

THE SKYLINE REPORT

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First Half of 2022

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Commercial Real Estate Summary For Benton and Washington Counties

This report is the forty-sixth edition of the Skyline Report for Benton and Washington Counties—Commercial 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 commercial real estate market. The information contained in the Skyline Report is critical for lenders, developers, contractors, and potential lessees. The Northwest Arkansas commercial real estate market is fragmented with many local and national commercial real estate professionals competing to serve the needs of a burgeoning business community. Having current information and analysis provides a competitive advantage over those who make decisions without the benefit of hard data.

Highlights from the First Half of 2022

In the first half of 2022, there were 1,756,640 square feet of positive absorption and 521,750 new square feet of commercial space, leading to net positive absorption of 1,234,890 square feet in the Northwest Arkansas market. The overall vacancy rate was 5.8 percent, down from 8.3 percent in the second half of 2021.

The warehouse submarket had overall positive absorption of 771,000 square feet, while 229,000 new square feet, were added in the first half of 2022, leading to net positive absorption of 542,000 square feet. The Northwest Arkansas warehouse vacancy rate decreased from 5.3 percent in the second half of 2021 to 0.8 percent in the first half of 2022.

50,820 new square feet, 44,820 of it medical space, were added in the office submarket, while 162,166 square feet were absorbed, leading to net positive absorption of 111,346 square feet in the first half of 2022. The office vacancy rate decreased to 9.1 percent from 10.0 percent in the second half of 2021.

Within the retail submarket, there was overall positive absorption of 183,442 square feet, while 20,000 new square feet entered the market, leading to net positive absorption of 163,442 square feet. The retail vacancy rate decreased to 7.9 percent in the first half of 2022 from 9.5 percent in the second half of 2021.

In the office/retail submarket, there was positive absorption of 94,376 square feet, while 29,175 new square feet of office/retail space entered the market in the first half of 2022, leading to net positive absorption of 65,201 square feet. The office/retail vacancy rate decreased from 9.6 percent in the second half of 2021 to 8.2 percent in the first half of 2022.

From January 1 to June 30, 2022, there were \$293,724,701 in commercial building permits issued in Northwest Arkansas. In comparison, there were \$397,893,305 in permits issued in the second half of 2021.

Report Structure

The Skyline Report presents an analysis of data from three primary sources. Information on the entire population of commercial property is gathered from the offices of the Benton and Washington County Assessors. These data sets are then filtered to exclude properties that are not part of the competitive leasing market. These excluded properties include owner-occupied buildings and other dedicated spaces. Additionally, commercial properties that do not meet certain minimum size criteria (detailed on page 8) are also filtered from the base of commercial properties considered. As a second source of data, building permit information is collected from the relevant divisions in Northwest Arkansas city governments. Finally, availability, lease rates, and other characteristics of competitive commercial properties are obtained from a panel of the largest commercial property owners and managers in Northwest Arkansas. Each of the three types of information that is collected gives a unique but critical perspective of the local commercial property market. Without understanding what the universe of commercial properties looks like at the beginning of a period, the scale of available space for lease is meaningless. Likewise, the data that come from building permits paint a picture of what market additions are imminent. Only after setting the stage with these two perspectives do vacancy rates and market absorption numbers have real value.

In order to provide yet another level of perspective on the Northwest Arkansas commercial property market, the Skyline Report contains an overview of national and regional macroeconomic conditions. Ultimately, the real estate market is subject to the same fundamental forces that shape the rest of the economy, so having a broader view of current issues provides insights into potential challenges and opportunities for commercial property development.

To this end, the Skyline Report begins with an economic overview. First, national output and employment issues are discussed, followed by the discussion of short-term and long-term interest rate prospects. Then, recent regional economic statistics, focusing on regional employment trends, are presented. After the economic overview, the results of some focus group discussions with commercial property developers and managers are summarized in order to supplement the hard data with anecdotal evidence from market participants about regional trends.

After the summary of local perceptions, the first half of 2022 numbers for total commercial property square feet and building permit data are presented. Within the total square feet table, a breakdown of property type by city is provided. Also, the square footage of competitive commercial property for which the 251 panelists provide information is broken down by city and the percentage of coverage of the competitive market is calculated. A table containing publicly announced new commercial real estate projects is presented after the summary of building permit data. This table is meant to provide an indication of the future direction of the Northwest Arkansas commercial property market. As many of these projects are still in the conceptual phase, hard data is incomplete and subject to change. This period, the announced data was examined particularly closely. Project locations were checked and developers were contacted regarding the projects from the previous Skyline report.

Following the tables of announced commercial projects, hotels, and restaurants is a trend summary that includes information about vacancy rate and available space trends. There are also three tables summarizing the results from the most recent time periods. The first table presents vacancy rates by submarket for the first half of 2021, and the second half of 2021, in addition to the first half 2022. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

The next four sections present analyses of Northwest Arkansas submarkets by type of space. The office submarket is examined first, followed by the office/retail, retail, warehouse, office/warehouse, and retail/warehouse submarkets. Following these sections are commercial property summary statistics by city. There are sections for Bella Vista, Bentonville, Fayetteville, Johnson, Lowell, Rogers, Siloam Springs, and Springdale.

Finally, a section on how to interpret the numbers contained in the report and a description of the commercial property classification system are offered. By aggregating and analyzing data from a variety of sources, the Skyline Report is unique in its perspective on the Northwest Arkansas commercial property market. The information should be useful to anyone with an interest in the current workings and projected course of commercial real estate in Benton and Washington Counties.

It is helpful to look at some key macroeconomic statistics in order to get a sense of the Northwest Arkansas commercial real estate market. The rate of activity in the Northwest Arkansas commercial real estate market is dependent upon two general factors: those that are specific to the region and those that are national in nature. The following discussion highlights some of the statistics that indicate the direction of the macro economy.

Local Perceptions

In each reporting period, Center for Business and Economic Research staff members discuss market conditions with a panel of commercial developers and property managers to gain insights into the current commercial real estate market in Benton and Washington Counties. Over the course of these conversations, held from April through June, respondents discussed demand and supply drivers across the commercial, multifamily, and residential markets. The impact of the Fed's interest rate increases was identified as a key concern as well as ongoing supply chain and labor market issues. Concerns about short term uncertainty were often expressed in the conversations, but more respondents maintained a strongly positive long-run outlook.

Every market sector showed strong demand according to the Skyline respondents, with warehouse demand the strongest. Several respondents said there is practically no warehouse space available for clients. New warehouse developments and mini-storage facilities are being planned across the region to meet the needs of the growing population of homeowners and renters, of homebuilders, commercial builders, commercial tenants, and retail tenants. Additionally flex warehouse (office/warehouse and retail/warehouse) demand is extremely strong from skilled trades such as electricians and plumbers.

Panelists reported again that firms already located in Northwest Arkansas, as well as firms looking to come to Northwest Arkansas are ready and willing to pay higher lease rates for higher quality space. Many firms view this as necessary to bring workers back to the office and compete for new workers. Additionally, the high construction costs necessitate higher lease rates which means new construction is marketed as Class A office space. However, Class B demand continues to remain strong in the region and most respondents believe it will stay strong into the future. This was a change from pre-pandemic perceptions that Class B was going to become obsolete and see higher vacancy rates and massive repurposing. The price differential (\$10 to \$12 a square foot) encourages value conscious and new firms to locate in Class B space. Also, many of the owners of Class B office space are reinvesting in the properties, not just with paint and flooring, but with new electronic capabilities, new HVAC systems, and office park amenities such as gyms, spas, and small eateries. Nonetheless, there is little or no new Class B office space on the drawing boards for the near future as land and construction costs would require higher lease rates generally associated with Class A space. Medical office space is an exciting prospect for most respondents as they see tremendous growth over the next several years, led by the initiatives of Alice Walton. Significant medical space projects are either under construction, on the drawing board, or being considered across Northwest Arkansas.

Retail demand was also reported to be strong by respondents. One panelist referred to the 'convenience mentality' describing demand for car washes, oil changes and other simple car care facilities, fast casual restaurants with delivery and take-out options. Other panelists discussed demand for small retail and office/retail spaces including hair and nail salons, spa's, walk-in medical care, and mental health care. Even with the initial interest rate increases panelists said demand for new space for restaurants and other fast retail service like car washes remained strong. This is likely to lead to construction of new, well located, strip retail. Most respondents do not see much big box retail construction happening beyond the addition of Mathis Brothers Furniture and perhaps some large-scale fitness centers. New grocery stores, including Whole Foods, are expected to meet the growing population.

The multifamily housing market remains extremely hot with the steady population growth. Builders were confident about the prospects for multifamily development beyond the areas around the University of Arkansas or Pinnacle Hills. Respondents continue to report anecdotal accounts of tenants moving from higher priced metros to Northwest Arkansas. There were also some reports of large numbers of tenants coming from outside the United States, particularly from India. The high level of amenities is attracting households who might rent instead of buy and waiting lists remain common in this low vacancy environment. Panelists said investors remain bullish on Northwest Arkansas as the growth potential seems strong for years given the underlying fundamentals of Walmart and the Waltons, Tyson, JB Hunt, and the University of Arkansas.

Residential housing also continues to show strong demand even as interest rates climb. However, some respondents are concerned there might be overbuilding in certain areas and prices points particularly Centerton and the over \$500,000 price range. New single family rental subdivisions are being planned and constructed, though there is some uncertainty about the business model with higher interest rates.

For each submarket, higher interest rates, higher construction costs, supply chain and labor supply shortages are slowing construction. Panelists feel interest rates between 7 and 8 percent would put a stop to most new development but interest rates between 5 7 percent will cause a slowing but not a stoppage of most projects. Some respondents think if interest rates

Local Perceptions

remain in the 5 percent range it might have a salutary effect on the region. In the commercial and multifamily markets, interest rates in the 5 percent range will require more attention to details in the project planning and financing and will lead to stronger projects in the long run. In the residential market, it might mean more single-family homes will be left for home buyers rather than investors. Another effect might be a tapering of demand for resources due to slowing the pace of construction and that should ease some construction costs. Further, if the pace of construction slows, that might stabilize land prices which have been rising far too quickly. In addition to continued supply chain issues for things such as concrete, cabinets, and tile, respondents reported on transformer shortages that can heavily impact residential building (a commercial transaction with Walgreens also fell through because of the transformer issue). It was reported that Siloam Springs is temporarily delaying approval of new subdivisions until a supply of transformers can be obtained. Another respondent mentioned dehumidifiers being in short supply due to demand from indoor marijuana growers. In general, respondents expect supply chain issues to continue into next year and stated it makes planning harder and adds time to the whole building process. When discussing the role of cities in making buildings more affordable, several respondents said it is more important for cities to develop streamlined processes and hire and train more staff, as opposed to reducing regulations. Labor supply issues continued to impact the speed of building as well. The continued construction of the Walmart Home Office is impacting labor and materials, particularly concrete. Some panelists discussed the possibility of small batch plants being built for job sites to alleviate the concrete shortage.

Concerns about economic uncertainty, particularly interest rate hikes and supply chain issues, remain strong for 2022 and 2023, but respondents believe Northwest Arkansas will see growth in 2024. Panelists reiterated that Northwest Arkansas is on the national radar across the board and there is a noticeable amount of people looking to move here on their own, not just because of recruitment. Panelists point to the broad regional investments in amenities, education, and the medical sector made by Walmart and the Waltons, the growth of Tyson and JB Hunt over the past year, as well as the perception that the Tyson and Hunt families are increasing their investments in regional amenities.



Local Perceptions

Positive Factors:

- Continued population growth in the MSA, including the smaller cities
- Construction of the new Walmart Home Office
- Growth in the healthcare sector creating demand for new Medical Office space
- Growth in the healthcare sector creating new high paying jobs
- Increase in business start-ups leading to demand for office and retail space
- Growth of existing businesses creating demand for new Class A office space
- Demand for Class A office space to attract talent to Northwest Arkansas
- Development of mixed use live-work-play communities
- Leveraging the trail system as a selling point for commercial space
- Continuing creation of amenities for various age groups in Northwest Arkansas:
- Bike Trails, Skate parks, Museums, Music Venues, City Parks
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

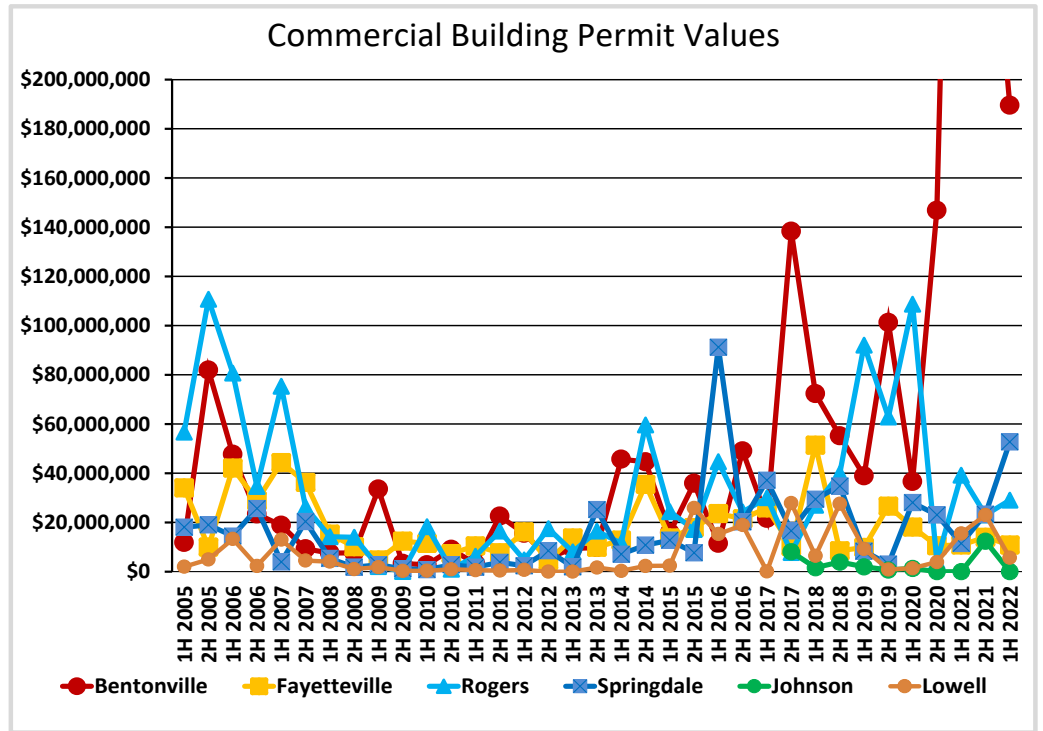
Negative Factors:

- Higher interest rates
- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Shortage and inexperience of City Staff
- Infrastructure needs and costs
- Over building in the Pinnacle Hills multifamily markets
- Residential over building in Centerton



Building Permits

Building permit data from the past twelve years is presented for six major cities in Northwest Arkansas. Building permit data are seasonal in nature and show large fluctuations in square footage and value from half to half. Moreover, any particularly large project can skew the numbers immensely. Building permit data are also city-specific. Only the cities of Bentonville, Fayetteville, and Siloam Springs present square footage data, while only Bentonville and Fayetteville break out the different types of commercial property. A standardization of building permit applications in the region would provide superior data for comparison purposes.



From January 1 to June 30, 2022, \$293.7 million commercial building permits were issued in seven major cities in Northwest Arkansas, Bentonville, Fayetteville, Johnson, Lowell, Rogers, Siloam Springs, and Springdale.



In the first quarter of 2022, over \$120.6 million in commercial building permits were issued. In the second quarter, over \$173.1 million in building permits were issued. In the first half of 2022, Bentonville had the greatest share of building permit value with 64.5 percent. Springdale followed with 18.0 percent, then Rogers with 9.9 percent, Fayetteville with 3.7 percent, and Siloam Springs and Lowell with 3.5 percent and 2.0 percent, respectively. There were no commercial building permits issued in Johnson in the first half of 2022.

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
April - June 2022	\$123,599,792	\$2,690,000	\$0	\$5,294,435	\$11,170,162	\$3,808,850	\$26,606,028	\$173,169,267
Jan - March 2022	\$65,951,134	\$8,174,711	\$0	\$339,009	\$17,857,600	\$2,105,000	\$26,127,980	\$120,555,433
Oct - Dec 2021	\$234,058,815	\$3,613,127	\$6,500,000	\$9,104,241	\$5,158,428	\$0	\$8,346,278	\$266,780,889
July - Sept. 2021	\$68,057,621	\$10,347,530	\$5,904,000	\$13,909,667	\$17,863,859	\$0	\$15,029,738	\$131,112,415
April - June 2021	\$474,818,460	\$9,926,517	\$0	\$12,051,829	\$17,584,075	\$36,250,000	\$8,059,007	\$558,689,888
Jan - March 2021	\$57,868,237	\$923,840	\$0	\$3,466,762	\$21,584,948	\$1,150,000	\$3,369,449	\$88,363,236
Oct - Dec 2020	\$93,718,136	\$8,781,903	\$0	\$2,161,011	\$3,320,307	\$200,000	\$23,070,264	\$131,251,621
July - Sept. 2020	\$53,146,422	\$1,733,000	\$0	\$1,710,273	\$871,350	\$97,500	\$0	\$57,558,545
April - June 2020	\$7,872,202	\$4,539,226	\$0	\$1,384,169	\$16,407,953	\$500,000	\$11,376,474	\$42,080,023
Jan - March 2020	\$28,760,325	\$13,563,927	\$1,309,680	\$0	\$92,262,020	\$1,500,000	\$16,695,901	\$154,091,853
Oct - Dec 2019	\$74,410,564	\$21,261,745	\$678,435	\$0	\$44,905,617	\$850,000	\$744,962	\$142,851,323
July - Sept. 2019	\$26,866,194	\$5,359,405	\$0	\$862,000	\$17,941,362	\$1,311,274	\$2,319,131	\$54,659,366
April - June 2019	\$24,734,606	\$7,848,461	\$1,956,100	\$1,596,716	\$34,523,248	\$3,435,272	\$2,632,279	\$76,726,682
Jan - March 2019	\$14,177,844	\$1,950,000	\$0	\$7,630,590	\$57,561,131	\$2,639,336	\$5,713,932	\$89,672,833
Oct - Dec 2018	\$2,781,412	\$1,925,538	\$0	\$24,547,504	\$29,223,531	\$0	\$28,908,633	\$87,386,618
July - Sept. 2018	\$52,379,644	\$6,582,444	\$3,873,492	\$3,033,251	\$10,590,898	\$39,080	\$5,909,232	\$82,408,041
April - June 2018	\$29,647,741	\$36,503,927	\$672,332	\$6,430,700	\$14,852,917	\$1,752,620	\$27,596,786	\$117,457,022
Jan - March 2018	\$42,659,355	\$14,896,335	\$933,120	\$0	\$12,128,964	\$181,446	\$1,853,013	\$72,652,233
Oct. - Dec. 2017	\$15,703,722	\$1,088,272	\$2,965,620	\$24,474,140	\$1,927,690	\$1,928,435	\$8,808,035	\$56,895,914
July - Sept. 2017	\$122,656,773	\$9,140,191	\$5,107,550	\$3,396,926	\$5,846,637	\$1,347,500	\$7,793,380	\$155,288,957
April - June 2017	\$14,303,886	\$11,372,807	\$0	\$24,408,936	\$1,412,000	\$14,033,069	\$65,530,698	
Jan - March 2017	\$7,336,615	\$14,513,326	\$84,000	\$5,648,091	\$576,141	\$23,123,353	\$51,281,526	
Oct. - Dec. 2016	\$15,844,261	\$9,443,954	\$4,445,138	\$8,574,715	\$0	\$3,813,727	\$42,121,795	
July - Sept. 2016	\$33,180,166	\$12,004,863	\$14,474,766	\$15,710,115	\$3,339,470	\$16,415,992	\$95,125,372	
April - June 2016	\$3,186,128	\$21,574,412	\$4,617,536	\$9,205,408	\$20,222,189	\$87,682,358	\$146,488,031	
Jan - March 2016	\$8,282,426	\$2,018,785	\$10,653,719	\$35,473,387	\$0	\$3,569,037	\$59,997,354	
Oct. - Dec 2015	\$29,243,802	\$10,076,938	\$23,090,780	\$7,179,197	\$1,030,000	\$6,980,305	\$77,601,022	
July - Sept. 2015	\$6,656,778	\$7,819,300	\$2,772,080	\$9,939,946	\$7,303,878	\$707,070	\$35,199,052	
April - June 2015	\$8,520,763	\$9,878,384	\$2,437,861	\$20,234,817	\$6,095,000	\$4,157,720	\$51,324,545	
Jan - March 2015	\$7,316,156	\$3,829,883	\$0	\$4,115,779	\$0	\$8,617,653	\$23,879,471	
Oct. - Dec 2014	\$15,077,940	\$23,716,086	\$942,443	\$41,437,354	\$298,450	\$5,456,402	\$86,928,675	
July - Sept. 2014	\$29,512,908	\$11,744,678	\$1,375,887	\$18,199,323	\$420,000	\$5,311,744	\$66,564,540	
April - June 2014	\$14,880,491	\$6,352,097	\$299,768	\$8,944,856	\$700,000	\$6,286,894	\$37,464,106	
Jan. - March 2014	\$30,816,399	\$6,462,060	\$0	\$2,620,482	\$0	\$807,905	\$40,706,846	
Oct. - Dec. 2013	\$5,614,108	\$5,227,632	\$1,662,604	\$4,322,282	\$0	\$18,725,840	\$35,552,466	
July - Sept 2013	\$4,147,738	\$4,642,389	\$0	\$12,137,965	\$0	\$6,472,554	\$27,400,646	
April - June 2013	\$9,413,479	\$3,035,704	\$0	\$3,930,130	\$2,165,090	\$1,572,774	\$20,117,177	

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Jan. -March 2013	\$0	\$10,686,133		\$0	\$4,122,942	\$0	\$359,328	\$15,168,403
Oct - Dec. 2012	\$4,327,940	\$3,953,149		\$0	\$8,474,647	\$1,795,000	\$5,378,894	\$23,929,630
July - Sept. 2012	\$1,221,000	\$537,447		\$0	\$9,026,238	\$2,083,115	\$3,121,673	\$15,989,473
April - June 2012	\$13,126,525	\$15,157,427		\$0	\$3,702,000	\$0	\$0	\$31,985,952
Jan. -March 2012	\$2,386,772	\$1,015,056		\$709,949	\$1,027,000	\$0	\$2,373,879	\$7,512,656
Sept. - Dec. 2011	\$21,094,402	\$5,907,082		\$0	\$16,450,594	\$0	\$1,455,757	\$44,907,875
June - August 2011	\$1,445,222	\$1,763,872		\$404,493	\$0	\$500,000	\$2,328,979	\$6,442,566
March - May 2011	\$1,773,228	\$9,552,146		\$150,000	\$1,614,000	\$0	\$0	\$13,089,374
Dec. 2010 - Feb. 2011	\$1,469,162	\$915,280		\$438,289	\$4,616,536	\$22,997,000	\$1,803,778	\$32,240,045
Sept. - Nov. 2010	\$7,214,903	\$2,623,509		\$941,017	\$958,000	\$6,005,000	\$1,898,944	\$19,641,373
June - August 2010	\$1,846,518	\$4,679,537		\$0	\$0	\$0	\$892,252	\$7,418,307
March - May 2010	\$2,661,860	\$11,450,334		\$100,000	\$6,055,000	\$1,296,000	\$798,774	\$22,361,968
Dec. 2009 - Feb. 2010	\$105,030	\$0		\$255,505	\$12,224,147	\$0	\$0	\$12,584,682
Sept. - Nov. 2009	\$0	\$10,005,337		\$330,803	\$7,000	\$379,711	\$1,139,928	\$11,862,779
June - August 2009	\$3,336,498	\$2,403,905		\$0	\$70,000	\$215,000	\$37,460	\$6,062,863
March - May 2009	\$33,171,420	\$1,368,907		\$50,112	\$1,500,000	\$400,000	\$1,194,175	\$37,684,614
Dec. 2008 - Feb. 2009	\$344,325	\$3,403,704		\$1,766,386	\$545,000	\$0	\$1,596,349	\$7,655,764
Sept. - Nov. 2008	\$3,908,853	\$3,588,389		\$0	\$6,411,775	\$0	\$0	\$13,909,017
June - August 2008	\$3,689,476	\$6,548,894		\$1,019,000	\$7,579,500	\$1,006,596	\$1,861,390	\$21,704,856
March - May 2008	\$153,000	\$3,152,132		\$4,075,075	\$4,179,000	\$0	\$1,395,524	\$12,954,731
Dec. 2007 - Feb. 2008	\$7,400,153	\$12,125,756		\$0	\$9,995,030	\$3,200,000	\$3,970,299	\$36,691,238
Sept. - Nov. 2007	\$8,075,766	\$27,923,695		\$4,455,275	\$533,200	\$0	\$0	\$40,987,936
June - August 2007	\$1,194,440	\$8,309,014		\$48,927	\$25,668,347	\$2,575,178	\$20,375,131	\$58,171,037
March - May 2007	\$10,082,817	\$20,962,887		\$8,277,328	\$15,727,729	\$3,019,500	\$3,960,747	\$62,031,008
Dec. 2006 - Feb. 2007	\$8,725,598	\$23,406,927		\$4,709,086	\$59,642,734	\$25,000	\$0	\$96,509,345
Sept. - Nov. 2006	\$2,404,840	\$22,721,389		\$1,840,722	\$11,146,805	\$538,000	\$0	\$38,651,756
June - August 2006	\$21,014,259	\$6,147,723		\$462,712	\$23,479,198	\$5,890,000	\$25,663,800	\$82,657,692
March - May 2006	\$10,575,639	\$21,780,317		\$10,924,435	\$36,046,864	\$3,650,000	\$12,322,984	\$95,300,239
Dec. 2005 - Feb. 2006	\$37,121,720	\$20,330,697		\$2,359,019	\$44,672,800	\$165,000	\$2,151,476	\$106,800,712
Sept. - Nov. 2005	\$9,674,394	\$3,519,150		\$3,275,717	\$85,896,765	\$150,000	\$15,999,816	\$118,515,842
June - August 2005	\$72,205,699	\$6,434,833		\$1,666,851	\$24,782,039	\$200,000	\$2,982,618	\$108,272,040
March - May 2005	\$3,061,870	\$15,491,806		\$1,590,789	\$30,534,466	\$1,059,000	\$15,468,833	\$67,206,764
Dec. 2004 - Feb. 2005	\$8,753,636	\$18,560,094		\$390,000	\$26,172,000	\$254,700	\$2,614,524	\$56,744,954
Sept. - Nov. 2004	\$17,242,269	\$2,750,867		\$402,891	\$489,240	\$188,000	\$1,174,999	\$22,248,266
June - August 2004	\$16,446,488	\$4,145,124		\$10,035,248	\$21,734,534	\$1,993,393	\$6,390,478	\$60,745,265
March - May 2004	\$14,640,091	\$7,839,529		\$203,680	\$8,804,700	\$1,721,585	\$2,371,888	\$35,581,473

New Announced Projects

A table of announcements of new commercial projects is included as an indication of the future direction of the Northwest Arkansas commercial market. The list is not exhaustive but represents an effort to gather data at a step before the official permitting process. The managers and owners of many of these properties have provided the Center for Business and Economic Research with information about these buildings, but until construction is complete, they do not appear in the aggregated total square footage and available square footage calculations. Some of the properties listed are actually under construction, while others are only in the concept phase. The Center researchers examined the announced data closely this reporting period and project locations were checked and developers were contacted regarding the projects from the last Skyline report. The conceptual category means that the developer still feels the project is viable, but there are many uncertainties regarding funding, leasing, timing, etc., which results in an undetermined timeline.

