

# THE SKYLINE REPORT

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## November 2008 Highlights

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Residential Real Estate Market Summary  
Prepared Exclusively under  
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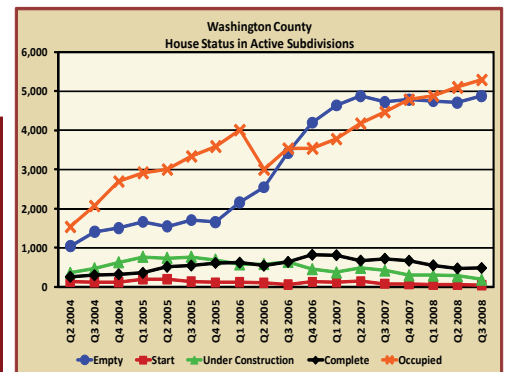
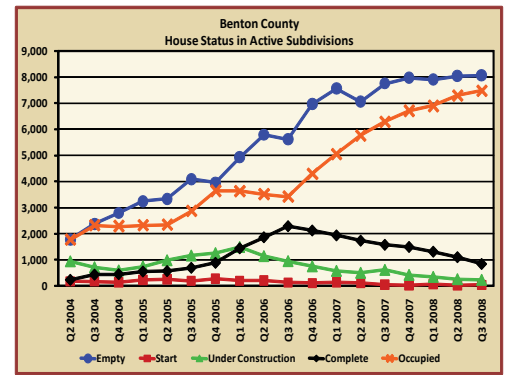
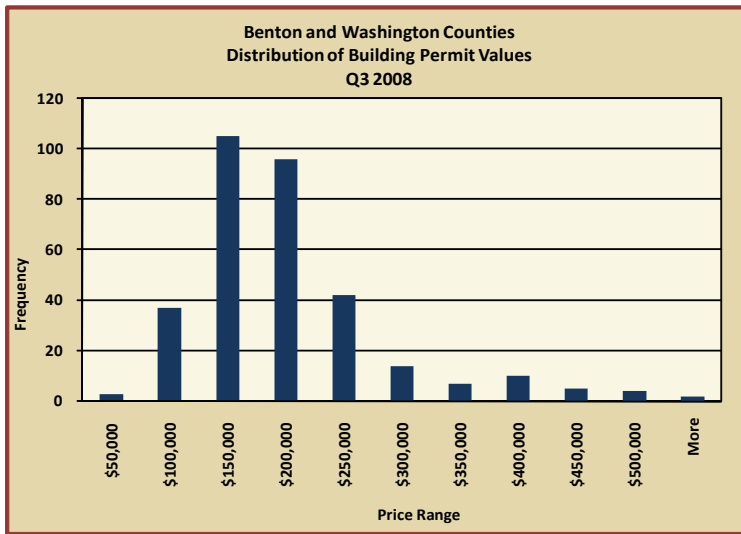
## Residential Real Estate Market Summary for Benton and Washington Counties

This report is the eighteenth edition of the Skyline Report for Benton and Washington Counties—Residential Real Estate Market Analysis. Researchers at the Center for Business and Economic Research 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 2008

