

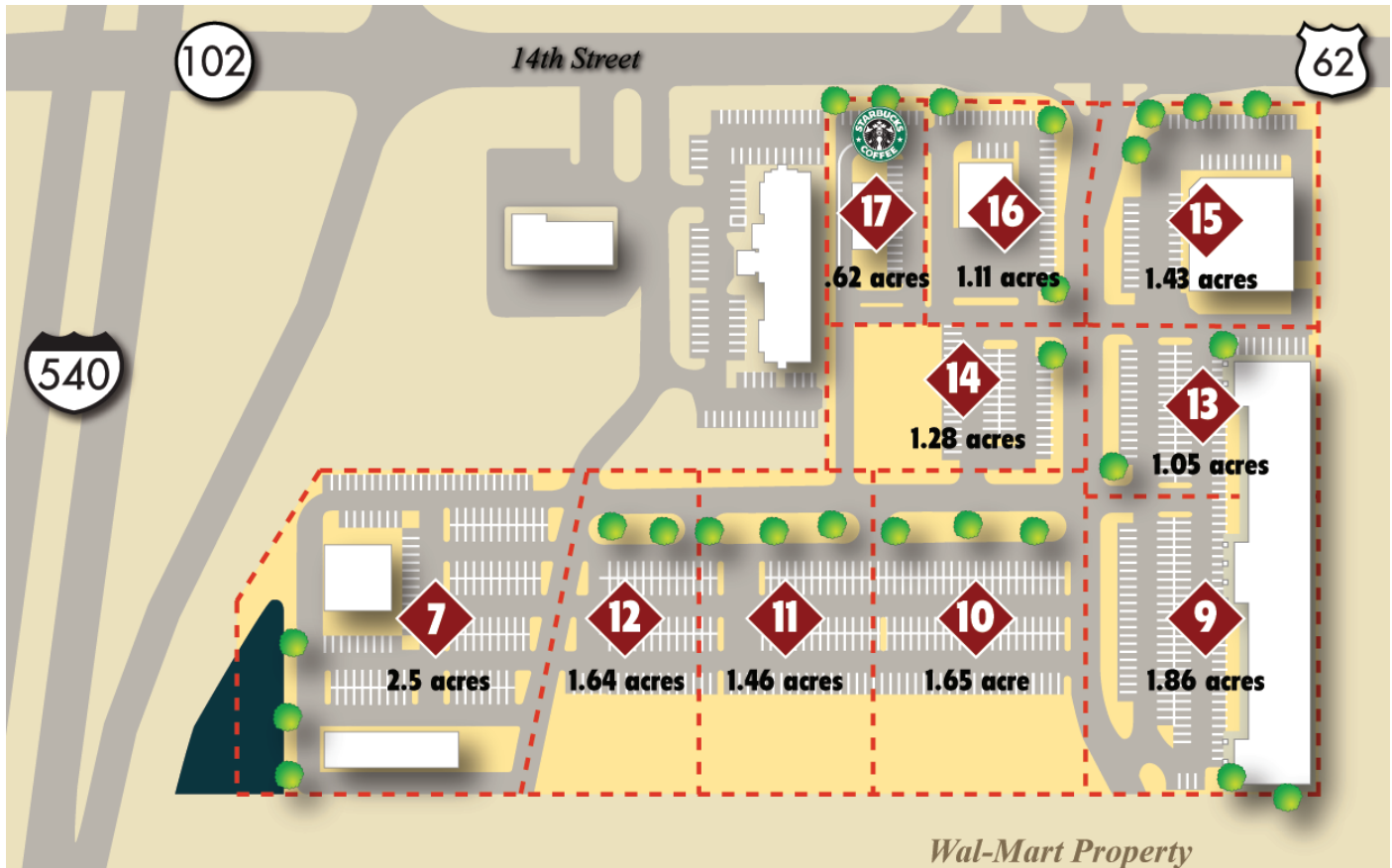


Contact:
 Steve Vogel • 417.434.1900
 Ross Vogel • 816.686.6600

COMMERCIAL PROPERTY I-540 & SE 14th Street / Hwy 102

RETAIL / RESTAURANT / HOTEL LOCATION OPPORTUNITY

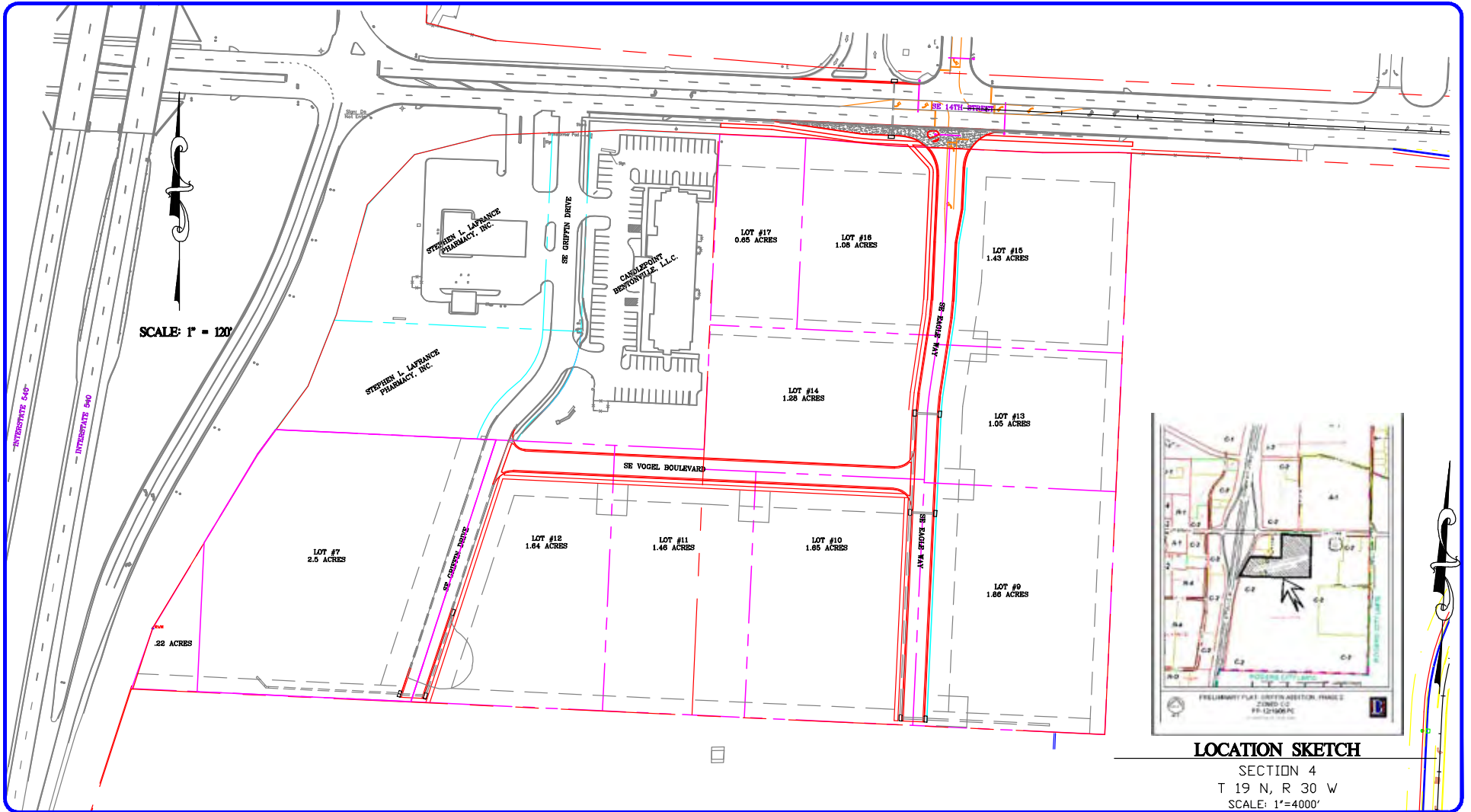
BENTONVILLE, ARKANSAS



- PROPERTY LOCATION** Interstate 540 at Hwy 102 / Hwy 62 / Southeast 14th Street • Bentonville, Arkansas
- DESCRIPTION** Since 1990, population in this metropolitan area, extending from Rogers to Fayetteville, has mushroomed from about 211,000 people to more than 330,000, fueled by Wal-Mart's eagerness to have its suppliers close at hand.
- ZONING** Retail with the City of Bentonville. This zoning accomodates: drive-thru windows, restaurants, banks, general retail, hotels, etcetera.

 Surrounding retail establishments include: Northwest Medical Center, McDonald's, Wal-Mart: Computer Technology Ctr., Market Place, Headquarters, & numerous office complexes.
- TRAFFIC COUNTS**

| | |
|---|--|
| <u>Interstate 540 North - South</u> | <u>Hwy 102/Hwy 62/SE 14th St. @ Interstate 540 East - West</u> |
| 44,000 | 26,000 |
- TRADE AREA** The City of Bentonville has a trade area of over 390,000 within a 30-mile radius.
- CONTACT INFORMATION** Steve Vogel 417.434.1900 or Ross Vogel 816.686.6600