Following the announced properties table is a list of the existing hotel properties in Northwest Arkansas, detailed by city. In the first half of 2022, there were 6,874 standard rooms and 2,471 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,958, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Even with the pandemic, respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not quite ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of June 30, 2022. For the first half of 2022, the Skyline Report covered 100.9 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others and some cities have longer delays reporting new construction to the respective counties.

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Mercy Clinic	Bella Vista	Mercy Health Systems	Medical	4-6,000	Conceptual
Phat Tire	Bella Vista	Tim Robinson	Retail	14,900	Summer 2022
Public Safety Building	Bella Vista	City of Bella Vista	Government Office	46,374	2022
Boat Storage Buildings	Benton County	Robert and Travis Pennington	Warehouse	8,400	Conceptual
14th Street Commercial Building	Bentonville	Kelley CP	Commercial	4,500	Conceptual
305 Main Street	Bentonville	Chip Chambers	Office	15,000	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
3rd and G	Bentonville	Lund Co	Commercial	3,000	Summer 2022
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Alice Walton School of Medicine	Bentonville	Alice Walton	Medical Office	154,000	Fall 2025
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	Delayed
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual
Bentonville Animal Services	Bentonville	City of Bentonville	Animal Shelter	6,500	Summer 2022
Bentonville Merchant North-Central	Bentonville		Office		Conceptual
Bentonville Merchant South-Central	Bentonville		Office		Conceptual
Best Friends Animal Center	Bentonville	Best Friends Animal Society	Animal Shelter	12,000	Summer 2022
Best Joy Office on J	Bentonville	Best Joy LLC	Office	7,000	Conceptual
Brick Avenue Commercial	Bentonville	SREG	Commercial	100,000	Delayed
Cadence Group-Central	Bentonville	Cadence Group	Office		Conceptual
Canoo	Bentonville	Tony Aquila	Office		Conceptual
Center City Parking Garage	Bentonville	Josh Kyles	Parking Garage		Done 2022
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	Conceptual
Crossmar Supplier Park V	Bentonville	Cross Mar and Glass Investments	Warehouse	275,000	Done 2022
Crossmar Supplier Park VI	Bentonville	Cross Mar and Glass Investments	Warehouse	200,000	Conceptual
Crystal Bridges Expansion	Bentonville	Walton Family Foundation	Museum	100,000	October 2025
Crystal Bridges Parking Deck	Bentonville	Walton Family Foundation	Parking Garage	309,000	Fall 2022
District at SW 4th and C	Bentonville		Commercial		Conceptual
Dollar General	Bentonville	Dollar General	Retail		Fall 2022
Dollar Tree-14th	Bentonville	Dollar Tree	Retail	10,000	Summer 2022
Downtown Activity Center	Bentonville	Bentonville City	Recreation	36,000	Conceptual
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Haven, The	Bentonville		Mixed Use		Conceptual
Heartland Park Mixed Use	Bentonville	Zachary Wood	Mixed Use		Conceptual
Homes by Roth	Bentonville	Roth Homes	Commercial		Conceptual
Hwy 72 Warehouse	Bentonville	Matt Ahart	Office/Warehouse	30,000	Conceptual
JTK Development I	Bentonville	JTK Development	Commercial	12,000	Conceptual
JTK Development II	Bentonville	JTK Development	Office/Warehouse	9,000	Conceptual
Junk Brands	Bentonville	Craig Lile, Paul Mahan	Office/Manufacturing	34,000	Done
Ledger Parking Deck	Bentonville	Josh Kyles	Parking Garage		Done
Ledger, The	Bentonville	Josh Kyles	Office	228,000	Summer 2022

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Link I, II, III, The	Bentonville	Walton Family Foundation; U of A	Office	15,000	Fall 2022
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Living Tree Pediatric Care	Bentonville	Drs Jeffrey Savage and Julie Tate	Medical Office	10,200	Done
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Moberly Office	Bentonville	David Erstine	Office	13,000	Conceptual
Momentary Parking Garage	Bentonville	Momentary	Parking Garage	71,272	Summer 2022
North Walton Development	Bentonville	Rich Grubbs	Retail	3,420	Delayed
North Walton Development II	Bentonville	Rich Grubbs	Retail	2,697	Delayed
North Walton Development III	Bentonville	Rich Grubbs	Retail	3,489	Delayed
Old Walmart Home Office	Bentonville	Blue Crane	Commercial		Conceptual
Parachuting Penguins	Bentonville	Parachuting Penguins	Commercial		Conceptual
Peleton Garage	Bentonville	Walton Enterprises	Commercial	8,385	Summer 2022
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	Fall 2022
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Fall 2022
Redbud 2- Restaurant	Bentonville	Alan Cole, Bradford Gaines	Retail		Conceptual
Redbud 3	Bentonville	Alan Cole, Bradford Gaines			Conceptual
Redbud 4-Strip Center	Bentonville	Alan Cole, Bradford Gaines	Retail	11,000	Conceptual
Redbud 5	Bentonville	Alan Cole, Bradford Gaines			Conceptual
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville	Shelly Parson	Office	6,500	Fall 2022
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Splash Carwash	Bentonville	Splash Carwash	Retail		Conceptual
Suite Spaces Development	Bentonville	William Oldham	Commercial	10,000	Conceptual
Superior Auto Group Dealership	Bentonville	David Slone	Commercial		Conceptual
SW Elm Tree Road Development	Bentonville				Conceptual
Tigerdogs Commercial	Bentonville	Mark Chambers	Office	12,500	Summer 2022
Town Branch Commercial	Bentonville	Blue Crane	Commercial	5,000	Summer 2022

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
United Bank	Bentonville	Sage Partners	Bank	12,000	Summer 2022
United Bank Retail	Bentonville	Matthew Allen	Retail	2,000	Conceptual
Upland Stacks	Bentonville	Ross Construction	Office/Retail	51,000	Fall 2022
Walmart Expansion	Bentonville	Walmart	Retail	45,000	Conceptual
Walmart Home Office Campus	Bentonville	Walmart	Office		2024-26
Walmart Home Office Parking Decks	Bentonville	Walmart	Parking Garage		2022-2025
Westwood Development	Bentonville	Paul Esterer	Commercial		Conceptual
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	2023
Diamond Carwash	Centeron		Retail	3,700	Summer 2022
Elite Project	Centeron	Susan Gleghorn	Commercial	9,000	Done
Northwest Medical Centeron-Bentonville	Centeron	Seavest Healthcare Properties	Medical Office	11,000	Done
Coyle Law Office	Farmington	Jerry Coyle	Office		Conceptual
Holland House Storage Facility	Farmington	Holland House Holdings	Mini Storage	60,000	Conceptual
Legacy Bank	Farmington	Patrick Swope	Bank		Conceptual
112 Drive-in	Fayetteville	Steve Brooks, C.L. Partners	Retail	10,000	Conceptual
Adventure Subaru	Fayetteville	Dennis Nelms	Commercial	35,321	Fall 2022
Anthology Mixed Use	Fayetteville	Hunter Buwick	Commercial	27,000	Conceptual
Anthony Timberlands Center for Design and Materials Innovation	Fayetteville	University of Arkansas	School	50,000	Early 2023
Ar-Canna Complex	Fayetteville	Brian Faight	Commercial	35,000	Conceptual
Black Forest Retail	Fayetteville	Kelley CP	Retail	17,301	Conceptual
Buffington Homes Office	Fayetteville	Elizabeth Phillips, Juheon Song	Office	5,000	Conceptual
B-Unlimited	Fayetteville	B-Unlimited, Ben Clark	Manufacturing		Conceptual
Canoo	Fayetteville	Tony Aquila	Commercial		Conceptual
Chandler Crossing Commercial	Fayetteville	Brian Moore, Darin Riggins	Commercial		Conceptual
City Center North Mixed Use	Fayetteville	Sage Partners	Commercial	61,200	Conceptual
Collier & Associates	Fayetteville	Stuart Collier	Office	8,000	Fall 2022
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Dance Studio	Fayetteville	ESI	Commercial	7,800	Conceptual
DCM Commercial	Fayetteville	Robert Goltermann	Retail	6,500	Conceptual
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	Early 2023
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	Early 2023
Drake Farms Medical	Fayetteville	Highstreet	Commercial	20,000	Early 2023
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Drake Office I	Fayetteville	Neal Pendergraft, Highstreet	Office	19,000	Done
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Elite Project	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Fiesta Retail 1, 2, 3	Fayetteville	Mathias Properties	Retail	20,000	Conceptual
Firestation	Fayetteville	City of Fayetteville	Firestation	7,322	2022
First State Bank	Fayetteville	Charles Blanchard, FSB	Bank	6,200	Summer 2022
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Hanna's Candles	Fayetteville	Burt and Thad Hanna	Warehouse	100,000	Done
Hillcrest Towers Commercial	Fayetteville	Fayetteville Housing Authority	Commercial		Conceptual
Huntsville Road Retail Development	Fayetteville	Clint McDonald	Retail		Conceptual
Industrial Park Fabrication	Fayetteville		Manufacturing	14,400	Conceptual
Industrial Park Multitenant	Fayetteville		Warehouse	10,500	Conceptual
Institute for Integrative and Innovative Research (I3R)	Fayetteville	University of Arkansas	School	125-130,000	January 2024
Jiffy Lube	Fayetteville	McClain Development	Retail	2,920	Done
JMP	Fayetteville	JMP Solutions, Ray English	Manufacturing	20,000	Done
JMP	Fayetteville	JMP Solutions, Ray English	Warehouse	60,000	Conceptual
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Joyce Street Office	Fayetteville	Kyle Naples	Office	39,852	Fall 2022
Lewis Brothers Auto I-49	Fayetteville	Lewis Brothers	Commercial		Conceptual
Lisa Academy	Fayetteville	Boen Kemp	School		Conceptual
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Marshalltown Expansion	Fayetteville	Marshalltown	Manufacturing	48,000	Conceptual
North Point Circle Office	Fayetteville	Kelley CP	Office	6,500	Conceptual
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual
Police Headquarters	Fayetteville	City of Fayetteville	Police HQ	82,630	Fall 2022
Poplar and Leverett Development	Fayetteville	Taite Coates and Tommy Kilbride	Commercial		Conceptual
Presidential Conversions Office	Fayetteville	John Wilson	Office	12,000	Conceptual
Prism Education Center Expansion	Fayetteville	Misty Newcomb	School	5,000	Conceptual
Randal Place Commercial	Fayetteville	Jesus Rodriguez	Commercial		Conceptual
Razorback Golf Course Development	Fayetteville	Craig and Laura Underwood	Commercial		Conceptual
Sanctuary at SoFay	Fayetteville	Andy Davis, Garrison Roddey, Eric Greer	Mixed Use	32,000	Summer 2022
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Silicon Carbide Research and Fabrication	Fayetteville	University of Arkansas, Dr Alan Mantooth	Lab	15,000	2023
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
Stage Station	Fayetteville	Phil Crabtree, Clay Morton	Commercial		Conceptual
Steele Blvd Office	Fayetteville	Brian Shaw	Office	40,000	September 2023
Sterling Bank	Fayetteville	Sterling Bankshares Inc.	Bank	16,000	Done
Vantage Office Park V	Fayetteville	David Erstine, Kyle Naples	Office	36,000	2023
Wedington Storage	Fayetteville		Mini Storage		Conceptual
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
Windgate Studio and Design Center	Fayetteville	University of Arkansas	School	154,600	Summer 2022
Windgate Studio and Design Center, Phase II	Fayetteville	University of Arkansas	School	58,000	Conceptual
WRMC Drake Farms	Fayetteville	WRMC, High Street	Medical		Conceptual
Crye-Leike Office	Gentry	Crye-Leike Realtors	Office		Conceptual
Crossmar Warehouse	Gravette	Crossmar Investments	Warehouse		Conceptual
O'Reilly Autoparts	Gravette	O'Reilly Autoparts	Retail		Done
XNA Expansion	Highfill	XNA	Concourse	75,000	
Circle K	Johnson	Bluefin Development	Retail		Conceptual
Johnson Square	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Commercial	50,000	Conceptual
Johnson Square Medical Office	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Medical Office	21,783	Summer 2022
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Legacy Bank	Lincoln	Patrick Swope	Bank	4,000	Fall 2022
Apple Blossom Warehouse I and II	Lowell	Crossland Construction	Warehouse	130,000	Done 2022
Boxmaker Production	Lowell	Richard Brown, Tim Oelke	Manufacturing	60,000	Done
Centergate, Building II	Lowell	IDO Arkansas, Robert Stephens; Sage Partners	Retail/Warehouse	100,000	Done
Elite Storage	Lowell		Mini Storage	10,000	Done
Grant Parkway Flex	Lowell	Kelley CP	Commercial	25,000	Fall 2021
Grant Parkway Medical Center	Lowell	Justin Ferguson, John Kushniroff, Tim Oelke	Medical Office	10,890	Done
Indendence Plaza-CRI	Lowell	David Erstine	Office	63,000	Conceptual
Independence Plaza Office	Lowell	David Erstine	Office	75,000	Conceptual
Independence Plaza Retail	Lowell	David Erstine	Retail	15,503	Done
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
Metro Builders Warehouse	Lowell	Metro Builders	Warehouse	12,000	Summer 2022
NWA Food Bank	Lowell	NWA Food Bank	Office/ Warehouse	66,000	Early 2023
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
TZZ Event Center	Lowell	Brandon Hash	Commercial		Conceptual
Pacific GeneTech	NWA	Louis Bowen, Ed Fryar	Office		Conceptual
Pacific GeneTech	NWA	Louis Bowen, Ed Fryar	Manufacturing		Conceptual
Planetarium	NWA	Katherine Auld	Museum	120,000	Conceptual
Auto Zone	Pea Ridge	Auto Zone	Retail		Conceptual
D & D	Pea Ridge	D&D Investments	Commercial		Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
Mixed Use Pea Ridge	Pea Ridge	Matt Sitton	Mixed Use		Conceptual
Plaza Tire Center	Pea Ridge	Barry Williams	Retail		Conceptual
Smith Street Warehouse	Pea Ridge		Warehouse		Conceptual
Caseys General Store	Praire Grove	Casey's	Retail	4,200	Conceptual
Heritage Mini Storage Facility	Praire Grove	Bo Speed	Mini Storage		Conceptual
Pitts Office/Warehouse	Praire Grove	Kerry Pitts	Office/ Warehouse	2,000	Conceptual
Prairie Grove Self-Storage.	Praire Grove	Jerry Coyle	Mini Storage		Conceptual
10th Street Commercial Project	Rogers	Bates and Associates	Commercial	113,000	Conceptual
American Water Sports	Rogers	Boen Kemp	Retail	15,196	Summer 2022
Armor Bank	Rogers	Big Creek Bancshares	Bank	5,619	Conceptual
Beaty Office Park III	Rogers	Lance Beaty	Office	15,000	Spring 2023
Blue Ribbon Industries	Rogers	Alex Blass	Office/ Warehouse		Conceptual
Caliber Collision	Rogers	Caliber Collision, Bill Watkins	Commercial		Fall 2022
Caseys General Store	Rogers	Casey's	Retail		Conceptual
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Centric	Rogers	Nick Dozier	Commercial		Conceptual
Creekside Office 1	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Done
Creekside Office 2	Rogers	Alan Cole, Wade Smith	Office	7,600	Conceptual
Creekside Office 3	Rogers	Alan Cole, Wade Smith	Office	7,600	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Culver's Retail Center	Rogers	Alan Cole	Retail	7,810	Fall 2022
District at Pinnacle Hills IV	Rogers	Whisenvest	Office	44,900	Early 2023
District at Pinnacle Hills Retail III	Rogers	Whisenvest	Retail	25,000	Conceptual
Dolle Redevelopment	Rogers	Dolle	Office/Warehouse	7,500	Conceptual
Eight and Willow Commercial Development	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Everett Volkswagen	Rogers	Everett Auto Group	Retail	24,000	Late 2022
Family Mini Storage	Rogers		Mini Storage	32,030	Done
Founders Plaza II	Rogers	Hunt Ventures	Office	80,000	Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Goad Springs Office/Warehouse	Rogers	Simmons Foods	Commercial		Conceptual
Highlands Oncology II-Park Plaza	Rogers	Kathey Rhoads	Medical Office		Conceptual
Hi-Tea Retail	Rogers	Qing Qing Luo, Kelley CP	Retail	6,000	Summer 2022
Hounds Lounge Pet Resort and Spa.	Rogers	Hounds Lounge	Commercial		Conceptual
Hudson Station	Rogers	Matt Ahart	Office/Warehouse	28,000	Conceptual
Hunt Ventures Medical Office	Rogers	Hunt Ventures	Medical Office	47,700	Summer 2022
Industrial Drive	Rogers	Mathias Properties	Warehouse	14,667	Fall 2022
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
Jiffy Trip	Rogers	Jiffy Trip	Retail		Conceptual
Jonesboro Prosthetic & Orthotic Laboratory	Rogers	Haag Brown Development, JPO	Medical Office	12,074	Done
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail	5,620	Done
Kum and Go	Rogers	Kum and Go	Retail		Conceptual
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
LISA Academy	Rogers	Kathy L Smith	School	45,000	Fall 2022
Live/Work Artist Space	Rogers	Walton Family Foundation	Commercial		Conceptual
Luther Auto Dealership	Rogers	Luther Auto Group	Commercial		Conceptual
Magnolia Dog Grooming	Rogers	Magnolia Dog Grooming	Commercial	8,500	Conceptual
Magnolia Farms Campus	Rogers	Margaret Molleston and Hunter Haynes	Commercial	135,000	Delayed
Magnolia Place Alzheimers Care	Rogers	JEA Senior Living	Medical Office	34,556	Conceptual
Mathias Warehouse	Rogers	Mathias Properties	Warehouse	10,000	Fall 2022
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Retail	250,000	Early 2024
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Warehouse	250,000	Early 2024
Med Express	Rogers		Medical		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Metal Roofing Sales	Rogers	Metal Roofing Sales	Industrial	30,400	Conceptual
Metro Business Center	Rogers	Bennett CRE	Warehouse	100,000	Conceptual
Mill Creek Manor Office	Rogers	Mill Creek Manor	Medical	4,300	Conceptual
Mills Farm Development	Rogers	Lance Beaty	Commercial		Conceptual
Modern Storage	Rogers	Brian Dale	Mini Storage		Conceptual
Nelson Berna Crematorium	Rogers	Nelson Berna	Commercial		Conceptual
New Hope Plaza	Rogers	Tim Salmonson	Retail	23,000	Conceptual
Nolan Caddell Reynolds Office	Rogers	Nolan Caddell Reynolds	Office		Conceptual
Northgate II	Rogers	Hunt Ventures	Office	57,000	Summer 2022
Northwest Arkansas Classical Academy	Rogers	Responsive Education Solutions	School	78,000	August 2022
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Regional Animal Hospital	Rogers	NWA Regional Animal Hospital	Office	21,432	Conceptual
Orlich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Delayed
One Uptown Parking Deck	Rogers	Laurice Hachem and Bobby Ehardt	Parking Garage	51,290	Done
Pel-Freeze	Rogers	Pel-Freeze	Lab		2022
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Delayed
Pinnacle Village I, Office	Rogers	Sam Alley, Alex Blass	Office	138,333	Conceptual
Pinnacle Village I, Retail	Rogers	Sam Alley, Alex Blass	Retail	27,667	Conceptual
Pinnacle Village II Office	Rogers	Sam Alley, Alex Blass	Office	160,000	Conceptual
Pinnacle Village II Retail	Rogers	Sam Alley, Alex Blass	Retail	75,000	Conceptual
Plaza at Pinnacle Hills	Rogers	Alan Cole, Steve Lane	Office	31,000	Conceptual
Pleasant Crossing Commercial	Rogers	Whisinvest	Commercial	20,047	Conceptual
Potato Chip Factory	Rogers	Steven Straters	Commercial		Conceptual
Preformed Line Products Expansion	Rogers	PLP Co	Industrial	82,884	Late 2022
Price Lane Flex	Rogers	Kelley CP	Office/Warehouse	10,000	Conceptual
Price Lane Office	Rogers	Kelley CP	Office	10,200	Conceptual
Promenade and Oak Office I	Rogers	Hunter Haynes	Office	29,700	Conceptual
Promenade and Oak Office II	Rogers	Hunter Haynes	Office	30,800	Conceptual
Rainbow Road Self Storage, Ph II	Rogers		Mini Storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street II	Rogers	David Mancia	Office/Retail	24,000	Conceptual
Shops at the Forum	Rogers	Mathias Properties	Commercial		Conceptual
Signature Bank-East	Rogers	Gary Head	Bank		Fall 2022