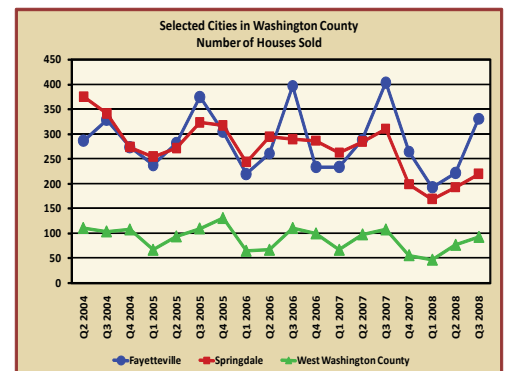
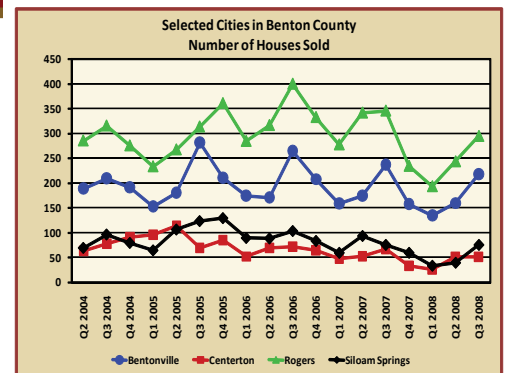
- There were 325 residential building permits issued in Northwest Arkansas from June to August 2008, down from 653 building permits issued in the same period last year. Among these, Bentonville accounted for 28.3 percent.
- There were 27,604 lots in the 374 active subdivisions in Northwest Arkansas in the third quarter.
- From the second quarter to the third quarter of 2008, 802 houses in active subdivisions became occupied. This absorption rate is a decline from the revised second quarter 2008 total of 835 and a significant decline from the third quarter 2007 total of 1,017.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 55.8 months, up from a revised 52.8 months in the second quarter of 2008.
- In the third quarter of 2008, there were 1,343 complete but unoccupied houses, a decline from 1,594 in the second quarter. Benton County experienced a decline of 23.5 percent in available complete inventory from the second quarter of 2008 and a decline of 46.5 percent from the third quarter of 2007. In comparison, Washington County experienced a 2.1 percent inventory increase over the past quarter, but a cumulative decrease of 32.7 percent over the past year.
- There were an additional 8,434 residential lots that have been at least preliminarily approved in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 87.5 months of inventory in Northwest Arkansas.
- From May 16, 2008 to August 15, 2008, there were 1,662 existing houses sold in Benton and Washington Counties. This is a decline of 17.5 percent from the same time period in the previous year.
- In the third quarter of 2008 in Northwest Arkansas, the average sales price of existing houses declined from third quarter 2007 levels by 1.6 percent in Benton County and by 4.1 percent in Washington County.