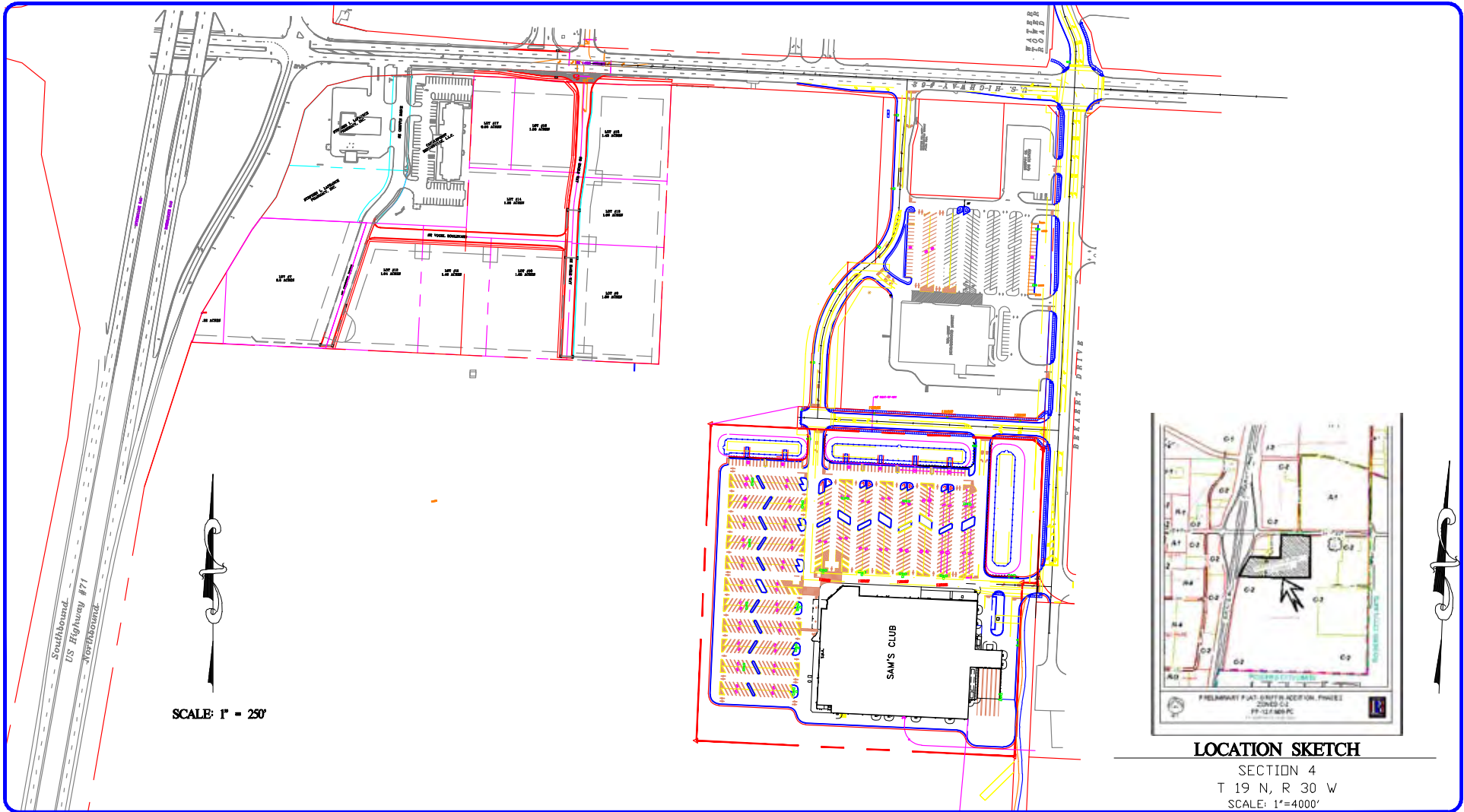
SECTION 4
T 19 N, R 30 W
SCALE: 1"=4000'

ANDERSON ENGINEERING, INC **AYE**
ENGINEERS • SURVEYORS • LABORATORIES • DRILLING

501 E. 15th
JOPLIN, MISSOURI 64804
PHONE (417) 782-7300

EAST POINTE PLAZA
VOGEL PROPERTIES
BENTONVILLE, ARKANSAS

| | |
|--------------------|----------------|
| DRAWN BY: DJB | FIELD BY: |
| DATE: DEC. 2008 | FIELD INC: |
| CLIENT NO: | SHEET NO: 1 |



LOCATION SKETCH

SECTION 4
T 19 N, R 30 W
SCALE: 1"=4000'