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Sixteen Ninety Nine C Store	Rogers	Sixteen Ninety Nine	Retail		Conceptual
SJC Pinnacle Springs	Rogers	SJC	Office/Retail	80,000	Conceptual
Source, The	Rogers	Aaron Crawley, Erik Danielson	Retail	16,350	Done
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Sterling Bank	Rogers	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Strasters	Rogers		Office	6,350	Conceptual
Take 5 Oil	Rogers	Malek Elkhoury	Retail	1,800	Conceptual
The Fields at Pinnacle I B	Rogers	Chad and Monika Hatfield	Office		Conceptual
The Fields at Pinnacle I C	Rogers	Chad and Monika Hatfield	Office		Conceptual
The Fields at Pinnacle I D	Rogers	Chad and Monika Hatfield	Office		Conceptual
The Fields at Pinnacle II	Rogers	Chad and Monika Hatfield	Commercial		Conceptual
Tidal Wave Auto Spa	Rogers	Rhodes Properties	Retail		Conceptual
Tri-State Optical	Rogers	Daniel Landis	Medical	6,031	Conceptual
True-Self Recovery	Rogers	Tru-Self Recovery	Office	2,500	Conceptual
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
UAMS Medical School	Rogers	UAMS	Medical School		Conceptual
Unnamed Medical Office	Rogers	Flake Co	Medical	100,000	Conceptual
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
Walmart Neighborhood Market Expansion	Rogers	Walmart	Retail	7,000	Done
412 Mini Storage	Sil Springs		Mini Storage		Late 2022
America's Car Mart	Sil Springs	Car Mart	Retail		Conceptual
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Atwoods	Sil Springs	Atwoods, Billy Barry	Retail	63,170	Summer 2022
Barnett Warehouse	Sil Springs	Jonathan Barnett	Warehouse	67,950	Conceptual
Behive Industrial	Sil Springs	Behive Enterprises	Industrial	15,000	Conceptual
Brick Oven	Sil Springs		Retail	3,500	Early 2023
Crye-Leike Office	Sil Springs	Crye-Leike Realtors	Office	6,500	Conceptual
East Cornerstone Plaza	Sil Springs		Office/Retail		Conceptual
Holly Street Crossing	Sil Springs	Ted Viala	Commercial		Conceptual
Jiffy Lube	Sil Springs	Jiffy Lube	Retail		Done
Jiffy Trip	Sil Springs	Jiffy Trip	Retail	65,455	Fall 2022
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	Late 2022

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Progress Plaza Phase II	Sil Springs	Brown Cow LLC	Medical Office	11,250	Conceptual
Rock Hill Foods	Sil Springs	Rock Hill Foods	Warehouse	67,178	2022
Southpointe 1	Sil Springs	Dan and Jeanine Mallory	Commercial	2,880	Fall 2022
Southpointe 2	Sil Springs	Christy and Rex Osborn	Commercial	2,880	Early 2022
202 Rainside	Springdale	Blue Crane	Commercial	68,575	Done
Airport Hanger 1	Springdale	Bill Adams	Commercial	10,000	Conceptual
Airport Hanger 2-4	Springdale	City of Springdale	Commercial	30,000	Conceptual
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	Conceptual
BiLD Architecture Mixed Use	Springdale	BiLD Architecture	Mixed Use	37,000	Conceptual
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Carpet One Expansion	Springdale	Carpet One	Retail/Warehouse	25,000	Fall 2022
Chad Reed Storage	Springdale	Chad Reed	Mini Storage	32,720	Conceptual
ChandlerEquipment Expansion	Springdale	Chris and Morgan Chandler	Warehouse	30,000	Summer 2022
Children Safety Center	Springdale	CSC, Inc, Elizabeth Shackelford	Office	15,200	Fall 2023
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Dandy Carwash	Springdale	Dandy Oil	Retail	4,800	Conceptual
Diesel Downs, Lots 4, 5	Springdale	Raymond Merrill	Commercial		Conceptual
Diesel Downs, Lots 6, 7	Springdale	Murphy-Hoffman Co.	Commercial		Conceptual
Dollar General	Springdale	Dollar General	Retail	10,640	Fall 2022
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
First State Bank	Springdale	First State Bank	Bank		Conceptual
Flowerama	Springdale		Retail	1,800	Done
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
Frito-Lay Warehouse	Springdale	Nelson Family Enterprises	Warehouse	19,000	Conceptual
Greystone Storage	Springdale	John Hendricks	Mini Storage	71,100	Late 2022
H.C. Schmieding Office	Springdale	Chris Crysiewicz	Office		Conceptual
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Heyer Park	Springdale	Daniel and Wade Smith	Office	20,000	Summer 2022
I 49 Logistics Park, Phase I	Springdale	Crossland Construction, Sage Partners	Warehouse	300,000	Summer 2023
I 49 Logistics Park, Phase II+	Springdale	Crossland Construction	Warehouse	800,000	Conceptual
KAL Freight	Springdale	Josh Adams	Commercial		Conceptual
Las Margarita Plaza	Springdale	David Mancia	Office/Retail	10-12,000	Summer 2022

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Marchant Rd Complex	Springdale	Arnold Hollingsworth	Commercial		Conceptual
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Modern Storage	Springdale	Modern Storage	Mini Storage	154,000	Summer 2022
NTI Health Facility	Springdale	Northwest Technical Institute	School	50,000	Conceptual
NWA Food Hub	Springdale	Walton Family Foundation	Commercial	45,000	Early 2024
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
Parkway Plaza I	Springdale	Sage Partners and Griffin Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
Powers of Arkansas	Springdale	Alan Hope	Office/Warehouse	15-20,000	Fall 2022
Premier Sports Center	Springdale	Andy Chen	Sports Complex	45,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	Lee Ward	Warehouse	80,000	Conceptual
Southwest DTP Office Building	Springdale	Travis Ruff, SW DTP	Office	36,000	Conceptual
Speedy Splash Car Wash-Butterfield Coach	Springdale	The McLain Group	Retail		Conceptual
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Star Mechanical	Springdale	Star Mechanical	Warehouse	20,000	Fall 2022
Steel Yard Warehouse	Springdale	Buddy Hatch	Warehouse	38,400	Summer 2022
Storage World	Springdale	Storage World	Mini Storage		2023
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
Take 5 Oil	Springdale	Take 5	Retail		Early 2022
The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Commercial		Conceptual
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS Orthopedic and Sports Medicine Facility	Springdale	UAMS	Medical Office	185,000	Conceptual
Wagon Wheel Storage	Springdale	Crossland Construction	Warehouse;Mini-storage	80,000	Summer 2022
Williams Tractor Freedom Power Sports	Springdale	Doug Williams	Retail	33,200	Done
Williams Tractor NHA and Bobcat	Springdale	Doug Williams	Retail	63,856	Done
Dollar General	Sulphur Springs	Angela Petkovic	Retail		Conceptual
Agnes 10	Tontitown	Mathias Properties	Warehouse	13,440	Fall 2022
Agnes 8	Tontitown	Mathias Properties	Warehouse	19,220	Fall 2022
Agnes 9	Tontitown	Mathias Properties	Warehouse	19,220	Fall 2022
Gerber Collision and Glass	Tontitown	Gerber Collision and Glass	Retail/Warehouse		Conceptual

Commercial Market Trends

Vacancy Rates by Submarket

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Hancock Animal Clinic	Tontitown	Carevet	Animal Medical		Done
Paramount Metal	Tontitown	Paramount Metal	Industrial	3,650	Early 2023
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Commercial Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Washington County	Patrick Tobin	Commercial		Conceptual
Ball Metal Fabrication & Hot Rods	Washington County	Ball Metal Fabrication & Hot Rods	Office/Shop	8,000	Conceptual
Dollar General	Washington County	Dollar General	Retail	9,100	Conceptual
James Royal Storage Facility	West Washington County		Mini Storage	8,700	Conceptual
Local Ghost Distillery	West Washington County		Commercial		Conceptual



Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
21c Hotel	Bentonville	98	6
Avid Hotel	Bentonville	87	0
Best Western Bentonville Inn	Bentonville	55	0
Best Western Castle Rock Suites	Bentonville	84	0
Bike Inn	Bentonville	6	4
Comfort Inn	Bentonville	64	0
Comfort Inn-I-49-Bentonville	Bentonville	115	0
Comfort Suites	Bentonville	120	0
Courtyard Bentonville	Bentonville	90	0
Days Inn & Suites	Bentonville	63	0
DoubleTree Guest Suites	Bentonville	0	140
Element	Bentonville	0	107
Four Points by Sheraton	Bentonville	99	6
Hartland Motel of Bentonville	Bentonville	31	0
Hilton Garden Inn	Bentonville	133	0
Holiday Inn Express Hotel & Suites	Bentonville	84	0
Home 2 Suites by Hilton	Bentonville	0	119
La Quinta Inn & Suites	Bentonville	107	0
Laughlin Bed & Breakfast	Bentonville	5	1
Merchant Flats on 8th	Bentonville	10	0
Microtel	Bentonville	78	0
Pines Motel	Bentonville	9	0
Red Roof Inns	Bentonville	103	0
South Walton Suites	Bentonville	56	0
Springhill Suites By Marriott	Bentonville	67	0
Suburban Extended Stay	Bentonville	0	118
Super 8 Motel-Bentonville/Rogers	Bentonville	52	0
The Links at Bentonville Apts.	Bentonville	41	0
Towneplace Suites by Marriott	Bentonville	78	0
Value Place Extended Stay	Bentonville	121	0
Wingate Inn Bentonville	Bentonville	102	0
Avid Hotel	Fayetteville	82	0
Best Western Windsor Suites	Fayetteville	66	0
Candlewood Suites	Fayetteville	0	78
Chief Motel	Fayetteville	31	1
Comfort Inn-Fayetteville	Fayetteville	60	0
Country Inn & Suites By Carlson	Fayetteville	40	25

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Courtyard by Marriot	Fayetteville	110	4
Dickson Street Inn	Fayetteville	8	2
Fairfield Inn and Suites	Fayetteville	50	44
Hampton Inn	Fayetteville	87	8
Hilton Garden Inn	Fayetteville	90	25
Holiday Inn Express	Fayetteville	77	33
Homewood Suites	Fayetteville	0	96
Hyatt Place-Steele	Fayetteville	106	1
Inn at Carnall Hall	Fayetteville	49	0
La Quinta Inn & Suites	Fayetteville	61	0
Motel 6	Fayetteville	98	0
Pratt Place Inn	Fayetteville	0	7
Quality Inn	Fayetteville	48	10
Red Roof Inns	Fayetteville	104	1
Regency 7 Motel	Fayetteville	29	3
Sleep Inn of Fayetteville	Fayetteville	62	0
Stay Inn Style	Fayetteville	6	0
Staybridge Suites	Fayetteville	0	109
Super 8 Motel	Fayetteville	83	0
The Chancellor Hotel	Fayetteville	191	17
Value Place Hotel	Fayetteville	121	0
Inn At the Mill	Johnson	54	8
Marriot Townplace	Johnson	0	94
Ramada Inn Lowell	Lowell	51	0
Colonial Motel	Prairie Grove	8	0
Aloft	Rogers	130	1
Best Value Inn & Suites	Rogers	127	0
Candlewood Suites	Rogers	118	12
Country Inn & Suites	Rogers	68	42
Courtyard by Marriot	Rogers	111	11
Embassy Suites	Rogers	0	400
Fairfield Inn Rogers	Rogers	99	0
Guest Inn	Rogers	42	0
Hampton Inn	Rogers	122	0
Hartland Lodge	Rogers	28	0
Holiday Inn	Rogers	0	127
Homewood Suites	Rogers	126	83
Hyatt Place	Rogers	104	0
Mainstay Suites	Rogers	0	99
Microtel	Rogers	52	0

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Ranch-O-Tel Motel	Rogers	21	0
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	0
Town & Country Inn	Rogers	86	1
Travelers Inn	Rogers	82	0
Best Value	Siloam Springs	19	26
Hampton Inn	Siloam Springs	66	0
Hereford Motel	Siloam Springs	10	0
Holiday Inn Express Hotel & Suites	Siloam Springs	62	18
Stone Inn's	Siloam Springs	43	0
Super 7 Inn	Siloam Springs	46	0
Super 8 Motel	Siloam Springs	30	0
Best Rest	Springdale	100	17
Comfort Suites Springdale	Springdale	0	69
DoubleTree Club Hotel of Springdale	Springdale	74	11
Executive Inn	Springdale	90	0
Extended Stayamerica	Springdale	101	0
Fairfield Inn and Suites	Springdale	40	34
Hampton Inn & Suites	Springdale	67	35
Hartland Lodge	Springdale	29	0
Hartland Motel	Springdale	29	0
Hill Top Inn	Springdale	30	0
Holiday Inn	Springdale	180	26
Home 2 Suites by Hilton	Springdale	0	119
Journey's Inn	Springdale	30	0
Laquinta Inn & Suites	Springdale	88	12
Magnolia Gardens Inn (B&B)	Springdale	10	0
Motel 8	Springdale	30	0
Residence Inn	Springdale	0	72
Scottish Inns	Springdale	33	24
Sleep Inn & Suites	Springdale	0	72

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
Northwest Arkansas Total		6,763	2,577



New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
AC Hotel by Marriot	Bentonville	Walmart, Marriot	153	Summer 2024
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Conceptual
Detrola Motel	Bentonville	I-14 LLC	162	Conceptual
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Late 2022
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	142	Summer 2024
City Center North Hotel	Fayetteville	City Center North LLC, Sage Partners		Conceptual
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Pratt Place Inn Expansion	Fayetteville	SREG	97	Conceptual
XNA Hotel	Highfill			Conceptual
Independence Plaza	Lowell	IHG		Conceptual
Boutique Hotel	Rogers	Jonelle Hunt, Andrew and David Burnett	120-140	Conceptual
District at Pinnacle	Rogers	Whisenvest		Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Magnolia Farms Hotel	Rogers	Hunter Haynes		Conceptual
Pinnacle Boutique Hotel	Rogers	John Schmelzle		Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Railyard Overlook	Rogers		7	Conceptual
Tru Hotel	Rogers	Vipulkumar Patel		Conceptual
Emma Hotel	Springdale	Blue Crane		Conceptual
Holiday Inn Express	Springdale	Vipulkumar Patel	84	Underconstruction
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Andy's Custard	Bentonville	Andys Custard	Conceptual
Azul Tequila on the Square	Bentonville	Ricky Cortes	Done
Bentonville Taco & Tamale Co.	Bentonville	Scott McGehee, Yellow Rocket	Done
Connifer in The Howard	Bentonville	Newell Development, Matt Cooper	August 2022
Crystal Flats Restaurant	Bentonville	Cindy Springs, LLC	Summer 2022
Hellion Restaurant, Bar and Taproom	Bentonville	Michael LaSalata	Conceptual
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
JP Specialty Restaurant	Bentonville	JP Specialty LLC, G. Josan, S. Butler	Conceptual
King and Cardinal	Bentonville	King and Cardinal	Done
Lady Slipper	Bentonville	Ropeswing	Summer 2022
Motto Hilton Restaurant	Bentonville	Osage Hospitality	Late 2022
Muse Restaurant	Bentonville	Rose	Summer 2022
Old Home Office Property	Bentonville	Walmart	Conceptual
Pho 85	Bentonville	Pho 85	Done
Pop-up Drink	Bentonville		Conceptual
Schlotzkys	Bentonville	Schlotzkys	Conceptual
Slim Chickens-I street	Bentonville	Slim Chickens	Done
Superfine Sweets Shoppe	Bentonville		Done
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
Whataburger	Bentonville	Whataburger	Conceptual
Beach BBQ	Centerton	Beach BBQ	Summer 2022
Centerton Food Truck Park	Centerton	Rolando Enriquez	Done
Domino's	Centerton	A&M Pizza Real Estate	Conceptual
112 Drive-in Restaurant	Fayetteville	Dave Anderson, C.L. Partners	Conceptual
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Calle Latin Cuisine	Fayetteville	Fredi Valle and Fernando Castillo	Summer 2022
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
CAVA	Fayetteville	Morgan Foley	Summer 2022
Chi's Baohouse	Fayetteville	Jacob Chi	Early 2023
Chuy's	Fayetteville	Mike Young and John Zapp	Fall 2022
Crumbl Cookies	Fayetteville	Nicole Trudo	Conceptual
Domino's Pizza Theatre Store	Fayetteville	Domino's	Fall 2022
Dunkin Donuts	Fayetteville	Dunkin Donuts	Fall 2022
El Charro Birrieria	Fayetteville	Mathias Properties	Done
Fossil Cove	Fayetteville	Ben Mills	Conceptual
Frida's California Grill	Fayetteville	Frida's California Grill	Done
Girls Gone BBQ	Fayetteville	Dana Neely	Summer 2022
Hills Hideaway	Fayetteville	Lindsey Silfer	Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Icescreams	Fayetteville	Icescreams	Summer 2022
Isabella Italian	Fayetteville	Golden Family	Done
Jersey Mikes-Joyce	Fayetteville	Jersey Mike's	Summer 2022
Leverett Ave Restaurant	Fayetteville	Lewis Chase, Matt and Mike Sutton	Conceptual
LongHorn Steakhouse	Fayetteville	Darden Restaurants	Done
Mochi Xo	Fayetteville		Done
Mosaic Pizza	Fayetteville	Walmart	Done
Mullins Library Café	Fayetteville	U of A	Conceptual
Noble Graze	Fayetteville	Suzanne Billings	August 2022
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Queen's Mexican Restaurant	Fayetteville	Manny Fernandez	Summer 2022
Siam Cuisine	Fayetteville		Done
Smokin Oak Pizza and Tap Room	Fayetteville	Specialized Real Estate Group	Summer 2022
Summer Moon Coffee Shop	Fayetteville	Summer Moon	Summer 2022
Tin Roof	Fayetteville	Bob Franklin, Mark King	Summer 2022
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Velvet Taco	Fayetteville	Atwell Group	Early 2023
Walk On's	Fayetteville	Chris McJunkin	Summer 2022
Orthodox Farmhouse Brewery	Goshen	Ashlyn and Jesse Gagnon	Summer 2022
McDonalds	Gravette	K-Mac Inc	Conceptual
Einsteins Bagels-XNA	Highfill	Heather and Mike Phillip, Aaron Nickell	Summer 2022
Ozark Mountain Bagels	Johnson	OMB	Summer 2022
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Wendy's	Lowell	Wendy's	Fall 2022
Bread Zeppelin	Northwest Arkansas	Vincent Ginatta	Conceptual
Der Weinerschnitzel 3 Locations	Northwest Arkansas	Tejas Dogs, LLC	Conceptual
Vito Vera	Northwest Arkansas	Alica Watson	Conceptual
Yellow Rocket Concepts BBQ	Northwest Arkansas	Scott McGehee	Conceptual
CTC Group Coffee Shop	Pea Ridge	Roy Cotton, Jason Ingalls	Conceptual
Dye Hard Restaurant	Pea Ridge	John Dye, John Bryant, John Carney	Conceptual
120 Tapas Bar	Rogers	Comida Artesanal Owners	Done
52 Kilo	Rogers	Jeff Allen, Micah Macias	Done
Bubble and Bean	Rogers	Qing Qing Luo	Done
Chi's Baohouse	Rogers	Jacob Chi	Late 2022
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Conceptual
Crumbl Cookies	Rogers	Nicole Trudo	Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Culver's Restaurant	Rogers	Culver's; Alan Cole	Summer 2022
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
Dunkin Donuts	Rogers	Dunkin Donuts	Summer 2022
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Five6	Rogers	Five6	Done
Junior's Breakfast Club	Rogers	Jordan Wright	Summer 2022
Loma	Rogers	Hachem Investments	Conceptual
Napolis	Rogers	Napolis	Summer 2022
Nola's Pantry	Rogers	Alicen and Bill Rumsey	Done
Olive Street Townhomes Ice Cream Shop	Rogers		Conceptual
Panda Express	Rogers	Panda Express	Summer 2022
Pinnacle Village Restaurants	Rogers	Alex Blass	Conceptual
Rendezvous Junction Restaurant	Rogers	Alex Blass	Conceptual
Shake's Frozen Custard	Rogers	Shake's Frozen Custard	Summer 2022
Taste Tea Kitchen	Rogers	Taste Tea Kitchen	Done
Tipsy Donut	Rogers	Tipsy Donut	Done
Txar House	Rogers	Txar House	Summer 2022
Wellington's	Rogers	Hachem Investments	Conceptual
Zaxby's	Rogers	Matt Sitton	Summer 2022
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Bariola's Pizzeria	Siloam Springs	Bariola's Pizzeria	Done
I Hop	Siloam Springs	Derrick Gunaca	Done
King Burrito	Siloam Springs	Manny Fernandez	Fall 2022
Sweetea	Siloam Springs	Sweetea	Done
Whataburger	Siloam Springs	Whataburger	Summer 2022
202 Railside Restaurant 1	Springdale	Blue Crane	Summer 2022
202 Railside Restaurant 2	Springdale	Blue Crane	Summer 2022
7Brew-E Robinson	Springdale	7Brew	Fall 2022
Andy's Custard	Springdale	Andys Custard	Summer 2022
Bauhaus Beirgarten-Downtown	Springdale	Daniel Hintz, Jennifer Hill Booker	Summer 2022
Boardwalk Food Truck Court	Springdale		Done
Burger King-The Crossings	Springdale	L.W. Clark, Inc	Summer 2022
Chik-fil-A-The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Done
Fridha's Mexican Kitchen and Mezcal	Springdale	Fridha's Mexican Kitchen and Mezcal	Done
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Mothership	Springdale	Mothership	Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Red Kite-Downtown	Springdale	Danny Hamilton	Conceptual
Revival-Downtown	Springdale		Conceptual
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
Starbucks-Elm Springs	Springdale	Haag Brown	Fall 2022
Starbucks-Thompson	Springdale	Starbucks, Merry Lee Phillips Revocable Trust	Done
Unnamed Crossings Restaurant	Springdale	Alan Cole	Conceptual
Via Emma Ice Cream Shop	Springdale	Blue Crane	Conceptual
Dairy Queen	Tontitown	Aimee and Terry Sims	Summer 2022



Closed Restaurants

Restaurant	City	Date Closed
Flying Burger and Seafood	Fayetteville	July 2021
Hardee's	Fayetteville	August 2021
Grub's Uptown	Fayetteville	July 2021
Arsaga's at the Depot	Fayetteville	August 2021
Saffron Indian Cuisine	Fayetteville	October 2021
Hoppin' Johns	Fayetteville	November 2021
Jimmy's Egg	Fayetteville	December 2021
Mango's East	Fayetteville	January 2022
Comida Artesenal	Rogers	January 2022
Lift Coffee Bar	Fayetteville	March 2022
Coltons Steakhouse	Fayetteville	May 2022
Simple Simon's	Springdale	May 2022
Z's Brick Oven Pizza	Fayetteville	June 2022
Wasabi's	Rogers	June 2022



The pictures above show how some businesses have changed to accommodate changing business strategies in the Northwest Arkansas area.

Inventory Classification and Coverage

Categories of Commercial Properties

The Northwest Arkansas commercial market is divided into eight major categories of space:

Lab-a workplace for conducting scientific research;

Industrial-space that is appropriate for the manufacturing of goods;

Office-space-where business professionals work;

Office/Retail-space that can be configured as either office or retail space or both;

Office/Warehouse-space that can be configured as either office or warehouse space or both;

Retail-space-where goods and services can be offered and sold to the public;

Retail/Warehouse-space where goods and services can be offered, sold, and stored;

Warehouse-space where goods can be stored until distributed.

In order to compare similar spaces, the Center for Business and Economic Research has developed a classification system for office, office/retail, retail spaces and warehouses. These classes rate the quality of each building in terms of the following criteria: age, quality of construction, location, and included amenities.

Class A space represents the most prestigious buildings available in the Northwest Arkansas market. These spaces are new or newly renovated, made of the best quality materials, with brick, masonry, or glass exteriors. Class A buildings are located in highly accessible locations with easy access to major clients or customers.

Class B space includes buildings that compete for a wide range of uses, including much of the Walmart vendor community. These spaces have average range rents. The buildings are attractive, but not necessarily brand new, and have a lower level of material quality than Class A buildings. Many amenities are not included in the base lease price of Class B buildings.

Class C space is adequate for users that require functional space for their businesses, but not above average locations, materials, or amenities. These buildings are often older and have lease rates that are below average.

City	Industrial ¹	Office ¹	Retail ¹	Warehouse ¹	Total ¹	Total Square Feet ¹ (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	140,888	242,600	90,964	453,243	457,106	100.9%
Bentonville	41,700	4,676,760	1,210,099	3,039,816	8,968,375	9,077,027	101.2%
Fayetteville	1,100,829	3,624,348	4,458,807	2,321,662	11,505,646	11,411,369	99.2%
Johnson	--	363,502	124,973	127,964	616,439	564,076	91.5%
Lowell	143,950	383,318	199,151	1,490,378	2,216,797	2,145,859	96.8%
Rogers	1,124,192	3,676,503	4,729,287	3,010,197	12,540,179	12,899,680	102.9%
Siloam Springs	353,242	277,983	865,000	616,300	2,112,525	1,832,818	86.8%
Springdale	1,902,597	1,758,924	2,497,393	4,683,551	10,842,465	11,011,983	101.6%
Northwest Arkansas	4,666,510	14,902,226	14,327,310	15,380,832	49,255,669	49,399,918	100.3%

¹Source: Benton and Washington County offices of the Assessor. The total square feet represent the population of competitive commercial properties that meet the baseline criteria set out on pages 34 and 75 of this report.

²Source: Panel of 251 large Northwest Arkansas commercial property owners and managers.