# Residential Market Trends

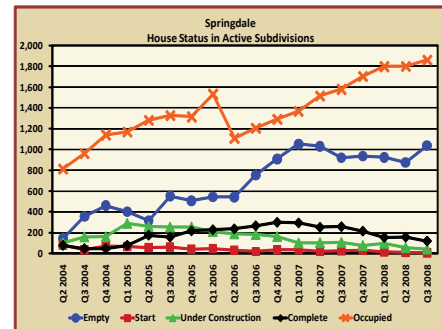
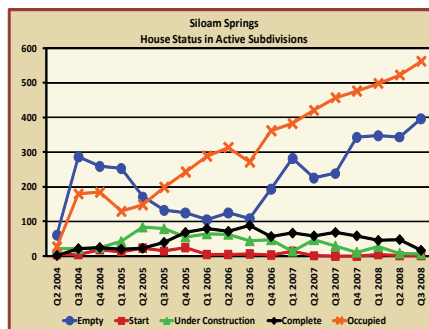
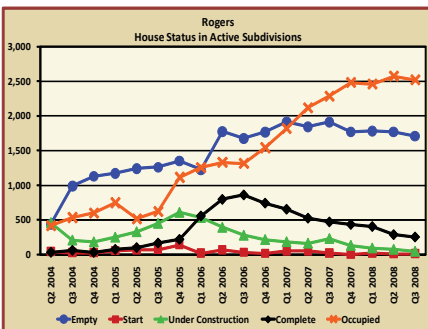
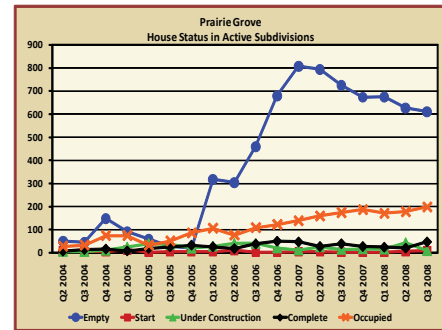
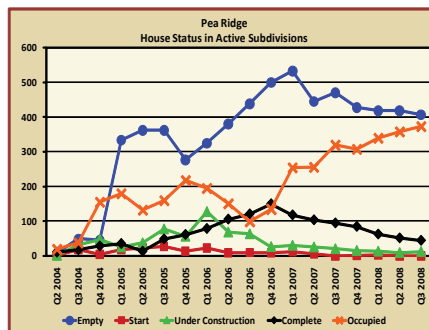
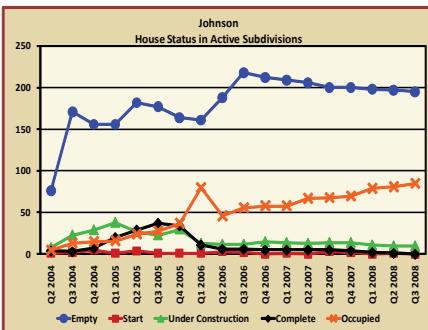
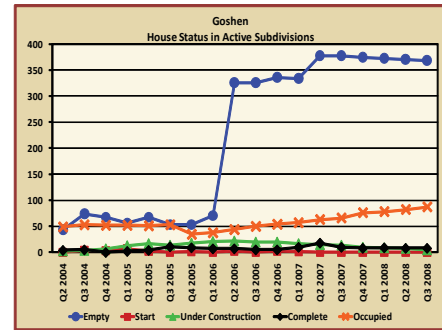
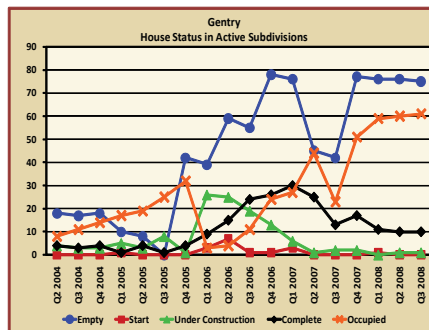
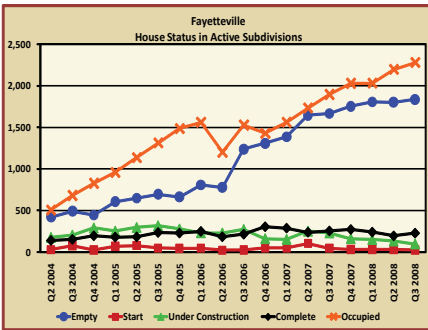
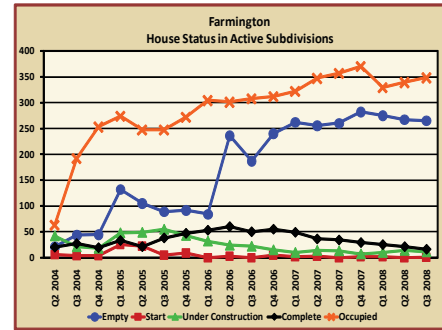
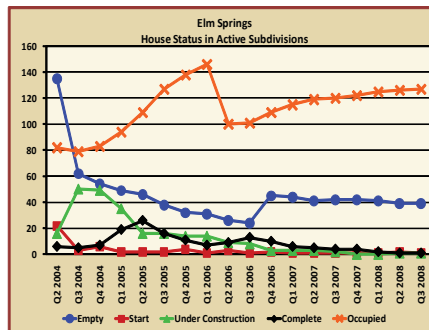
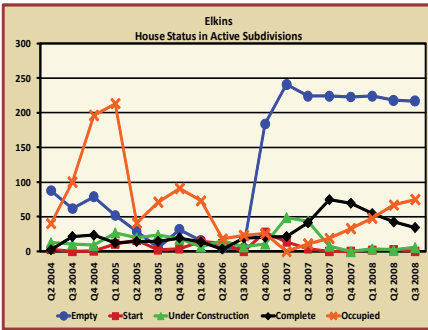
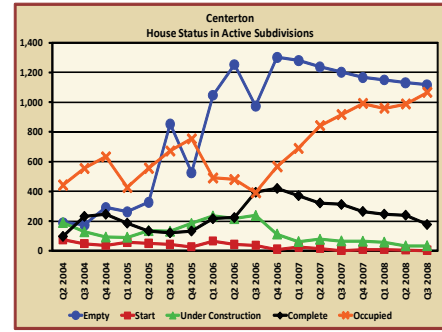
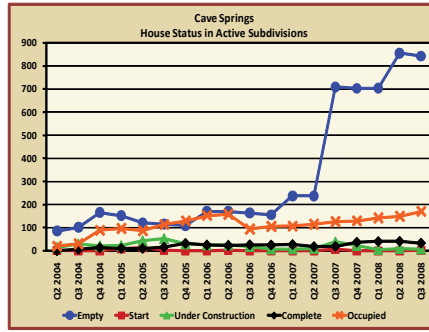
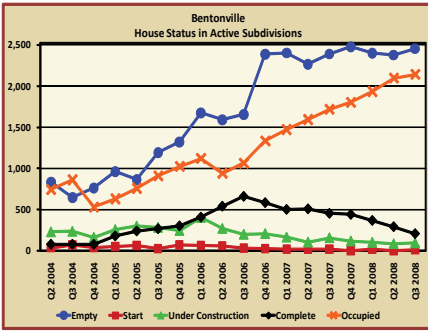


