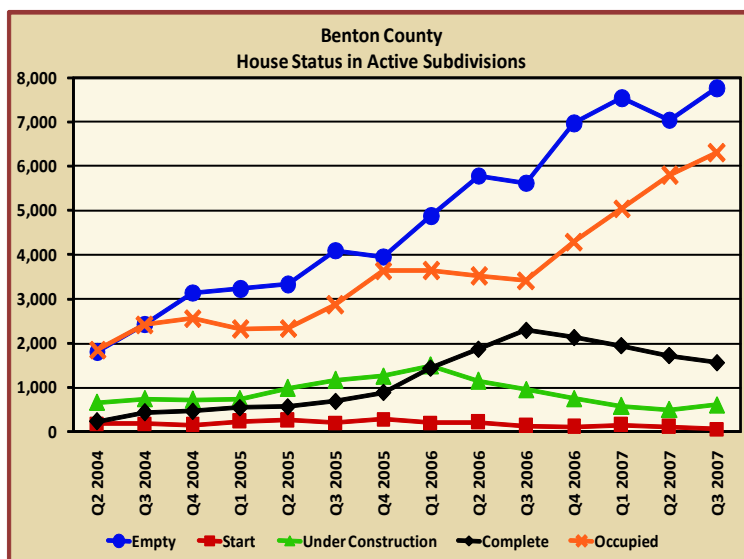
complete but unoccupied lots, and occupied lots within active subdivisions. During the third quarter of 2007, the most active subdivisions in terms of houses under construction were: The Plantation in Rogers, Riverwalk Farm Estates in Bentonville, and Quail Ridge in Centerton. The Plantation subdivision was among the most active in the second quarter of 2007 as well.

From the second quarter of 2007 to the third quarter of 2007, 731 houses in active subdivisions became occupied in Benton County. This was a decline from the second quarter total of 741. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Benton County had 37.4 months of lot inventory at the end of the third quarter. This is up slightly from 37.1 months of inventory at the end of the second quarter.

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 2007, there were 10,384 lots in 145 subdivisions in Benton County that had received approval. Bentonville accounted for 26.6 percent of the coming lots, Centerton accounted for 24.4 percent of the coming lots, and Rogers accounted for 21.6 percent of the coming lots.

## Sales of Existing Houses

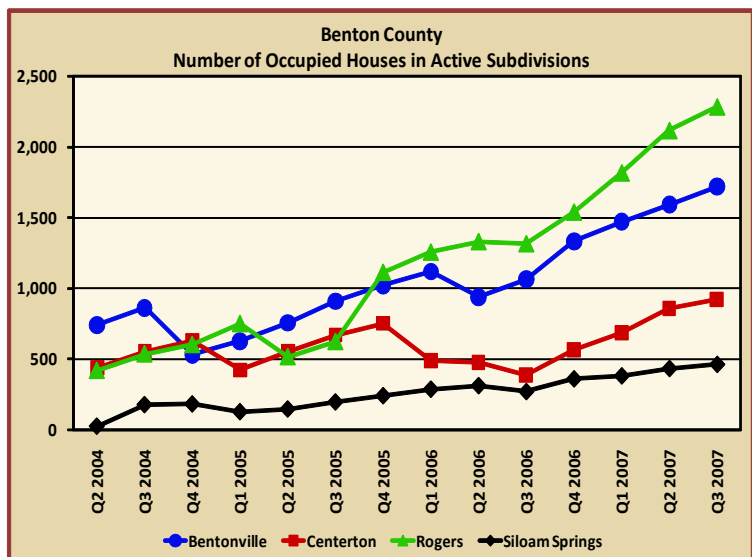
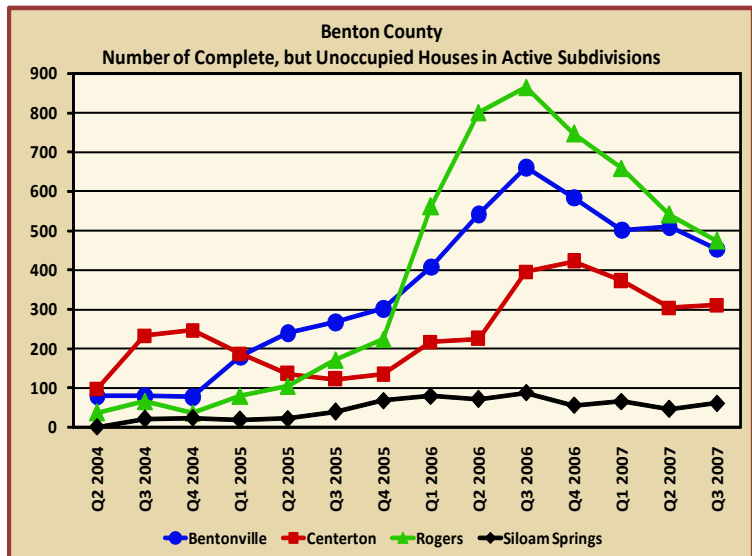
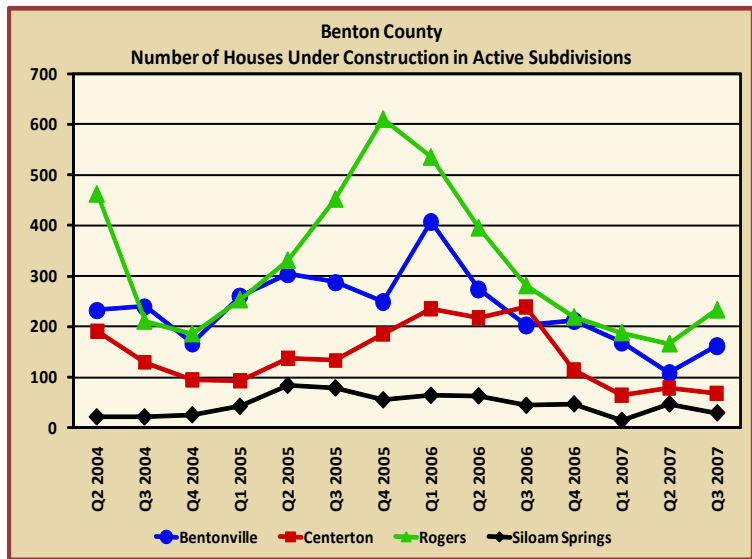
Examining the sales of existing houses in the third quarter of 2007 yields the following results. A total of 1,163 existing houses were sold from May 16, 2007 to August 15, 2007 in Benton County. This represents a decline of 16.5 percent from the same time period in 2006 and a decline of 16.8 percent from the same time period in 2005. Almost 30 percent of the houses were sold in Rogers, about 24 percent in Bella Vista, 20 percent in Bentonville, and 6 percent in Siloam Springs.



# Benton County

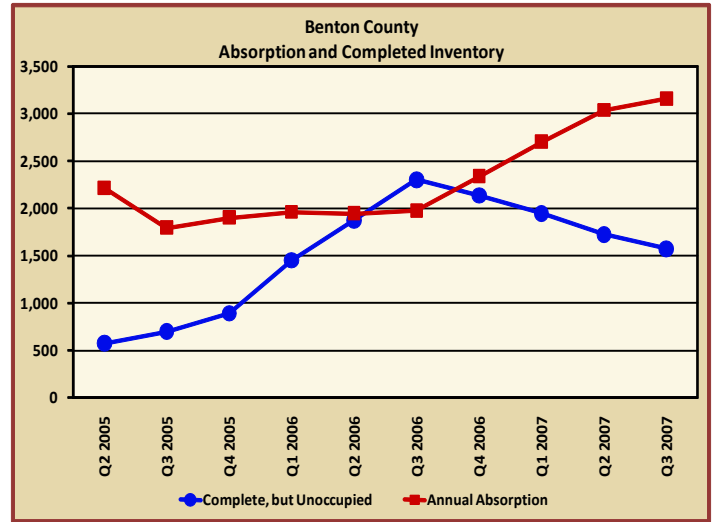
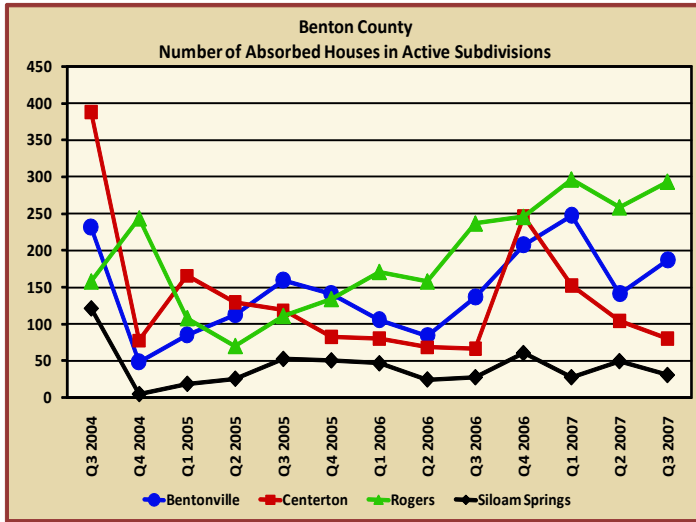
price per square foot was \$95.73. For the third quarter of 2007, the average amount of time between the initial listing of a house and the sale date was 155 days. The average sales price increased by 0.8 percent, the average price per square foot decreased by 4.9 percent, and the average duration on the market increased by 29.4 percent from the same time period in 2006.

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

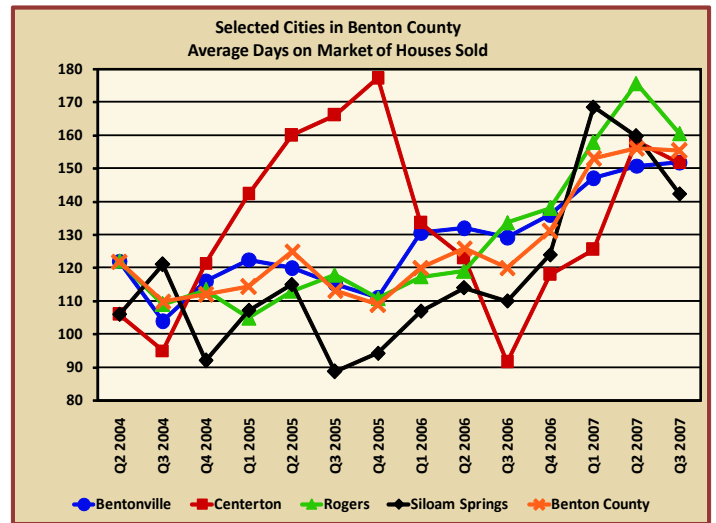
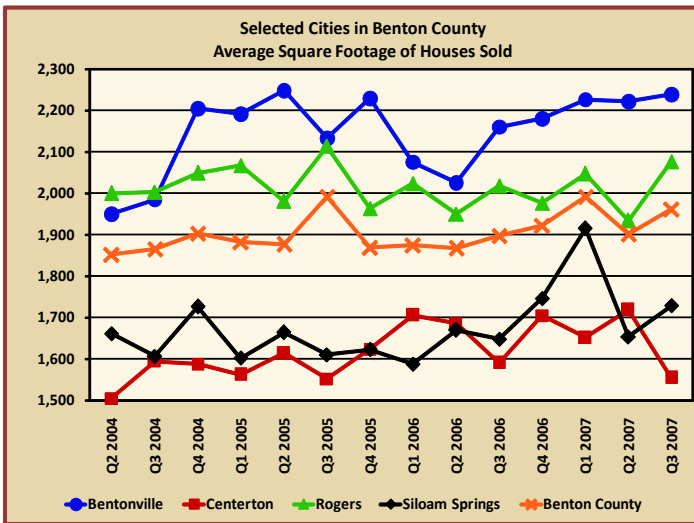
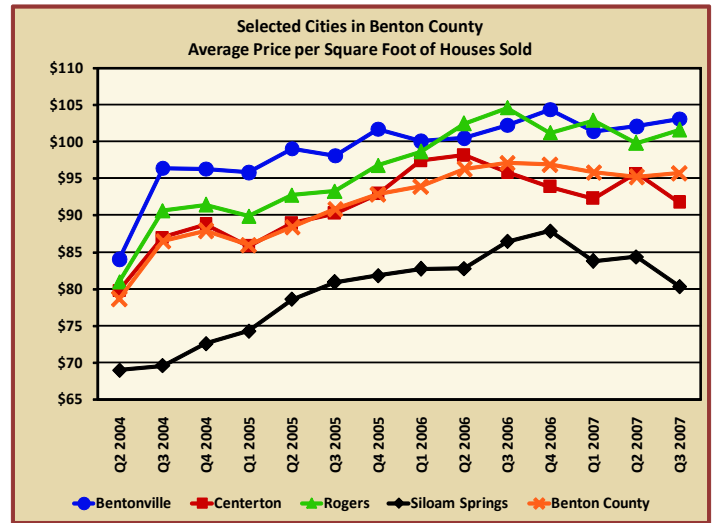
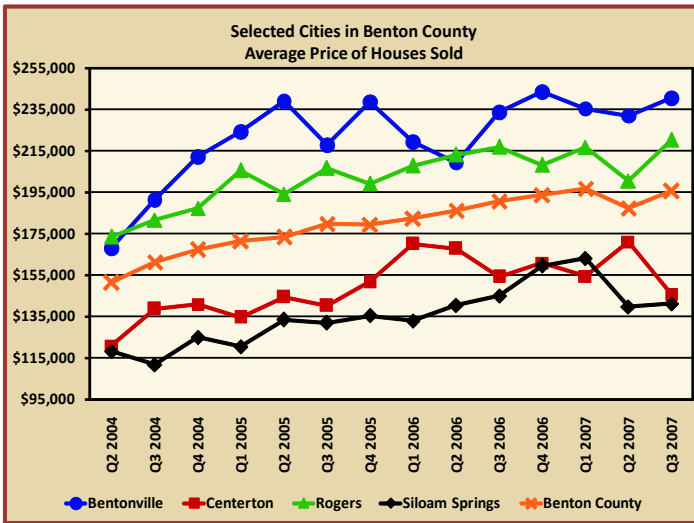
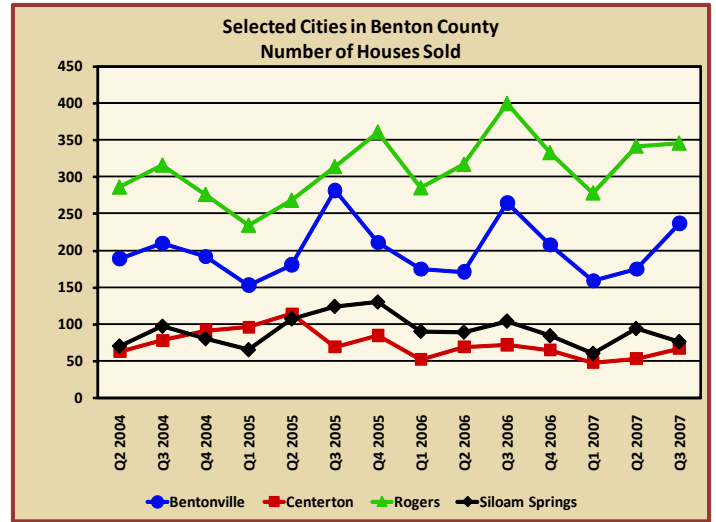
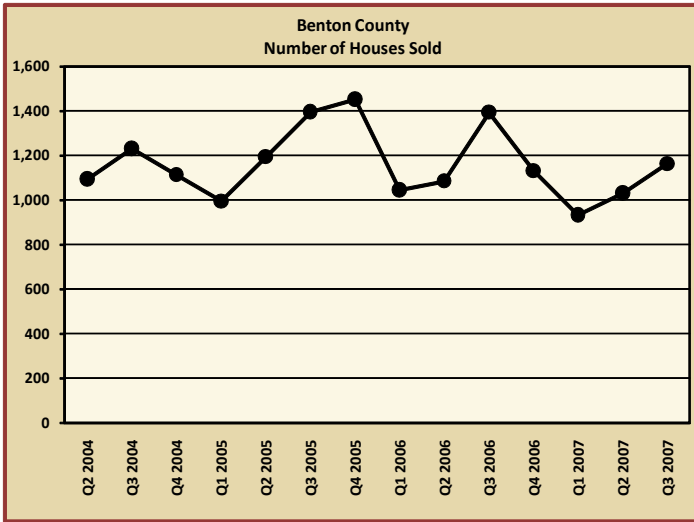




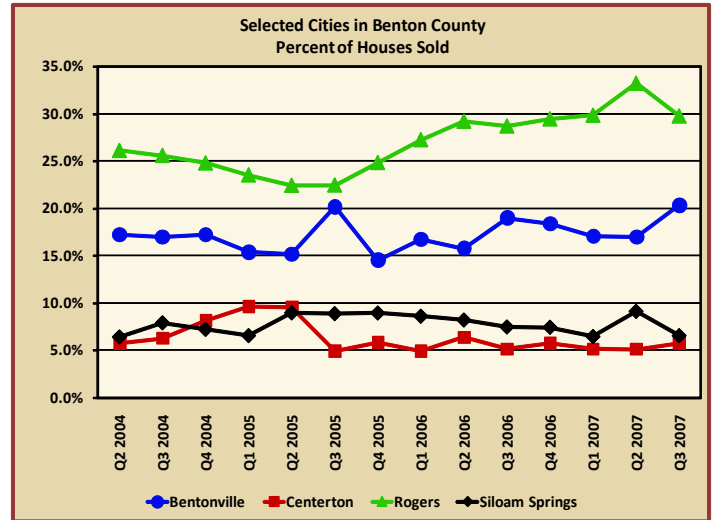
# Benton County



# Benton County



# Benton County



## Benton County Sold House Characteristics by City May 16, 2007 - August 15, 2007



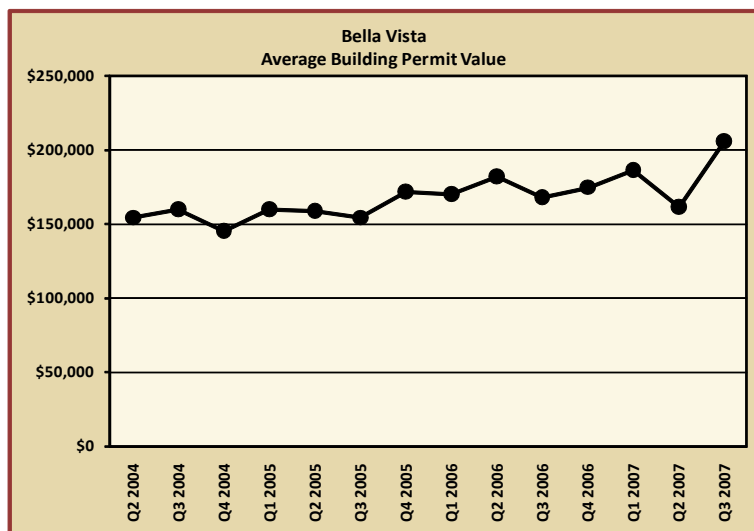
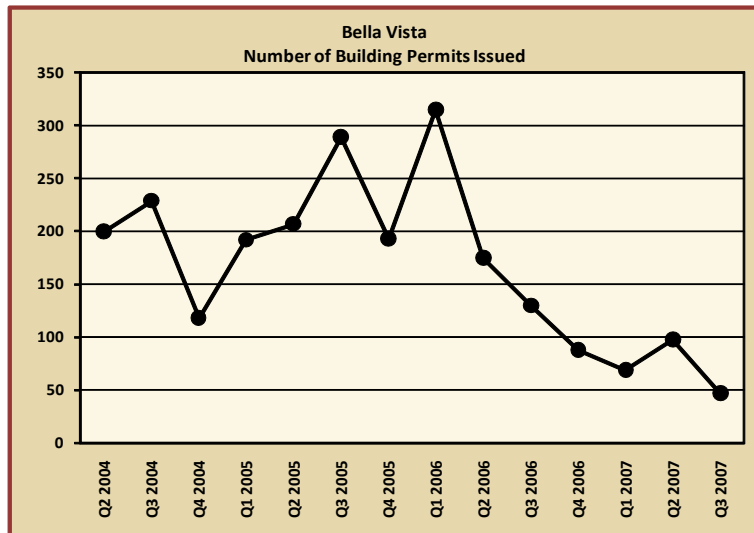
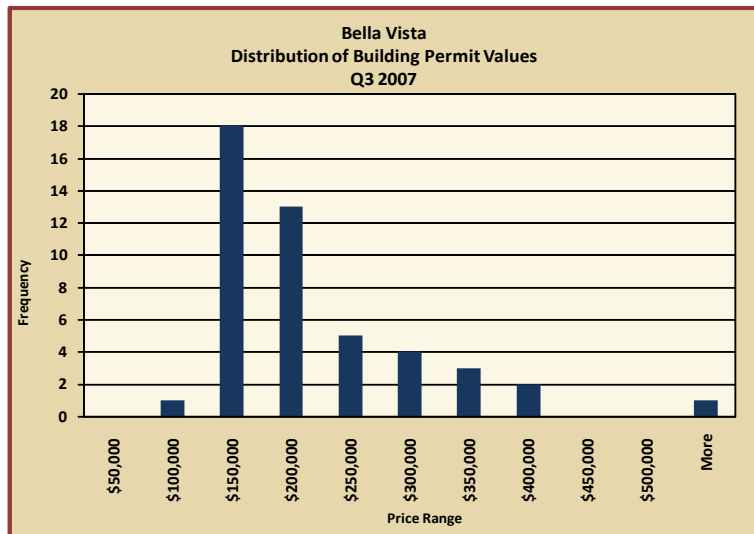
| City                 | Average Price    |                 | Average Days on Market | Number of Houses Sold | Percentage of County Sales |
|----------------------|------------------|-----------------|------------------------|-----------------------|----------------------------|
|                      | Average Price    | Per Square Foot |                        |                       |                            |
| Avoca                | --               | --              | --                     | 0                     | 0.0%                       |
| Bella Vista          | \$174,590        | \$89.78         | 149                    | 282                   | 24.2%                      |
| Bentonville          | \$240,587        | \$103.10        | 152                    | 237                   | 20.4%                      |
| Bethel Heights       | \$206,267        | \$109.02        | 336                    | 6                     | 0.5%                       |
| Cave Springs         | \$269,620        | \$102.17        | 97                     | 5                     | 0.4%                       |
| Centerton            | \$145,842        | \$91.75         | 152                    | 67                    | 5.8%                       |
| Decatur              | \$73,975         | \$59.58         | 198                    | 4                     | 0.3%                       |
| Garfield             | \$189,733        | \$108.80        | 201                    | 10                    | 0.9%                       |
| Gateway              | --               | --              | --                     | 0                     | 0.0%                       |
| Gentry               | \$134,804        | \$83.70         | 197                    | 28                    | 2.4%                       |
| Gravette             | \$141,352        | \$77.03         | 145                    | 17                    | 1.5%                       |
| Highfill             | --               | --              | --                     | 0                     | 0.0%                       |
| Hiwasse              | \$115,733        | \$86.64         | 206                    | 3                     | 0.0%                       |
| Little Flock         | --               | --              | --                     | 0                     | 0.0%                       |
| Lowell               | \$185,364        | \$101.87        | 134                    | 37                    | 3.2%                       |
| Pea Ridge            | \$131,121        | \$88.38         | 176                    | 40                    | 3.4%                       |
| Rogers               | \$220,161        | \$101.59        | 161                    | 346                   | 29.8%                      |
| Siloam Springs       | \$141,145        | \$80.34         | 142                    | 76                    | 6.5%                       |
| Springdale           | \$238,375        | \$103.90        | 48                     | 4                     | 0.3%                       |
| Sulphur Springs      | \$78,500         | \$55.40         | 134                    | 1                     | 0.0%                       |
| <b>Benton County</b> | <b>\$195,500</b> | <b>\$95.73</b>  | <b>155</b>             | <b>1,163</b>          | <b>100.0%</b>              |



# Bella Vista



- From June to August 2007, there were 47 residential building permits issued in Bella Vista. This represents a 63.8 percent decline from the third quarter of 2006.
- The average residential building permit value in Bella Vista increased by 22.6 percent from the third quarter of 2006 to \$206,143 in the third quarter of 2007.
- The major price point for Bella Vista building permits was the \$100,001 to \$150,000 range.
- Unlike the other cities in Northwest Arkansas, all of Bella Vista has been platted and subdivided. There are 38,000 total lots in Bella Vista, not all of which are buildable.
- About 4,000 of the lots in Bella Vista are owned by various developers. Of these, about 3,000 lots are owned by a single California-based company, which is reportedly in arrears on its POA assessments.
- Between 3,800 and 5,700 lots could be considered to be active in the third quarter in Bella Vista.
- In Bella Vista, the average number of days from the initial house listing to the sale increased from 136 days in the second quarter of 2007 to 149 days in the third quarter of 2007.
- There were 282 existing houses sold in Bella Vista from May 16, 2007 to August 15, 2007, or 19.5 percent more than in the previous quarter, but 18.5 percent fewer than in the same period last year.
- The average price of a house sold in Bella Vista increased from to \$165,810 in

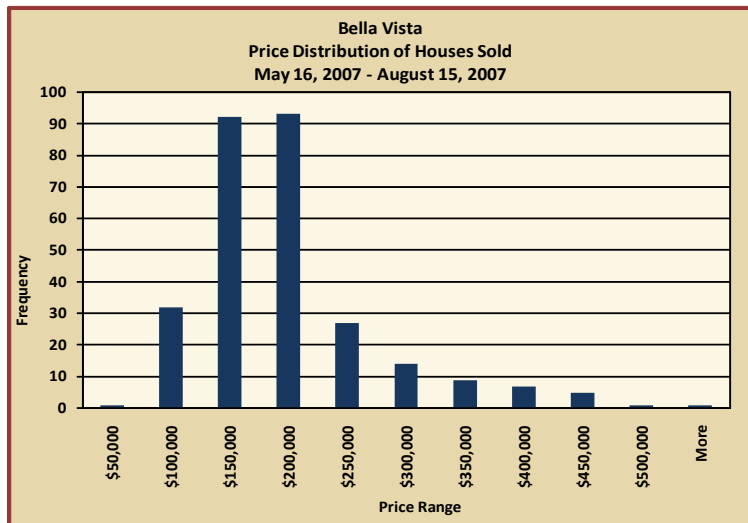




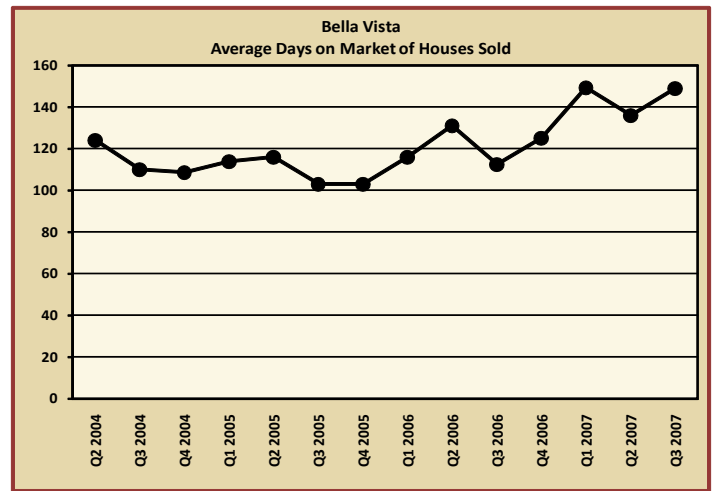
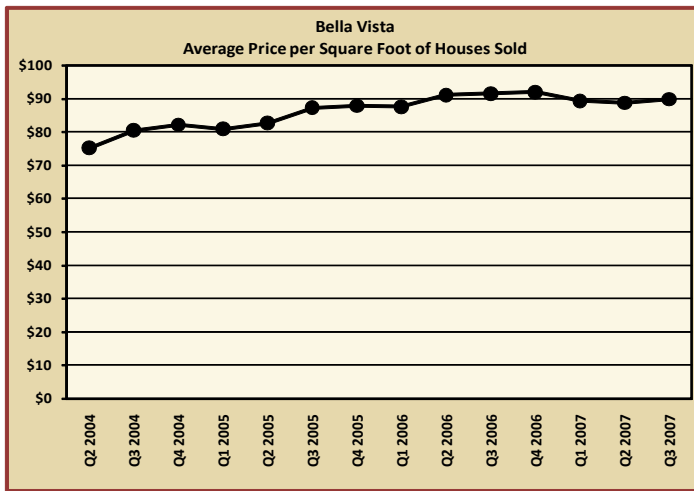
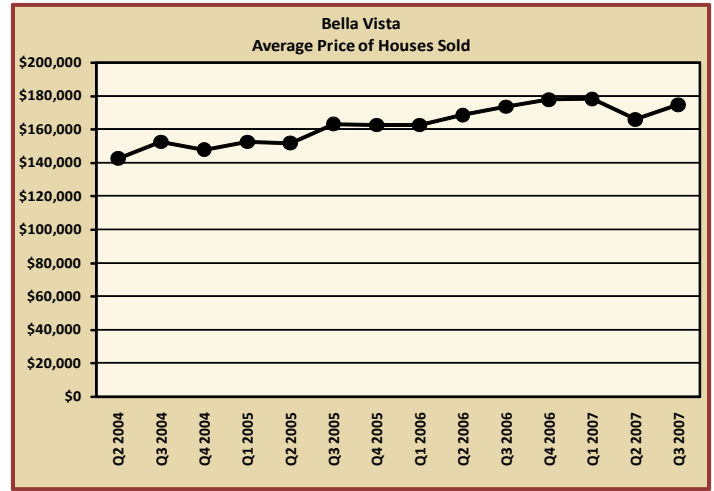
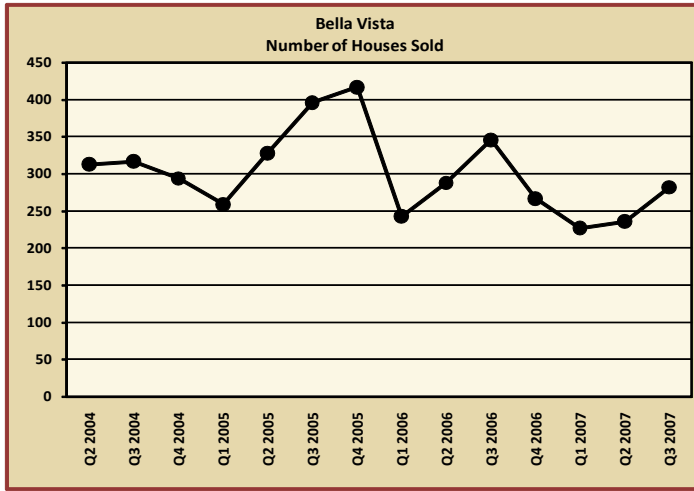
# Bella Vista

the second quarter of 2007 to \$174,590 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 5.3 percent higher than in the previous quarter and 0.6 percent higher than in the same period last year.

- About 24.2 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Bella Vista. The average sales price of a house in Bella Vista was only about 89.3 percent of the county average.
- 65.6 percent of the sold houses in Bella Vista were in the \$100,001 to \$200,000 range.



# Bella Vista



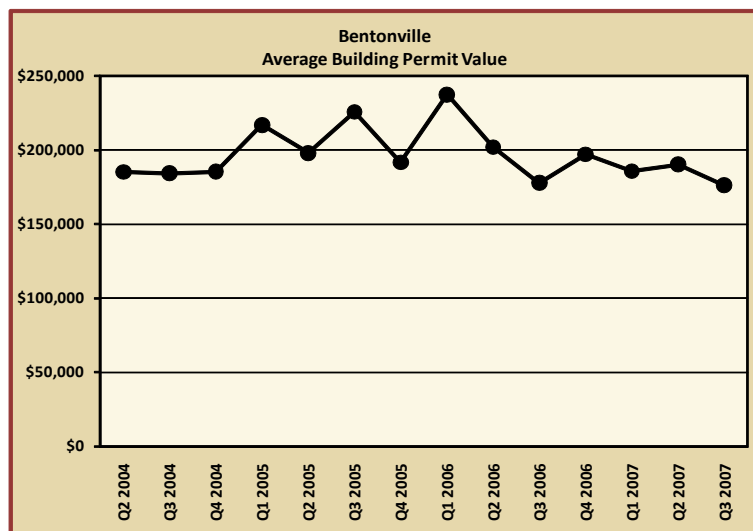
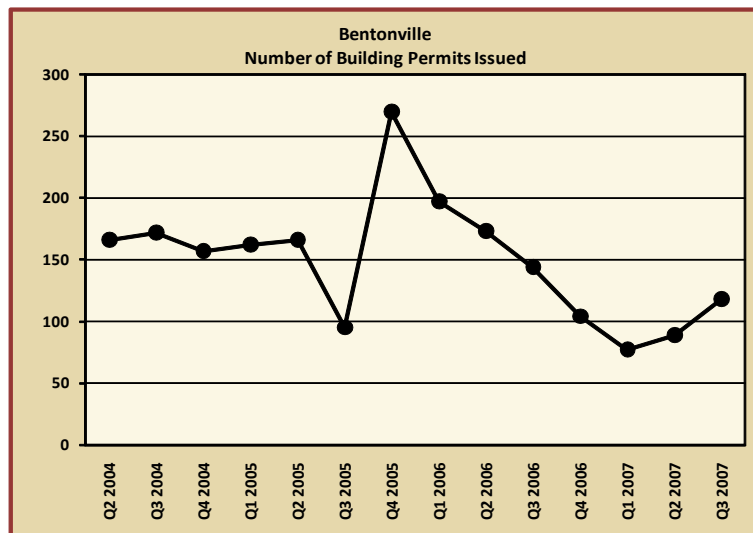
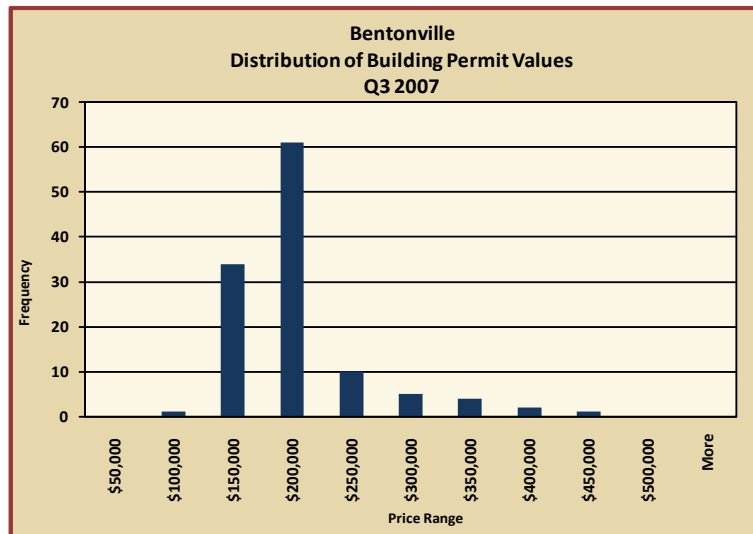
## Bella Vista Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 0.4%                      | 576                    | 181                    | 84.0%  | \$36.46                       |
| \$50,001 - \$100,000  | 32          | 11.3%                     | 1,194                  | 99                     | 97.0%  | \$71.72                       |
| \$100,001 - \$150,000 | 92          | 32.6%                     | 1,548                  | 120                    | 95.9%  | \$84.12                       |
| \$150,001 - \$200,000 | 93          | 33.0%                     | 1,883                  | 168                    | 97.0%  | \$92.98                       |
| \$200,001 - \$250,000 | 27          | 9.6%                      | 2,448                  | 188                    | 96.9%  | \$93.63                       |
| \$250,001 - \$300,000 | 14          | 5.0%                      | 2,970                  | 179                    | 96.1%  | \$99.59                       |
| \$300,001 - \$350,000 | 9           | 3.2%                      | 2,947                  | 129                    | 97.1%  | \$114.43                      |
| \$350,001 - \$400,000 | 7           | 2.5%                      | 3,543                  | 201                    | 95.7%  | \$109.94                      |
| \$400,001 - \$450,000 | 5           | 1.8%                      | 3,489                  | 287                    | 94.9%  | \$122.45                      |
| \$450,001 - \$500,000 | 1           | 0.4%                      | 3,354                  | 194                    | 93.2%  | \$138.64                      |
| \$500,000+            | 1           | 0.4%                      | 3,997                  | 130                    | 96.5%  | \$129.18                      |
| <b>Bella Vista</b>    | <b>282</b>  | <b>100.0%</b>             | <b>1,915</b>           | <b>149</b>             | <b>96.5%</b>                                     | <b>\$89.78</b>                |



# Bentonville

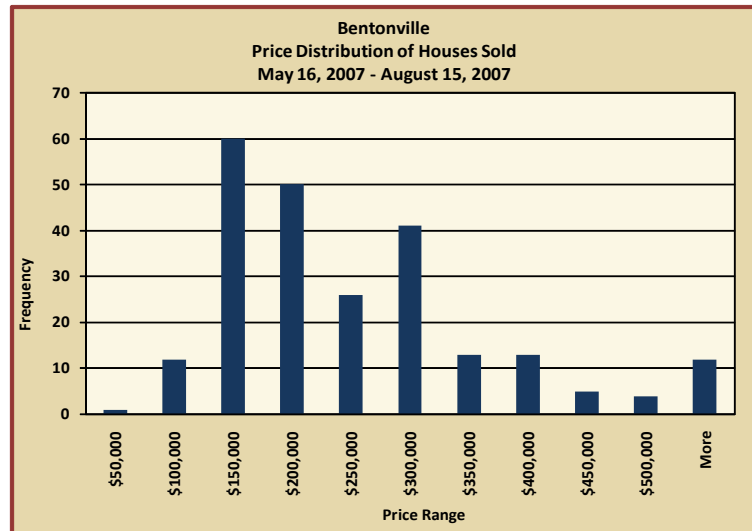
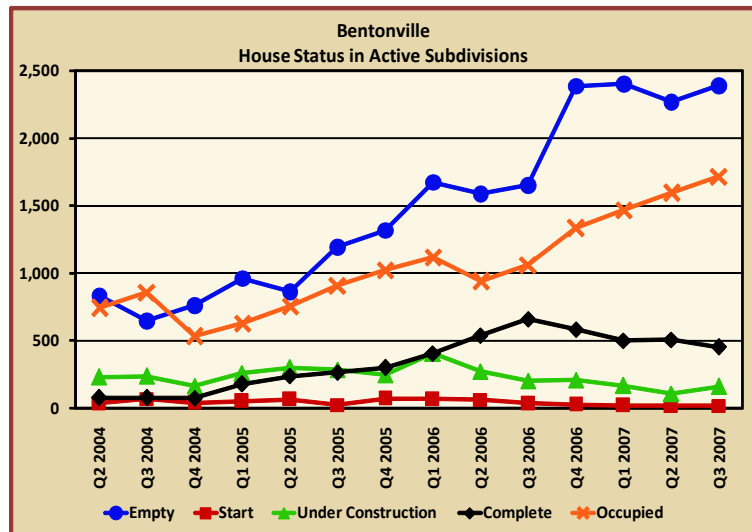
- From June to August 2007, there were 118 residential building permits issued in Bentonville. This represents an 18.1 percent decline from the third quarter of 2006.
- The average residential building permit value in Bentonville decreased by 0.9 percent from the third quarter of 2006 to \$176,138 in the third quarter of 2007.
- The largest price point for Bentonville building permits was the \$150,001 to \$200,000 range.
- There were 4,750 total lots in active subdivisions in Bentonville in the third quarter of 2007. About 36.2 percent of the lots were occupied, 9.6 percent were complete, but unoccupied, 3.4 percent were under construction, 0.5 percent were starts, and 50.3 percent were vacant lots.
- 187 new houses in Bentonville became occupied in the third quarter of 2007. The annual absorption rate implies that there were 51.4 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Bentonville in the third quarter were Riverwalk Farm Estates with 26 and Stone Meadow with 14.
- An additional 2,757 lots in 38 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Bentonville.
- There were 237 existing houses sold in Bentonville from May 16, 2007 to August 15, 2007, or 35.4 percent more than in the previous quarter and 10.6 percent less than in the same period last year.
- The average price of a house sold in Bentonville increased from \$232,000 in the second quarter of 2007 to \$240,587 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 3.7 percent higher than in the previous quarter and 2.9 percent higher than in the same period last year.
- In Bentonville, the average number of days from the initial house listing to



# Bentonville

the sale increased from 151 days in the second quarter of 2007 to 152 days in the third quarter of 2007.

- About 20.4 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Bentonville. The average sales price of a house in Bentonville was about 123.1 percent of the county average.
- 57.4 percent of the sold houses in Bentonville were between \$100,001 and \$250,000.



## Bentonville House Status in Active Subdivisions Q3 2007

| Subdivision                     | Empty Lots | Start | Under Construction | Complete, but Unoccupied | Occupied | Total Lots | Absorbed Lots | Months of Inventory |
|---------------------------------|------------|-------|--------------------|--------------------------|----------|------------|---------------|---------------------|
| Allencroft                      | 20         | 0     | 0                  | 9                        | 88       | 117        | 6             | 87.0                |
| Avignon                         | 10         | 0     | 2                  | 1                        | 25       | 38         | 1             | 156.0               |
| The Bluffs                      | 16         | 0     | 0                  | 2                        | 3        | 21         | 2             | 108.0               |
| Briarwood                       | 10         | 0     | 0                  | 0                        | 21       | 31         | 0             | 40.0                |
| Brighton Heights                | 43         | 0     | 2                  | 10                       | 32       | 87         | 1             | 38.8                |
| Chapel Hill                     | 77         | 0     | 2                  | 10                       | 37       | 126        | 7             | 62.8                |
| Chardonnay                      | 15         | 0     | 0                  | 0                        | 37       | 52         | 7             | 22.5                |
| College Place, Phases VII, VIII | 63         | 0     | 0                  | 7                        | 49       | 119        | 1             | 105.0               |
| Cornerstone Ridge, Phase I      | 84         | 0     | 3                  | 15                       | 23       | 125        | 4             | 53.2                |
| Courtyard                       | 0          | 0     | 0                  | 1                        | 19       | 20         | 1             | 2.4                 |
| Creekstone, Phase II            | 29         | 0     | 0                  | 0                        | 3        | 32         | 0             | 116.0               |





# Bentonville

## Bentonville House Status in Active Subdivisions Q3 2007

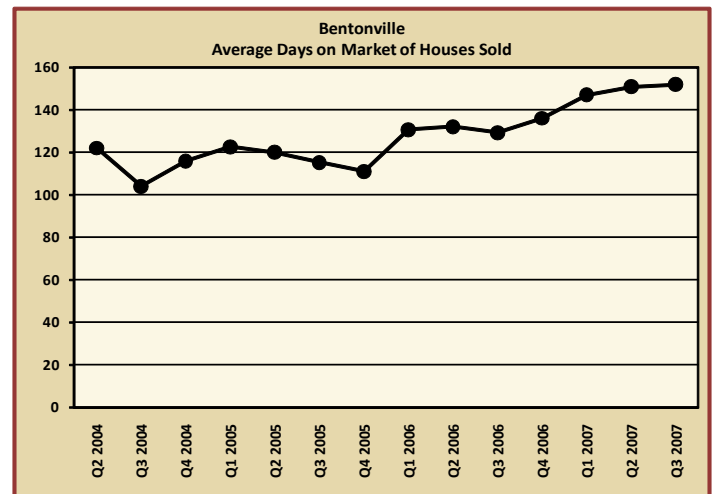
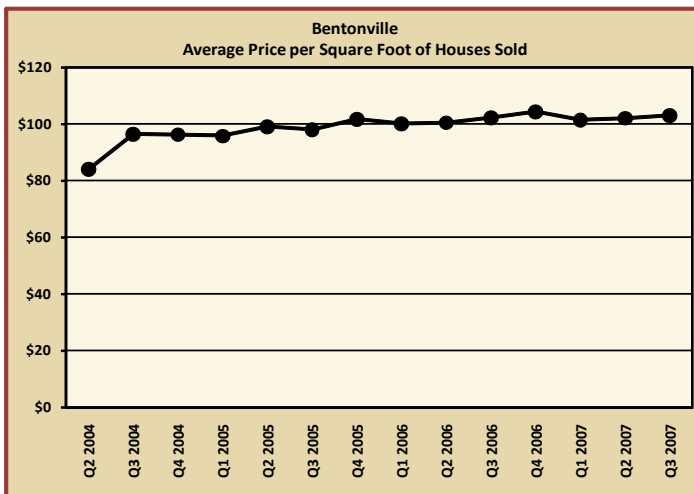
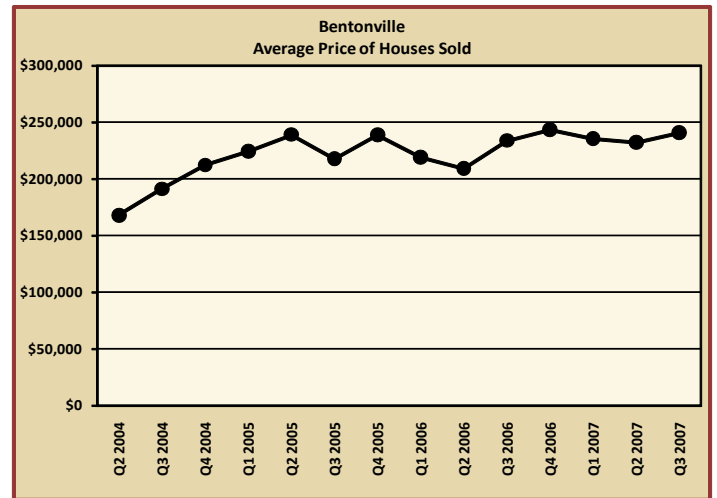
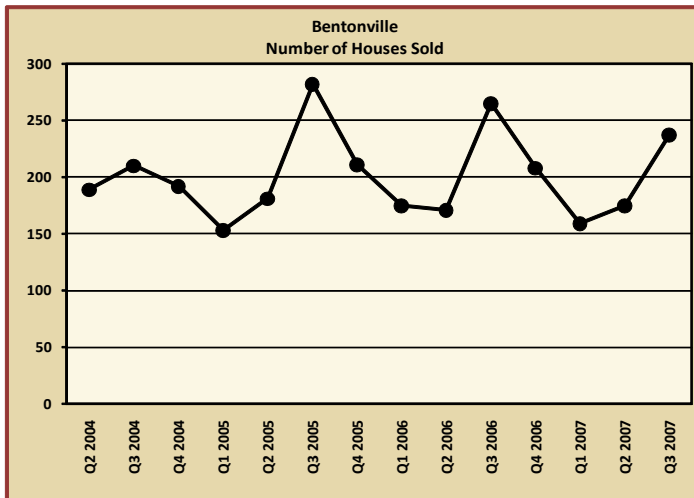
| Subdivision                          | Empty<br>Lots | Start     | Under<br>Construction | Complete, but<br>Unoccupied | Occupied     | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|--------------------------------------|---------------|-----------|-----------------------|-----------------------------|--------------|---------------|------------------|------------------------|
| Eagle Creek, Phases I,II             | 7             | 0         | 0                     | 6                           | 87           | 100           | 0                | 14.2                   |
| Eau Claire                           | 17            | 0         | 3                     | 1                           | 5            | 26            | 2                | 126.0                  |
| Eden's Brooke                        | 14            | 0         | 6                     | 4                           | 3            | 27            | 2                | 96.0                   |
| The Farms                            | 50            | 0         | 5                     | 3                           | 0            | 58            | 0                | --                     |
| Grace Addition                       | 91            | 0         | 0                     | 15                          | 6            | 112           | 1                | 159.0                  |
| Halifax                              | 0             | 0         | 0                     | 0                           | 15           | 15            | 6                | 0.0                    |
| Heathrow                             | 11            | 0         | 0                     | 1                           | 53           | 65            | 1                | 9.0                    |
| Hidden Springs, Phase IV             | 4             | 0         | 0                     | 0                           | 44           | 48            | 0                | 48.0                   |
| High Meadows                         | 0             | 0         | 0                     | 39                          | 72           | 111           | 27               | 6.8                    |
| Highpointe Addition                  | 121           | 5         | 11                    | 1                           | 0            | 138           | 0                | --                     |
| Kensington, Phase I, III             | 17            | 0         | 4                     | 4                           | 56           | 81            | 1                | 30.0                   |
| Kerelaw Castle                       | 136           | 0         | 4                     | 13                          | 15           | 168           | 1                | 122.4                  |
| Kingsbury, Phases I-III              | 16            | 0         | 2                     | 1                           | 56           | 75            | 5                | 38.0                   |
| Lake Bentonville                     | 1             | 0         | 0                     | 0                           | 27           | 28            | 0                | 0.9                    |
| Laurynwood Estates                   | 90            | 0         | 10                    | 0                           | 0            | 100           | 0                | --                     |
| Lochmoor Club                        | 63            | 3         | 8                     | 21                          | 116          | 211           | 6                | 38.0                   |
| Lyndal Heights, Phase V              | 20            | 0         | 0                     | 2                           | 2            | 24            | 1                | 264.0                  |
| McKissic Creek Estates               | 6             | 0         | 0                     | 0                           | 3            | 9             | 0                | 36.0                   |
| North Fork Addition                  | 87            | 0         | 0                     | 6                           | 2            | 95            | 2                | 558.0                  |
| Oakwood Park                         | 0             | 0         | 12                    | 2                           | 0            | 14            | 0                | --                     |
| Oxford Ridge                         | 102           | 0         | 3                     | 15                          | 48           | 168           | 5                | 46.5                   |
| Pleasant View Estates                | 0             | 0         | 0                     | 2                           | 22           | 24            | 2                | 3.0                    |
| Riverwalk Farm Estates, Phases I-III | 218           | 14        | 26                    | 85                          | 134          | 477           | 29               | 32.7                   |
| Rolling Acres                        | 52            | 0         | 5                     | 7                           | 27           | 91            | 1                | 36.6                   |
| Simsberry Place                      | 7             | 0         | 1                     | 0                           | 76           | 84            | 4                | --                     |
| Stone Meadow                         | 208           | 0         | 14                    | 21                          | 15           | 258           | 3                | 194.4                  |
| Stone Ridge Estates                  | 45            | 0         | 7                     | 1                           | 20           | 73            | 3                | 57.8                   |
| Stoneburrow, Phases I,II             | 87            | 0         | 1                     | 81                          | 127          | 296           | 30               | 23.9                   |
| Stonecreek                           | 66            | 0         | 0                     | 0                           | 1            | 67            | 1                | 792.0                  |
| Summerlin, Phase I                   | 55            | 0         | 7                     | 10                          | 20           | 92            | 8                | 43.2                   |
| Talamore                             | 19            | 0         | 1                     | 4                           | 69           | 93            | 1                | 36.0                   |
| Thornbrook Village, Phase I          | 128           | 0         | 11                    | 9                           | 0            | 148           | 0                | --                     |
| Virginia's Grove                     | 25            | 0         | 0                     | 0                           | 3            | 28            | 2                | 100.0                  |
| White Oak Trails, Phase I            | 40            | 0         | 1                     | 6                           | 25           | 72            | 2                | 40.3                   |
| Wildwood, Phases III,IV              | 56            | 0         | 9                     | 15                          | 78           | 158           | 0                | 27.4                   |
| Willowbend                           | 20            | 0         | 0                     | 7                           | 23           | 50            | 0                | 81.0                   |
| Windemere Woods                      | 29            | 0         | 2                     | 4                           | 44           | 79            | 3                | 70.0                   |
| Windsor Manor                        | 9             | 0         | 0                     | 8                           | 15           | 32            | 1                | 18.5                   |
| Windwood, Phase IV                   | 40            | 0         | 0                     | 0                           | 59           | 99            | 4                | 53.3                   |
| Woods Creek South, Phases I,II       | 66            | 0         | 0                     | 6                           | 16           | 88            | 3                | 96.0                   |
| <b>Bentonville</b>                   | <b>2,390</b>  | <b>22</b> | <b>162</b>            | <b>455</b>                  | <b>1,721</b> | <b>4,750</b>  | <b>187</b>       | <b>47.6</b>            |



# Bentonville

## Bentonville Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 0.4%                      | 1,456                  | 95                     | 103.8%   | \$32.80                       |
| \$50,001 - \$100,000  | 12          | 5.1%                      | 1,112                  | 93                     | 98.3%  | \$79.23                       |
| \$100,001 - \$150,000 | 60          | 25.3%                     | 1,352                  | 114                    | 97.6%  | \$95.46                       |
| \$150,001 - \$200,000 | 50          | 21.1%                     | 1,871                  | 147                    | 98.3%  | \$95.58                       |
| \$200,001 - \$250,000 | 26          | 11.0%                     | 2,279                  | 191                    | 96.7%  | \$105.16                      |
| \$250,001 - \$300,000 | 41          | 17.3%                     | 2,626                  | 189                    | 95.9%  | \$106.36                      |
| \$300,001 - \$350,000 | 13          | 5.5%                      | 3,177                  | 173                    | 96.0%  | \$104.53                      |
| \$350,001 - \$400,000 | 13          | 5.5%                      | 3,282                  | 117                    | 96.6%  | \$116.33                      |
| \$400,001 - \$450,000 | 5           | 2.1%                      | 3,451                  | 215                    | 97.4%  | \$125.94                      |
| \$450,001 - \$500,000 | 4           | 1.7%                      | 3,682                  | 97                     | 96.8%  | \$129.88                      |
| \$500,000+            | 12          | 5.1%                      | 4,841                  | 220                    | 96.9%  | \$152.41                      |
| <b>Bentonville</b>    | <b>237</b>  | <b>100.0%</b>             | <b>2,238</b>           | <b>152</b>             | <b>97.2%</b>                                     | <b>\$103.10</b>               |



# Bentonville

## Bentonville Approved Final and Preliminary Subdivisions Q3 2007

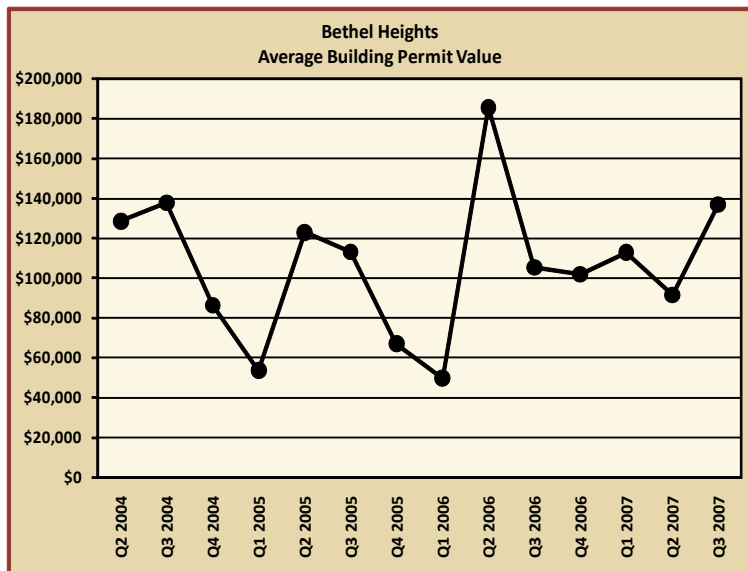
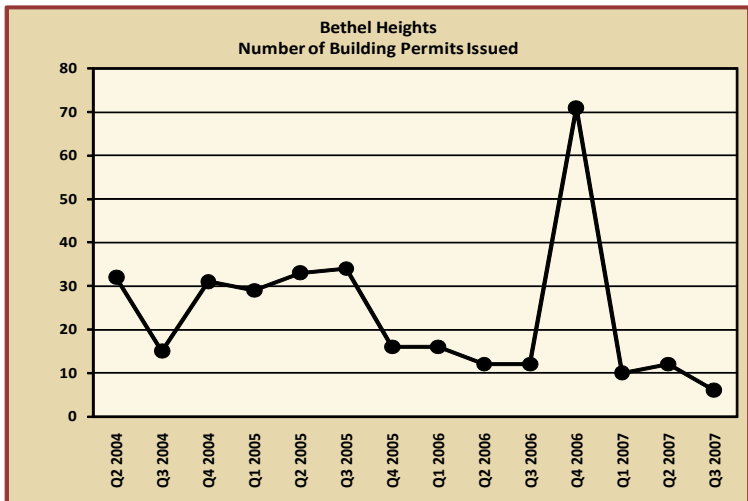
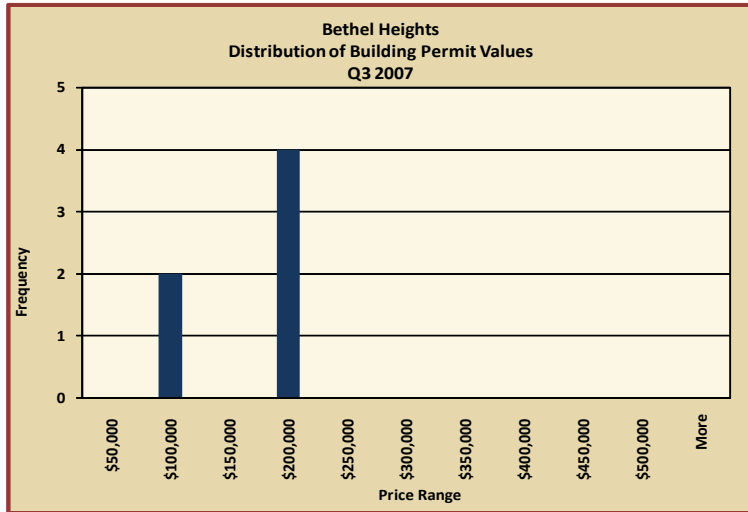
| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Apple Creek                 | Q2 2005  | 43             |
| Barron Road Duplexes        | Q1 2005  | 96             |
| The Bluffs, Phase II        | Q4 2005  | 104            |
| Brighton Farms              | Q2 2005  | 171            |
| Cascades Subdivision        | Q2 2006  | 57             |
| Chapel Hill, Phase II       | Q2 2005  | 54             |
| Cobblestone                 | Q1 2005  | 39             |
| College Place, Phase IX     | Q2 2005  | 56             |
| Estates at Osage Falls      | Q4 2005  | 42             |
| Eventide                    | Q4 2004  | 44             |
| 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             |
| Osage Hills, Phase I        | Q4 2006  | 426            |
| 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             |
| Wilshire                    | Q1 2005  | 111            |
| Windemere Woods, Phase II   | Q4 2004  | 50             |
| Windwood, Phase V           | Q2 2005  | 73             |
| <i>Final Approval</i>       |          |                |
| Bolte Acres/Regency Park    | Q2 2005  | 6              |
| Cornerstone Ridge, Phase IV | Q2 2006  | 43             |
| Crystal Hills Terrace       | Q2 2006  | 23             |
| Eden's Brook, Phase III     | Q2 2006  | 27             |
| Fountain Plaza              | Q2 2005  | 17             |
| Laurynwood Estates          | Q4 2004  | 100            |
| Oak Lawn Hills Subdivision  | Q1 2006  | 64             |
| Stonegate                   | Q1 2005  | 78             |
| Summerlin, Phase II         | Q3 2006  | 84             |
| Wildwood, Phase V           | Q4 2005  | 104            |
| <b>Bentonville</b>          |          | <b>2,757</b>   |



# Bethel Heights



- From June to August 2007, there were 6 residential building permits issued in Bethel Heights. This represents a 50 percent decline from the third quarter of 2006.
- The average residential building permit value in Bethel Heights increased by 30.0 percent from the third quarter of 2006 to \$137,000 in the third quarter of 2007.
- The major price point for Bethel Heights building permits was the \$150,001 to \$200,000 range.
- There were 521 total lots in active subdivisions in Bethel Heights in the third quarter of 2007. About 58.3 percent of the lots were occupied, 19.2 percent were complete, but unoccupied, 5.6 percent were under construction, 0 percent were starts, and 16.9 percent were vacant lots.
- 36 new houses in Bethel Heights became occupied in the third quarter of 2007. The annual absorption rate implies that there were 15.1 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Bethel Heights was Remington Place with 12.
- An additional 182 lots in 5 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Bethel Heights.
- There were 6 existing houses sold in Bethel Heights from May 16, 2007 to

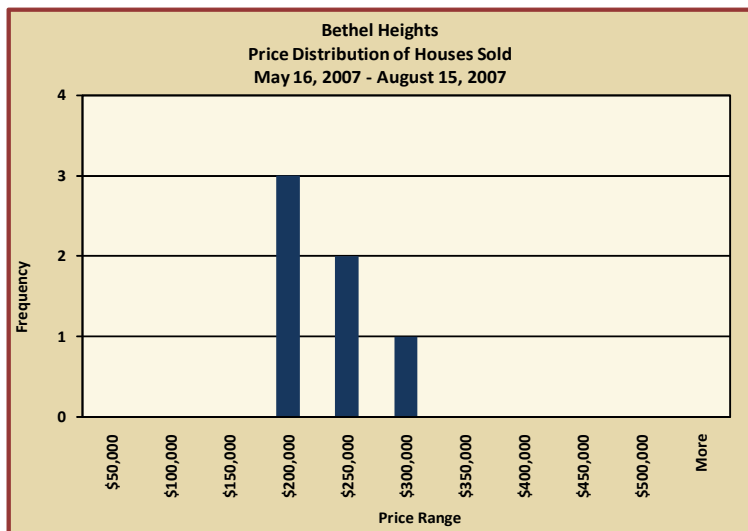
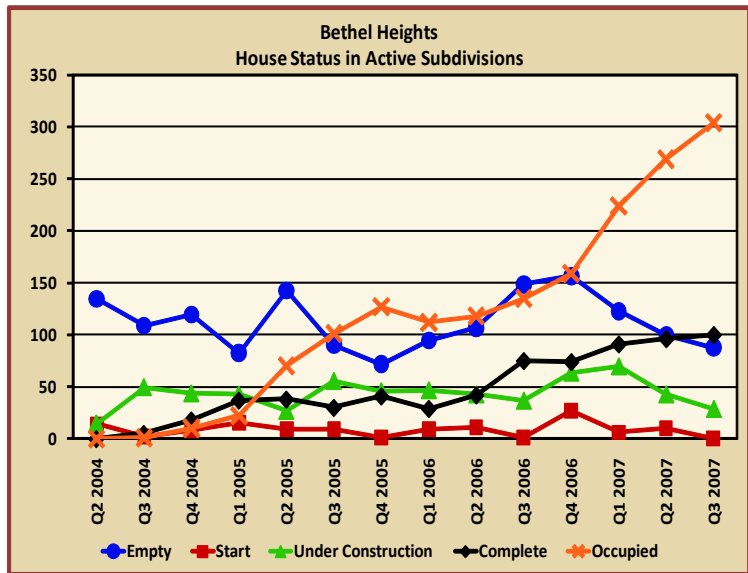




# Bethel Heights

August 15, 2007, or 200 percent more than the previous quarter and 100 percent more than the same period last year.