Commercial Market Trends

This version of the Commercial Skyline Report presents data that have been collected since 2005. Annual comparisons are made to minimize the effects of attributing too much weight to seasonal changes. The accompanying graphs show how vacancy rates and available square footage have changed in each submarket over the past sixteen years. Also, a table presents the total absorption over the past year by city and submarket. The following three pages have tables with more detailed information about vacancy rates, net absorption, and available space.

Available office square footage in Northwest Arkansas decreased from 1,495,041 square feet in the first half of 2021 to 1,249,984 square feet in the first half of 2022. In the past year, 167,100 new square feet of office space were added, with Springdale having the most with 90,000 square feet, while Fayetteville added another 29,075. There was net positive absorption of 230,097 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net positive absorption with 199,262 square feet. Lowell had negative absorption of 44,005 square feet. The overall Northwest Arkansas office vacancy rate decreased from 11.2 percent in the first half of 2021 to 9.1 percent in the first half of 2022.

In Northwest Arkansas, 386,234 square feet of office/retail space were available in the first half of 2022, down from 519,386 square feet in the first half of 2021. The office/retail market experienced net positive absorption of 125,530 square feet in the past year. Springdale accounted for 47,632 square feet, followed by Fayetteville with 37,164 square feet of net positive absorption. Bentonville had net negative absorption of 9,384 square feet during this period. There were 38,362 new square feet of office/retail space added within the past year. The most, 15,503 square feet, was in Lowell. The overall Northwest Arkansas office/retail vacancy rate decreased by 2.7 percent from 10.9 percent in the first half of 2021 to 8.2 percent the first half of 2022.

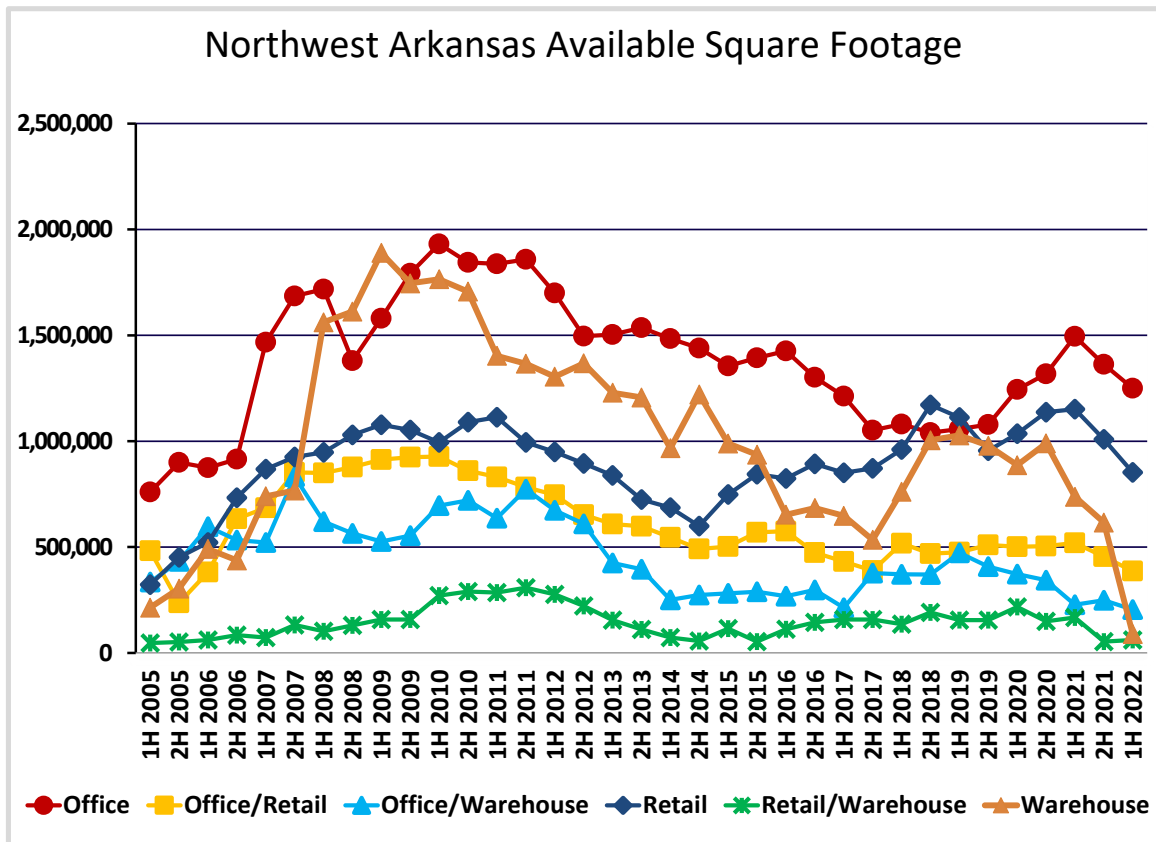
In the first half of 2022, 852,815 square feet of retail space were available in Northwest Arkansas, down from 1,151,277 square feet in the first half of 2021. The retail market had net positive absorption of 265,026 square feet in the past twelve months. Rogers accounted for 104,507 square feet and Fayetteville added another 100,531 square feet of net positive absorption. Bella Vista had 4,156 square feet of net negative absorption during this period. There were 45,720 new square feet of retail space added to the Northwest Arkansas market during the past year, with Springdale accounting for the most, with 20,000 square feet. The overall Northwest Arkansas retail vacancy rate decreased by 2.9 percentage point from 10.8 percent in the first half of 2021 to 7.9 percent in the first half of 2022.

In the Northwest Arkansas warehouse market, available square footage decreased from 737,383 in the first half of 2021 to 89,804 in the first half of 2022. The warehouse market experienced net positive absorption of 675,179 square feet during the past year. (Some industrial was reclassified into warehouse). Rogers accounted for 271,762 square feet of the net positive warehouse absorption, with Lowell adding another 190,208 square feet of net positive absorption. No city had net negative absorption during this period. 674,365 new square feet of warehouse space, 445,365 in Bentonville, was added to the Northwest Arkansas market during the past year. Additionally, 134,255 square feet (100,000 in Lowell) of new office/warehouse space, and 40,000 square feet of new retail/warehouse space, all in Springdale, were added during this period. Warehouse vacancy rates decreased by 5.8 percentage points from 6.6 percent to 0.8 percent, from the first half of 2021 to the first half of 2022.



Commercial Market Trends

Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	0	20,693	-4,156	0
Bentonville	51,101	-9,384	34,163	50,000
Fayetteville	67,140	37,164	100,531	54,745
Johnson	-4,443	3,500	0	4,000
Lowell	-44,005	-8,209	18,735	190,208
Rogers	199,262	9,329	104,507	271,762
Siloam Springs	-9,990	24,805	14,716	48,750
Springdale	-28,968	47,632	-3,470	55,714
Northwest Arkansas	230,097	125,530	265,026	675,179

Commercial Market Trends

Available Square Footage by Submarket

Available Space by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	1H 2021	22,296	484,819	186,186	19,191	18,262	630,872	4,361	129,054	1,495,041
	2H 2021	19,296	430,058	148,243	19,124	69,397	538,863	22,841	114,694	1,362,516
	1H 2022	22,296	431,984	127,720	25,734	62,267	433,610	14,351	132,022	1,249,984
Medical Office	1H 2021	3,000	20,777	26,616	9,291	0	11,534	3,761	49,902	124,881
	2H 2021	0	19,577	39,814	9,524	40,000	8,510	22,841	59,078	199,344
	1H 2022	3,000	19,577	29,883	17,399	41,870	20,614	14,351	60,927	207,621
Office/Retail	1H 2021	44,803	143,207	196,799	3,500	0	50,369	27,586	53,122	519,386
	2H 2021	22,910	164,971	173,392	2,000	0	51,698	9,586	30,142	454,699
	1H 2022	20,846	148,199	157,669		8,209	41,040	2,781	7,490	386,234
Office/Warehouse	1H 2021		61,900	0	0	22,400	28,730	57,667	56,818	227,515
	2H 2021		64,900	0	0	10,400	5,900	92,274	75,534	249,008
	1H 2022		65,200	0	0	0	5,900	57,667	75,534	204,301
Retail	1H 2021	3,299	105,949	344,812	0	20,610	509,916	34,193	132,498	1,151,277
	2H 2021	3,299	104,393	229,364	0	1,875	501,612	35,173	133,315	1,009,031
	1H 2022	7,455	56,412	228,219	0	1,875	405,409	19,477	133,968	852,815
Retail/Warehouse	1H 2021		3,846	3,004	4,980	4,900	26,953	9,860	113,587	167,130
	2H 2021		2,928	14,974	9,630	9,800	11,333	0	5,200	53,865
	1H 2022		2,928	19,774	9,630	9,800	8,933	0	9,956	61,021
Warehouse	1H 2021	0	50,000	54,745	4,000	178,208	301,512	48,750	100,168	737,383
	2H 2021	0	325,000	0	0	92,000	114,750	0	84,454	616,204
	1H 2022	0	0	15,600	0	0	29,750	0	44,454	89,804



Commercial Market Trends

Vacancy Rates by Submarket

Vacancy Rates by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	1H 2021	24.6%	12.1%	5.3%	6.4%	5.7%	16.7%	2.8%	10.4%	11.2%
	2H 2021	16.1%	10.6%	4.3%	6.3%	21.2%	14.1%	13.3%	9.1%	10.0%
	1H 2022	18.1%	10.6%	3.6%	8.4%	18.5%	10.9%	8.3%	11.1%	9.1%
Medical Office	1H 2021	13.0%	6.5%	2.1%	5.2%	0.0%	2.6%	3.3%	11.5%	4.3%
	2H 2021	0.0%	5.5%	3.1%	5.3%	48.4%	1.8%	13.3%	11.2%	6.4%
	1H 2022	5.1%	5.5%	2.3%	9.7%	45.3%	4.2%	10.8%	11.8%	6.6%
Office/Retail	1H 2021	16.6%	13.4%	11.0%	4.7%	0.0%	8.3%	15.0%	7.6%	10.9%
	2H 2021	8.5%	15.5%	9.9%	2.7%	0.0%	8.5%	5.2%	4.3%	9.6%
	1H 2022	8.8%	13.9%	8.9%	0.0%	9.4%	7.1%	1.5%	1.1%	8.2%
Office/Warehouse	1H 2021		6.8%	0.0%	0.0%	13.9%	4.4%	52.2%	2.9%	5.6%
	2H 2021		7.1%	0.0%	0.0%	6.4%	0.9%	83.6%	3.7%	6.0%
	1H 2022		6.9%	0.0%	0.0%	0.0%	0.9%	52.2%	3.7%	4.8%
Retail	1H 2021	6.8%	12.0%	9.4%	0.0%	18.3%	13.9%	7.3%	7.6%	10.8%
	2H 2021	6.8%	11.6%	6.3%	0.0%	1.7%	13.5%	7.5%	7.7%	9.5%
	1H 2022	8.3%	6.5%	6.2%	0.0%	1.7%	10.9%	4.1%	7.6%	7.9%
Retail/Warehouse	1H 2021		1.5%	3.3%	27.6%	15.8%	9.9%	7.4%	16.8%	11.4%
	2H 2021		1.2%	13.3%	53.4%	31.6%	4.1%	0.0%	0.7%	3.5%
	1H 2022		1.2%	16.8%	53.4%	31.6%	3.3%	0.0%	1.4%	4.0%
Warehouse	1H 2021	0.0%	3.6%	4.6%	4.9%	12.6%	9.9%	6.2%	3.1%	6.6%
	2H 2021	0.0%	17.5%	0.0%	0.0%	6.7%	3.7%	0.0%	2.6%	5.3%
	1H 2022	0.0%	0.0%	1.2%	0.0%	0.0%	1.0%	0.0%	1.4%	0.8%



Commercial Market Trends

Net Absorption by Submarket

Net Absorption by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	1H 2021	0	35,830	11,095	1,367	3,498	-228,220	11,466	592	-164,372
	2H 2021	3,000	59,154	43,677	2,167	-51,135	92,009	-18,480	-11,640	118,752
	1H 2022	-3,000	-8,053	23,463	-6,610	7,130	107,253	8,490	-17,328	111,346
Medical Office	1H 2021	0	0	2,496	2,917	0	-1,920	3,266	0	6,759
	2H 2021	3,000	1,200	-13,198	-233	-40,000	3,024	-18,480	-9,176	-73,863
	1H 2022	-3,000	0	9,931	-7,875	-1,870	-12,104	7,890	-1,849	-8,877
Office/Retail	1H 2021	-8,466	-726	7,922	1,500	1,600	8,366	-3,374	-430	6,392
	2H 2021	21,893	-26,156	21,441	1,500	0	-1,329	18,000	24,980	60,329
	1H 2022	-1,200	16,772	15,723	2,000	-8,209	10,658	6,805	22,652	65,201
Office/Warehouse	1H 2021		20,000	1,200	0	2,600	32,670	34,607	25,798	116,875
	2H 2021		-3,000	0	0	12,000	22,830	-34,607	7,284	4,507
	1H 2022		-300	0	0	10,400	0	34,607	0	44,707
Retail	1H 2021	101	-15,012	28,613	0	0	-3,925	6,100	3,871	19,748
	2H 2021	0	1,556	76,786	0	18,735	8,304	-980	-2,817	101,584
	1H 2022	-4,156	32,607	23,745	0	0	96,203	15,696	-653	163,442
Retail/Warehouse	1H 2021		0	-1,304	4,650	0	3,516	0	-14,915	-8,053
	2H 2021		918	0	-4,650	-4,900	15,620	9,860	90,387	107,235
	1H 2022		0	0	0	0	2,400	0	-4,756	-2,356
Warehouse	1H 2021	3,600	54,583	0	-4,000	138,500	19,600	240,589	105,700	558,572
	2H 2021	0	-275,000	54,745	4,000	98,208	186,762	48,750	15,714	133,179
	1H 2022	0	325,000	0	0	92,000	85,000	0	40,000	542,000



Commercial Market Trends

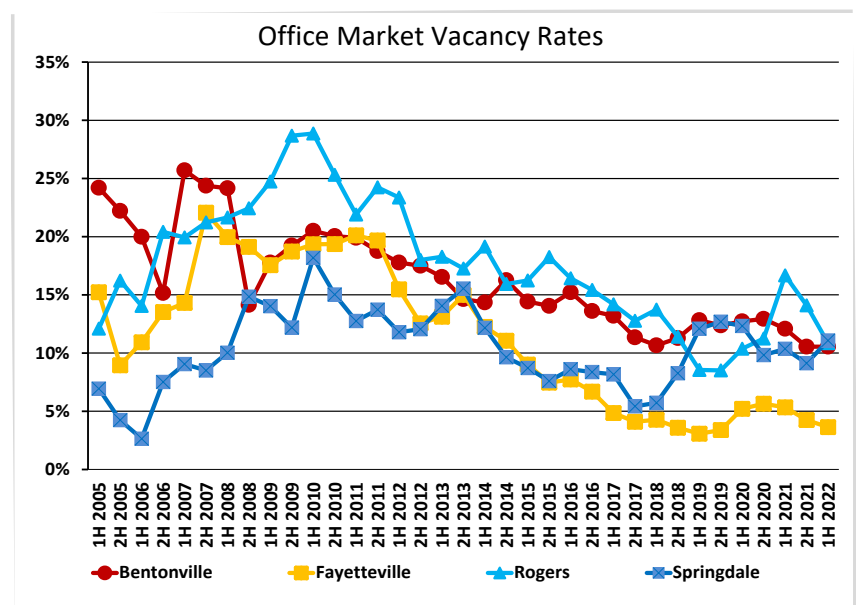
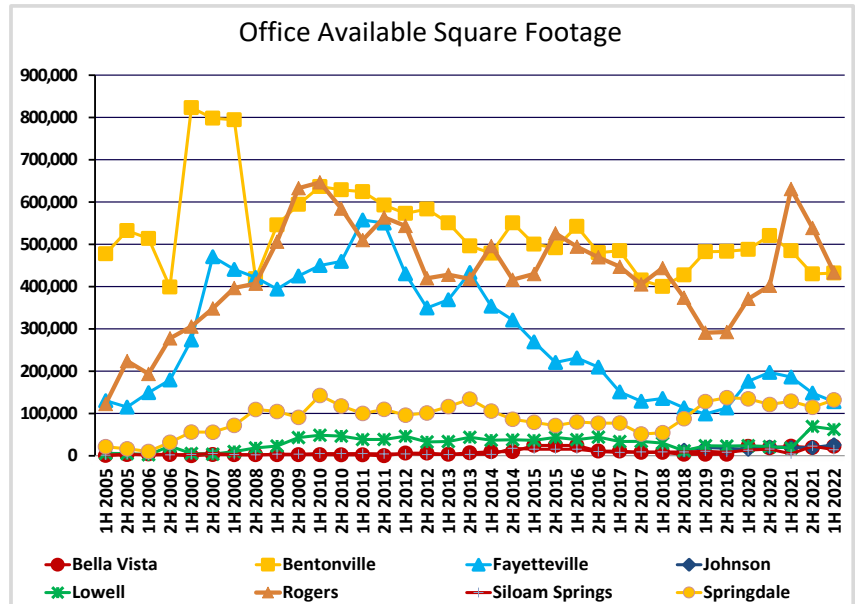
Office Vacancy and Space

In the first half of 2022, the office properties included in the Skyline Report panel had a vacancy rate of 9.1 percent, a decrease from 10.0 percent in the second half of 2021. Of the 13,725,694 square feet of Northwest Arkansas properties examined, 1,249,984 square feet were available. In the first half of 2022, 50,820 square feet of new space entered the market, while 162,166 square feet became occupied, netting positive absorption of 111,346 square feet for the Northwest Arkansas office market.

Bentonville had 431,984 available square feet of office space out of its total office space of 4,092,928 square feet in the first half of 2022. 59.9 percent of the available office space was Class B. There were no new square feet added during this time. The Bentonville office market had overall net negative absorption of 8,053 square feet, 6,868 square feet of it in the Class A submarket and another 3,920 square feet in the Class C submarket, while the Class B submarket had 2,736 square feet of net positive absorption.

Rogers had 3,995,391 square feet of total office space, with the most available square feet of 433,610 in the first half of 2022. 62.6 percent of the available space was in the Class A submarket. 19,680 square feet of office space was added during this period. The Rogers office market had a net positive absorption of 107,253 square feet in the first half of 2022. The Class A submarket accounted for 87,609 square feet, the Class B submarket for 34,341 square feet, while the Class C submarket had 2,593 square feet of net negative absorption during this time.

Fayetteville had 127,720 square feet of available space, out of its total office space of 3,507,691 square feet in the first half of 2022. 54.7 percent of the available space was in the Class B submarket. There were 21,275 new square feet of office space added in the first half of 2022. The Fayetteville office market had overall net positive absorption of 23,463 square feet. The Medical office submarket had 9,931 square feet of net positive absorption with another 7,738 square feet in the Class C and 6,016 in the Class A office submarkets during the same period.



Commercial Market Trends

Office Lease Rates by City

Springdale had 1,191,908 total square feet of office space, with 132,022 square feet of it available in the first half of 2022. 46.1 percent was Medical office space. There was no new office space added during this period. There was net negative absorption of 17,328 square feet in the Springdale office market in the first half of 2022. Class C office had 21,942 square feet and Medical office had 1,849 square feet of net negative absorption, while the Class B office submarket had 5,758 square feet of net positive absorption.

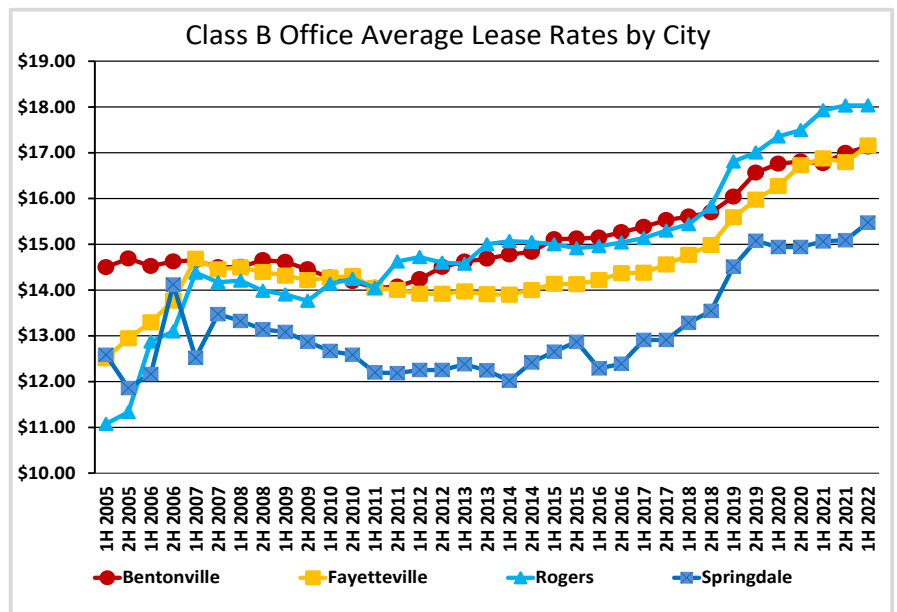
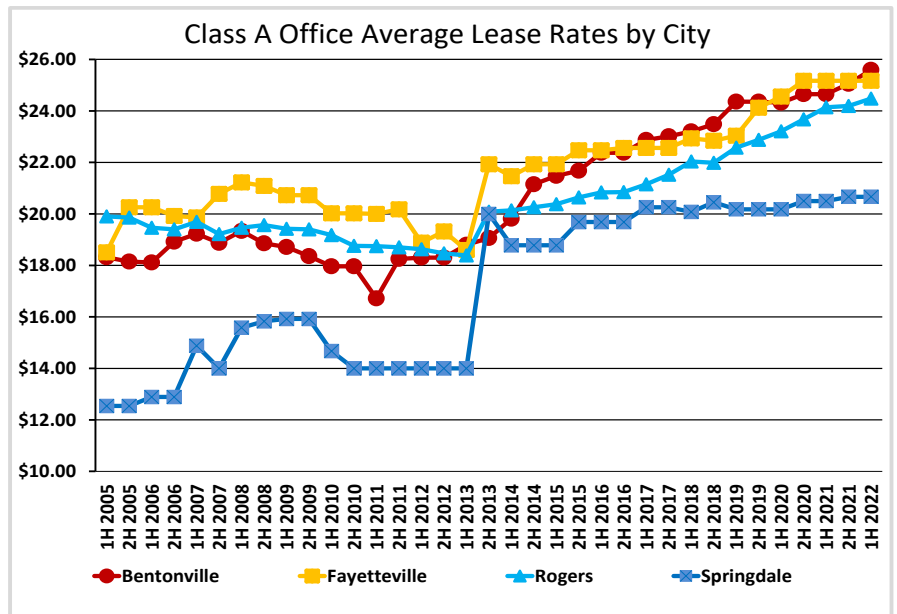
In the first half of 2022, average reported lease rates for Class A office space were highest in Bentonville, increasing \$0.54 to at \$25.60. Fayetteville remained at \$25.17, Rogers increased to \$24.48, and Springdale remained at \$20.67.

Average reported lease rates for Class B office space was highest in Rogers, increasing slightly to \$18.04. Bentonville increased to \$17.14, Fayetteville increased to \$17.16, and Springdale remained with the lowest reported average lease rates increasing to \$15.48.

Reported average lease rates for Class C office were highest in Bentonville increasing to \$14.36. Fayetteville decreased to \$12.94, Rogers remained at \$11.22, and Springdale remained the lowest, but increased to \$10.57.