ANDERSON
ENGINEERING, INC

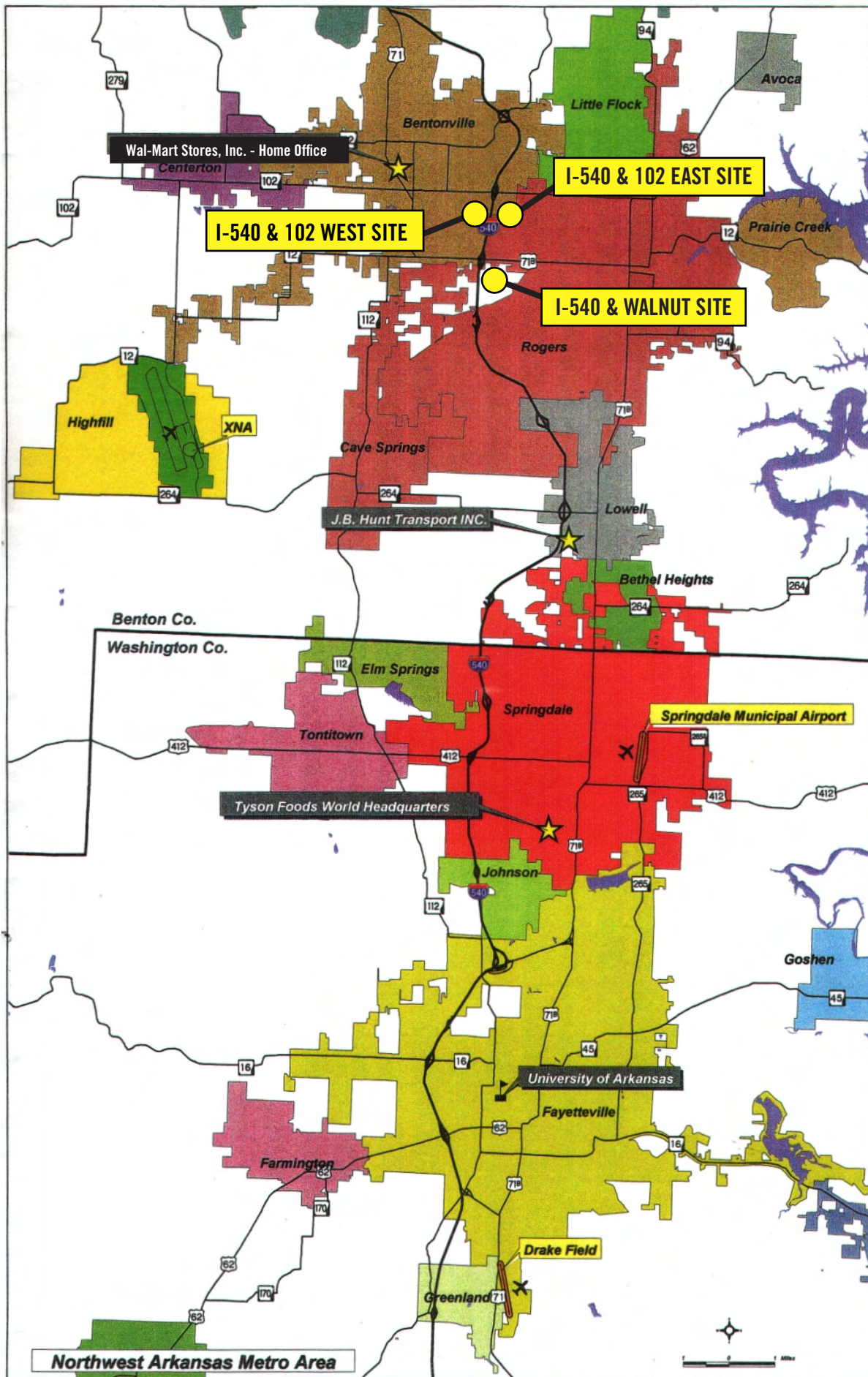
ENGINEERS • SURVEYORS • LABORATORIES • DRILLING

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DJB
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DEC. 2008
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FIELD BY:
FIELD NO.:
SHEET NO.:
1



Best Performing Cities: Largest 200 City List

Our top 20 best performing cities among the largest 200 metropolitan areas reflect an assorted group of communities. A common key attribute among this year's list was diversity of economic base. Communities with a university presence, sizeable government employment, an array of service-based industries and population driven growth fared very well. Additionally, those with clusters of biotech/bioscience activities performed admirably. Most of the metros on the list are fairly steady, stable performers over the long term.

Top 20 Best Performing Cities
Composite index

| 2003 Rank | Rank, Year Ago | Metro | Index |
|-----------|----------------|--------------------------------------|--------|
| 1 | 23 | Fayetteville-Springdale-Rogers, AR | 100.00 |
| 2 | 3 | Las Vegas, NV-AZ | 120.00 |
| 3 | 37 | Fort Myers-Cape Coral, FL | 123.08 |
| 4 | 12 | West Palm Beach-Boca Raton, FL | 138.77 |
| 5 | 1 | San Diego, CA | 149.23 |
| 6 | 7 | San Luis Obispo-Atascadero, CA | 151.08 |
| 7 | 16 | Laredo, TX | 180.31 |
| 8 | 9 | Brownsville-Harlingen-San Benito, TX | 183.38 |
| 9 | 5 | McAllen-Edinburg-Mission, TX | 186.46 |
| 10 | 50 | Monmouth-Ocean, NJ | 186.46 |
| 11 | 48 | Anchorage, AK | 194.15 |
| 12 | 20 | Raleigh-Durham-Chapel Hill, NC | 197.23 |
| 13 | 41 | Chico-Paradise, CA | 206.46 |
| 14 | 4 | Ventura, CA | 207.38 |
| 15 | 18 | Sacramento, CA | 210.46 |
| 16 | 33 | Houma, LA | 215.08 |
| 17 | 15 | Vallejo-Fairfield-Napa, CA | 219.08 |
| 18 | 36 | San Antonio, TX | 223.08 |
| 19 | 28 | Washington, DC-MD-VA-WV | 226.15 |
| 20 | 11 | Riverside-San Bernardino, CA | 228.92 |

Source: Milken Institute

California has been in the national spotlight in recent months for its ongoing difficulties in Silicon Valley and throughout the Bay Area following the bursting of the tech bubble, as well as for its \$35 billion budget deficit, still, the state had seven metros in the top 20. This was down from nine last year, but a noteworthy performance. The state of Texas placed four metros in the top 20 and Florida has two. The South had four other metros and the West had two additional ones. There are no metros from the Midwest and only one from the Northeast, indicative of the extent of the downturn in manufacturing activity over the past couple of years and long-term competitiveness problems.

