

# THE SKYLINE REPORT

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## First Half of 2023

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## Commercial Real Estate Summary For Benton Madison and Washington Counties

*This report is the forty-eighth 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 2023

The overall vacancy rate for commercial property increased to 6.4 percent in the first half of 2023 from 5.6 percent in the second half of 2022, driven by 528,940 new square feet of commercial space.

The office vacancy rate increased to 8.8 percent in the first half of 2023 from 8.4 in the second half of 2022 as 73,413 square feet of new office space was added to the market. There was solid leasing activity in the Class B office submarket.

In the retail submarket, the vacancy rate remained 7.9 percent in the first half of 2023 as 59,000 square feet of new space entered the market. There was strong leasing activity in the Class B retail submarket.

The office/retail vacancy rate increased from 5.0 percent in the second half of 2022 to 5.8 percent in the first half of 2023 primarily due to net negative absorption the the Class B submarket.

The warehouse vacancy rate increased from 1.6 percent in the second half of 2022 to 3.6 percent in the first half of 2023 due 311,760 new square feet of space being added to the market. 72,767 square feet of new office/warehouse space and 12,000 square feet of new retail/warehouse space was added as respondents continued to report increasing demand for new warehouse and flex warehouse space.

\$193.9 million in commercial building permits were issued in the first half of 2023. \$168.5 million were non-Walmart building permits. In comparison there were \$240.9 million, \$218.0 non-Walmart, in commercial building permits issued in the second half of 2022.

# 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 73) 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 the results of some focus group discussions with commercial property developers and managers which 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 2023 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 2022, the second half of 2022, in addition to the first half 2023. 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.

# 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 the commercial, multifamily, and residential property markets in Northwest Arkansas. The primary topics of discussion were the strong demand across multiple sectors of the real estate market, the impact of the high costs of land, labor, and materials on building new supply, and the role government can play in the housing affordability issue.

The discussions about demand for commercial space were very consistent with the conversations from the last report period. The office market continues to see a 'flight to quality' towards new Class A space, while the price differential boosts Class B demand. Medical office space remains strong, and respondents expect that strength to continue as the Northwest Arkansas population keeps growing. Health spas were mentioned as a new addition to medical space amenities in both Class A and Class B office locations. Panelists continued to voice hesitancy about speculative office building in the near term, as costs continue to increase, but plans are being made for new office buildings 12 to 24 months in the future. A potential concern raised by some panelists was "shadow or hidden vacancy", space that will not be re-leased after the current lease term expires. Firms move to smaller spaces in more highly amenitized, higher cost office buildings, particularly those with co-working space that facilitates 'casual collisions' among a workforce that is spending significant time working from home. However, they reiterated that other firms are expanding and need additional space, and new firms continue to enter the Northwest Arkansas market demanding office space.

In the retail sector respondents said that tenants had solid sales and were not giving up leases. Some of the bigger retail respondents reported record price per square foot sales by their tenants. Service retail, food and beverage retail, and any kind of 'convenience retail' such as car washes, and collision centers continue to demonstrate strength. New chain restaurants continue to be built in Northwest Arkansas, and any second-generation restaurant space is quickly taken by either local or national businesses. Respondents reiterated that downtowns across Northwest Arkansas continue to be desirable retail locations. Additionally, a new soccer venue and indoor go-kart venue will provide boosts to the retail economy. As in the office market discussions panelists point to future growth because of continued population growth. On the negative side respondents discussed how the higher costs of construction are slowing retail expansion, both with new construction and in second-generation space as Tenant Improvement (T-I) costs continue to be high.

The warehouse market saw a big addition that has not yet been absorbed but respondents expect the space will be leased before the end of the year. Panelists believe that over half a million square feet of warehouse and flex warehouse space currently under construction or about to break ground will also be leased up in a timely fashion. Demand is coming from national trade firms looking to enter the market, local trade firms expanding and/or upgrading their facilities, as well as the creation of new local trade firms. There is concern about the higher lease rates that the new construction space requires and how that might limit the tenant base. On the other hand, some respondents said since skilled trades are getting paid more, they can afford to pay more for the warehouse space. Flex space close to the I-49 is a safer investment as high traffic count signage is valuable to tenants. Respondents report that flex space projects without that level of visibility are being delayed even though there is demand. Panelists remain bullish about the future space needs as population growth will continue to lead to increasing demand for all types of warehouse space to serve the local market.

The demand for single family and multifamily housing remains strong, reports all respondents. The growth of the NWA population remains the key driver. The University of Arkansas reporting another big freshman class bolsters the sense that multifamily housing will remain tight. The expansion of single-family rental subdivisions might dampen some demand for apartment complex units, but many respondents feel there is enough demand to go around for housing, as NWA still seems to be underproducing units compared to the population. Increasing costs of construction leading to increasing costs of housing is a big concern. Panelists brought up the decline in the cost-of-living advantage NWA used to have over competing regions and the role government can play in keeping costs under control. Respondents discussed allowing denser zoning, more mixed-use zoning, public-private partnerships with regards to water, sewer, and road infrastructure costs, core-housing support, code reform, and finding ways to provide more staffing for local governments.