- The average price of a house sold in Bethel Heights increased from \$165,299 in the second quarter of 2007 to \$206,267 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 24.8 percent higher than in the previous quarter but 11.9 percent lower 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 85 days in the second quarter of 2007 to 336 days in the third quarter of 2007.
- Only 0.5 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Bethel Heights. The average sales price of the houses sold in Bethel Heights was 105.5 percent of the county average.

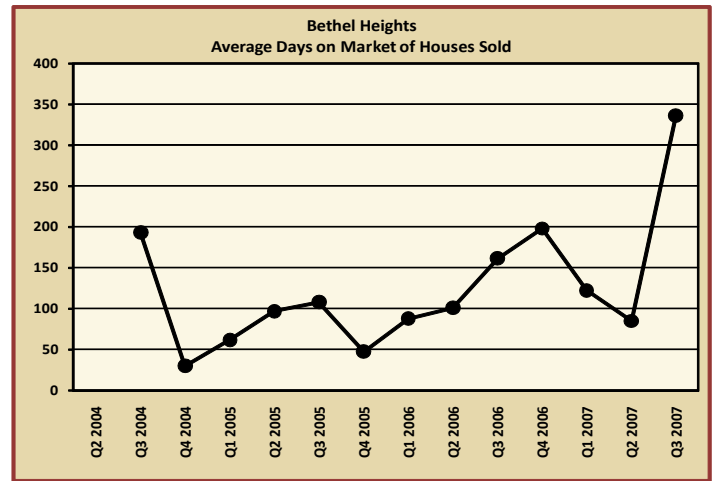
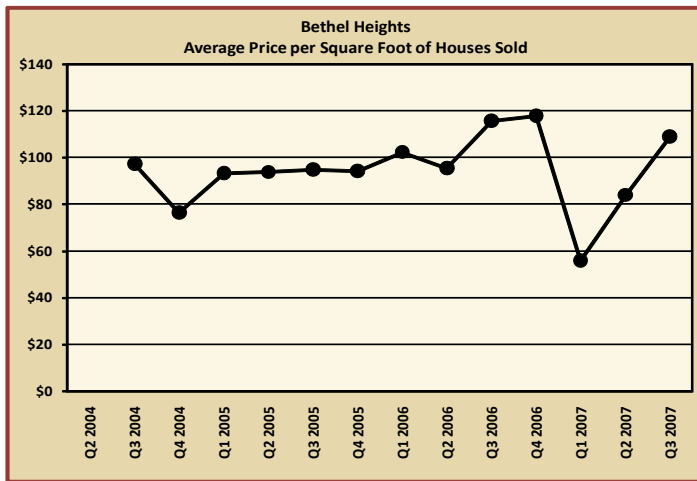
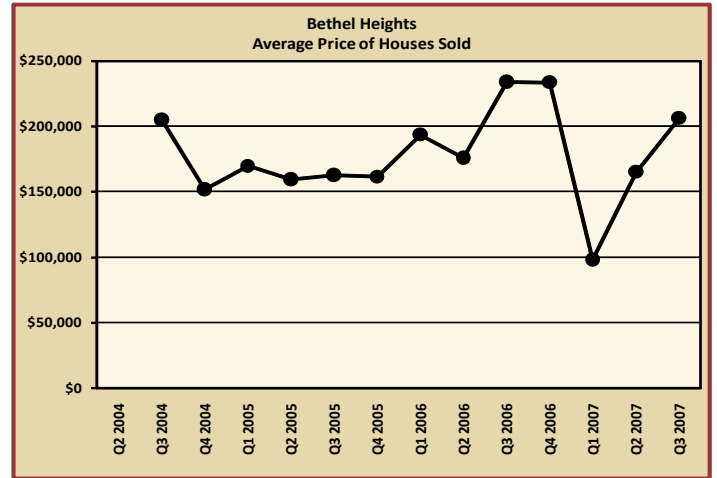
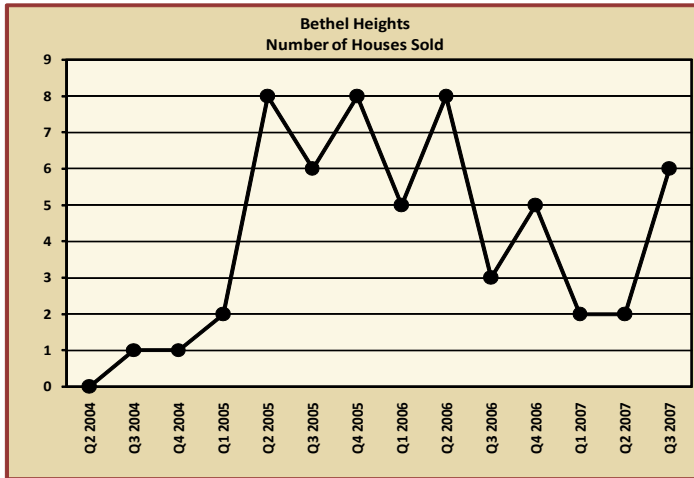


## Bethel Heights House Status in Active Subdivisions Q3 2007

| Subdivision            | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied   | Total Lots | Absorbed Lots | Months of Inventory |
|------------------------|------------|----------|--------------------|--------------------------|------------|------------|---------------|---------------------|
| Chantel                | 19         | 0        | 3                  | 11                       | 39         | 72         | 8             | 12.4                |
| Courtyard, Phase III   | 1          | 0        | 0                  | 3                        | 10         | 14         | 0             | --                  |
| Great Meadows          | 13         | 0        | 6                  | 12                       | 29         | 60         | 8             | 12.8                |
| Logan Heights, Phase I | 10         | 0        | 2                  | 9                        | 7          | 28         | 3             | 36.0                |
| Oak Place              | 23         | 0        | 1                  | 5                        | 32         | 61         | 8             | 11.2                |
| Remington Place        | 3          | 0        | 12                 | 8                        | 38         | 61         | 0             | 5.4                 |
| Sunset Ridge           | 11         | 0        | 2                  | 3                        | 17         | 33         | 0             | 64.0                |
| Terry Acres            | 0          | 0        | 0                  | 44                       | 22         | 66         | 8             | 18.0                |
| Wilkins                | 8          | 0        | 3                  | 5                        | 110        | 126        | 1             | 27.4                |
| <b>Bethel Heights</b>  | <b>88</b>  | <b>0</b> | <b>29</b>          | <b>100</b>               | <b>304</b> | <b>521</b> | <b>36</b>     | <b>15.1</b>         |



# Bethel Heights



## Bethel Heights Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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 | 3           | 50.0%                     | 1,567                  | 51                     | 101.0%   | \$105.27                      |
| \$200,001 - \$250,000 | 2           | 33.3%                     | 2,159                  | 671                    | 95.6%  | \$110.49                      |
| \$250,001 - \$300,000 | 1           | 16.7%                     | 2,276                  | 522                    | 100.0%   | \$117.31                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Bethel Heights</b> | <b>6</b>    | <b>100.0%</b>             | <b>1,883</b>           | <b>336</b>             | <b>99.0%</b>                                     | <b>\$109.02</b>               |



# Bethel Heights

## Bethel Heights Approved Final and Preliminary Subdivisions Q3 2007

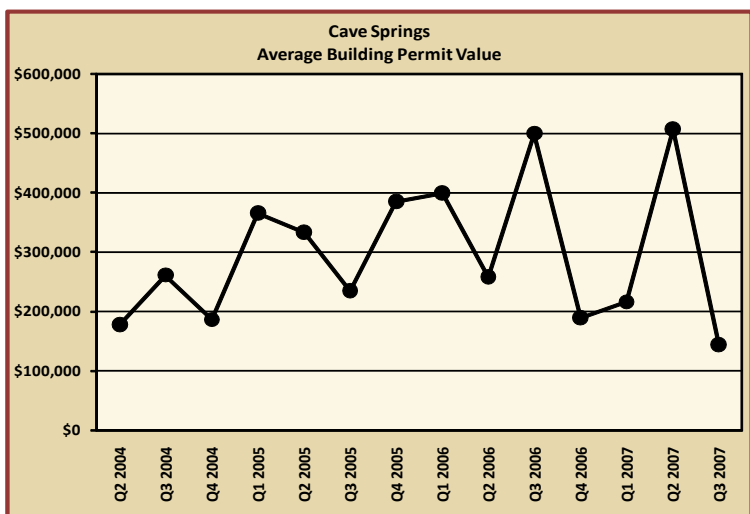
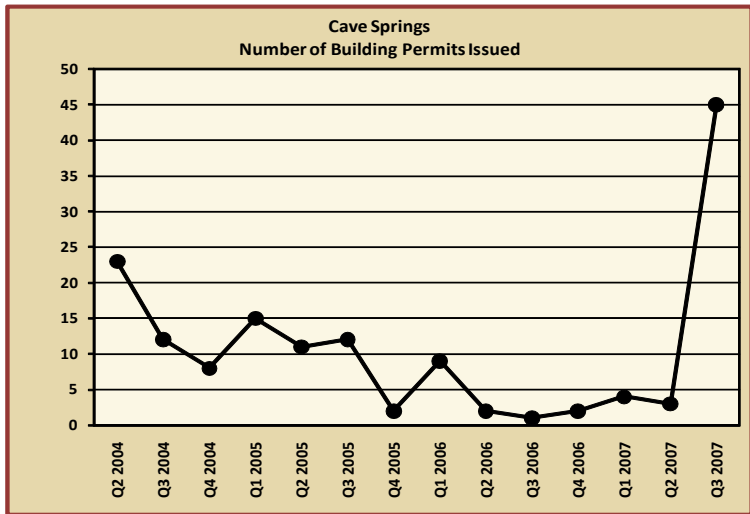
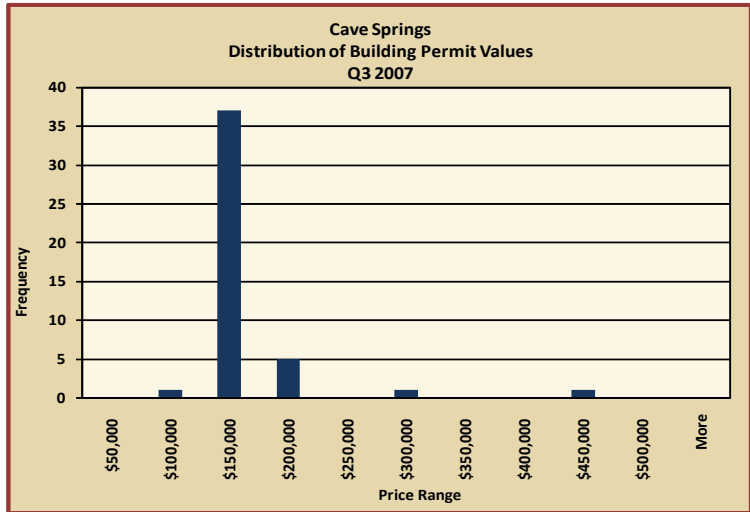
| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Chantal, Phase II           | Q3 2005  | 51             |
| English Oaks                | Q3 2005  | 12             |
| Logan Heights, Phase II     | Q3 2005  | 26             |
| Marvin Moles                | Q3 2005  | 33             |
| Spring Meadows              | Q3 2005  | 60             |
| <b>Bethel Heights</b>       |          | <b>182</b>     |



# Cave Springs

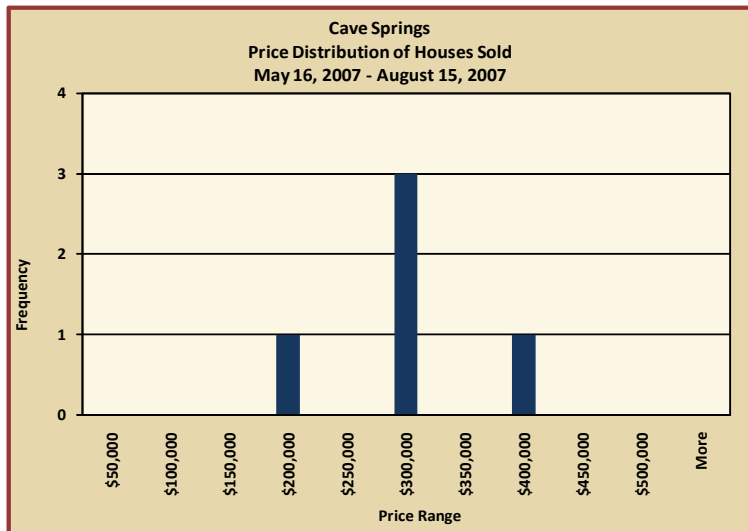
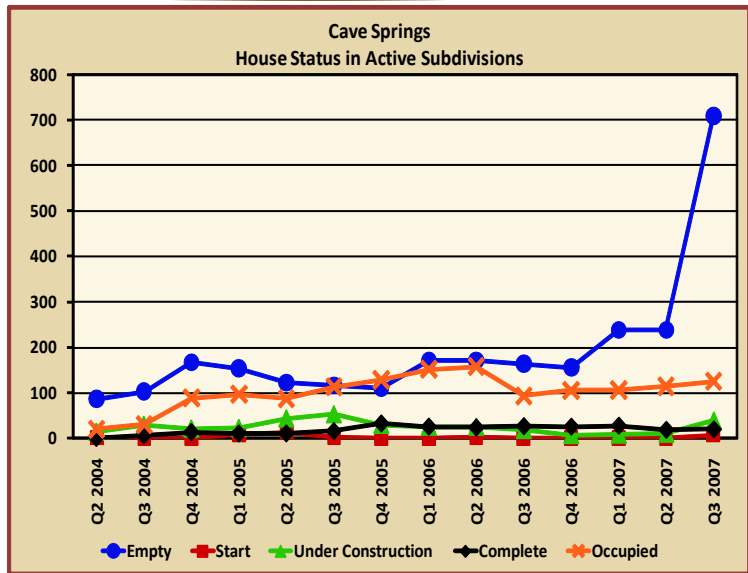


- From June to August 2007, there were 45 residential building permits issued in Cave Springs. This represents an enormous increase from the single building permit issued in the third quarter of 2006.
- The average residential building permit value in Cave Springs decreased by 71.1 percent from the third quarter in 2006 to \$144,268 in the third quarter of 2007.
- The major price point for Cave Springs building permits was the \$100,001 to \$150,000 range.
- There were 902 total lots in active subdivisions in Cave Springs in the third quarter of 2007. About 14.0 percent of the lots were occupied, 2.2 percent were complete, but unoccupied, 4.3 percent were under construction, 0.9 percent were starts, and 78.6 percent were vacant lots.
- 10 new houses in Cave Springs became occupied in the third quarter of 2007. The annual absorption rate implies that there were 258.7 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Cave Springs in the third quarter were Brentwood with 19 and Hyde Park with 14.
- An additional 523 lots in 5 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Cave Springs.



# Cave Springs

- There were 5 existing houses sold in Cave Springs from May 16, 2007 to August 15, 2007, or 25 percent more than the previous quarter and 28.6 percent fewer than in the same period last year.
- The average price of a house sold in Cave Springs increased from \$238,975 in the second quarter of 2007 to \$269,620 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 12.8 percent higher than in the previous quarter and 0.4 percent lower than in the same period last year.
- In Cave Springs, the average number of days from the initial house listing to the sale rose from 73 days in the second quarter of 2007 to 97 days in the third quarter of 2007.
- About 0.4 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Cave Springs. The average sales price of a house in Cave Springs was 137.9 percent of the county average.



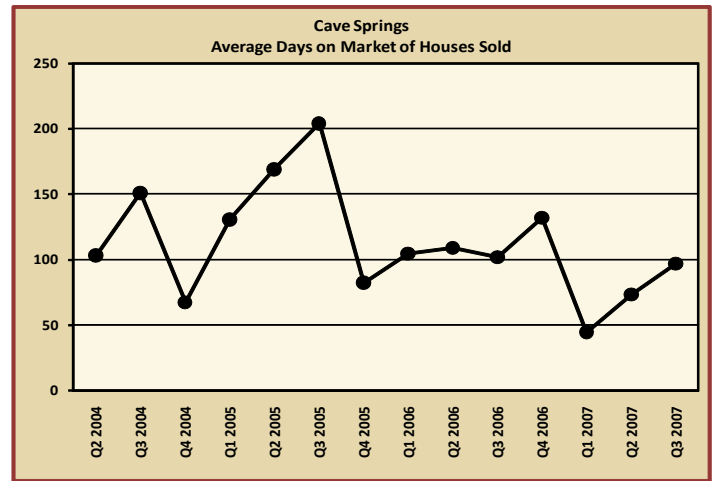
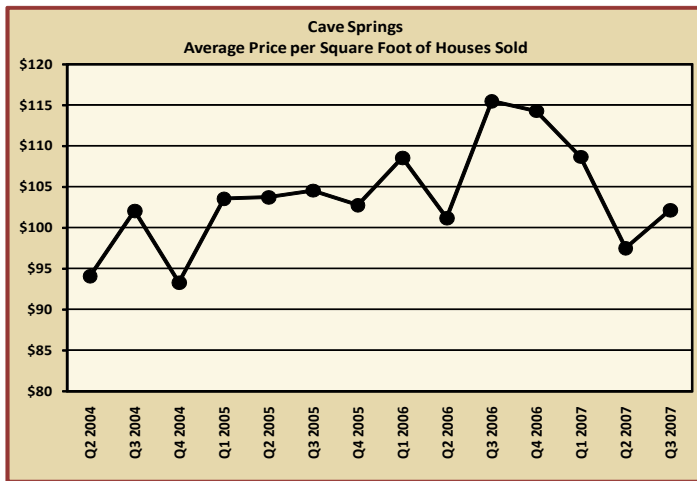
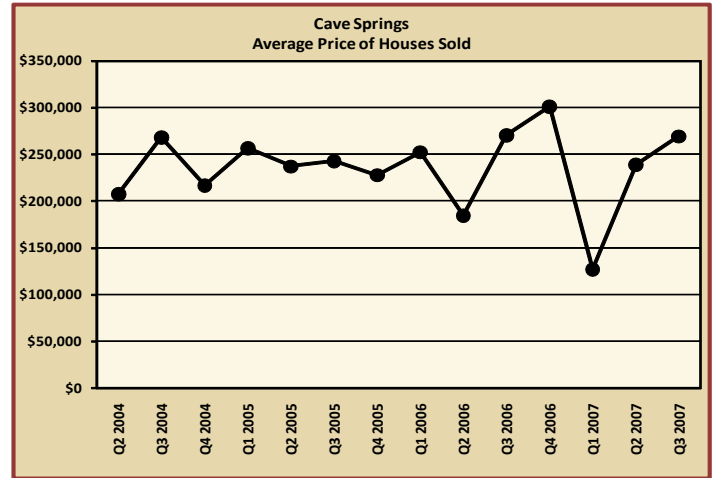
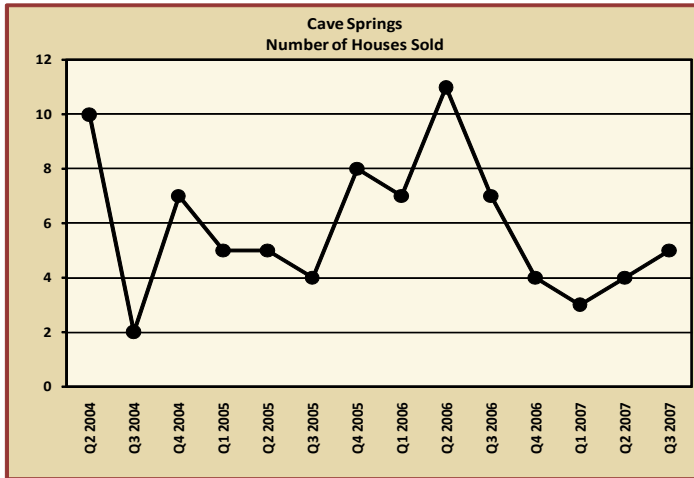
## Cave Springs House Status in Active Subdivisions Q3 2007

| Subdivision                 | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied   | Total Lots | Absorbed Lots | Months of Inventory |
|-----------------------------|------------|----------|--------------------|--------------------------|------------|------------|---------------|---------------------|
| Brentwood                   | 172        | 7        | 19                 | 0                        | 0          | 198        | 0             | --                  |
| Chattin Valle               | 27         | 0        | 0                  | 0                        | 1          | 28         | 0             | --                  |
| Duffers Ridge               | 7          | 0        | 0                  | 1                        | 0          | 8          | 0             | --                  |
| Hyde Park                   | 278        | 0        | 14                 | 0                        | 0          | 292        | 0             | --                  |
| La Bonne Vie, Phase II      | 4          | 0        | 1                  | 2                        | 0          | 7          | 0             | --                  |
| Otter Creek Estates Phase I | 77         | 0        | 0                  | 1                        | 0          | 78         | 0             | --                  |
| Ridgewood                   | 68         | 0        | 0                  | 2                        | 10         | 80         | 4             | 84.0                |
| Soaring Hawk                | 5          | 0        | 0                  | 0                        | 11         | 16         | 0             | 20.0                |
| Spring Ridge                | 18         | 0        | 1                  | 5                        | 37         | 61         | 3             | 28.8                |
| Springs at Wellington       | 19         | 1        | 1                  | 0                        | 32         | 53         | 3             | 252.0               |
| St. Valery Downs            | 34         | 0        | 3                  | 9                        | 35         | 81         | 0             | 78.9                |
| <b>Cave Springs</b>         | <b>709</b> | <b>8</b> | <b>39</b>          | <b>20</b>                | <b>126</b> | <b>902</b> | <b>10</b>     | <b>258.7</b>        |





# Cave Springs



## Cave Springs Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$100,001 - \$150,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$150,001 - \$200,000 | 1           | 20.0%                     | 1,668                  | 70                     | 96.9%  | \$92.93                       |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 3           | 60.0%                     | 2,689                  | 121                    | 96.4%  | \$102.77                      |
| \$300,001 - \$350,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$350,001 - \$400,000 | 1           | 20.0%                     | 3,330                  | 52                     | 96.1%  | \$109.61                      |
| \$400,001 - \$450,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$450,001 - \$500,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Cave Springs</b>   | <b>5</b>    | <b>100.0%</b>             | <b>2,613</b>           | <b>97</b>              | <b>96.4%</b>                                     | <b>\$102.17</b>               |



# Cave Springs

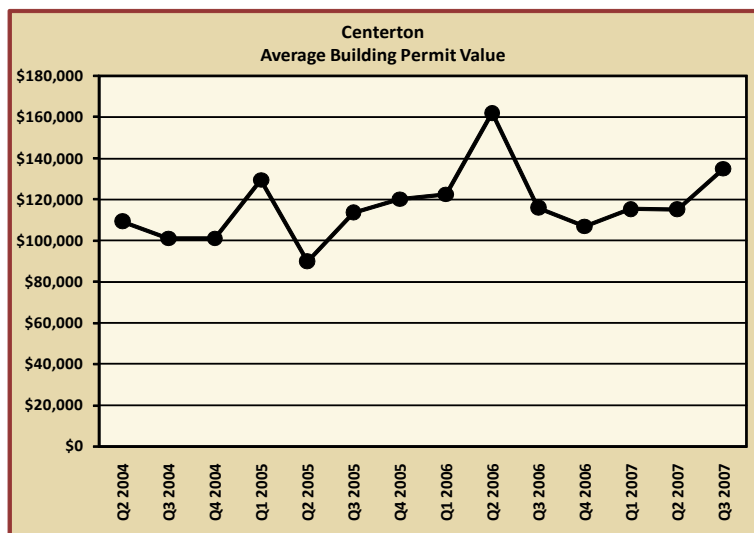
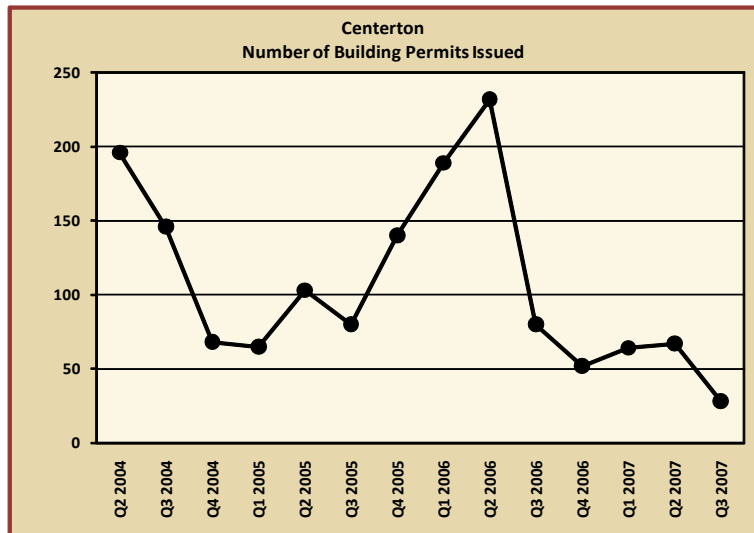
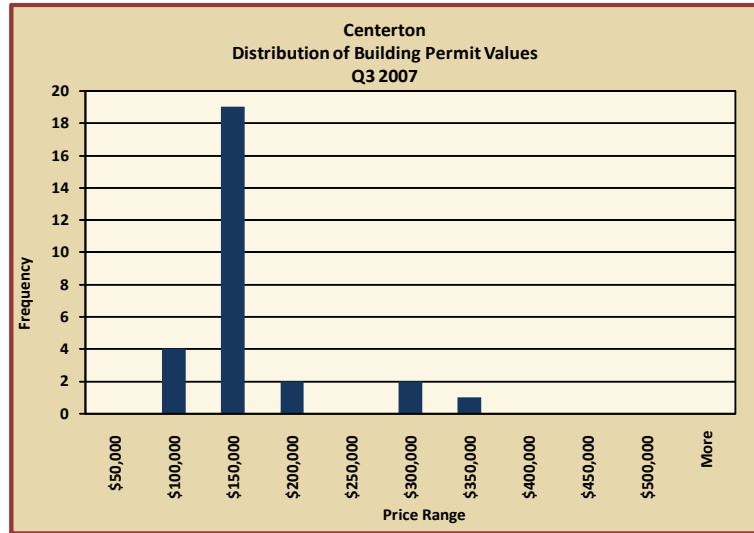
## Cave Springs Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                   | Approved | Number of Lots |
|-------------------------------|----------|----------------|
| <i>Preliminary Approval</i>   |          |                |
| Fairway Valley                | Q2 2007  | 187            |
| <i>Final Approval</i>         |          |                |
| Marbella, Phase I             | Q2 2007  | 72             |
| Neveah                        | Q4 2005  | 42             |
| Sand Springs, Phase I         | Q2 2007  | 119            |
| Otter Creek Estates, Phase II | Q2 2007  | 103            |
| <b>Cave Springs</b>           |          | <b>523</b>     |



# Centerton

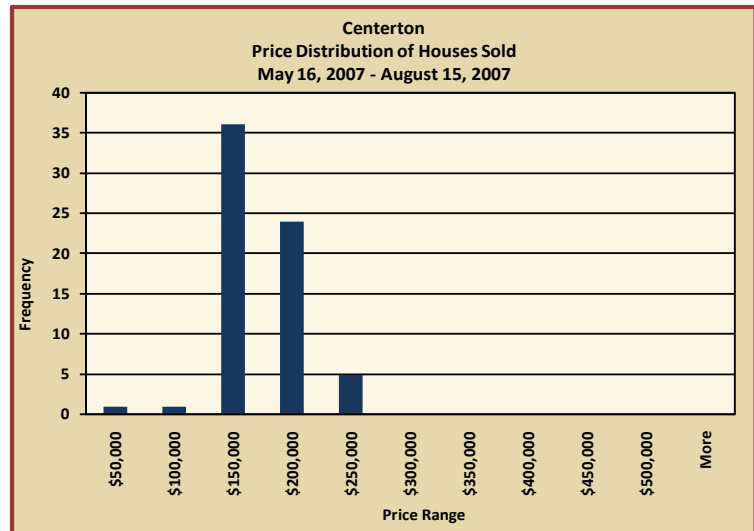
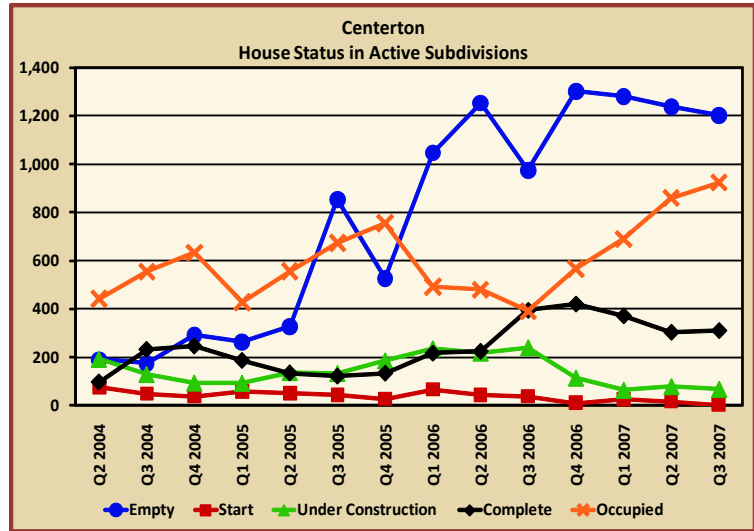
- From June to August 2007, there were 28 residential building permits issued in Centerton. This represents a decline of 65.0 percent from the third quarter of 2006.
- The average value of residential building permit in Centerton increased by 16.4 percent from the third quarter of 2006 to \$134,998 in the third quarter of 2007.
- Most Centerton building permits were in the \$100,001 to \$150,000 range.
- There were 2,508 total lots in active subdivisions in Centerton in the third quarter of 2007. About 36.8 percent of the lots were occupied, 12.4 percent were complete, but unoccupied, 2.7 percent were under construction, 0.1 percent was starts, and 47.9 percent were vacant lots.
- 81 new houses in Centerton became occupied in the third quarter of 2007. The annual absorption rate implies that there were 32.5 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Centerton in the third quarter were Quail Ridge with 24 and Sienna with 21.
- An additional 2,534 lots in 21 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Centerton.
- There were 67 existing houses sold in Centerton from May 16, 2007 to August 15, 2007, or 26.4 percent more than in the previous quarter but 6.9 percent fewer than in the same period last year.
- The average price of a house sold in Centerton decreased from \$171,013 in the second quarter of 2007 to \$145,842 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 14.7 percent lower than in the previous quarter and 5.4 percent lower than in the same period last year.
- In Centerton, the average number of days from the initial house listing to the sale de-



# Centerton

creased from 158 days in the second quarter of 2007 to 152 days in the third quarter of 2007.

- About 5.8 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Centerton. The average sales price of a house in Centerton was 74.6 percent of the county average.
- During the third quarter of 2007, 53.7 percent of the sold houses in Centerton were in the \$100,001 to \$150,000 range.



# Centerton

## Centerton House Status in Active Subdivisions Q3 2007

| Subdivision                      | Empty<br>Lots | Start    | Under<br>Construction | Complete, but<br>Unoccupied | Occupied   | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|----------------------------------|---------------|----------|-----------------------|-----------------------------|------------|---------------|------------------|------------------------|
| Black Springs, Block I           | 14            | 0        | 0                     | 3                           | 35         | 52            | 3                | 10.2                   |
| Brimwoods, Phase I               | 22            | 0        | 0                     | 5                           | 9          | 36            | 0                | 40.5                   |
| Char Lou Estates, Phases I,II    | 63            | 0        | 1                     | 35                          | 29         | 128           | 0                | 66.0                   |
| Copper Oaks                      | 26            | 0        | 0                     | 55                          | 123        | 204           | 21               | 7.9                    |
| Graystone                        | 0             | 0        | 0                     | 12                          | 60         | 72            | 0                | 3.5                    |
| Kensington Hills                 | 22            | 0        | 8                     | 25                          | 80         | 135           | 0                | 20.6                   |
| Keystone                         | 17            | 0        | 2                     | 2                           | 2          | 23            | 0                | 126.0                  |
| Quail Ridge, Phases I,II         | 76            | 0        | 24                    | 47                          | 36         | 183           | 5                | 56.9                   |
| The Residences at City West      | 18            | 0        | 0                     | 25                          | 78         | 121           | 3                | 6.7                    |
| Ridgefield Addition, Blocks I,II | 21            | 0        | 0                     | 9                           | 31         | 61            | 2                | 51.4                   |
| Sienna, Phases IB, II            | 119           | 0        | 21                    | 45                          | 261        | 446           | 30               | 8.5                    |
| Somerset                         | 32            | 3        | 0                     | 2                           | 14         | 51            | 2                | 63.4                   |
| Stonebriar, Phase I              | 2             | 0        | 1                     | 0                           | 37         | 40            | 0                | 36.0                   |
| Stonegate                        | 53            | 0        | 0                     | 5                           | 61         | 119           | 0                | 13.4                   |
| Tamarron                         | 255           | 0        | 0                     | 21                          | 23         | 299           | 8                | 144.0                  |
| Tarah Knolls                     | 32            | 0        | 2                     | 7                           | 11         | 52            | 0                | 49.2                   |
| Timber Ridge                     | 49            | 0        | 4                     | 5                           | 2          | 60            | 2                | 261.0                  |
| Tuscany, Phase I                 | 66            | 0        | 1                     | 3                           | 1          | 71            | 0                | 840.0                  |
| Versailles                       | 126           | 0        | 2                     | 0                           | 0          | 128           | 0                | --                     |
| Waterford Park                   | 11            | 0        | 2                     | 4                           | 4          | 21            | 2                | 102.0                  |
| Westwood, Phase II               | 0             | 0        | 0                     | 1                           | 23         | 24            | 0                | 2.4                    |
| Willow Crossing, Phase I         | 178           | 0        | 0                     | 1                           | 3          | 182           | 3                | 716.0                  |
| <b>Centerton</b>                 | <b>1,202</b>  | <b>3</b> | <b>68</b>             | <b>312</b>                  | <b>923</b> | <b>2,508</b>  | <b>81</b>        | <b>32.5</b>            |

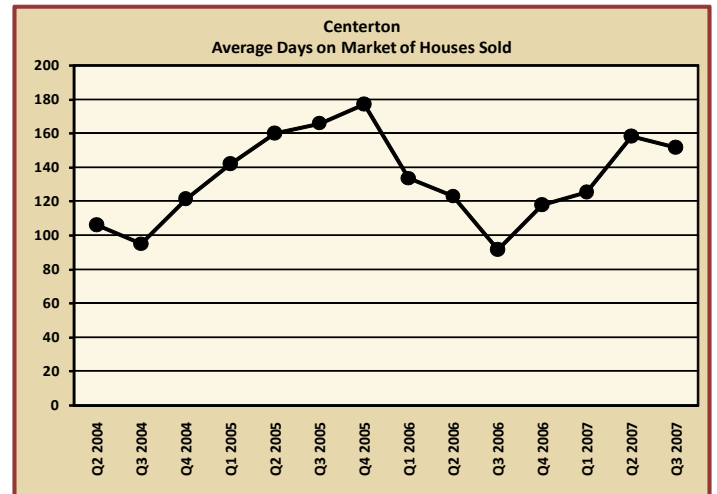
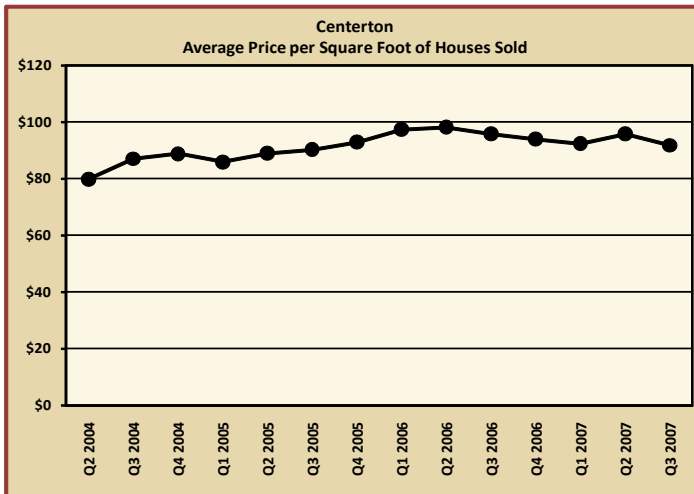
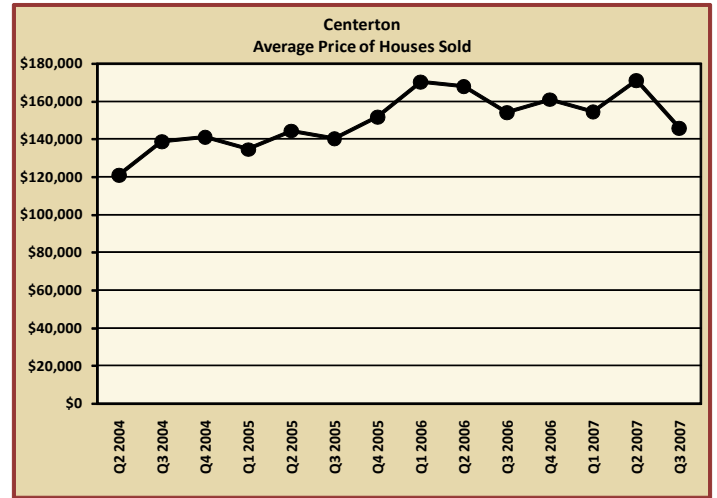
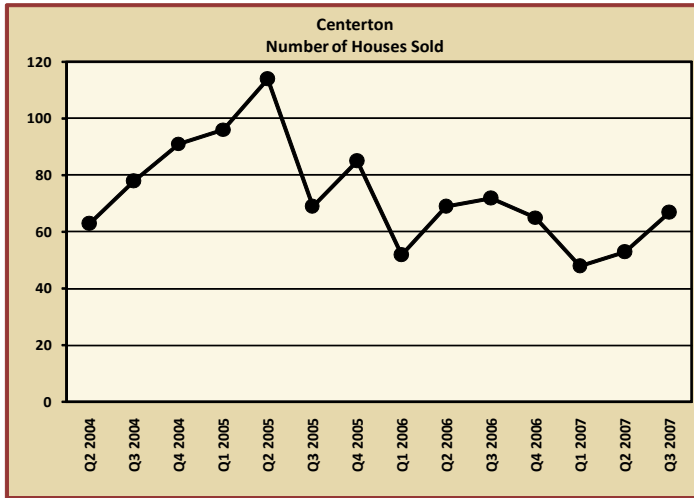




# Centerton

## Centerton Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 1.5%                      | 1,344                  | 29                     | 100.0%   | \$29.76                       |
| \$50,001 - \$100,000  | 1           | 1.5%                      | 1,119                  | 74                     | 95.6%  | \$84.45                       |
| \$100,001 - \$150,000 | 36          | 53.7%                     | 1,461                  | 155                    | 99.0%  | \$88.49                       |
| \$150,001 - \$200,000 | 24          | 35.8%                     | 1,603                  | 173                    | 99.8%  | \$96.48                       |
| \$200,001 - \$250,000 | 5           | 7.5%                      | 2,129                  | 64                     | 98.4%  | \$107.28                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Centerton</b>      | <b>67</b>   | <b>100.0%</b>             | <b>1,555</b>           | <b>152</b>             | <b>99.2%</b>                                     | <b>\$91.75</b>                |



# Centerton

## Centerton Approved Final and Preliminary Subdivisions Q3 2007

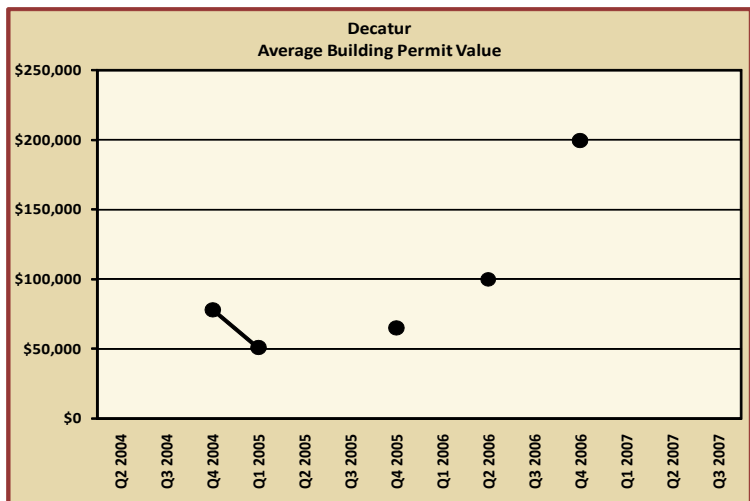
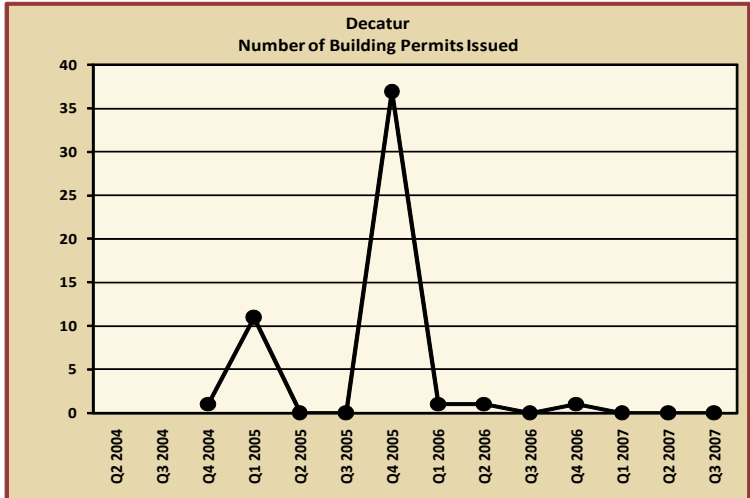
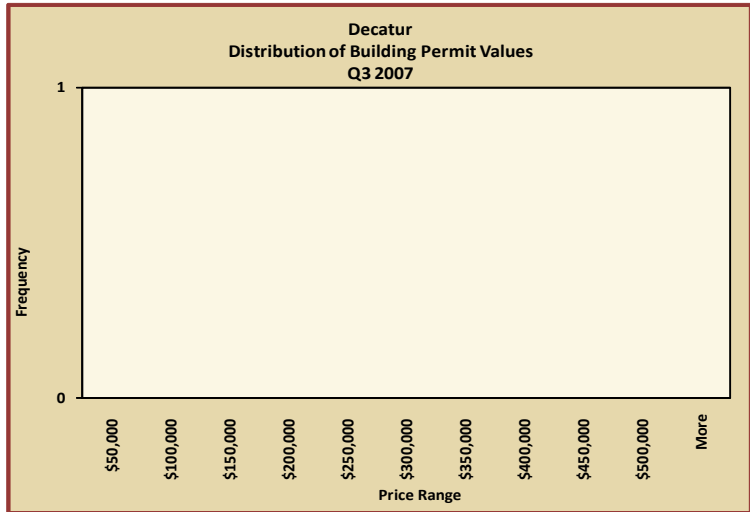
| Subdivision                         | Approved | Number of Lots |
|-------------------------------------|----------|----------------|
| Arbor Vista                         | Q1 2005  | 224            |
| Blossom Hills                       | Q4 2005  | 72             |
| Brandon-Horne                       | 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            |
| Wellington Woods                    | Q4 2004  | 186            |
| <b>Centerton</b>                    |          | <b>2,534</b>   |



# Decatur

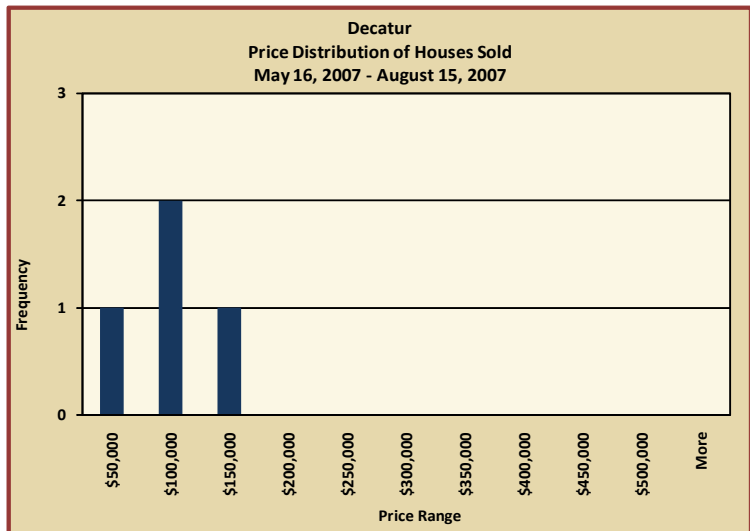
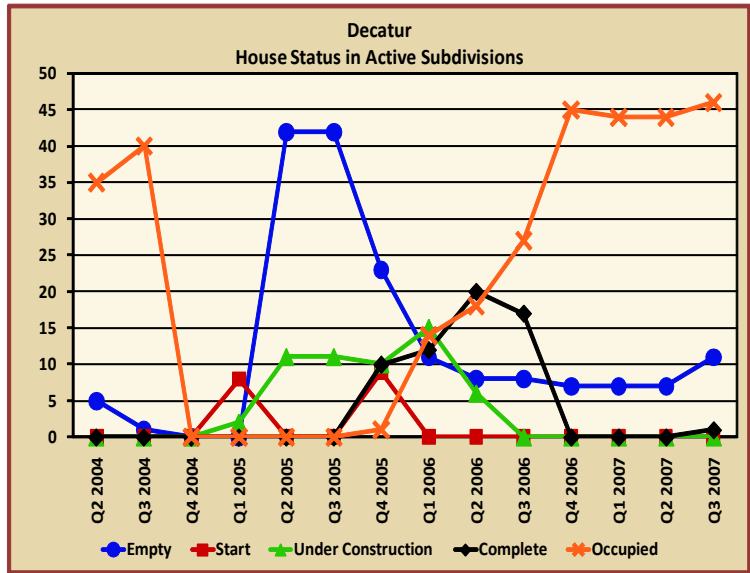


- From June to August 2007, there were no residential building permits issued in Decatur. Similarly, there were no residential building permits issued in the third quarter of 2006.
- There were 58 total lots in active subdivisions in Decatur in the third quarter of 2007. About 79.3 percent of the lots were occupied, 1.7 percent were complete, but not occupied, and 19 percent were vacant lots.
- 58 new houses in Decatur became occupied in the third quarter of 2007. The annual absorption rate implies that there were 7.2 months of remaining inventory in active subdivisions.
- There were 4 existing houses sold in Decatur from May 16, 2007 to August 15, 2007, or no change from the previous quarter and 50.0 percent fewer than in the same period last year.
- The average price of a house sold in Decatur decreased from \$257,825 in the second quarter of 2007 to \$73,975 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 71.3 percent lower than in the previous quarter and 18.4 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 57 days in the second quarter of 2007 to 198 days in the third quarter of 2007.



# Decatur

- About 0.3 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Decatur. The average sales price of a house in Decatur was 37.8 percent of the county average.
- During the third quarter of 2007, 50.0 percent of the sold houses in Decatur were in the \$50,001 to \$100,000 range.

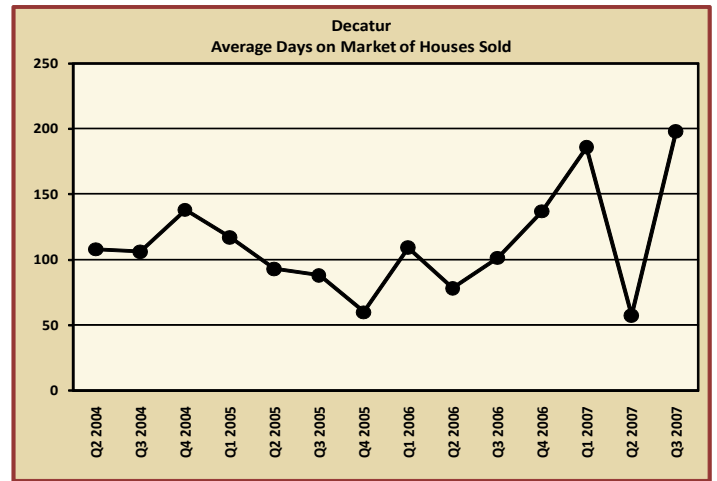
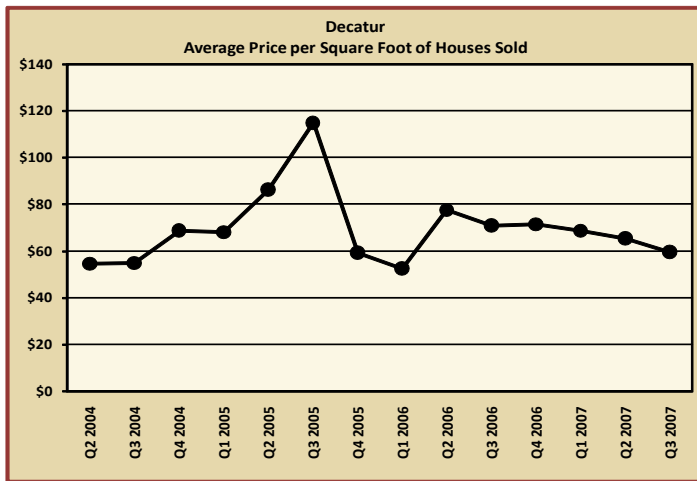
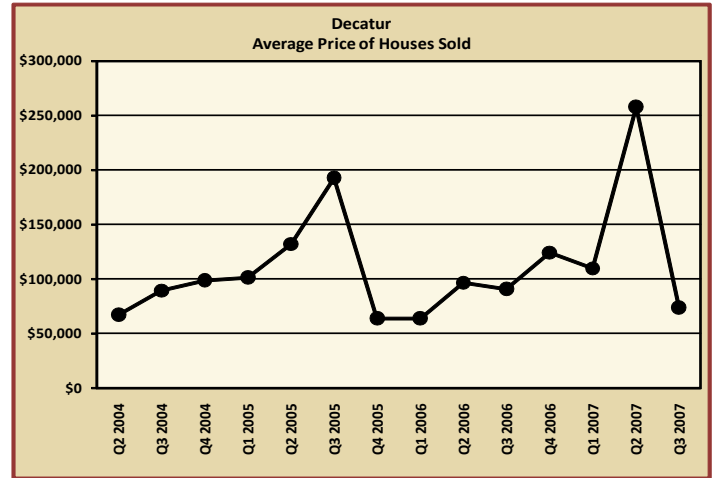
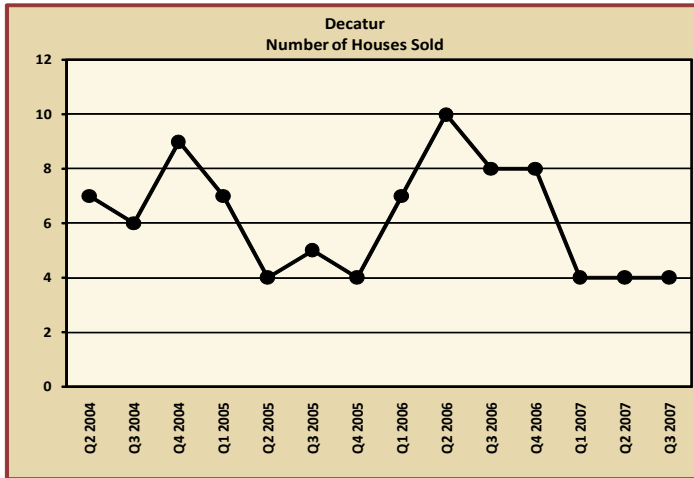


## Decatur House Status in Active Subdivisions Q3 2007

| Subdivision    | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|----------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Crystal Lakes  | 4          | 0        | 0                  | 1                        | 2         | 7          | 2             | 30.0                |
| Grant Springs  | 7          | 0        | 0                  | 0                        | 44        | 51         | 0             | 4.9                 |
| <b>Decatur</b> | <b>11</b>  | <b>0</b> | <b>0</b>           | <b>1</b>                 | <b>46</b> | <b>58</b>  | <b>2</b>      | <b>7.2</b>          |



# Decatur



## Decatur Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 25.0%                     | 960                    | 80                     | 82.8%  | \$26.04                       |
| \$50,001 - \$100,000  | 2           | 50.0%                     | 1,150                  | 298                    | 92.2%  | \$73.35                       |
| \$100,001 - \$150,000 | 1           | 25.0%                     | 1,540                  | 117                    | 101.1%   | \$65.58                       |
| \$150,001 - \$200,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$300,001 - \$350,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$350,001 - \$400,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$400,001 - \$450,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$450,001 - \$500,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Decatur</b>        | <b>4</b>    | <b>100.0%</b>             | <b>1,200</b>           | <b>198</b>             | <b>92.1%</b>                                     | <b>\$59.58</b>                |

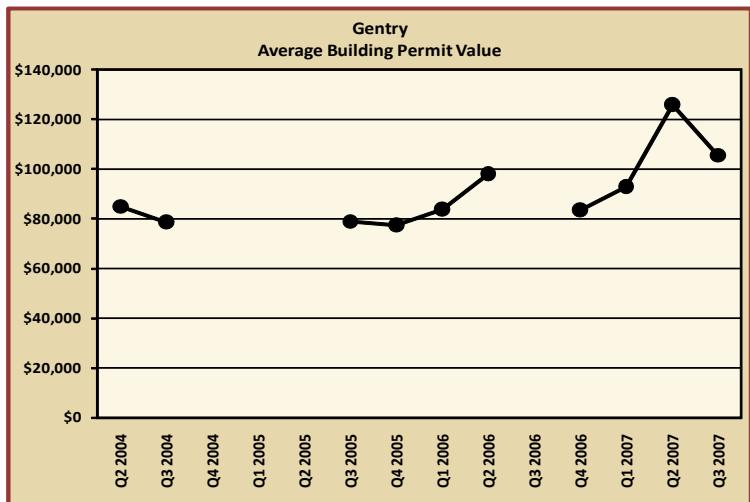
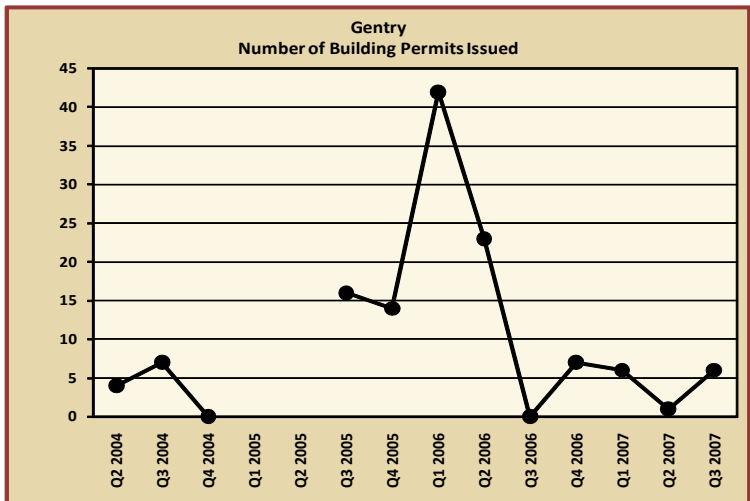
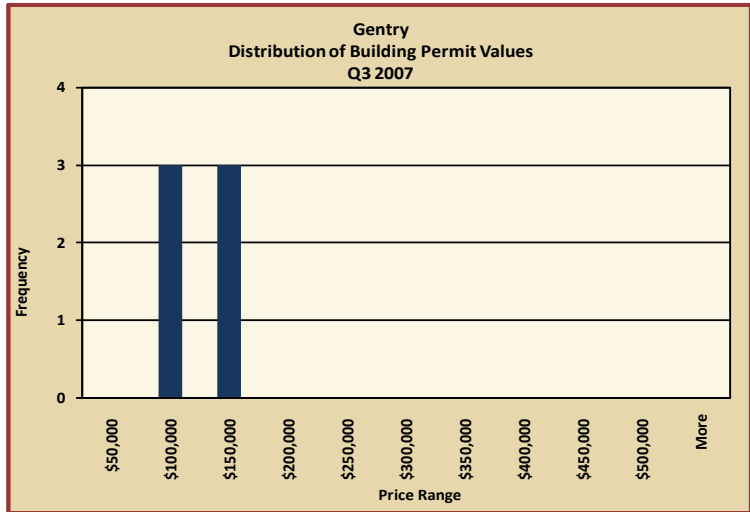




# Gentry



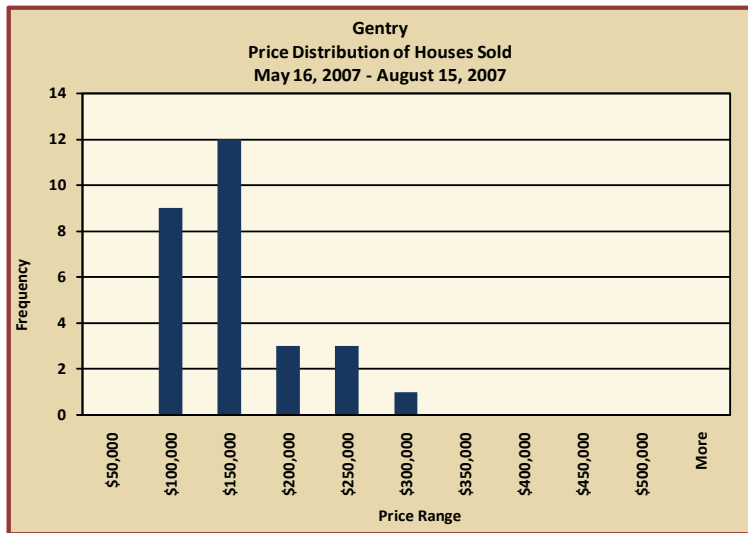
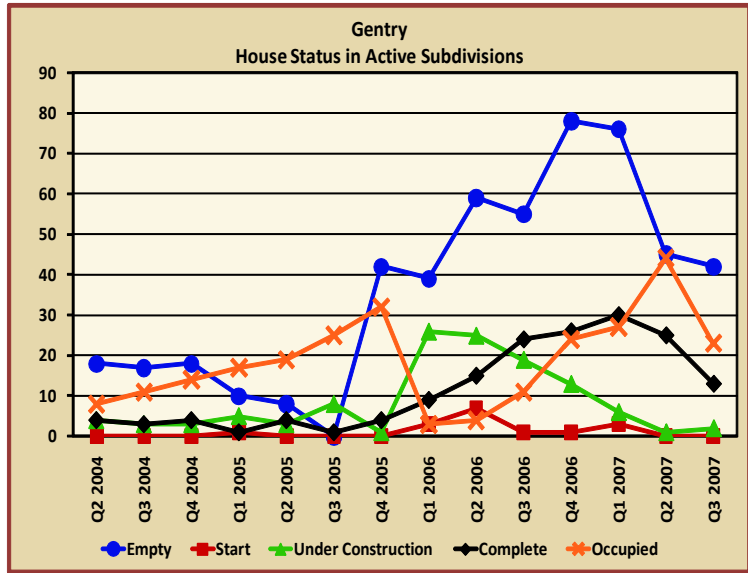
- From June to August 2007, there were 6 residential building permits issued in Gentry. In comparison, there were no residential building permits issued in the third quarter of 2006.
- The average residential building permit value in Gentry was \$105,500 in the third quarter of 2007.
- There were 80 total lots in active subdivisions in the third quarter of 2007. About 28.8 percent of the lots were occupied, 16.3 percent were complete, but unoccupied, 2.5 percent was under construction, 0 percent was starts, and 52.5 percent were vacant lots.
- 6 new houses in Gentry became occupied in the third quarter of 2007. The annual absorption rate implies that there were 10.2 months of remaining inventory in active subdivisions.
- There were 2 houses under construction in the Springhill subdivision.
- An additional 814 lots in 7 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Gentry.
- There were 28 existing houses sold in Gentry from May 16, 2007 to August 15, 2007, or 75.0 percent more than in the previous quarter, but 6.7 percent less than in the same period last year.
- The average price of a house sold in Gentry decreased from \$136,643 in the second quarter of 2007 to \$134,804 in the third quarter of 2007. In the third



# Gentry

quarter of 2007, the average sales price was 1.3 percent lower than in the previous quarter but 14.2 percent higher than in the same period last year.

