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# SKYLINE REPORT

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## February 2006 Highlights

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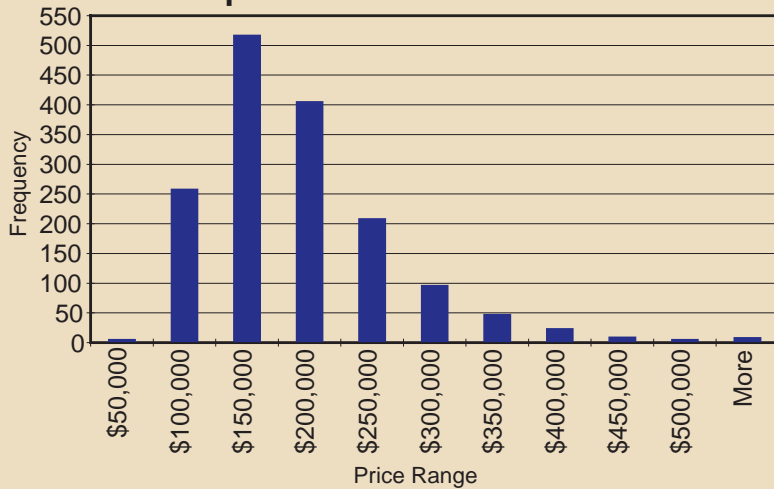
## Residential Real Estate Market Summary for Benton and Washington Counties

This report contains highlights from the Residential Skyline Report for Benton and Washington Counties. 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 real estate markets. The information contained in the Skyline Report is critical for lenders, developers, contractors, and potential lessees. As the population of Northwest Arkansas burgeons, it is imperative that real estate 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.

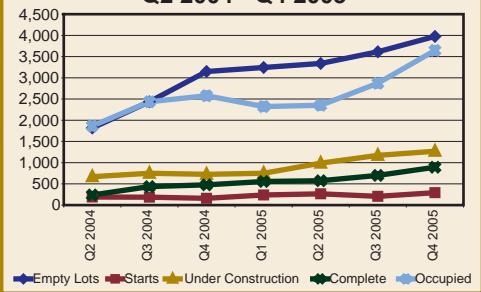
### Highlights from the Fourth Quarter of 2005

- Rogers accounted for 24 percent of the 1,570 Northwest Arkansas residential building permits issued from September through November 2005. Bentonville, Bella Vista, Fayetteville, Springdale, and Centerton followed with 17, 12, 10, 9, and 9 percent, respectively.
- There were 16,765 lots in the 239 active subdivisions in Northwest Arkansas in the fourth quarter.
- From the third quarter of 2005 to the fourth quarter of 2005, 913 houses in active subdivisions became occupied. This absorption rate is a decline from the 1,075 houses absorbed in the third quarter.
- Using the most recent annual absorption rate implies that the supply of remaining lots in Northwest Arkansas active subdivisions is sufficient for 31.0 months, down from 32.7 months in the third quarter.
- Bentonville and Fayetteville had the highest numbers of complete, but unoccupied houses with 303 and 232, respectively. Washington County has experienced an 86.9 percent increase in available completed inventory since the fourth quarter of 2004, while Benton County has experienced an 87.0 percent increase.
- There are an additional 19,321 residential lots that have been at least preliminarily approved in Northwest Arkansas. Of these, 65 percent are in Benton County and 35 percent in Washington County.
- From August 16 through November 15, 2005, there were 2,260 existing houses sold in Benton and Washington Counties. This is an increase of 24.8 percent from the same quarter in 2004.
- In the fourth quarter of 2005 in Northwest Arkansas, the average sales price of existing houses increased from fourth quarter 2004 levels by 16.3 percent in Washington County and by 7.4 percent in Benton County.

