

Real Estate Market

Northwest Arkansas Residential

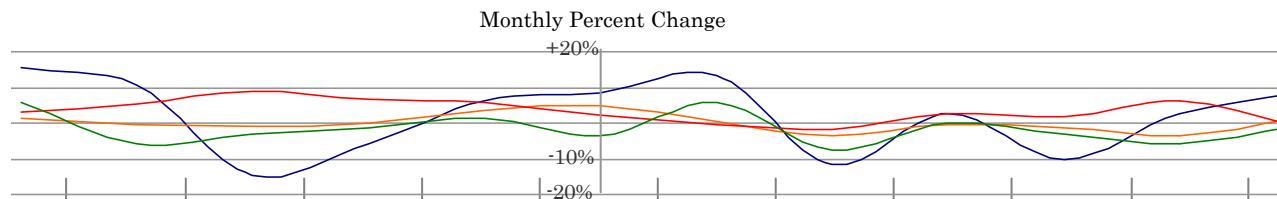
Annual 2007

Revised 1/20/10

Forces Affecting the Market

Unemployment ^a	3.7%
Interest Rates ^b	6.25%
Consumer Price Index ^c	202.4
Consumer Confidence ^d	96.9

Jan 1st 2007



3.9% (Low=3.3 Apr)
6.17% (Low=6.10 Nov)
210.0 (High=210.2 Nov)
75.5 (Low=75.5 Dec)

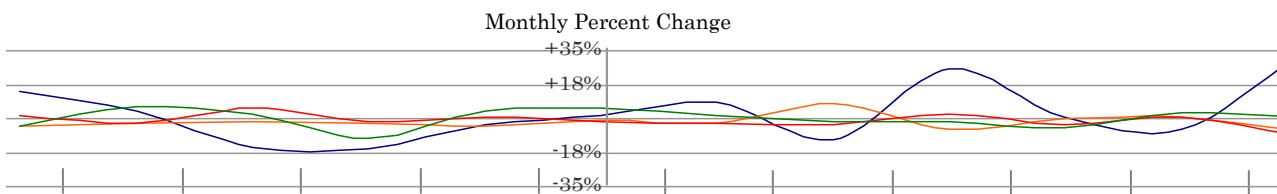
Dec 31st 2007

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	16,808	Ending Inventory
Starting Inventory	6,812 ^e													6,676
Listings ^f	1,264	1,329	1,759	1,598	1,591	1,606	1,579	1,543	1,208	1,353	1,140	838		
Pending	539	578	754	724	701	640	633	522	400	476	387	322		
Expires ^g	685	723	824	777	785	810	882	970	1,067	969	836	920	10,248	6,808
Sales	447	504	615	626	766	731	628	679	455	447	405	376	6,679	

Reactions of the Market

Days on Market ^h	88.0
New Const Inventory	2,221
Average Sales to List	98.2%
Median Sales Price	149.0M

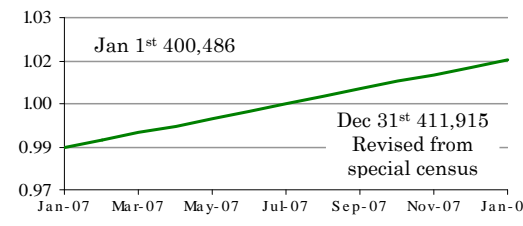
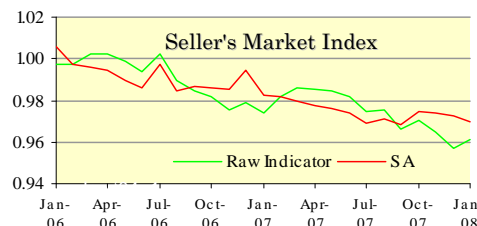
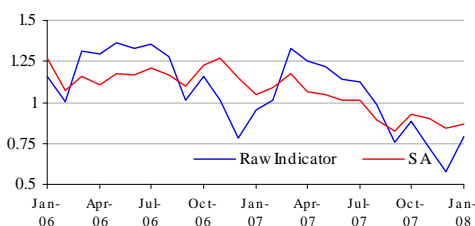
Jan 1st 2007



97.0 (Low=65.0 Aug)
1,571 (High=2,221)
98.8% (High=97.7 Mar)
155.7M (High=5% Mar)

Dec 31st 2007

Market Activity Index

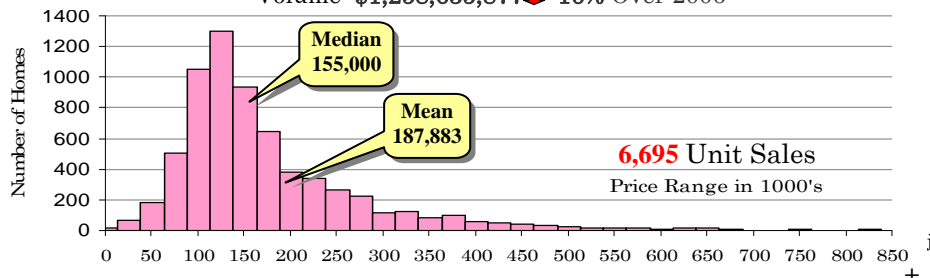


Population Index ⁱ

A moderate slowing of the market compared to 2006. Months of Inventory average was 12.2. Days-on-Market rose sharply. Inventory remained constant. Both the Seller's Market Index and the Market Activity Index declined.

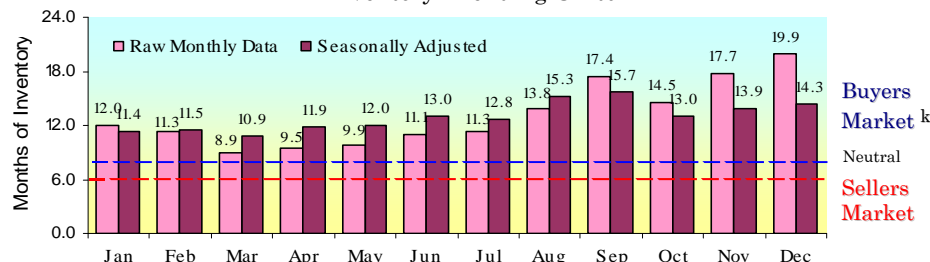
Sales

Volume: \$1,258,635,877 ↓ 16% Over 2006



Months of Inventory

Inventory / Pending Units



100 % | **98.2%** = Annual Percent Sales to List Price | 90 %

100 % | Unsold Listings = **60.0%** | **40.0%** = Listings Sold^l | 0 %

a: Arkansas Labor Statistics. b: National average. c: National CPI-U. d: University of Michigan Sentiment Index. e: Inventory as of January 1st, 2007. f: All counts to end of month. g: Includes withdrawn. h: Median List to Pending. i: NWARPC. Estimates from 2006. j: 15 sales >= \$850,000. k: Neutral =5-7 Months. l: Listed more than 1-year. All data taken from the Metro Board of Northwest Arkansas.