- In Gentry, the average number of days from the initial house listing to the sale increased from 126 days in the second quarter of 2007 to 197 days in the third quarter of 2007.
- About 2.4 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Gentry. The average sales price of a house in Gentry was only 69.0 percent of the county average.
- During the third quarter of 2007, 75.0 percent of the sold houses in Gentry were in the \$50,001 to \$150,000 range.

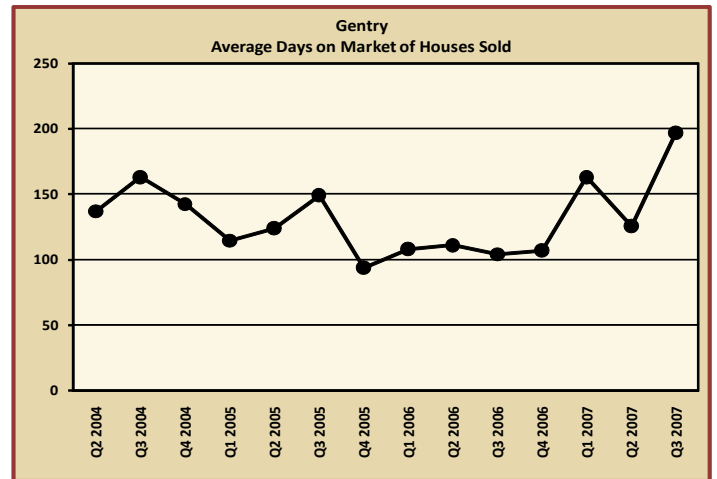
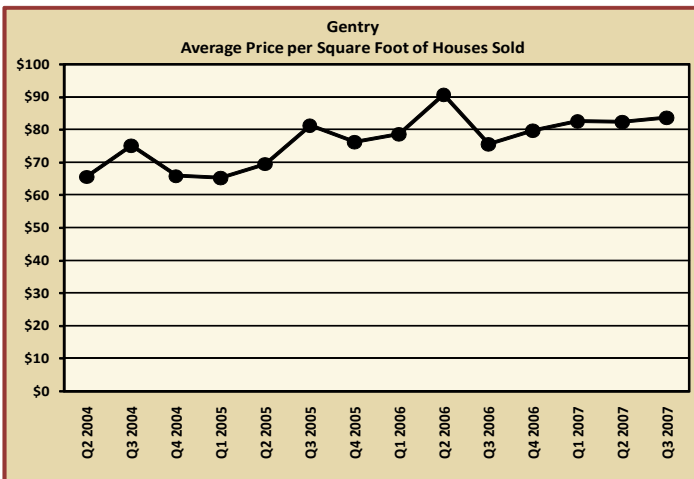
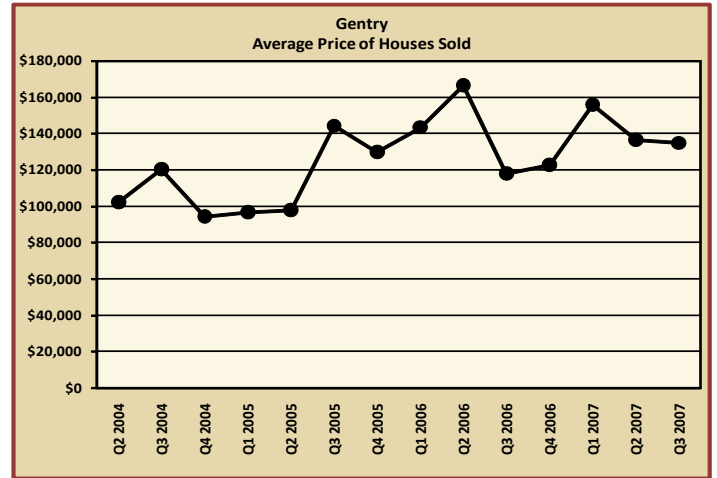
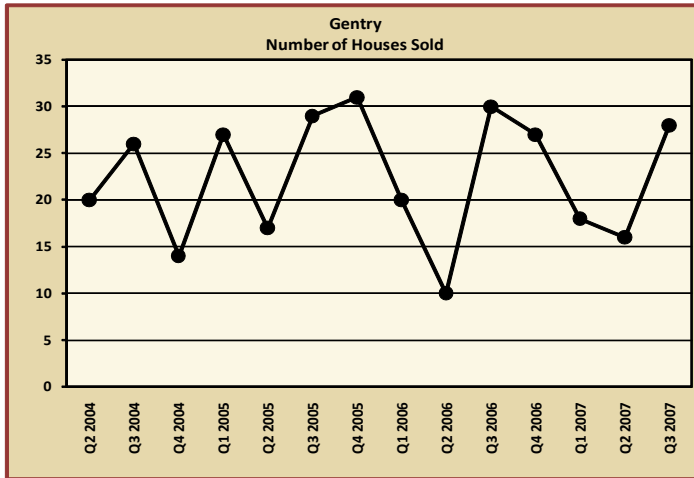


## Gentry House Status in Active Subdivisions Q3 2007

| Subdivision                  | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|------------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Ashton Place                 | 12         | 0        | 0                  | 10                       | 15        | 37         | 4             | 18.9                |
| College Hill Second Addition | 3          | 0        | 0                  | 2                        | 3         | 8          | 1             | 30.0                |
| Mockingbird Lane             | 4          | 0        | 0                  | 0                        | 1         | 5          | 0             | --                  |
| Springhill                   | 23         | 0        | 2                  | 1                        | 4         | 30         | 1             | 78.0                |
| <b>Gentry</b>                | <b>42</b>  | <b>0</b> | <b>2</b>           | <b>13</b>                | <b>23</b> | <b>80</b>  | <b>6</b>      | <b>10.2</b>         |



# Gentry



## Gentry Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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  | 9           | 32.1%                     | 1,407                  | 154                    | 96.2%  | \$61.34                       |
| \$100,001 - \$150,000 | 12          | 42.9%                     | 1,564                  | 223                    | 96.1%  | \$83.72                       |
| \$150,001 - \$200,000 | 3           | 10.7%                     | 1,754                  | 315                    | 95.9%  | \$113.28                      |
| \$200,001 - \$250,000 | 3           | 10.7%                     | 2,177                  | 171                    | 95.8%  | \$103.78                      |
| \$250,001 - \$300,000 | 1           | 3.6%                      | 2,050                  | 5                      | 99.4%  | \$135.71                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Gentry</b>         | <b>28</b>   | <b>100.0%</b>             | <b>1,617</b>           | <b>197</b>             | <b>96.2%</b>                                     | <b>\$83.70</b>                |



# Gentry

## Gentry Approved Final and Preliminary Subdivisions Q3 2007

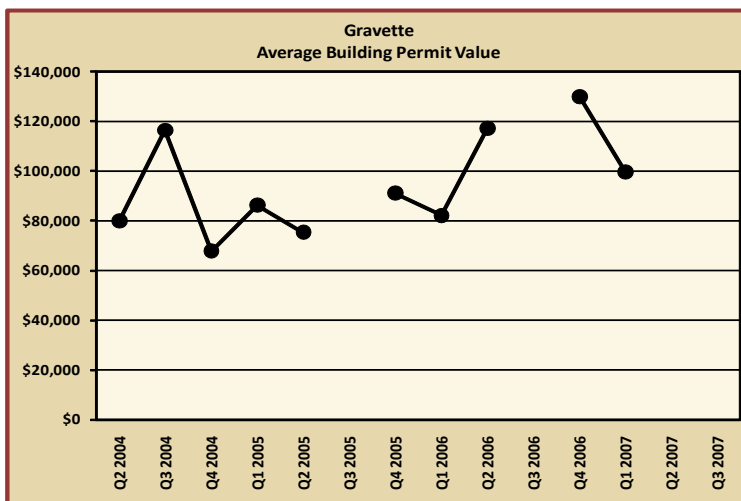
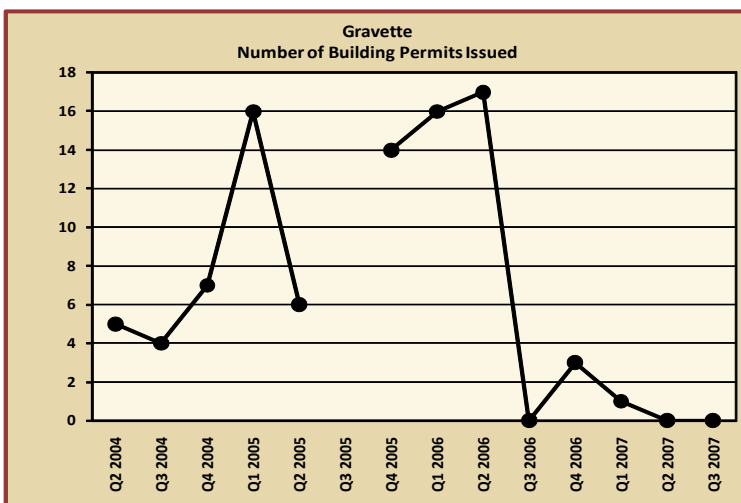
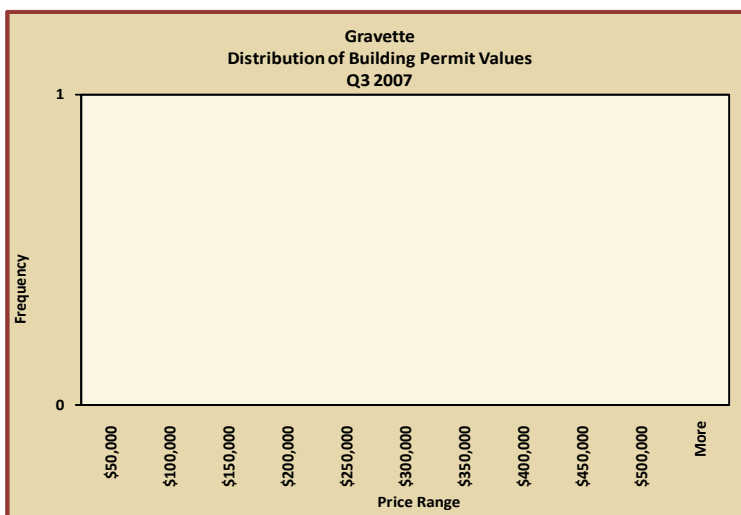
| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Castleberry                 | Q1 2006  | 61             |
| Gayle Meadows               | Q1 2006  | 54             |
| McClellan Meadows           | Q1 2006  | 242            |
| The Orchards                | Q1 2006  | 288            |
| Pines Subdivision           | Q3 2006  | 134            |
| <i>Final Approval</i>       |          |                |
| The Oaks, Phase II          | Q4 2006  | 32             |
| Stonegate                   | Q1 2006  | 3              |
| <b>Gentry</b>               |          | <b>814</b>     |



# Gravette



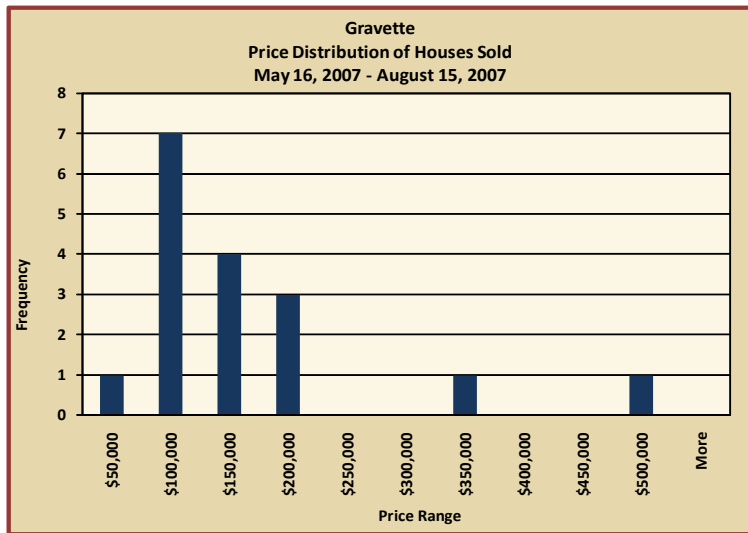
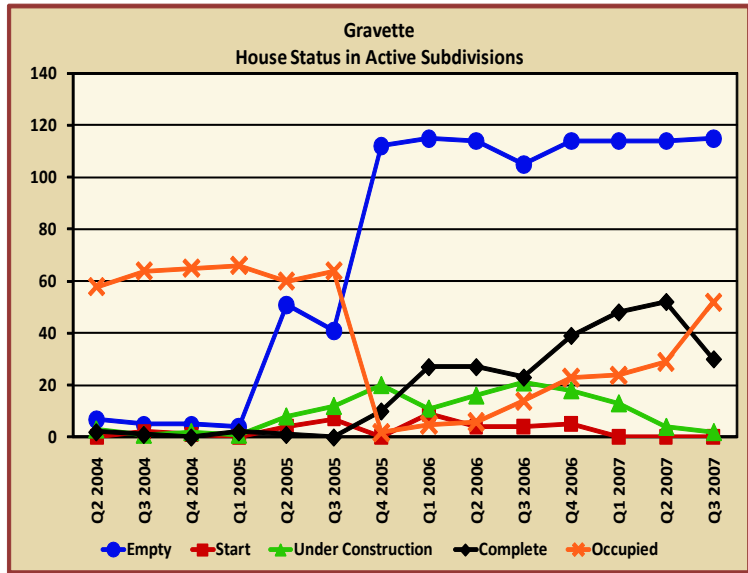
- From June to August 2007, there were no residential building permits issued in Gravette. Similarly, there were no residential building permits issued in the third quarter of 2006.
- There were 199 total lots in active subdivisions in Gravette in the third quarter of 2007. About 26.1 percent of the lots were occupied, 15.1 percent were complete, but unoccupied, 1 percent was under construction, 0 percent was starts, and 57.8 percent were vacant lots.
- 23 new houses in Gravette became occupied in the third quarter of 2007. The annual absorption rate implies that there were 45.2 months of remaining inventory in active subdivisions.
- There were 2 houses under construction in the Walnut Creek subdivision in Gravette.
- There were 17 existing houses sold in Gravette from May 16, 2007 to August 15, 2007, or 13.3 percent more than in the previous quarter but 56.4 percent fewer than in the same period last year.
- The average price of a house sold in Gravette increased from \$110,913 in the second quarter of 2007 to \$141,352 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 27.4 percent higher than in the previous quarter and 9.0 percent higher than in the same period last year.





# Gravette

- In Gravette, the average number of days from the initial house listing to the sale increased from 88 days in the second quarter of 2007 to 145 days in the third quarter of 2007.
- About 1.5 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Gravette. The average sales price of a house in Gravette was 72.3 percent of the county average.
- 64.7 percent of the sold houses in Gravette were in the \$50,000 to \$150,000 range.

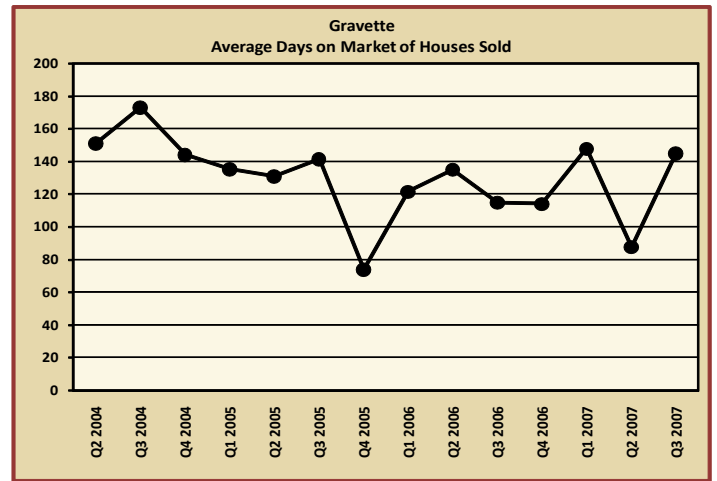
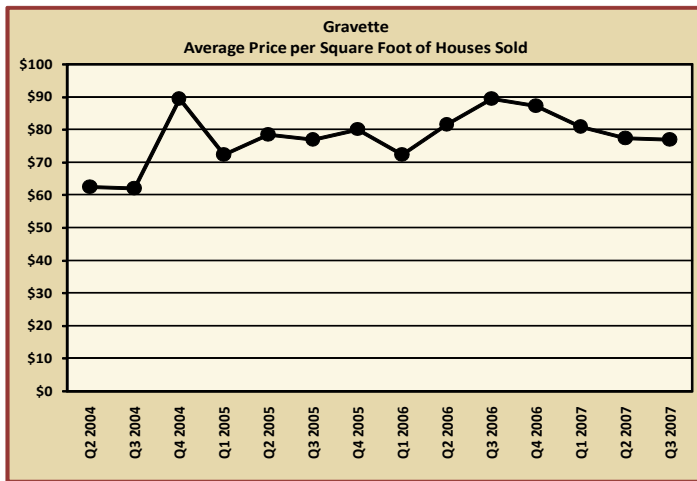
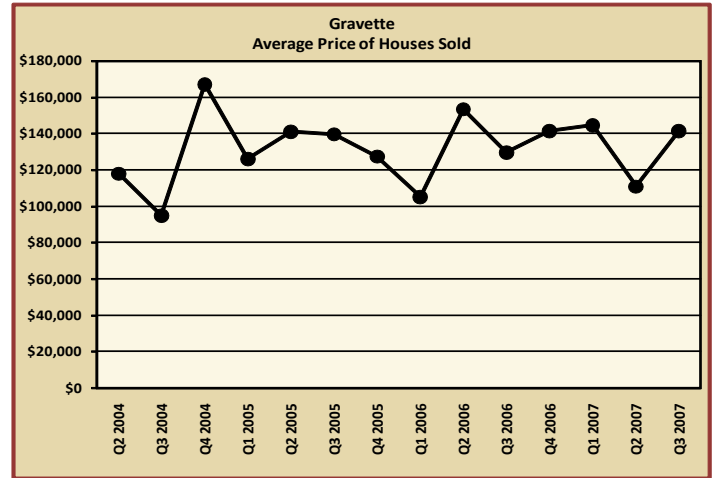
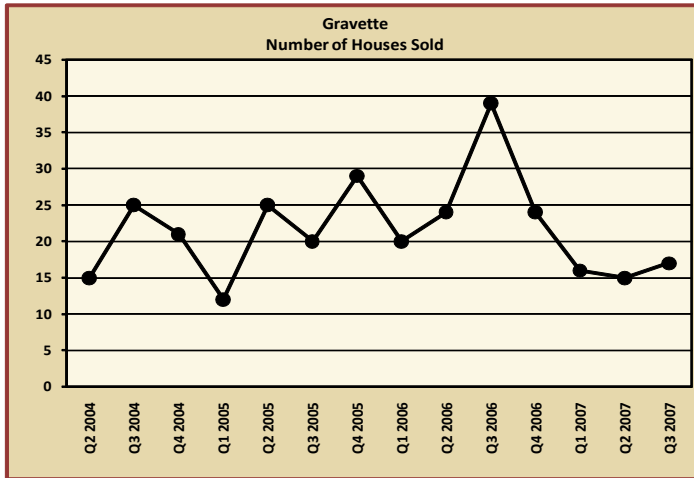


## Gravette House Status in Active Subdivisions Q3 2007

| Subdivision     | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|-----------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Country Meadows | 12         | 0        | 0                  | 19                       | 1         | 32         | 1             | 279.0               |
| Patriot Park    | 29         | 0        | 0                  | 2                        | 31        | 62         | 21            | 14.9                |
| Walnut Creek    | 74         | 0        | 2                  | 9                        | 20        | 105        | 1             | 85.0                |
| <b>Gravette</b> | <b>115</b> | <b>0</b> | <b>2</b>           | <b>30</b>                | <b>52</b> | <b>199</b> | <b>23</b>     | <b>45.2</b>         |



# Gravette



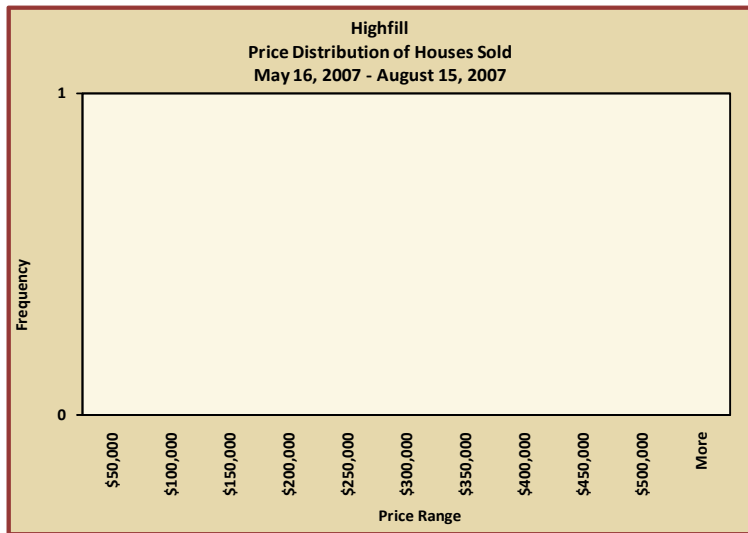
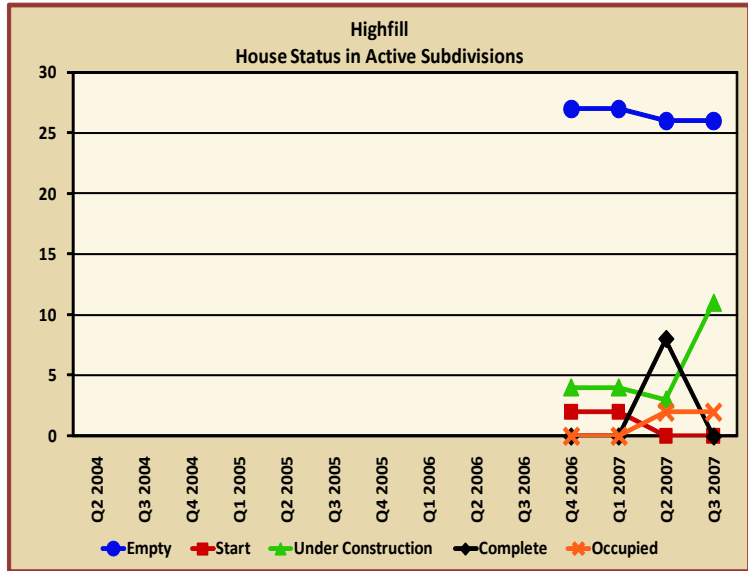
## Gravette Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 5.9%                      | 1,449                  | 208                    | 100.2%   | \$31.06                       |
| \$50,001 - \$100,000  | 7           | 41.2%                     | 1,417                  | 139                    | 92.6%  | \$52.61                       |
| \$100,001 - \$150,000 | 4           | 23.5%                     | 1,382                  | 102                    | 97.0%  | \$90.30                       |
| \$150,001 - \$200,000 | 3           | 17.6%                     | 1,711                  | 203                    | 99.2%  | \$99.35                       |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$300,001 - \$350,000 | 1           | 5.9%                      | 3,050                  | 255                    | 95.6%  | \$108.16                      |
| \$350,001 - \$400,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$400,001 - \$450,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$450,001 - \$500,000 | 1           | 5.9%                      | 3,500                  | 7                      | 84.9%  | \$142.86                      |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Gravette</b>       | <b>17</b>   | <b>100.0%</b>             | <b>1,681</b>           | <b>145</b>             | <b>95.0%</b>                                     | <b>\$77.03</b>                |



# Highfill

- There were 39 total lots in 2 active subdivisions in Highfill in the third quarter of 2007. About 5.1 percent of the lots were occupied, 0.0 percent was complete, but unoccupied, 28.2 percent were under construction, 0.0 percent was starts, and 66.7 percent were vacant lots.
- There were 11 houses under construction in the Holiday Hills Estate subdivision.
- Zero new houses in Highfill became occupied in the third quarter of 2007. The annual absorption rate implies that there were 222.0 months of remaining inventory in active subdivisions.
- There were no existing houses sold in Highfill from May 16, 2007 to August 15, 2007.

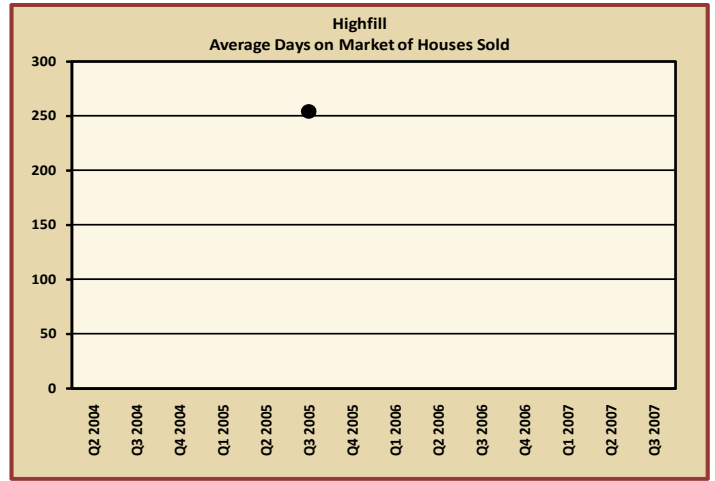
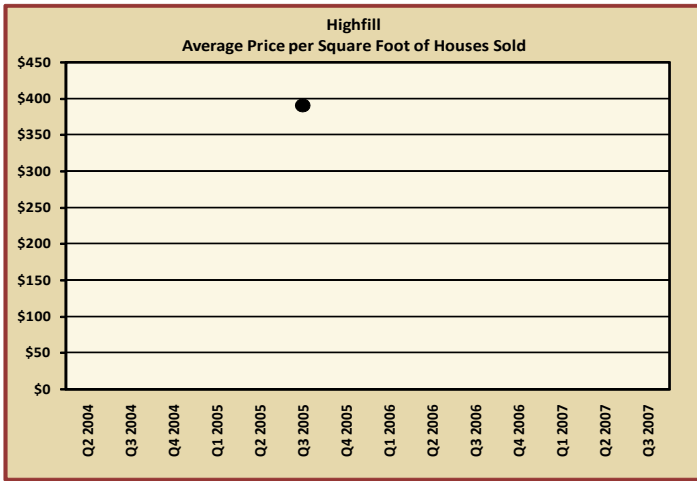
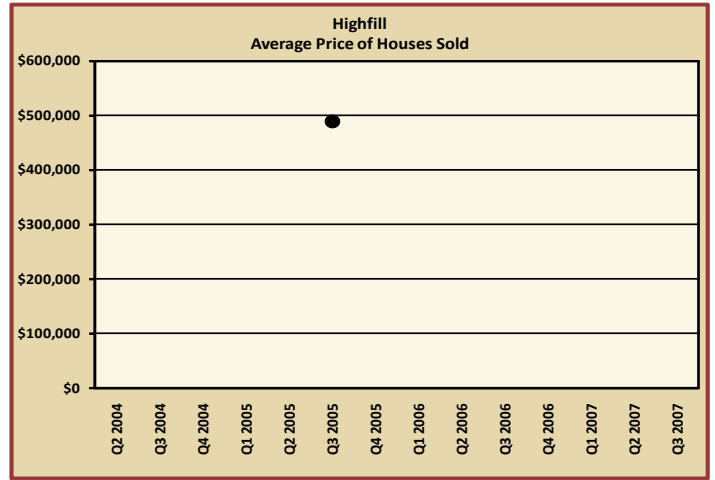
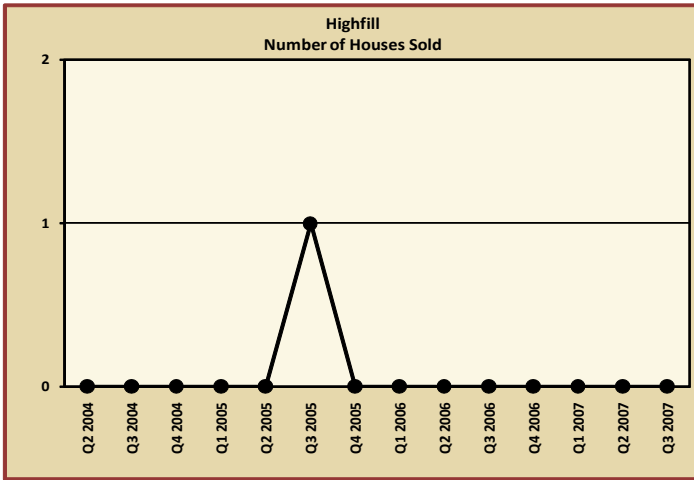


## Highfill House Status in Active Subdivisions Q3 2007

| Subdivision                   | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied | Total Lots | Absorbed Lots | Months of Inventory |
|-------------------------------|------------|----------|--------------------|--------------------------|----------|------------|---------------|---------------------|
| Eagle Ridge Estates, Phase II | 4          | 0        | 0                  | 0                        | 2        | 6          | 0             | --                  |
| Holiday Hills Estates         | 22         | 0        | 11                 | 0                        | 0        | 33         | 0             | --                  |
| <b>Highfill</b>               | <b>26</b>  | <b>0</b> | <b>11</b>          | <b>0</b>                 | <b>2</b> | <b>39</b>  | <b>0</b>      | <b>222.0</b>        |



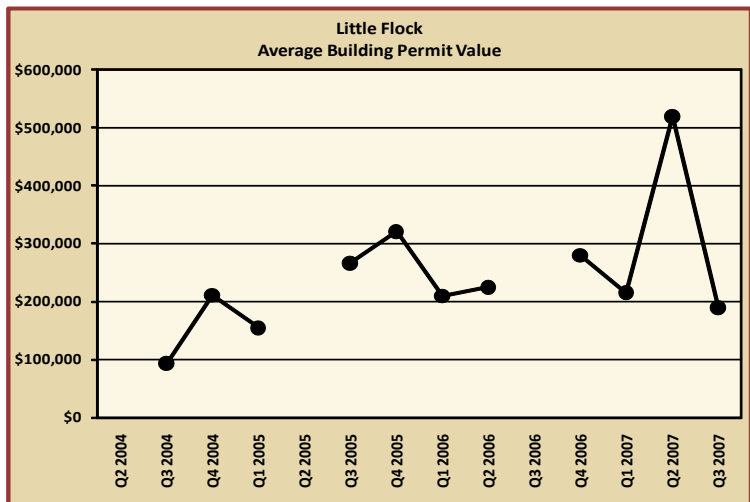
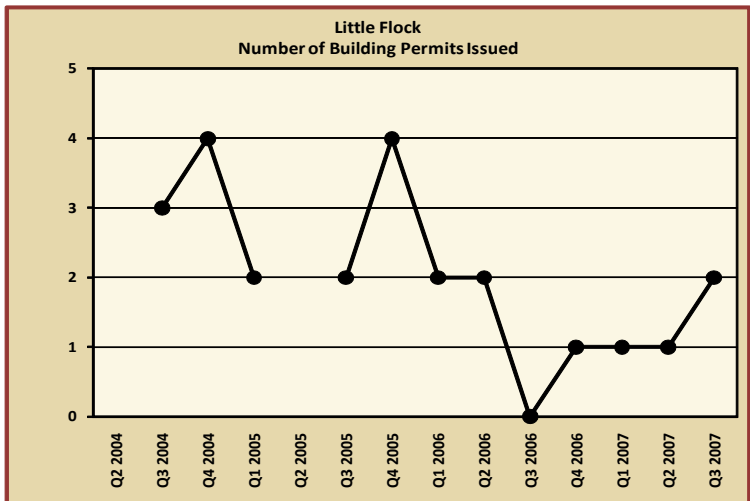
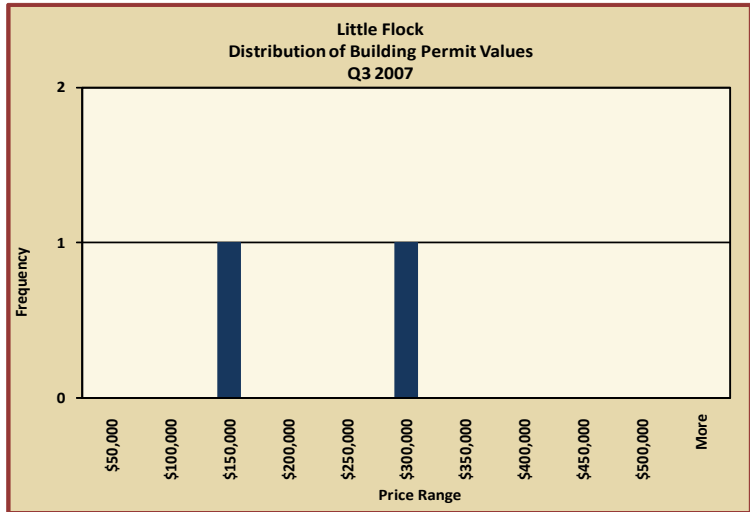
# Highfill



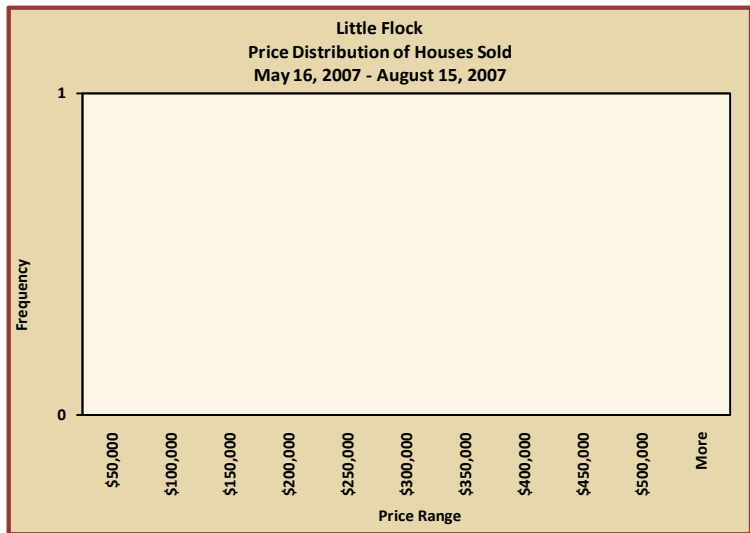
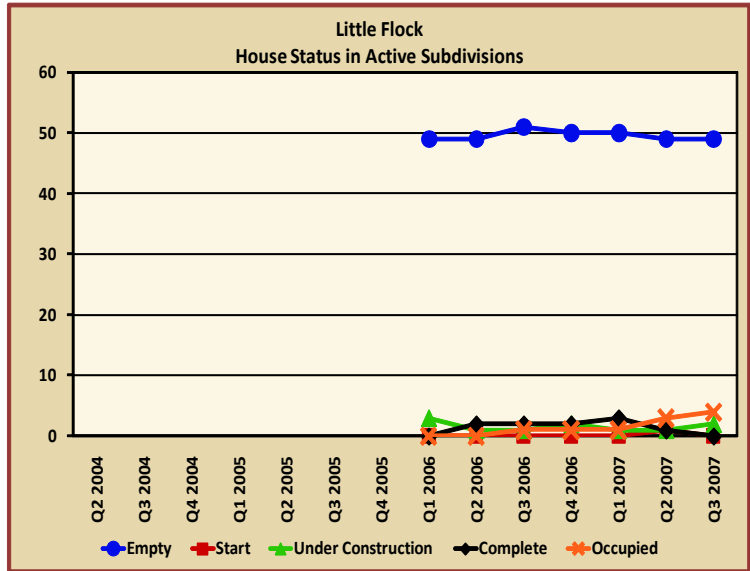
# Little Flock



- From June to August 2007, there were two residential building permits issued in Little Flock. In comparison, there were no residential building permits issued in the third quarter of 2006.
- The average value of residential building permits in Little Flock was \$190,000 in the third quarter of 2007.
- There were 55 total lots in 2 active subdivisions in Little Flock in the third quarter of 2007. About 7.3 percent were occupied, 0.0 percent was complete, but unoccupied, 3.6 percent were under construction, 0.0 percent was starts, and 89.1 percent were vacant lots.
- 1 new house in Little Flock became occupied in the third quarter of 2007. The annual absorption rate implies that there were 204.0 months of remaining inventory in active subdivisions.
- There were 2 houses under construction in The Meadows subdivisions in Little Flock.
- There were no existing houses sold in Little Flock from May 16, 2007 to August 15, 2007.



# Little Flock



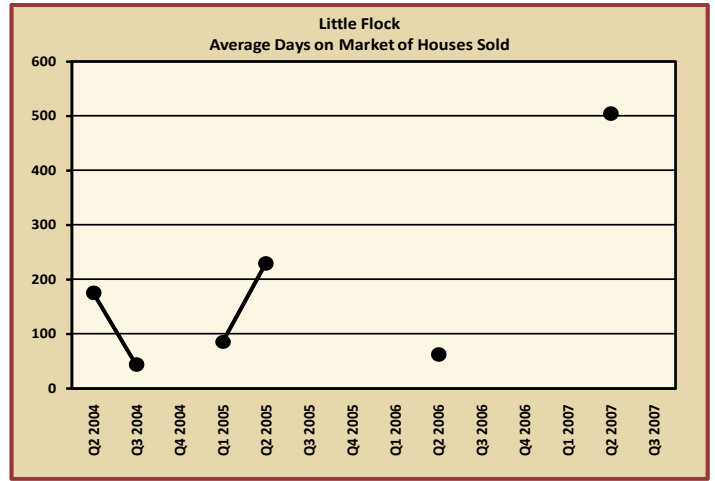
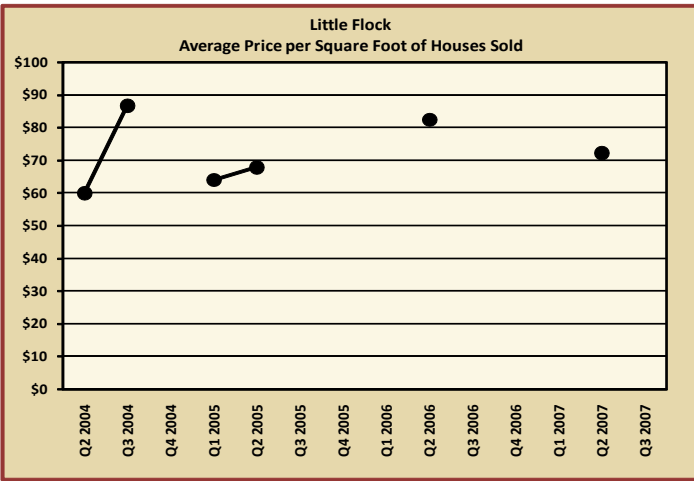
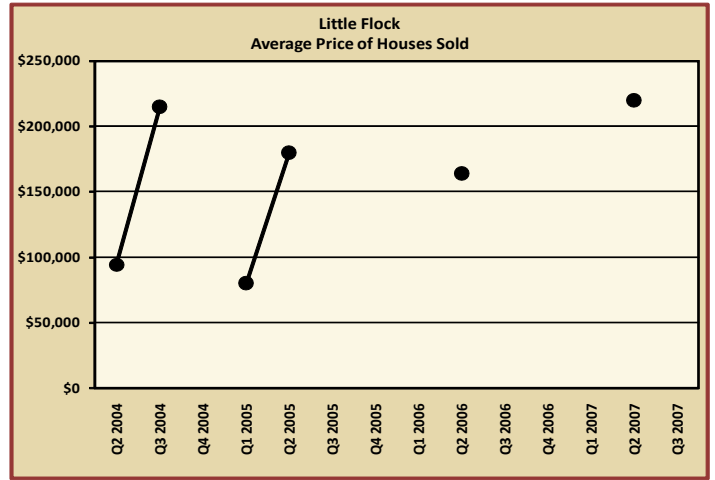
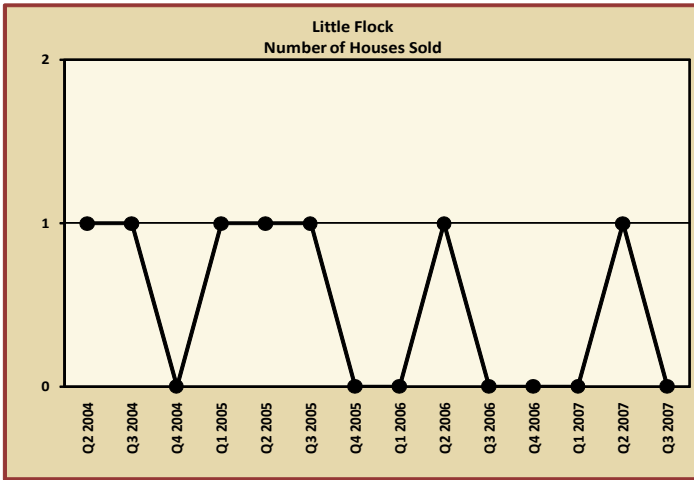
## Little Flock House Status in Active Subdivisions Q3 2007

| 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          | 0             | --                  |
| The Meadows          | 47         | 0     | 2                  | 0                        | 3        | 52         | 1             | 196.0               |
| Little Flock         | 49         | 0     | 2                  | 0                        | 4        | 55         | 1             | 204.0               |





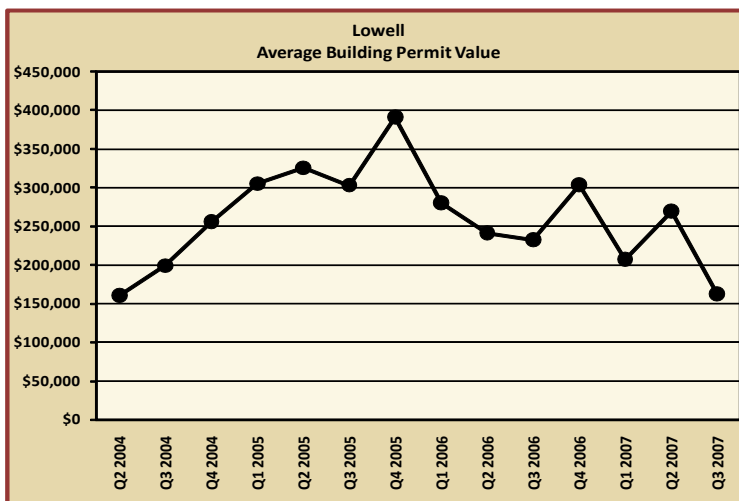
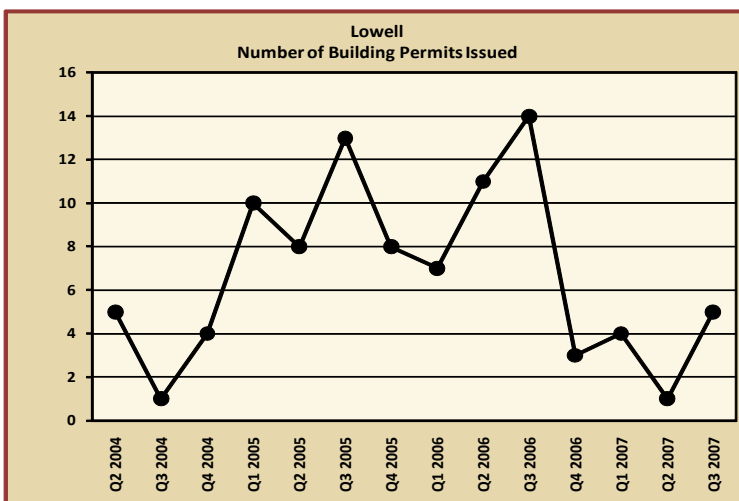
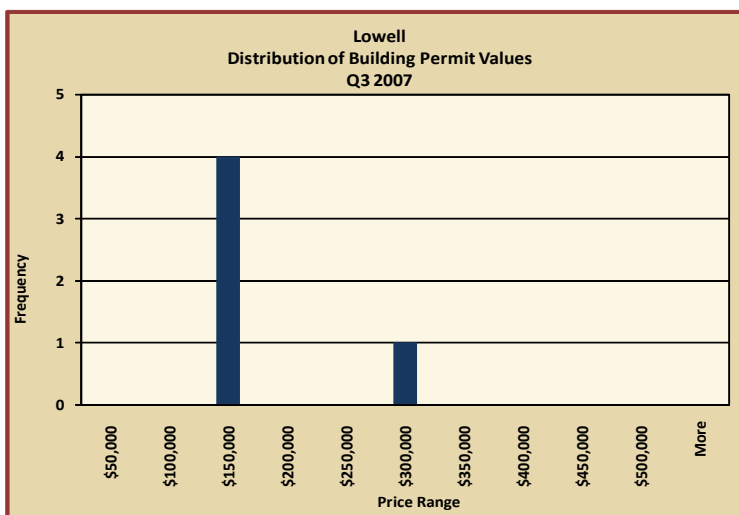
# Little Flock



# Lowell



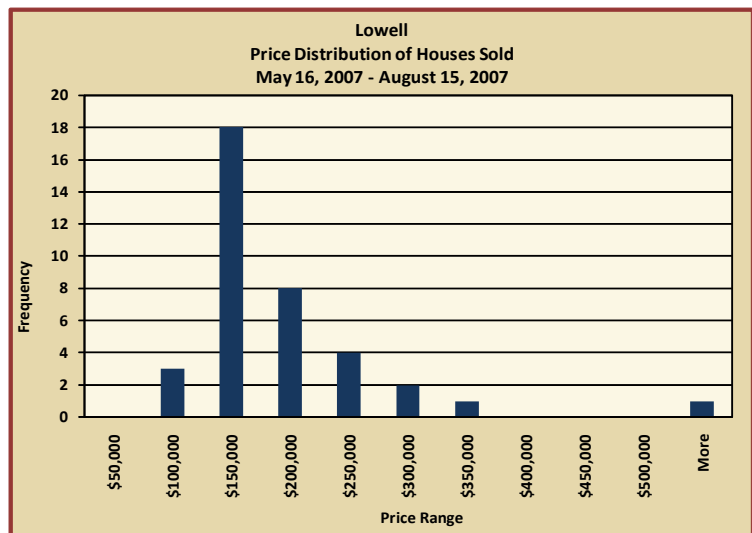
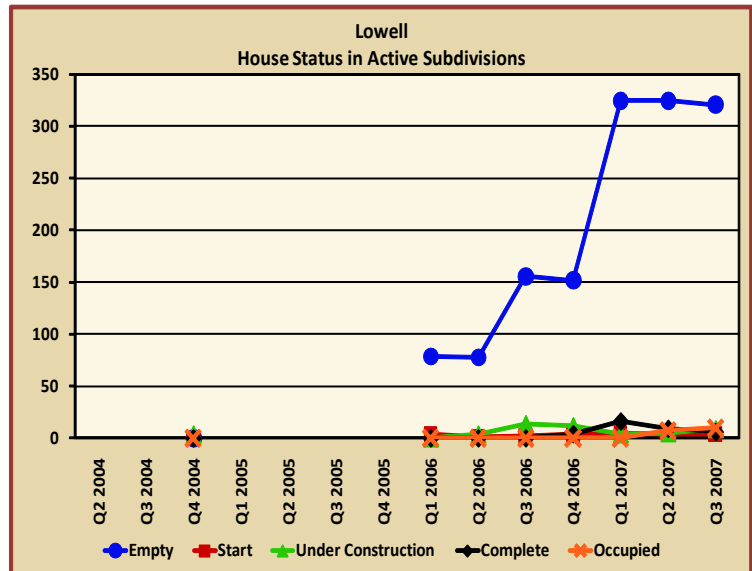
- From June to August 2007, there were five residential building permits issued in Lowell. This was a 64.3 percent decline from the third quarter of 2006.
- The average value of residential building permits in Lowell declined by 30.1 percent from the third quarter of 2006 to \$162,656 in the third quarter of 2007.
- There were 350 total lots in active subdivisions in Lowell in the third quarter of 2007. About 2.9 percent were occupied, 1.7 percent was complete, but unoccupied, 2.6 percent were under construction, 1.1 percent were starts, and 91.7 percent were vacant lots.
- Three new houses in Lowell became occupied in the third quarter of 2007. The annual absorption rate implies that there were 408.0 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Lowell was Weatherton with five.
- There were 37 existing houses sold in Lowell from May 16, 2007 to August 15, 2007, or 32.1 percent more than in the previous quarter but 32.7 percent less than in the same period last year.
- The average price of a house sold in Lowell decreased from \$189,479 in the second quarter of 2007 to \$185,364 in the third quarter of 2007. In the third



# Lowell

quarter of 2007, the average sales price was 2.2 percent lower than in the previous quarter but 11.6 percent higher than in the same period last year.

- In Lowell, the average number of days from the initial house listing to the sale increased from 118 days in the second quarter of 2007 to 134 days in the third quarter of 2007.
- About 3.2 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Lowell. The average sales price of a house in Lowell was 94.8 percent of the county average.
- 70.2 percent of the sold houses in Lowell were in the \$100,001 to \$200,000 range.