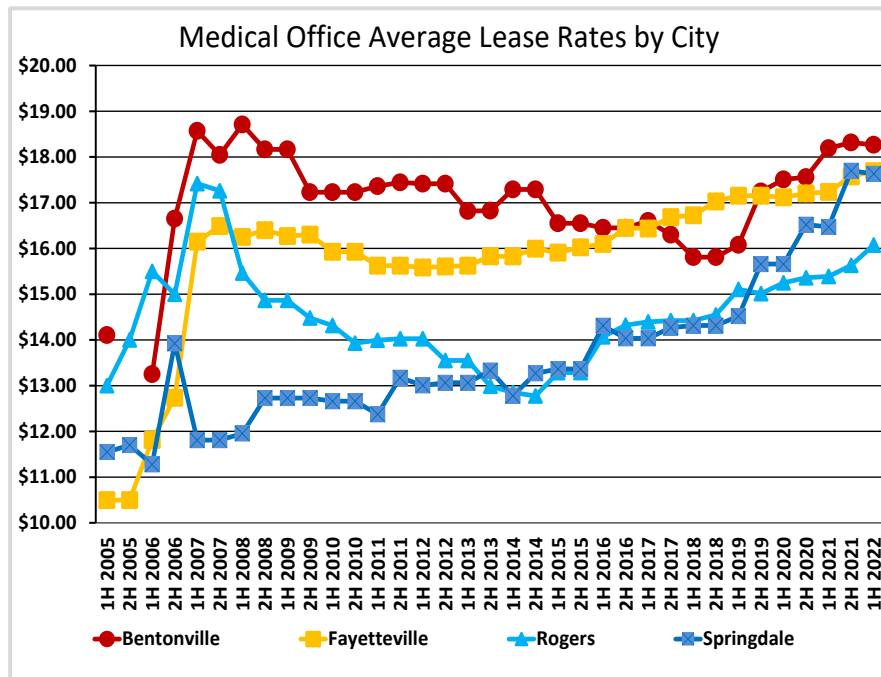
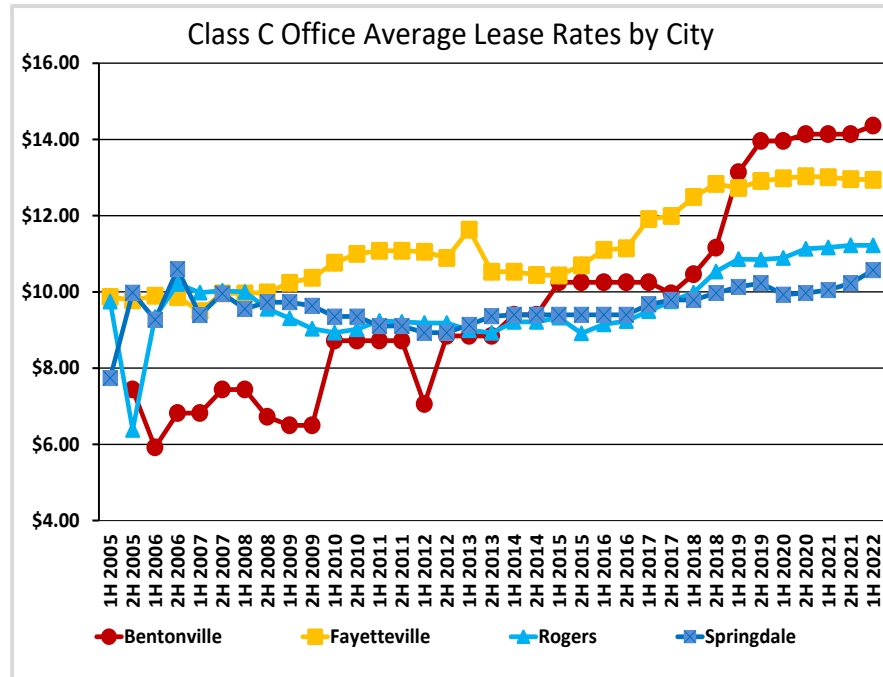
Reported average medical office space lease rates were highest in Bentonville increasing to \$18.27. Fayetteville had the greatest increase of \$0.12 reaching \$17.63, Springdale increased to \$17.63, and Rogers remained the lowest average reported lease rate increasing to \$16.08.

City	Class A	Class B	Class C	Medical
Bentonville	\$24.89 - \$26.30	\$16.88 - \$17.39	\$14.36 - \$14.36	\$17.95 - \$18.58
Fayetteville	\$23.09 - \$27.25	\$16.89 - \$17.43	\$12.63 - \$13.25	\$16.85 - \$18.53
Rogers	\$24.05 - \$24.91	\$17.73 - \$18.34	\$11.07 - \$11.37	\$16.00 - \$16.15
Springdale	\$20.33 - \$21.00	\$15.02 - \$15.93	\$10.12 - \$11.02	\$17.46 - \$17.80



Commercial Market Trends

Office Lease Rates by Class and City



Commercial Market Trends

Available Office Space by Category

Office Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2 H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office							
Bentonville	865,810	140,497	16.2%	-6,868	0	-6,868	--
Fayetteville	456,037	5,000	1.1%	6,016	0	6,016	5.0
Rogers	2,197,233	271,514	12.4%	87,609	0	87,609	18.6
Springdale	95,501	1,715	1.8%	705	0	705	15
Class B Office							
Bentonville	2,508,503	258,770	10.3%	2,736	0	2,736	567.6
Fayetteville	1,293,907	69,889	5.4%	6,078	6,000	78	5,376.1
Rogers	988,875	112,691	11.4%	34,341	0	34,341	19.7
Springdale	368,263	22,400	6.1%	5,758	0	5,758	23.3
Class C Office							
Bentonville	360,651	13,140	3.6%	-3,920	0	-3,920	--
Fayetteville	462,349	22,948	5.0%	7,438	0	7,438	18.5
Rogers	313,961	28,791	9.2%	-2,593	0	-2,593	--
Springdale	212,395	46,980	22.1%	-21,942	0	-21,942	--
Medical Office							
Bentonville	357,964	19,577	5.5%	0	0	0	--
Fayetteville	1,295,398	29,883	2.3%	25,206	15,275	9,931	18.1
Rogers	495,322	20,614	4.2%	7,576	19,680	-12,104	--
Springdale	515,749	60,927	11.8%	-1,849	0	-1,849	--

Commercial Market Trends

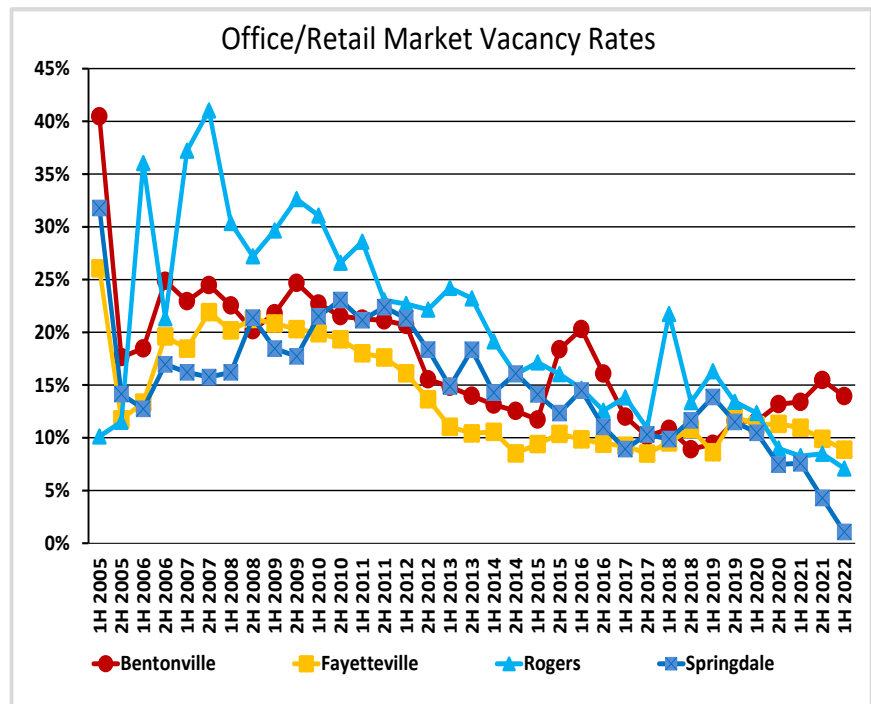
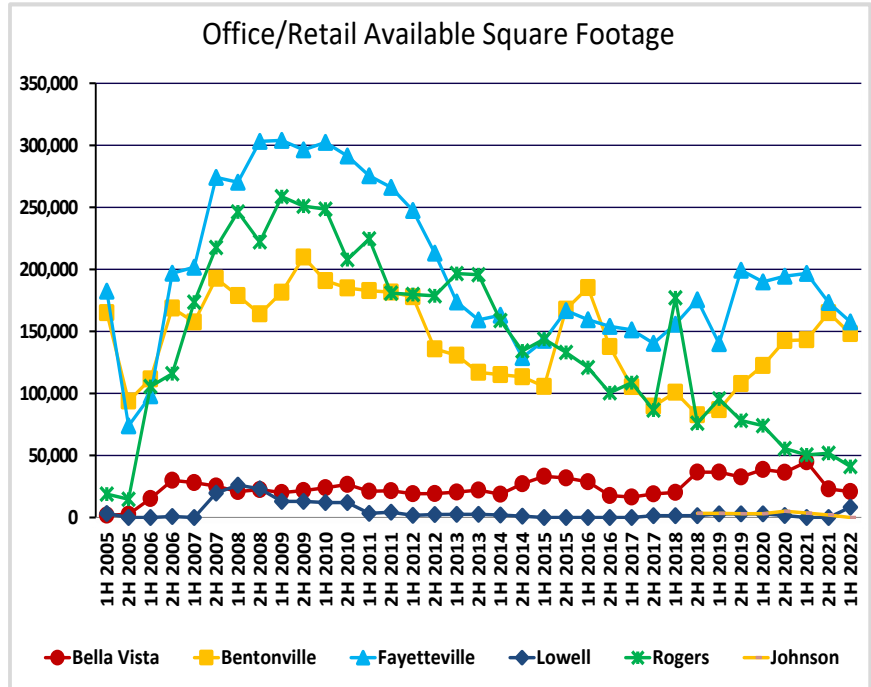
Office/Retail Vacancy and Space

In the first half of 2022, the office/retail properties included in the Skyline Report sample had a vacancy rate of 8.2 percent, down from 9.6 percent in the second half of 2021. Of the 4,705,591 square feet of Northwest Arkansas properties examined, 386,234 square feet were available.

From the second half of 2021 to the first half of 2022, 29,175 square feet of new office/retail space were added in Northwest Arkansas, 13,672 square feet in Fayetteville and 15,503 square feet in Lowell. There was net positive absorption of 65,201 square feet in the first half of 2022. Springdale had the most net positive absorption with 22,652 square feet, with Bentonville contributing 16,772 square feet, and Fayetteville added 15,723 square feet of net positive absorption. Meanwhile Lowell had the most net negative absorption at 8,209 square feet.

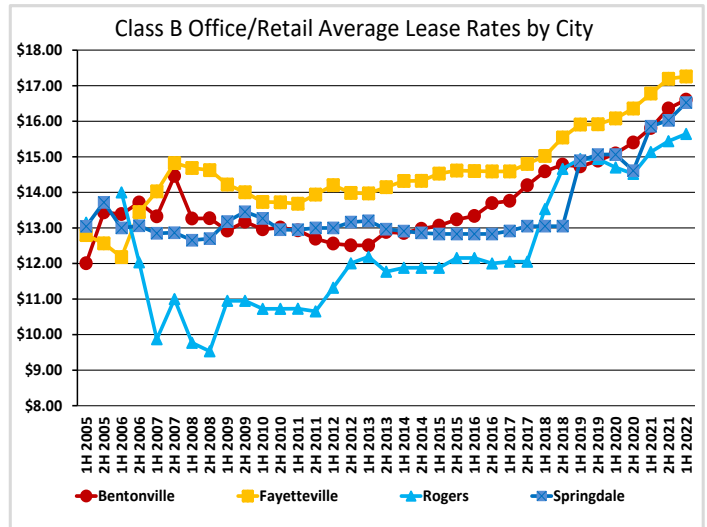
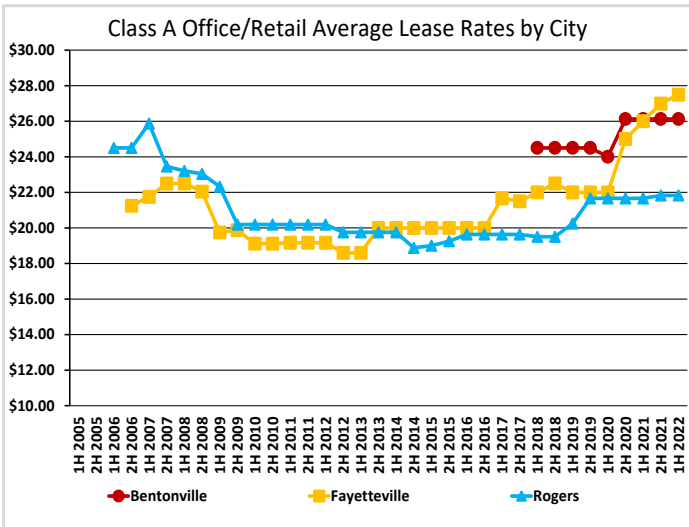
Fayetteville had the largest amount of available square feet in the office/retail submarket with 157,669 square feet in the first half of 2022, with Bentonville adding 148,199 square feet of available space. The vacancy rate was highest in Bentonville at 13.9 percent.

The office/retail space reported average lease rates in the first half of 2022 were highest in the Fayetteville Class A submarket at \$27.50, after a \$0.50 increase. The Bentonville Class A average lease rate remained at \$26.13, and the average Class A lease rate in Rogers remained the same at \$21.83.



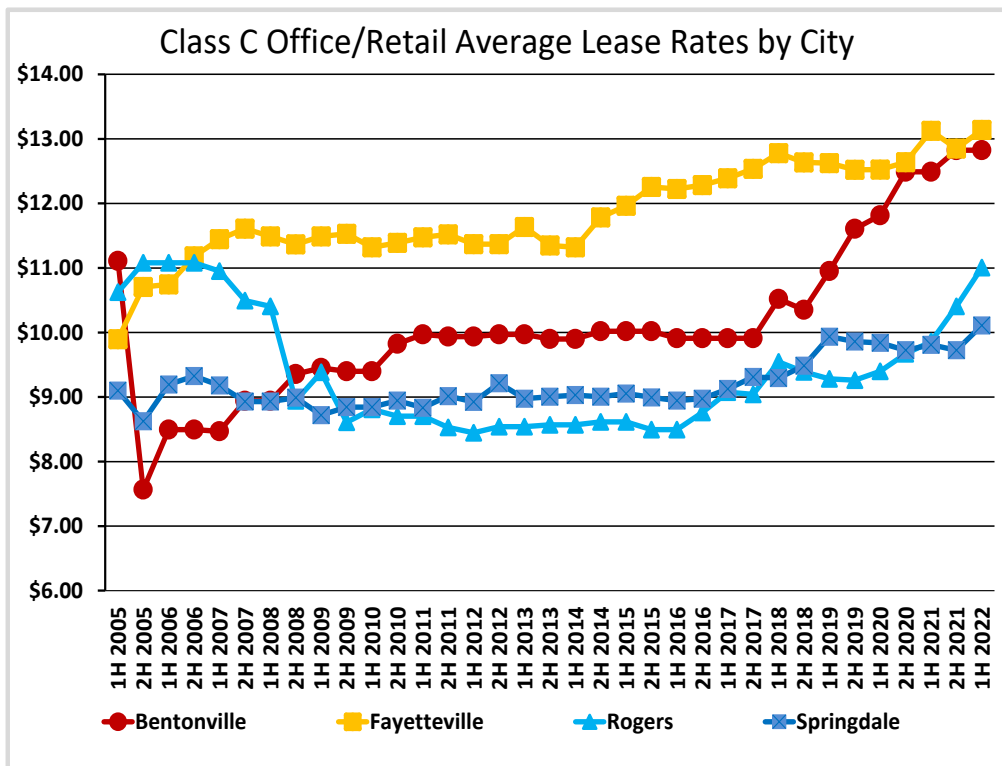
Commercial Market Trends

Office/Retail Classes Lease Rates by City



In the Class B submarket, Fayetteville stayed the most expensive at \$17.26, followed by Bentonville at \$16.61, then Springdale at \$16.53 after an increase of \$0.50, and Rogers remained the lowest after an increase to \$15.65.

In the Class C submarket, the average lease rate was highest in Fayetteville at \$13.14. In Bentonville, the average remained the same at \$12.83, in Rogers, the rate increased \$0.60 to \$11.01, and Springdale was the least expensive increasing to \$10.11.



Commercial Market Trends

Office/Retail Available Space by City



City	Class A	Class B	Class C
Bentonville	\$26.00 - \$26.25	\$15.91 - \$17.30	\$12.51 - \$13.14
Fayetteville	\$27.50 - \$27.50	\$16.64 - \$17.88	\$12.31 - \$13.97
Rogers	\$21.83 - \$21.83	\$15.04 - \$16.25	\$10.62 - \$11.39
Springdale	--	\$15.75 - \$17.30	\$9.61 - \$10.61

Available Office/ Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office/Retail							
Bentonville	140,683	2,750	--	0	0	0	--
Fayetteville	42,000	7,475	17.8%	0	0	0	--
Rogers	110,382	2,468	2.2%	3,125	0	3,125	4.7
Springdale	--	--	--	--	--	--	--
Class A Office/Retail							
Bentonville	774,977	139,434	18.0%	14,762	0	14,762	56.7
Fayetteville	1,201,959	118,071	9.8%	33,820	13,672	20,148	35.2
Rogers	225,173	18,568	8.2%	11,115	0	11,115	10.0
Springdale	255,475	1,250	0.5%	12,242	0	12,242	0.6
Class A Office/Retail							
Bentonville	147,702	6,015	4.1%	2,010	0	2,010	18.0
Fayetteville	531,668	32,123	6.0%	-4,425	0	-4,425	--
Rogers	244,110	20,004	8.2%	-3,582	0	-3,582	--
Springdale	447,626	6,240	1.4%	10,410	0	10,410	3.6



Commercial Market Trends

Retail Vacancy and Space

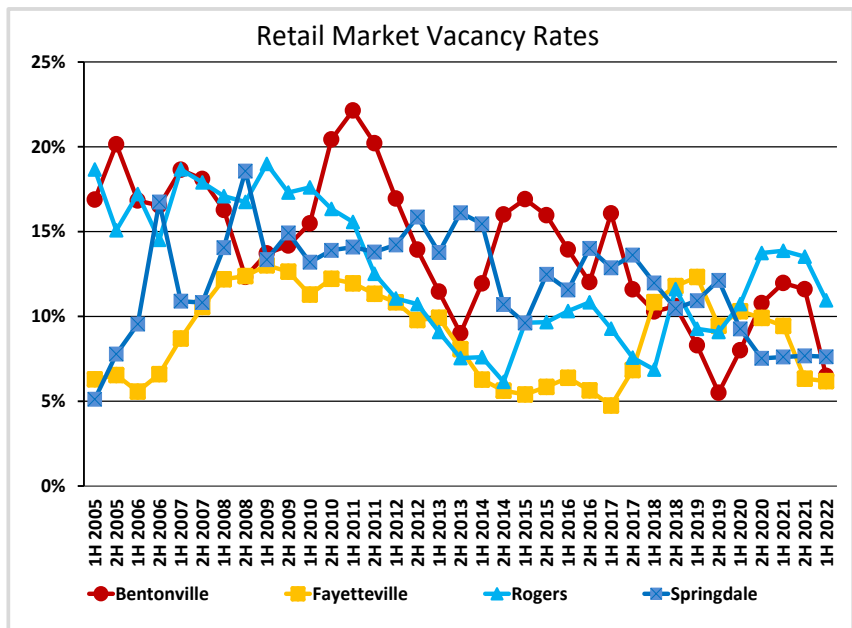
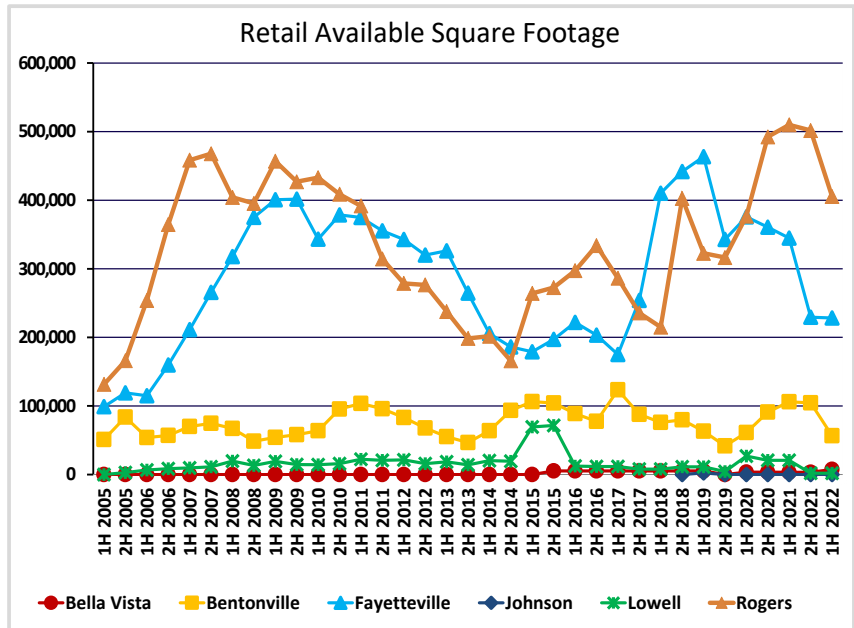
In the first half of 2022, the retail properties included in the Skyline Report panel had a vacancy rate of 7.9 percent, down from 9.5 in the second half of 2021. Of the 10,742,638 total retail square feet examined in Northwest Arkansas, 852,815 square feet were available. 20,000 square feet of new retail space were added in Northwest Arkansas. There was net positive absorption of 163,442 square feet in the first half of 2022.

The Rogers market had 405,409 square feet of available retail space out of a total of 3,702,805 square feet, for a vacancy rate of 10.9 percent in the first half of 2022. This was a decrease from the 13.5 percent rate in the second half of 2021. No new retail space were added in Rogers, and there was net positive absorption of 96,203 square feet, of which 93,677 square feet were Class A.

In the first half of 2022, Fayetteville had a retail vacancy rate of 6.2 percent, down from 6.3 percent in the second half of 2021, with 228,219 available square feet out of a total of 3,687,842. No new square feet were added and there was net positive absorption of 23,745 square feet in the Fayetteville retail market, of which 14,845 square feet was Class B.

Bentonville had 869,280 total square feet with 56,412 available square feet of retail space in the first half of 2022, resulting in a vacancy rate of 6.5 percent. This represented a decrease from the rate of 11.6 percent in the second half of 2021. No new square feet of retail space were added to the Bentonville market which had net positive absorption of 32,607 square feet, led by Class A with 32,717 square feet.

There were 133,968 square feet of available retail space out of a total of 1,757,642 square feet in Springdale in the first half of 2022. The vacancy rate of 7.6 percent was down from 7.7 percent in the second half of 2021. 20,000 new square feet of retail space were added during the first half of 2022, and there was net negative absorption of 653 square feet.



