

THE SKYLINE REPORT

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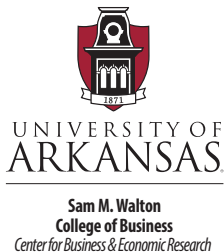
Multifamily Highlights First Half 2022

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Real Estate Summary For Benton and Washington Counties

This report is the forty-sixth edition of the Skyline Report for Benton and Washington Counties—Multifamily 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 multifamily real estate market. This study is a companion piece to the semiannual single-family residential and commercial Skyline Reports. There is a complex dynamic between multifamily housing, residential rental housing, and residential home ownership that is being influenced by several factors including: quantity of multifamily supply, quantity of rental housing, interest rates, underwriting standards, and unemployment rates, among others. The information contained in the following pages details the current condition of the multifamily market and sets the stage for future comparisons.

Highlights from the First Half of 2022

The vacancy rate for all multifamily properties in Northwest Arkansas decreased to 2.3 percent in the first half of 2022 from 3.0 percent in the second half of 2021. The rate was 3.4 percent in the first half of 2021.

The Fayetteville vacancy rate increased to 3.5 percent in the first half of 2022 from 3.4 percent in the second half of 2021. More than 4,400 additional rental units (19.0 percent of current inventory) have been announced or are under construction in new multifamily projects in Fayetteville.

In Bentonville, vacancy rates decreased to 1.4 percent in the first half of 2022 from 3.0 percent in the second half of 2021. There are also more than 3,200 rental units (36.8 percent of current inventory) that have been announced or are under construction in new multifamily projects in the Bentonville and Centerton area.

Vacancy rates in Rogers decreased to 0.8 percent in the first half of 2022 from 4.0 percent in the second half of 2021. More than 5,600 additional rental units (80.7 percent of current inventory) have been announced or are under construction in the Rogers submarket.

Siloam Springs vacancy decreased to 0.6 percent in the first half of 2022, from 0.8 percent in the second half of 2021, still remaining the lowest in Northwest Arkansas. Over 400 additional rental units (41.4 percent of current inventory) have been announced or are under construction in the Siloam Springs submarket.