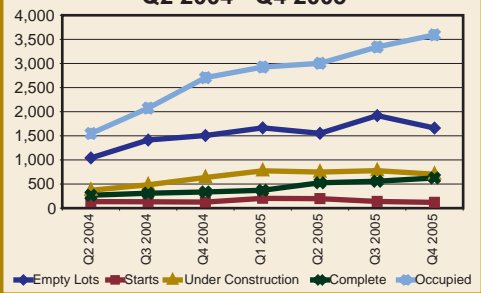
## Benton and Washington Counties Distribution of Residential Building Permit Values September - November 2005



### Benton County House Status in Active Subdivisions Q2 2004 - Q4 2005



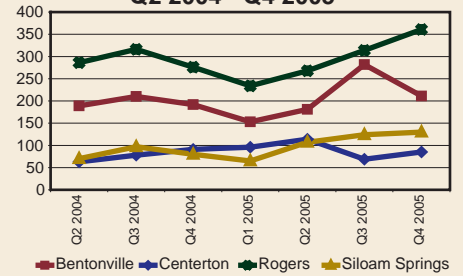
### Washington County House Status in Active Subdivisions Q2 2004 - Q4 2005



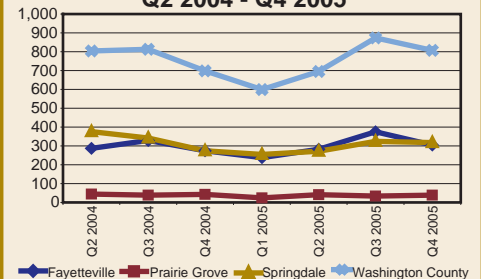
## Benton and Washington Counties Number and Average Value of Residential Building Permits Q4 2005 and Q4 2004

City	Q4 2005 Number of Building Permits	Q4 2004 Number of Building Permits	Q4 2005 Average Value of Building Permits	Q4 2004 Average Value of Building Permits
Bella Vista	193	118	\$171,800	\$145,231
Bentonville	270	157	\$191,648	\$185,431
Bethel Heights	16	31	\$67,102	\$86,352
Cave Springs	2	8	\$385,000	\$186,625
Centerton	140	68	\$120,193	\$100,999
Decatur	37	1	\$65,000	\$78,000
Elkins	20	18	\$76,450	\$88,036
Elm Springs	5	11	\$202,000	\$220,000
Farmington	11	10	\$184,727	\$90,300
Fayetteville	150	159	\$215,001	\$162,743
Gentry	14	0	\$77,500	-
Goshen	4	20	\$195,066	\$221,493
Gravette	14	7	\$91,186	\$67,873
Greenland	5	2	\$109,400	\$65,000
Johnson	5	16	\$283,124	\$272,807
Lincoln	3	1	\$104,065	\$130,000
Little Flock	4	4	\$321,250	\$211,250
Lowell	8	4	\$391,231	\$256,089
Pea Ridge	38	32	\$131,178	\$68,344
Prairie Grove	15	20	\$125,333	\$107,469
Rogers	375	140	\$177,989	\$164,146
Siloam Springs	88	43	\$101,408	\$70,744
Springdale	148	178	\$198,789	\$158,215
West Fork	5	1	\$115,000	\$96,000
<b>Northwest Arkansas</b>	<b>1,570</b>	<b>1,049</b>	<b>\$166,783</b>	<b>\$161,408</b>