NEW YORK TIMES

Archive

October 29, 2003, Wednesday

BUSINESS/FINANCIAL DESK

COMMERCIAL REAL ESTATE; Growth Spurt Accelerates In Wal-Mart's Backyard

By **TERRY PRISTIN (NYT)** 1383 words

BENTONVILLE, Ark. - Rising steps away from Wal-Mart's warehouse-style world headquarters is Bentonville Plaza, a nine-story brick-and-concrete building that will offer an amenity that has not been seen before in this mostly rural but fast-growing corner of northwest Arkansas: a concierge.

The mention of a concierge in the leasing brochure for the 256,000-square foot building has proved a little ticklish for the people seeking tenants among companies that sell goods to Wal-Mart, whose own offices are famously spartan.

The leasing agent for Bentonville Plaza, Tommy L. Van Zandt, hastened to explain that the concierge would not be "someone to get you dinner reservations" but rather someone to coordinate shipments and deliveries. "The need in this area is not for opulence," said Mr. Van Zandt, a managing director of Irwin & Saviers, a real estate services company based in Little Rock. "The need is for usability"

But upscale trappings are perhaps inevitable in a region experiencing a construction boom. Bentonville Plaza, where annual asking rents have set a record -- as much as \$27 a square foot without utilities -- will also have a gym for its tenants. Pinnacle Point, an office park in neighboring Rogers, has a popular market that carries sushi, paella and artisan bread.

Since 1990, the population in this metropolitan area, which extends from Rogers south to Fayetteville, has mushroomed from about 211,000 people to more than 330,000, much of it fueled by Wal-Mart's eagerness to have its suppliers close at hand. Although grazing cows and poultry houses remain a common sight along the two-lane roads and also Interstate 540, the major north-south artery, the rural landscape is now punctuated by office buildings.

With a median annual family income of about \$44,000 and fewer than 3,000 families earning over \$150,000 a year, this is far from a wealthy region. But Rogers now boasts two gated communities with golf courses and some million-dollar homes. The Milken Institute, a nonprofit research organization, recently named Fayetteville the nation's top-performing metropolitan area based on job, wage and technology growth.

Jeff Collins, the director of the University of Arkansas Center for Business and Economic Research, projects that the region's population will double by 2025. In addition to Wal-Mart, several other major corporations are based in the area, including Tyson Foods, the world's largest meat producer, and J.B. Hunt Transport Services, the giant trucking company.

Procter & Gamble, Wal-Mart's largest supplier, has had offices in Fayetteville, where the University of Arkansas is situated, since the 1980's. But much of the recent growth has been about 30 miles to the north, especially in Bentonville and Rogers, where the streets are lined with hundreds of low-slung buildings, many of them developed by home builders in the mid-1990's, with brand-name tenants like Hallmark, Hershey and Coors. Typically, these corporate offices are equipped with retail displays so that Wal-Mart buyers can see

how new products will look on store shelves.

Of the area's 2.1 million square feet of higher-grade office space, 365,000 has been completed since the beginning of last year, according to David Erstine, a market researcher for Reed & Associates, an appraisal company. The new space actually represents a higher proportion of the Class A space, the most modern and best-equipped offices, Mr. Erstine said, because his company plans to downgrade many of the older buildings.

Aside from Bentonville Plaza, a joint venture between Pitcairn Properties of Philadelphia and FBE Ltd. of New York, which is expected to be completed in July, most of the new office space lies along I-540 in Rogers. It includes Pinnacle Point, two five-story buildings with a total of 50,000 square feet each and 50,000 square feet of retail; Barrington Center, two four-story buildings with 65,000 square feet each, developed by a local company, Cooper Realty Investments; and the six-story J. B. Hunt Parkway Towers, with 100,000 square feet.

Pinnacle Point and Parkway Towers are owned by the Pinnacle Group, a partnership led by Mr. Hunt, the trucking company's 77-year-old founder, who has an 8,000-square-foot apartment in the building.

As many hotels across the country struggle with vacancies, a 245-room Embassy Suites Hotel that opened near the Parkway Towers in May was fully occupied one night in the middle of this month. The hotel's developer, John Q. Hammons of Springfield, Mo., has announced plans for a 100,000-square-foot convention center and a 250-room Marriott hotel.