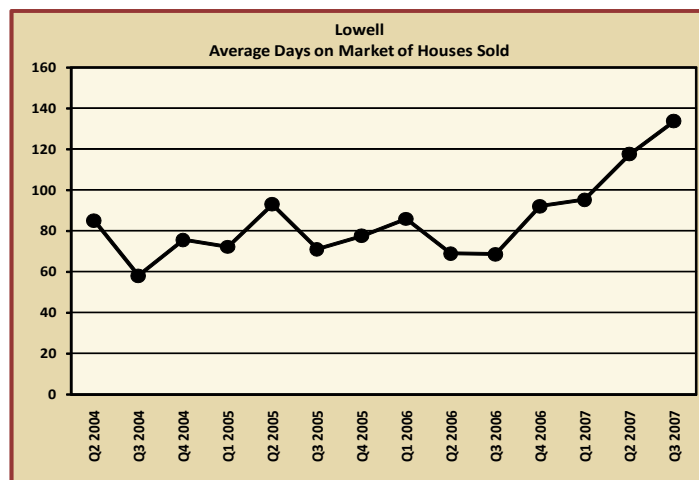
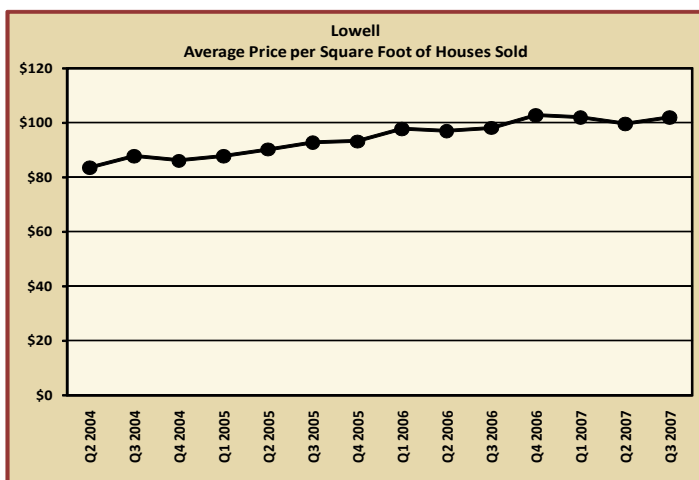
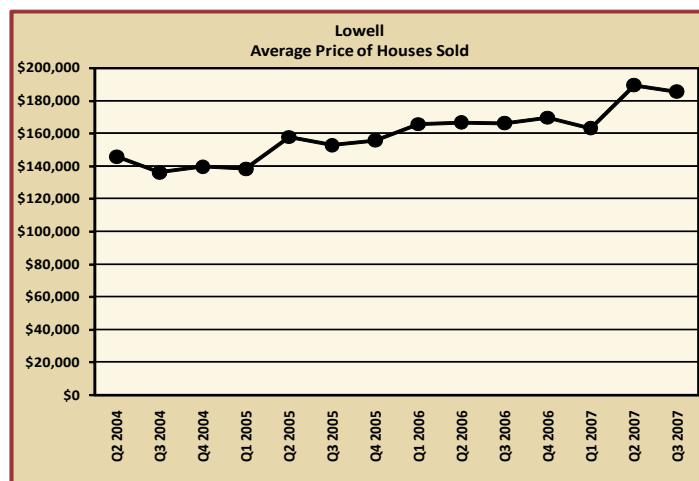
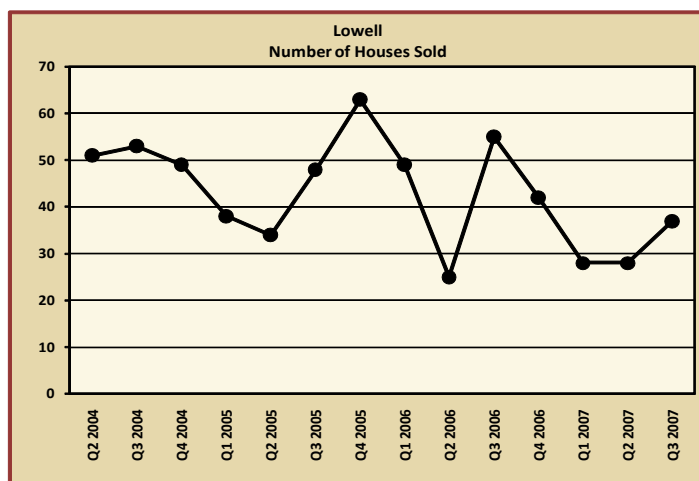


## Lowell House Status in Active Subdivisions Q3 2007

| Subdivision           | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|-----------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Borghese, Phase I     | 77         | 0        | 0                  | 0                        | 6         | 83         | 0             | 154.0               |
| Park Central, Phase I | 70         | 4        | 4                  | 6                        | 4         | 88         | 3             | 252.0               |
| Weatherton            | 174        | 0        | 5                  | 0                        | 0         | 179        | 0             | ---                 |
| <b>Lowell</b>         | <b>321</b> | <b>4</b> | <b>9</b>           | <b>6</b>                 | <b>10</b> | <b>350</b> | <b>3</b>      | <b>408.0</b>        |



# Lowell



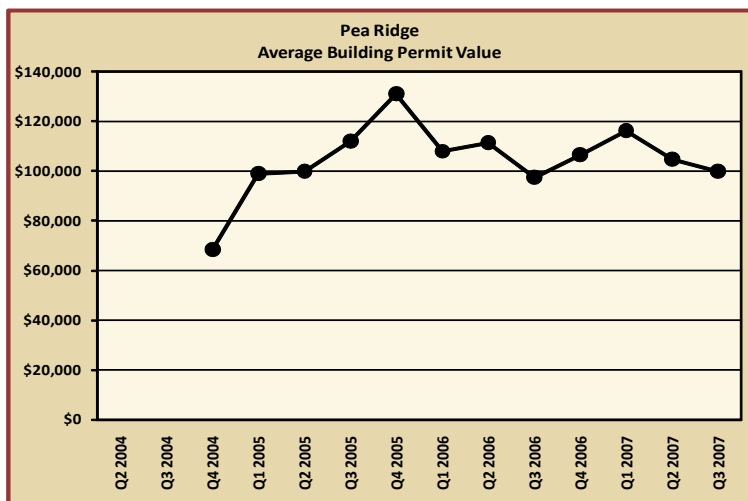
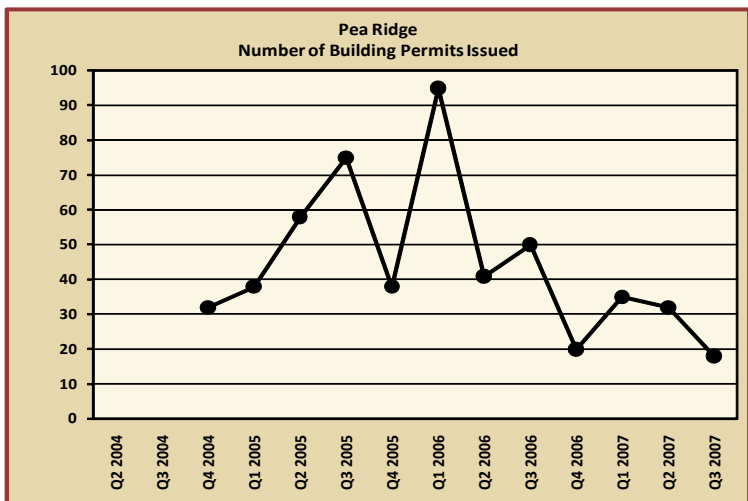
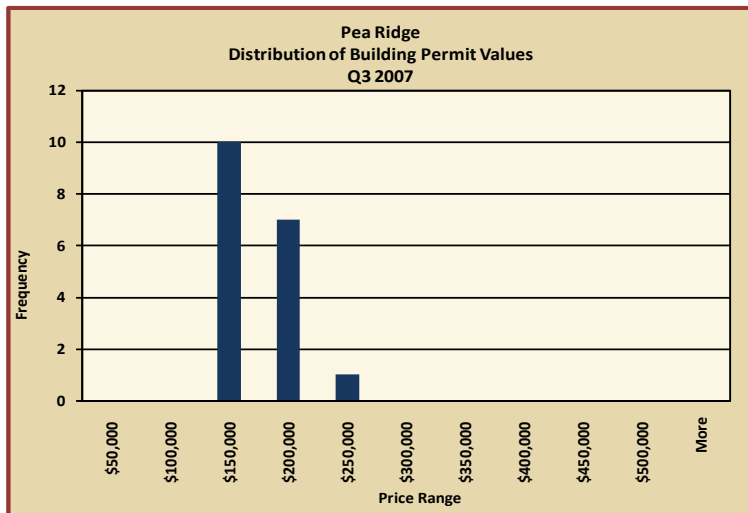
## Lowell Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 3           | 8.1%                      | 1,726                  | 237                    | 95.0%  | \$60.20                       |
| \$100,001 - \$150,000 | 18          | 48.6%                     | 1,429                  | 110                    | 97.2%  | \$92.12                       |
| \$150,001 - \$200,000 | 8           | 21.6%                     | 1,804                  | 140                    | 97.2%  | \$96.89                       |
| \$200,001 - \$250,000 | 4           | 10.8%                     | 2,243                  | 117                    | 93.8%  | \$101.87                      |
| \$250,001 - \$300,000 | 2           | 5.4%                      | 1,610                  | 260                    | 97.3%  | \$181.40                      |
| \$300,001 - \$350,000 | 1           | 2.7%                      | 2,036                  | 54                     | 88.7%  | \$149.80                      |
| \$350,001 - \$400,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$400,001 - \$450,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$450,001 - \$500,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+            | 1           | 2.7%                      | 5,000                  | 98                     | 97.9%  | \$235.00                      |
| <b>Lowell</b>         | <b>37</b>   | <b>100.0%</b>             | <b>1,745</b>           | <b>134</b>             | <b>96.5%</b>                                     | <b>\$101.87</b>               |



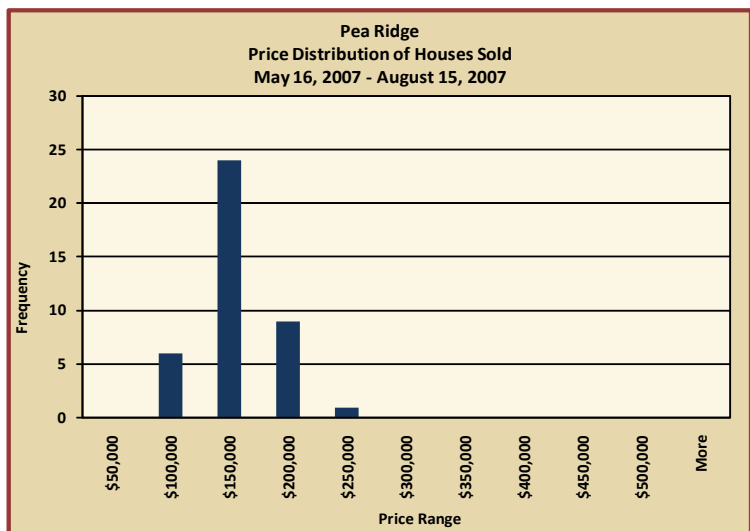
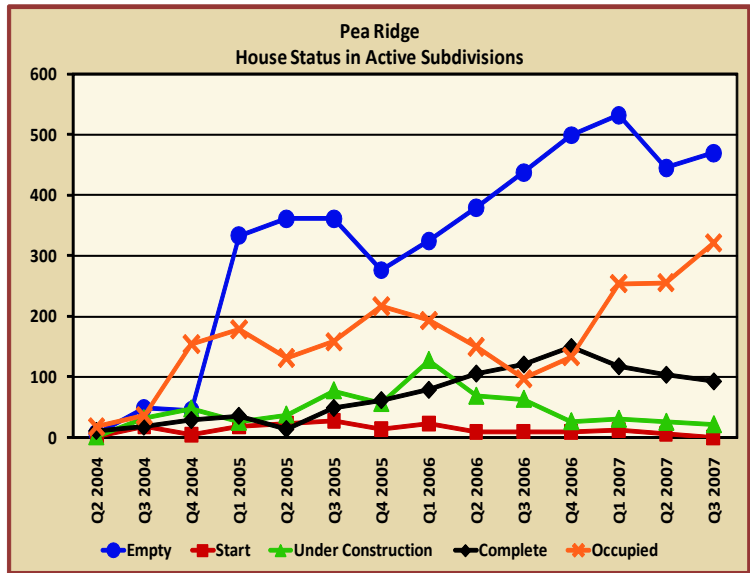
# Pea Ridge

- From June to August 2007, there were 18 building permits issued in Pea Ridge. This was a decline of 64.0 percent from the third quarter of 2006.
- The average residential building permit value in Pea Ridge increased by 2.4 percent from the third quarter of 2006 to \$99,851 in the third quarter of 2007.
- The major price points for Pea Ridge building permits were in the \$100,001 to \$150,000 range.
- There were 906 total lots in active subdivisions in Pea Ridge in the third quarter of 2007. About 35.4 percent of the lots were occupied, 10.3 percent were complete, but unoccupied, 2.4 percent were under construction, 0.0 percent were starts, and 51.9 percent were vacant lots.
- 42 new houses in Pea Ridge became occupied in the third quarter of 2007. The annual absorption rate implies that there were 35.6 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Pea Ridge in the third quarter was Maple Glenn with 9.
- An additional 91 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Pea Ridge.
- There were 40 existing houses sold in Pea Ridge from May 16, 2007 to August 15, 2007, or 11.1 percent fewer than the previous quarter and 4.8 percent fewer than in the same period last year.
- The average price of a house sold in Pea Ridge decreased from \$136,667 in the second quarter of 2007 to \$131,121 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 4.1 percent lower than in the previous quarter and 2.6 percent lower than in the same period last year.
- In Pea Ridge, the average number of days from the initial house listing to the sale decreased from 208 days in the second quarter of 2007 to 176 days in the third quarter of 2007.



# Pea Ridge

- About 3.4 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Pea Ridge. The average sales price of a house in Pea Ridge was 67.1 percent of the county average.
- In the third quarter of 2007, 60 percent of the sold houses in Pea Ridge were in the \$100,001 to \$150,000 range.





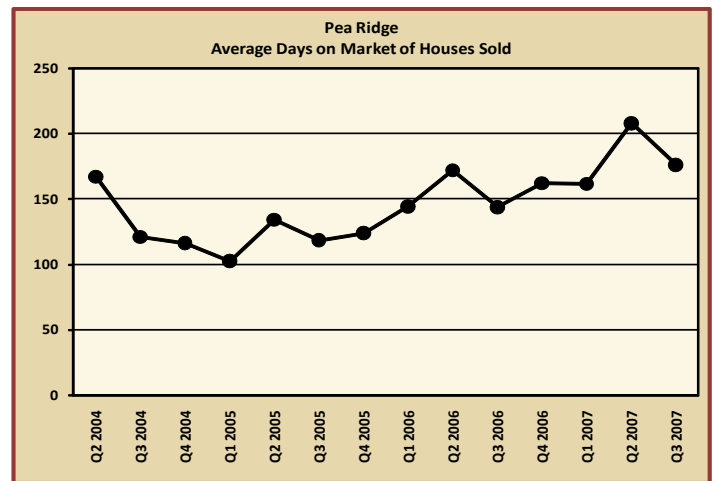
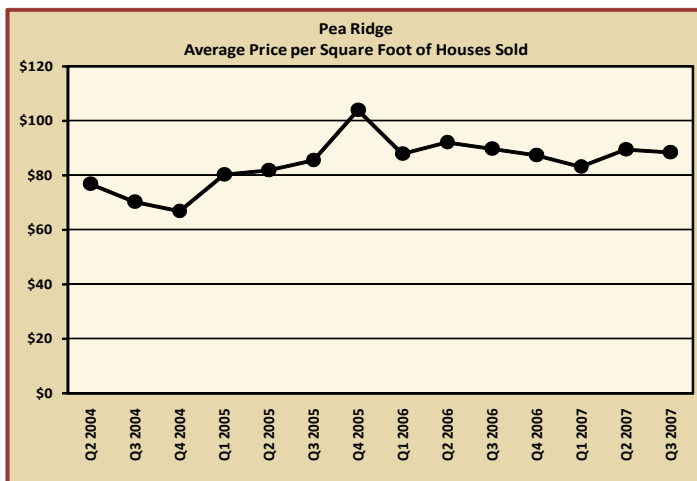
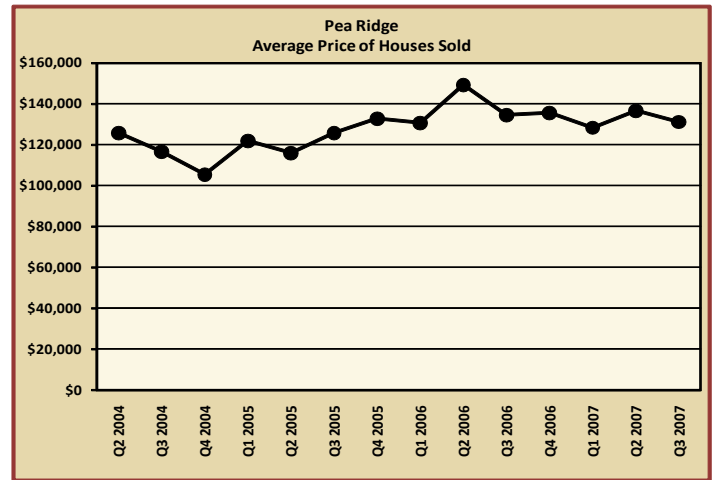
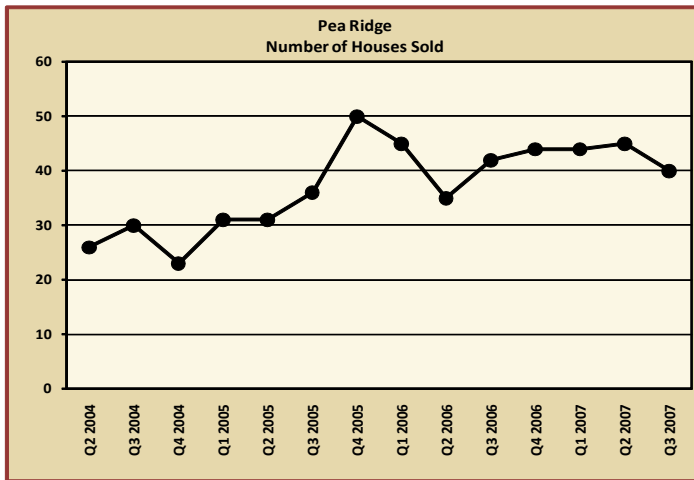
# Pea Ridge

## Pea Ridge House Status in Active Subdivisions Q3 2007

| Subdivision                   | Empty<br>Lots | Start    | Under<br>Construction | Complete, but<br>Unoccupied | Occupied   | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|-------------------------------|---------------|----------|-----------------------|-----------------------------|------------|---------------|------------------|------------------------|
| Battlefield Estates           | 94            | 0        | 2                     | 0                           | 11         | 107           | 0                | 192.0                  |
| Battlefield View              | 16            | 0        | 0                     | 25                          | 77         | 118           | 5                | 15.9                   |
| Creekwood Manor               | 35            | 0        | 0                     | 4                           | 6          | 45            | 1                | 78.0                   |
| Deer Meadows                  | 74            | 0        | 0                     | 16                          | 2          | 92            | 0                | 540.0                  |
| Givens Place, Block III       | 17            | 0        | 0                     | 0                           | 58         | 75            | 0                | 204.0                  |
| Maple Glenn                   | 59            | 0        | 9                     | 11                          | 39         | 118           | 16               | 24.3                   |
| Maple Leaf Heights            | 3             | 0        | 2                     | 2                           | 4          | 11            | 0                | 42.0                   |
| The Oaks I, Phase II, Block I | 35            | 0        | 3                     | 5                           | 24         | 67            | 0                | 34.4                   |
| Patterson Place               | 24            | 0        | 0                     | 13                          | 23         | 60            | 4                | 21.1                   |
| Ridgeview Acres               | 31            | 0        | 0                     | 0                           | 2          | 33            | 0                | 186.0                  |
| Shepherd Hills                | 29            | 0        | 2                     | 0                           | 5          | 36            | 4                | 55.8                   |
| Sugar Creek Estates           | 14            | 0        | 0                     | 0                           | 3          | 17            | 0                | 168.0                  |
| Summit Meadows                | 35            | 0        | 0                     | 10                          | 5          | 50            | 4                | 81.0                   |
| Weston Plexes                 | 2             | 0        | 0                     | 2                           | 16         | 20            | 6                | 3.0                    |
| Windmill Estates              | 2             | 0        | 4                     | 5                           | 46         | 57            | 2                | 7.8                    |
| <b>Pea Ridge</b>              | <b>470</b>    | <b>0</b> | <b>22</b>             | <b>93</b>                   | <b>321</b> | <b>906</b>    | <b>42</b>        | <b>35.6</b>            |



# Pea Ridge



## Pea Ridge Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 15.0%                     | 1,268                  | 121                    | 98.4%  | \$68.84                       |
| \$100,001 - \$150,000 | 24          | 60.0%                     | 1,382                  | 171                    | 99.0%  | \$89.65                       |
| \$150,001 - \$200,000 | 9           | 22.5%                     | 1,756                  | 227                    | 101.1%   | \$97.59                       |
| \$200,001 - \$250,000 | 1           | 2.5%                      | 2,400                  | 175                    | 96.1%  | \$92.08                       |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Pea Ridge</b>      | <b>40</b>   | <b>100.0%</b>             | <b>1,475</b>           | <b>176</b>             | <b>99.3%</b>                                     | <b>\$88.38</b>                |



# Pea Ridge

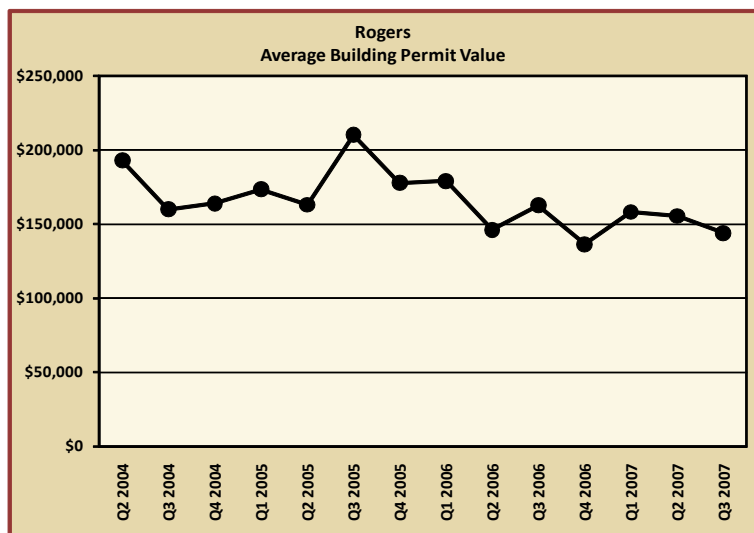
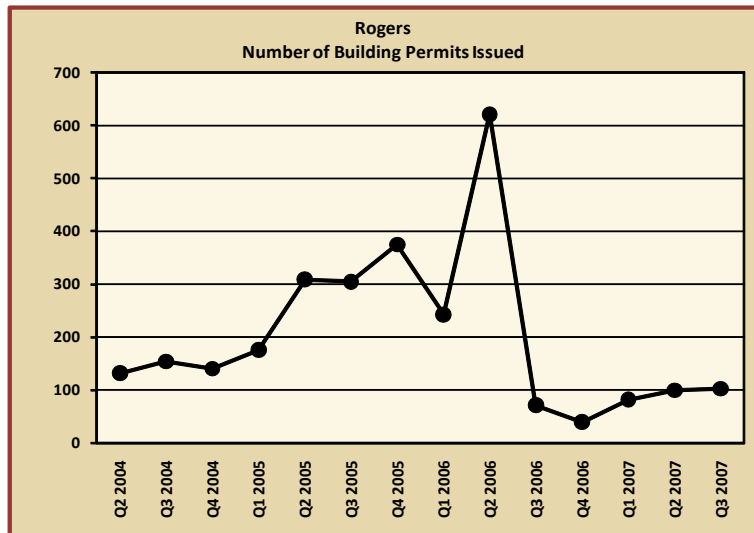
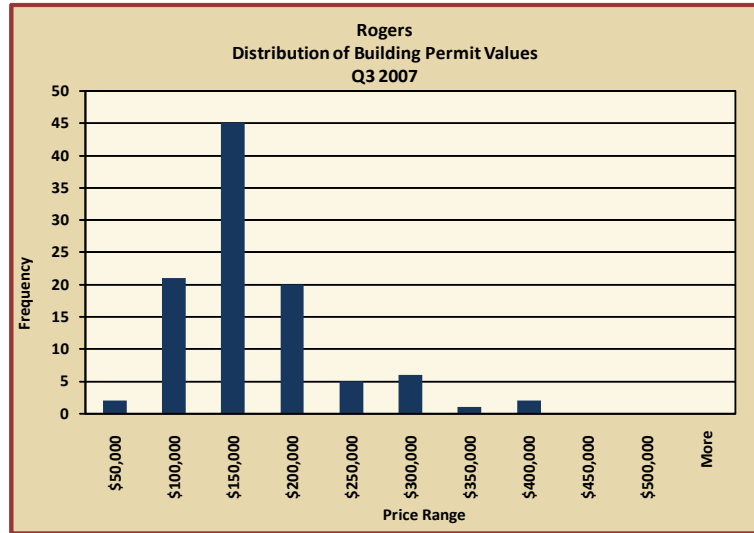
## Pea Ridge Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                | Approved | Number of Lots |
|----------------------------|----------|----------------|
| Battlefield View, Phase II | Q3 2006  | 56             |
| Creekside Estates          | Q3 2006  | 35             |
| Pea Ridge                  |          | 91             |



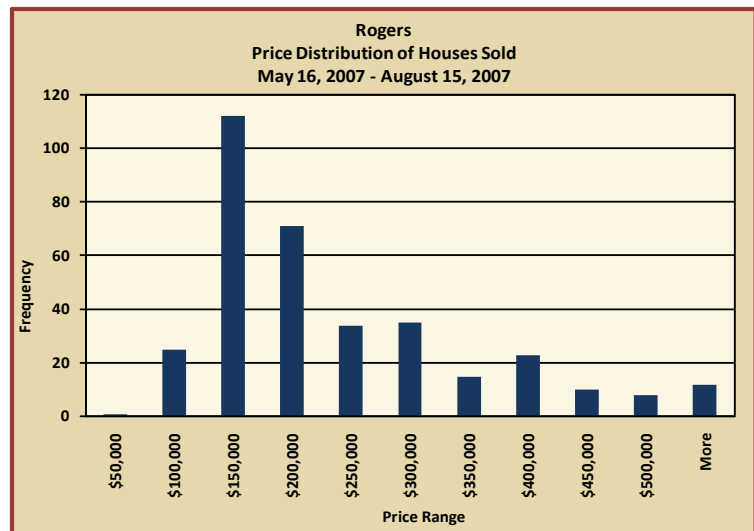
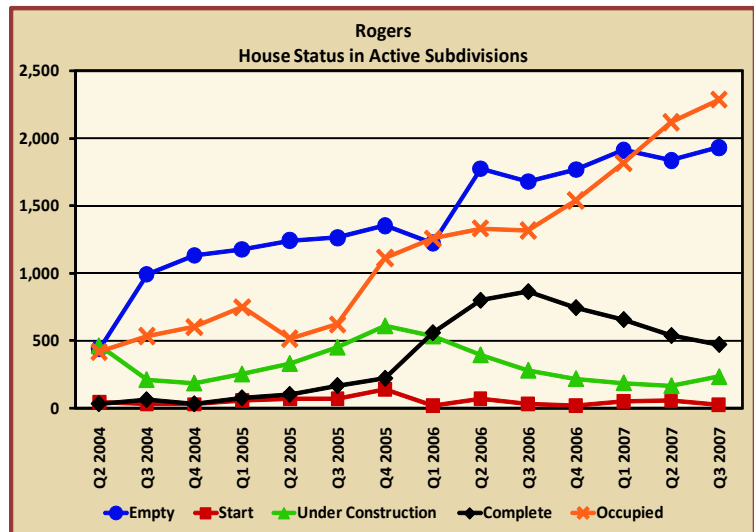
# Rogers

- From June to August 2007, there were 102 residential building permits issued in Rogers. This represents a 43.7 percent increase from the third quarter of 2006.
- The average residential building permit value in Rogers declined by 11.6 percent from the third quarter of 2006 to \$143,923 in the third quarter of 2007.
- The major price points for Rogers building permits were in the \$100,001 to \$150,000 range.
- There were 4,954 total lots in active subdivisions in Rogers in the third quarter of 2007. About 46.1 percent of the lots were occupied, 9.6 percent were complete, but unoccupied, 4.7 percent were under construction, 0.6 percent were starts, and 39 percent were vacant lots.
- 294 new houses in Rogers became occupied in the third quarter of 2007. The annual absorption rate implies that there were 30.5 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Rogers in the third quarter were The Plantation with 29 and Meadow Wood with 20.
- An additional 2,240 lots in 41 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Rogers.
- There were 346 existing houses sold in Rogers from May 16, 2007 to August 15, 2007, or 1.2 percent more than in the previous quarter but 13.5 percent fewer than in the same period last year.
- The average price of a house sold in Rogers increased from \$200,426 in the second quarter of 2007 to \$220,161 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 9.8 percent higher than in the previous quarter and 1.6 percent higher than in the same period last year.
- In Rogers, the average number of days from the initial house listing to the sale decreased from 176 days in the second quarter of 2007 to 161 days in the third quarter of 2007.



# Rogers

- About 29.8 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Rogers. The average sales price of a house in Rogers was 112.6 percent of the county average.
- 52.9 percent of the sold houses in Rogers were in the \$100,000 to \$200,000 range.



## Rogers House Status in Active Subdivisions Q3 2007

| Subdivision           | Empty Lots | Start | Under Construction | Complete, but Unoccupied | Occupied | Total Lots | Absorbed Lots | Months of Inventory |
|-----------------------|------------|-------|--------------------|--------------------------|----------|------------|---------------|---------------------|
| Arbor Glenn           | 36         | 0     | 0                  | 5                        | 13       | 54         | 10            | 37.8                |
| Bellview, Phases I,II | 125        | 0     | 3                  | 27                       | 142      | 297        | 14            | 27.4                |
| Bent Tree, Phase II   | 5          | 0     | 3                  | 2                        | 53       | 63         | 1             | 17.1                |
| Biltmore              | 103        | 0     | 2                  | 2                        | 3        | 110        | 1             | 642.0               |
| Brentwood             | 53         | 0     | 9                  | 8                        | 0        | 70         | 0             | --                  |
| Camden Way            | 34         | 1     | 6                  | 16                       | 103      | 160        | 10            | 12.4                |
| Camelot Estates       | 12         | 0     | 1                  | 1                        | 0        | 14         | 0             | --                  |
| Clower                | 65         | 0     | 10                 | 0                        | 0        | 75         | 0             | --                  |
| Cottagewood, Phase I  | 11         | 2     | 5                  | 12                       | 18       | 48         | 10            | 20.0                |
| Countryside Estates   | 4          | 0     | 0                  | 0                        | 24       | 28         | 0             | 48.0                |
| Courtyard II          | 0          | 0     | 0                  | 0                        | 18       | 18         | 0             | 0.0                 |



# Rogers

## Rogers House Status in Active Subdivisions Q3 2007

| Subdivision                  | Empty<br>Lots | Start     | Under<br>Construction | Complete, but<br>Unoccupied | Occupied     | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|------------------------------|---------------|-----------|-----------------------|-----------------------------|--------------|---------------|------------------|------------------------|
| Creekside                    | 32            | 0         | 6                     | 9                           | 19           | 66            | 0                | 40.3                   |
| Creekwood (Rogers/Lowell)    | 123           | 1         | 9                     | 10                          | 57           | 200           | 9                | 44.0                   |
| Cross Creek, Blocks I-VI     | 58            | 0         | 2                     | 14                          | 45           | 119           | 8                | 63.4                   |
| Cross Timbers--North         | 11            | 0         | 4                     | 0                           | 0            | 15            | 0                | --                     |
| Cross Timbers--South         | 15            | 0         | 0                     | 0                           | 0            | 15            | 0                | --                     |
| Dixieland Crossing           | 85            | 0         | 12                    | 1                           | 0            | 98            | 0                | --                     |
| Emily Place                  | 3             | 0         | 0                     | 1                           | 0            | 4             | 0                | --                     |
| Fieldstone                   | 0             | 0         | 0                     | 1                           | 50           | 51            | 50               | 2.4                    |
| First Place                  | 101           | 0         | 0                     | 0                           | 0            | 101           | 0                | --                     |
| Fox Briar, Phase I           | 26            | 0         | 3                     | 7                           | 0            | 36            | 0                | --                     |
| Greenfield Place             | 0             | 0         | 0                     | 6                           | 45           | 51            | 7                | 1.2                    |
| Habitat Trails               | 10            | 1         | 0                     | 0                           | 3            | 14            | 3                | 33.0                   |
| Hearthstone, Phases I-III    | 101           | 4         | 13                    | 6                           | 128          | 252           | 19               | 46.5                   |
| Legacy Estates               | 2             | 0         | 0                     | 3                           | 25           | 30            | 5                | 3.2                    |
| Lexington                    | 76            | 1         | 2                     | 7                           | 33           | 119           | 3                | 57.3                   |
| Liberty Bell North           | 63            | 1         | 1                     | 23                          | 17           | 105           | 10               | 75.4                   |
| Madison                      | 30            | 0         | 0                     | 2                           | 3            | 35            | 2                | 128.0                  |
| Malies Addition              | 0             | 0         | 3                     | 8                           | 7            | 18            | 6                | 11.0                   |
| Meadow Wood                  | 50            | 5         | 20                    | 3                           | 0            | 78            | 0                | --                     |
| Oldetown Estates             | 48            | 0         | 0                     | 6                           | 0            | 54            | 0                | --                     |
| Perry Place                  | 0             | 0         | 0                     | 1                           | 31           | 32            | 0                | 12.0                   |
| Pinnacle Gardens             | 0             | 0         | 0                     | 14                          | 25           | 39            | 10               | 7.3                    |
| Pinnacle Golf & Country Club | 79            | 0         | 14                    | 14                          | 322          | 429           | 21               | 428.0                  |
| Pinnacle, Phases I-IV        | 89            | 0         | 17                    | 21                          | 116          | 243           | 4                | 63.5                   |
| Post Meadows                 | 0             | 0         | 2                     | 10                          | 113          | 125           | 1                | 2.3                    |
| Richard's Glen               | 5             | 0         | 0                     | 0                           | 22           | 27            | 0                | 30.0                   |
| Rocky Creek                  | 43            | 0         | 0                     | 8                           | 4            | 55            | 2                | 153.0                  |
| Roller's Ridge               | 70            | 0         | 13                    | 26                          | 24           | 133           | 6                | 54.5                   |
| Royal Heights                | 4             | 1         | 2                     | 3                           | 2            | 12            | 1                | 60.0                   |
| Sandalwood                   | 16            | 1         | 2                     | 6                           | 23           | 48            | 2                | 16.7                   |
| Shadow Valley, Phases I-VII  | 137           | 0         | 15                    | 24                          | 271          | 447           | 11               | 48.0                   |
| Shenandoah                   | 0             | 0         | 0                     | 1                           | 30           | 31            | 1                | 0.4                    |
| Silo Falls, Phase I          | 76            | 1         | 2                     | 10                          | 16           | 105           | 3                | 76.3                   |
| The Peaks, Phases I - III    | 55            | 1         | 4                     | 18                          | 32           | 110           | 4                | 62.4                   |
| The Plantation, Phases I,II  | 52            | 7         | 29                    | 83                          | 407          | 578           | 13               | 6.9                    |
| Veteran                      | 14            | 0         | 12                    | 0                           | 0            | 26            | 0                | --                     |
| Vintage                      | 8             | 0         | 0                     | 4                           | 11           | 23            | 2                | 13.1                   |
| Wildflower, Phases I,II      | 1             | 0         | 8                     | 52                          | 22           | 83            | 0                | 366.0                  |
| Williamsburg Place           | 2             | 0         | 0                     | 0                           | 8            | 10            | 0                | 12.0                   |
| <b>Rogers</b>                | <b>1,933</b>  | <b>27</b> | <b>234</b>            | <b>475</b>                  | <b>2,285</b> | <b>4,954</b>  | <b>249</b>       | <b>30.5</b>            |

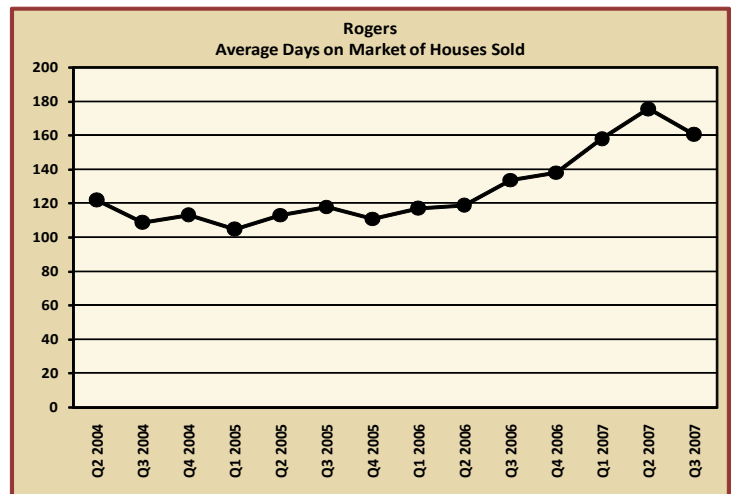
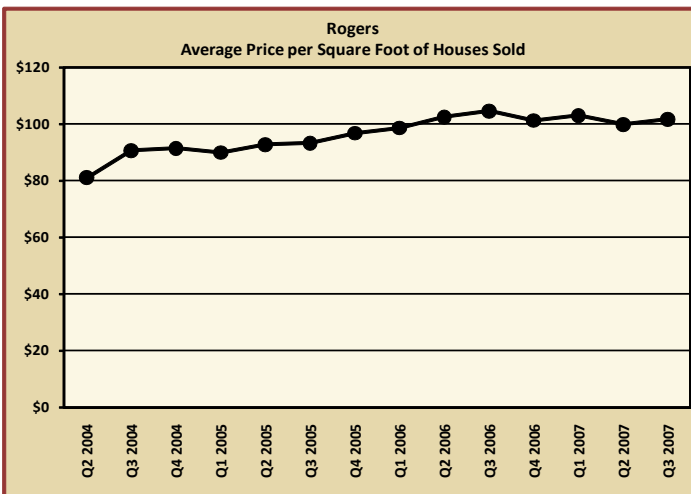
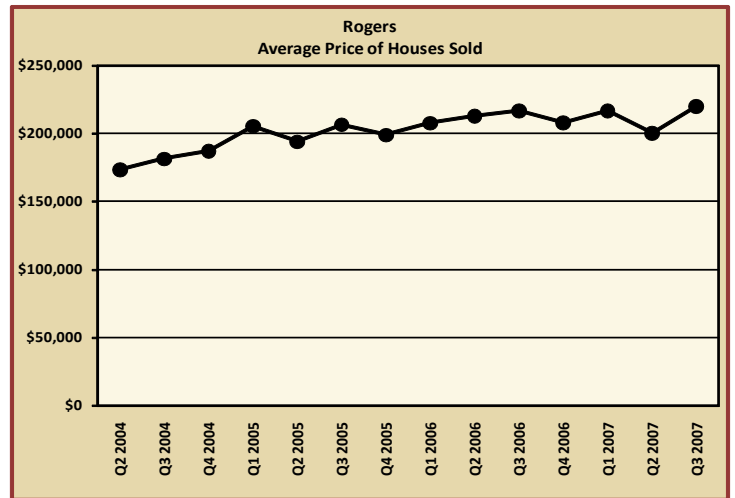
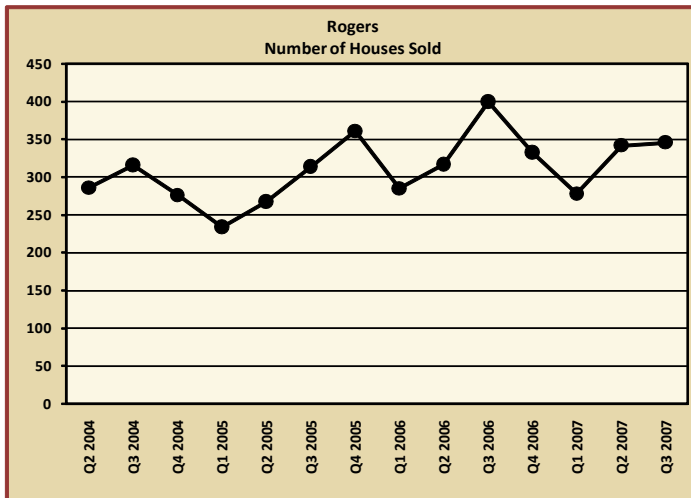




# Rogers

## Rogers Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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%                      | 780                    | 16                     | 82.9%  | \$37.18                       |
| \$50,001 - \$100,000  | 25          | 7.2%                      | 1,234                  | 91                     | 96.0%  | \$72.34                       |
| \$100,001 - \$150,000 | 112         | 32.4%                     | 1,473                  | 119                    | 98.7%  | \$90.46                       |
| \$150,001 - \$200,000 | 71          | 20.5%                     | 1,837                  | 162                    | 97.6%  | \$97.08                       |
| \$200,001 - \$250,000 | 34          | 9.8%                      | 2,040                  | 196                    | 97.0%  | \$110.23                      |
| \$250,001 - \$300,000 | 35          | 10.1%                     | 2,545                  | 165                    | 96.8%  | \$110.69                      |
| \$300,001 - \$350,000 | 15          | 4.3%                      | 2,882                  | 203                    | 97.2%  | \$114.71                      |
| \$350,001 - \$400,000 | 23          | 6.6%                      | 3,252                  | 293                    | 95.8%  | \$118.49                      |
| \$400,001 - \$450,000 | 10          | 2.9%                      | 3,279                  | 229                    | 95.1%  | \$129.05                      |
| \$450,001 - \$500,000 | 8           | 2.3%                      | 3,782                  | 180                    | 96.9%  | \$127.73                      |
| \$500,000+            | 12          | 3.5%                      | 4,308                  | 210                    | 95.8%  | \$158.94                      |
| <b>Rogers</b>         | <b>346</b>  | <b>100.0%</b>             | <b>2,076</b>           | <b>161</b>             | <b>97.4%</b>                                     | <b>\$101.59</b>               |



# Rogers

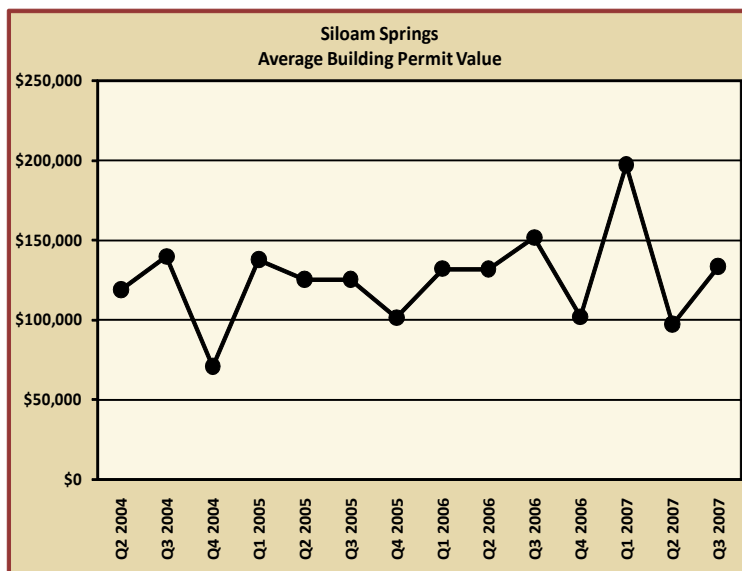
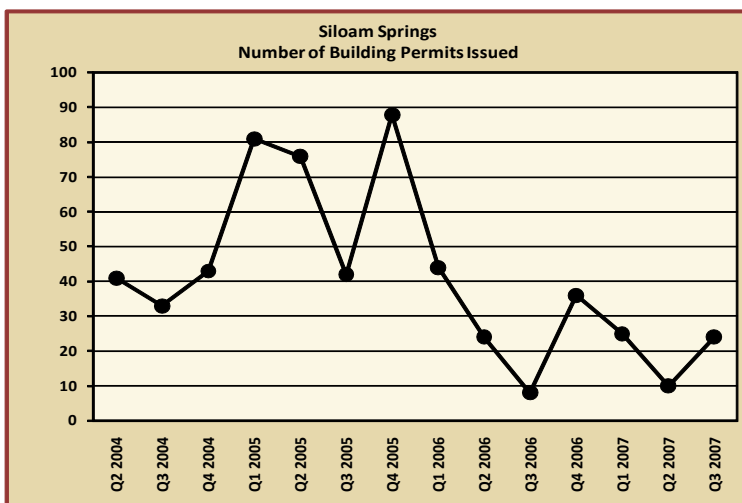
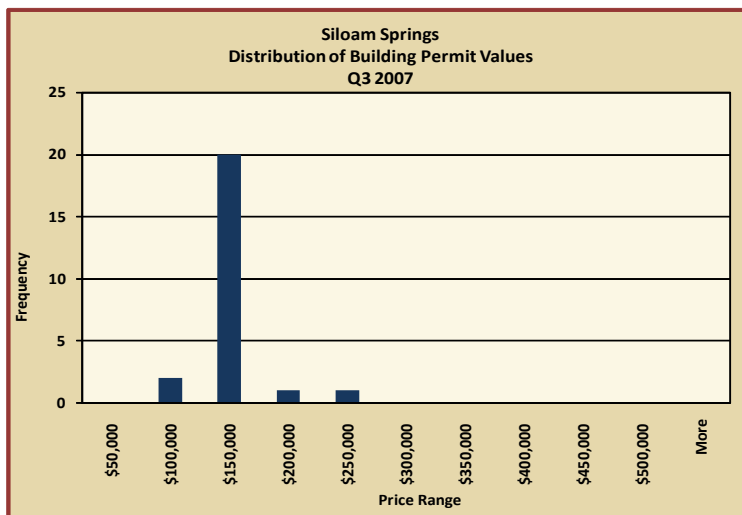
## Rogers Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Chelsea Point               | Q4 2005  | 135            |
| Chenal Addition             | Q4 2004  | 185            |
| Canopy Subdivision          | Q3 2007  | 10             |
| Clower Subdivision          | Q4 2005  | 79             |
| Edgewater Subdivision       | Q2 2006  | 10             |
| Elk Estates                 | Q2 2006  | 41             |
| The Farms                   | Q1 2007  | 42             |
| Fox Briar, Phase II         | Q1 2007  | 63             |
| The Iveys                   | Q4 2005  | 101            |
| Lakewood                    | Q2 2005  | 58             |
| Pinion Subdivision          | Q4 2004  | 5              |
| Sagely                      | Q2 2005  | 77             |
| Saine Michelle              | Q4 2005  | 65             |
| Signature Subdivision       | Q3 2006  | 13             |
| Taldo Subdivision           | Q4 2004  | 425            |
| Walnut Creek                | Q1 2007  | 7              |
| Walz Subdivision            | Q4 2004  | 7              |
| <i>Final Approval</i>       |          |                |
| Creeside Place, Phase II    | Q1 2006  | 3              |
| Cross Creek, Phase III      | Q3 2006  | 85             |
| Dixieland Crossing          | Q1 2007  | 122            |
| Emily Place                 | Q2 2007  | 4              |
| The Grove                   | Q4 2005  | 46             |
| The Grove, Phase II         | Q2 2007  | 25             |
| The Iveys                   | Q3 2007  | 96             |
| Liberty Bell South          | Q3 2006  | 143            |
| Metro Park                  | Q2 2006  | 22             |
| Myers Ranch                 | Q4 2004  | 6              |
| North Starr                 | Q1 2007  | 4              |
| Oldetown Estates            | Q1 2006  | 54             |
| Ray Neal Subdivision        | Q1 2005  | 5              |
| Rogers Wellness Center      | Q3 2005  | 3              |
| Sandalwood, Phase II        | Q3 2006  | 40             |
| Silo Falls, Phase II        | Q3 2006  | 81             |
| Stoney Brook Place          | Q1 2005  | 5              |
| Top Flite, Phase VI         | Q4 2005  | 34             |
| Turtle Creek Place          | Q2 2006  | 4              |
| Warren Glen                 | Q4 2005  | 110            |
| Will Rogers Duplexes        | Q2 2007  | 12             |
| West Olrich Addition        | Q2 2006  | 6              |
| <b>Rogers</b>               |          | <b>2,240</b>   |



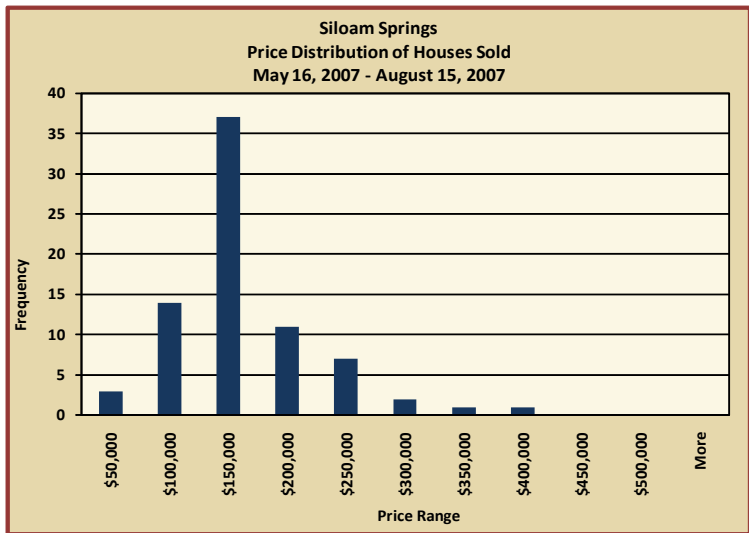
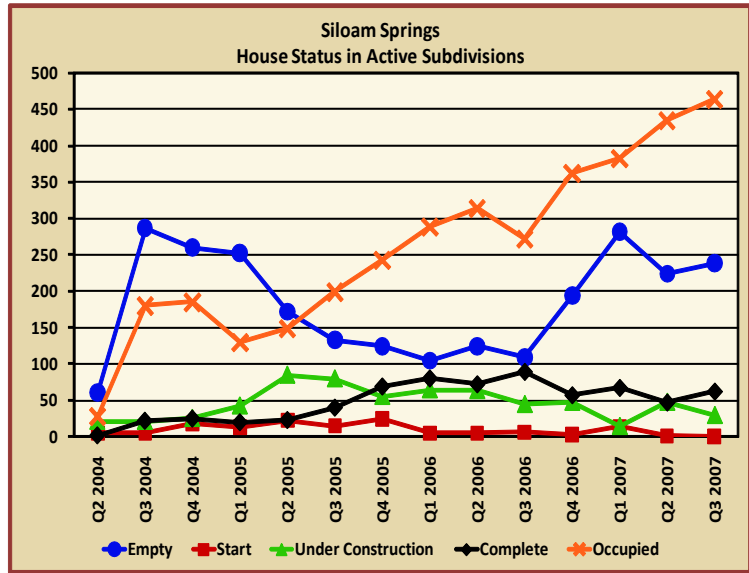
# Siloam Springs

- From June to August 2007, there were 24 residential building permits issued in Siloam Springs. This represents a vast increase from the 8 building permits issued in the third quarter of 2006.
- The average residential building permit value in Siloam Springs decreased by 11.9 percent from the third quarter of 2006 to \$133,723 in the third quarter of 2007.
- The major price points for Siloam Springs building permits were in the \$100,001 to \$150,000 range.
- There were 795 total lots in active subdivisions in Siloam Springs in the third quarter of 2007. About 58.4 percent of the lots were occupied, 7.8 percent were complete, but unoccupied, 3.8 percent were under construction, 0.0 percent were starts, and 30 percent were vacant lots.
- 31 new houses in Siloam Springs became occupied in the third quarter of 2007. The annual absorption rate implies that there were 23.4 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Siloam Springs in the second quarter was Nottingham Addition with 18.
- An additional 1,243 lots in 26 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Siloam Springs.
- There were 76 existing houses sold in Siloam Springs from May 16, 2007 to August 15, 2007, or 19.1 percent fewer than in the previous quarter and 26.9 percent fewer than in the same period last year.
- The average price of a house sold in Siloam Springs increased from \$139,638 in the second quarter of 2007 to \$141,145 in the third quarter of 2007. In the third quarter of 2007 the average sales price was 1.1 percent higher than in the previous quarter but 2.6 percent lower than in the same period last year.



# Siloam Springs

- In Siloam Springs, the average number of days from the initial house listing to the sale decreased from 160 days in the second quarter of 2007 to 142 days in the third quarter of 2007.
- About 6.5 percent of all houses sold in Benton County in the third quarter of 2007 were sold in Siloam Springs. The average sales price of a house in Siloam Springs was 72.2 percent of the county average.
- In the third quarter of 2007, 67.1 percent of the sold houses in Siloam Springs were in the \$50,001 to \$150,000 range.



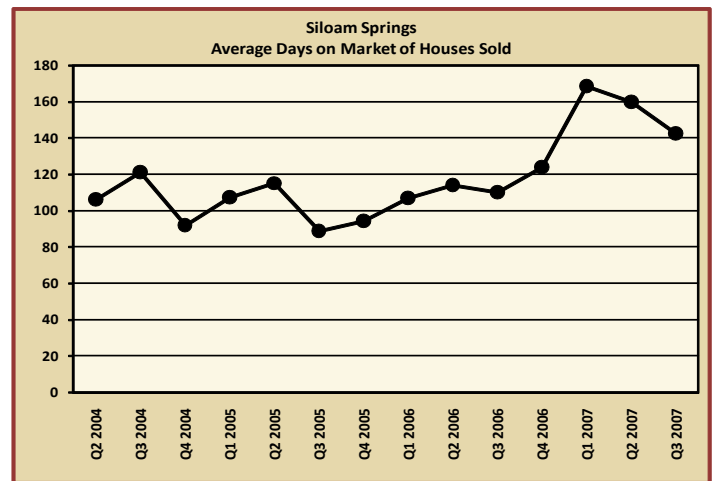
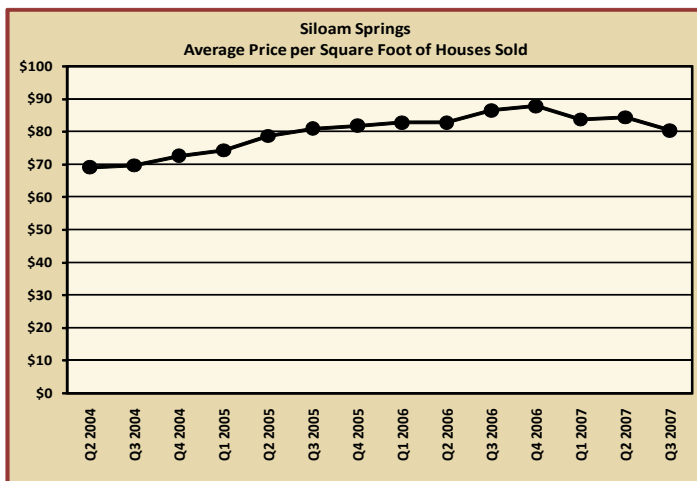
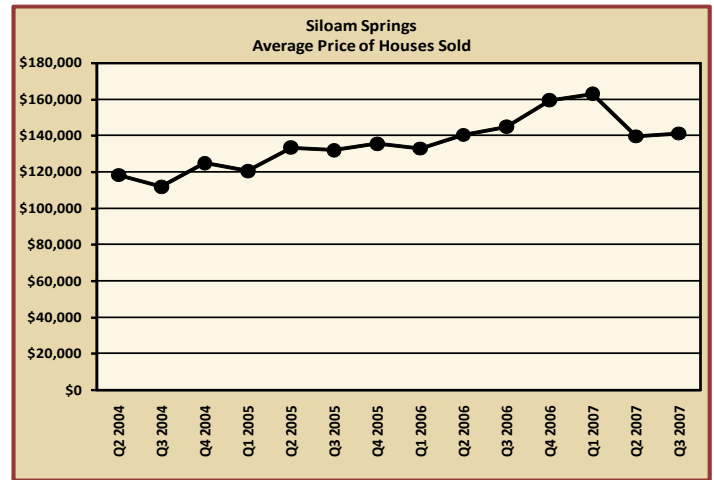
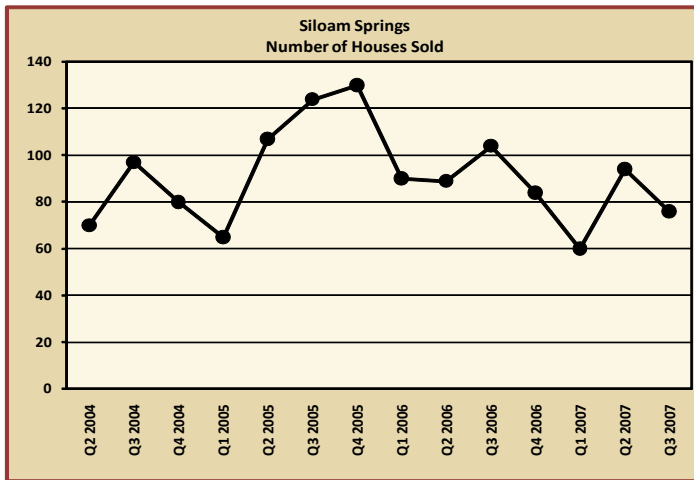
# Siloam Springs

## Siloam Springs House Status in Active Subdivisions Q3 2007

| Subdivision                          | Empty<br>Lots | Start    | Under<br>Construction | Complete, but<br>Unoccupied | Occupied   | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|--------------------------------------|---------------|----------|-----------------------|-----------------------------|------------|---------------|------------------|------------------------|
| Blackberry Meadows                   | 1             | 0        | 0                     | 0                           | 5          | 6             | 0                | --                     |
| Club View Estates                    | 7             | 0        | 0                     | 0                           | 7          | 14            | 0                | 28.0                   |
| Copper Leaf, Phase I                 | 26            | 0        | 6                     | 0                           | 0          | 32            | 0                | --                     |
| Deer Lodge                           | 8             | 0        | 0                     | 5                           | 5          | 18            | 2                | 31.2                   |
| Eighteen Acres, Phase I              | 1             | 0        | 0                     | 0                           | 12         | 13            | 0                | --                     |
| Haden Place                          | 33            | 0        | 0                     | 0                           | 12         | 45            | 0                | 24.8                   |
| Heritage Ranch                       | 19            | 0        | 0                     | 0                           | 7          | 26            | 1                | 38.0                   |
| Madison Heights                      | 2             | 0        | 0                     | 2                           | 4          | 8             | 0                | --                     |
| Maloree Woods                        | 14            | 0        | 0                     | 1                           | 43         | 58            | 1                | 25.7                   |
| Meadow Brook                         | 16            | 0        | 0                     | 0                           | 4          | 20            | 1                | 48.0                   |
| Meadows Edge                         | 6             | 0        | 0                     | 0                           | 12         | 18            | 2                | 10.3                   |
| Nottingham Addition                  | 12            | 0        | 18                    | 0                           | 4          | 34            | 4                | 45.0                   |
| Paige Place, Phases I,II             | 9             | 0        | 0                     | 5                           | 43         | 57            | 1                | 21.0                   |
| Patriot Park                         | 2             | 0        | 0                     | 6                           | 145        | 153           | 0                | 3.7                    |
| Ravenwood, Phase V                   | 0             | 0        | 0                     | 0                           | 20         | 20            | 0                | 0.0                    |
| Rose Meade                           | 9             | 0        | 0                     | 31                          | 9          | 49            | 9                | 53.3                   |
| Stonecrest, Phases II,III            | 10            | 0        | 4                     | 5                           | 45         | 64            | 8                | 6.7                    |
| Walnut Ridge                         | 3             | 0        | 0                     | 0                           | 2          | 5             | 0                | 18.0                   |
| Walnut Woods, No. 2, Phases I, IV, V | 6             | 0        | 0                     | 1                           | 71         | 78            | 2                | 10.5                   |
| Washington Court                     | 2             | 0        | 2                     | 0                           | 10         | 14            | 0                | 9.6                    |
| The Woodlands, Phase I               | 53            | 0        | 0                     | 6                           | 4          | 63            | 0                | 177.0                  |
| <b>Siloam Springs</b>                | <b>239</b>    | <b>0</b> | <b>30</b>             | <b>62</b>                   | <b>464</b> | <b>795</b>    | <b>31</b>        | <b>23.4</b>            |



# Siloam Springs



## Siloam Springs Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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        | 3           | 3.9%                      | 993                    | 37                     | 99.2%  | \$42.13                       |
| \$50,001 - \$100,000  | 14          | 18.4%                     | 1,181                  | 99                     | 97.0%  | \$71.29                       |
| \$100,001 - \$150,000 | 37          | 48.7%                     | 1,601                  | 125                    | 98.3%  | \$80.78                       |
| \$150,001 - \$200,000 | 11          | 14.5%                     | 1,958                  | 324                    | 97.9%  | \$87.56                       |
| \$200,001 - \$250,000 | 7           | 9.2%                      | 2,603                  | 47                     | 97.7%  | \$88.60                       |
| \$250,001 - \$300,000 | 2           | 2.6%                      | 2,840                  | 311                    | 96.5%  | \$102.57                      |
| \$300,001 - \$350,000 | 1           | 1.3%                      | 3,000                  | 162                    | 98.1%  | \$114.30                      |
| \$350,001 - \$400,000 | 1           | 1.3%                      | 4,200                  | 3                      | 98.7%  | \$89.29                       |
| \$400,001 - \$450,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$450,001 - \$500,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Siloam Springs</b> | <b>76</b>   | <b>100.0%</b>             | <b>1,729</b>           | <b>142</b>             | <b>97.9%</b>                                     | <b>\$80.34</b>                |





# Siloam Springs

## Siloam Springs Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                   | Approved | Number of Lots |
|-------------------------------|----------|----------------|
| <i>Preliminary Approval</i>   |          |                |
| Ashley Park, Phases II,III    | Q3 2005  | 81             |
| 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             |
| Somerset                      | Q1 2007  | 138            |
| Stoneridge                    | Q1 2006  | 88             |
| Washington Street Addition    | Q1 2005  | 20             |
| <i>Final Approval</i>         |          |                |
| Ashley Park, Phase I          | Q2 2005  | 31             |
| Autumn Glen                   | Q2 2006  | 196            |
| Castlewood R-1                | Q2 2006  | 101            |
| CD Gunter's Addition          | Q2 2005  | 5              |
| Chanel Court, Phase II        | Q2 2005  | 3              |
| Chattering Heights, Phase III | Q1 2005  | 6              |
| Gabriel Park                  | Q2 2005  | 8              |
| Highlands                     | Q1 2006  | 10             |
| Lowe's                        | Q2 2006  | 4              |
| Meadowview                    | Q4 2005  | 8              |
| Progress Development          | Q3 2005  | 1              |
| River Valley Estates          | Q2 2006  | 53             |
| South Pointe Center Addition  | Q2 2005  | 20             |
| Spencer's Addition            | Q1 2005  | 4              |
| Walnut Woods No. 2, Phase II  | Q1 2006  | 27             |
| Woodlands, Phase II           | Q2 2007  | 477            |
| <b>Siloam Springs</b>         |          | <b>1,243</b>   |



# Washington County

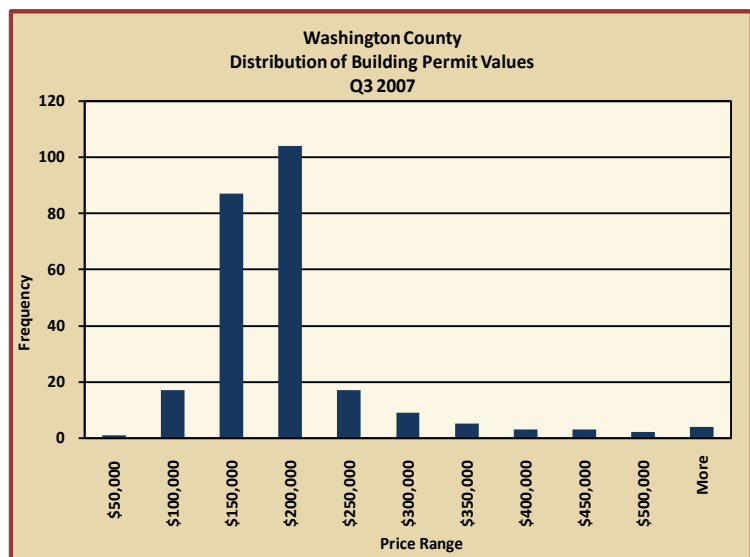
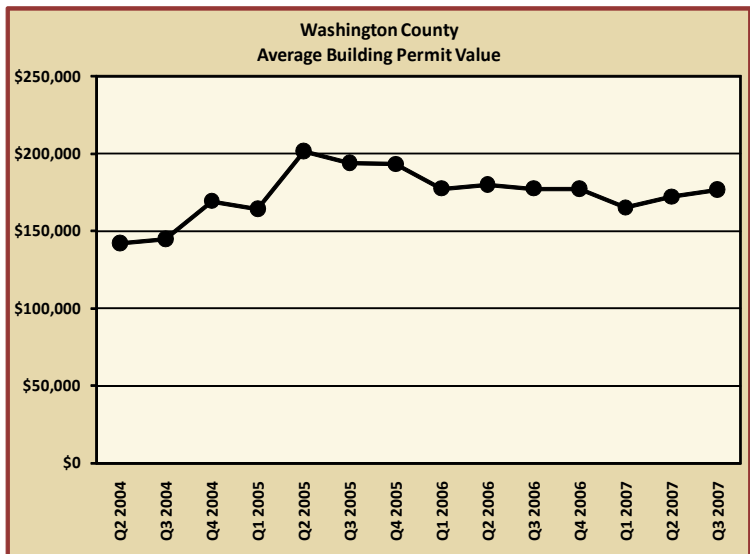
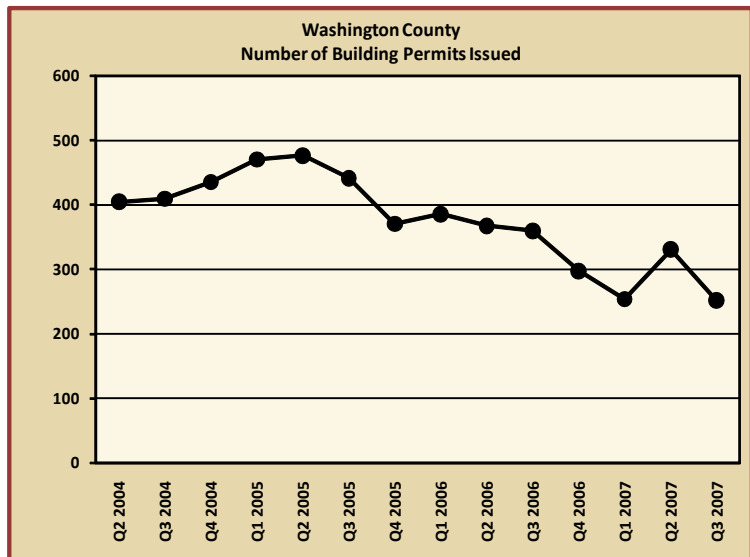
## Building Permits

From June to August 2007, there were 252 residential building permits issued in Washington County. The third quarter 2007 total was 30 percent lower than the third quarter 2006 total of 360 residential building permits. The average value of the Washington County June to August 2007 building permits was \$176,924, down 0.4 percent from \$177,554 for June to August 2006 residential building permits. About 76 percent of the third quarter building permits were valued between \$100,001 and \$200,000, with 17 percent higher than \$200,000 and 7 percent lower than \$100,000. In Washington County, the dominant building permit price points were in the \$150,001 to \$200,000 range.