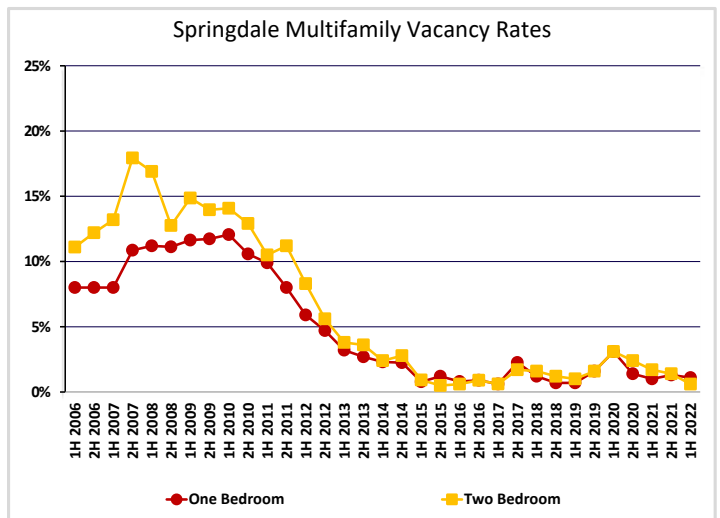
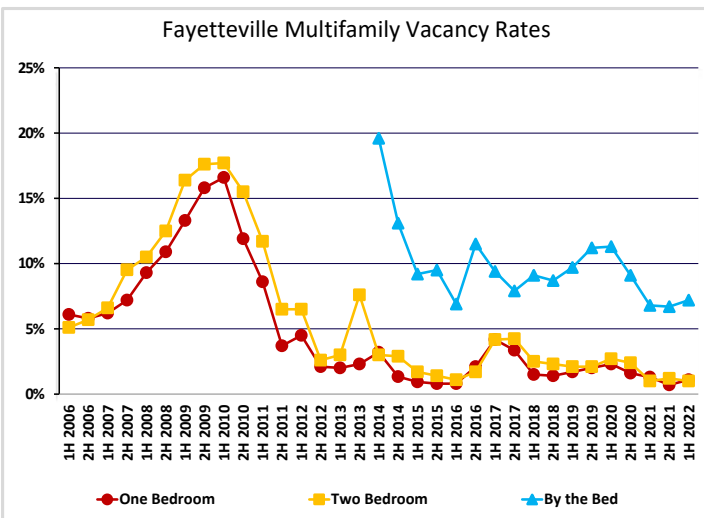
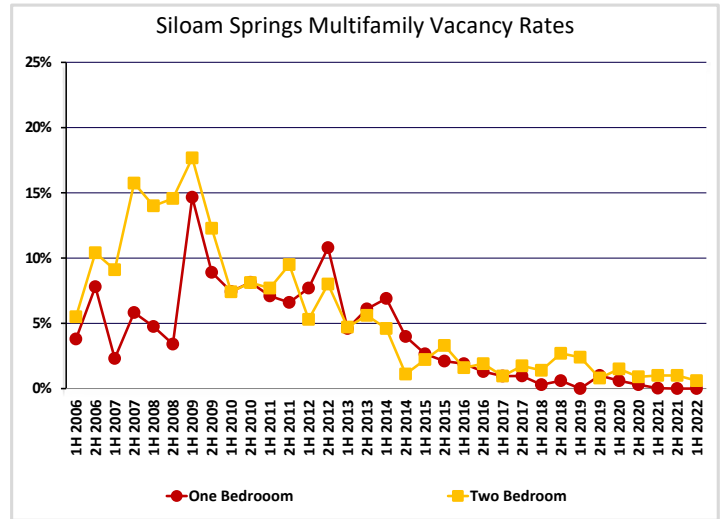
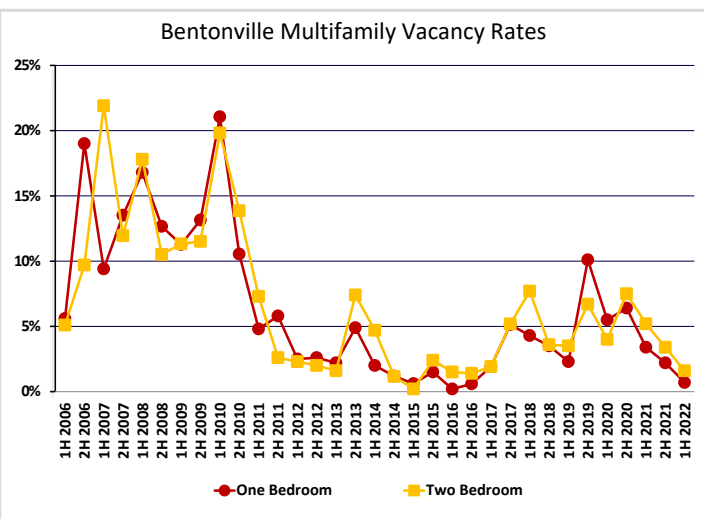
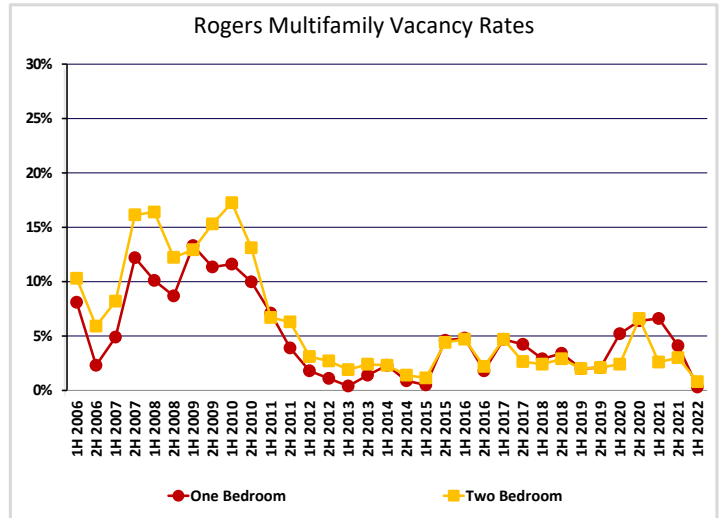
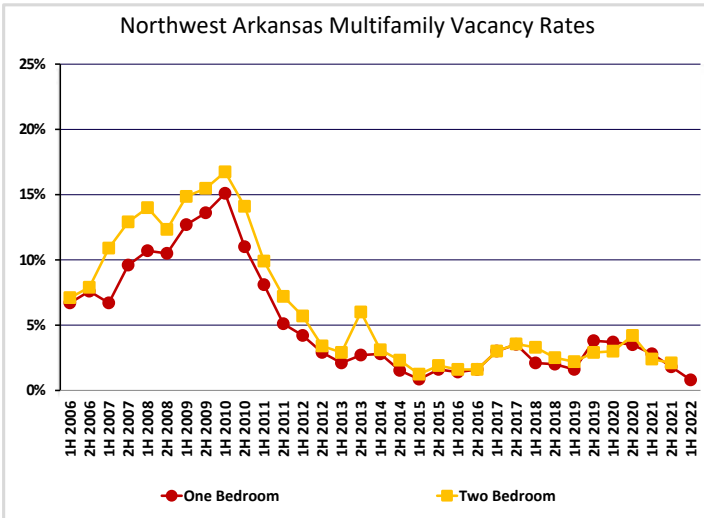
In Springdale, the vacancy rate decreased to 1.2 percent in the first half of 2022 from 1.3 percent in the second half of 2021. Over 2,500 new rental units (30.9 percent of current inventory) have been announced or are under construction in multifamily projects in the Springdale and Tontitown area.