Opened just three years ago with only a 12-screen movie theater, the Scottsdale Center in Rogers now has two dozen restaurants and stores, including big-box retailers like Barnes & Noble, Kohls and Lowes.

And much more development is planned. In 2005, Wal-Mart expects to open a 203,000-square-foot superstore in Rogers, its third in Benton County. The store will be part of Pleasant Crossing, a mixed-use project that a local developer, Charles Reaves, expects to build eventually on 343 acres of land east of I-540.

Mr. Hunt's Pinnacle Group, which also manages the offices and retail space at Pinnacle Point, recently unveiled plans to build two additional 16-story office and condominium towers with 325,000 square feet each near Parkway Towers and a 500,000-square-foot outdoor shopping center that would be similar to those in affluent suburbs.

One of Mr. Hunt's partners, Bill W. Schwyhart said that many retailers still thought of the area as a Southern backwater. "Arkansas is not on anybody's radar screen," he said. "We have to show them that this is where they need to be."

One selling point, according to John J. Schupp, a senior vice president of the real estate services company Jones Lang LaSalle, which has been advising the Pinnacle Group, is that Arkansas is underserved in retailing, with only 11 square feet per capita, compared with a national average of 21. Northwest Mall in Fayetteville is the area's only regional shopping center.

Local real estate specialists agreed that additional retailing space would be welcome. At the same time, some say that the office market may already be overbuilt. Dewitt H. Smith, the president of Cooper Realty Investments, said that two years after his 130,000-square-foot Barrington Center project opened, about 25,000 square feet remained vacant. "We've been aggressively pursuing deals, but the market is just soft," he said. "The scale of overbuilding in relation to the size of our market seems to me to be excessive."



U.S. News & World Report

JUNE 25, 2001

www.usnews.com

U.S. NEWS

Boomtown, U.S.A.

In Arkansas, a new economy—and an unlikely Xanadu

BY JEFF GLASSER

BENTONVILLE, ARK.—Sam Walton would not recognize the place. The famously unassuming Wal-Mart founder spurned foreign cars for his red Ford pickup, and he expected his employees to shun a “big showy lifestyle.” But today in Mr. Sam’s parking lot at Wal-Mart headquarters here, Mercedes Kompressor convertibles shine in the sun alongside BMW M3s. Not far away, Wal-Mart’s chief executive and senior vice president live in splendor at Pinnacle, the area’s first gated community and its most exclusive country club. Their neighbor, Red Hudson, a re-

tired multimillionaire meatpacker, has built a 17,784-square-foot mansion there—complete with Italian marble and Minnesota stone—for a much-gossiped-about \$10 million. Across the new Interstate 540 from Pinnacle, trucking titan J. B. Hunt is trying to erect his own Xanadu, with a dozen deluxe office and condominium towers, a hospital, and, in a first for the region, a skyline. “Everything’s a poppin’,” says the 74-year-old Hunt as he tools around the site in his tan GMC Sierra truck. “In the next five years, the weeds will be a city.”

Much of the country might dismiss Arkansas as an Al Capp caricature, native son Bill Clinton notwithstanding. Even locals joke that the state

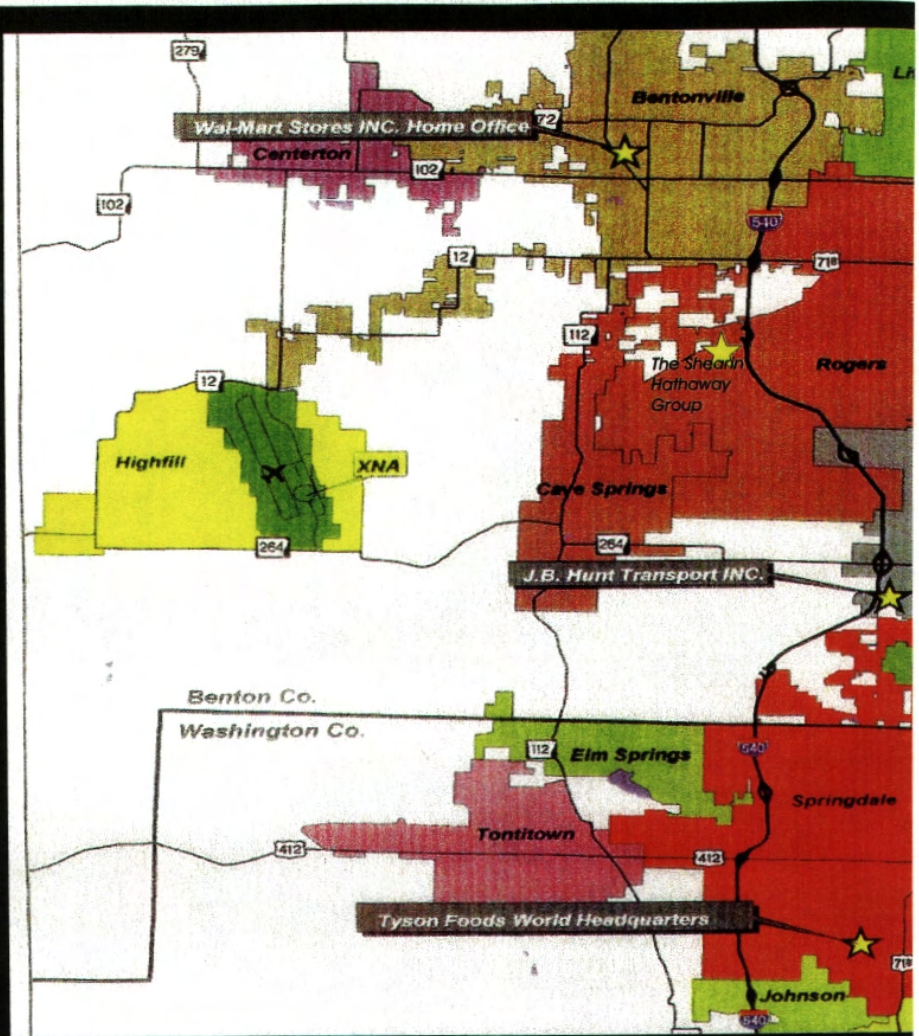
motto should be changed to "Arkansas: Literacy ain't everything." But that old stereotype no longer fits the state's bustling northwest shoulder. This is a 21st-century boomtown, a monument to the postindustrial service economy, and, surprisingly, the nation's sixth-fastest-growing metropolitan area. There are new roads, new schools, new homes, and, by the tens of thousands, new residents.