Fayetteville accounted for 48 percent of the residential building permits in Washington County, while Springdale accounted for 38 percent and Prairie Grove accounted for 4 percent. The remaining 10 percent were from the other small cities in the county.

## Subdivisions

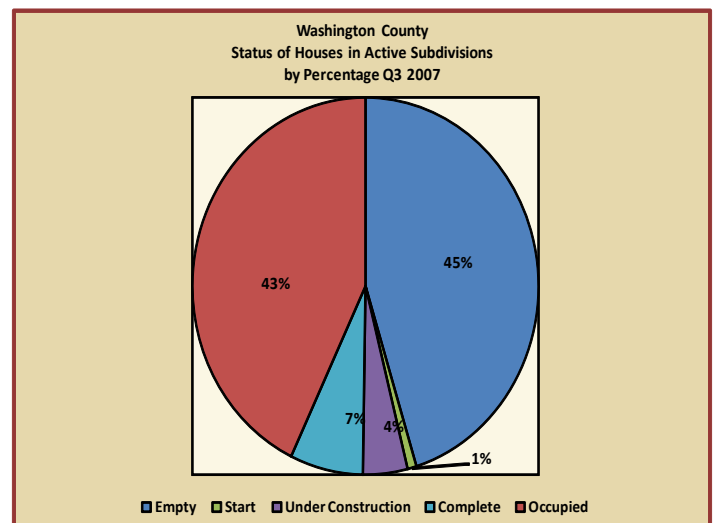
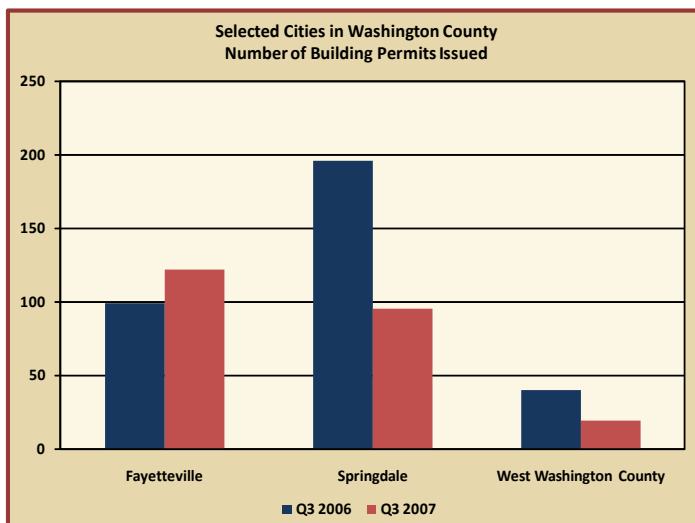
There were 10,281 lots in the 153 active subdivisions in Washington County in the third quarter of 2007. Within the active subdivisions, 45 percent of the lots were empty, 1 percent was starts, 4 percent were under construction, 7 percent were complete, but unoccupied houses, and 43 percent were occupied houses. In the third quarter of 2007, Fayetteville had the most empty lots, starts, houses under construction, and occupied houses in active subdivisions. Springdale had the most complete, but unoccupied houses. During the third quarter of 2007, the most active subdivisions in terms of houses under construction were Clabber Creek, Lierly Lane, and Sunbridge Villas in Fayetteville and Butterfield Gardens in Springdale. Of these top subdivisions for new construction, Clabber Creek was also among the most active in the second quarter.



# Washington County

## Washington County Residential Building Permit Values by City June 2007 - August 2007

| 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 2007 Total | Q3 2006 Total |
|------------------------------|----------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------|---------------|---------------|
| Elkins (Q3 data unavailable) | 0              | 0                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 0             | 2             |
| Elm Springs                  | 0              | 3                    | 0                     | 2                     | 1                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0          | 7             | 3             |
| Farmington                   | 0              | 0                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 0             | 6             |
| Fayetteville                 | 0              | 1                    | 62                    | 43                    | 8                     | 4                     | 2                     | 0                     | 0                     | 1                     | 1          | 122           | 99            |
| Goshen                       | 0              | 0                    | 0                     | 2                     | 0                     | 0                     | 0                     | 0                     | 0                     | 1                     | 0          | 3             | -             |
| Greenland                    | 0              | 0                    | 1                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 2             | -             |
| Johnson                      | 0              | 0                    | 0                     | 0                     | 1                     | 0                     | 1                     | 1                     | 1                     | 0                     | 1          | 5             | 11            |
| Lincoln                      | 0              | 0                    | 2                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 2             | 9             |
| Prairie Grove                | 0              | 11                   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 11            | 21            |
| Springdale                   | 1              | 1                    | 19                    | 56                    | 7                     | 4                     | 2                     | 2                     | 2                     | 0                     | 1          | 95            | 196           |
| Tontitown                    | 0              | 0                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 1          | 1             | 9             |
| West Fork                    | 0              | 1                    | 3                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 4             | 4             |
| West Washington County       | 0              | 12                   | 6                     | 1                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0          | 19            | 40            |
| <b>Washington County</b>     | <b>1</b>       | <b>17</b>            | <b>87</b>             | <b>104</b>            | <b>17</b>             | <b>9</b>              | <b>5</b>              | <b>3</b>              | <b>3</b>              | <b>2</b>              | <b>4</b>   | <b>252</b>    | <b>360</b>    |



# Washington County

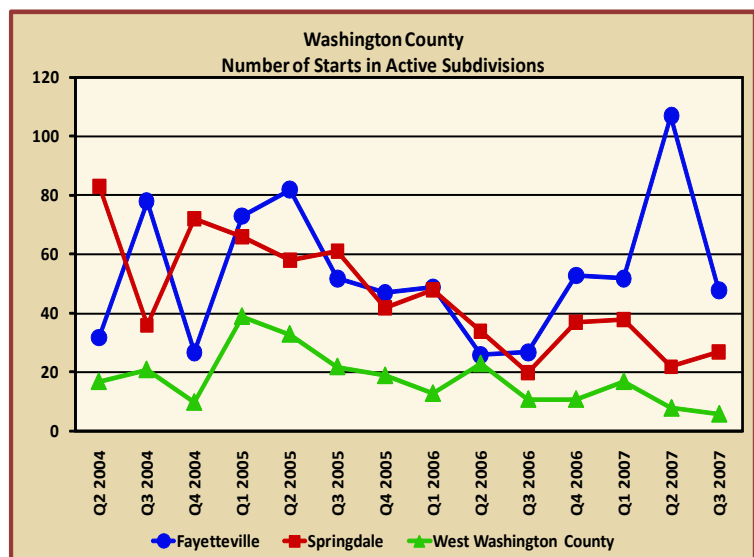
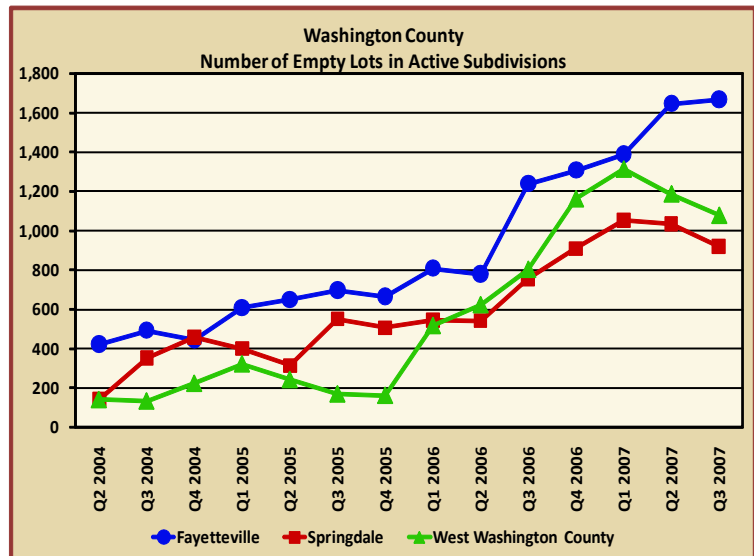
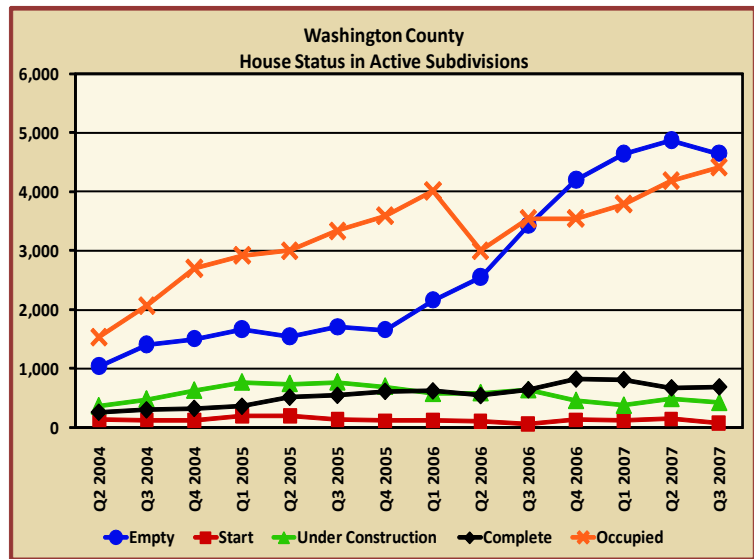


From the second quarter to the third quarter of 2007, 367 houses in active subdivisions became occupied in Washington County. Extrapolating the annual absorption rate to the remaining lots in active subdivisions, Washington County had 50.8 months of lot inventory at the end of the third quarter. This was a decrease from the second quarter's lot inventory of 52.8 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 2007, there were 8,239 lots in 129 subdivisions in Washington County that had received approval. Springdale accounted for 45.1 percent of the coming lots, Fayetteville accounted for 38.4 percent of the coming lots, and Greenland accounted for 7.2 percent of the coming lots.

## Sales of Existing Houses

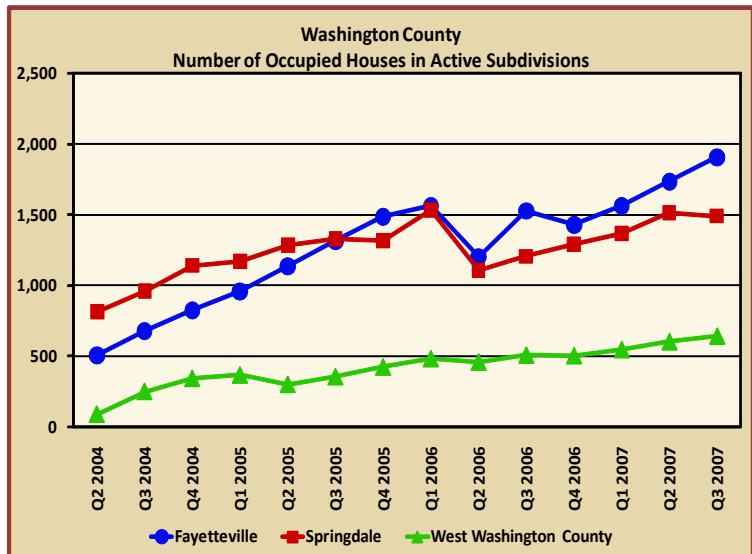
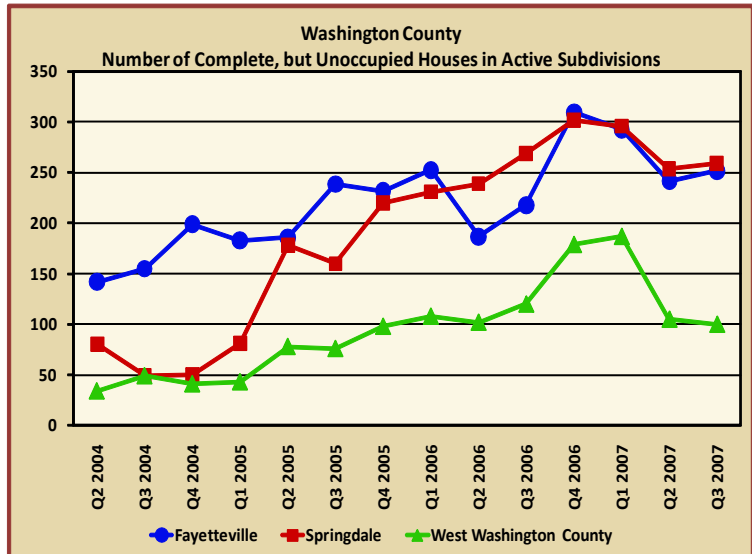
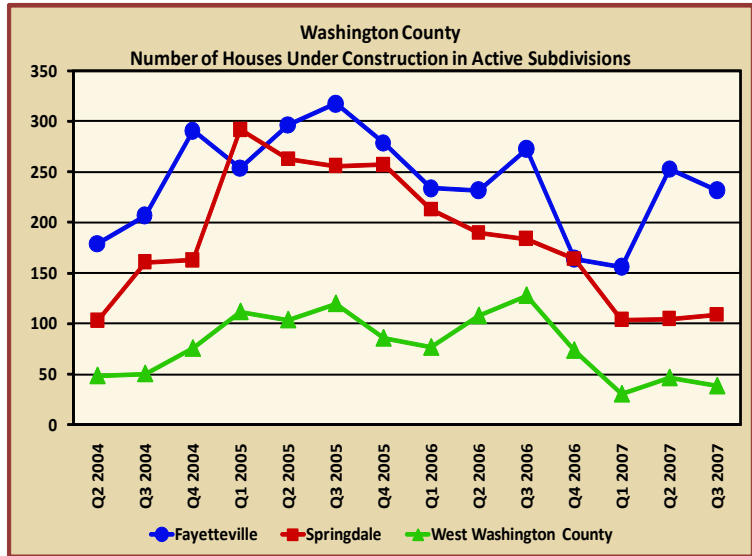
Examining the sales of existing houses in the third quarter of 2007 yields the following results. A total of 852 existing houses were sold from May 16, 2007 to August 15, 2007. This represents an increase of 2.4 percent from the same period in 2006 and a decline of 2.4 percent from the same period in 2005. About 47 percent of the houses were sold in Fayetteville and 36 percent were sold in Springdale. The average price of all houses sold in Washington County was \$189,018 and the average house price per square foot was \$101.13. For the third quarter of 2007, the average amount of time between the initial



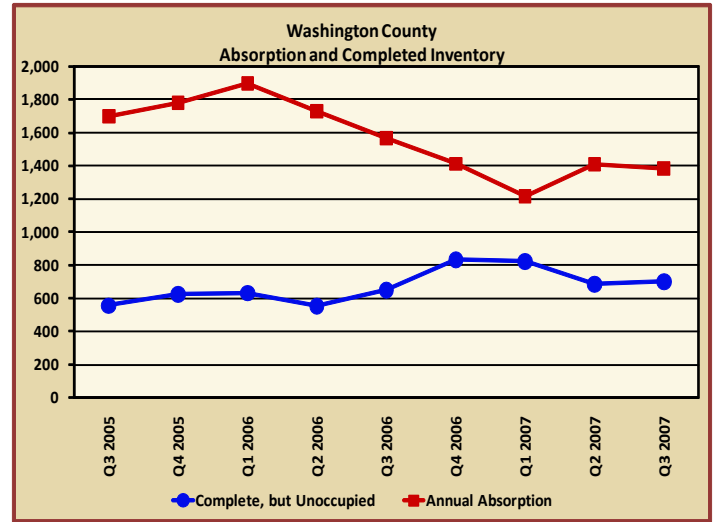
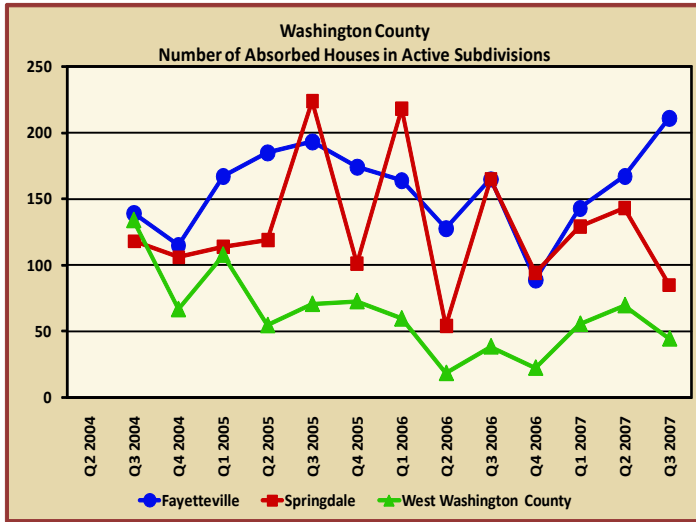
# Washington County

listing of a house and the sale date was 129 days, down from 134 days in the previous quarter.

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

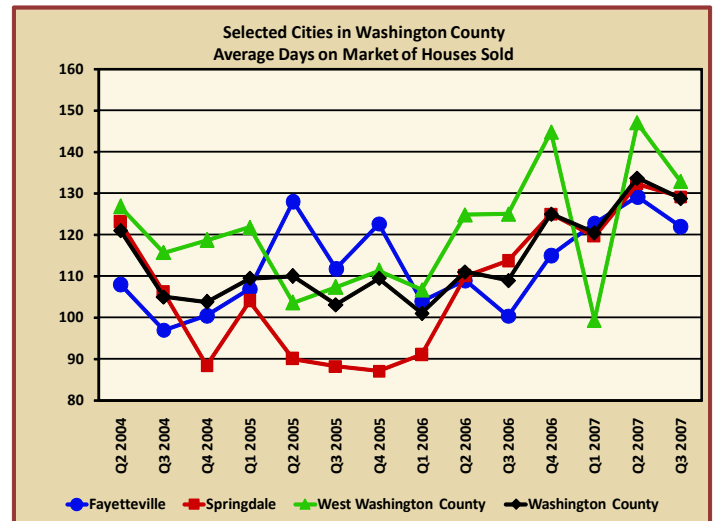
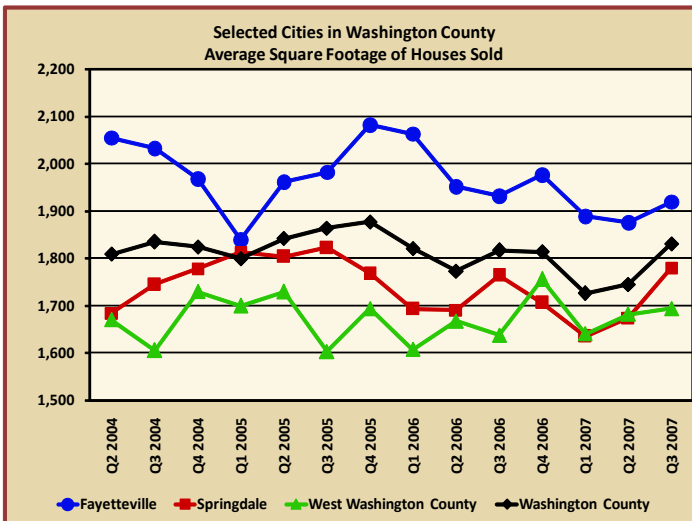
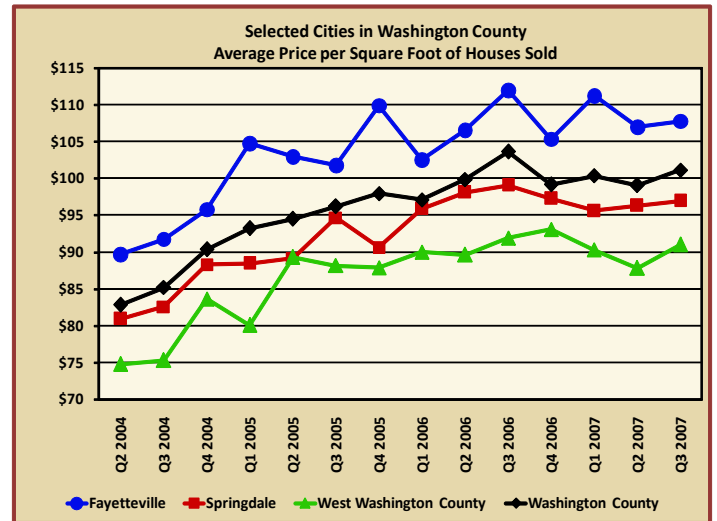
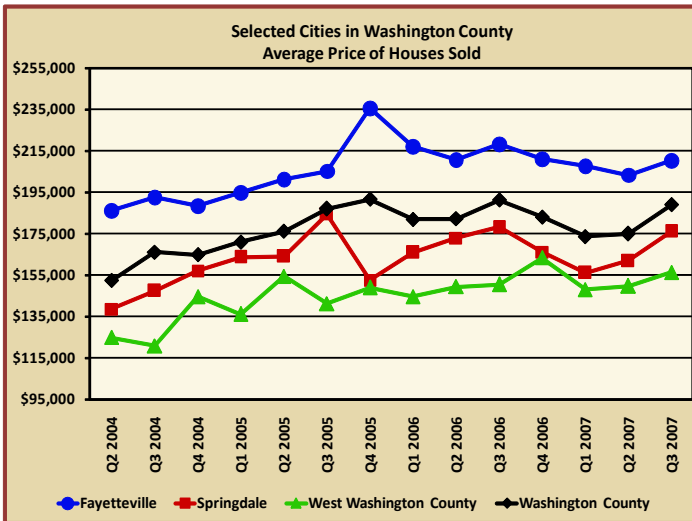
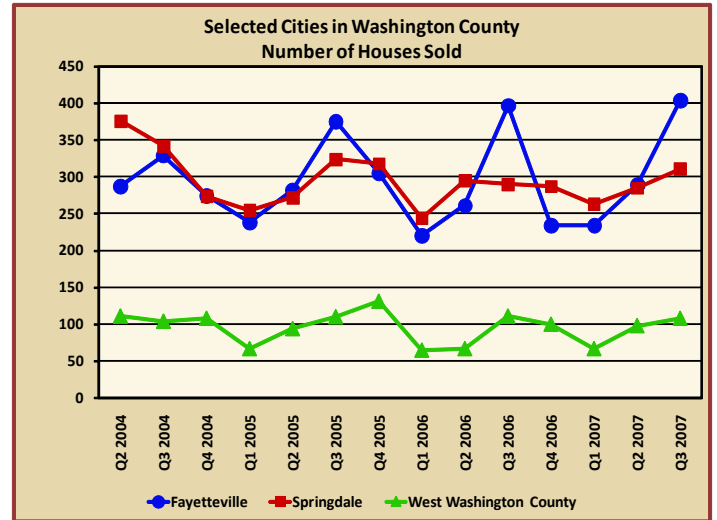
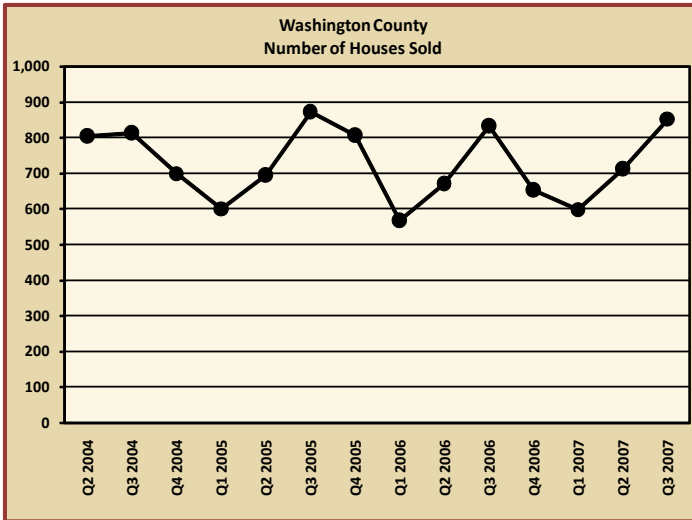


# Washington County



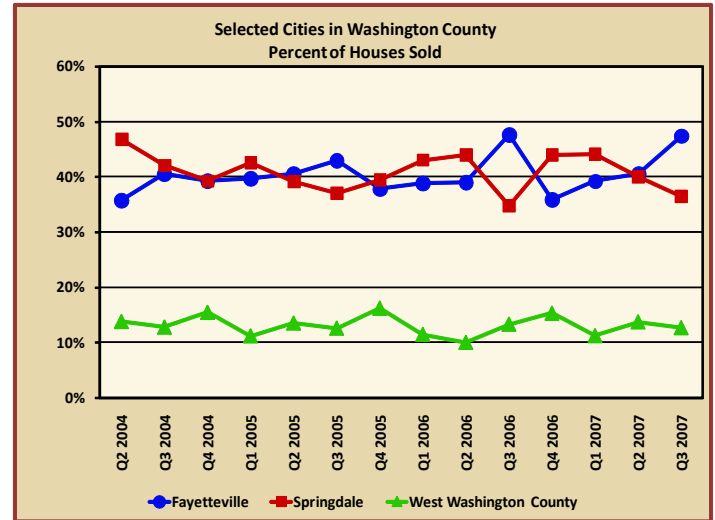


# Washington County





# Washington County



## Washington Co. Sold House Characteristics by City May 16, 2007 - August 15, 2007

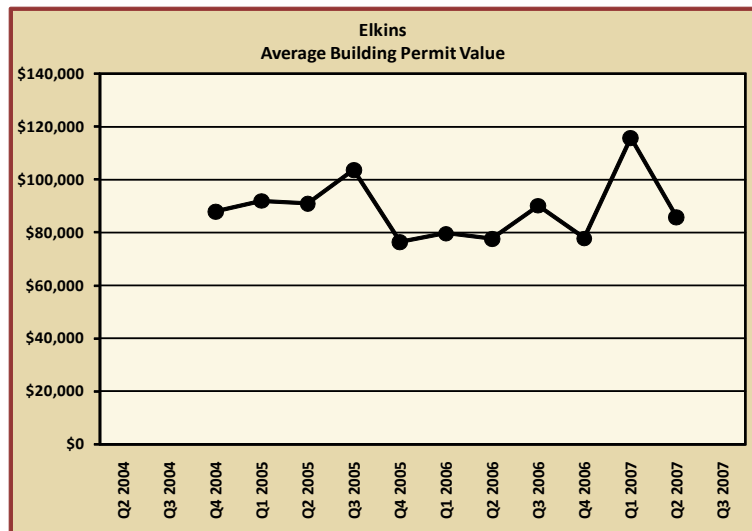
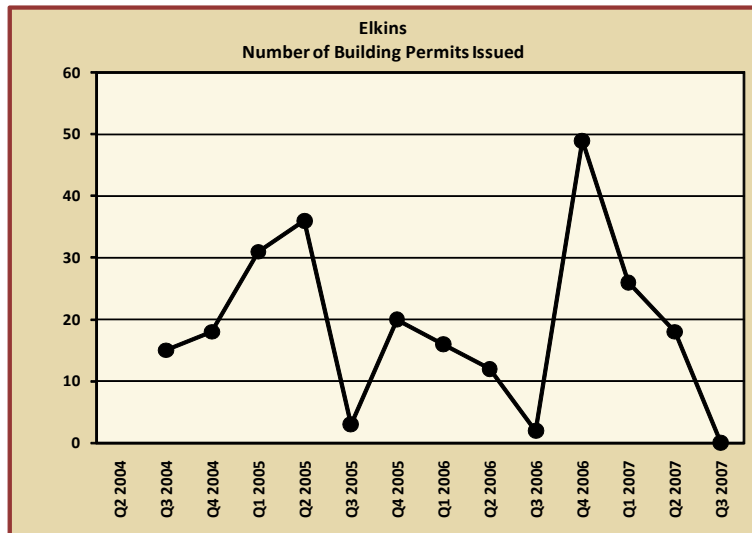
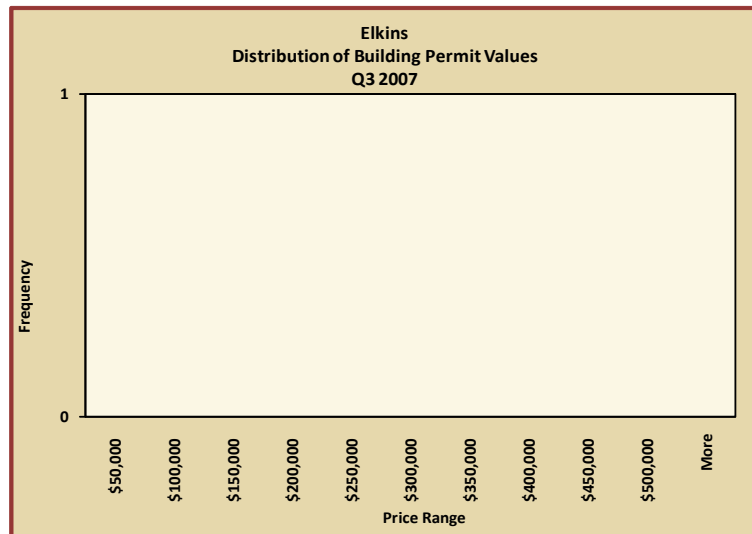
| City                     | Average Price    |                 | Average        | Number         | Percentage      |
|--------------------------|------------------|-----------------|----------------|----------------|-----------------|
|                          | Average Price    | Per Square Foot | Days on Market | of Houses Sold | of County Sales |
| Cane Hill                | \$115,000        | \$47.92         | 706            | 1              | 0.1%            |
| Elkins                   | \$119,884        | \$89.20         | 181            | 17             | 2.0%            |
| Elm Springs              | \$189,833        | \$109.66        | 286            | 3              | 0.4%            |
| Farmington               | \$182,220        | \$96.09         | 141            | 40             | 4.7%            |
| Fayetteville             | \$210,190        | \$107.80        | 122            | 404            | 47.4%           |
| Goshen                   | \$272,000        | \$99.02         | 21             | 1              | 0.1%            |
| Greenland                | \$152,657        | \$85.47         | 139            | 7              | 0.8%            |
| Johnson                  | --               | --              | --             | 0              | 0.0%            |
| Lincoln                  | \$99,939         | \$72.07         | 104            | 15             | 1.8%            |
| Mountainburg             | --               | --              | --             | 0              | 0.0%            |
| Prairie Grove            | \$164,733        | \$94.77         | 147            | 28             | 3.3%            |
| Springdale               | \$176,146        | \$96.95         | 129            | 311            | 36.5%           |
| Summers                  | \$238,500        | \$108.26        | 379            | 1              | 0.1%            |
| Tontitown                | \$289,667        | \$112.15        | 214            | 3              | 0.4%            |
| West Fork                | \$134,027        | \$91.83         | 116            | 18             | 2.1%            |
| Winslow                  | \$102,500        | \$56.51         | 43             | 2              | 0.2%            |
| <b>Washington County</b> | <b>\$189,018</b> | <b>\$101.13</b> | <b>129</b>     | <b>852</b>     | <b>100.0%</b>   |



# Elkins



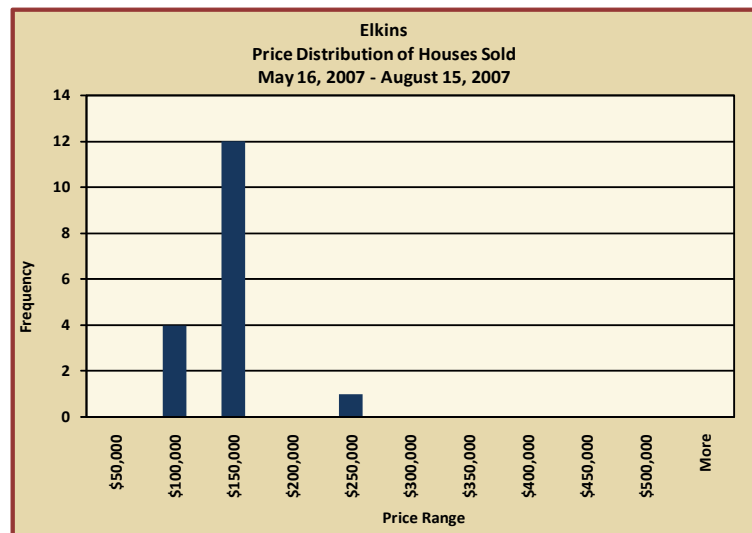
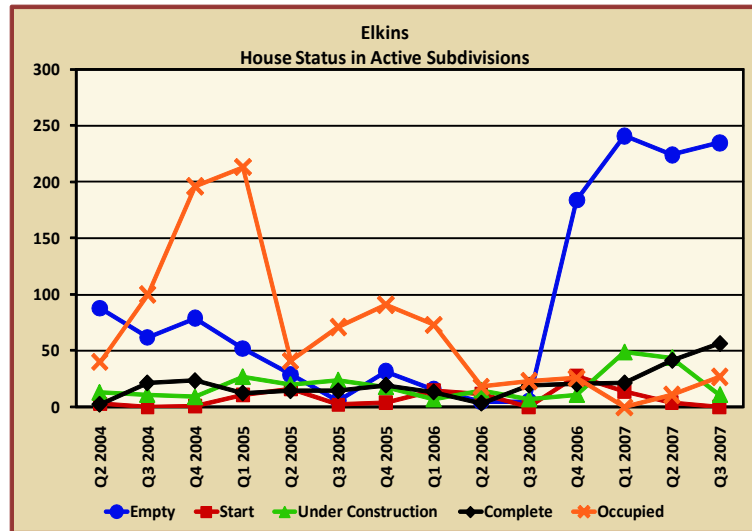
- Due to local technical difficulties within the city government, the Elkins building permit data for the third quarter of 2007 were unavailable.
- There were 330 total lots in the 5 active subdivisions in Elkins in the third quarter of 2007. Among them, 8.2 percent were occupied, 17.3 percent were complete, but unoccupied, 3.3 percent were under construction, and 71.2 percent were vacant lots. There were no starts in Elkins in the third quarter of this year.
- Twelve new houses in Elkins became occupied in the third quarter of 2007. The annual absorption rate implies that there were 134.7 months of remaining inventory in active subdivisions, down from 188.4 months in the second quarter of 2007.
- The subdivision with the most houses under construction in Elkins in the third quarter was Stokenbury Farms with 5 lots.
- An additional 154 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Elkins.
- There were 17 existing houses sold in Elkins from May 16, 2007 to August 15, 2007, or 34.6 percent less than in the previous quarter, but 6.7 percent more than in the same period last year.
- The average price of a house sold in Elkins decreased from \$132,515 in the second quarter of 2007 to \$119,884 in



# Elkins

the third quarter of 2007. In the third quarter of 2007, the average sales price was 9.5 percent less than in the previous quarter, but 4.6 percent higher than in the same period last year.

- In Elkins, the average number of days from the initial house listing to the sale increased from 151 days in the second quarter of 2007 to 181 days in the third quarter of 2007.
- About 2 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Elkins. The average sales price of a house in Elkins was 63.4 percent of the county average.
- 70.6 percent of the sold houses in Elkins were in the \$100,001 to \$150,000 range.

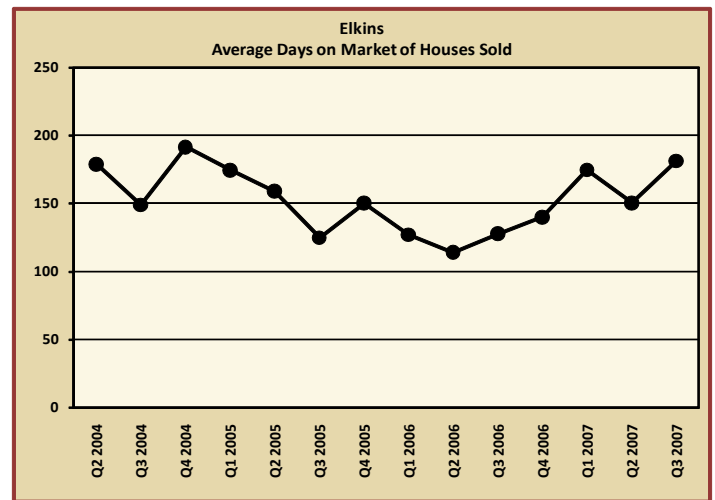
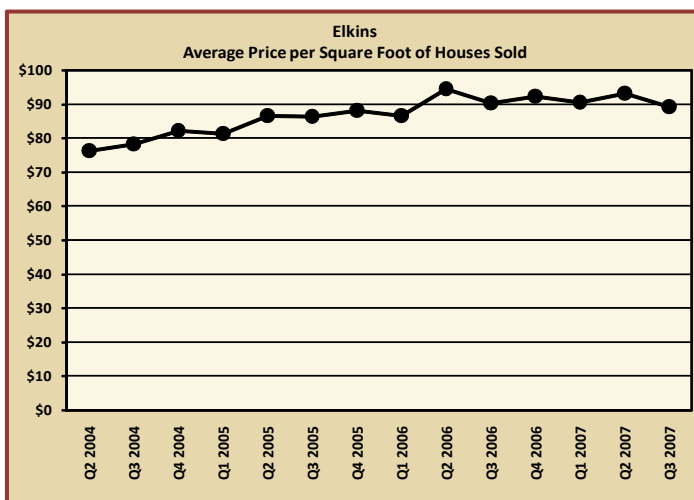
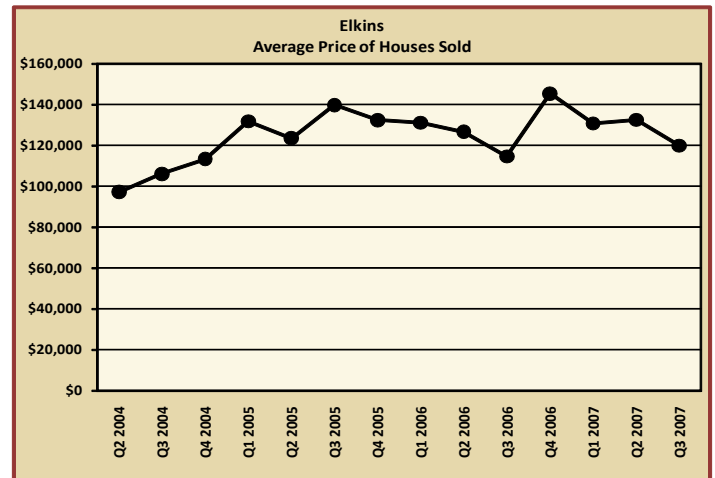
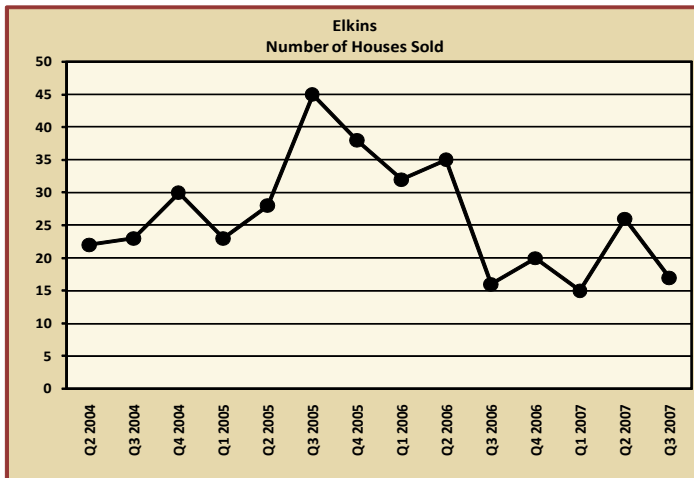


## Elkins House Status in Active Subdivisions Q3 2007

| Subdivision                       | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|-----------------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Elkridge                          | 37         | 0        | 1                  | 13                       | 0         | 51         | 0             | --                  |
| Miller's Meadow                   | 43         | 0        | 2                  | 25                       | 14        | 84         | 7             | 45                  |
| Silver Birch Estates              | 4          | 0        | 0                  | 2                        | 1         | 7          | 0             | --                  |
| Stokenbury Farms                  | 113        | 0        | 5                  | 16                       | 4         | 138        | 1             | 301.5               |
| Stonecrest Addition, Phases I, II | 38         | 0        | 3                  | 1                        | 8         | 50         | 4             | 100.8               |
| <b>Elkins</b>                     | <b>235</b> | <b>0</b> | <b>11</b>          | <b>57</b>                | <b>27</b> | <b>330</b> | <b>12</b>     | <b>121.3</b>        |



# Elkins



## Elkins Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 23.5%                     | 1,119                  | 125                    | 88.7%  | \$74.02                       |
| \$100,001 - \$150,000 | 12          | 70.6%                     | 1,354                  | 174                    | 99.1%  | \$92.75                       |
| \$150,001 - \$200,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$200,001 - \$250,000 | 1           | 5.9%                      | 2,004                  | 504                    | 74.2%  | \$107.29                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Elkins</b>         | <b>17</b>   | <b>100.0%</b>             | <b>1,337</b>           | <b>181</b>             | <b>95.2%</b>                                     | <b>\$89.20</b>                |



# Elkins

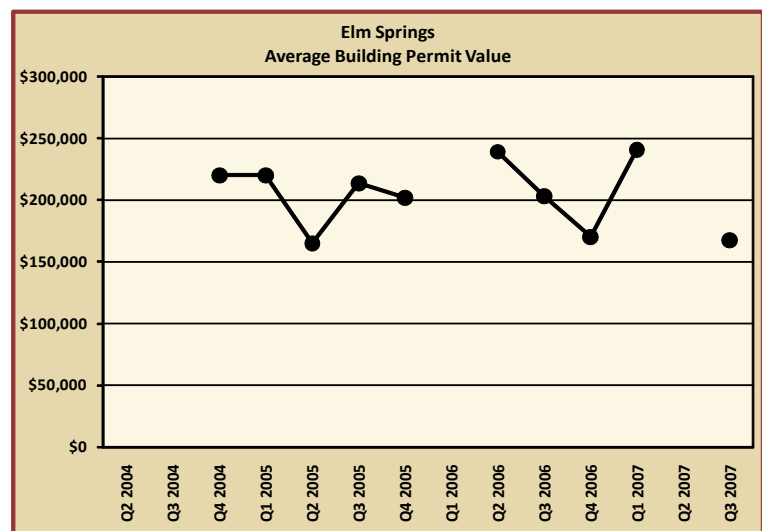
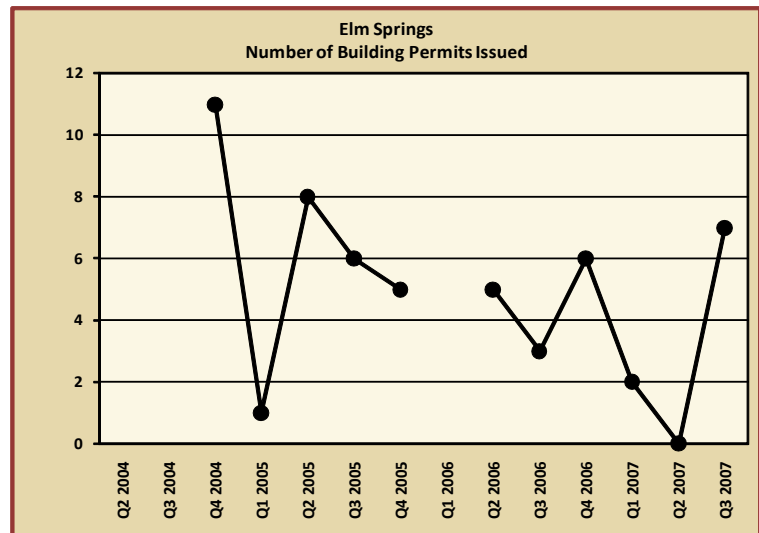
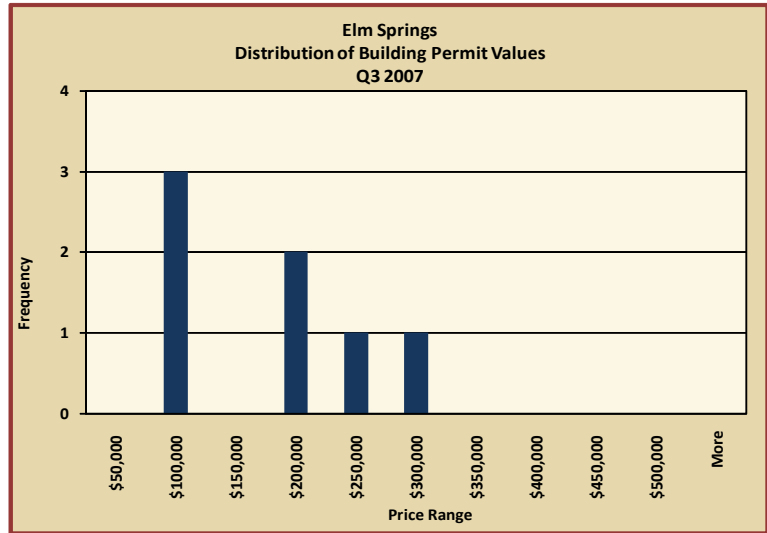
## Elkins Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                                   | Approved | Number of Lots |
|---|----------|----------------|
| <i>Preliminary Approval</i><br>Oak Leaf Manor | Q3 2005  | 149            |
| <i>Final Approval</i><br>Pin Oak              | Q4 2006  | 5              |
| <b>Elkins</b>                                 |          | <b>154</b>     |

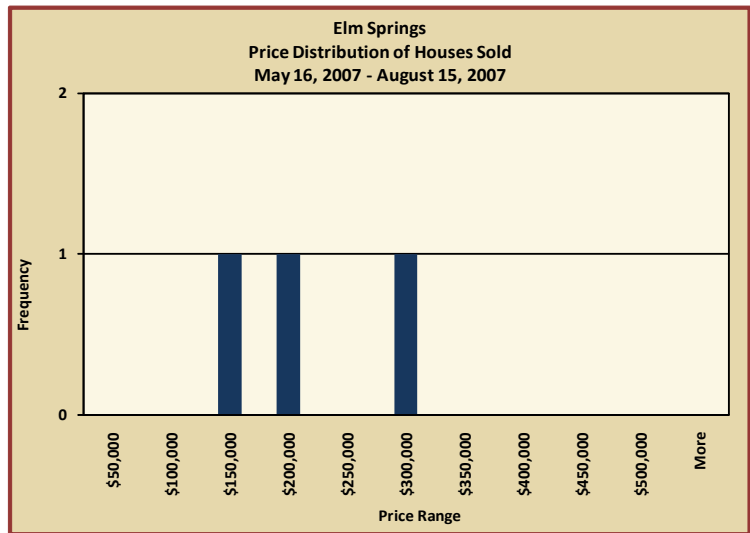
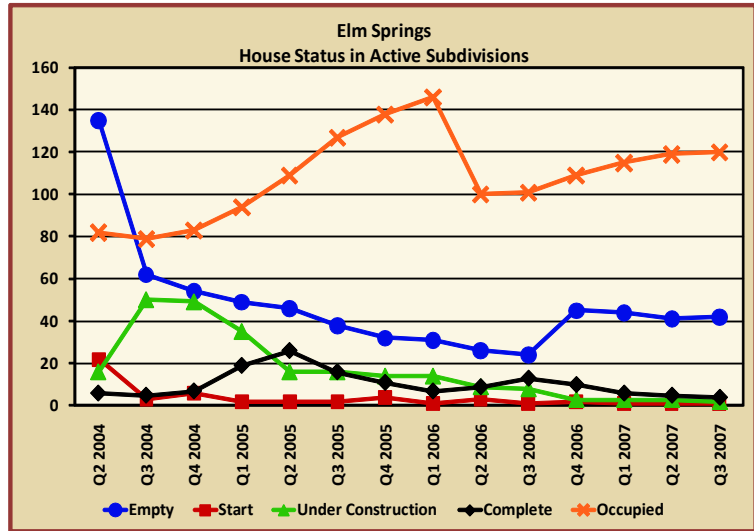


# Elm Springs

- There were 7 residential building permits issued in Elm Springs from June to August 2007, while only 3 building permits were issued in the third quarter of 2006.
- The average residential building permit value in Elm Springs declined by 17.4 percent from the third quarter of 2006 to \$167,857 in the third quarter of 2007.
- The major price points for building permits in Elm Springs were in the \$50,001 to \$100,000 range.
- There were 169 total lots in the 4 active subdivisions in Elm Springs in the third quarter of 2007. About 71 percent of the lots were occupied, 2 percent were complete, but unoccupied, 1 percent was under construction, 1 percent was starts, and 25 percent were vacant lots.
- One new house in Elm Springs became occupied in the third quarter of 2007. The annual absorption rate implies that there were 28.0 months of remaining inventory in active subdivisions.
- An additional 144 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Elm Springs.
- There were 3 existing houses sold in Elm Springs from February 16, 2007 to May 15, 2007.