Commercial Market Trends

Retail Available Space



City	Class A	Class B	Class C
Bentonville	\$22.27 - \$23.27	\$17.47 - \$19.25	\$11.23 - \$12.52
Fayetteville	\$26.05 - \$27.30	\$18.35 - \$18.91	\$11.99 - \$12.30
Rogers	\$21.66 - \$22.88	\$14.82 - \$16.51	\$10.07 - \$10.35
Springdale	--	\$16.07 - \$16.69	\$9.89 - \$10.66

Available Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Retail							
Bentonville	157,874	6,270	4.0%	-110	0	-110	--
Fayetteville	1,130,393	41,281	3.7%	2,800	0	2,800	9.2
Rogers	1,673,315	75,821	4.5%	93,677	0	93,677	4.9
Springdale	--	--	--	--	--	--	--
Class B Retail							
Bentonville	549,368	50,142	9.1%	32,717	0	32,717	9.2
Fayetteville	2,043,036	150,004	7.3%	14,845	0	14,845	60.6
Rogers	1,449,860	308,755	21.3%	5,145	0	5,145	360.1
Springdale	1,041,939	108,774	10.4%	17,605	20,000	-2,395	--
Class C Retail							
Bentonville	162,038	0	0.0%	0	0	0	--
Fayetteville	514,413	36,934	7.2%	6,100	0	6,100	36.3
Rogers	579,630	20,833	3.6%	-2,619	0	-2,619	--
Springdale	715,523	25,194	3.5%	1,742	0	1,742	86.8

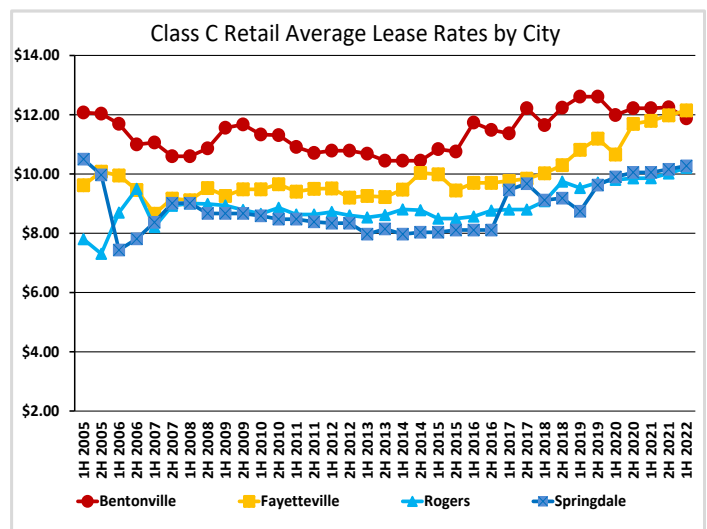
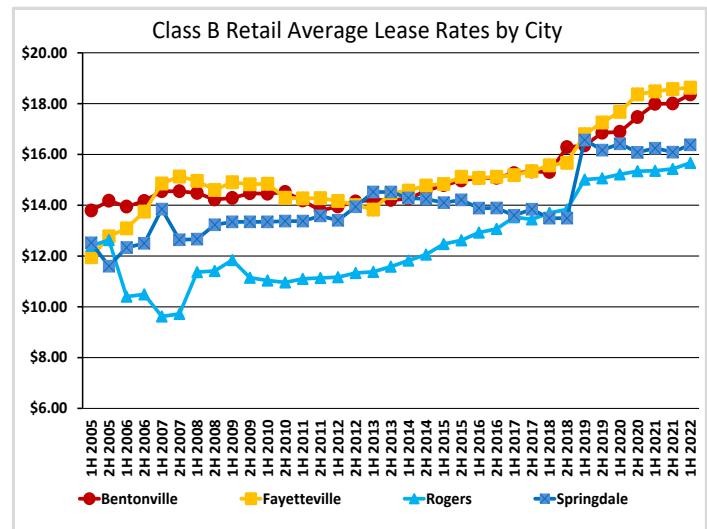
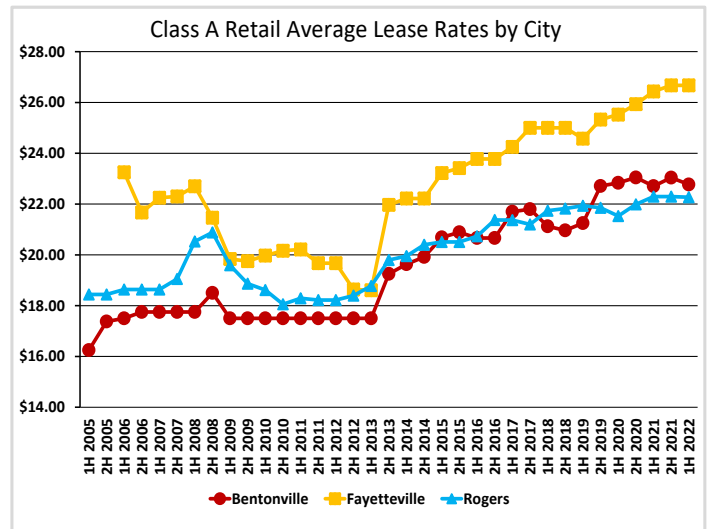
Commercial Market Trends

Retail Lease Rates By Class A, B or C

In the Class A retail submarket Fayetteville remained the highest average reported lease rate at \$26.68. Bentonville had an average reported lease rate of \$22.77, after a decrease of \$0.27. The average rate in Rogers decreased to \$22.27.

After an increase of \$0.05, Class B average reported retail lease rates were highest in Fayetteville at \$18.63. Bentonville and Springdale increased to \$18.36 and \$16.38, respectively, and Rogers was the lowest after increasing to \$15.67.

Class C average reported lease rates had the highest in Fayetteville after increasing \$0.16 to \$12.15. Bentonville decreased to \$11.88, Springdale increased to \$10.28, leaving Rogers the lowest after increasing to \$10.21 in the first half of 2022.



Commercial Market Trends

Warehouse Vacancy and Space

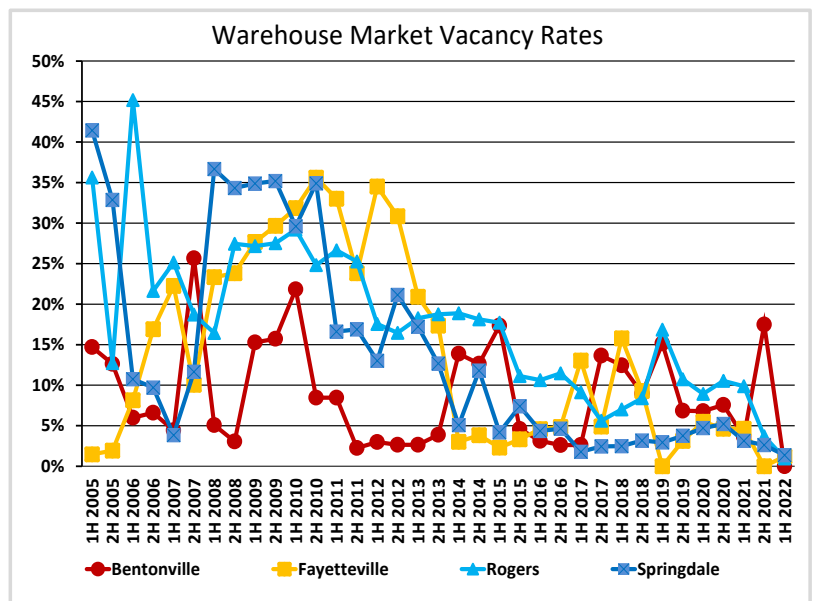
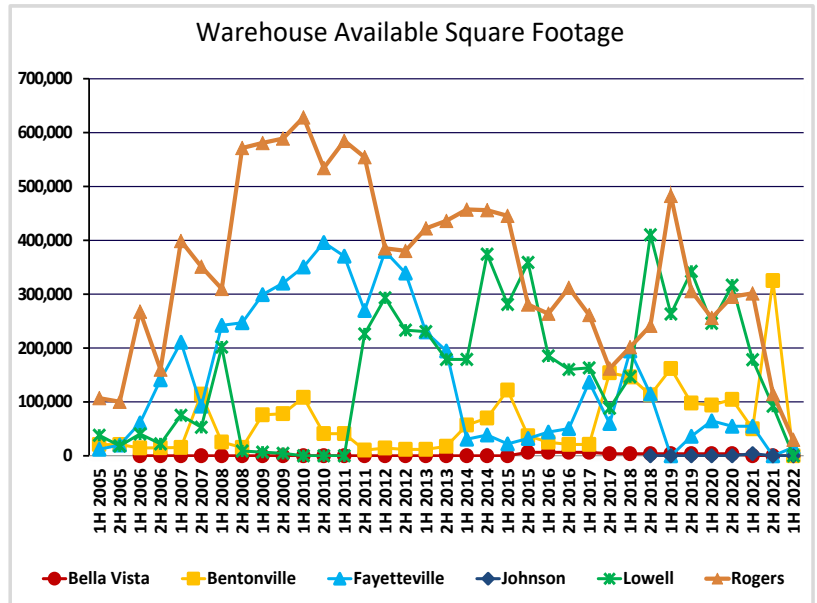
In the first half of 2022, the warehouse properties included in the Skyline Report panel had a 0.8 percent vacancy rate, down from 5.3 percent in the second half of 2021. Of the 11,829,039 square feet of warehouse space examined, 89,804 square feet were available. There were 229,000 new square feet of warehouse space added in the first half of 2022, and there was net positive absorption of 542,000 square feet.

Springdale, including Tontitown warehouse space, in the first half of 2022 had 3,235,447 square feet of warehouse space, of which 60.9 percent is Class B space. 44,454 square feet was available all from Class C space. There was net positive absorption of 40,000 square feet, all from the Class B submarket in the first half of 2022, leading to an overall vacancy rate of 1.4 percent, down from 2.6 percent in the second half of 2021. There were no new square feet added to the Springdale warehouse submarket.

Rogers had 3,103,482 square feet of warehouse space, of which 36.6 percent was Class C. 29,750 square feet was available, all of it Class C space. There was net positive absorption of 85,000 square feet of Class C warehouse in the first half of 2022 and a vacancy rate of 1.0 percent, down from 3.7 percent in the second half of 2021. No new square feet of warehouse space were added to the Rogers warehouse submarket this half.

Bentonville had 1,859,891 total square feet of warehouse space, 88.1 percent being Class A warehouse space. No warehouse space was available after 325,000 square feet of Class A warehouse space was absorbed in the first half of 2022. No new square feet of warehouse space were added to the Bentonville warehouse submarket in during this half. The vacancy rate was 0.0 percent, down from 17.5 percent in the second half of 2021.

No warehouse space was available in Lowell out of 1,496,407 total square feet of warehouse space. 45.4 percent of the total warehouse space was Class A. 130,000 new square feet of warehouse were added to and absorbed in the Lowell submarket in the first half of 2022. After net positive absorption of 92,000 square feet, the resulting vacancy rate was 0.0 percent, down from 6.7 percent in the second half of 2021.



Commercial Market Trends

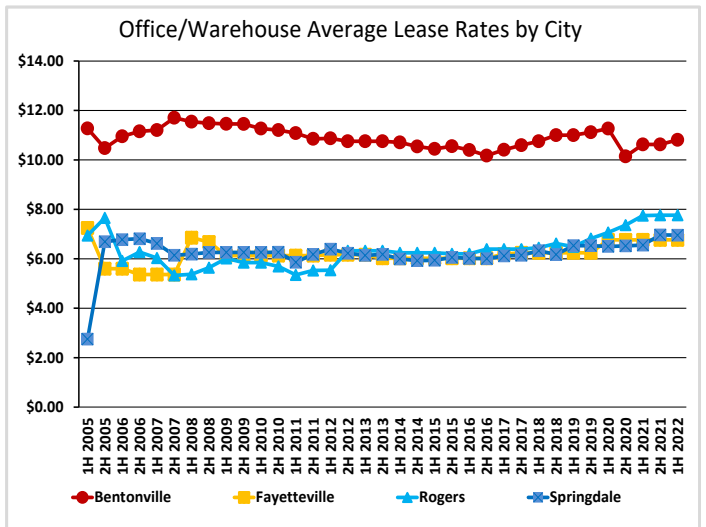
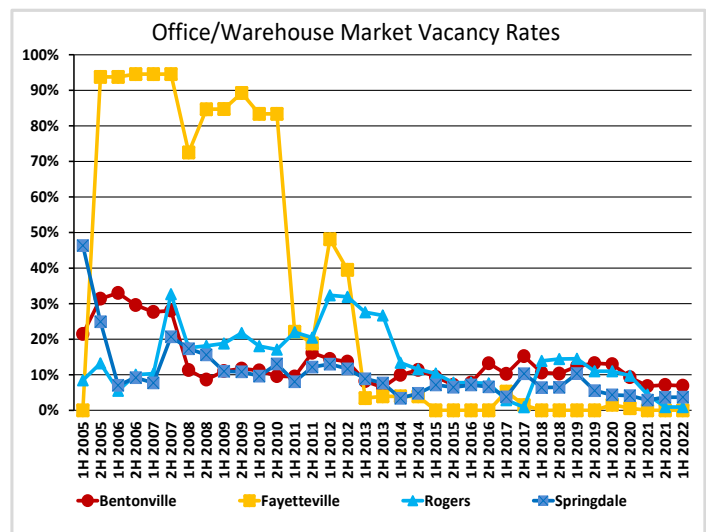
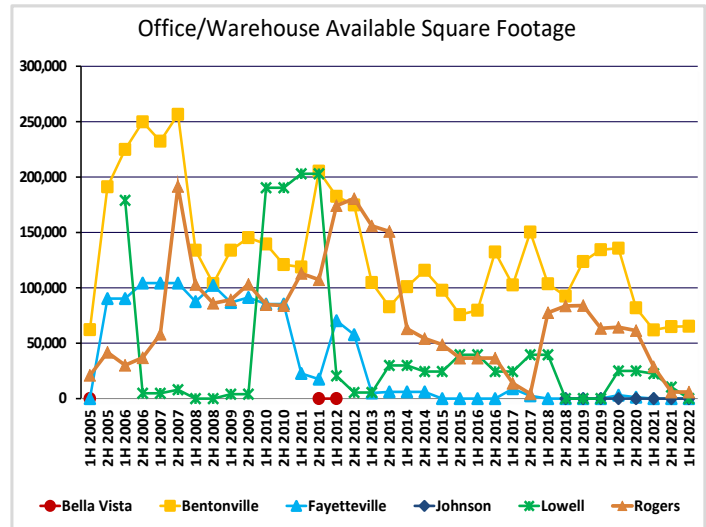
Office/Warehouse Vacancy, Space, and Lease

Office/Warehouse

The Skyline Report panelists reported on 4,263,177 square feet of office/warehouse space with 204,301 total square feet available in the first half of 2022. Springdale, Bentonville, and Siloam Springs with 75,534 square feet, 65,200 square feet, and 57,667 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

The vacancy rate in the office/warehouse submarket decreased from 6.0 percent in the second half of 2021 to 4.8 percent in the first half of 2022. 134,255 square feet of office/warehouse space entered the market in Northwest Arkansas during this period, with Lowell accounting for 100,000 square feet and Bentonville added another 34,255 square feet. The office/warehouse submarket in Northwest Arkansas experienced net positive absorption of 44,707 square feet during the first half of 2022. Siloam Springs and Lowell accounted for 34,607 and 10,400 square feet of net positive absorption, while Bentonville had 300 square feet of net negative absorption.

Bentonville continued to have the highest reported average lease rates remaining at \$10.81. Reported office/warehouse average lease rates decreased to \$6.96 in Springdale, while they remained the same in Fayetteville and Rogers with \$6.77 and \$7.77, respectively, in the first half of 2022.



Commercial Market Trends

Retail/Warehouse Vacancy, Space and Lease

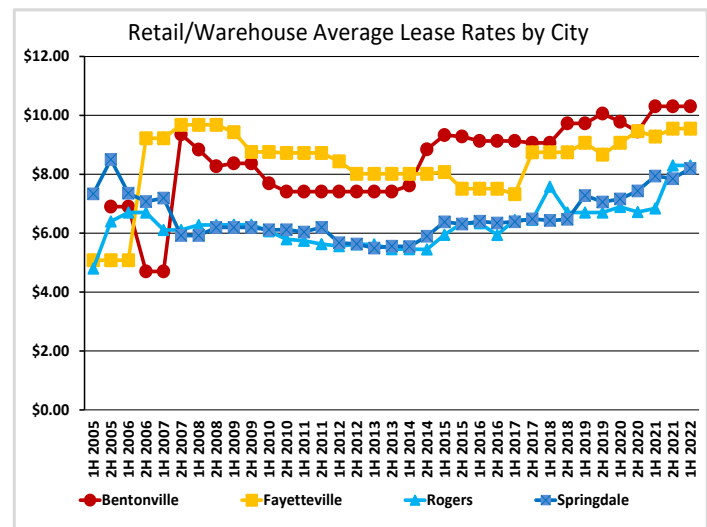
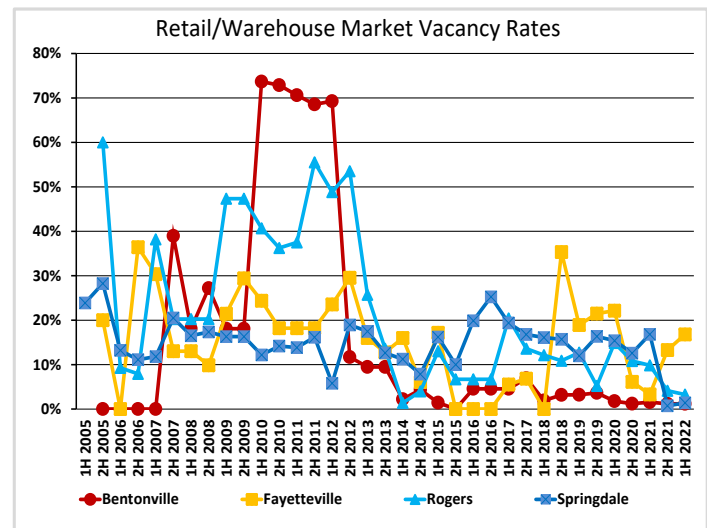
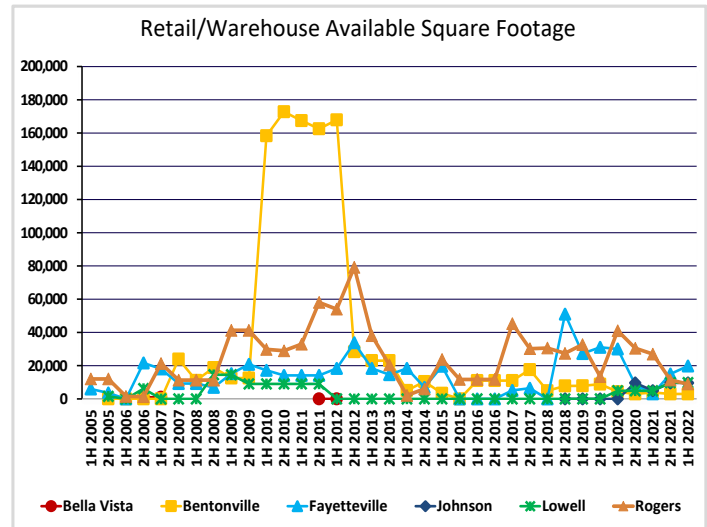
Retail/Warehouse

The Skyline Report panelists reported on 1,533,884 square feet of retail/warehouse space in the first half of 2022. A total of 61,021 square feet was available in Northwest Arkansas. Fayetteville had the most available retail/warehouse space with 19,774 square feet followed by Springdale with 9,956 square feet.

There were no new square feet of retail/warehouse added to the market during the first half of 2022. The vacancy rate in the retail/warehouse submarket increased from 3.5 percent in the second half of 2021 to 4.0 percent in the first half of 2022.

From the second half of 2021 to the first half of 2022, there was net negative absorption of 2,356 square feet of retail/warehouse space in Northwest Arkansas. Springdale contributed negative absorption of 4,756 square feet and Rogers contributed 2,400 square feet of the net positive absorption in the first half of 2022.

In the first half of 2022, Bentonville remained the highest average lease rate in this market at \$10.31. Reported retail/warehouse average lease rates remained the same in Fayetteville at \$9.55 and Rogers at \$8.30. Springdale remained the lowest average lease rate after a decrease of \$0.35 to \$8.20.



Commercial Market Trends

Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Square Feet ¹	Percent Available ²	Absorption ² from 1H to 2H	New Available Square Feet ¹	Net Absorption	Months of Inventory
Office/Warehouse							
Bentonville	945,398	65,200	6.9%	33,955	34,255	-300	--
Fayetteville	222,610	0	0.0%	0	0	0	--
Rogers	647,431	5,900	0.9%	0	0	0	--
Springdale	2,044,545	75,534	3.7%	0	0	0	--
Retail/Warehouse							
Bentonville	248,466	2,928	1.2%	0	0	0	--
Fayetteville	117,642	19,774	16.8%	0	0	0	--
Rogers	273,605	8,933	3.3%	2,400	0	2,400	22.3
Springdale	711,330	9,956	1.4%	-4,756	0	-4,756	--

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$9.79 - \$11.83	\$9.65 - \$10.96
Fayetteville	\$6.37 - \$7.16	\$8.85 - \$10.25
Rogers	\$7.64 - \$7.89	\$8.17 - \$8.43
Springdale	\$6.49 - \$7.42	\$7.92 - \$8.48



Bella Vista

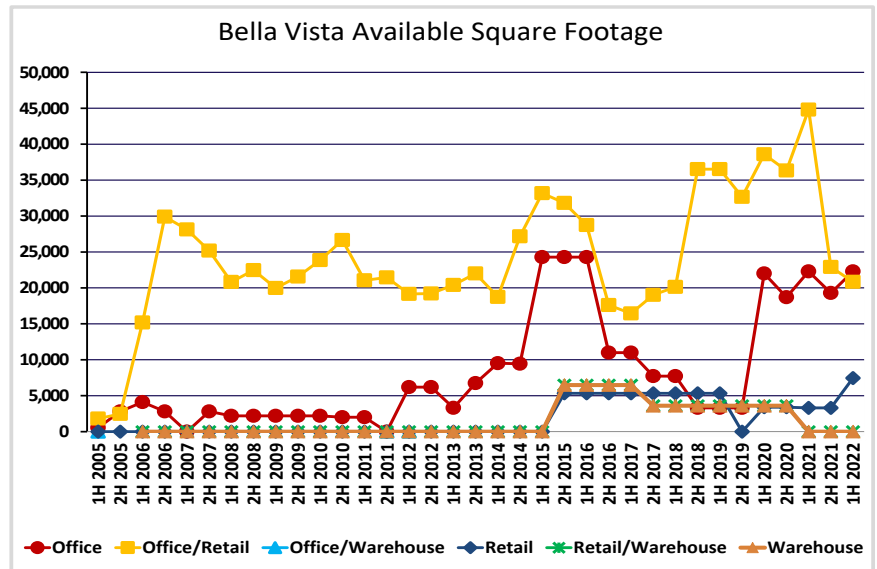
Commercial Market Summary

From January 1 to June 30, 2022, Bella Vista issued no new building permits for commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 463,383 square feet of commercial space in Bella Vista in the first half of 2022.

In the first half of 2022, Bella Vista experienced net negative absorption 8,356 square feet. Class B retail space had 4,156 square feet of this total, while no submarket had net positive absorption in this period.

The Class B office/retail and Class B retail submarkets had slight average lease rate increases. All other reported average lease rates in Bella Vista in the first half of 2022 remained stable.



No new commercial square feet were added to Bella Vista in the first half of 2022.

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	--	--	--	--	--	--	--	--
Office	\$13.12 - \$13.78	123,479	22,296	18.1%	-3,000	0	-3,000	--
Class A	--	--	--	--	--	--	--	--
Class B	\$13.68 - \$13.68	60,725	15,700	25.9%	0	0	0	--
Class C	--	3,596	3,596	100.0%	0	0	0	--
Medical	\$12.00 - \$14.00	59,158	3,000	5.1%	-3,000	0	-3,000	--
Office/Retail	\$10.98 - \$13.34	238,082	20,846	8.8%	-1,200	0	-1,200	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.98 - \$13.34	226,706	18,710	8.3%	-1,200	0	-1,200	--
Class C	--	11,376	2,136	18.8%	0	0	0	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$18.75 - \$18.75	89,336	7,455	8.3%	-4,156	0	-4,156	--
Class A	--	--	--	--	--	--	--	--
Class B	\$18.75 - \$18.75	89,336	7,455	8.3%	-4,156	0	-4,156	--
Class C	--	--	--	--	--	--	--	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

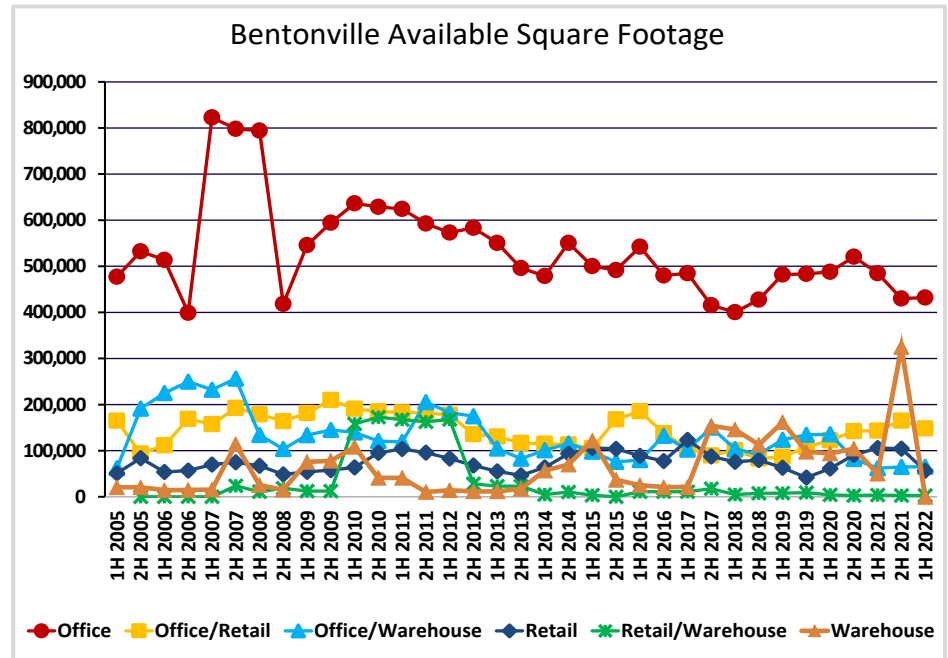
Bentonville Commercial Market Summary

From January 1 to June 30, 2022, Bentonville issued \$189,550,926 worth of building permits for new commercial space. \$170,131,585 of the building permits were issued for the new Walmart Campus.

The first half of 2022 building permit value was 37.3 percent lower than the second half of 2021 value of \$302,116,436.

