

**BENTON COUNTY RATIO STUDY REPORT**  
**September 15, 2011**

| <b>COUNTY SUMMARY</b>          |                      |                      |                        |                    |
|--------------------------------|----------------------|----------------------|------------------------|--------------------|
| PROPERTY CLASSIFICATION        | ASSESSED VALUE       | PROPERTY CLASS RATIO | ESTIMATED MARKET VALUE | TOTAL COUNTY RATIO |
| REAL ESTATE (RESIDENTIAL)      | 2,270,459,900        | 19.87                | 11,426,572,219         |                    |
| REAL ESTATE (COMMERCIAL)       | 979,680,210          | 20.42                | 4,797,650,392          |                    |
| REAL ESTATE (VACANT)           | 303,593,570          | 20.00                | 1,517,967,850          |                    |
| <b>TOTAL REAL ESTATE</b>       | <b>3,553,733,680</b> |                      | <b>17,742,190,461</b>  |                    |
| REAL ESTATE AGRICULTURAL VALUE | 19,565,420           | 20.00                | 97,827,100             |                    |
| PERSONAL (AUTO/OTHER)          | 321,390,455          | 20.00                | 1,606,952,275          |                    |
| BUSINESS PERSONAL              | 418,684,095          | 20.00                | 2,093,420,475          |                    |
| <b>GRAND TOTAL</b>             | <b>4,313,373,650</b> |                      | <b>21,540,390,311</b>  | <b>20.02</b>       |

| <b>OVERALL RATIO STUDY</b> |                      |         |              |             |             |       |
|----------------------------|----------------------|---------|--------------|-------------|-------------|-------|
| PROPERTY CLASSIFICATION    |                      | Parcels | Median Ratio | Lower Bound | Upper Bound | COD   |
| REAL ESTATE                | RESIDENTIAL IMPROVED | 1,289   | 19.87        | 19.79       | 19.96       | 6.99  |
|                            | COMMERCIAL IMPROVED  | 49      | 20.42        | 19.66       | 20.89       | 11.33 |
|                            | VACANT LAND          | 138     | 20.00        | 19.58       | 20.00       | 5.53  |
| AGRICULTURAL               |                      | 100     | 20.00        | 19.99       | 20.00       | 0.10  |
| PERSONAL (AUTO/OTHER)      |                      | 30      | 20.00        |             |             |       |
| BUSINESS PERSONAL          |                      | 59      | 20.00        | 20.00       | 20.00       | 6.79  |

| RATIO STUDY BY MARKET AREA |                         |         |              |             |             |       |
|----------------------------|-------------------------|---------|--------------|-------------|-------------|-------|
| MARKET AREA                | PROPERTY CLASSIFICATION | Parcels | Median Ratio | Lower Bound | Upper Bound | COD   |
| 1000                       | RESIDENTIAL IMPROVED    | 22      | 19.17        | 18.62       | 20.04       | 5.99  |
|                            | VACANT LAND             | 7       | 20.00        | 16.27       | 21.58       | 9.11  |
| 2000                       | RESIDENTIAL IMPROVED    | 18      | 19.60        | 18.91       | 20.09       | 4.40  |
|                            | VACANT LAND             | 9       | 19.94        | 19.33       | 20.60       | 2.59  |
| 3000                       | RESIDENTIAL IMPROVED    | 87      | 19.08        | 18.77       | 19.57       | 7.09  |
|                            | VACANT LAND             | 8       | 20.00        | 17.14       | 23.33       | 5.74  |
| 4000                       | RESIDENTIAL IMPROVED    | 121     | 19.93        | 19.71       | 20.13       | 6.02  |
|                            | VACANT LAND             | 12      | 19.30        | 17.79       | 20.00       | 6.50  |
| 5000                       | RESIDENTIAL IMPROVED    | 368     | 19.91        | 19.78       | 20.05       | 6.58  |
|                            | VACANT LAND             | 41      | 20.00        | 20.00       | 20.00       | 3.42  |
| 6000                       | RESIDENTIAL IMPROVED    | 280     | 19.98        | 19.84       | 20.23       | 6.62  |
|                            | VACANT LAND             | 22      | 19.22        | 18.67       | 20.00       | 3.88  |
| 7000                       | RESIDENTIAL IMPROVED    | 305     | 20.05        | 19.74       | 20.39       | 7.66  |
|                            | VACANT LAND             | 3       | 16.00        | 15.89       | 19.44       | 7.41  |
| 8000                       | RESIDENTIAL IMPROVED    | 88      | 19.49        | 18.73       | 20.11       | 8.35  |
|                            | VACANT LAND             | 34      | 19.71        | 18.48       | 20.34       | 6.97  |
| 9000                       | RESIDENTIAL IMPROVED    | 0       |              |             |             |       |
|                            | VACANT LAND             | 2       | 17.49        | 14.95       | 20.03       | 14.55 |