In the first half of 2022, the average lease rate per month for a multifamily property unit in Northwest Arkansas increased to \$860.87, from \$789.06 in the second half of 2021.

\$371,838,899 million of multifamily building permits were issued in the first half of 2022, up from \$216.9 million in the second half of 2021.

Regional Market Trends

Multifamily Vacancy Rates



Regional Market Trends

Multifamily Rates and Building Permits

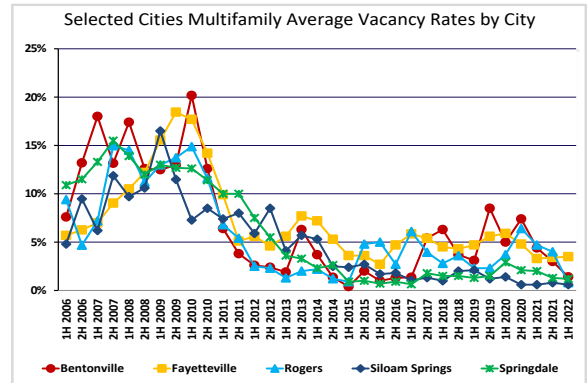
In Northwest Arkansas, 227 building permits were issued, worth just over \$371.8 million, for 35 separate complexes. Ten of the projects are located in Bentonville/Centerton with permits valued at \$79.4 million. Rogers had eight projects valued at \$184.7 million. Bend at Promenade was the highest valued project at \$40.4 million and the Hutton Apartments was valued at \$36.0 million. Siloam Springs had Endura Park valued just under \$1.0 million. Seven projects are in Fayetteville, valued at \$19.9 million. 5 projects with permits valued at \$65.6million were located in Springdale/Tontitown. The highest was Hillcrest Village valued at \$29.2 million. In Lowell Pure Lowell was valued at \$21.3 million.

Multifamily Building Permits	Complex or Developer	Number of New Permits	Total Value of Permits	City
8/16/2021	4th and B	6	\$1,488,421	Bentonville
9/9/2021	4th St Townhomes	3	\$570,210	Bentonville
9/14/2021	Mulberry Court	8	\$1,042,736	Bentonville
9/14/2021	G St Townhomes	6	\$1,069,964	Bentonville
10/7/2021	Hawthorne Heights	3	\$3,196,323	Bentonville
10/7/2021	Haxton District	5	\$1,771,083	Bentonville
2/1/2022	Aviator	17	\$23,155,282	Bentonville
4/5/2022	Crystal Flats	3	\$19,186,713	Bentonville
4/6/2022	Hawthorne Heights	1	\$383,642	Bentonville
2/14/2022	Watercolor	7	\$27,510,078	Centerton
7/14/2021	Leverett Multifamily	2	\$4,735,920	Fayetteville
7/21/2021	Moore Townhomes	9	\$2,332,289	Fayetteville
9/19/2021	L & F Duplexes	1	\$600,721	Fayetteville
10/8/2021	Huntsville Apartments	1	\$1,800,000	Fayetteville
10/26/2021	Thrive	2	\$1,269,309	Fayetteville
12/3/2021	Oakland Duplexes	5	\$2,575,491	Fayetteville
1/21/2022	RPH Stone Street	1	\$746,693	Fayetteville
3/7/2022	Stadium Apartments	3	\$1,804,673	Fayetteville
5/3/2022	Campus Edge	4	\$2,752,708	Fayetteville
6/24/2022	Canterbury Apartments	1	\$1,300,000	Fayetteville
6/29/2022	Pure Lowell	10	\$21,315,966	Lowell
7/13/2021	Brownstones at Pinnacle	28	\$9,273,140	Rogers
9/14/2021	Hutton Apartments	5	\$36,023,025	Rogers
9/21/2021	Greens at Blossom Way	11	\$29,440,103	Rogers
10/1/2021	Pinnacle Hills Active Living	4	\$18,643,141	Rogers
3/3/2022	Dodson Pointe	5	\$18,875,484	Rogers
3/2/2022	Promenade Commons	1	\$7,129,574	Rogers
6/21/2022	Pinnacle Springs Retirement	1	\$24,866,572	Rogers
4/13/2022	Bend on Promenade	11	\$40,440,712	Rogers
1/28/2022	Endura Park	5	\$951,090	Siloam Springs
7/1/2021	Reserve at Springdale	18	\$14,837,855	Springdale
8/10/2021	Oriole St Townhomes	5	\$3,117,600	Springdale
9/1/2021	Grassroots Apartments	8	\$8,988,028	Springdale
10/29/2021	Stoneridge at Springdale	4	\$9,434,103	Springdale
3/4/2022	Hillcrest Village	23	\$29,210,249	Springdale
NWA	35	227	\$371,838,899	