## Benton and Washington Counties Number and Average Value of Residential Building Permits Q3 2007 and Q3 2008

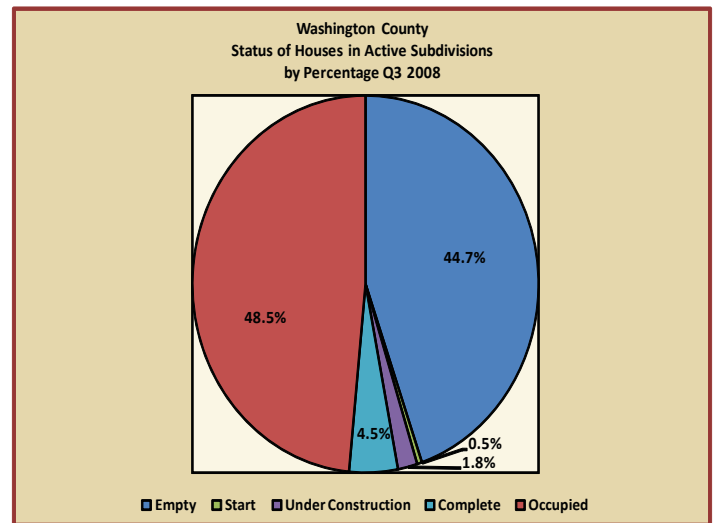
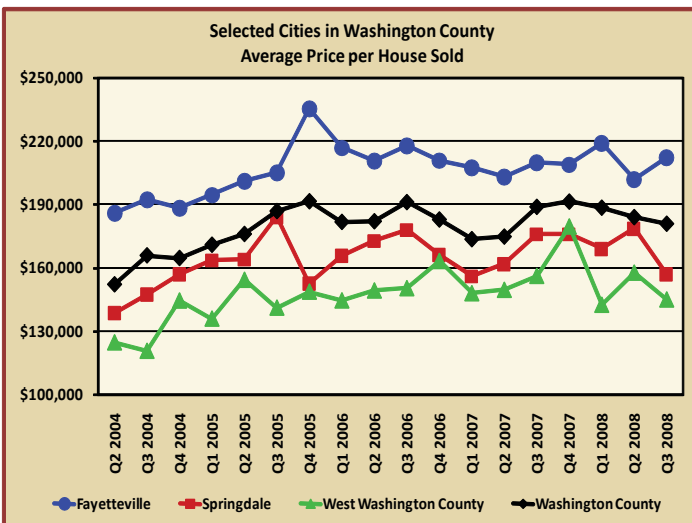
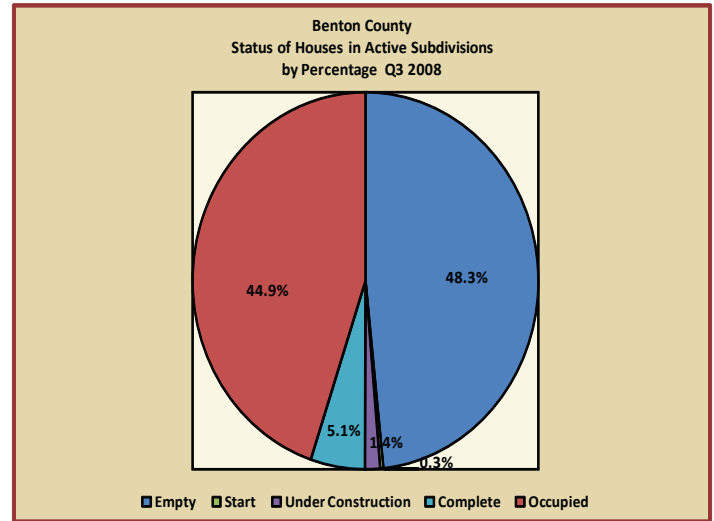
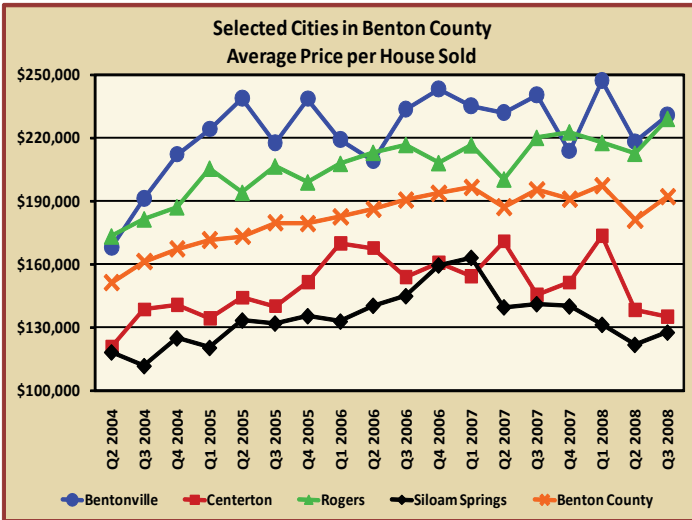
City	Q3 2007 Number of Building Permits	Q3 2008 Number of Building Permits	Q3 2007 Average Value of Building Permits	Q3 2008 Average Value of Building Permits
Bella Vista	47	30	\$206,143	\$178,251
Bentonville	118	92	\$176,138	\$197,862
Bethel Heights	6	0	\$137,000	--
Cave Springs	45	8	\$144,268	\$142,669
Centerton	28	12	\$134,998	\$98,816
Decatur	0	0	--	--
Elkins	0	3	--	\$146,667
Elm Springs	7	0	\$167,857	--
Farmington	0	2	--	\$217,692
Fayetteville	122	90	\$164,455	\$162,539
Gentry	6	1	\$105,500	\$84,000
Goshen	3	0	\$268,763	--
Gravette	0	1	--	\$80,000
Greenland	2	0	\$160,000	--
Johnson	5	2	\$442,041	\$192,500
Lincoln	2	0	\$108,323	--
Little Flock	2	1	\$190,000	\$400,000