### RATIO STUDY BREAKDOWNS

| RATIO STRATIFICATION  | RESIDENTIAL IMPROVEMENTS |       | VACANT LANDS |       | COMMERCIAL/IND IMPROVEMENTS |       | AGRICULTURAL |       | BUSINESS PERSONAL |       |
|-----------------------|--------------------------|-------|--------------|-------|-----------------------------|-------|--------------|-------|-------------------|-------|
|                       | PARCELS                  | RATIO | PARCELS      | RATIO | PARCELS                     | RATIO | PARCELS      | RATIO | PARCELS           | RATIO |
| <b>RATIOS BY CITY</b> |                          |       |              |       |                             |       |              |       |                   |       |
| Bella Vista           | 305                      | 20.05 | 3            | 16.00 | 0                           |       | 0            |       | 0                 |       |
| Bentonville           | 283                      | 19.99 | 37           | 20.00 | 9                           | 18.87 | 0            |       | 14                | 20.00 |
| Bethel Heights        | 15                       | 20.01 | 0            |       | 1                           | 19.97 | 0            |       | 0                 |       |
| Cave Springs          | 18                       | 19.74 | 6            | 19.57 | 1                           | 20.15 | 0            |       | 0                 |       |
| Centerton             | 71                       | 19.74 | 0            |       | 2                           | 16.60 | 0            |       | 0                 |       |
| Elm Springs           | 0                        |       | 2            | 20.52 | 0                           |       | 0            |       | 0                 |       |
| Garfield              | 1                        | 19.61 | 0            |       | 0                           |       | 0            |       | 0                 |       |
| Gentry                | 6                        | 21.77 | 0            |       | 0                           |       | 0            |       | 0                 |       |
| Gravette              | 5                        | 20.00 | 1            | 14.95 | 0                           |       | 0            |       | 0                 |       |
| Little Flock          | 2                        | 20.11 | 0            |       | 0                           |       | 0            |       | 0                 |       |
| Lowell                | 38                       | 19.80 | 1            | 20.00 | 1                           | 20.66 | 0            |       | 4                 | 20.00 |
| Pea Ridge             | 16                       | 19.39 | 0            |       | 1                           | 22.20 | 0            |       | 0                 |       |
| Rogers                | 270                      | 19.95 | 22           | 19.22 | 17                          | 20.42 | 0            |       | 41                | 20.00 |
| Rural                 | 166                      | 19.51 | 58           | 19.77 | 6                           | 20.57 | 100          | 20.00 | 0                 |       |
| Siloam Springs        | 55                       | 18.91 | 5            | 20.00 | 8                           | 19.99 | 0            |       | 0                 |       |
| Springdale            | 38                       | 20.01 | 3            | 18.99 | 3                           | 22.48 | 0            |       | 0                 |       |

| RATIO STRATIFICATION    | RESIDENTIAL IMPROVEMENTS |       | VACANT LANDS |       | COMMERCIAL/IND IMPROVEMENTS |       | AGRICULTURAL |       | BUSINESS PERSONAL |       |
|-------------------------|--------------------------|-------|--------------|-------|-----------------------------|-------|--------------|-------|-------------------|-------|
|                         | PARCELS                  | RATIO | PARCELS      | RATIO | PARCELS                     | RATIO | PARCELS      | RATIO | PARCELS           | RATIO |
| <b>RATIOS BY SCHOOL</b> |                          |       |              |       |                             |       |              |       |                   |       |
| Bentonville             | 661                      | 19.95 | 60           | 20.00 | 13                          | 18.87 | 6            | 20.00 | 13                | 20.00 |
| Decatur                 | 1                        | 18.91 | 2            | 19.86 | 0                           |       | 11           | 19.99 | 0                 |       |
| Eureka Springs          | 1                        | 22.20 | 0            |       | 0                           |       | 10           | 20.00 | 0                 |       |
| Gentry                  | 12                       | 21.26 | 3            | 20.00 | 1                           | 20.47 | 7            | 19.99 | 0                 |       |
| Gravette                | 100                      | 19.91 | 9            | 19.00 | 1                           | 15.96 | 13           | 19.99 | 0                 |       |
| Pea Ridge               | 19                       | 19.15 | 4            | 21.22 | 2                           | 21.44 | 7            | 20.00 | 0                 |       |
| Rogers                  | 359                      | 19.88 | 49           | 18.97 | 19                          | 20.66 | 43           | 20.00 | 46                | 20.00 |
| Siloam Springs          | 77                       | 18.96 | 5            | 20.00 | 8                           | 19.99 | 0            |       | 0                 |       |
| Springdale              | 59                       | 20.04 | 6            | 19.11 | 5                           | 22.48 | 3            | 20.00 | 0                 |       |