# Elm Springs



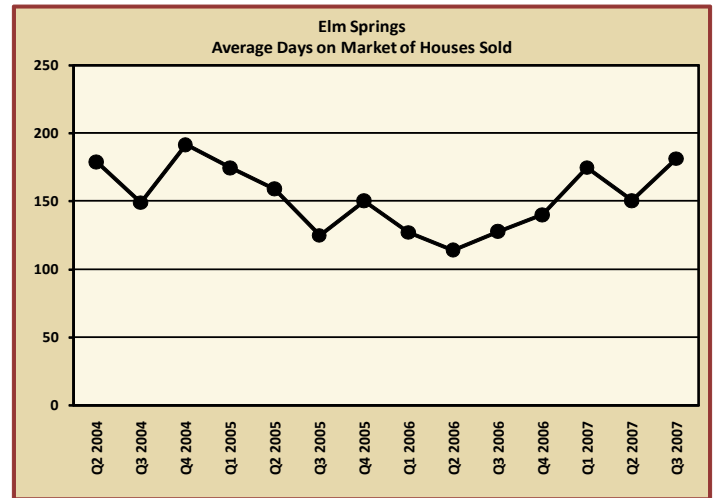
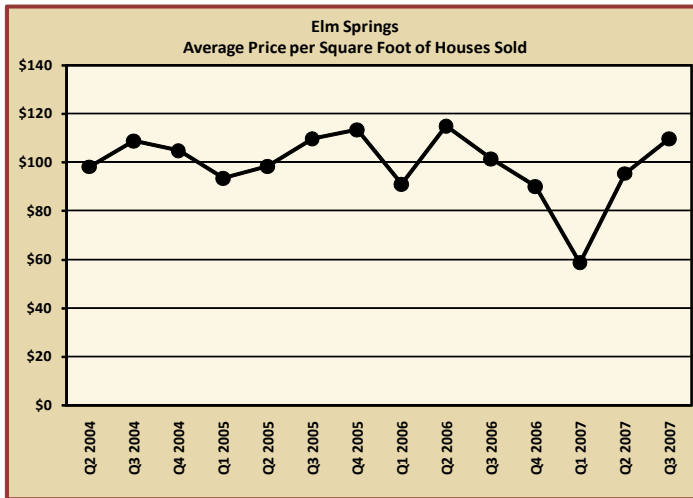
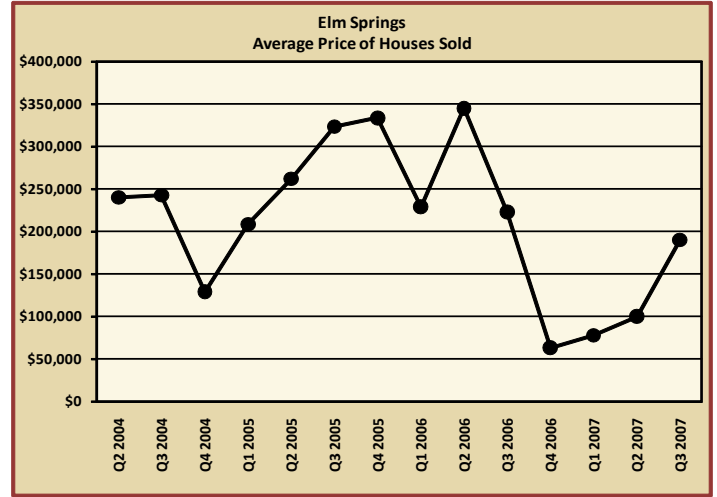
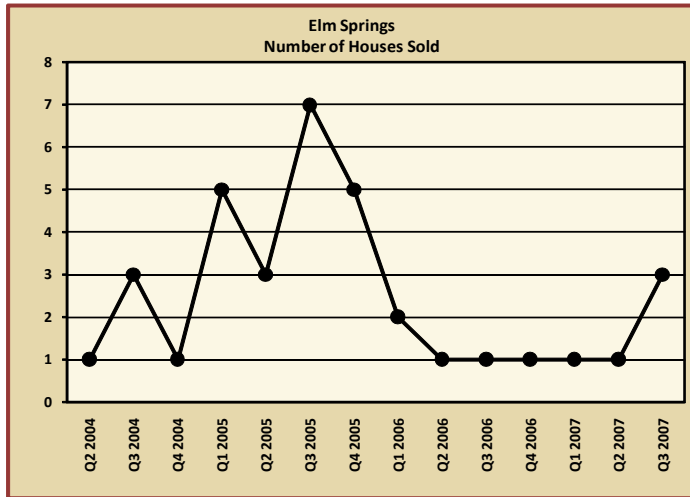
## Elm Springs House Status in Active Subdivisions Q3 2007

| Subdivision                | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied   | Total Lots | Absorbed Lots | Months of Inventory |
|----------------------------|------------|----------|--------------------|--------------------------|------------|------------|---------------|---------------------|
| The Estates at Brush Creek | 19         | 0        | 2                  | 0                        | 1          | 22         | 1             | 189.0               |
| High Ridge                 | 1          | 0        | 0                  | 1                        | 19         | 21         | 0             | 4.8                 |
| Pinkley, Phases I - III    | 13         | 0        | 0                  | 0                        | 48         | 61         | 0             | 39.0                |
| Plantation Estates         | 9          | 1        | 0                  | 3                        | 52         | 65         | 0             | 17.3                |
| <b>Elm Springs</b>         | <b>42</b>  | <b>1</b> | <b>2</b>           | <b>4</b>                 | <b>120</b> | <b>169</b> | <b>1</b>      | <b>28.0</b>         |





# Elm Springs



## Elm Springs Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$100,001 - \$150,000 | 1           | 33.3%                     | 1,209                  | 192                    | 105.3%   | \$91.40                       |
| \$150,001 - \$200,000 | 1           | 33.3%                     | 1,579                  | 261                    | 101.1%   | \$120.33                      |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 1           | 33.3%                     | 2,294                  | 404                    | 82.8%  | \$117.26                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Elm Springs</b>    | <b>3</b>    | <b>100.0%</b>             | <b>1,694</b>           | <b>286</b>             | <b>96.4%</b>                                     | <b>\$109.66</b>               |



# Elm Springs

## Elm Springs Approved Final and Preliminary Subdivisions Q3 2007

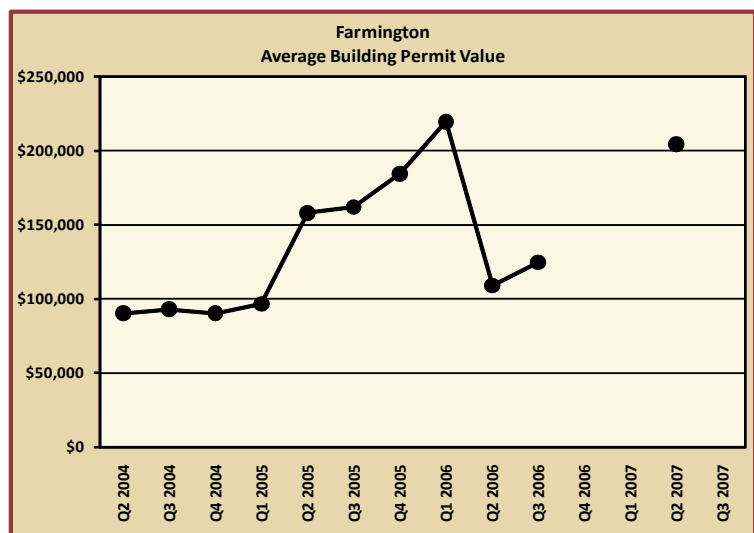
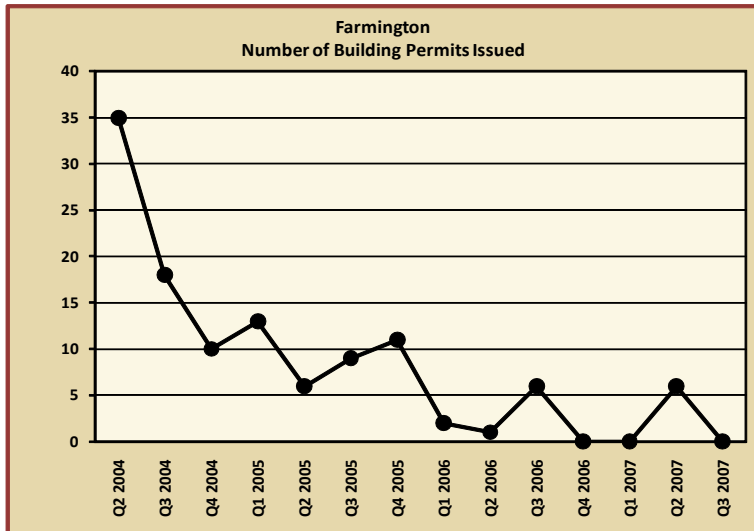
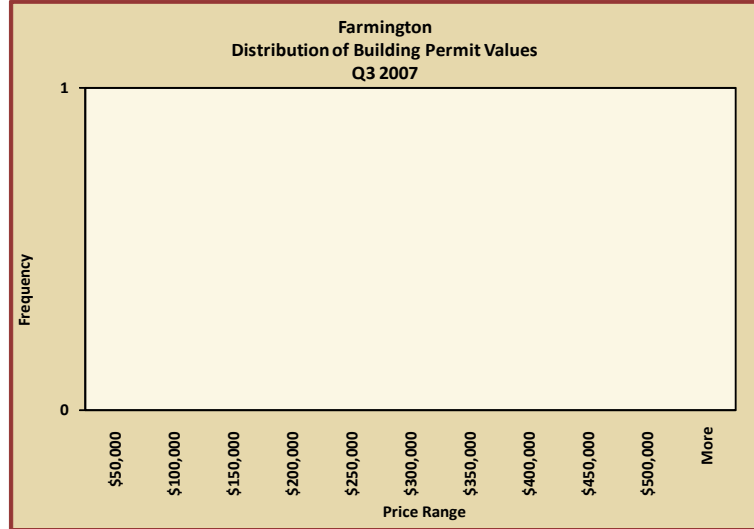
| Subdivision                               | Approved | Number of Lots |
|---|----------|----------------|
| <i>Preliminary Approval</i><br>Elm Valley | Q1 2006  | 140            |
| <i>Final Approval</i><br>Cabe             | Q1 2006  | 4              |
| <b>Elm Springs</b>                        |          | <b>144</b>     |



# Farmington



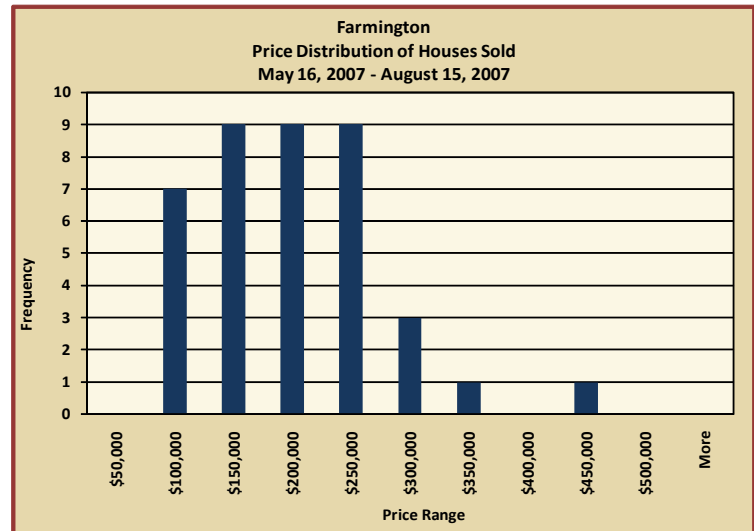
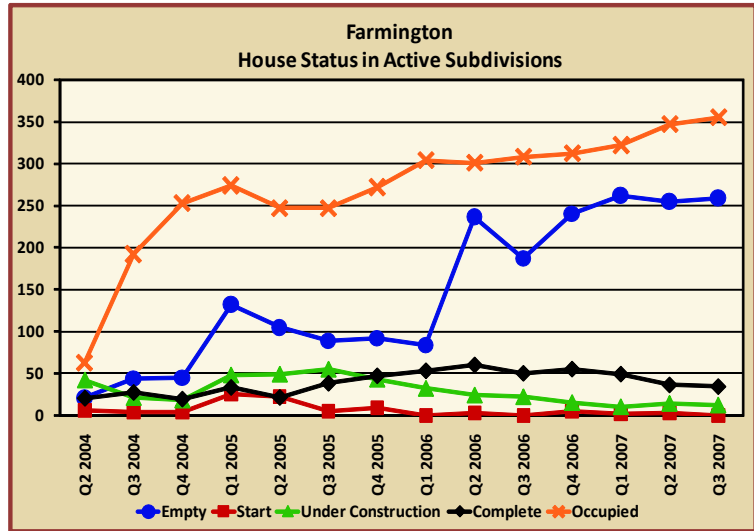
- There were no residential building permits issued in Farmington from June to August 2007. In the third quarter of 2006, however, there were 6 building permits issued.
- There were 660 total lots in the 12 active subdivisions in Farmington in the third quarter of 2007. About 54 percent of the lots were occupied, 5 percent were complete, but unoccupied, 2 percent were under construction, and 39 percent were vacant lots. There were no starts in Farmington in the third quarter of 2007.
- 11 new houses in Farmington became occupied in the third quarter of 2007. The annual absorption rate implies that there were 60.0 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Farmington in the third quarter was Southhaven with 4.
- An additional 173 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Farmington.
- There were 40 existing houses sold in Farmington from May 16, 2007 to August 15, 2007, or 25.0 percent more than in the previous quarter and 14.3 percent more than in the same period last year.
- The average price of a house sold in Farmington increased from \$153,242 in the second quarter of 2007 to



# Farmington

\$182,220 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 18.9 percent higher than in the previous quarter and 2.5 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 119 days in the second quarter of 2007 to 141 days in the third quarter of 2007.
- About 4.7 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Farmington. The average sales price of a house in Farmington was 96.4 percent of the county average.
- In the third quarter of 2007, 67.5 percent of the sold houses in Farmington were in the \$100,001 to \$250,000 range.

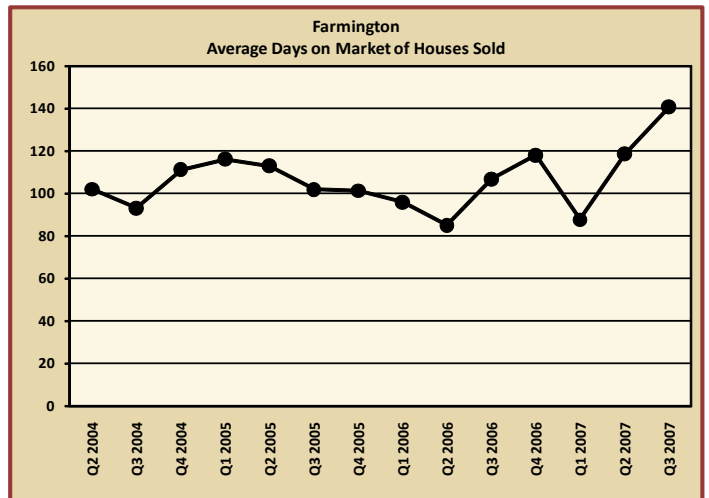
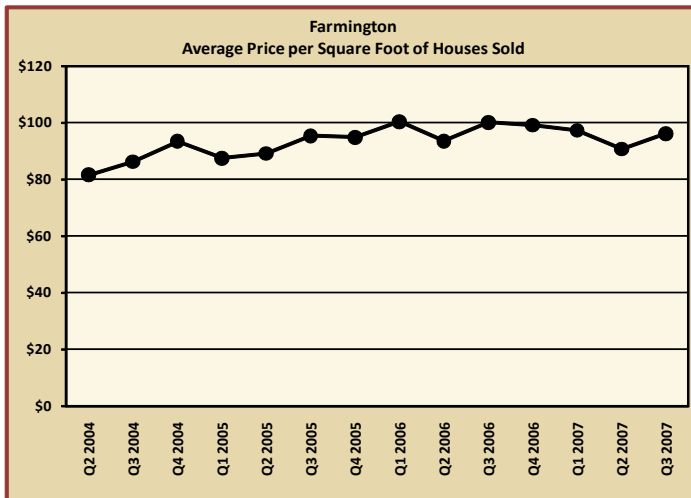
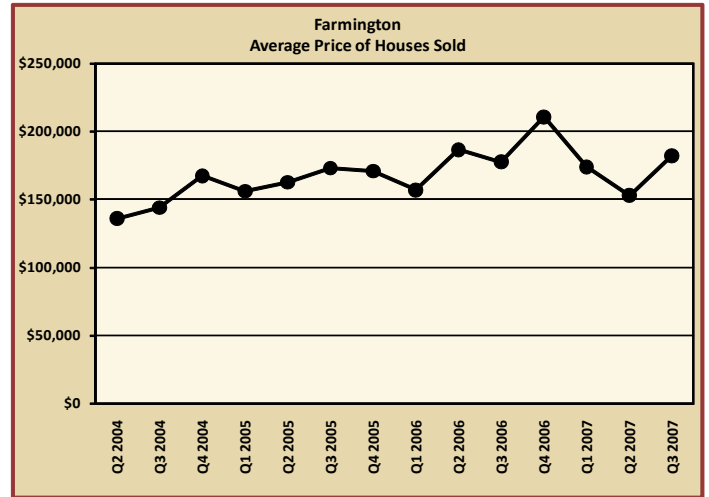
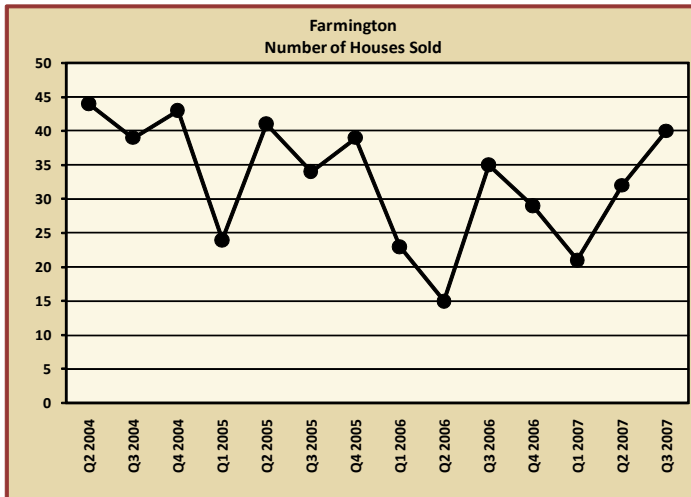


## Farmington Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision           | Approved | Number of Lots |
|-----------------------|----------|----------------|
| <i>Final Approval</i> |          |                |
| Farmington Heights    | Q3 2005  | 105            |
| Edge Wood             | Q2 2007  | 68             |
| <b>Farmington</b>     |          | <b>173</b>     |



# Farmington



## Farmington Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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  | 7           | 17.5%                     | 1,065                  | 66                     | 95.8%  | \$82.24                       |
| \$100,001 - \$150,000 | 9           | 22.5%                     | 1,389                  | 225                    | 98.1%  | \$91.52                       |
| \$150,001 - \$200,000 | 9           | 22.5%                     | 1,878                  | 120                    | 97.9%  | \$94.31                       |
| \$200,001 - \$250,000 | 9           | 22.5%                     | 2,178                  | 163                    | 98.1%  | \$105.75                      |
| \$250,001 - \$300,000 | 3           | 7.5%                      | 2,956                  | 106                    | 95.5%  | \$91.13                       |
| \$300,001 - \$350,000 | 1           | 2.5%                      | 2,700                  | 184                    | 97.3%  | \$125.93                      |
| \$350,001 - \$400,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$400,001 - \$450,000 | 1           | 2.5%                      | 3,100                  | 31                     | 97.6%  | \$131.29                      |
| \$450,001 - \$500,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Farmington</b>     | <b>40</b>   | <b>100.0%</b>             | <b>1,858</b>           | <b>141</b>             | <b>97.3%</b>                                     | <b>\$96.09</b>                |



# Farmington

## Farmington House Status in Active Subdivisions Q3 2007

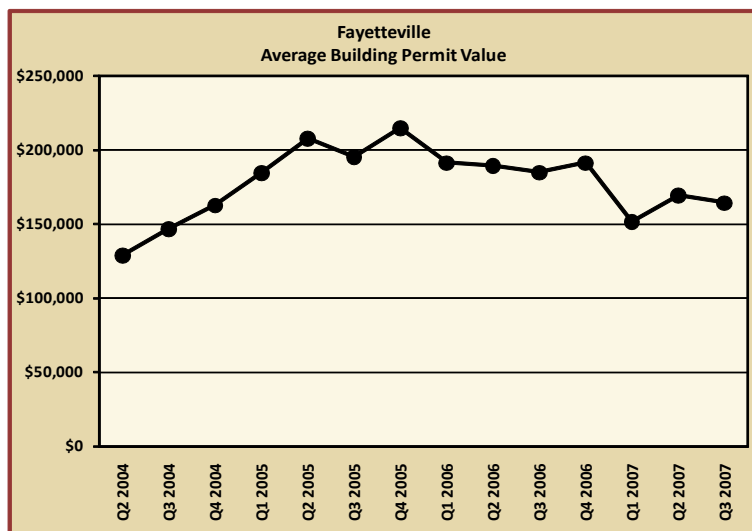
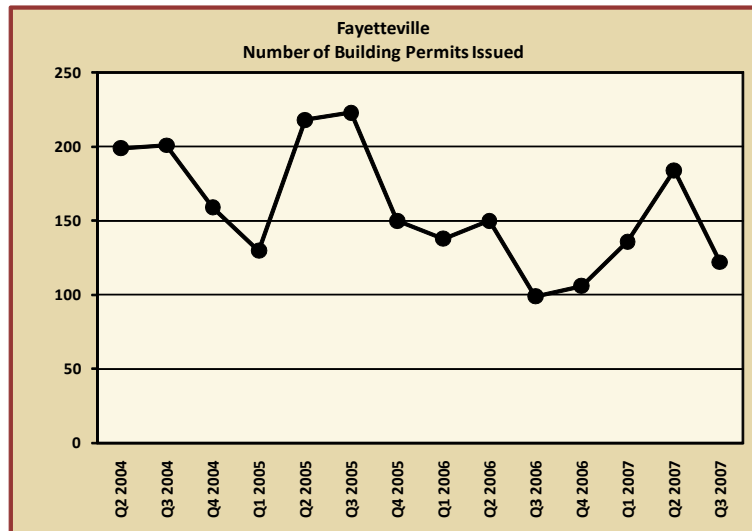
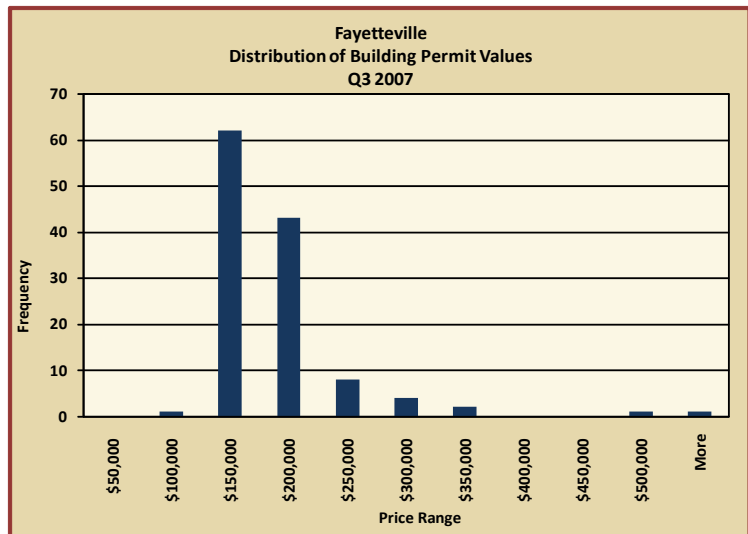
| Subdivision                | Empty<br>Lots | Start    | Under<br>Construction | Complete, but<br>Unoccupied | Occupied   | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|----------------------------|---------------|----------|-----------------------|-----------------------------|------------|---------------|------------------|------------------------|
| Bermuda Estates            | 21            | 0        | 0                     | 12                          | 33         | 66            | 0                | 26.4                   |
| Bethel Oaks                | 65            | 0        | 2                     | 0                           | 0          | 67            | 0                | --                     |
| East Creek Place           | 37            | 0        | 0                     | 6                           | 4          | 47            | 2                | 129.0                  |
| Forest Hills, Phases I, II | 4             | 0        | 0                     | 0                           | 47         | 51            | 0                | 48.0                   |
| North Club House Estates   | 19            | 0        | 0                     | 2                           | 0          | 21            | 0                | --                     |
| Park Ridge Estates         | 18            | 0        | 1                     | 0                           | 7          | 26            | 2                | 45.6                   |
| Rainsong                   | 3             | 0        | 1                     | 0                           | 1          | 5             | 1                | 24.0                   |
| Riviera Estates            | 1             | 0        | 0                     | 1                           | 54         | 56            | 3                | 2.4                    |
| South Club House Estates   | 17            | 0        | 0                     | 7                           | 62         | 86            | 0                | 144.0                  |
| Southaven, Phase III       | 0             | 0        | 4                     | 0                           | 84         | 88            | 0                | --                     |
| Southwinds, Phases IV, V   | 14            | 0        | 3                     | 5                           | 58         | 80            | 0                | 66.0                   |
| Twin Falls, Phase I        | 60            | 0        | 1                     | 1                           | 5          | 67            | 3                | 148.8                  |
| <b>Farmington</b>          | <b>259</b>    | <b>0</b> | <b>12</b>             | <b>34</b>                   | <b>355</b> | <b>660</b>    | <b>11</b>        | <b>60.0</b>            |





# Fayetteville

- From June to August 2007, there were 122 residential building permits issued in Fayetteville. This represents an increase of 23.2 percent from the third quarter of 2006.
- The average residential building permit value in Fayetteville declined by 11.1 percent from \$184,990 in the third quarter of 2006 to \$164,445 in the third quarter of 2007.
- The major price points for Fayetteville building permits were in the \$100,001 to \$150,000 range.
- There were 4,107 total lots in the 60 active subdivisions in Fayetteville in the third quarter of 2007. About 46 percent of the lots were occupied, 6 percent were complete, but unoccupied, 6 percent were under construction, 1 percent was starts, and 41 percent were vacant lots.
- 211 new houses in Fayetteville became occupied in the third quarter of 2007. The annual absorption rate implies that there were 43.3 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Fayetteville in the third quarter were Clabber Creek with 30, Lierly Lane and Sunbridge Villas, both with 21.
- An additional 3,160 lots in 57 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Fayetteville.
- There were 404 existing houses sold in Fayetteville from May 16, 2007 to August 15, 2007, or 39.8 percent more than the previous quarter and 1.8 percent more than in the same period last year.
- The average price of a house sold in Fayetteville climbed from \$203,342 in the second quarter of 2007 to \$210,190 in the third quarter of 2007. In the third quarter of 2007, the aver-

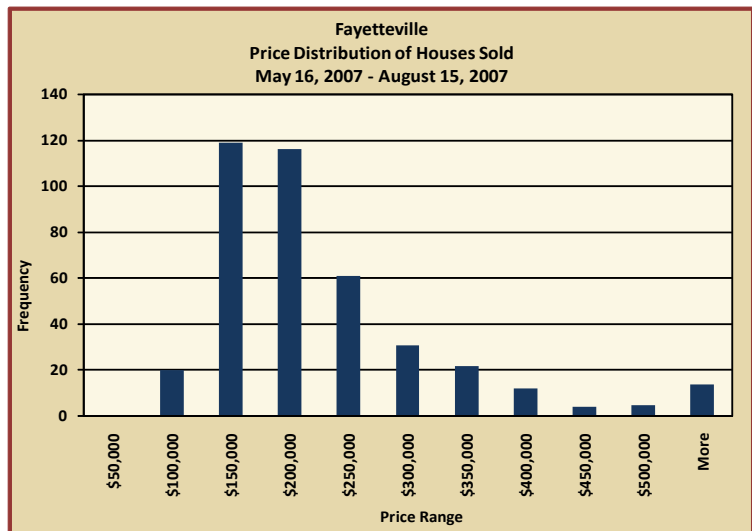
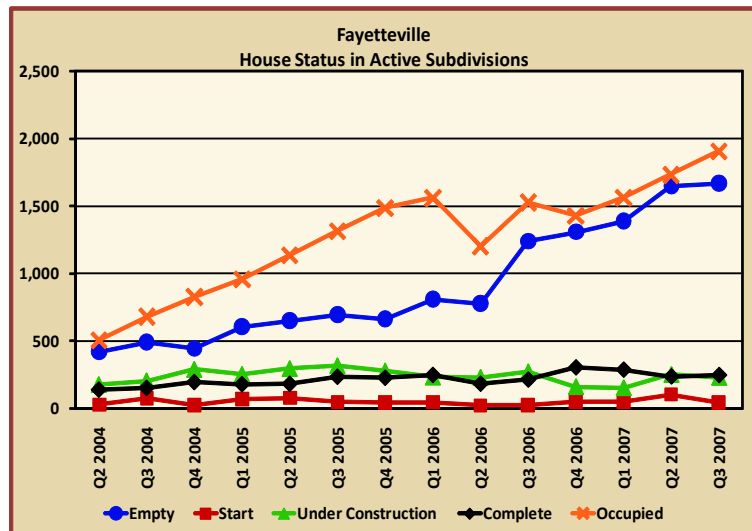




# Fayetteville

age sales price was 3.4 percent higher than in the previous quarter and 3.6 percent lower than in the same period last year.

- In Fayetteville, the average number of days from the initial house listing to the sale decreased from 129 days in the second quarter of 2007 to 122 days in the third quarter of 2007.
- About 47.4 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Fayetteville. The average sales price of a house in Fayetteville was 111.2 percent of the county average.
- In the third quarter of 2007, 58.2 percent of the sold houses in Fayetteville were in the \$100,001 to \$200,000 range.



## Fayetteville House Status in Active Subdivisions Q3 2007

| Subdivision                  | Empty Lots | Start | Under Construction | Complete, but Unoccupied | Occupied | Total Lots | Absorbed Lots | Months of Inventory |
|------------------------------|------------|-------|--------------------|--------------------------|----------|------------|---------------|---------------------|
| Amber Jane Estates           | 8          | 0     | 0                  | 1                        | 13       | 22         | 2             | 21.6                |
| Bellwood Phase I             | 67         | 0     | 10                 | 0                        | 0        | 77         | 0             | --                  |
| Birwin Street                | 0          | 0     | 2                  | 3                        | 2        | 7          | 0             | --                  |
| Bois D'Arc                   | 5          | 1     | 0                  | 1                        | 12       | 19         | 1             | 28.0                |
| Bridgedale                   | 10         | 0     | 0                  | 5                        | 10       | 25         | 0             | 20.0                |
| Bridgeport, Phases VII, VIII | 15         | 0     | 2                  | 2                        | 5        | 24         | 2             | 76.0                |
| Bridgewater Estates          | 15         | 0     | 3                  | 0                        | 11       | 29         | 2             | 36.0                |
| Charleston Place             | 3          | 0     | 1                  | 0                        | 47       | 51         | 1             | 24.0                |
| Clabber Creek, Phases I-IV   | 29         | 6     | 30                 | 39                       | 287      | 391        | 55            | 11.0                |
| Clearwood Crossing           | 18         | 0     | 3                  | 2                        | 24       | 47         | 13            | 11.5                |
| Copper Creek, Phases I, II   | 45         | 0     | 6                  | 11                       | 100      | 162        | 3             | 29.8                |
| Copper Ridge                 | 10         | 0     | 0                  | 0                        | 14       | 24         | 0             | 120.0               |
| Covington Park, Phases I-IV  | 4          | 0     | 8                  | 0                        | 157      | 169        | 0             | 18.0                |



# Fayetteville

## Fayetteville House Status in Active Subdivisions Q3 2007

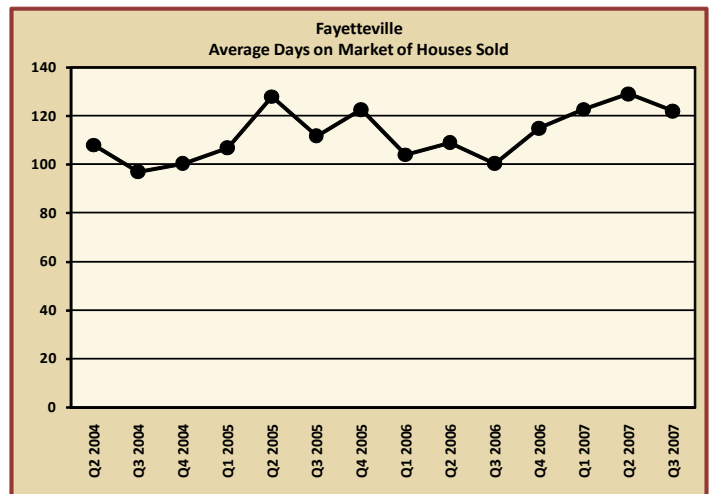
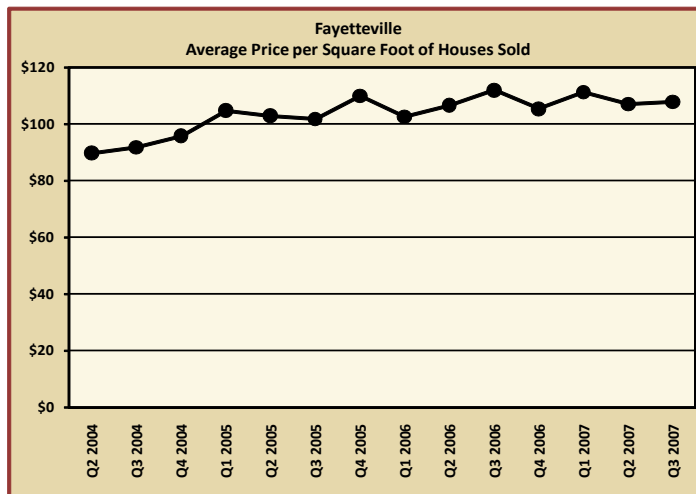
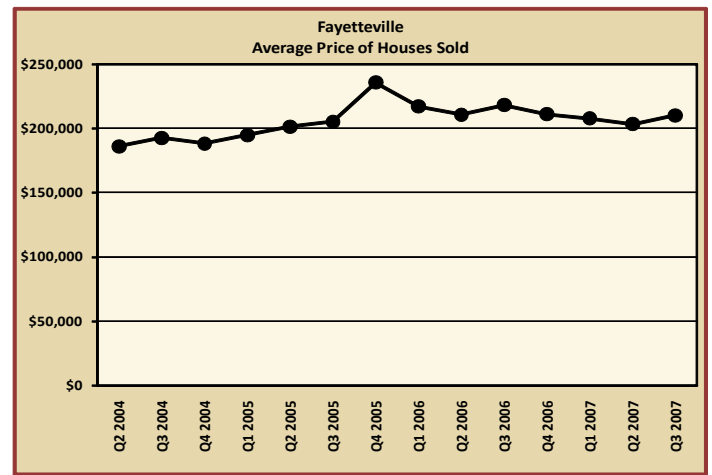
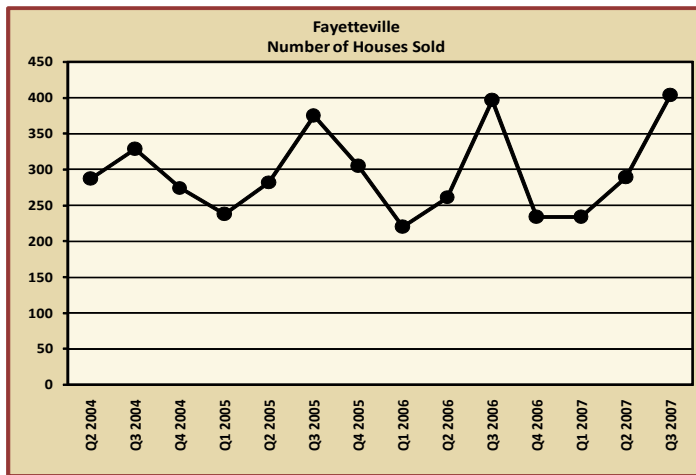
| Subdivision                          | Empty<br>Lots | Start     | Under<br>Construction | Complete, but<br>Unoccupied | Occupied     | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|--------------------------------------|---------------|-----------|-----------------------|-----------------------------|--------------|---------------|------------------|------------------------|
| Crescent Lake                        | 39            | 0         | 0                     | 1                           | 3            | 43            | 0                | 240.0                  |
| Cross Keys                           | 19            | 1         | 4                     | 12                          | 72           | 108           | 8                | 12.7                   |
| Crystal Cove                         | 5             | 0         | 0                     | 5                           | 8            | 18            | 3                | 15.0                   |
| Crystal Springs, Phase III           | 86            | 0         | 6                     | 5                           | 5            | 102           | 1                | --                     |
| Deerpath, Phase II                   | 11            | 0         | 3                     | 0                           | 2            | 16            | 1                | 84.0                   |
| The Estates at Dogwood Canyon        | 48            | 0         | 1                     | 0                           | 5            | 54            | 2                | 196.0                  |
| Estates at Salem Hill                | 2             | 0         | 1                     | 1                           | 19           | 23            | 0                | 48.0                   |
| Fairfield, Phases II, III            | 4             | 0         | 0                     | 6                           | 105          | 115           | 0                | 8.6                    |
| Harmon Trails Estates                | 21            | 0         | 0                     | 0                           | 5            | 26            | 0                | 84.0                   |
| Hickory Park                         | 10            | 0         | 2                     | 0                           | 2            | 14            | 0                | 72.0                   |
| Lakewood                             | 63            | 1         | 15                    | 7                           | 9            | 95            | 9                | 57.3                   |
| Legacy Heights, Phase I              | 67            | 0         | 10                    | 0                           | 0            | 77            | 0                | --                     |
| Legacy Pointe, Phases I-III          | 4             | 0         | 3                     | 3                           | 146          | 156           | 2                | 20.0                   |
| Lierly Lane                          | 38            | 0         | 21                    | 16                          | 1            | 76            | 0                | --                     |
| Lynnwood Estates                     | 5             | 0         | 0                     | 0                           | 1            | 6             | 0                | --                     |
| Maple Valley                         | 1             | 1         | 0                     | 2                           | 15           | 19            | 3                | 8.0                    |
| Mission Hills                        | 2             | 0         | 0                     | 1                           | 20           | 23            | 0                | --                     |
| Mountain Ranch, Phase I              | 117           | 1         | 0                     | 0                           | 0            | 118           | 0                | --                     |
| Newcastle Estates                    | 5             | 5         | 0                     | 0                           | 0            | 10            | 0                | --                     |
| Overton Park                         | 12            | 0         | 5                     | 0                           | 34           | 51            | 0                | 25.5                   |
| Persimmon Place                      | 56            | 4         | 6                     | 1                           | 87           | 154           | 20               | 20.1                   |
| Piper's Glen                         | 3             | 0         | 3                     | 0                           | 2            | 8             | 0                | 36.0                   |
| Prairie View at Spring Woods         | 35            | 0         | 0                     | 1                           | 0            | 36            | 0                | --                     |
| River Hills                          | 0             | 0         | 4                     | 3                           | 11           | 18            | 1                | 9.3                    |
| Rupple Row                           | 145           | 1         | 18                    | 30                          | 28           | 222           | 10               | 83.1                   |
| Sage Meadows                         | 0             | 0         | 0                     | 3                           | 83           | 86            | 9                | 3.3                    |
| Salem Heights, Phases I, II          | 9             | 2         | 8                     | 6                           | 63           | 88            | 14               | 7.9                    |
| Sassafras Hill                       | 4             | 0         | 1                     | 3                           | 0            | 8             | 0                | --                     |
| Silverthorne, Phase II               | 19            | 0         | 0                     | 0                           | 14           | 33            | 1                | 114.0                  |
| Sloan Estates                        | 41            | 0         | 0                     | 7                           | 9            | 57            | 3                | 72.0                   |
| Stone Mountain, Phase I              | 106           | 0         | 2                     | 1                           | 3            | 112           | 2                | 436.0                  |
| Stonebridge Meadows, Phases I-III, V | 91            | 0         | 6                     | 11                          | 192          | 300           | 5                | 38.1                   |
| Summerbrook Place                    | 0             | 0         | 0                     | 3                           | 9            | 12            | 0                | 18.0                   |
| Summersby                            | 6             | 0         | 1                     | 0                           | 45           | 52            | 0                | 16.8                   |
| Sunbridge Villas                     | 114           | 7         | 21                    | 0                           | 0            | 142           | 0                | --                     |
| Sundance Meadows                     | 15            | 0         | 0                     | 5                           | 5            | 25            | 2                | 60.0                   |
| Timber Trails                        | 65            | 6         | 18                    | 22                          | 0            | 111           | 0                | --                     |
| Trinity Place                        | 9             | 0         | 0                     | 0                           | 9            | 18            | 0                | 108.0                  |
| Twin Creeks Addition                 | 0             | 0         | 0                     | 9                           | 2            | 11            | 1                | 54.0                   |
| Twin Maple Acres                     | 2             | 0         | 0                     | 0                           | 2            | 4             | 0                | 18.0                   |
| Twin Maple Estates                   | 3             | 0         | 0                     | 0                           | 5            | 8             | 1                | 36.0                   |
| Twin Springs Estates                 | 2             | 0         | 0                     | 0                           | 3            | 5             | 0                | --                     |
| Walnut Crossing                      | 70            | 9         | 1                     | 10                          | 46           | 136           | 18               | 23.5                   |
| Walnut Crossing (Additional Lots)    | 48            | 2         | 0                     | 3                           | 5            | 58            | 5                | 95.4                   |
| Westbrook Village                    | 0             | 0         | 1                     | 3                           | 108          | 112           | 0                | 24.0                   |
| Westridge                            | 9             | 0         | 4                     | 7                           | 26           | 46            | 5                | 9.2                    |
| Wildflower Meadows                   | 29            | 1         | 2                     | 1                           | 15           | 48            | 6                | 49.5                   |
| <b>Fayetteville</b>                  | <b>1,669</b>  | <b>48</b> | <b>232</b>            | <b>252</b>                  | <b>1,906</b> | <b>4,107</b>  | <b>211</b>       | <b>43.3</b>            |



# Fayetteville

## Fayetteville Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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  | 20          | 5.0%                      | 1,027                  | 90                     | 95.5%  | \$88.94                       |
| \$100,001 - \$150,000 | 119         | 29.5%                     | 1,311                  | 90                     | 97.8%  | \$100.96                      |
| \$150,001 - \$200,000 | 116         | 28.7%                     | 1,713                  | 120                    | 97.8%  | \$105.40                      |
| \$200,001 - \$250,000 | 61          | 15.1%                     | 2,101                  | 140                    | 97.7%  | \$106.43                      |
| \$250,001 - \$300,000 | 31          | 7.7%                      | 2,407                  | 154                    | 94.8%  | \$120.30                      |
| \$300,001 - \$350,000 | 22          | 5.4%                      | 3,065                  | 175                    | 95.1%  | \$108.75                      |
| \$350,001 - \$400,000 | 12          | 3.0%                      | 2,875                  | 141                    | 97.1%  | \$140.78                      |
| \$400,001 - \$450,000 | 4           | 1.0%                      | 3,180                  | 259                    | 93.2%  | \$136.64                      |
| \$450,001 - \$500,000 | 5           | 1.2%                      | 3,932                  | 168                    | 96.4%  | \$122.46                      |
| \$500,000+            | 14          | 3.5%                      | 4,516                  | 147                    | 94.9%  | \$147.46                      |
| <b>Fayetteville</b>   | <b>404</b>  | <b>100.0%</b>             | <b>1,920</b>           | <b>122</b>             | <b>97.1%</b>                                     | <b>\$107.80</b>               |



# Fayetteville

## Fayetteville Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                   | Approved | Number of Lots |
|-------------------------------|----------|----------------|
| <i>Preliminary Approval</i>   |          |                |
| Bailey Meadows                | Q3 2007  | 4              |
| Bellwood, Phase II            | Q1 2007  | 17             |
| Benton Development            | Q3 2005  | 31             |
| Biella Estates                | Q3 2005  | 100            |
| Cobblestone Crossing Phase 11 | Q1 2006  | 76             |
| Depalma Addition              | Q1 2006  | 5              |
| Eagles Ridge                  | Q3 2005  | 3              |
| 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             |
| The Hamptons Phase II         | Q4 2005  | 70             |
| The Heights at Park West      | Q2 2006  | 85             |
| Highlands at Ruppel           | Q1 2007  | 146            |
| Holcomb Heights PZD           | Q3 2007  | 36             |
| 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  | 6              |
| Mountain Ranch, Phase II      | Q2 2006  | 31             |
| Pembridge Subdivision         | Q4 2004  | 45             |
| Rustic Meadows                | Q2 2007  | 143            |
| 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             |
| 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            |
| Wilson/Hancock                | Q1 2005  | 43             |



# Fayetteville

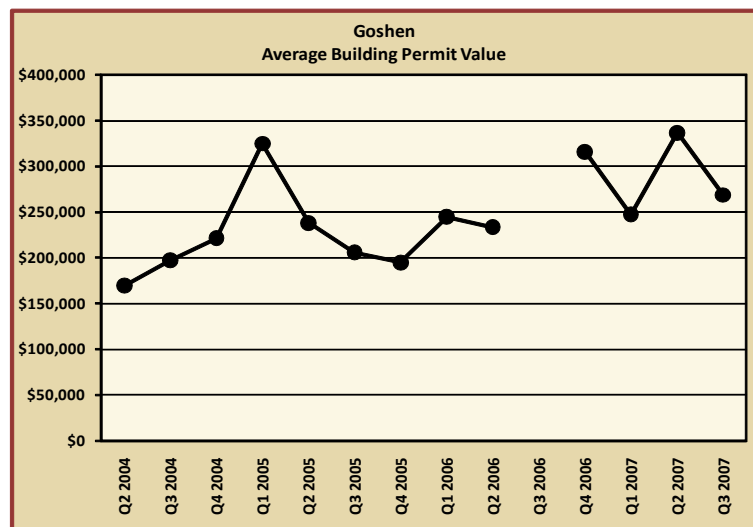
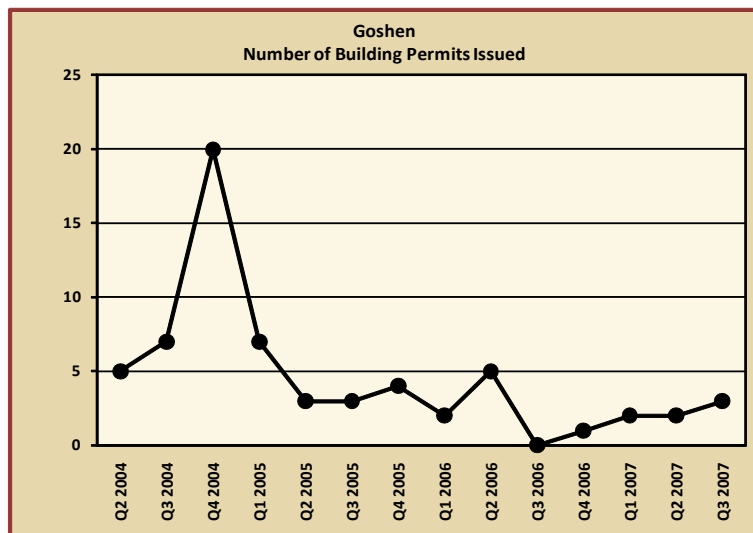
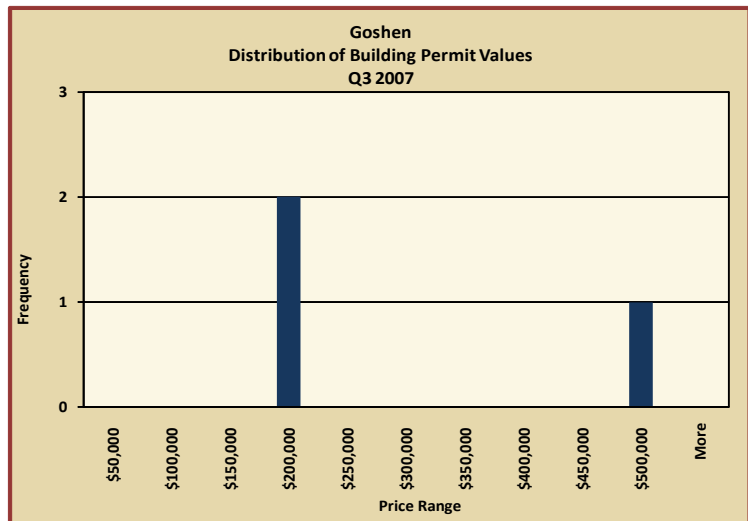
## Fayetteville Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision               | Approved | Number of Lots |
|---------------------------|----------|----------------|
| <i>Final Approval</i>     |          |                |
| Driver Subdivision        | Q3 2007  | 6              |
| Embry Acres               | Q3 2007  | 56             |
| The Hamptons              | Q3 2007  | 69             |
| Legacy Point, Phase IV    | Q4 2004  | 77             |
| Oakbrooke Phases I and II | Q3 2007  | 109            |
| Rockhaven                 | Q4 2006  | 31             |
| Scottswood Place          | Q3 2007  | 17             |
| Springwoods, Lot III      | Q4 2005  | 36             |
| Springwoods, Lot V        | Q4 2004  | 47             |
| Sunbridge Villas          | Q4 2006  | 141            |
| Westbrook (PZD)           | Q3 2007  | 11             |
| West Haven                | Q3 2007  | 43             |
| <b>Fayetteville</b>       |          | <b>3,160</b>   |



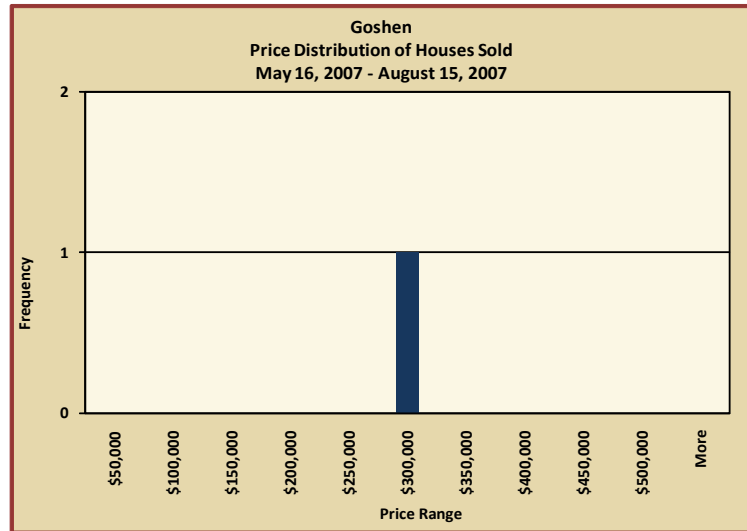
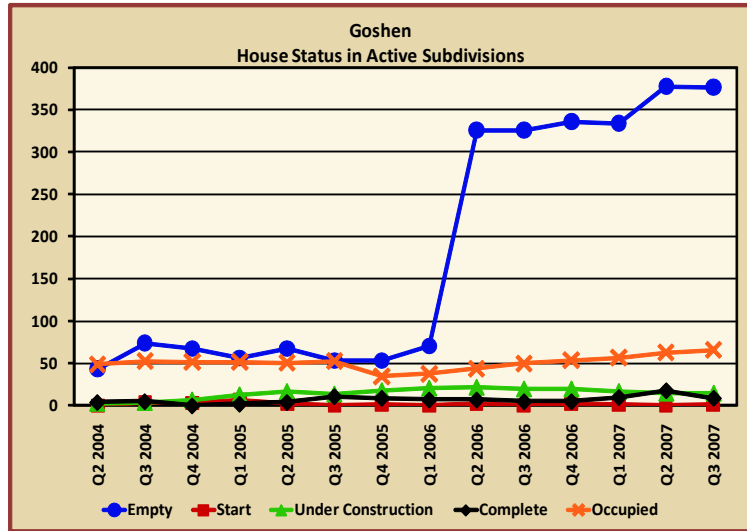
# Goshen

- From June to August 2007, there were 3 residential building permits issued in Goshen for an average value of \$268,763. There were no building permits issued in Goshen in the third quarter of the previous year.
- There were 468 total lots in active subdivisions in Goshen in the third quarter of 2007. About 14 percent of the lots were occupied, 2 percent were complete, but unoccupied, 3 percent were under construction, less than one percent was starts, and 81 percent were vacant lots.
- Four new houses in Goshen became occupied in the third quarter of 2007. The annual absorption rate implies that there were 150.8 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Goshen in the third quarter continued to be Bridlewood with 6.
- An additional 79 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Goshen.
- There was one existing house sold in Goshen from May 16, 2007 to August 15, 2007.





# Goshen



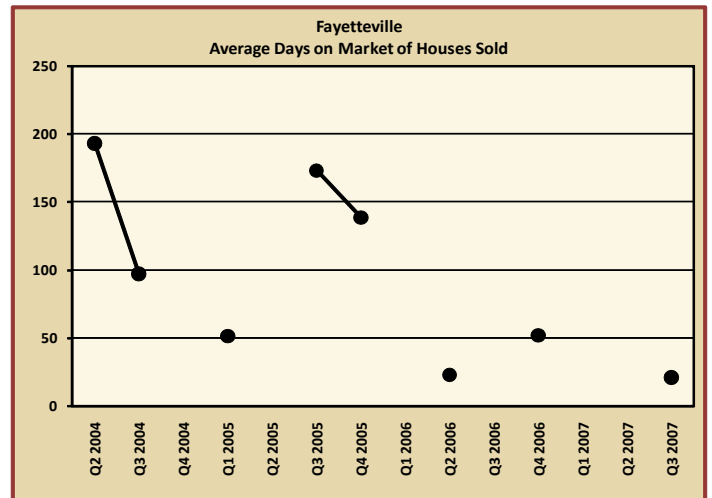
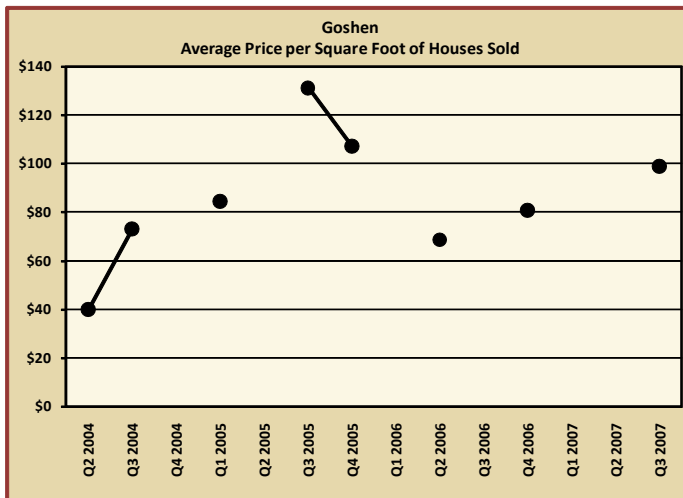
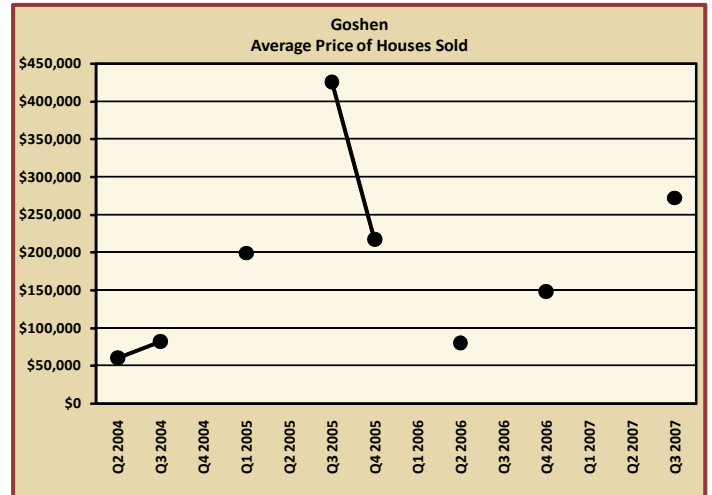
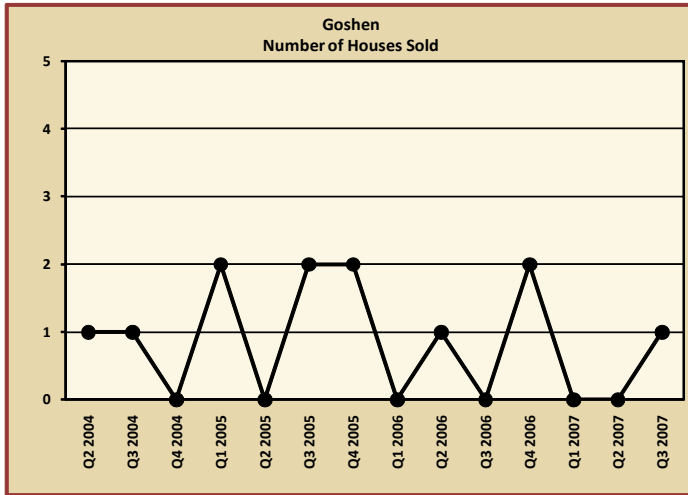
## Goshen House Status in Active Subdivisions Q3 2007

| Subdivision              | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|--------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Abbey Lane               | 6          | 0        | 0                  | 0                        | 2         | 8          | 0             | 36.0                |
| Audrey Stroud            | 0          | 1        | 0                  | 0                        | 3         | 4          | 0             | --                  |
| Autumn View              | 9          | 0        | 0                  | 0                        | 1         | 10         | 0             | 108.0               |
| Bordeaux                 | 7          | 0        | 1                  | 0                        | 15        | 23         | 0             | 6.9                 |
| Bridlewood, Phases I, II | 38         | 0        | 6                  | 0                        | 6         | 50         | 1             | 264.0               |
| Brookstone Woods         | 45         | 0        | 0                  | 0                        | 1         | 46         | 0             | 270.0               |
| Polo Country Estates     | 0          | 0        | 1                  | 3                        | 19        | 23         | 0             | --                  |
| The Knolls               | 66         | 0        | 3                  | 1                        | 3         | 73         | 1             | 420.0               |
| Vineyard                 | 3          | 0        | 3                  | 2                        | 14        | 22         | 1             | 32.0                |
| Waterford Estates        | 194        | 0        | 1                  | 3                        | 1         | 199        | 1             | 2,376.0             |
| Wildwood                 | 9          | 0        | 0                  | 0                        | 1         | 10         | 0             | --                  |
| <b>Goshen</b>            | <b>377</b> | <b>1</b> | <b>15</b>          | <b>9</b>                 | <b>66</b> | <b>468</b> | <b>4</b>      | <b>150.8</b>        |





# Goshen



## Goshen Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$100,001 - \$150,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$150,001 - \$200,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 1           | 100.0%                    | 2,747                  | 21                     | 94.5%  | \$99.02                       |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Goshen</b>         | <b>1</b>    | <b>100.0%</b>             | <b>2,747</b>           | <b>21</b>              | <b>94.5%</b>                                     | <b>\$99.02</b>                |



# Goshen

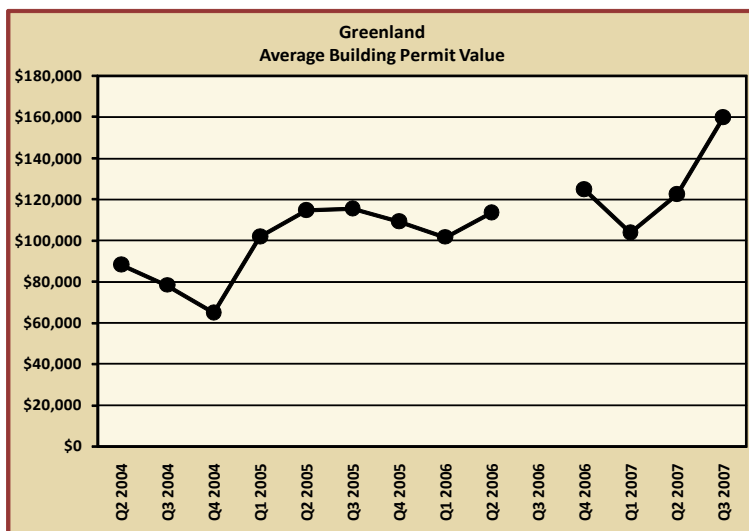
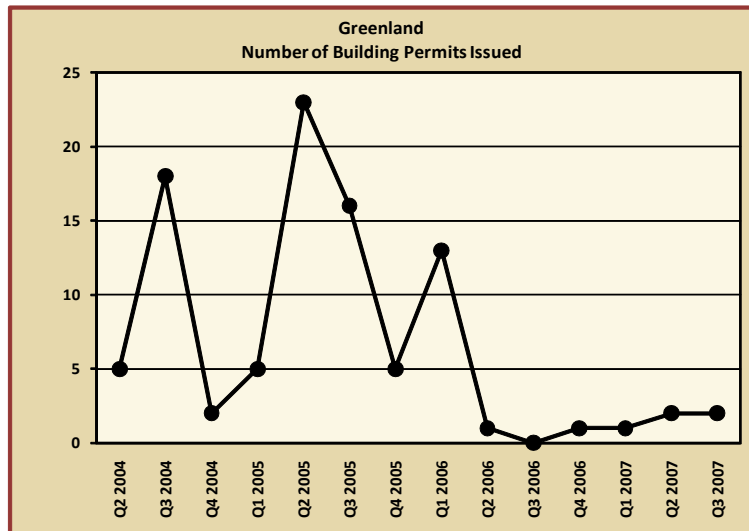
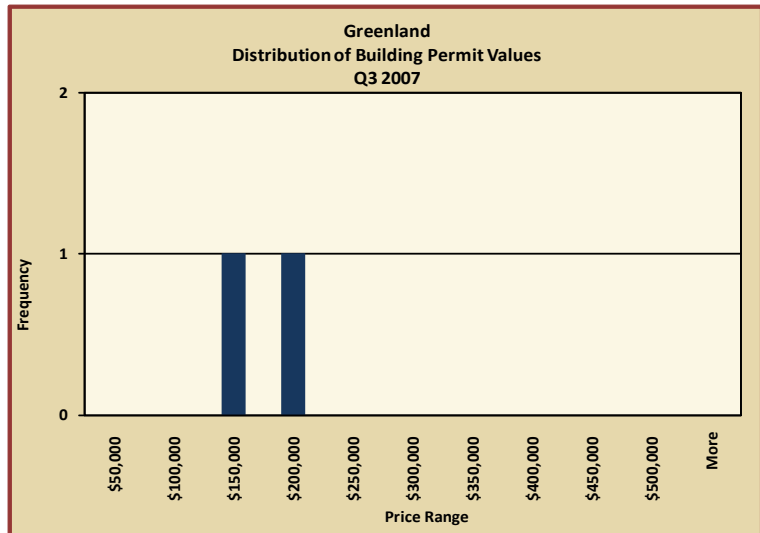
## Goshen Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision   | Approved | Number of Lots |
|---|----------|----------------|
| <i>Preliminary Approval</i><br>Brookstone Woods, Phase II | Q3 2005  | 64             |
| <i>Final Approval</i><br>Stone Meadows                    | Q3 2005  | 15             |
| <b>Goshen</b>   |          | <b>79</b>      |

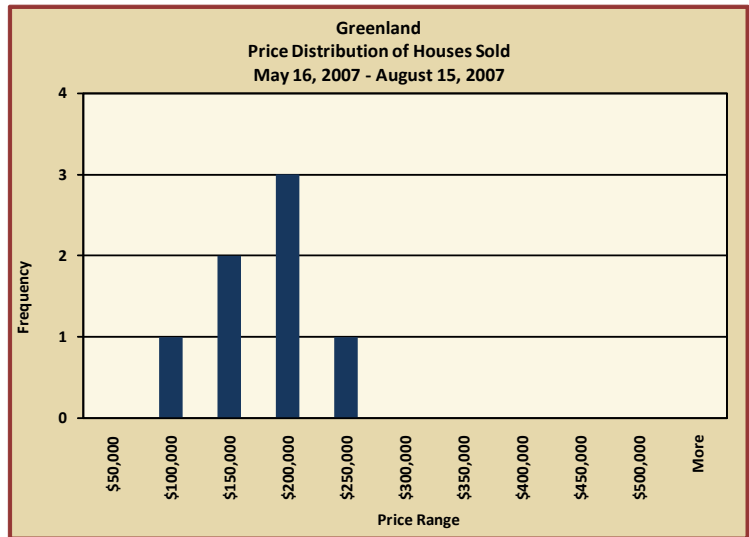
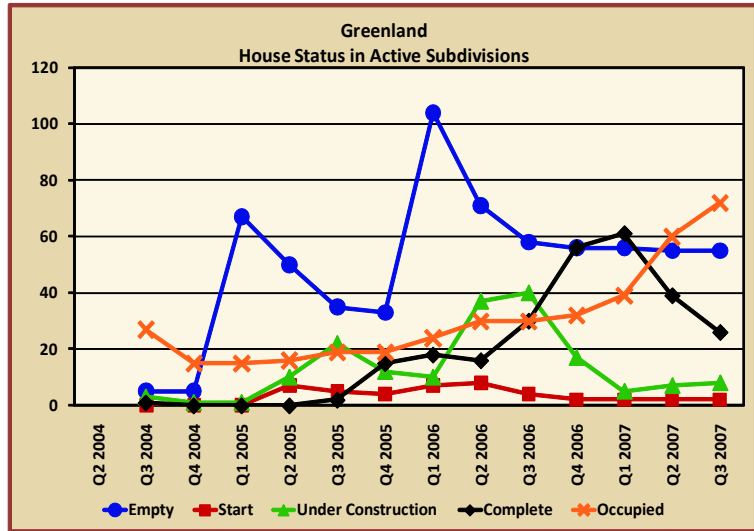


# Greenland

- From June to August 2007, there were 2 residential building permits issued in Greenland for an average value of \$160,000. There were no building permits issued in Greenland in the third quarter of the previous year.
- There were 163 total lots in the 2 active subdivisions in Greenland in the third quarter of 2007. About 44 percent of the lots were occupied, 16 percent were complete but unoccupied, 5 percent were under construction, 1 percent was starts, and 34 percent were vacant lots.
- Twelve new houses in Greenland became occupied in the third quarter of 2007. The annual absorption rate implies that there were 25.4 months of remaining inventory in active subdivisions.
- There were seven houses under construction in the Homestead Addition and one in the Lee Valley subdivision.
- An additional 591 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Greenland.
- There were 7 existing houses sold in Greenland from May 16, 2007 to August 15, 2007, or 16.7 percent more than the previous quarter.
- The average sales price of a house in Greenland was 80.8 percent of the county average.
- In the third quarter of 2007, 71.4 percent of the sold houses in Fayetteville were in the \$100,001 to \$200,000 range.