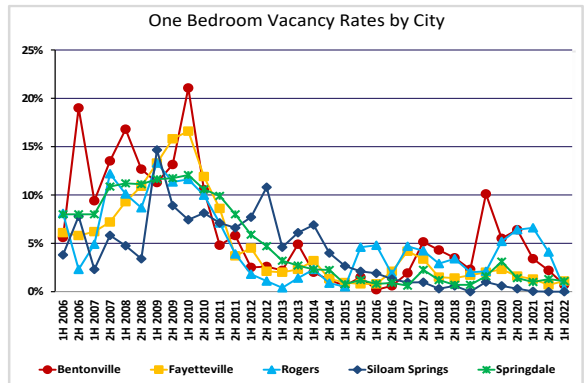
Regional Market Trends

Multifamily Sample Data

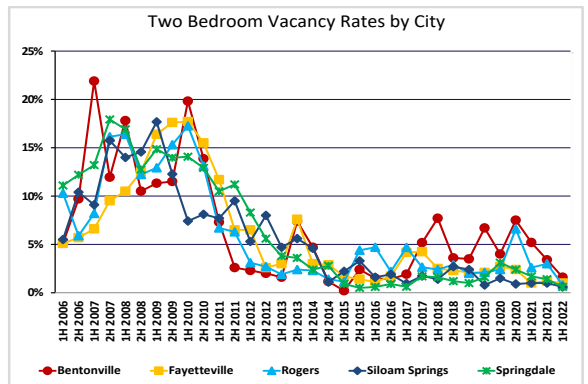
Sample Vacancy Rates	Number of Apartment Complexes	Number of Units	1H 2022 Vacancy Rate	2H 2021 Vacancy Rate	1H 2021 Vacancy Rate
Bentonville	147	8,755	1.4%	3.0%	4.4%
Fayetteville	370	23,700	3.5%	3.4%	3.3%
Rogers	116	7,035	0.8%	4.0%	4.7%
Siloam Springs	51	1,189	0.6%	0.8%	0.6%
Springdale	125	8,221	1.2%	1.3%	2.0%
NWA	809	48,900	2.3%	3.0%	3.4%



Average Unit Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	548	\$798.59	\$1.46
By the Bed	418	\$649.16	\$1.55
1 Bedroom	648	\$807.10	\$1.25
2 Bedroom	949	\$935.82	\$0.99
3 Bedroom	1,256	\$1,208.51	\$0.96
4 Bedroom	1,550	\$1,610.89	\$1.04
NWA	775	\$860.87	\$1.11



Median Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	499	\$650.00	\$1.30
By the Bed	408	\$646.50	\$1.58
1 Bedroom	618	\$618.00	\$1.00
2 Bedroom	900	\$750.00	\$0.83
3 Bedroom	1,300	\$999.00	\$0.77
4 Bedroom	1,476	\$1,250.00	\$0.85
NWA	832	\$750.00	\$0.90



Vacancy Rates by Floor Plan	By the Bedroom	One Bedroom	Two Bedroom	Three Bedroom
Bentonville	0.0%	0.7%	1.6%	4.2%
Fayetteville	7.2%	1.1%	1.1%	0.9%
Rogers	0.0%	0.3%	0.8%	1.5%
Siloam Springs	0.0%	0.0%	0.6%	1.6%
Springdale	0.0%	1.1%	0.6%	3.2%
NWA	7.2%	0.8%	1.0%	2.4%