Bentonville accounted for 64.5 percent of the commercial permits issued in Northwest Arkansas during the first half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 9,095,665 square feet of commercial space in Bentonville in the first half of 2022.



In the first half of 2022, Bentonville experienced net positive absorption of 366,027 square feet, while 34,255 new square feet of office/warehouse space were added.

The warehouse submarket had the greatest amount of net positive absorption with 325,000 square feet, all Class A warehouse. The Class B retail submarket added 32,717 square feet of net positive absorption. The Class A and C office submarkets had net negative absorption of 6,868 square feet and 3,920 square feet, respectively.

Reported vacancy rates from the second half of 2021 to the first half of 2022 decreased in the office/retail, retail, and the warehouse submarkets, and remained relatively stable in the other.

Average reported lease rates increased noticeably by \$0.56 in the Class A office

submarket and by \$0.36 in the Class B retail submarket. They decreased by \$0.38 in the Class C retail submarket. Lease rates remained relatively stable in the other submarkets during this period.

Bentonville

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$4.50 - \$4.50	16,340	0	0.0%	0	0	0	--
Office/Retail	\$17.48 - \$18.04	4,092,928	431,984	10.6%	-8,053	0	-8,053	--
Retail	\$24.89 - \$26.30	865,810	140,497	16.2%	-6,868	0	-6,868	--
Class B	\$16.88 - \$17.39	2,508,503	258,770	10.3%	2,736	0	2,736	567.6
Class C	\$14.36 - \$14.36	360,651	13,140	3.6%	-3,920	0	-3,920	--
Office	\$17.95 - \$18.58	357,964	19,577	5.5%	0	0	0	--
Class A	\$15.74 - \$16.88	1,063,362	148,199	13.9%	16,772	0	16,772	53.0
Class B	\$26.00 - \$26.25	140,683	2,750	--	0	0	0	--
Class C	\$15.91 - \$17.30	774,977	139,434	18.0%	14,762	0	14,762	56.7
Medical	\$12.51 - \$13.14	147,702	6,015	4.1%	2,010	0	2,010	18.0
Office/Retail	\$9.79 - \$11.83	945,398	65,200	6.9%	33,955	34,255	-300	--
Class A	\$16.91 - \$18.44	869,280	56,412	6.5%	32,607	0	32,607	10.4
Class B	\$22.27 - \$23.27	157,874	6,270	4.0%	-110	0	-110	--
Class C	\$17.47 - \$19.25	549,368	50,142	9.1%	32,717	0	32,717	9.2
Office/Warehouse	\$11.23 - \$12.52	162,038	0	0.0%	0	0	0	--
Retail	\$9.65 - \$10.96	248,466	2,928	1.2%	0	0	0	--
Class A	\$6.19 - \$6.31	1,859,891	0	0.0%	325,000	0	325,000	0.0
Class B	\$6.75 - \$681	1,639,391	0	0.0%	325,000	0	325,000	0.0
Class C	\$4.68 - \$4.93	220,500	0	0.0%	0	0	0	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	\$6.19 - \$6.31	1,859,891	325,000	17.5%	170,365	445,365	-275,000	--
Class A	\$6.75 - \$681	1,639,391	325,000	19.8%	170,365	445,365	-275,000	--
Class B	\$4.68 - \$4.93	220,500	0	0.0%	0	0	0	--
Class C	--	--	--	--	--	--	--	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.



Bentonville

Commercial Market Summary

Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 914,745 square feet of office, office/retail, and retail space in Downtown Bentonville in the first half of 2022. No new space was added during this period.

There was net positive absorption of 6,517 square feet in Downtown Bentonville during the first half of 2022. Office space in Downtown Bentonville had a reported vacancy rate of 9.4 percent in the first half of 2022, up from 8.6 percent in the second half of 2021, even with net positive absorption of 8,251 square feet, due to space being reclassified office from retail. This was lower than the overall Bentonville office vacancy rate of 10.6 percent.

The office/retail vacancy rate in Downtown Bentonville increased from 1.9 percent in the second half of 2021 to 3.1 percent in the first half of 2022 in accordance with net negative absorption of 1,734 square feet. This was lower than the overall Bentonville office/retail vacancy rate of 13.9 percent.

The retail vacancy rate in Downtown Bentonville decreased from 16.1 percent in the second half of 2021 to 0.0 percent in the first half of 2022 due to retail space being reclassified as office space. This was higher than the overall Bentonville retail vacancy rate of 6.5 percent.

Average reported lease rates increased by \$0.45 in the office submarket, remained the same in the office/retail submarket, and decreased by \$0.85 in the retail submarket in Downtown Bentonville in the first half of 2022.

Downtown Bentonville Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$22.12 - \$23.78	681,867	64,350	9.4%	8,251	0	8,251	46.8
Office/Retail	\$20.28 - \$21.82	143,328	4,484	3.1%	-1,734	0	-1,734	--
Retail	\$16.74 - \$18.49	89,550	0	0.0%	0	0	0	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.



Fayetteville Commercial Market Summary

From January 1 to June 30, 2021, Fayetteville issued building permits for \$10,864,711 worth of new commercial space. The first half of 2022 value was 22.2 percent lower than the first half of 2022 value of \$13,960,657.

During the first half of 2022, Fayetteville accounted for 3.7 percent of the commercial building permits issued in Northwest Arkansas.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 10,982,205 square feet of commercial space in Fayetteville in the first half of 2022.

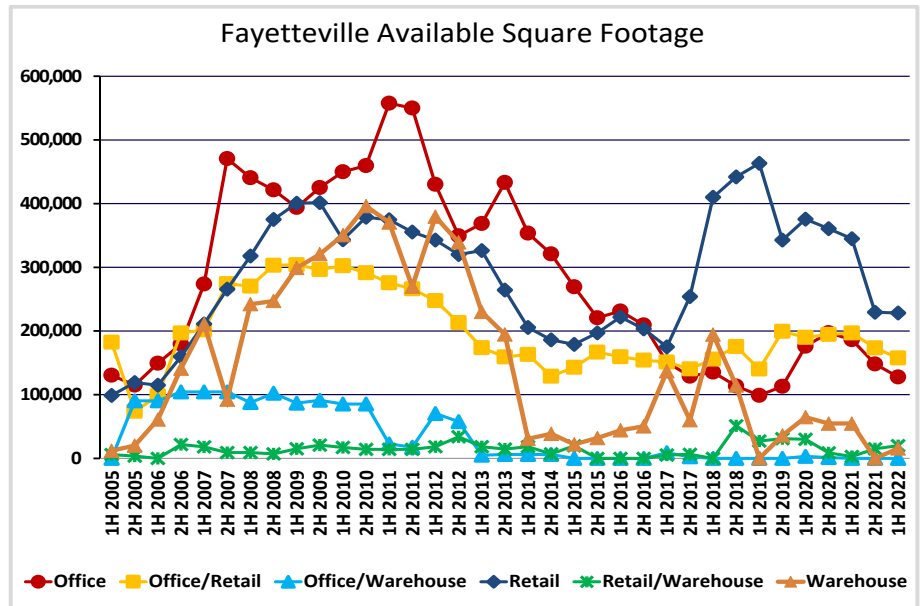
In the first half of 2022, Fayetteville experienced positive absorption of 196,878 square feet with 133,947 new square feet of commercial space, 99,000 of it warehouse, entering the market. This resulted in net positive absorption of 62,931 square feet during this time.

The Class B office/retail submarket had the greatest amount of net positive absorption with 20,148 square feet, followed by the Class B retail submarket with 14,845 square feet. The Class C office/retail submarket had the most net negative absorption with 4,425 square feet in the first half of 2022.



Observed vacancy rates in Fayetteville from the first half of 2022 to the first half of 2022 decreased for lab, office, office/retail, retail, and, and warehouse space. They increased for medical office and retail/warehouse space. Vacancy rates remained the same for industrial and office/warehouse space during this time.

The Fayetteville Class B office, Class A and Class C office/retail submarkets had modest average lease rate increases of \$0.36, \$0.50, and \$0.29, respectively in the first half of 2022. All other lease rates were relatively stable from the first half of 2022 to the first half of 2022.



Fayetteville

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	\$21.32 - \$23.35	75,603	3,000	4.0%	0	0	0	--
Industrial	\$3.73 - \$4.50	301,000	0	0.0%	0	0	0	--
Office	\$16.12 - \$17.16	3,507,691	127,720	3.6%	44,738	21,275	23,463	32.7
Class A	\$23.09 - \$27.25	456,037	5,000	1.1%	6,016	0	6,016	5.0
Class B	\$16.89 - \$17.43	1,293,907	69,889	5.4%	6,078	6,000	78	5,376.1
Class C	\$12.63 - \$13.25	462,349	22,948	5.0%	7,438	0	7,438	18.5
Medical	\$16.85 - \$18.53	1,295,398	29,883	2.3%	25,206	15,275	9,931	18.1
Office/Retail	\$15.10 - \$16.49	1,775,627	157,669	8.9%	29,395	13,672	15,723	60.2
Class A	\$27.50 - \$27.50	42,000	7,475	17.8%	0	0	0	--
Class B	\$16.64 - \$17.88	1,201,959	118,071	9.8%	33,820	13,672	20,148	35.2
Class C	\$12.31 - \$13.97	531,668	32,123	6.0%	-4,425	0	-4,425	--
Office/Warehouse	\$6.37 - \$7.16	222,610	0	0.0%	0	0	0	--
Retail	\$16.66 - \$17.20	3,687,842	228,219	6.2%	23,745	0	23,745	57.7
Class A	\$26.05 - \$27.30	1,130,393	41,281	3.7%	2,800	0	2,800	88.5
Class B	\$18.35 - \$18.91	2,043,036	150,004	7.3%	14,845	0	14,845	60.6
Class C	\$11.99 - \$12.30	514,413	36,934	7.2%	6,100	0	6,100	36.3
Retail/Warehouse	\$8.85 - \$10.25	117,642	19,774	16.8%	0	0	0	--
Warehouse	\$3.77 - \$4.36	1,294,190	15,600	1.2%	99,000	99,000	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$4.17 - \$4.90	842,564	0	0.0%	99,000	99,000	0	--
Class C	\$3.14 - \$3.52	451,626	15,600	3.5%	0	0	0	--

¹From all 2H 2021 respondents

²From 1H 2022 respondents who were also 2H 2021 respondents.

Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,124,333 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the first half of 2022.

There was net positive absorption of 9,805 square feet in the downtown Fayetteville area in the first half of 2022.

There was no new space added in downtown Fayetteville during the first half of 2022.

The office space in downtown Fayetteville had a reported vacancy rate of 2.5 percent in the first half of 2022, down from 3.8 percent in the first half of 2022 in accordance with net positive absorption of 6,546 square feet. This was lower than the overall Fayetteville office vacancy rate of 3.6 percent.

The office/retail vacancy rate for downtown Fayetteville properties went down from 2.9 percent in the first half of 2022 to 2.1 percent in the first half of 2022. This submarket had net positive absorption of 3,259 square feet. This was lower than the overall Fayetteville office/retail vacancy rate of 8.9 percent in the first half of 2022.

Fayetteville

Commercial Market Summary

The downtown Fayetteville retail vacancy rate remained at 9.5 percent. This was higher than the overall Fayetteville retail vacancy rate of 6.2 percent in the first half of 2022.

Average reported lease rates in downtown Fayetteville decreased \$0.06 in the office submarket, and increased \$0.03 in the office/retail submarket and \$0.67 in the retail submarket from the first half of 2022 to the first half of 2022.

Downtown Fayetteville/Dickson Street Area Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$14.94 - \$17.14	511,337	12,900	2.5%	6,546	0	6,546	11.8
Office/Retail	\$16.58 - \$17.92	444,838	9,455	2.1%	3,259	0	3,259	17.4
Retail	\$17.85 - \$18.53	168,158	16,017	9.5%	0	0	0	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

Uptown Fayetteville/Joyce Street Corridor/Mall

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,191,906 square feet of office, office/retail, and retail space in Uptown Fayetteville in the first half of 2022.

There was overall net positive absorption of 1,598 square feet of space during the first half of 2022 in Uptown Fayetteville.

There were 21,275 new square feet of office space added to Uptown Fayetteville in the first half of 2022.

Office space in Uptown Fayetteville had net positive absorption of 8,624 square feet in the first half of 2022 leading to a reported vacancy rate of 3.6 percent in the first half of 2022. This was lower than the first half of 2022 vacancy rate of 4.1 percent and was the same as the 3.6 percent vacancy rate for all of Fayetteville.

In the first half of 2022, the office/retail vacancy rate in Uptown Fayetteville decreased to 5.6 percent from 8.7 percent in the first half of 2022, with 1,305 square feet of net positive absorption. The vacancy rate was below the city average office/retail vacancy rate of 8.9 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 6.1 percent in the first half of 2022, an increase from 5.7 percent in the first half of 2022, in accordance with net negative absorption of 8,331 square feet during the first half of 2022. This was lower than the overall Fayetteville rate of 6.2 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.46 in the office, decreased \$0.50 in the office/retail, and remained the same in the retail submarkets in the first half of 2022.

Fayetteville

Commercial Market Summary

Uptown Fayetteville/Joyce Street Corridor/Mall Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$17.71 - \$18.66	1,918,537	69,885	3.6%	29,899	21,275	8,624	48.6
Office/Retail	\$16.90- \$17.10	48,515	2,700	5.6%	1,305	0	1,305	12.4
Retail	\$18.63 - \$19.18	2,224,854	135,595	6.1%	-8,331	0	-8,331	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

Martin Luther King, Jr. Boulevard Corridor

In the first half of 2022, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 501,107 square feet of office, office/retail, and retail space in the MLK Boulevard Corridor of Fayetteville.

The MLK Boulevard Corridor experienced net positive absorption of 4,173 square feet of space in the first half of 2022.

In the first half of 2022 there was no new retail space added to the MLK Boulevard Corridor.

Office space in the MLK Boulevard Corridor of Fayetteville had a reported vacancy rate of 4.8 percent in the first half of 2022, the same as in the second half of 2021. This was higher than the overall office vacancy rate of 3.6 percent for all of Fayetteville.

From the second half of 2021 to the first half of 2022, with 5,627 square feet of net negative absorption the office/retail vacancy rate increased from 9.3 percent to 11.5 percent in the MLK Boulevard Corridor of Fayetteville and was lower than the overall city average rate of 8.9 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 5.9 percent in the first half of 2022, a decrease from 10.5 percent in the second half of 2021 due to net positive absorption of 9,800 square feet. The retail vacancy rate for all of Fayetteville was higher at 6.2 percent.

Average reported lease rates in the MLK Boulevard Corridor were stable in the office submarket, decreased \$0.47 in the office/retail submarket, and increased \$0.27 in the retail submarket in the first half of 2022.

Martin Luther King, Jr. Boulevard Corridor Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$15.88 - \$15.88	40,281	1,916	4.8%	0	0	0	--
Office/Retail	\$14.32 - \$17.40	246,811	28,484	11.5%	-5,627	0	-5,627	--
Retail	\$17.93 - \$18.21	214,015	12,584	5.9%	9,800	0	9,800	7.7

¹From all 1H 2022 respondents.

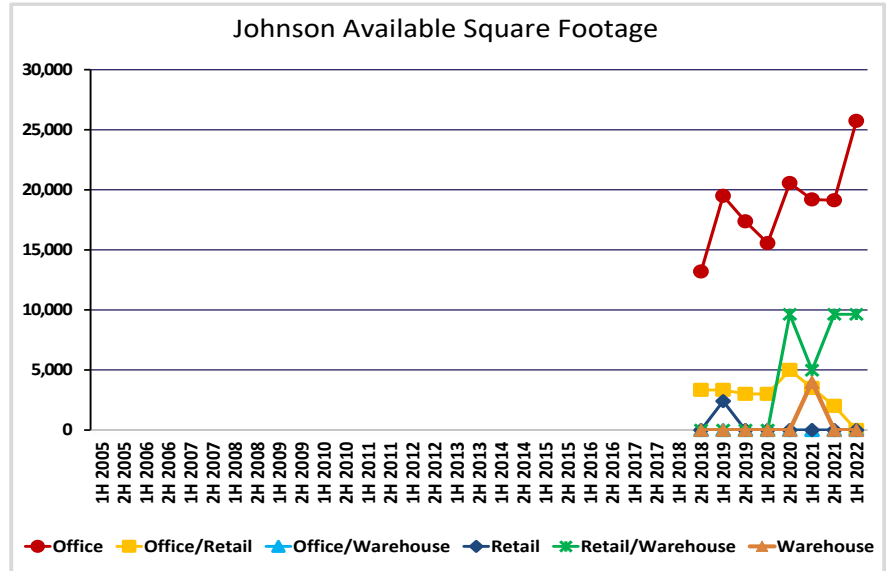
²From 1H 2022 respondents who were also 2H 2021 respondents.

Johnson Commercial Market Summary

From January 1 to June 30, 2022, Johnson issued no building permits for new commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 564,076 square feet of Johnson commercial space in the first half of 2022.

In the first half of 2022, Johnson had net negative absorption of 4,610 square feet. The medical office submarket had the most net negative absorption with 7,875 square feet, while the Class B office/retail submarket had the most net positive absorption with 2,000 square feet.



There were no new square feet of commercial space added in Johnson in the first half of 2022.

The office submarket in Johnson had a vacancy rate of 8.4 percent in the first half of 2022, an increase from 6.3 percent in the second half of 2021 in accordance with net negative absorption of 6,610 square feet.

Average reported lease rates increased by \$2.23 in the Class B retail and \$1.00 in the Class A office submarkets and decreased by \$1.54 in the medical office submarket in Johnson and remained relatively stable in all submarkets in the first half of 2022.



Johnson

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	--	--	--	--	--	--	--	--
Office	\$21.88 - \$22.17	305,295	25,734	8.4%	-6,610	0	-6,610	--
Class A	\$24.25 - \$24.25	72,373	6,235	8.6%	1,265	0	1,265	29.6
Class B	\$18.25 - \$18.25	35,677	2,100	5.9%	0	0	0	--
Class C	--	17,456	0	0.0%	0	0	0	--
Medical	\$22.57 - \$23.39	179,789	17,399	9.7%	-7,875	0	-7,875	--
Office/Retail	\$15.22 - \$18.52	74,451	0	0.0%	2,000	0	2,000	0.0
Class A	--	--	--	--	--	--	--	--
Class B	\$16.03 - \$17.90	41,369	0	0.0%	2,000	0	2,000	0.0
Class C	\$12.00 - \$21.00	33,082	0	--	0	0	0	--
Office/Warehouse	\$5.50 - \$5.50	31,340	0	0.0%	0	0	0	--
Retail	\$14.25 - \$16.88	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.00 - \$18.50	50,335	0	0.0%	0	0	0	--
Class C	\$12.00 - \$12.00	3,000	0	0.0%	0	0	0	--
Retail/Warehouse	--	18,050	9,630	53.4%	0	0	0	--
Warehouse	\$3.81 - \$4.86	81,605	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.89 - \$4.95	61,870	0	0.0%	0	0	0	--
Class C	\$3.50 - \$4.50	19,735	0	0.0%	0	0	0	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

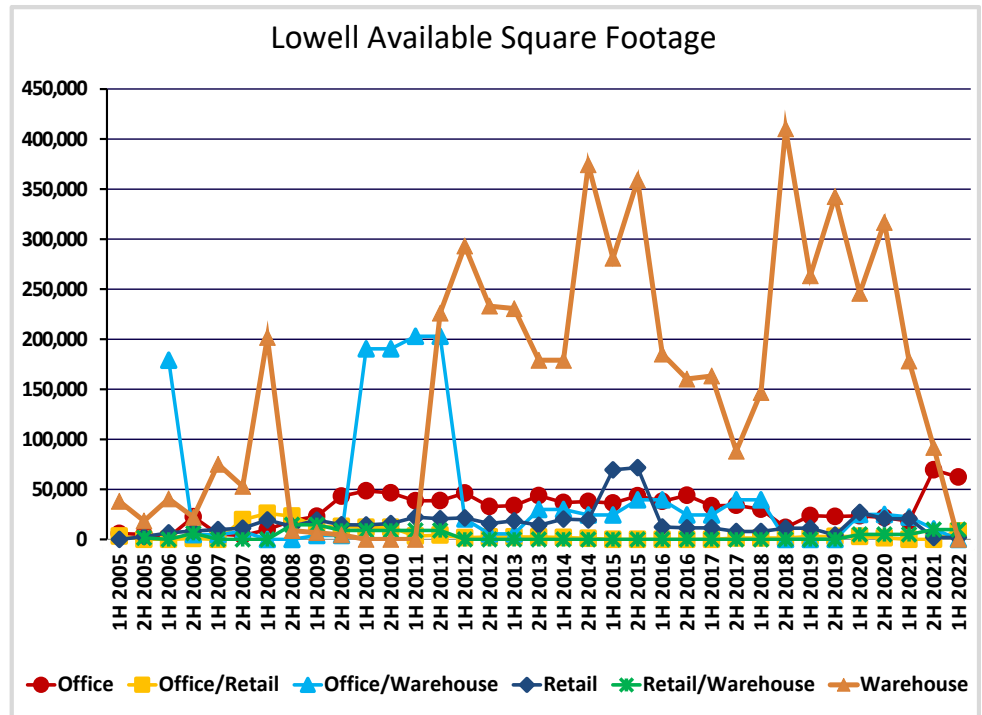
Lowell Commercial Market Summary

From January 1 to June 30, 2022, Lowell issued building permits for \$5,633,444 worth of new commercial space.

The first half of 2022 value was 75.5 percent lower than the second half of 2021 value of \$23,013,909.

Lowell accounted for 1.9 percent of building permits issued in Northwest Arkansas in the first half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,459,727 square feet of Lowell commercial space in the first half of 2022.



In the first half of 2022, Lowell had overall net positive absorption of 101,321 square feet while adding 313,868 new square feet of commercial space in the first half of 2022. 130,000 square feet of the new space was warehouse space, while another 100,000 square feet was office/warehouse space.

The warehouse submarket had the greatest amount of net positive absorption with 92,000 square feet, while the office/warehouse submarket added another 10,400 square feet of net positive absorption. The office/retail submarket had 8,209 square feet of net negative absorption.

Reported vacancy rates decreased in the office, medical office, office/warehouse, and warehouse submarkets, increased in the office/retail submarket, and stayed the same in the remaining submarkets from the second half of 2021 to the first half of 2022.

Average reported lease rates in Lowell from the second half of 2021 to the first half of 2022 increased noticeably in the Medical office, Class B office retail (new building in very small sample size) and Class B warehouse submarkets by \$1.00, \$4.88, \$0.50, respectively. They decreased modestly by \$0.31 in the Class A warehouse submarket. Average reported lease rates remained relatively stable in all other submarkets in the first half of 2022.

Lowell

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$6.50 - \$6.50	133,780	0	0.0%	58,500	58,500	0	--
Office	\$17.47 - \$17.58	336,863	62,267	18.5%	16,995	9,865	7,130	52.4
Class A	\$20.50 - \$20.50	109,330	17,809	16.3%	0	0	0	--
Class B	\$14.58 - \$14.92	106,753	0	0.0%	0	0	0	--
Class C	\$15.13 - \$15.13	28,316	2,588	9.1%	9,000	0	9,000	1.7
Medical	\$21.00 - \$21.00	92,464	41,870	45.3%	7,995	9,865	-1,870	--
Office/Retail	\$15.67 - \$17.00	87,579	8,209	9.4%	7,294	15,503	-8,209	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.76 - \$17.00	58,603	8,209	14.0%	7,294	15,503	-8,209	--
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$7.28 - \$7.46	261,438	0	0.0%	110,400	100,000	10,400	0.0
Retail	\$13.14 - \$15.47	112,628	1,875	1.7%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$13.70 - \$16.96	97,572	1,875	1.9%	0	0	0	--
Class C	\$11.75 - \$11.75	15,056	0	0.0%	0	0	0	--
Retail/Warehouse	\$8.14 - \$8.14	31,032	9,800	31.6%	0	0	0	--
Warehouse	\$4.76 - \$4.83	1,496,407	0	0.0%	222,000	130,000	92,000	0.0
Class A	\$4.78 - \$4.96	679,748	0	0.0%	0	0	0	--
Class B	\$5.05 - \$5.07	629,749	0	0.0%	142,000	130,000	12,000	0.0
Class C	\$3.38 - \$3.38	186,910	0	0.0%	80,000	0	80,000	0.0

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.