# Greenland

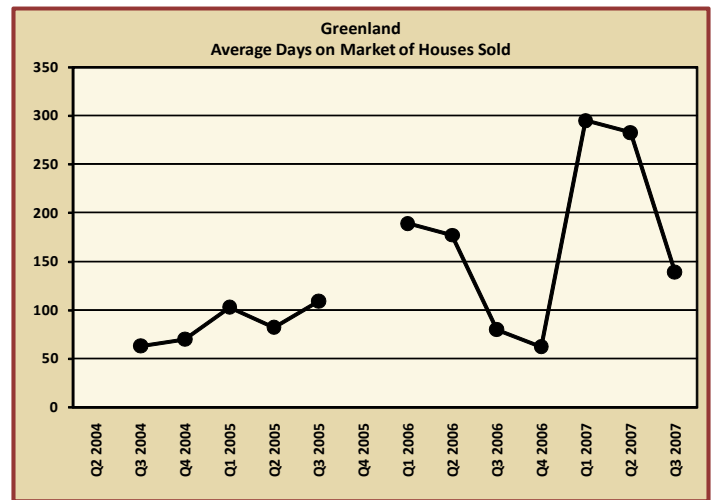
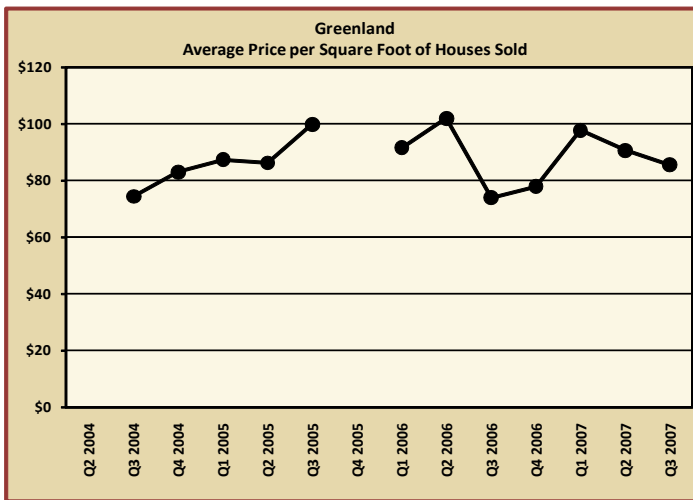
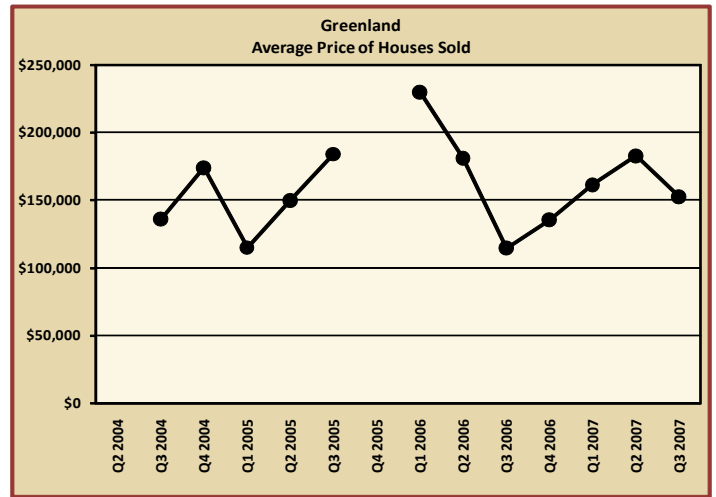
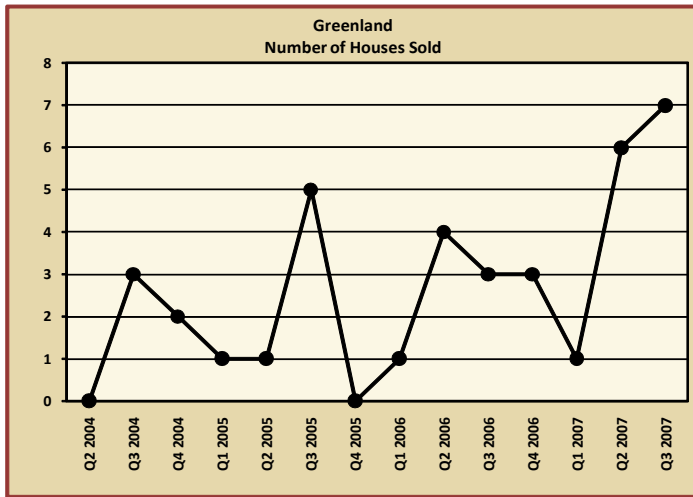


## Greenland House Status in Active Subdivisions Q3 2007

| Subdivision                | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|----------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Homestead Addition         | 27         | 0        | 7                  | 20                       | 26        | 80         | 8             | 24.9                |
| Lee Valley, Phases III, IV | 28         | 2        | 1                  | 6                        | 46        | 83         | 4             | 27.8                |
| <b>Greenland</b>           | <b>55</b>  | <b>2</b> | <b>8</b>           | <b>26</b>                | <b>72</b> | <b>163</b> | <b>12</b>     | <b>25.4</b>         |



# Greenland



## Greenland Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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%                     | 1,314                  | 26                     | 88.9%  | \$75.72                       |
| \$100,001 - \$150,000 | 2           | 28.6%                     | 1,902                  | 174                    | 96.8%  | \$72.14                       |
| \$150,001 - \$200,000 | 3           | 42.9%                     | 1,739                  | 185                    | 100.1%   | \$92.07                       |
| \$200,001 - \$250,000 | 1           | 14.3%                     | 2,130                  | 47                     | 101.2%   | \$102.11                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Greenland</b>      | <b>7</b>    | <b>100.0%</b>             | <b>1,781</b>           | <b>139</b>             | <b>97.7%</b>                                     | <b>\$85.47</b>                |



# Greenland

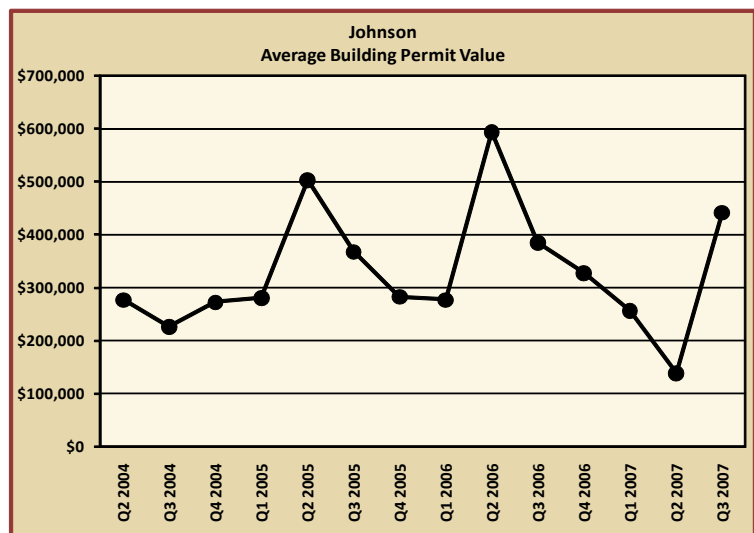
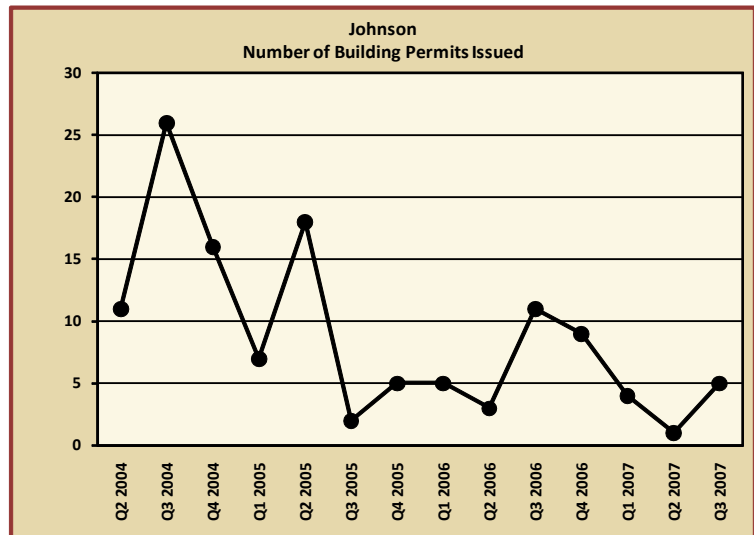
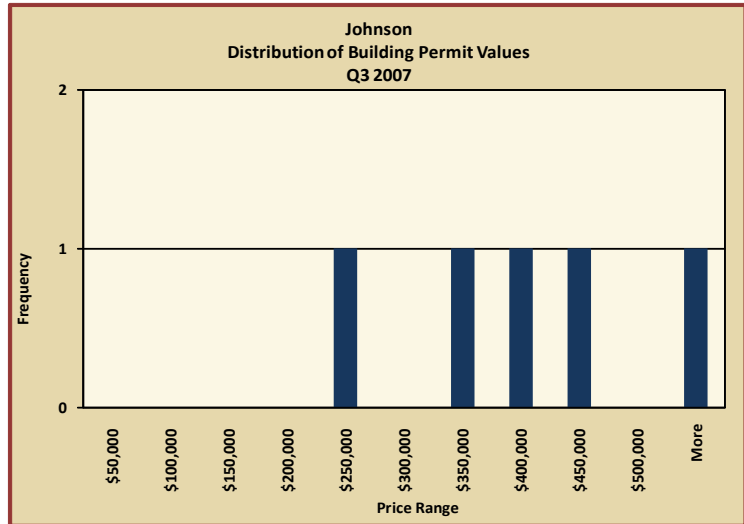
## Greenland Approved Final and Preliminary Subdivisions Q3 2007

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



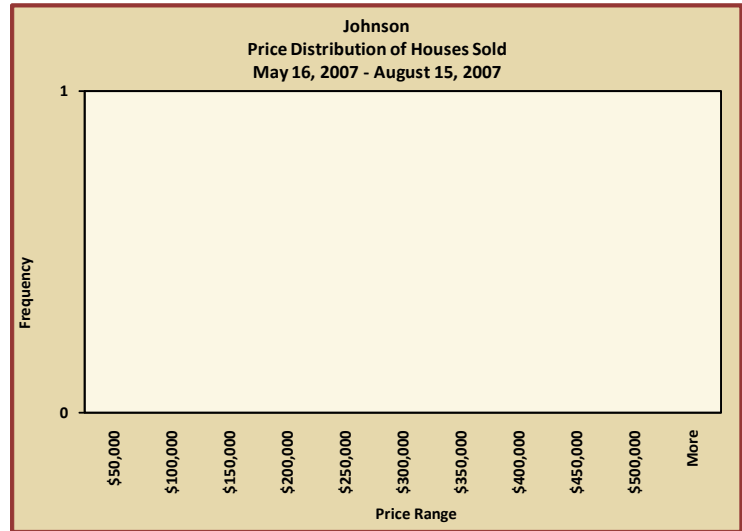
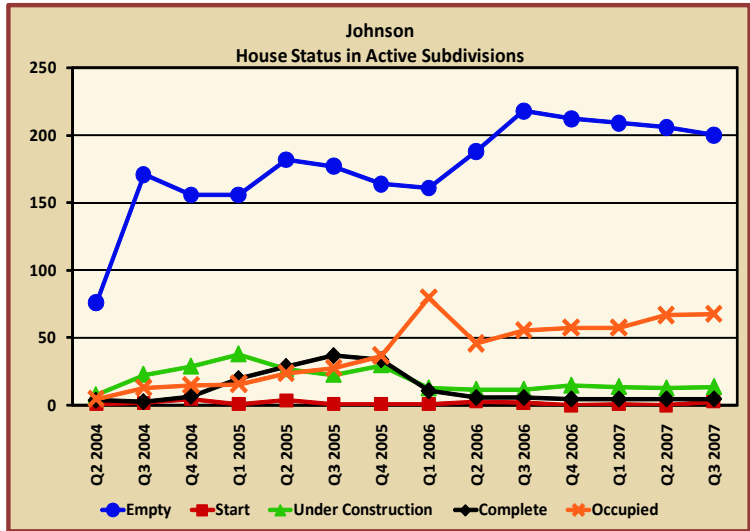
# Johnson

- From June to August 2007, there were five residential building permits issued in Johnson. This represents a decrease of 54.5 percent from the 11 building permits issued in the third quarter of 2006.
- The average residential building permit value in Johnson rose by 14.8 percent from the third quarter of 2006 to \$442,041 in the third quarter of 2007.
- All price points for Johnson building permits were above \$200,000.
- There were 290 total lots in the 3 active subdivisions in Johnson in the third quarter of 2007. About 23 percent of the lots were occupied, 2 percent were complete, but unoccupied, 5 percent were under construction, 1 percent was starts, and 69 percent were vacant lots.
- Seven new houses in Johnson became occupied in the third quarter of 2007. The annual absorption rate implies that there were 95.1 months of remaining inventory in active subdivisions.
- The subdivision with the most houses under construction in Johnson in the third quarter continued to be Clear Creek with 11.
- There were no existing houses sold in Johnson from May 16, 2007 to August 15, 2007. There was only one house sold in the previous quarter in Johnson and no houses sold in the same period last year.
- No lots received either preliminary or final approval in the third quarter of 2007.





# Johnson

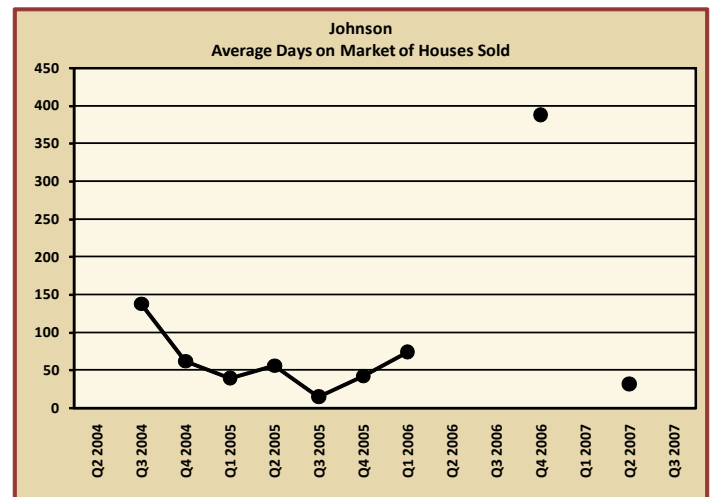
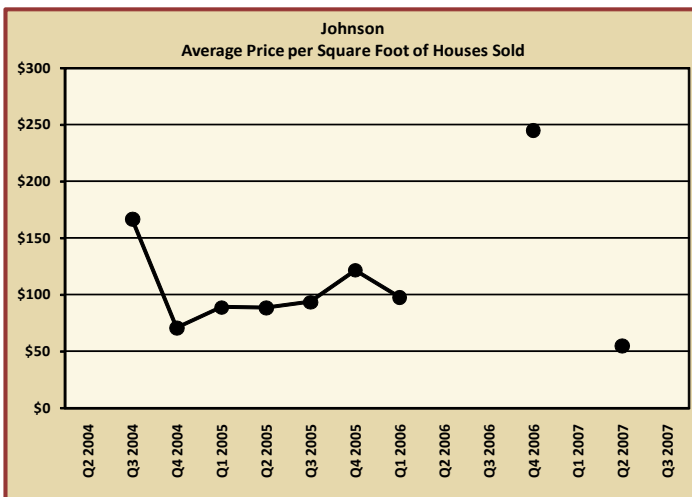
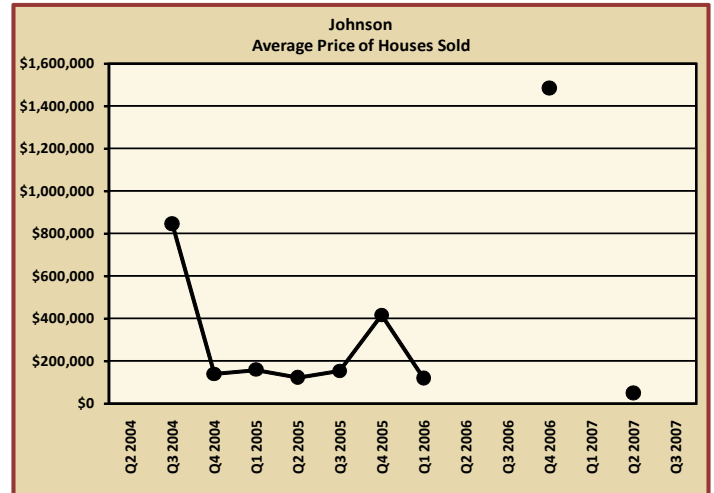
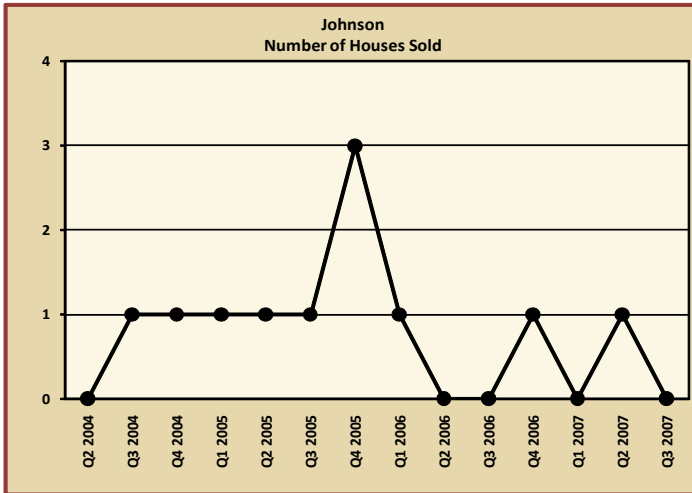


## Johnson House Status in Active Subdivisions Q3 2007

| Subdivision               | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|---------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Clear Creek, Patio Homes  | 26         | 1        | 1                  | 5                        | 6         | 39         | 1             | --                  |
| Clear Creek, Phases I - V | 114        | 2        | 11                 | 0                        | 58        | 185        | 4             | 138.5               |
| Heritage Hills            | 60         | 0        | 2                  | 0                        | 4         | 66         | 2             | 248.0               |
| <b>Johnson</b>            | <b>200</b> | <b>3</b> | <b>14</b>          | <b>5</b>                 | <b>68</b> | <b>290</b> | <b>7</b>      | <b>95.1</b>         |



# Johnson



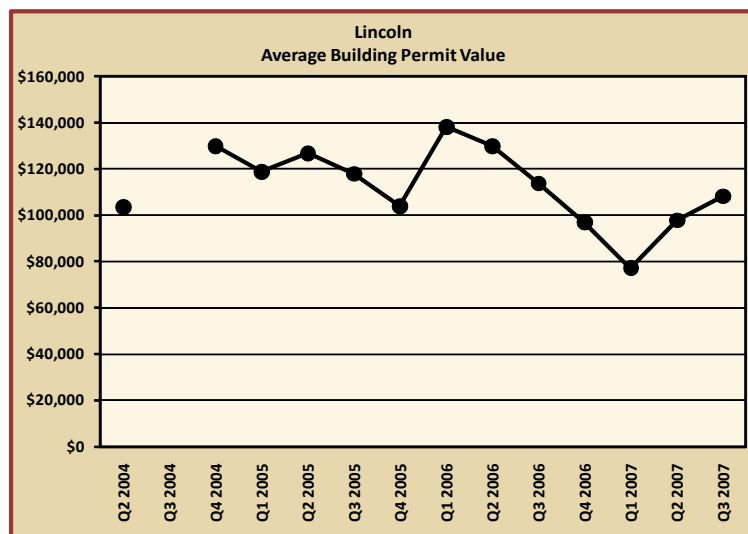
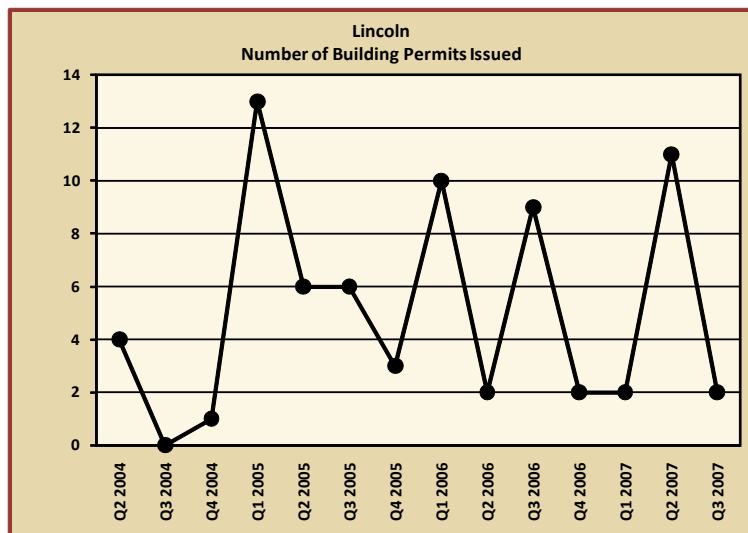
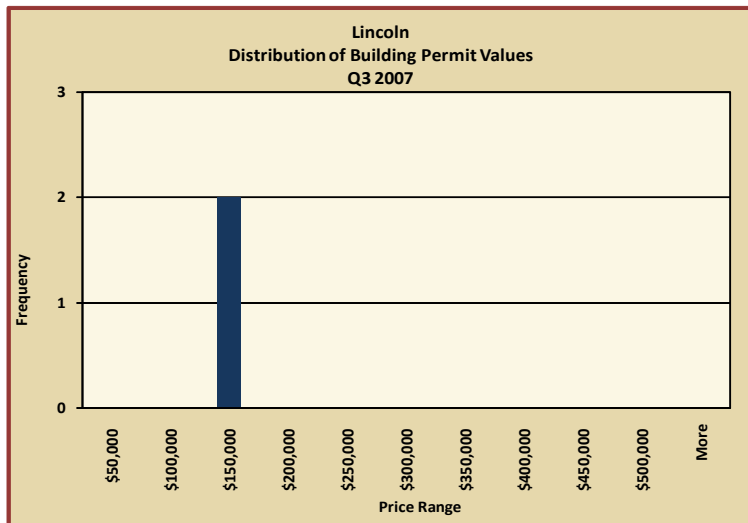
## Johnson Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$100,001 - \$150,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$150,001 - \$200,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$200,001 - \$250,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$250,001 - \$300,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$300,001 - \$350,000 | 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%                      | --                     | --                     | --   | --                            |
| <b>Johnson</b>        | <b>0</b>    | <b>--</b>                 | <b>--</b>              | <b>--</b>              | <b>--</b>  | <b>--</b>                     |



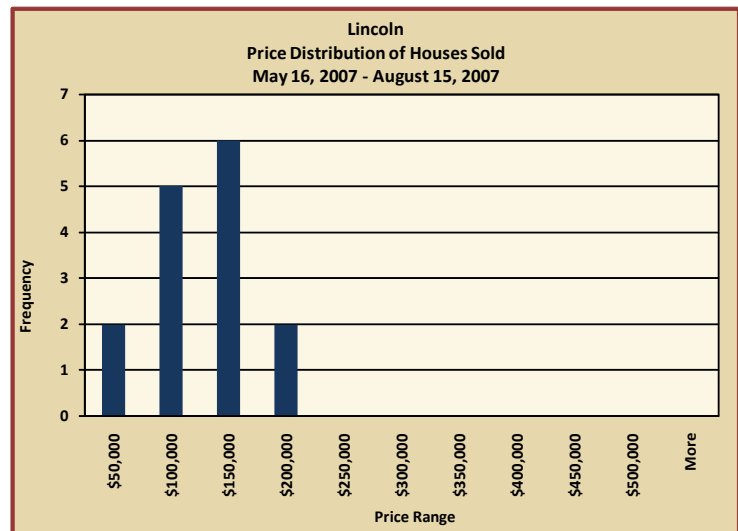
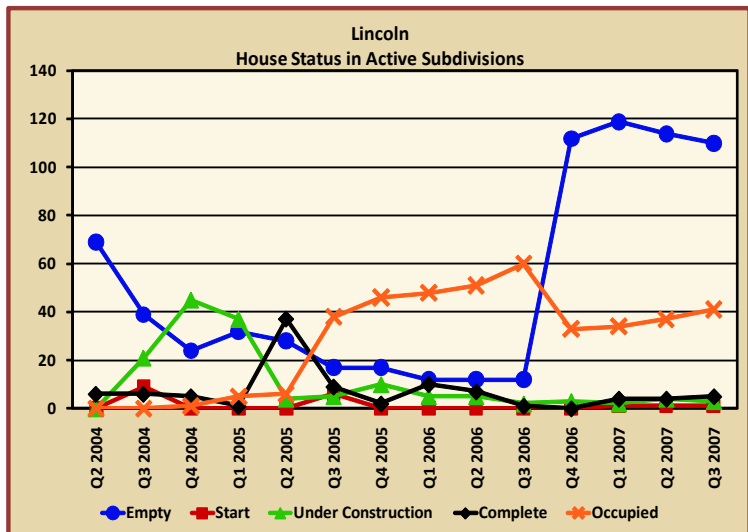
# Lincoln

- From June to August 2007, there were two residential building permits issued in Lincoln. This represents a 77.8 percent decrease from the nine building permits issued in the third quarter of 2006.
- The average residential building permit value in Lincoln declined by 4.9 percent from the third quarter of 2006 to \$108,323 in the third quarter of 2007.
- There were 160 total lots in the 3 active subdivisions in Lincoln in the third quarter of 2007. About 26 percent of the lots were occupied, 3 percent were complete, but unoccupied, 2 percent was under construction, 1 percent was starts, and 69 percent were vacant lots.
- Four new houses in Lincoln became occupied in the third quarter of 2007. The annual absorption rate implies that there were 158.7 months of remaining inventory in active subdivisions.
- Country Meadows had 3 houses under construction during the third quarter of 2007.
- An additional 136 lots in 2 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Lincoln.
- There were 15 existing houses sold in Lincoln from May 16, 2007 to August 15, 2007, or 36.4 percent more than in the previous quarter but 46.4 percent fewer than in the same period last year.
- The average price of a house sold in Lincoln decreased from \$128,473 in the second quarter of 2007 to \$99,939 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 22.2 percent lower than in the second quarter of 2007 and was 12.8 percent lower than in the same period last year.



# Lincoln

- In Lincoln, the average number of days from the initial house listing to the sale decreased from 165 days in the second quarter of 2007 to 104 days in the third quarter of 2007.
- About 1.8 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Lincoln. The average sales price of a house in Lincoln was only 52.9 percent of the county average.
- In the third quarter of 2007, 73.3 percent of the sold houses in Lincoln were in the \$50,001 to \$150,000 range.

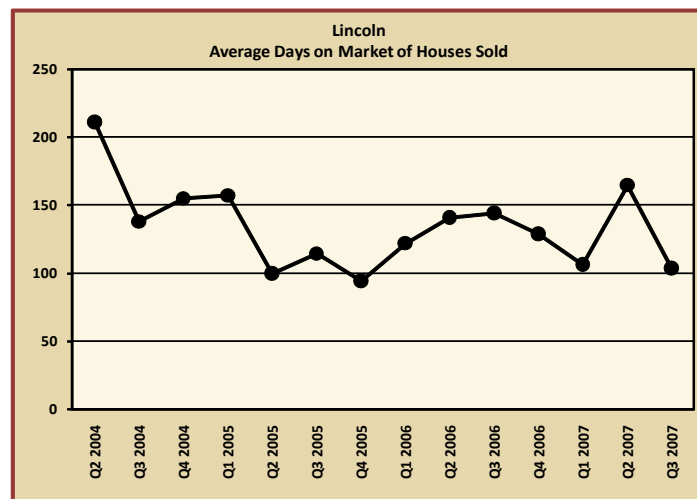
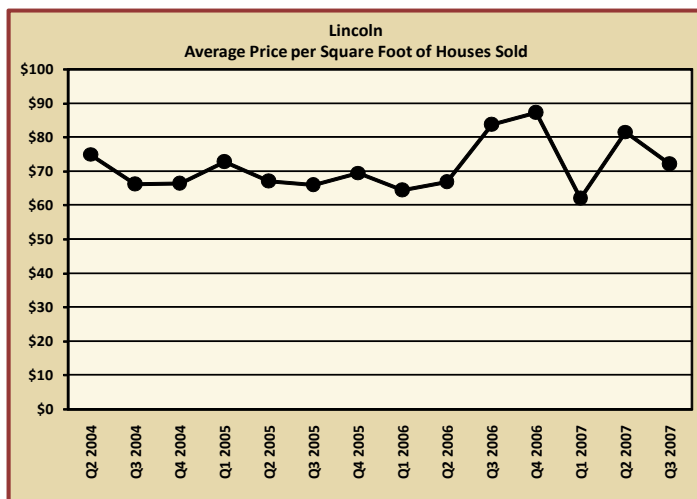
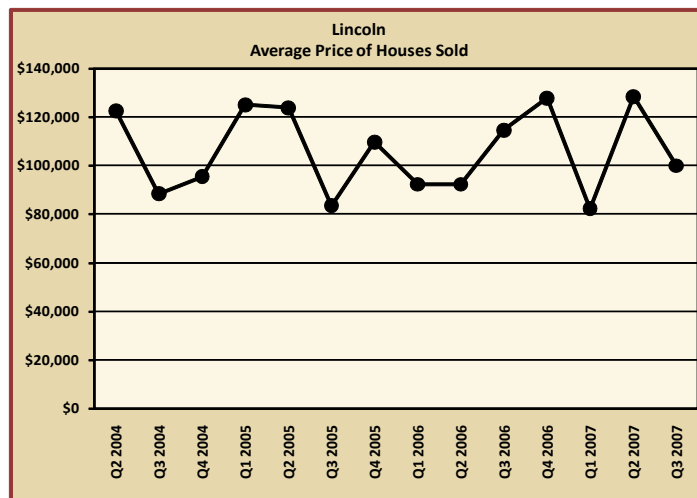
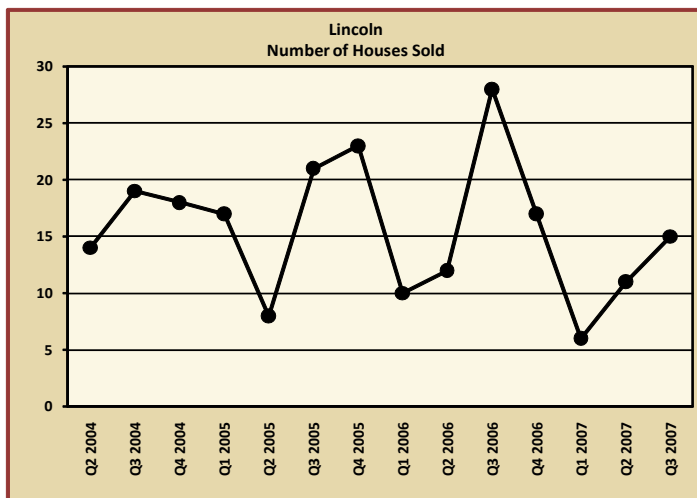


## Lincoln House Status in Active Subdivisions Q3 2007

| Subdivision                | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|----------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Carter/Johnson Subdivision | 10         | 0        | 0                  | 1                        | 1         | 12         | 1             | 132.0               |
| Country Meadows            | 88         | 1        | 3                  | 4                        | 7         | 103        | 3             | 164.6               |
| Lincoln Gardens            | 12         | 0        | 0                  | 0                        | 33        | 45         | 0             | --                  |
| <b>Lincoln</b>             | <b>110</b> | <b>1</b> | <b>3</b>           | <b>5</b>                 | <b>41</b> | <b>160</b> | <b>4</b>      | <b>158.7</b>        |



# Lincoln



## Lincoln Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 13.3%                     | 778                    | 60                     | 86.0%  | \$29.71                       |
| \$50,001 - \$100,000  | 5           | 33.3%                     | 1,316                  | 127                    | 98.4%  | \$63.58                       |
| \$100,001 - \$150,000 | 6           | 40.0%                     | 1,445                  | 93                     | 99.9%  | \$84.28                       |
| \$150,001 - \$200,000 | 2           | 13.3%                     | 1,716                  | 121                    | 95.0%  | \$99.07                       |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Lincoln</b>        | <b>15</b>   | <b>100.0%</b>             | <b>1,349</b>           | <b>104</b>             | <b>96.9%</b>                                     | <b>\$72.07</b>                |



# Lincoln

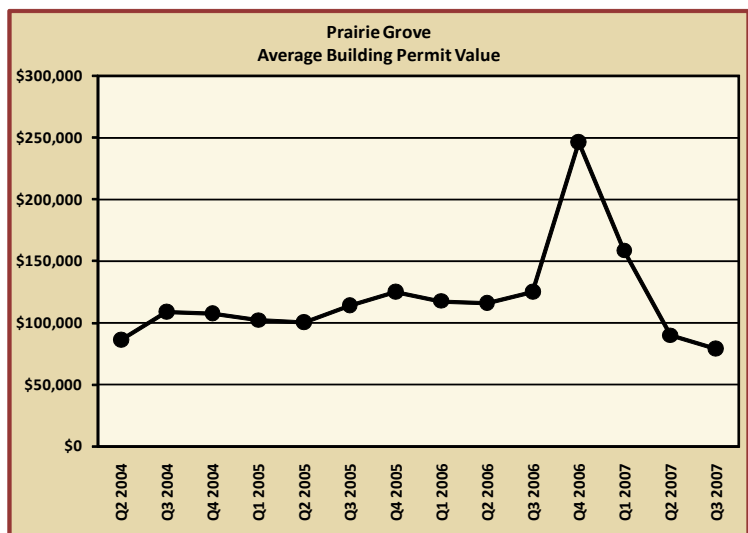
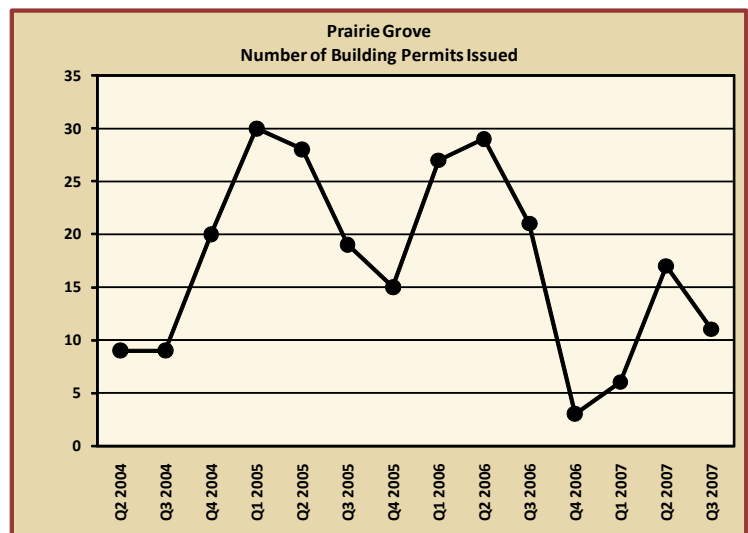
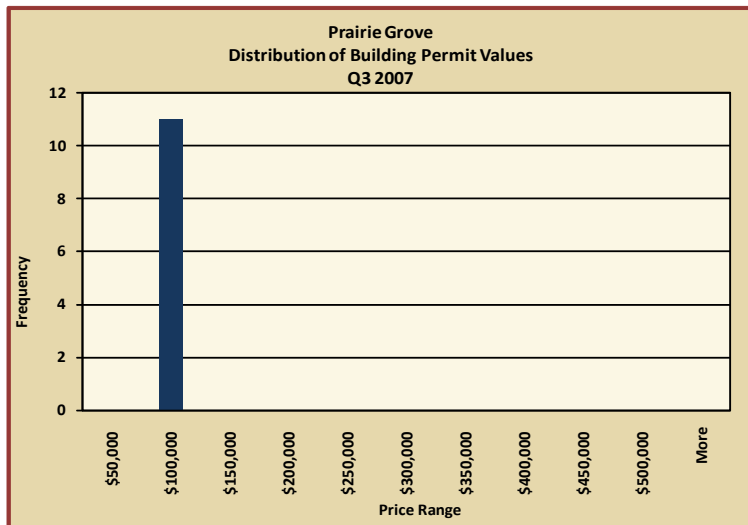
## Lincoln Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Carter Square               | Q1 2006  | 6              |
| Wolf Run Trail              | Q1 2006  | 130            |
| Lincoln                     |          | 136            |



# Prairie Grove

- From June to August 2007, there were 11 residential building permits issued in Prairie Grove. This represents a 47.6 percent decline from the third quarter of 2006.
- The average residential building permit value in Prairie Grove declined by 36.9 percent from the third quarter of 2006 to \$78,909 in the third quarter of 2007.
- All price points for Prairie Grove building permits were in the \$50,001 to \$100,000 range.
- There were 867 total lots in active subdivisions in Prairie Grove in the third quarter of 2007. About 19 percent of the lots were occupied, 4 percent were complete, but unoccupied, 1 percent was under construction, less than 1 percent was starts, and 75 percent were vacant lots.
- Fourteen new houses in Prairie Grove became occupied in the third quarter of 2007. The annual absorption rate implies that there were 126.9 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Prairie Grove in the third quarter were Belle Meade with 4 and Battlefield Estates with 3.
- An additional 45 lots in 1 subdivision had received either preliminary or final approval by the third quarter of 2007 in Prairie Grove.
- There were 28 existing houses sold in Prairie Grove from May 16, 2007 to August 15, 2007, or 20 percent less than in the previous quarter, but 7.7 percent more than in the same period last year.
- The average price of a house sold in Prairie Grove increased from \$154,440 in the second quarter of 2007 to \$164,733 in the third quarter of 2007. In the third quarter of

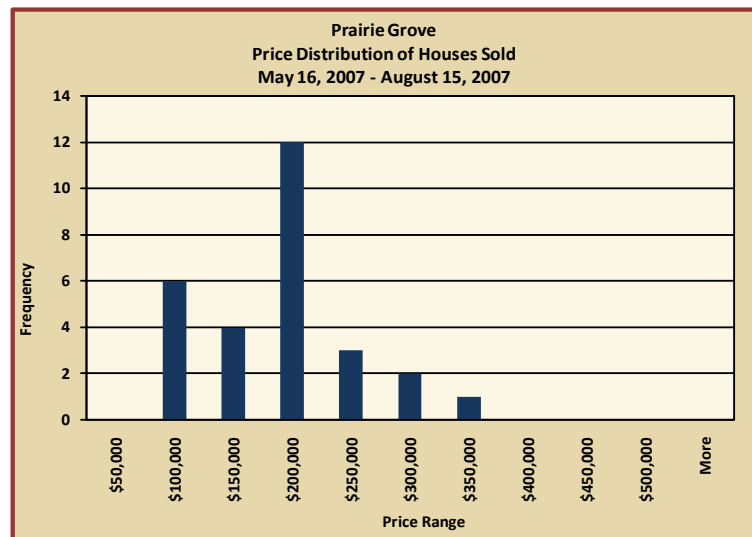
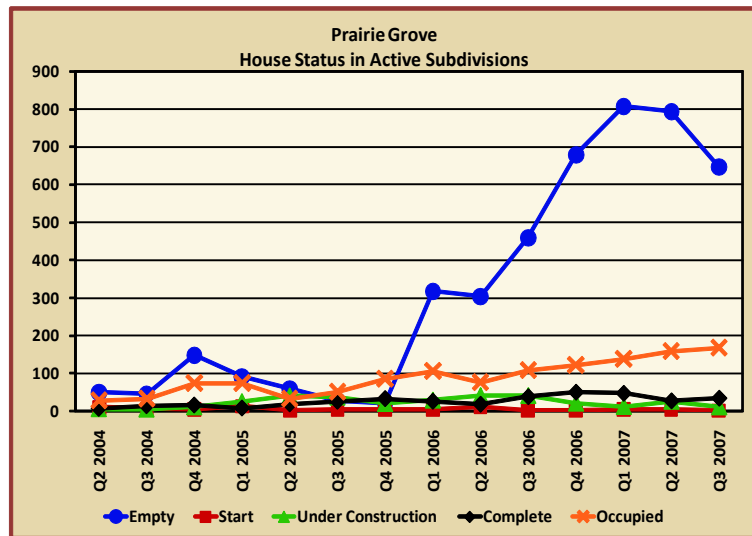




# Prairie Grove

2007, the average sales price was 6.7 percent higher than in the previous quarter, but 11 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 decreased from 156 days in the second quarter of 2007 to 147 days in the third quarter of 2007.
- About 4.9 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Prairie Grove. The average sales price of a house in Prairie Grove was 87.2 percent of the county average.
- In the third quarter of 2007, 42.9 percent of the sold houses in Prairie Grove were in the \$150,001 to \$200,000 range.

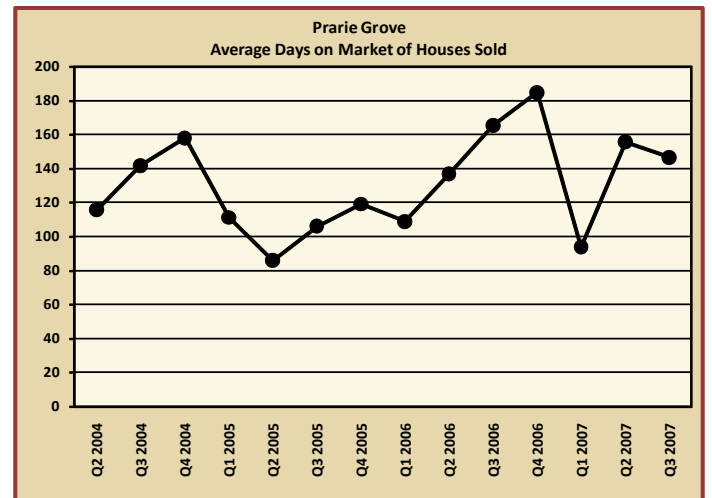
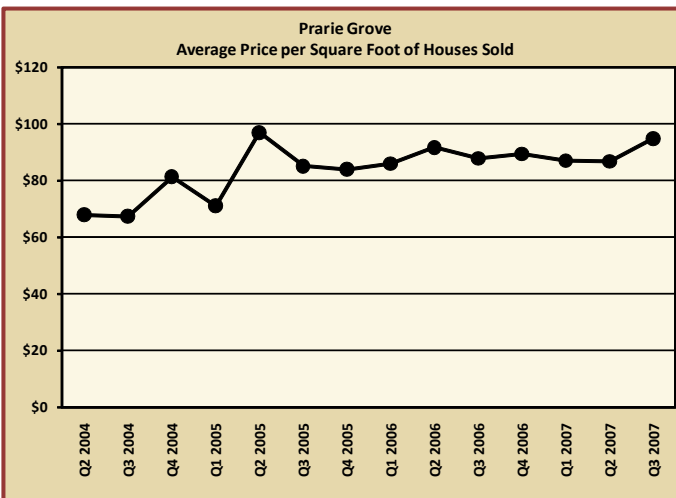
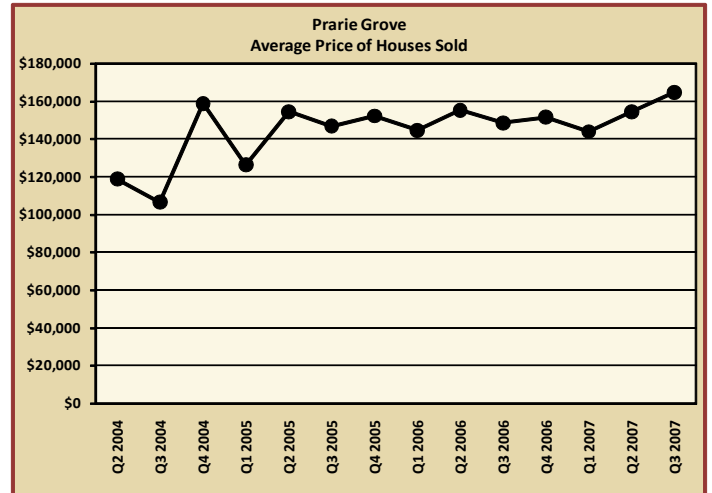
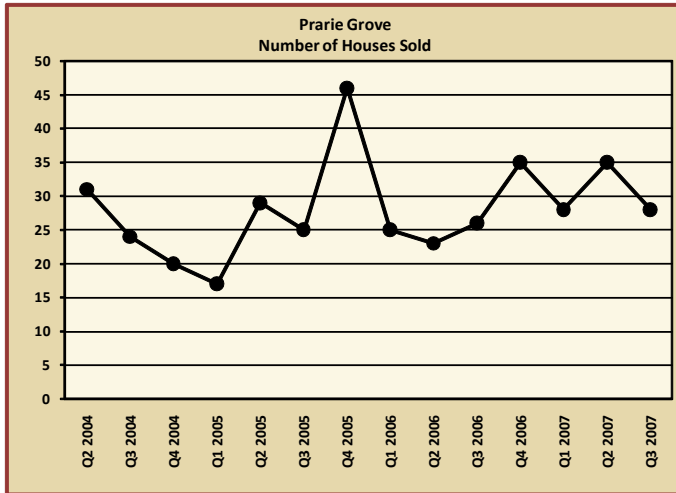


## Prairie Grove House Status in Active Subdivisions Q3 2007

| Subdivision                     | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied   | Total Lots | Absorbed Lots | Months of Inventory |
|---------------------------------|------------|----------|--------------------|--------------------------|------------|------------|---------------|---------------------|
| Battlefield Estates, Phase II   | 107        | 1        | 3                  | 9                        | 6          | 126        | 3             | 240.0               |
| Belle Meade, Phases I, II       | 130        | 0        | 4                  | 0                        | 1          | 135        | 1             | 804.0               |
| Grandview Estates, Phase IB     | 5          | 0        | 0                  | 1                        | 4          | 10         | 2             | 36.0                |
| Highlands Square North          | 38         | 0        | 1                  | 0                        | 0          | 39         | 0             | --                  |
| Lahera                          | 0          | 0        | 1                  | 0                        | 27         | 28         | 1             | 4.0                 |
| Prairie Meadows, Phases II, III | 109        | 1        | 1                  | 10                       | 101        | 222        | 1             | 50.1                |
| Prairie Pines                   | 0          | 0        | 0                  | 0                        | 12         | 12         | 1             | 0.0                 |
| Sundowner, Phases I, II         | 259        | 1        | 2                  | 15                       | 18         | 295        | 5             | 184.7               |
| <b>Prairie Grove</b>            | <b>648</b> | <b>3</b> | <b>12</b>          | <b>35</b>                | <b>169</b> | <b>867</b> | <b>14</b>     | <b>126.9</b>        |



# Prairie Grove



## Prairie Grove Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 21.4%                     | 1,356                  | 87                     | 95.0%  | \$70.97                       |
| \$100,001 - \$150,000 | 4           | 14.3%                     | 1,465                  | 87                     | 96.8%  | \$83.85                       |
| \$150,001 - \$200,000 | 12          | 42.9%                     | 1,701                  | 173                    | 98.2%  | \$105.31                      |
| \$200,001 - \$250,000 | 3           | 10.7%                     | 2,153                  | 211                    | 98.1%  | \$101.39                      |
| \$250,001 - \$300,000 | 2           | 7.1%                      | 2,266                  | 161                    | 96.0%  | \$117.98                      |
| \$300,001 - \$350,000 | 1           | 3.6%                      | 3,728                  | 211                    | 95.7%  | \$88.52                       |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>Prairie Grove</b>  | <b>28</b>   | <b>100.0%</b>             | <b>1,754</b>           | <b>147</b>             | <b>97.1%</b>                                     | <b>\$94.77</b>                |



# Prairie Grove

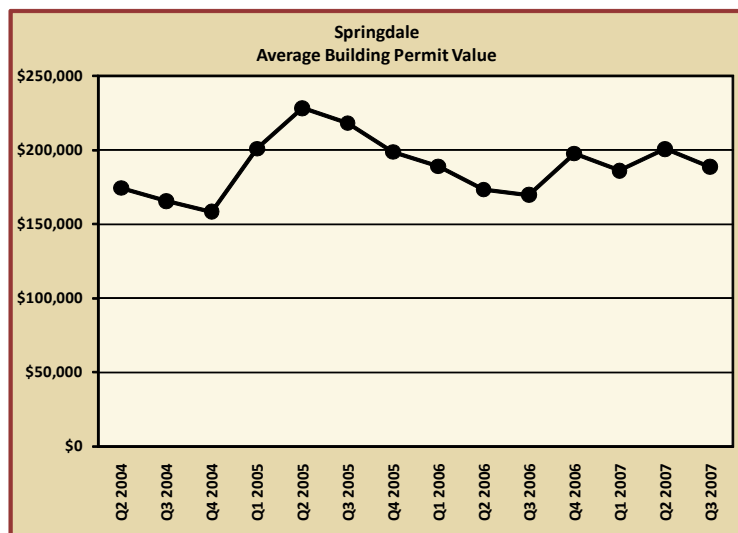
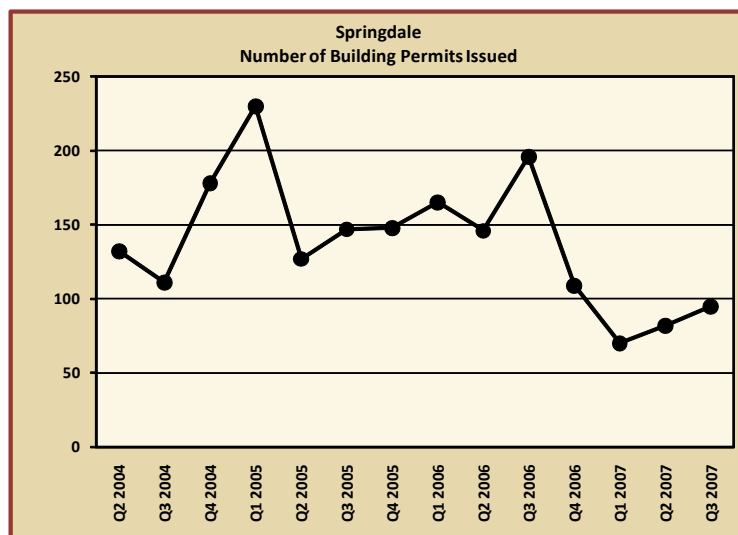
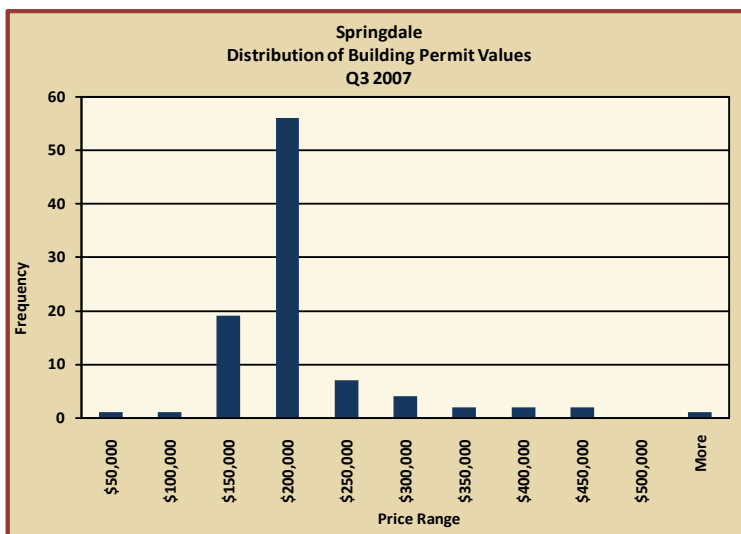
## Prairie Grove Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                 | Approved | Number of Lots |
|-----------------------------|----------|----------------|
| <i>Preliminary Approval</i> |          |                |
| Prairie Pines, Phase II     | Q3 2005  | 45             |
| Prairie Grove               |          | 45             |



# Springdale

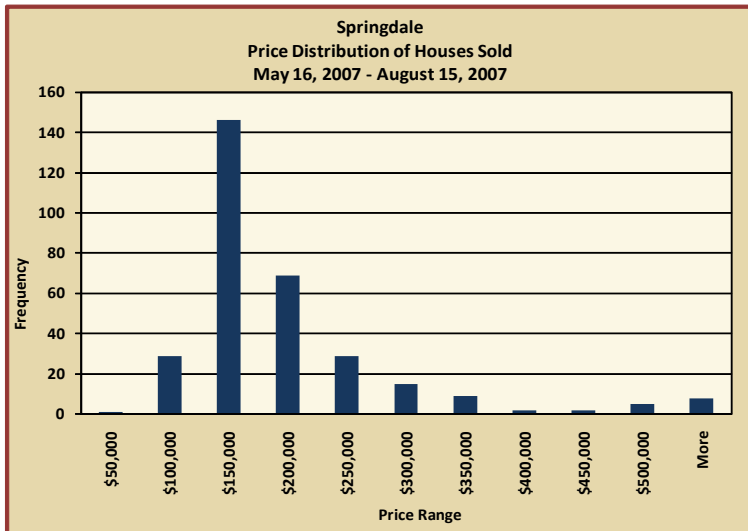
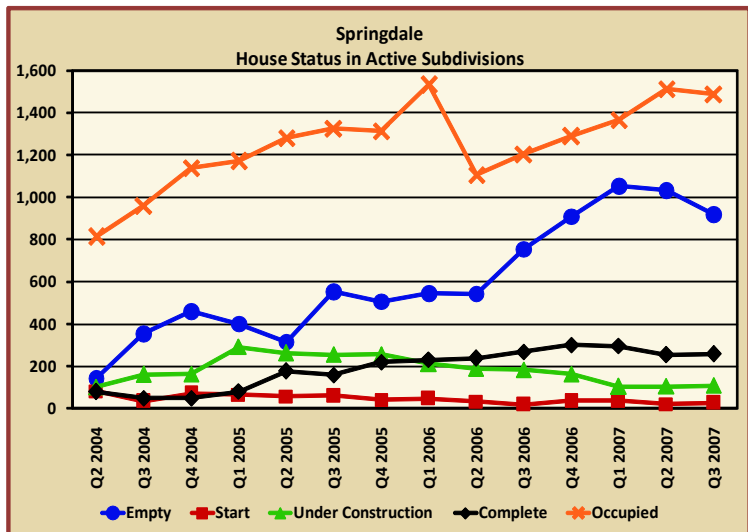
- From June to August 2007, there were 95 residential building permits issued in Springdale. This represents a decline of 51.5 percent from the third quarter of 2006.
- The average residential building permit value in Springdale increased by 11.1 percent from \$169,826 in the third quarter of 2006 to \$188,635 in the third quarter of 2007.
- The major price points for Springdale building permits were in the \$150,001 to \$200,000 range.
- There were 2,805 total lots in the 34 active subdivisions in Springdale in the third quarter of 2007. About 53 percent of the lots were occupied, 9 percent were complete, but unoccupied, 4 percent were under construction, 1 percent was starts, and 33 percent were vacant lots.
- 85 new houses in Springdale became occupied in the third quarter of 2007. The annual absorption rate implies that there were 35.0 months of remaining inventory in active subdivisions.
- The subdivisions with the most houses under construction in Springdale in the third quarter were Butterfield Gardens with 22 and Har-Ber Meadows with 17.
- An additional 3,718 lots in 69 subdivisions had received either preliminary or final approval by the third quarter of 2007 in Springdale. However, this number underestimates the true number of approved lots since the number of lots is not known for every approved Springdale subdivision.
- There were 315 existing houses sold in Springdale from May 16, 2007 to August 15, 2007, or 9 percent more than in the previous quarter and 6.1 percent more than in the same period last year.
- The average price of a house sold in Springdale increased from \$165,632 in the second quarter of 2007 to \$175,665 in the third quarter of 2007. In the third



# Springdale

quarter of 2007, the average sales price was 6.1 percent higher than in the previous quarter, but 3.2 percent lower than in the same period last year.

- In Springdale, the average number of days from the initial house listing to the sale decreased from 132 days in the second quarter of 2007 to 129 days in the third quarter of 2007.
- About 36.5 percent of all houses sold in Washington County in the third quarter of 2007 were sold in Springdale. The average sales price of a house in Springdale was 93.2 percent of the county average.
- In the third quarter, 68.3 percent of the sold houses in Springdale were in the \$100,001 to \$200,000 range.