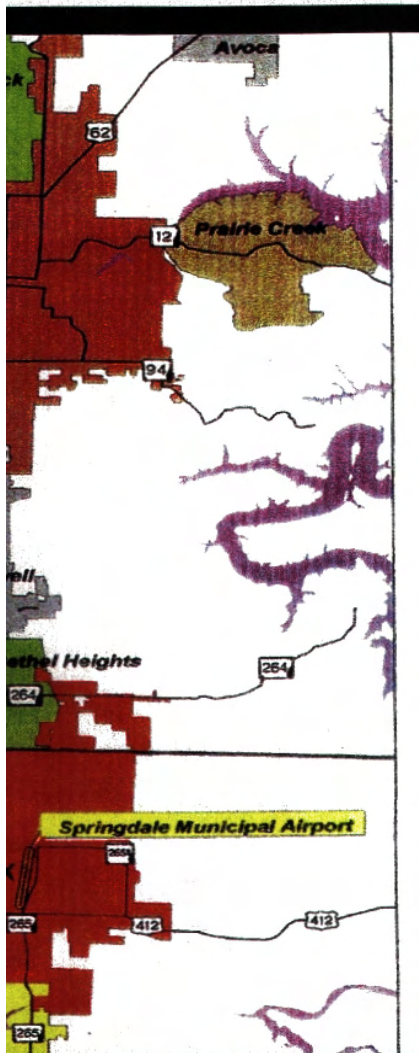
More than 310,000 people live here on 1,800 square miles of the Ozark Plateau. In Benton County alone, the population rose 57.3 percent in the past 10 years. Some worry that such explosive growth will run roughshod over the natural pleasures of lush forests, pristine lakes, and limestone bluffs and the go-slow quality of life that has been the region's lure; others see rainbows in the nouveau-riche way of life.

"Privatopias." There's an almost numbing sameness to much of the new development, that Suburban States of America quality of strip malls (with trite names like Beau Terre) and subdivisions (like Pleasant Acres) galore. Residents are also getting their first taste of rush-hour traffic. "You can barely move," grumbles Samantha Hamilton. The furious commercial construction along local highways is rapidly blurring the borders between towns. "It's going to be like the metroplex in Fort Worth," says Kathie Henson, a Benton County planning assistant. "It all just blends together. You don't know when they stop and when they start."

Historically, there has been little to suggest the region would be a magnet for much of anything. In the early 1900s, its bountiful apple orchards provided much of its economic base, until an unrelenting dry spell in the 1930s wiped out the business, and many Arkies fled. Today, the area has become a draw even for refugees from sunny California. Yet, as contractors pound out all of the wrinkles and reshape them into one homogenous, commercial whole, the Golden State emigrants might have trouble distinguishing their new home from any other suburban American enclave. "Privatopias" of subdivisions around cul-de-sacs sans sidewalks, look-alike homes, and three-car garages may appeal to some, but others consider them charmless clusters. "We're making all the mistakes every other place makes as it develops," says Bill Schwab, a University of Arkansas sociologist. He worries, too, about a widening gulf between the haves and have-nots.