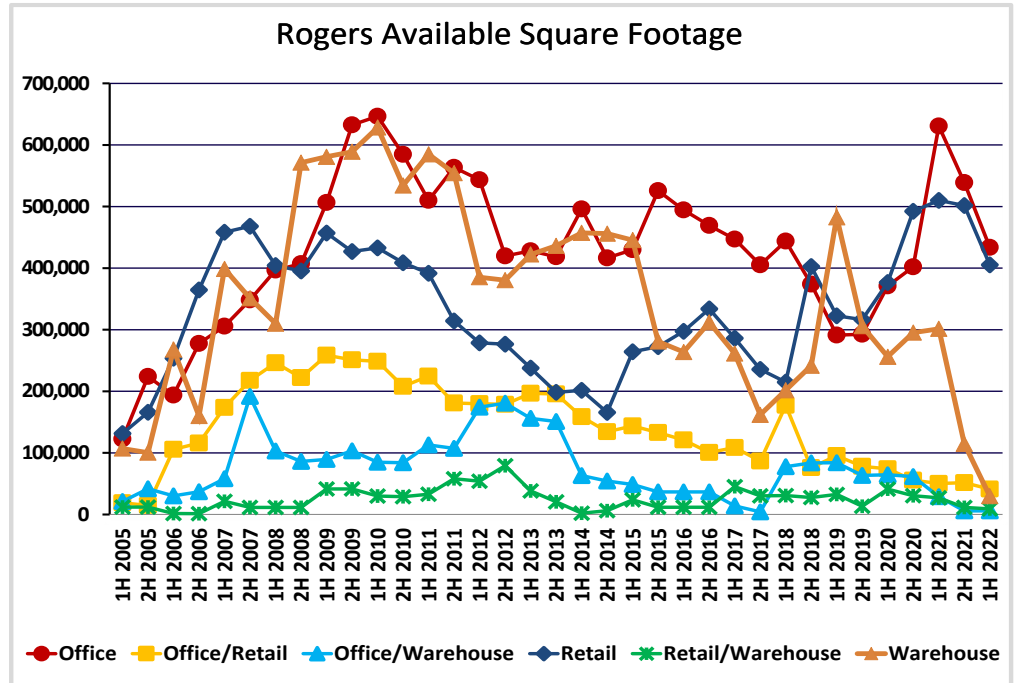
Rogers Commercial Market Trends

From January 1 to June 30, 2022, Rogers issued building permits for \$29,027,762,287 worth of new commercial space.

The first half of 2022 value was 26.1 percent higher than the second half of 2021 value of \$23,022,287.

Rogers accounted for 9.9 percent of the commercial permits issued in Northwest Arkansas during the first half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 13,021,362 square feet of commercial space in the first half of 2022.



In the first half of 2022, Rogers had overall net positive absorption of 301,514 square feet. The Class A retail submarket had the greatest amount of net positive absorption with 93,677 square feet and the Class A office submarket contributed 87,609 square feet. The Medical office submarket had net negative absorption of 12,104 square feet.

In the first half of 2022, 19,680 square feet of new Medical office space was added to the Rogers market.



Reported vacancy rates in the first half of 2022 decreased in the office, office/retail, retail, retail/warehouse, and the warehouse submarkets. Vacancy rates increased for the medical office submarket and remained the same in the office/warehouse.

From the second half of 2021 to the first half of 2022, modest increases were reported in the Medical office and Class C office/retail submarkets of \$0.44 and \$0.60. All other lease rates remained relatively unchanged.

Rogers

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	\$11.00 - \$11.00	9,482	0	0.0%	0	0	0	--
Industrial	\$4.04 - \$4.04	709,501	0	0.0%	0	0	0	--
Office	\$17.33 - \$17.85	3,995,391	433,610	10.9%	126,933	19,680	107,253	24.3
Class A	\$24.05 - \$24.91	2,197,233	271,514	12.4%	87,609	0	87,609	18.6
Class B	\$17.73 - \$18.34	988,875	112,691	11.4%	34,341	0	34,341	19.7
Class C	\$11.07 - \$11.37	313,961	28,791	9.2%	-2,593	0	-2,593	--
Medical	\$16.00 - \$16.15	495,322	20,614	4.2%	7,576	19,680	-12,104	--
Office/Retail	\$13.44 - \$14.34	579,665	41,040	7.1%	10,658	0	10,658	23.1
Class A	\$21.83 - \$21.83	110,382	2,468	2.2%	3,125	0	3,125	4.7
Class B	\$15.04 - \$16.25	225,173	18,568	8.2%	11,115	0	11,115	10.0
Class C	\$10.62 - \$11.39	244,110	20,004	8.2%	-3,582	0	-3,582	--
Office/Warehouse	\$7.64 - \$7.89	647,431	5,900	0.9%	0	0	0	--
Retail	\$14.44 - \$15.37	3,702,805	405,409	10.9%	96,203	0	96,203	25.3
Class A	\$21.66 - \$22.88	1,673,315	75,821	4.5%	93,677	0	93,677	4.9
Class B	\$14.82 - \$16.51	1,449,860	308,755	21.3%	5,145	0	5,145	360.1
Class C	\$10.07 - \$10.35	579,630	20,833	3.6%	-2,619	0	-2,619	--
Retail/Warehouse	\$8.17 - \$8.43	273,605	8,933	3.3%	2,400	0	2,400	22.3
Warehouse	\$4.35 - \$4.42	3,103,482	29,750	1.0%	85,000	0	85,000	2.1
Class A	\$4.00 - \$4.00	937,500	0	0.0%	0	0	0	--
Class B	\$4.51 - \$4.66	1,029,424	0	0.0%	0	0	0	--
Class C	\$4.32 - \$4.36	1,136,558	29,750	2.6%	85,000	0	85,000	2.1

¹From all 2H 2019 respondents.

²From 2H 2019 respondents who were also 1H 2019 respondents.

Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 501,285 square feet of office, office/retail, and retail space in Downtown Rogers in the first half of 2022.

No new commercial space was added to downtown Rogers in the first half of 2022.

Office space in Downtown Rogers had net negative absorption of 2,593 square feet and had a vacancy rate of 10.3 percent in the first half of 2022 an increase from 8.6 in the second half of 2021. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, which was 10.9 percent during the same period.

The office/retail submarket had net positive absorption of 218 square feet. The vacancy rate increased to 4.9 percent from the second half of 2021 rate of 3.7 percent in the downtown area as some space became owner occupied. This compares to a vacancy rate of 7.1 percent for all of Rogers.

Downtown Rogers experienced net negative absorption of 1,619 square feet of retail space during the first half of 2022. The reported retail vacancy rate for downtown Rogers properties for the first half of 2022 increased to 2.9 percent from 2.2 percent in the second half of 2021 and was lower than the 10.9 percent average rate for all of Rogers.

Average reported lease rates for downtown Rogers increased by \$0.05 in the office, \$0.97 in the office/retail, and \$0.50 in the retail submarkets in the first half of 2022.

Rogers

Commercial Market Summary

Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$12.48 - 12.65	156,632	16,118	10.3%	-2,593	0	-2,593	--
Office/Retail	\$12.35 - \$14.07	107,310	5,282	4.9%	218	0	218	145.4
Retail	\$11.71 - \$12.50	237,343	6,915	2.9%	-1,619	0	-1,619	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,580,220 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the first half of 2022.

19,680 square feet of new office space was added to the Rogers I-49 corridor submarket in the first half of 2022.

Office space along the Rogers I-49 corridor experienced net positive absorption of 109,846 square feet during the first half of 2022. The reported average vacancy rate of office space was 12.9 percent in the first half of 2022, a decrease from the 17.4 percent rate in the second half of 2021. This was higher than the overall office vacancy rate for all of Rogers at 10.9 percent.

Office/retail space along the Rogers I-49 corridor experienced net positive absorption of 5,340 square feet in the first half of 2022. The office/retail submarket had a 3.8 percent vacancy rate, an increase from the 7.5 percent reported in the second half of 2021. This compares to a vacancy rate of 7.1 percent for all of Rogers.

There were 95,018 square feet of net positive absorption in the retail submarket for the Rogers I-49 corridor properties. The average retail vacancy rate for the first half of 2022 was 6.2 percent, a decrease from 10.2 percent in the second half of 2021, and lower than the 10.9 percent average rate for all of Rogers.

Average reported lease rates increased \$0.18 in the office submarket, increased \$0.10 in the office/retail, and decreased \$0.02 in the retail submarket in the Rogers I-49 area in the first half of 2022.



Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$21.40 - \$22.13	3,033,151	391,309	12.9%	129,526	19,680	109,846	21.4
Office/Retail	\$21.21 - \$21.21	145,458	5,507	3.8%	5,340	0	5,340	6.2
Retail	\$20.13 - \$21.55	2,401,611	149,485	6.2%	95,018	0	95,018	9.4

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

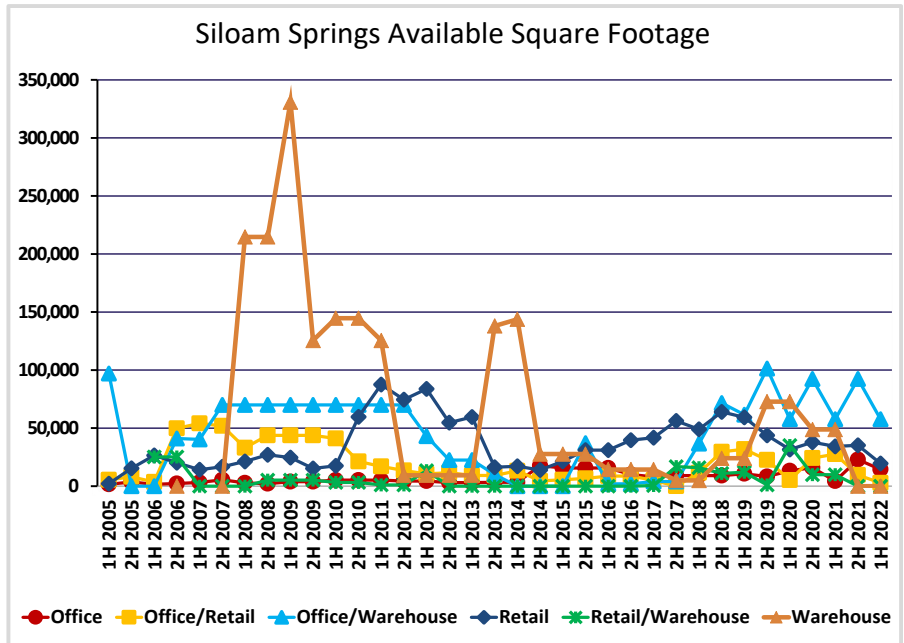
Siloam Springs Commercial Market Summary

From January 1 to June 30, 2022, Siloam Springs issued new commercial building permits valued at \$5,913,850.

The first half of 2022 value was higher than the second half of 2021 value of \$0.00.

Siloam Springs accounted for 2.0 percent of the commercial permits issued in Northwest Arkansas during the first half of 2022.

In the first half of 2022, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,832,818 square feet of commercial space for Siloam Springs.



There was no new commercial space added to the Siloam Springs market in the first half of 2022.

In the first half of 2022, Siloam Springs experienced overall net positive absorption of 65,598 square feet. There was net positive absorption of 34,607 square feet in the office/ warehouse submarket and 13,196 square feet in the Class C retail submarket. There was no net negative absorption in any submarket during this period.



Vacancy rates from the second half of 2021 to the first half of 2022 decreased in the office, medical office, office/retail, office/warehouse, and retail submarkets. Vacancy rates remained the same in the retail/warehouse and warehouse submarkets during the same period.

Average lease rates in all submarkets were relatively stable in the first half of 2022 in Siloam Springs.

Siloam Springs Commercial Market Summary

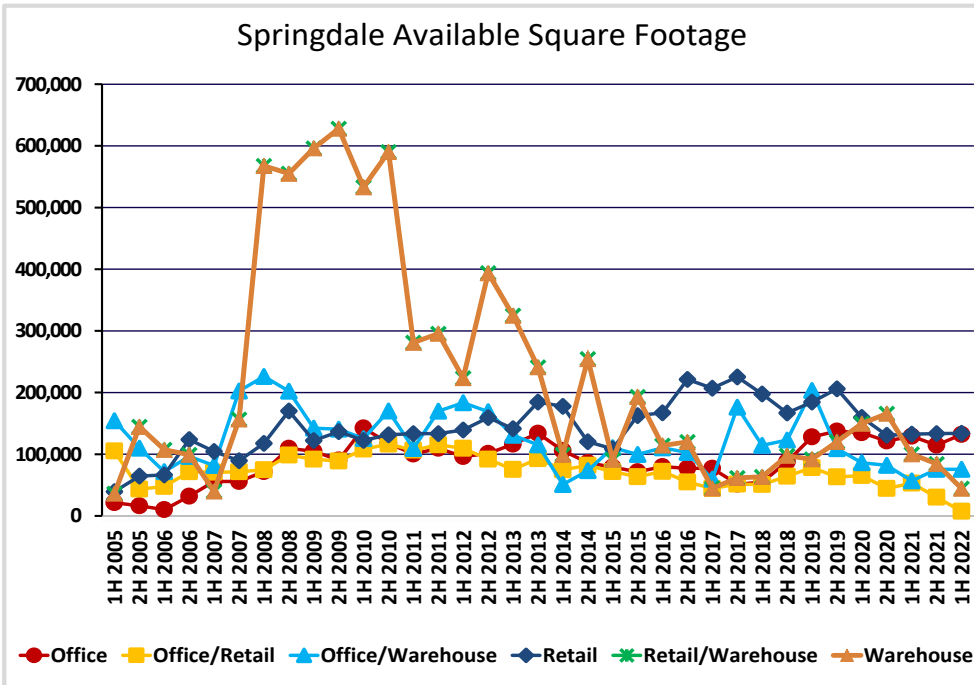
Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$2.95 - \$2.95	23,300	0	0.0%	0	0	0	--
Office	\$12.25 - \$13.90	172,139	14,351	8.3%	8,490	0	8,490	10.1
Class A	--	--	--	--	--	--	--	--
Class B	\$10.33 - \$11.00	27,734	0	0.0%	0	0	0	--
Class C	\$7.76 - \$11.28	11,421	0	0.0%	600	0	600	0.0
Medical	\$16.11 - \$17.21	132,984	14,351	10.8%	7,890	0	7,890	10.9
Office/Retail	\$8.62 - \$10.86	183,724	2,781	1.5%	6,805	0	6,805	2.5
Class A	--	--	--	--	--	--	--	--
Class B	\$14.17 - \$14.50	94,298	2,781	2.9%	0	0	0	--
Class C	\$6.55 - \$9.49	89,426	0	0.0%	6,805	0	6,805	0.0
Office/Warehouse	\$3.64 - \$3.89	110,415	57,667	52.2%	34,607	0	34,607	10.0
Retail	\$13.81 - \$14.63	469,950	19,477	4.1%	15,696	0	15,696	7.4
Class A	--	--	--	--	--	--	--	--
Class B	\$19.86 - \$20.86	120,663	11,477	9.5%	2,500	0	2,500	27.5
Class C	\$9.58 - \$10.28	349,287	8,000	2.3%	13,196	0	13,196	3.6
Retail/Warehouse	\$5.26 - \$6.49	133,759	0	0.0%	0	0	0	--
Warehouse	\$3.34 - \$3.63	739,531	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63 - \$3.63	321,269	0	0.0%	0	0	0	--
Class C	\$3.23 - \$3.63	418,262	0	0.0%	0	0	0	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.



Springdale Commercial Market Trends



From January 1 to June 30, 2022, Springdale issued \$52,734,008 worth of building permits for new commercial space.

This was an increase of 125.6 percent from the \$23,376,016 issued in the second half of 2021.

Springdale accounted for 18.0 percent of the commercial permits issued in Northwest Arkansas for the first half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 10,973,010 square feet of commercial space in Springdale in the first half of 2022.

There were 20,000 new square feet of retail space added to the Springdale market during this time

period.

Springdale experienced net positive absorption of 350,465 square feet in the first half of 2022. The industrial submarket had the most net positive absorption with 310,550 square feet while the Class B warehouse submarket added 40,000 square feet. The Class C office submarket with 21,942 square feet had the most net negative in this time period.

Reported vacancy rates decreased in the industrial, office/retail, retail, and warehouse submarkets. Vacancy rates increased in the office, medical office, and retail/warehouse submarkets, while remaining the same in the office/warehouse submarket in the first half of 2022.

Average reported lease rates in Springdale increased significantly by \$0.49 in the Class B warehouse submarket. There were modest lease rate increases between \$0.29 and \$0.50 in the Class B and C office, Class B and C office/retail, Class B retail, and retail/warehouse submarkets. All other lease rates remained relatively stable from the second half of 2021 to the first half of 2022.



Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$4.79 - \$5.38	1,323,993	27,500	2.1%	310,550	0	310,550	0.5
Office	\$13.84 - \$14.62	1,191,908	132,022	11.1%	-17,328	0	-17,328	--
Class A	\$20.33 - \$21.00	95,501	1,715	1.8%	705	0	705	14.6
Class B	\$15.02 - \$15.93	368,263	22,400	6.1%	5,758	0	5,758	23.3
Class C	\$10.12 - \$11.02	212,395	46,980	22.1%	-21,942	0	-21,942	--
Medical	\$17.46 - \$17.80	515,749	60,927	11.8%	-1,849	0	-1,849	--
Office/Retail	\$10.94 - \$12.07	703,101	7,490	1.1%	22,652	0	22,652	2.0
Class A	--	--	--	--	--	--	--	--
Class B	\$15.75 - \$17.30	255,475	1,250	0.5%	12,242	0	12,242	0.6
Class C	\$9.61 - \$10.61	447,626	6,240	1.4%	10,410	0	10,410	3.6
Office/ Warehouse	\$6.49 - \$7.42	2,044,545	75,534	3.7%	0	0	0	--
Retail	\$12.51 - \$13.22	1,757,462	133,968	7.6%	19,347	20,000	-653	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.07 - \$16.69	1,041,939	108,774	10.4%	17,605	20,000	-2,395	--
Class C	\$9.89 - \$10.66	715,523	25,194	3.5%	1,742	0	1,742	86.8
Retail/ Warehouse	\$7.92 - \$8.48	711,330	9,956	1.4%	-4,756	0	-4,756	--
Warehouse	\$4.52 - \$5.04	3,235,447	44,454	1.4%	40,000	0	40,000	6.7
Class A	\$3.25 - \$3.25	96,200	0	0.0%	0	0	0	--
Class B	\$4.74 - \$5.39	1,970,293	0	0.0%	40,000	0	40,000	0.0
Class C	\$4.35 - \$4.76	1,168,954	44,454	3.8%	0	0	0	--

¹From all 2 H 2020 Respondents.

²From 1H 2020 who were 2H 2019 respondents-

Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 368,613 square feet of office, office/retail, and retail space in downtown Springdale in the first half of 2022.

20,000 new square feet of retail property was added to downtown Springdale in the first half of 2022.

There was net negative absorption of 539 square feet in the office submarket in downtown Springdale in the first half of 2022. The office space in downtown Springdale had an average vacancy rate of 11.4 percent, higher than the 11.1 percent in the second half of 2021. The rate was higher than the overall Springdale average office vacancy rate of 11.1 percent.

Office/retail space in downtown Springdale had no net absorption in the first half of 2022. The vacancy rate remained 0.0 percent in the first half of 2022 and was lower than the average office/retail vacancy rate for all of Springdale at 1.1 percent in the first half of 2022. This is a very small sample size of only 19,449 square feet.

There was net negative absorption of 17,498 in the retail submarket in downtown Springdale in the first half of 2022. 21.8 percent of all reported retail space was available in downtown Springdale, up from 9.4 percent in the second half of 2021.

Springdale Commercial Market Summary

This compares to the 7.6 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale decreased by \$0.15 in the office submarket, increased by \$3.42 in the office/retail submarket, as a new property entered the market, and increased \$0.40 in the retail submarket in the first half of 2022.

Downtown Springdale Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$13.07 - \$14.10	223,812	25,289	11.3%	-539	0	-539	--
Office/Retail	\$13.40 - \$16.10	19,449	0	0.0%	0	0	0	--
Retail	\$12.64 - \$13.84	125,352	27,270	21.8%	2,502	20,000	-17,498	--

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,261,612 square feet of office, office/retail, and retail space in West Springdale in the first half of 2022. There were no new square feet of commercial space added to West Springdale during this time.

The office space in West Springdale had no net absorption in the first half of 2022. The vacancy rate increased from 11.0 percent in the second half of 2021 to 11.4 percent in the first half of 2022 as some space was reclassified. The rate was higher than the overall city average office vacancy rate of 11.1 percent.

The office/retail submarket had net positive absorption 10,650 square feet in the first half of 2022. The first half of 2022 vacancy rate of 0.6 percent in West Springdale was lower than the 5.5 percent in the second half of 2021. The rate was below the overall city average office/retail vacancy rate of 1.1 percent.

The retail vacancy rate for West Springdale properties increased from 6.1 percent in the second half of 2021 to 3.6 percent in the first half of 2022, in accordance with net positive absorption of 16,653 square feet. The vacancy rate was below the city average retail vacancy rate of 7.6 percent.

Average reported lease rates for West Springdale increased \$1.44 in the office submarket, increased by \$1.00 in the office/retail submarket, and decreased \$0.23 in the retail submarket in the first half of 2022.

West Springdale Summary

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	\$17.80 - \$18.26	370,828	42,163	11.4%	0	0	0	--
Office/Retail	\$17.60 - \$18.80	214,872	1,250	0.6%	10,650	0	10,650	0.7
Retail	\$17.86 - \$18.82	675,912	24,617	3.6%	16,653	0	16,653	8.9

¹From all 1H 2022 respondents.

²From 1H 2022 respondents who were also 2H 2021 respondents.

Interpretation Methodology

The methodology that is used to produce the Skyline report has been designed to elicit the most useful, comprehensive, and up-to-date information available about the Northwest Arkansas commercial real estate market. Data comes from three primary sources that complement one another. Each source, however, has limitations, and as such, results should be compared and interpreted carefully.

The first level of data that the Skyline report contains comes directly from the offices of the Washington and Benton County Assessors. The Benton County Assessor Office uses Apprentice Information Systems as the subcontractor to handle data requests. On a semi-annual basis, Center for Business and Economic Research staff members acquire databases containing listings of all real estate parcels within each county. The information contained in these databases is sorted by type and by size. In order to determine the population of commercial properties of interest, properties that do not meet the following minimum criteria are eliminated from consideration:

- Banks: 20,000 square feet
- Department Stores: 20,000 square feet
- Discount Stores: 20,000 square feet
- Industrial Buildings: 20,000 square feet
- Markets: 20,000 square feet
- Office Buildings: 5,000 square feet
- Medical Office Buildings: 5,000 square feet
- Retail Buildings: 10,000 square feet
- Community Shopping Centers: 5,000 square feet
- Neighborhood Shopping Centers: 5,000 square feet
- Warehouses: 20,000 square feet

Next, properties are individually examined to determine if they are part of the competitive commercial property market. Owner-occupied and other dedicated spaces are eliminated from the base of properties that the Skyline Report examines.

The second source of data that helps comprise the Skyline Report is building permit reports from the cities of Northwest Arkansas. Each city has its own reporting requirements for building permits, which makes in-depth comparisons on a city-by-city basis impossible. Bentonville and Fayetteville have the most comprehensive building permits, which include information on the square footage of buildings and their uses in addition to the value of the permit and identifying characteristics of the property. The other cities in Northwest Arkansas only report the building address, contractor name, and value of the permit. In general, property owner or developer names are not included on building permits in Northwest Arkansas. Building permits also do not provide any sense of the estimated time of completion of a project or availability for leasing.

The third source of data for the Skyline report is a panel of large commercial property owners and managers. These individuals are responsible for the bulk of the competitive commercial properties in Northwest Arkansas. The Center for Business and Economic Research staff gather information on square footage available to the market, lease rates, and other property characteristics from the panelists. In the first half of 2022, 251 panelists provided data on 2,291 competitive properties across Benton and Washington Counties. Data are excluded for owner-occupied and dedicated spaces so that the total square feet, available square feet, and lease rates represent only a sample from properties that are currently or potentially available for lease. Vacancy rates are calculated from the sample of 2,291 properties and are assumed representative of the larger competitive commercial property market.

The panel participants vary somewhat from report to report as new contributors are added and as previous contributors fail to respond for new requests for information. Time trend analysis is dependent on having a consistent base of information so that apples-to-apples comparisons can be made. Absorption rates are only calculated for properties that are part of a matched sub-sample—that is, there must have been information received about a particular property in both recent reporting periods for the number to be included in the calculated property absorption rates. The one exception to this rule is for new properties that are completed and come online for leasing in the most recent half year.

In order to supplement the information that is directly received from the panelists, Center researchers also depend on business publications, public websites, and MLS data.