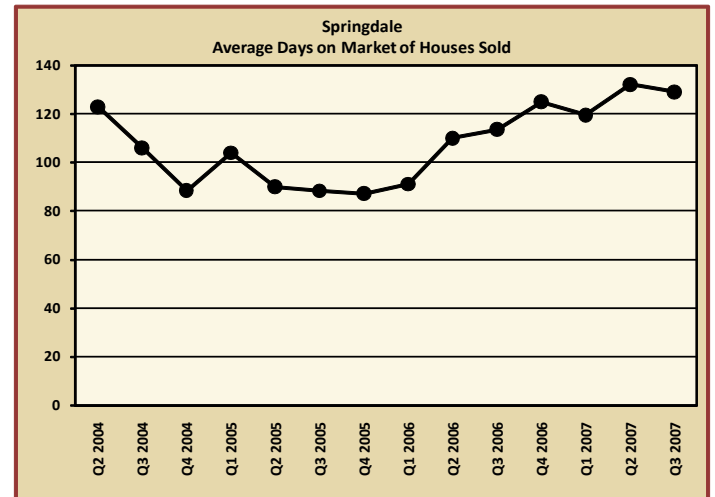
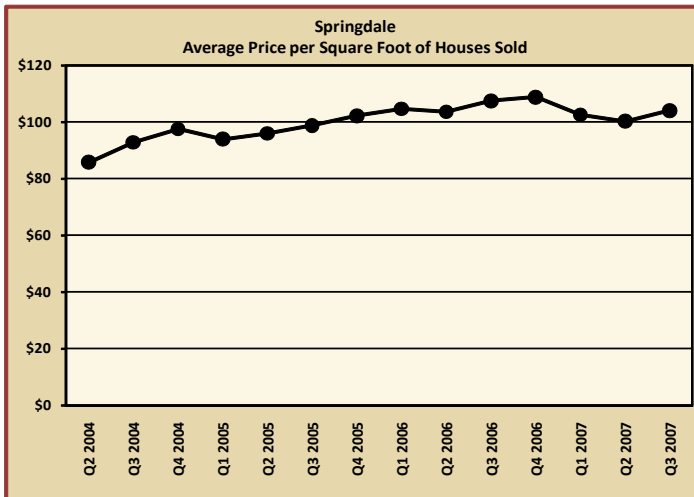
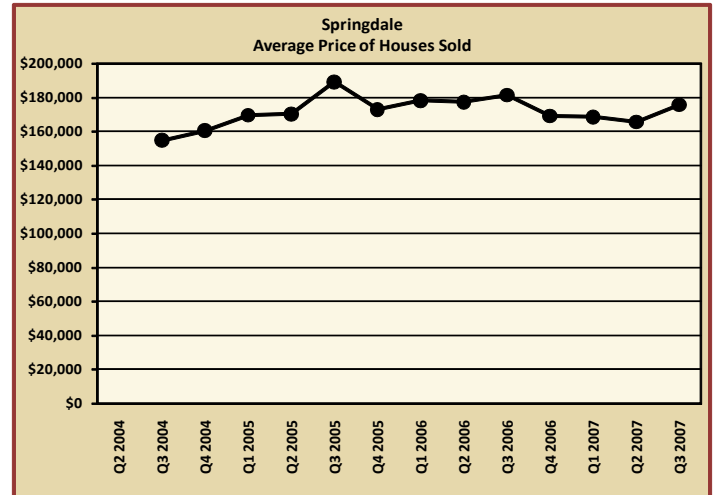
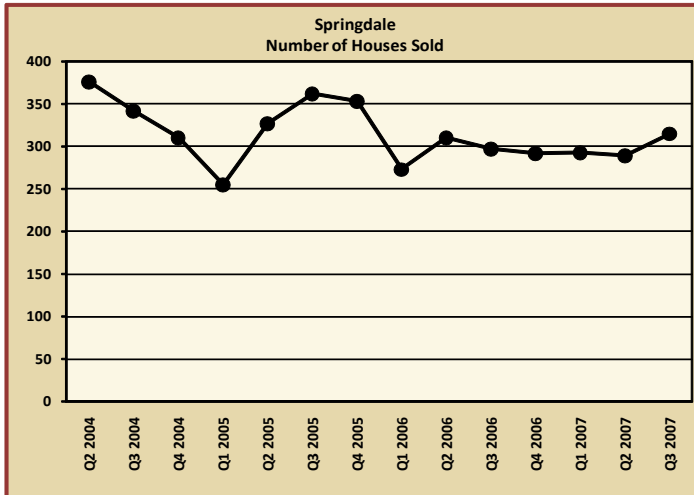
# Springdale

## Springdale House Status in Active Subdivisions Q3 2007

| Subdivision                             | Empty<br>Lots | Start     | Under<br>Construction | Complete, but<br>Unoccupied | Occupied     | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|---|---------------|-----------|-----------------------|-----------------------------|--------------|---------------|------------------|------------------------|
| Arkanshire                              | 9             | 0         | 0                     | 2                           | 59           | 70            | 3                | 132.0                  |
| Blue Ridge Meadows (Benton County)      | 7             | 0         | 0                     | 0                           | 30           | 37            | 0                | --                     |
| Brookemore Chasse                       | 17            | 0         | 6                     | 0                           | 9            | 32            | 0                | 55.2                   |
| Butterfield Gardens, Phases II, III     | 14            | 4         | 22                    | 36                          | 90           | 166           | 5                | 19.0                   |
| Camelot (Benton County)                 | 62            | 0         | 1                     | 0                           | 5            | 68            | 1                | 151.2                  |
| Carriage Crossing                       | 10            | 0         | 2                     | 1                           | 7            | 20            | 2                | 26.0                   |
| Churchill Crescent, Phase III           | 5             | 0         | 1                     | 2                           | 6            | 14            | 2                | 32.0                   |
| Covenant Creek                          | 0             | 0         | 1                     | 1                           | 46           | 48            | 0                | 0.8                    |
| Dreamcatcher                            | 0             | 0         | 0                     | 5                           | 35           | 40            | 3                | 2.9                    |
| The Enclave                             | 38            | 0         | 2                     | 5                           | 21           | 66            | 4                | 108.0                  |
| The Falls                               | 22            | 0         | 3                     | 1                           | 4            | 30            | 1                | 78.0                   |
| Forest Glen                             | 0             | 0         | 0                     | 1                           | 26           | 27            | 1                | 3.0                    |
| Grand Valley Estates                    | 23            | 0         | 0                     | 0                           | 1            | 24            | 1                | 276.0                  |
| Grand Valley Stables at Guy Terry Farms | 19            | 0         | 0                     | 1                           | 4            | 24            | 0                | 60.0                   |
| Har-Ber Meadows                         | 60            | 0         | 17                    | 8                           | 520          | 605           | 1                | 60.0                   |
| Hidden Hills, Phase II                  | 14            | 4         | 3                     | 32                          | 30           | 83            | 7                | 21.2                   |
| Jacob's Court                           | 23            | 0         | 2                     | 3                           | 0            | 28            | 0                | --                     |
| Liberty Heights                         | 0             | 0         | 0                     | 1                           | 29           | 30            | 1                | 12.0                   |
| Meadow Haven                            | 9             | 0         | 0                     | 2                           | 25           | 36            | 4                | 7.8                    |
| Oaklawn Place                           | 0             | 0         | 0                     | 2                           | 15           | 17            | 0                | 24.0                   |
| Renaissance South                       | 17            | 0         | 0                     | 10                          | 31           | 58            | 0                | 46.3                   |
| Savannah Ridge                          | 65            | 0         | 6                     | 8                           | 15           | 94            | 7                | 63.2                   |
| Serenity, Phases I, II                  | 120           | 0         | 5                     | 25                          | 19           | 169           | 4                | 94.7                   |
| Shenandoah Hills (Benton County)        | 1             | 0         | 0                     | 15                          | 36           | 52            | 0                | 27.4                   |
| Sonoma                                  | 6             | 0         | 0                     | 3                           | 49           | 58            | 0                | 6.0                    |
| Spring Creek Estates, Phases IIA-IIC    | 43            | 1         | 4                     | 12                          | 102          | 162           | 2                | 25.7                   |
| Spring Creek Park                       | 98            | 16        | 16                    | 11                          | 19           | 160           | 7                | 89.1                   |
| Springhill (Benton County)              | 22            | 0         | 6                     | 22                          | 30           | 80            | 9                | 24.0                   |
| Stockton Place                          | 6             | 0         | 0                     | 26                          | 26           | 58            | 10               | 14.8                   |
| Sylvan Acres (Benton County)            | 24            | 0         | 1                     | 0                           | 1            | 26            | 0                | --                     |
| Thornbury, Phases II- V                 | 34            | 0         | 3                     | 1                           | 69           | 107           | 0                | 65.1                   |
| Tuscany                                 | 145           | 2         | 5                     | 10                          | 2            | 164           | 2                | 729.0                  |
| Westfield                               | 6             | 0         | 2                     | 12                          | 76           | 96            | 5                | 5.9                    |
| Willow Bend Estate                      | 1             | 0         | 1                     | 1                           | 53           | 56            | 3                | --                     |
| <b>Springdale</b>                       | <b>920</b>    | <b>27</b> | <b>109</b>            | <b>259</b>                  | <b>1,490</b> | <b>2,805</b>  | <b>85</b>        | <b>35.0</b>            |



# Springdale



## Springdale Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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%                      | 1,067                  | 243                    | 66.7%  | \$46.86                       |
| \$50,001 - \$100,000  | 29          | 9.2%                      | 1,086                  | 92                     | 96.4%  | \$82.50                       |
| \$100,001 - \$150,000 | 146         | 46.3%                     | 1,372                  | 123                    | 98.6%  | \$95.06                       |
| \$150,001 - \$200,000 | 69          | 21.9%                     | 1,824                  | 133                    | 98.4%  | \$96.42                       |
| \$200,001 - \$250,000 | 29          | 9.2%                      | 2,285                  | 127                    | 96.8%  | \$101.91                      |
| \$250,001 - \$300,000 | 15          | 4.8%                      | 2,728                  | 141                    | 97.6%  | \$102.85                      |
| \$300,001 - \$350,000 | 9           | 2.9%                      | 3,253                  | 197                    | 95.6%  | \$100.82                      |
| \$350,001 - \$400,000 | 2           | 0.6%                      | 3,101                  | 293                    | 100.0%   | \$121.62                      |
| \$400,001 - \$450,000 | 2           | 0.6%                      | 3,856                  | 91                     | 89.9%  | \$110.46                      |
| \$450,001 - \$500,000 | 5           | 1.6%                      | 3,714                  | 216                    | 97.3%  | \$128.90                      |
| \$500,000+            | 8           | 2.5%                      | 4,395                  | 121                    | 99.0%  | \$135.14                      |
| <b>Springdale</b>     | <b>315</b>  | <b>100.0%</b>             | <b>1,787</b>           | <b>128</b>             | <b>97.9%</b>                                     | <b>\$97.04</b>                |





# Springdale

## Springdale Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                         | Approved | Number of Lots |
|-------------------------------------|----------|----------------|
| <i>Preliminary Approval</i>         |          |                |
| 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 PUD                   | Q2 2007  | 97             |
| Chimney Hills Subdivision           | Q2 2006  |                |
| Coppergate Subdivision              | Q2 2007  | 87             |
| Dakoda's Place                      | Q3 2007  | 9              |
| Dave Chapman Subdivision            | Q4 2004  | 481            |
| Eastview Subdivision, Phase II      | Q4 2006  | 178            |
| Eastview Estates Subdivision        | Q4 2004  | 132            |
| Fox Creek Subdivision               | Q1 2006  | 32             |
| Habberton Ridge PUD                 | Q2 2006  | 239            |
| Harlan Brown                        | Q1 2005  | 69             |
| Hammitt-Eof                         | Q2 2007  | 5              |
| Ivey Lane East                      | Q1 2005  | 34             |
| Ivey Lane North                     | Q1 2005  | 21             |
| J.J. Road Subdivision               | Q4 2004  | 96             |
| 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              |
| Remington Place                     | Q3 2005  | 44             |
| Rolling Hills Subdivision, Phase II | Q4 2004  | 32             |
| Rosson Creek Subdivision            | Q2 2006  |                |
| Scott Property Subdivision          | Q1 2005  | 35             |
| Shelohn Acres Subdivision           | Q1 2006  |                |
| Springdale Development II           | Q1 2005  | 61             |
| St Ives Subdivision                 | Q2 2007  | 34             |
| Taldo West End Subdivision          | Q4 2004  | 36             |
| Teague Subidivision                 | Q4 2004  | 39             |
| Vicenza Village PUD                 | Q3 2007  | 78             |
| Walnut Grove Subdivision            | Q3 2007  | 11             |
| Walter Stone Estates                | Q4 2004  | 17             |
| Wilkins Subdivision #7              | Q3 2006  | 39             |



# Springdale

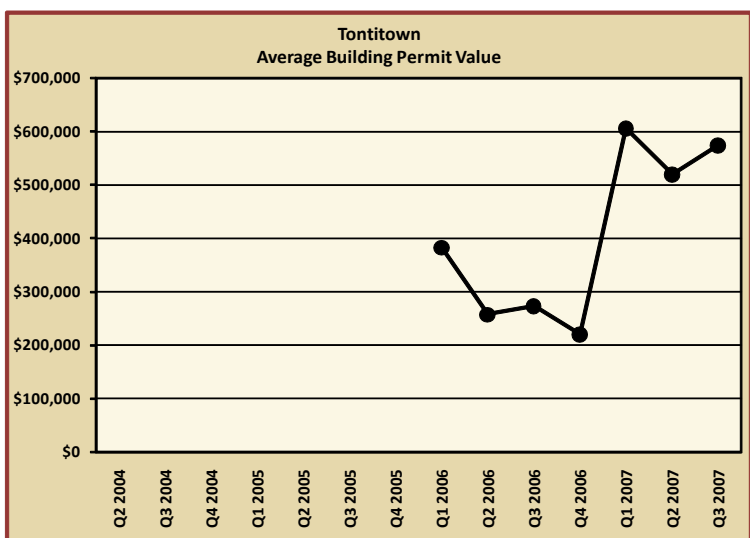
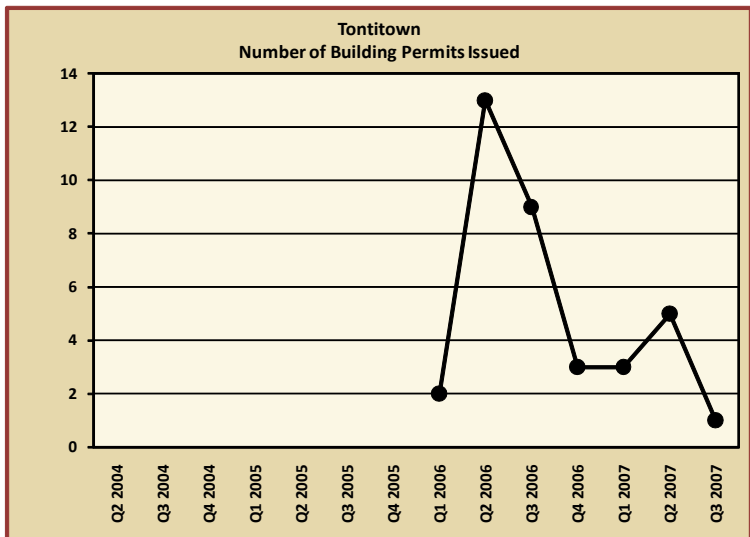
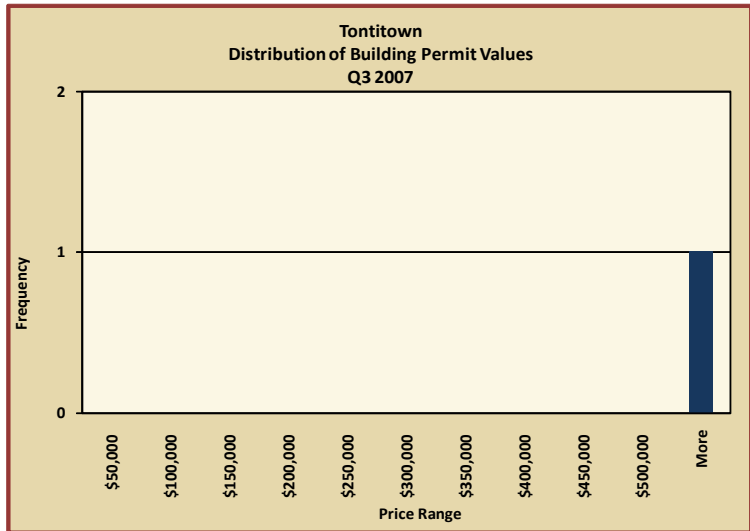
## Springdale Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision             | Approved | Number of Lots |
|-------------------------|----------|----------------|
| <i>Final Approval</i>   |          |                |
| Wagon Wheel Road--Combs | Q2 2006  | 130            |
| Westside Village        | Q2 2006  | 9              |
| Wilkins Subdivision #6  | Q1 2006  | 40             |
| Williamstown Estates    | Q3 2007  |                |
| <b>Springdale</b>       |          | <b>3,718</b>   |

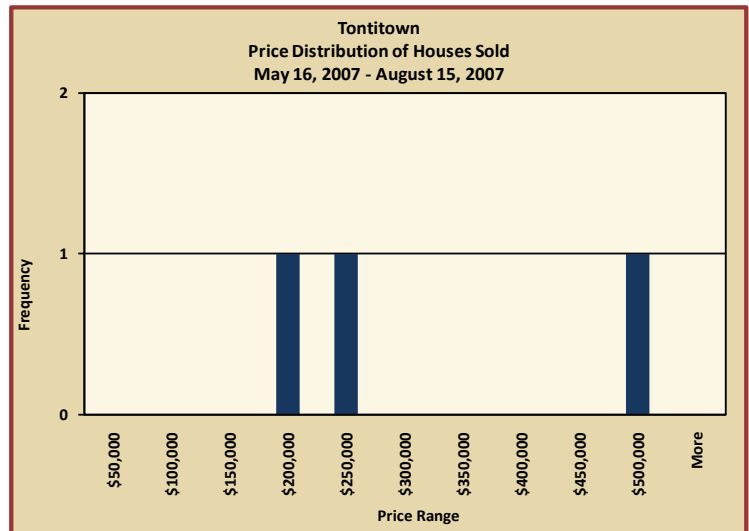
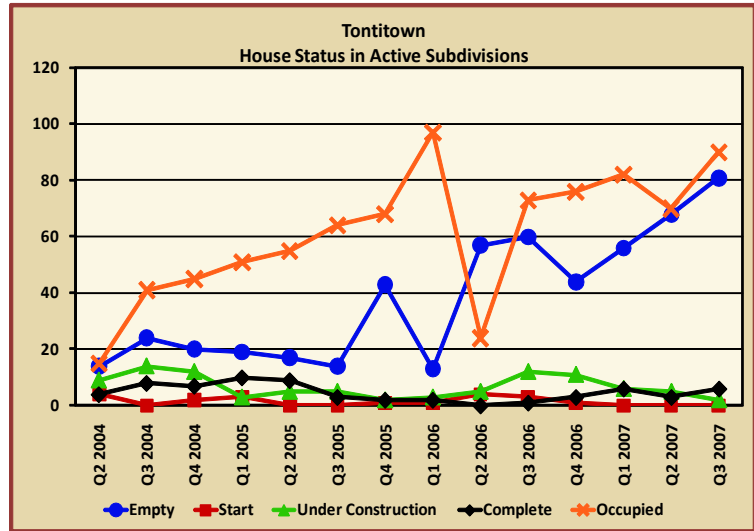


# Tontitown

- There was one building permit issued in Tontitown from June to August 2007. This represents a decline of 88.9 percent from the nine building permits issued in the third quarter of 2006.
- The average residential building permit value in Tontitown increased by 110.1 percent from \$273,654 in the third quarter of 2006 to \$574,848 in the third quarter of 2007.
- There were 179 total lots in active subdivisions in Tontitown in the third quarter of 2007. About 50 percent of the lots were occupied, 3 percent was complete, but unoccupied, 1 percent was under construction, 0 percent was starts, and 45 percent were vacant lots.
- San Gennaro and White Oak Estates both had 1 house under construction in the third quarter.
- 2 new houses in Tontitown became occupied in the third quarter of 2007. The annual absorption rate implies that there were 59.3 months of remaining inventory in active subdivisions.
- An additional 11 lots in 1 subdivision had received either preliminary or final approval by the third quarter of 2007.
- 3 existing houses were sold in Tontitown from May 16, 2007 to August 15, 2007.
- The average housing price in Tontitown was \$289,667.
- The initial house listing to the sale was, on average, 214 days.



# Tontitown

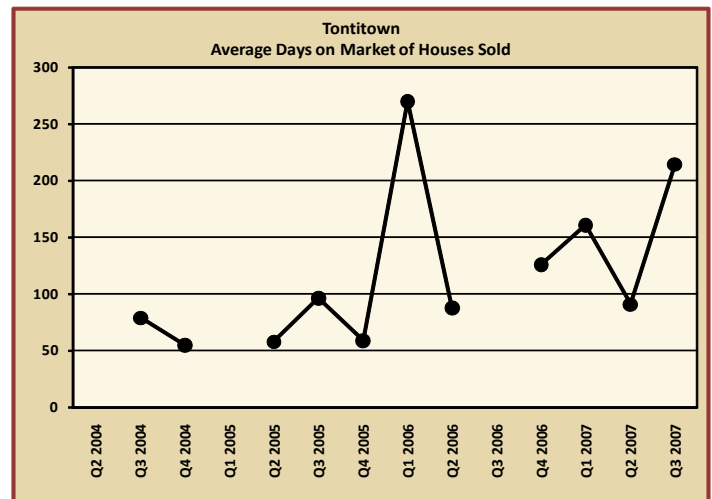
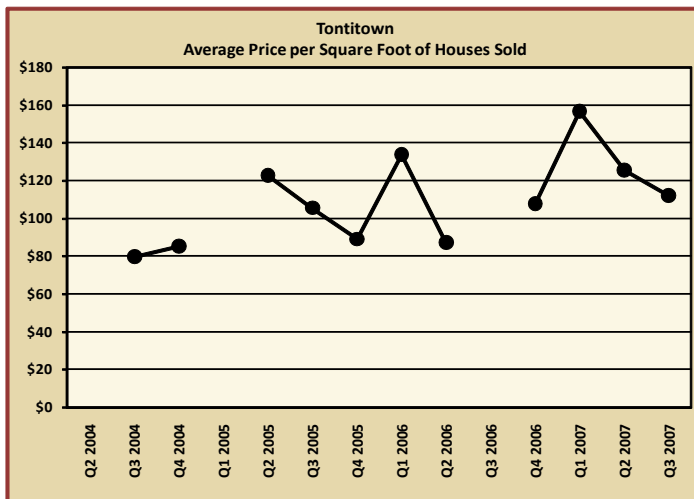
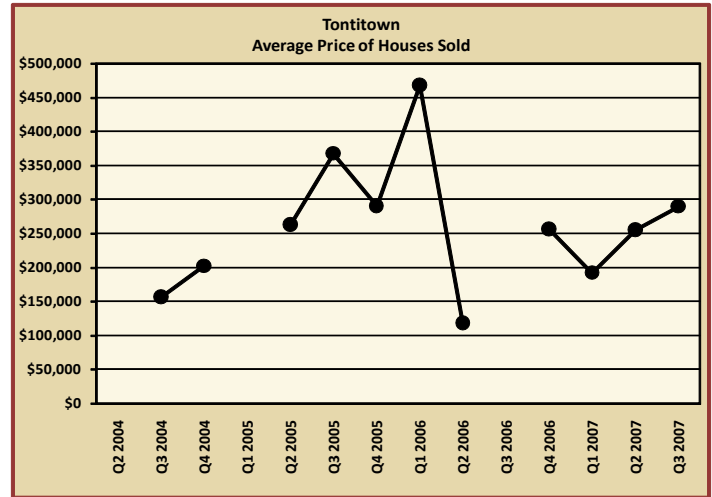
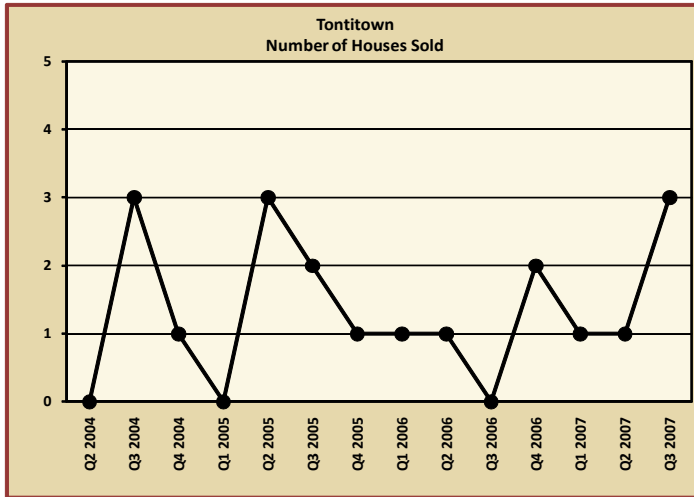


## Tontitown House Status in Active Subdivisions Q3 2007

| Subdivision            | Empty Lots | Start    | Under Construction | Complete, but Unoccupied | Occupied  | Total Lots | Absorbed Lots | Months of Inventory |
|------------------------|------------|----------|--------------------|--------------------------|-----------|------------|---------------|---------------------|
| Barrington Heights     | 22         | 0        | 0                  | 2                        | 6         | 30         | 1             | 57.6                |
| Brush Creek            | 1          | 0        | 0                  | 0                        | 19        | 20         | 0             | 12.0                |
| Buckingham Estates     | 0          | 0        | 0                  | 0                        | 26        | 26         | 0             | 0.0                 |
| Coppertree             | 13         | 0        | 0                  | 0                        | 1         | 14         | 0             | 156.0               |
| Davenshire             | 14         | 0        | 0                  | 2                        | 1         | 17         | 1             | 48.0                |
| San Gennaro            | 13         | 0        | 1                  | 0                        | 0         | 14         | 0             | --                  |
| Tuscan Sun             | 12         | 0        | 0                  | 1                        | 6         | 19         | 0             | 26.0                |
| Western Trails Estates | 4          | 0        | 0                  | 0                        | 20        | 24         | 0             | --                  |
| White Oak Estates      | 2          | 0        | 1                  | 1                        | 11        | 15         | 0             | 48.0                |
| <b>Tontitown</b>       | <b>81</b>  | <b>0</b> | <b>2</b>           | <b>6</b>                 | <b>90</b> | <b>179</b> | <b>2</b>      | <b>59.3</b>         |



# Tontitown



## Tontitown Price Range of Houses Sold May 16, 2007 - August 15, 2007

| Price Range           | Number Sold | Percentage of Houses Sold | Average Square Footage | Average Days on Market | Average Sold Price as a Percentage of List Price | Average Price Per Square Foot |
|-----------------------|-------------|---------------------------|------------------------|------------------------|--|-------------------------------|
| \$0 - \$50,000        | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$50,001 - \$100,000  | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$100,001 - \$150,000 | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$150,001 - \$200,000 | 1           | 33.3%                     | 2,280                  | 73                     | 94.8%  | \$78.95                       |
| \$200,001 - \$250,000 | 1           | 33.3%                     | 1,820                  | 190                    | 90.2%  | \$126.37                      |
| \$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 | 1           | 33.3%                     | 3,500                  | 380                    | 92.2%  | \$131.14                      |
| \$500,000+            | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>Tontitown</b>      | <b>3</b>    | <b>100.0%</b>             | <b>2,533</b>           | <b>214</b>             | <b>92.4%</b>                                     | <b>\$112.15</b>               |



# Tontitown

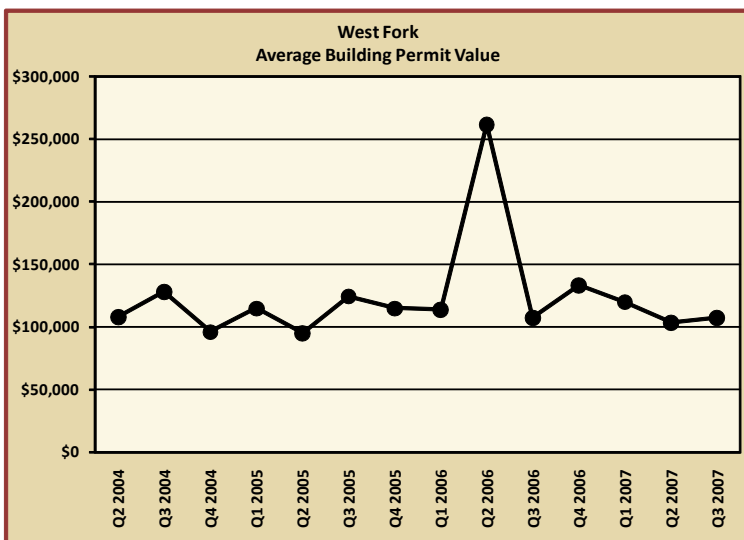
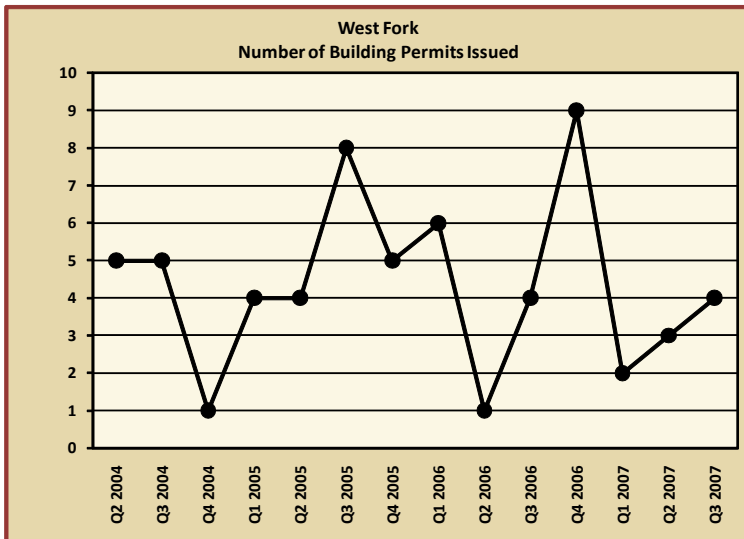
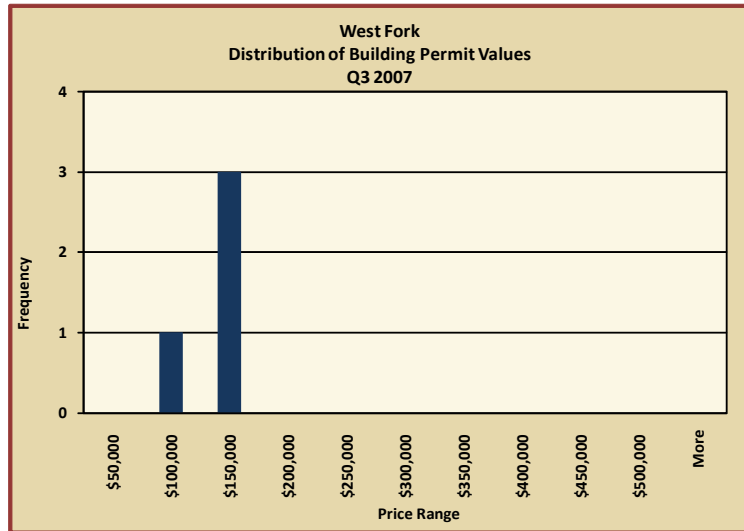
## Tontitown Approved Final and Preliminary Subdivisions Q3 2007

| Subdivision                              | Approved | Number of Lots |
|--|----------|----------------|
| <i>Final Approval</i><br>Tontitown Plaza | Q4 2006  | 11             |
| Tontitown                                |          | 11             |



# West Fork

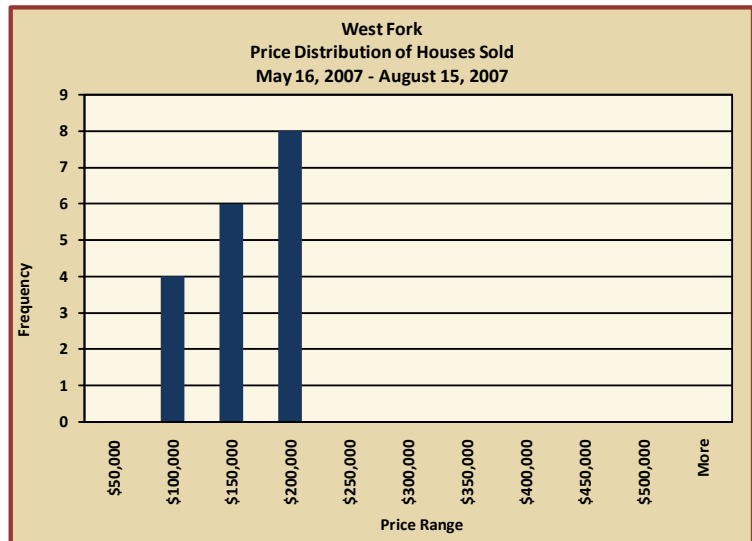
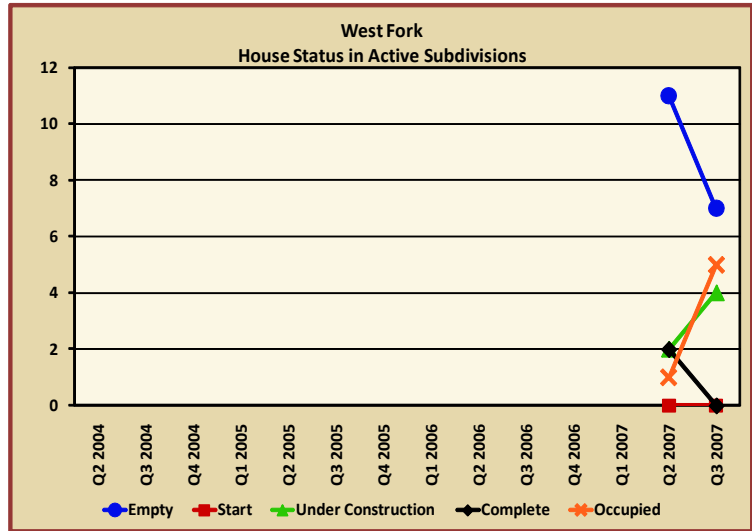
- There were 4 building permits issued in West Fork from June to August 2007. This represents no change compared with the third quarter of 2006.
- The average value of residential building permit in West Fork stayed unchanged at \$107,500 in the third quarter of 2007 from the third quarter of 2006.
- All price points for West Fork building permits were in the \$50,001 to \$150,000 range.
- There were 16 total lots in 1 active subdivision in West Fork in the third quarter of 2007. About 31 percent of the lots were occupied, 0 percent was complete, but unoccupied, 25 percent were under construction, 0 percent was starts, and 44 percent were vacant lots.
- The Hidden Creek subdivision had 4 houses under construction in the third quarter.
- Four new houses in West Fork became occupied in the third quarter of 2007. The annual absorption rate implies that there were 19.8 months of remaining inventory in active subdivisions.
- An additional 28 lots in 1 subdivision had received either preliminary or final approval by the third quarter of 2007 in West Fork.
- There were 18 existing houses sold in West Fork from May 16, 2007 to August 15, 2007, or 28.6 percent more than in the previous quarter and 5.3 percent less than in the same period last year.
- The average price of a house sold in West Fork increased from \$132,250 in the second quarter of 2007 to \$134,027 in the third quarter of 2007. In the third quarter of 2007, the average sales price was 1.3 percent higher than in the previous quarter and 17.1 percent lower than in the same period last year.
- In West Fork, the average number of days from the initial house listing to the sale decreased from 118 days in the second quarter of 2007 to 116 days in the third quarter of 2007.





# West Fork

- About 2.1 percent of all houses sold in Washington County in the third quarter of 2007 were sold in West Fork. The average sales price of a house in West Fork was 70.9 percent of the county average.
- In the third quarter of 2007, 77.7 percent of the sold houses in West Fork were in the \$100,001 to \$200,000 range.

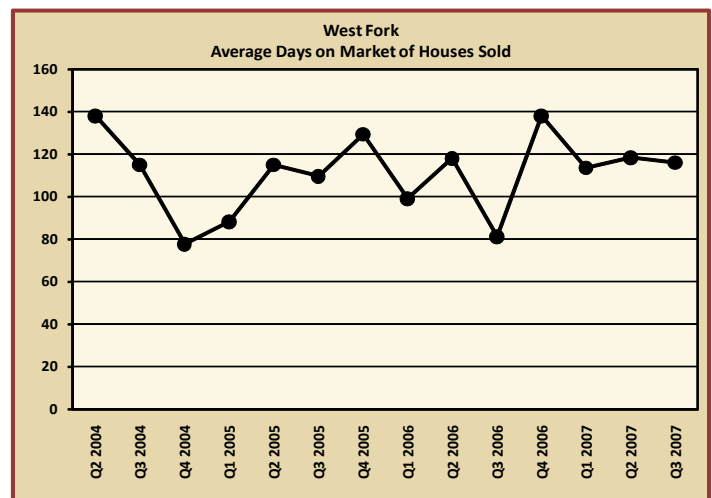
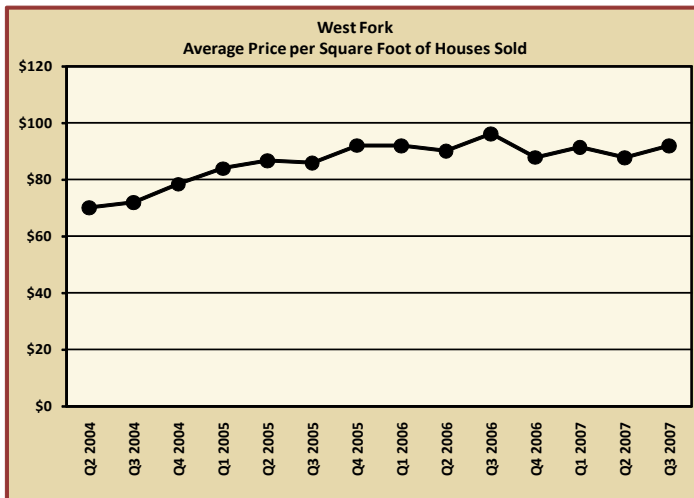
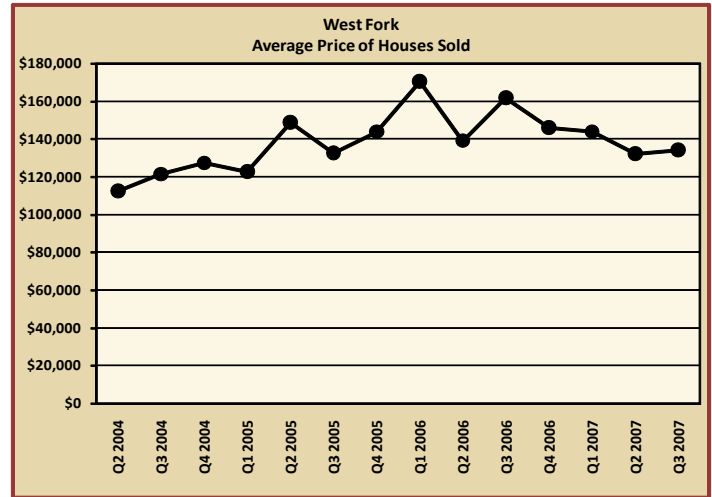
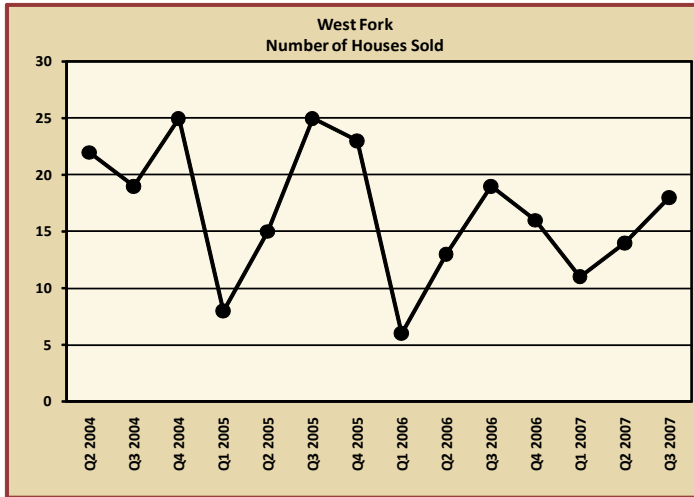


## West Fork House Status in Active Subdivisions Q3 2007

| Subdivision  | Empty Lots | Start | Under Construction | Complete, but Unoccupied | Occupied | Total Lots | Absorbed Lots | Months of Inventory |
|--------------|------------|-------|--------------------|--------------------------|----------|------------|---------------|---------------------|
| Hidden Creek | 7          | 0     | 4                  | 0                        | 5        | 16         | 4             | 19.8                |
| West Fork    | 7          | 0     | 4                  | 0                        | 5        | 16         | 4             | 19.8                |



# West Fork



## West Fork Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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           | 22.2%                     | 1,201                  | 77                     | 99.9%  | \$73.12                       |
| \$100,001 - \$150,000 | 6           | 33.3%                     | 1,431                  | 106                    | 99.5%  | \$91.17                       |
| \$150,001 - \$200,000 | 8           | 44.4%                     | 1,674                  | 143                    | 95.2%  | \$101.68                      |
| \$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%                      | --                     | --                     | --   | --                            |
| <b>West Fork</b>      | <b>18</b>   | <b>100.0%</b>             | <b>1,488</b>           | <b>116</b>             | <b>97.7%</b>                                     | <b>\$91.83</b>                |



# West Fork

## West Fork Approved Final and Preliminary Subdivisions Q3 2007

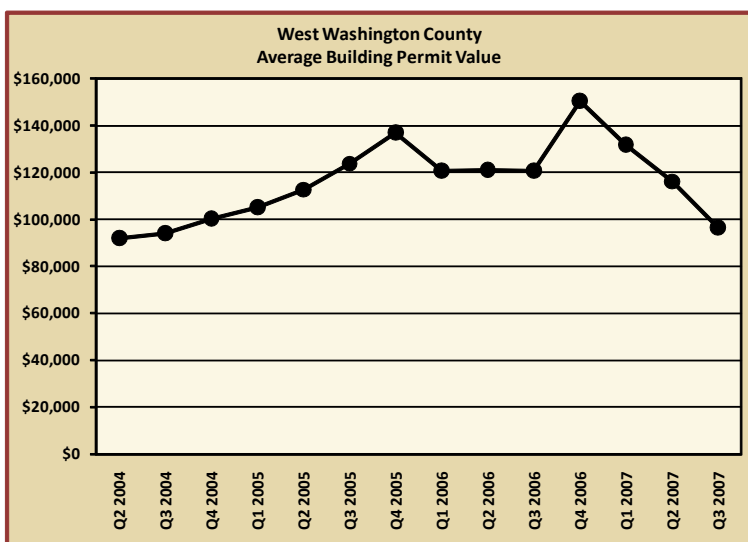
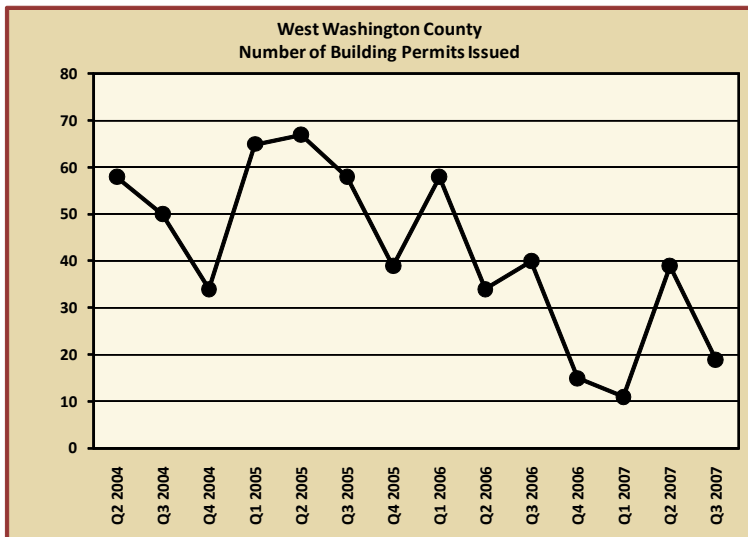
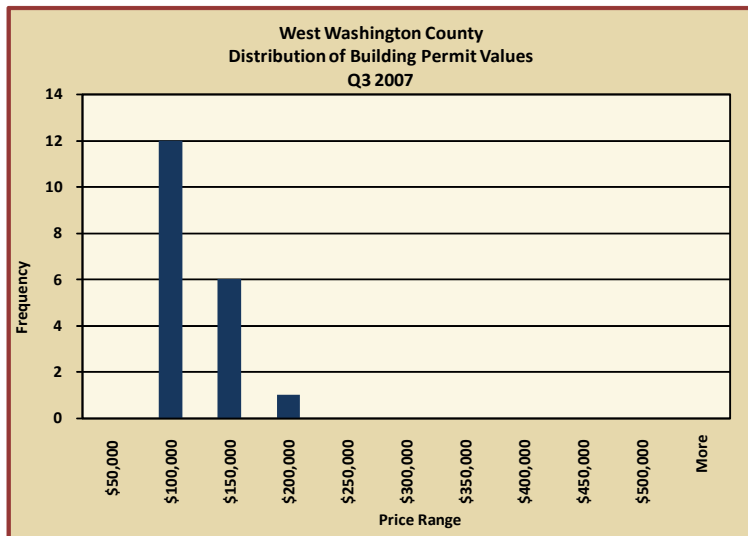
| Subdivision                        | Approved | Number of Lots |
|------------------------------------|----------|----------------|
| <i>Final Approval</i><br>Graystone | Q1 2006  | 28             |
| West Fork                          |          | 28             |



# West Washington County

West Washington County includes Farmington, Greenland, Lincoln, Prairie Grove, West Fork, and county lots.

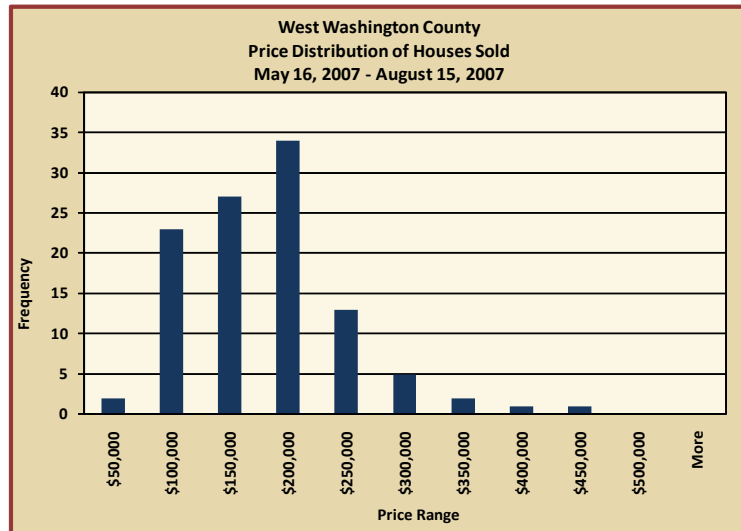
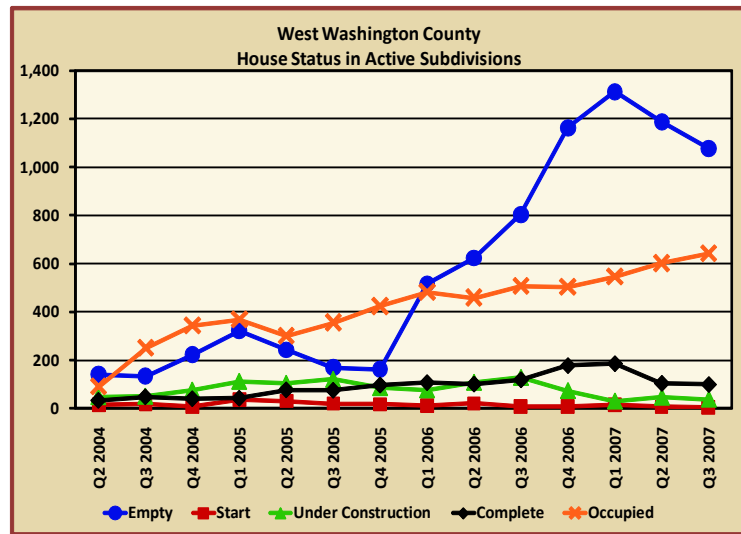
- From June to August 2007, there were 19 residential building permits issued in West Washington County. This represents a decline of 52.5 percent from the third quarter of 2006.
- The average residential building permit value in West Washington County declined by 20.0 percent from the third quarter of 2006 to \$96,560 in the third quarter of 2007.
- The major price points for West Washington County building permits were in the \$50,001 to \$100,000 range.
- There were 1,866 total lots in the 26 active subdivisions in West Washington County in the third quarter of 2007. About 34 percent of the lots were occupied, 5 percent were complete, but unoccupied, 2 percent were under construction, less than 1 percent was starts, and 58 percent were vacant lots.
- 45 new houses in West Washington County became occupied in the third quarter of 2007. The annual absorption rate implies that there are 75.7 months of remaining inventory in active subdivisions.
- An additional 973 lots in 8 subdivisions had received either preliminary or final approval by the third quarter of 2007 in West Washington County.
- There were 108 existing houses sold in West Washington County from May 16, 2007 to August 15, 2007, or 10.2 percent more than in the previous quarter, but 2.7 percent less than in the same period last year.
- The average price of a house sold in West Washington County increased from to \$149,705 in the second quarter of 2007 to \$156,310 in the third quarter of 2007. In the third quarter



# West Washington County

of 2007, the average sales price was 4.4 percent higher than in the previous quarter and 3.9 percent higher than in the same period last year.

- In West Washington County, the average number of days from the initial house listing to the sale decreased from 147 days in the second quarter of 2007 to 133 days in the third quarter of 2007.
- About 12.7 percent of all houses sold in Washington County in the third quarter of 2007 were sold in West Washington County. The average sales price of a house in West Washington County was 82.7 percent of the county average.
- 77.8 percent of the houses sold in West Washington County were in the \$50,000 to \$200,000 range.



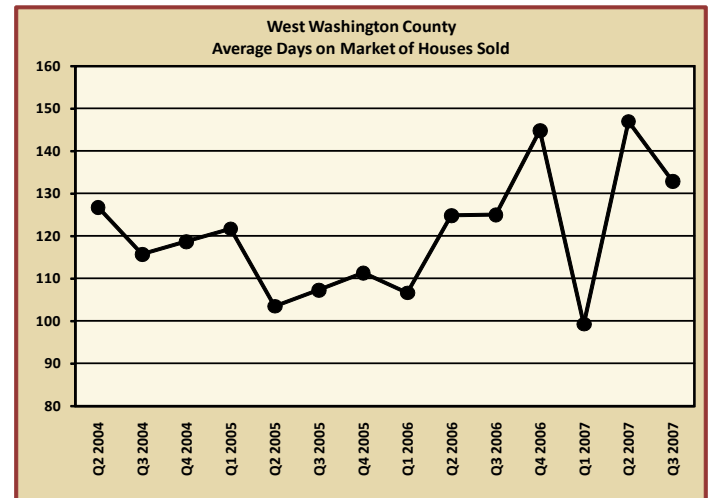
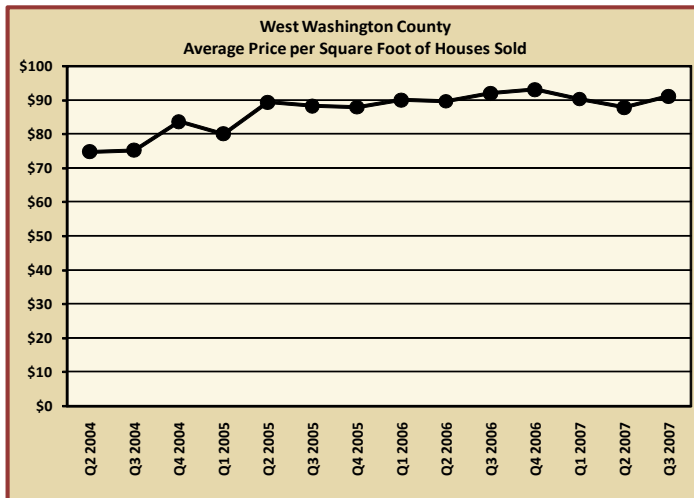
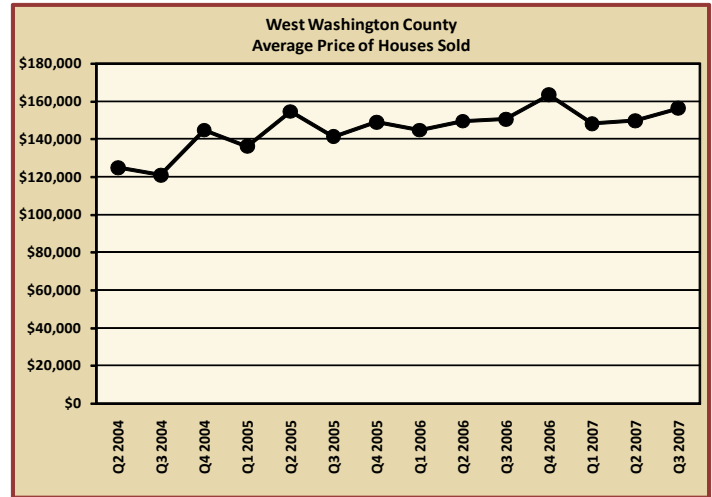
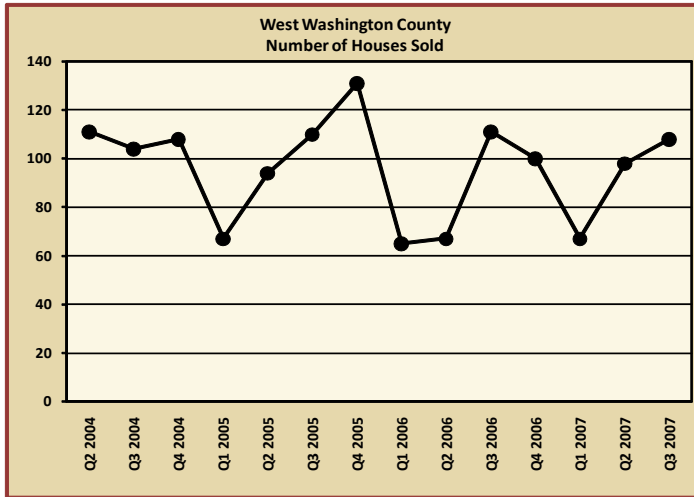
# West Washington County

## West Washington County House Status in Active Subdivisions Q3 2007

| Subdivision                     | Empty<br>Lots | Start    | Under<br>Construction | Complete, but<br>Unoccupied | Occupied   | Total<br>Lots | Absorbed<br>Lots | Months of<br>Inventory |
|---------------------------------|---------------|----------|-----------------------|-----------------------------|------------|---------------|------------------|------------------------|
| Bermuda Estates                 | 21            | 0        | 0                     | 12                          | 33         | 66            | 0                | 26.4                   |
| Bethel Oaks                     | 65            | 0        | 2                     | 0                           | 0          | 67            | 0                | --                     |
| East Creek Place                | 37            | 0        | 0                     | 6                           | 4          | 47            | 2                | 129.0                  |
| Forest Hills, Phases I, II      | 4             | 0        | 0                     | 0                           | 47         | 51            | 0                | 48.0                   |
| North Club House Estates        | 19            | 0        | 0                     | 2                           | 0          | 21            | 0                | --                     |
| Park Ridge Estates              | 18            | 0        | 1                     | 0                           | 7          | 26            | 2                | 45.6                   |
| Rainsong                        | 3             | 0        | 1                     | 0                           | 1          | 5             | 1                | 24.0                   |
| Riviera Estates                 | 1             | 0        | 0                     | 1                           | 54         | 56            | 3                | 2.4                    |
| South Club House Estates        | 17            | 0        | 0                     | 7                           | 62         | 86            | 0                | 144.0                  |
| Southaven, Phase III            | 0             | 0        | 4                     | 0                           | 84         | 88            | 0                | --                     |
| Southwinds, Phases IV, V        | 14            | 0        | 3                     | 5                           | 58         | 80            | 0                | 66.0                   |
| Twin Falls, Phase I             | 60            | 0        | 1                     | 1                           | 5          | 67            | 3                | 148.8                  |
| Homestead Addition              | 27            | 0        | 7                     | 20                          | 26         | 80            | 8                | 24.9                   |
| Lee Valley, Phases III, IV      | 28            | 2        | 1                     | 6                           | 46         | 83            | 4                | 27.8                   |
| Carter/Johnson Subdivision      | 10            | 0        | 0                     | 1                           | 1          | 12            | 1                | 132.0                  |
| Country Meadows                 | 88            | 1        | 3                     | 4                           | 7          | 103           | 3                | 164.6                  |
| Lincoln Gardens                 | 12            | 0        | 0                     | 0                           | 33         | 45            | 0                | --                     |
| Battlefield Estates, Phase II   | 107           | 1        | 3                     | 9                           | 6          | 126           | 3                | 240.0                  |
| Belle Meade, Phases I, II       | 130           | 0        | 4                     | 0                           | 1          | 135           | 1                | 804.0                  |
| Grandview Estates, Phase IB     | 5             | 0        | 0                     | 1                           | 4          | 10            | 2                | 36.0                   |
| Highlands Square North          | 38            | 0        | 1                     | 0                           | 0          | 39            | 0                | --                     |
| Lahera                          | 0             | 0        | 1                     | 0                           | 27         | 28            | 1                | 4.0                    |
| Prairie Meadows, Phases II, III | 109           | 1        | 1                     | 10                          | 101        | 222           | 1                | 50.1                   |
| Prairie Pines                   | 0             | 0        | 0                     | 0                           | 12         | 12            | 1                | 0.0                    |
| Sundowner, Phases I, II         | 259           | 1        | 2                     | 15                          | 18         | 295           | 5                | 184.7                  |
| Hidden Creek                    | 7             | 0        | 4                     | 0                           | 5          | 16            | 4                | 19.8                   |
| <b>West Washington County</b>   | <b>1,079</b>  | <b>6</b> | <b>39</b>             | <b>100</b>                  | <b>642</b> | <b>1,866</b>  | <b>45</b>        | <b>75.7</b>            |



# West Washington County



## West Washington County Price Range of Houses Sold May 16, 2007 - August 15, 2007

| 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%                      | 778                    | 60                     | 86.0%  | \$29.71                       |
| \$50,001 - \$100,000          | 23          | 21.3%                     | 1,230                  | 85                     | 96.6%  | \$73.37                       |
| \$100,001 - \$150,000         | 27          | 25.0%                     | 1,460                  | 145                    | 98.5%  | \$87.26                       |
| \$150,001 - \$200,000         | 34          | 31.5%                     | 1,746                  | 150                    | 97.4%  | \$100.01                      |
| \$200,001 - \$250,000         | 13          | 12.0%                     | 2,169                  | 165                    | 98.3%  | \$104.47                      |
| \$250,001 - \$300,000         | 5           | 4.6%                      | 2,680                  | 128                    | 95.7%  | \$101.87                      |
| \$300,001 - \$350,000         | 2           | 1.9%                      | 3,214                  | 198                    | 96.5%  | \$107.22                      |
| \$350,001 - \$400,000         | 1           | 0.9%                      | 3,202                  | 56                     | 94.8%  | \$113.21                      |
| \$400,001 - \$450,000         | 1           | 0.9%                      | 3,100                  | 31                     | 97.6%  | \$131.29                      |
| \$450,001 - \$500,000         | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| \$500,000+                    | 0           | 0.0%                      | --                     | --                     | --   | --                            |
| <b>West Washington County</b> | <b>108</b>  | <b>100.0%</b>             | <b>1,694</b>           | <b>133</b>             | <b>97.3%</b>                                     | <b>\$91.02</b>                |