It wasn't that way when would-be barons like Walton, Hunt, and Don Tyson got their start. Tyson's "daddy" arrived in a battered truck 70 years ago and survived by hauling poultry to Chicago. By 1947, he had incor-





VIN' UP

ore sprawl, less drawl

explosive growth in Northwest Arkansas has brought with it some of the same changes seen in other boomtowns across the country. Hispanic immigrants have flooded the area, lured by construction and factory jobs. The process of assimilation has had many successes, such as large dance gatherings (above). But there have also been uneasy times and tensions, as with a recent racial profiling case filed by some Hispanic residents in Bentonville. The boom also has meant a burst of commercial activity as strip malls and chain restaurants compete for space, stretching the area and stretching its resources (left).



porated his chicken business. Two decades later, Hunt, a trucker with a seventh-grade education and a silky business touch, bought his first rigs and carried Ralston Purina's local feed. And in 1950, an eccentric entrepreneur named Sam Walton opened a five-and-dime store on the main square in what his wife, Helen, called "a sad-looking country town" of fewer than 3,000 people. Two years later, Walton launched a second store in Fayetteville. Wized locals gave him 60 days before Woolworth's would run him out of business. So much for their soothsaying.

The rest of the story is now local legend. Wal-Mart, Tyson Foods, and J. B. Hunt Transport became a recession-proof triad of money and power, and tiny Bentonville grew in tandem, its population soaring by 557 percent in 40 years, to 19,730 people in 2000. Neighboring Rogers mushroomed by 682 percent, from 4,962 in 1950 to 38,829 in 2000. Scores of residents who bought in early to Walton's concept became magnificently wealthy through their holdings of Wal-Mart stock. "I'm 43 years old, and I could retire if I wanted to," says Loretta Hartgrade, a manager who built her dream home with stock proceeds from 25 years at Wal-Mart.

The economic benefit is undeniable—but at what price? Wal-Mart's hometown now seems as much theme park as real. Walton's original Five and Dime is a museum. Along Walton Boulevard, a prefab silver Denny's Diner competes with Ruby Tuesday, Dairy Queen, and the other familiar chains. The mother of all Wal-Mart Supercenters offers everything from groceries to tuneups. There's a \$1.9 million project in the works to transform the downtown into a quaint square with brick-lined walkways and retro lamps, a plan critics say is a tacky attempt to fabricate a small-town atmosphere. On the residential side, McMansions have risen in outer developments like Stonehenge that ring downtown Bentonville, encircling the shotgun ramblers built closer to town. The average house price has soared 73 percent in 25 years to \$135,000, and \$1 million homes are no longer a rarity. Bentonville attorney Gary Kennan says the area has changed from a friendly town without stoplights into a divided small city that's "very wealthy and very poor and little in between."

Charity at home. That may be a bit harsh, considering the new churches, boys and girls clubs, and youth sports facilities subsidized by the area's richest denizens. Earlier this year, retired Wal-Mart millionaire Ferold Arend and his wife, Jane, donated another \$5 million to the new \$18.5 million Bentonville High School for an auditorium and arts center. "If people

wanted to live based on their net worth, you'd see a whole lot more wealth than you're seeing now," says David Short, president of the Walton-owned Bank of Bentonville. A flood of new wealth, though, is likely in Bentonville. In the next five years, thousands of well-heeled Wal-Mart suppliers are expected to move into the region to service their main customer, perhaps doubling the population. The \$107 million airport built in 1998 near Bentonville on 2,700 acres of cow pasture is also sure to spur development. Five airlines now offer direct jet service to nine cities, including New York and Chicago. Plus there are 66.7 miles of new Interstate 540, one of only seven "high priority" future federal highways.

Hunt salivates at the growth potential. Bored with retirement, he used some of his \$252 million fortune to put up South Fork, a 970-home development named after J. R. Ewing's mythical spread on TV's *Dallas*. His partner in that project was Gary Combs, Don Tyson's son-in-law. Their latest grand plan is to transform Rogers, the stepsister among the four major towns, into the Cinderella city. Until recently, Rogers served primarily as a bedroom community for Wal-Mart, Tyson, and Hunt employees. Stench from broiler chicken houses on the fringes of downtown limits its appeal somewhat, but the new interstate along the rural western flank has suddenly made smelly Rogers more fetching. "I look at it as a clean sheet of paper that you can put a city on," says Combs.

On the blank slate, Combs and Hunt have drawn up the dozen towers looking down both sides of the freeway. Twin 20-story deluxe condominiums would stand perched on a hill. "There's a fantastic view," Hunt claims. (It's of the highway.) There would also be a hospital, medical park, shopping center, and offices for Wal-Mart vendors. In July, construction is scheduled to start on a \$35 million, 10-story Embassy Suites hotel. Overall, Hunt and Combs project \$1 billion will be spent to bring 15,000 to 20,000 people to their "city" in five years.

If Hunt had his druthers, the new community would be called the Pinnacle. But locals like Jacqueline and Pat Patterson would probably call it the pits. The Pattersons bought a house at the Manors last fall; they put in a pool and a wooden fence to keep out the cows grazing in surrounding pasture they thought was protected. Now Hunt's "city" is creeping within one farm of their home. "I'm not going to be sitting in *High Noon* at my backyard," Pat Patterson, a retired Wal-Mart vendor, said acidly at a City Council meeting. He told the developers,