## OTHER REAL ESTATE ANALYSIS

| VALIDATION CODES |         |
|------------------|---------|
| Validation Code  | Count   |
| <BLANK>          | 144,988 |
| AL               | 99      |
| AP               | 9       |
| AS               | 73      |
| CH               | 23      |
| CS               | 89      |
| CT               | 30      |
| CV               | 17      |
| DT               | 7       |
| ES               | 153     |
| FD               | 29      |
| FI               | 1,715   |
| FS               | 31      |
| GO               | 236     |
| MH               | 76      |
| MU               | 154     |
| NM               | 110     |
| OT               | 364     |
| PI               | 46      |
| PP               | 31      |
| RL               | 192     |
| TR               | 13      |
| UV               | 2,134   |
| VA               | 31      |
| VS               | 2,827   |

Eligible for Use in Real Estate Ratio Study

| PROPERTY TYPE CODES |        |
|---------------------|--------|
| Property Type Code  | Count  |
| AI                  | 5,325  |
| AV                  | 4,526  |
| CI                  | 5,058  |
| CV                  | 2,117  |
| EX                  | 4,623  |
| II                  | 152    |
| IV                  | 2      |
| MH                  | 3,770  |
| RC                  | 6,582  |
| RI                  | 70,259 |
| RV                  | 51,063 |

Eligible for Use in Real Estate Ratio Study

| DEED TYPE CODES |         |
|-----------------|---------|
| Deed Type Code  | Count   |
| <BLANK>         | 144,991 |
| CORRWD          | 61      |
| SWD             | 1,755   |
| WD              | 7,064   |

Eligible for Use in Real Estate Ratio Study

|                          |         |
|--------------------------|---------|
| # considered invalid     | 3,014   |
| % of total               | 1.96%   |
| # eligible property type | 128,651 |
| % of total               | 83.82%  |
| # eligible deed type     | 153,871 |

\*Each group of frequencies presented here was calculated immediately preceding the filtering process for that parameter.

## Real Estate Neighborhoods & Market Areas

|                      |                                   |        |
|----------------------|-----------------------------------|--------|
| Residential Improved | # of total parcels                | 68,906 |
|                      | # of sold parcels                 | 2,786  |
|                      | # of Neighborhoods                | 0      |
|                      | Avg # of parcels per neighborhood | N/A    |
|                      | Avg # of sales per neighborhood   | N/A    |
|                      | # of Market Areas                 | 8      |
|                      | Avg # of parcels per market area  | 8,613  |
|                      | Avg # of sales per market area    | 348    |
|                      |                                   |        |
| Vacant               | # of total parcels                | 53,166 |
|                      | # of sold parcels                 | 767    |
|                      | # of Neighborhoods                | 0      |
|                      | Avg # of parcels per neighborhood | N/A    |
|                      | Avg # of sales per neighborhood   | N/A    |
|                      | # of Market Areas                 | 9      |
|                      | Avg # of parcels per market area  | 5,907  |
|                      | Avg # of sales per market area    | 85     |
|                      |                                   |        |
| Commercial Improved  | # of total parcels                | 5,210  |
|                      | # of sold parcels                 | 218    |
|                      | # of Neighborhoods                | 0      |
|                      | Avg # of parcels per neighborhood | N/A    |
|                      | Avg # of sales per neighborhood   | N/A    |
|                      | # of Market Areas                 | 2      |
|                      | Avg # of parcels per market area  | 2,605  |
|                      | Avg # of sales per market area    | 109    |
|                      |                                   |        |

\*Market Area counts and Neighborhood counts are based on distinct codes presented in the county data extract. These counts may not truly represent actual market areas and/or neighborhoods if the appraiser used combinations of these codes.

\*Counts are based on data before statistical trimming takes place for the ratio study.

| <b>Sold vs. Unsold Analysis</b> |        |                 |             |            |                    |  |
|---------------------------------|--------|-----------------|-------------|------------|--------------------|--|
| <b>(Real Estate)</b>            |        |                 |             |            |                    |  |
|                                 |        | Parcel<br>Count | %<br>Change | Difference | Significance Level | Comments   |
| Residential Improved            | Unsold | 60,522          | -10.01%     |            |                    |  |
|                                 |        |                 |             | -1.98%     | <0.000             | No significant difference found between sold and unsold parcels. |
|                                 | Sold   | 1,524           | -8.03%      |            |                    |  |
| Vacant Land                     | Unsold | 46,631          | -20.55%     |            |                    |  |
|                                 |        |                 |             | 1.60%      | 0.023              | No significant difference found between sold and unsold parcels. |
|                                 | Sold   | 474             | -22.15%     |            |                    |  |
| Commercial Improved             | Unsold | 4,490           | 1.03%       |            |                    |  |
|                                 |        |                 |             | 1.17%      | 0.321              | No significant difference found between sold and unsold parcels. |
|                                 | Sold   | 56              | -0.14%      |            |                    |  |

\*Significant difference is defined by ACD rules as at least 5% difference in percent change between sold and unsold properties AND the accompanying significance level is less than .05.