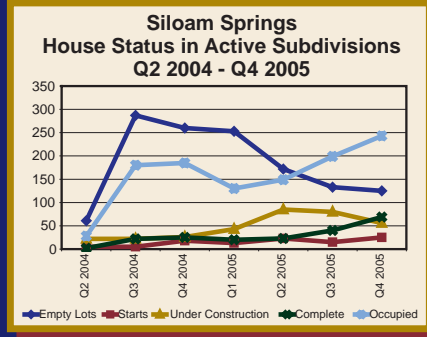
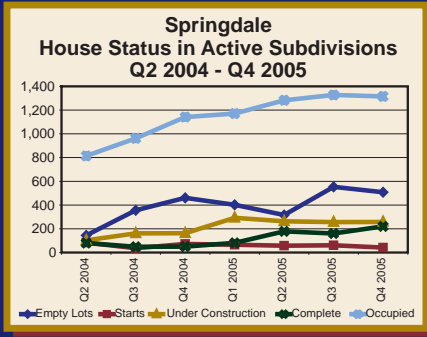
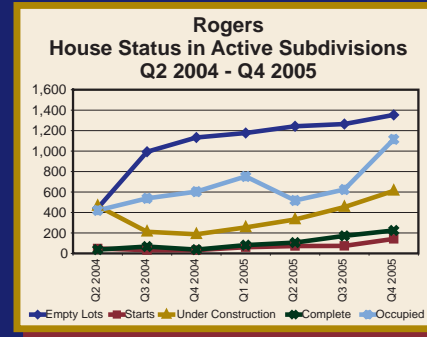
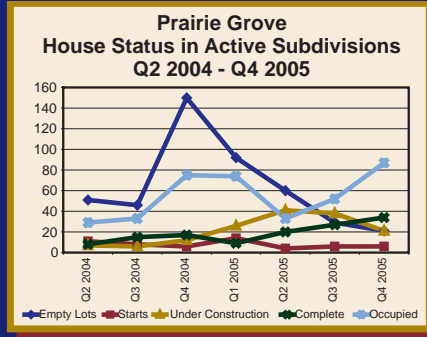
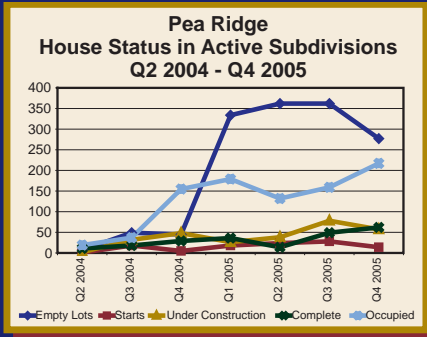
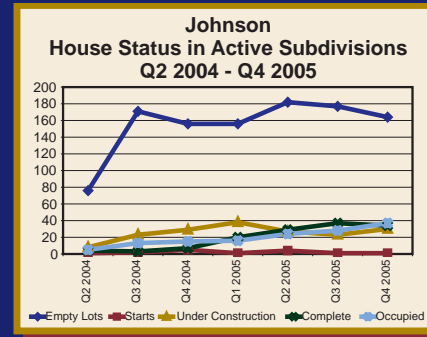
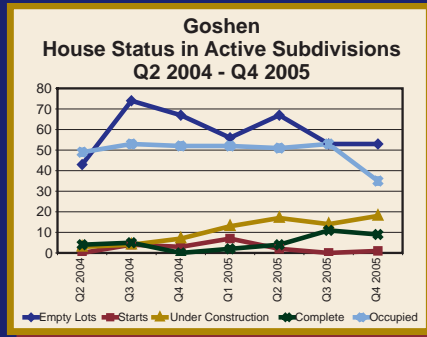
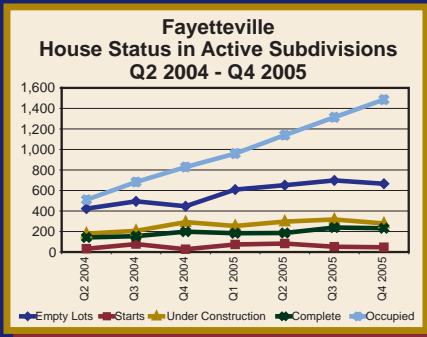
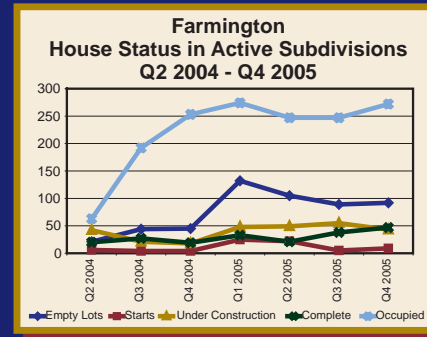
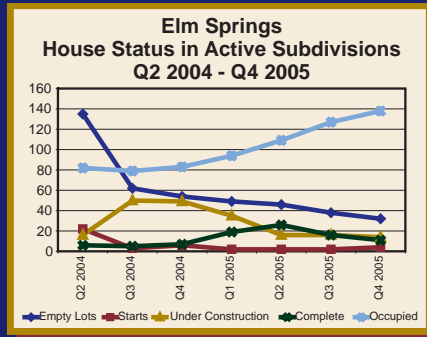
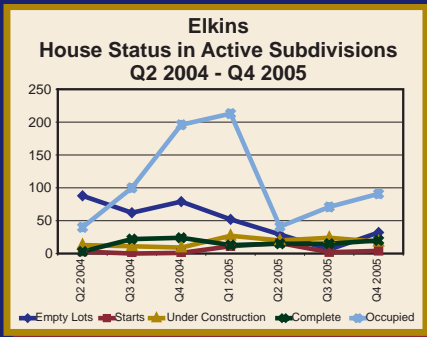
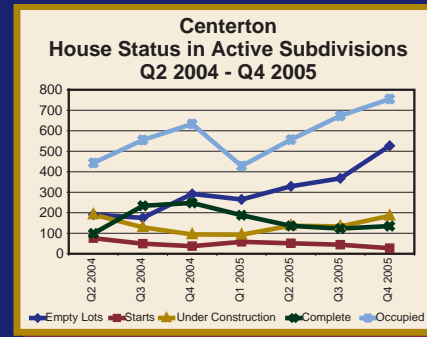
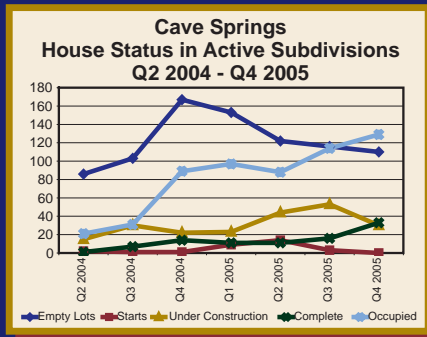
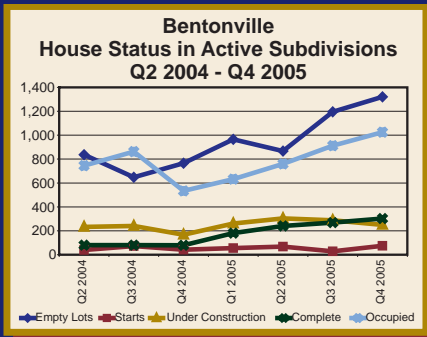
### Benton County Number of Houses Sold Q2 2004 - Q4 2005