Lowell	5	0	\$162,656	--
Pea Ridge	18	0	\$99,851	--
Prairie Grove	11	14	\$78,909	\$79,121
Rogers	102	37	\$143,923	\$173,507
Siloam Springs	24	8	\$133,723	\$112,730
Springdale	95	18	\$188,635	\$211,247
Tontitown	1	4	\$574,848	\$538,350
West Fork	4	2	\$107,500	\$122,500
<b>Northwest Arkansas</b>	<b>653</b>	<b>325</b>	<b>\$164,877</b>	<b>\$175,265</b>



# Residential Market Trends



# Residential Market Trends



## Selected House Status in Active Subdivisions and Coming Lots Q3 2008

City	Empty Lots	Starts	Under Construction	Complete, but Unoccupied	Occupied	Total Lots in Active Subdivisions	Absorbed Lots	Approved Lots, Not Yet Active
Bentonville	2,456	19	99	209	2,141	4,924	155	1,547
Centerton	1,117	3	36	179	1,066	2,401	77	931
Fayetteville	1,839	29	101	231	2,279	4,479	166	1,395
Rogers	1,713	18	51	259	2,518	4,559	121	853
Siloam Springs	397	2	7	17	562	985	39	761
Springdale	1,041	7	44	122	1,861	3,075	107	1,331
West Washington County	1,073	13	26	84	695	1,891	31	804