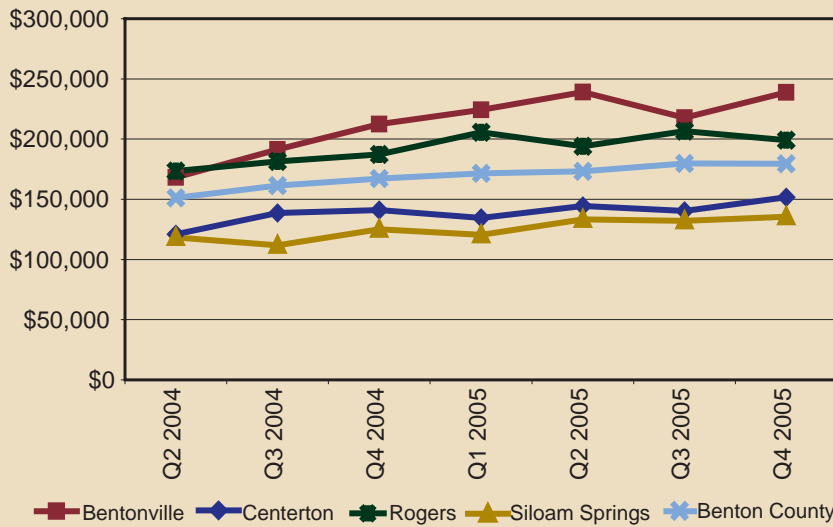
### Washington County Number of Houses Sold Q2 2004 - Q4 2005



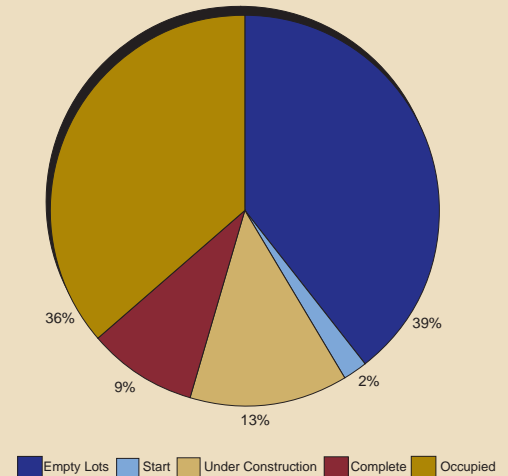
# House Status Trends by City



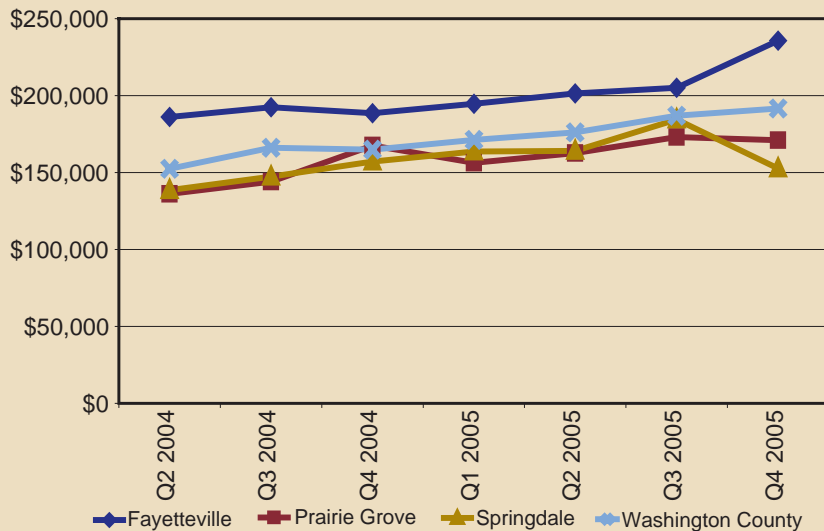
### Benton County Average Price of Houses Sold Q2 2004 - Q4 2005



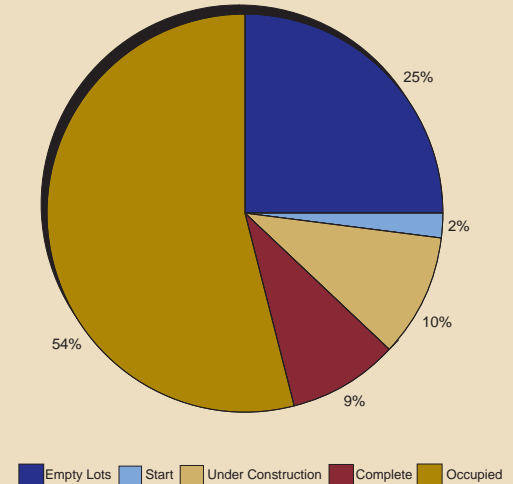
### Benton County Status of Houses in Active Subdivisions by Percentage Q4 2005



### Washington County Average Price of Houses Sold Q2 2004 - Q4 2005



### Washington County Status of Houses in Active Subdivisions by Percentage Q4 2005



## House Status in Active Subdivisions and Coming Lots from Major Cities Q4 2005

City	Empty Lots	Starts	Under Construction	Complete	Occupied	Absorbed Lots	Total Lots in Active Subdivisions	Approved Lots, Not Yet Active
Bentonville	1,321	75	250	303	1,025	142	2,974	3,756
Centerton	527	27	185	135	755	83	1,629	4,493
Fayetteville	666	47	279	232	1,487	174	2,711	2,199
Prairie Grove	21	6	21	34	87	35	169	720
Rogers	1,354	142	611	225	1,115	134	3,447	2,496
Siloam Springs	125	25	56	69	243	51	518	710
Springdale	508	42	257	220	1,315	101	2,342	2,802