Most respondents continue feeling that 2023 is going to have some challenges, but in 2024 and beyond Northwest Arkansas will again experience accelerating growth. Panelists continue to point to the broad regional investments in amenities, education, the medical sector, and now technology made by Walmart, Tyson and JB Hunt, and the Walton, Tyson, and Hunt families over the past year. Also, they reported on continuing growth in people moving here just because of the quality of life and opportunities the region offers.

# Local Perceptions

## Positive Factors:

- Continued population growth and job availability 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 and high paying jobs
- Alice Walton's School of Medicine and Wellness Institute
- 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, Professional Soccer Club
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

## Negative Factors:

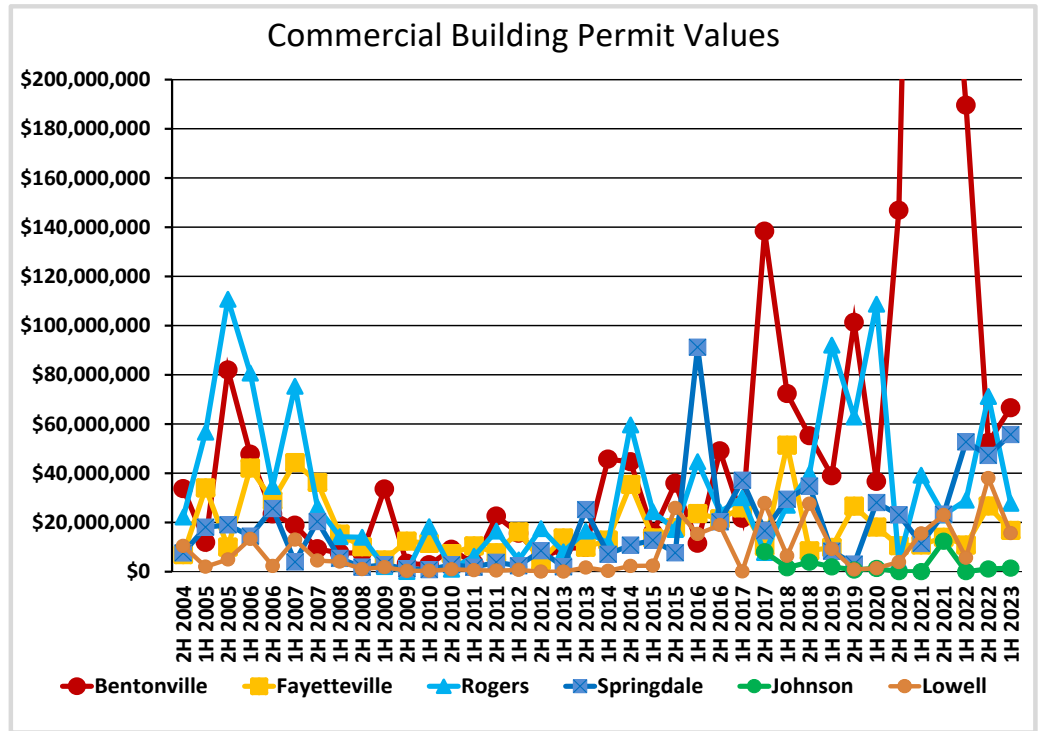
- Higher interest rates
- High land costs
- Potential increase in office vacancy
- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Shortage and inexperience of City Staff
- Infrastructure needs and costs
- Over building 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, 2023, \$193.9 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 2023, over \$101.2 million in commercial building permits were issued. In the second quarter, over \$92.6 million in building permits were issued. In the first half of 2023, Bentonville had the greatest share of building permit value with 34.3 percent. Springdale followed with 28.7 percent, then Rogers with 14.3 percent, Fayetteville with 8.6 percent, Lowell with 8.1 percent and Siloam Springs and Johnson with 5.2 percent and 0.7 percent, respectively.

# Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
April - June 2023	\$13,727,199	\$15,732,961	\$0	\$2,339,055	\$22,025,063	\$5,500,000	\$33,320,263	\$92,644,540
Jan - March 2023	\$52,859,677	\$1,000,000	\$1,424,078	\$13,281,960	\$5,769,176	\$4,516,668	\$22,426,722	\$101,278,281
Oct - Dec 2022	\$24,279,180	\$24,906,249	\$0	\$34,104,213	\$35,136,108	\$1,390,000	\$32,442,364	\$152,258,114
July - Sept. 2022	\$28,167,383	\$1,800,000	\$1,104,704	\$3,901,806	\$36,087,348	\$2,790,000	\$14,820,147	\$88,671,388
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	\$0	\$24,408,936	\$1,412,000	\$14,033,069	\$65,530,698
Jan - March 2017	\$7,336,615	\$14,513,326	\$0	\$84,000	\$5,648,091	\$576,141	\$23,123,353	\$51,281,526
Oct. - Dec. 2016	\$15,844,261	\$9,443,954	\$0	\$4,445,138	\$8,574,715	\$0	\$3,813,727	\$42,121,795
July - Sept. 2016	\$33,180,166	\$12,004,863	\$0	\$14,474,766	\$15,710,115	\$3,339,470	\$16,415,992	\$95,125,372
April - June 2016	\$3,186,128	\$21,574,412	\$0	\$4,617,536	\$9,205,408	\$20,222,189	\$87,682,358	\$146,488,031
Jan - March 2016	\$8,282,426	\$2,018,785	\$0	\$10,653,719	\$35,473,387	\$0	\$3,569,037	\$59,997,354
Oct. - Dec 2015	\$29,243,802	\$10,076,938	\$0	\$23,090,780	\$7,179,197	\$1,030,000	\$6,980,305	\$77,601,022
July - Sept. 2015	\$6,656,778	\$7,819,300	\$0	\$2,772,080	\$9,939,946	\$7,303,878	\$707,070	\$35,199,052
April - June 2015	\$8,520,763	\$9,878,384	\$0	\$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	\$0	\$4,115,779	\$0	\$8,617,653	\$23,879,471
Oct. - Dec 2014	\$15,077,940	\$23,716,086	\$0	\$942,443	\$41,437,354	\$298,450	\$5,456,402	\$86,928,675
July - Sept. 2014	\$29,512,908	\$11,744,678	\$0	\$1,375,887	\$18,199,323	\$420,000	\$5,311,744	\$66,564,540
April - June 2014	\$14,880,491	\$6,352,097	\$0	\$299,768	\$8,944,856	\$700,000	\$6,286,894	\$37,464,106
Jan. - March 2014	\$30,816,399	\$6,462,060	\$0	\$0	\$2,620,482	\$0	\$807,905	\$40,706,846

# Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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
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, and other variables may 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 2023, there were 6,841 standard rooms and 2,579 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. Respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not 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, 2023. For the first half of 2023, the Skyline Report covered 100.3 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
Lisa Reeves Law Office	Bella Vista	Jason Ingalls	Office	3,220	Conceptual
Boat Storage Buildings	Benton County	Robert and Travis Pennington	Warehouse	8,400	Conceptual
14th Street Commercial Building	Bentonville	Kelley CP	Commercial	4,500	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Adult Wellness Center	Bentonville	City of Bentonville	Recreation		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
Battlefield and Central	Bentonville	Uncommon Developers	Office/Retail	49,000	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual
Bentonville Library Expansion	Bentonville	City of Bentonville	Library	22,975	2024
Bentonville Merchant North-Central	Bentonville		Office		Conceptual
Bentonville Merchant South-Central	Bentonville		Office		Conceptual



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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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
Caliber Collision	Bentonville	Caliber Collison	Retail	15,000	Fall 2023
Canoo	Bentonville	Tony Aquila	Office		Conceptual
Central Parking Deck	Bentonville	Off Street Parking Development	Parking Garage	167,806	Conceptual
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	Conceptual
Crossmar Supplier Park 6-11	Bentonville	Cross Mar and Glass Investments	Warehouse	1,200,000	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	2023
Downtown Activity Center	Bentonville	Bentonville City	Recreation	36,000	Conceptual
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Fountain Plaza Dental Office	Bentonville	David Erstine, Gubler Properties	Medical		Conceptual
Gerber Collision and Glass	Bentonville	Gerber Collision and Glass	Retail		Fall 2023
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
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Moberly Office	Bentonville	David Erstine	Office	13,000	Conceptual
Old Walmart Home Office	Bentonville	Blue Crane	Commercial		Conceptual
Parachuting Penguins	Bentonville	Parachuting Penguins	Commercial		Conceptual
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	Fall 2023
Picklemall Facility	Bentonville	Picklemall, West Shaw	Recreation		Conceptual
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Summer 2023
Redbud 2- Culvers	Bentonville	Alan Cole, Bradford Gaines	Retail		Done
Redbud 3- Splash Carwash	Bentonville	Alan Cole, Bradford Gaines	Retail		Summer 2023
Redbud 4-Redbud Place	Bentonville	Alan Cole, Bradford Gaines	Retail	11,181	Summer 2023
Redbud 5	Bentonville	Alan Cole, Bradford Gaines	Commercial		Summer 2023
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual

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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
Sam's Club Innovation Building	Bentonville	Walmart	Office	34,000	2024
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville	Shelly Parson	Office	6,500	Fall 2023
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Splash Carwash	Bentonville	Paul Stagg	Retail		Summer 2023
Splash Carwash	Bentonville	Paul Stagg	Retail		Summer 2023
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
Town Branch Commercial	Bentonville	Blue Crane	Commercial	5,000	Done
U-Haul Self Storage	Bentonville		Mini Storage		Conceptual
United Bank Retail	Bentonville	Matthew Allen	Retail	2,000	Conceptual
Upland Stacks	Bentonville	Ross Construction, TJ Lefler	Office/Retail	51,000	Fall 2023
Vito Group	Bentonville	B Kannappa, A K Puram, M Jampana	Commercial		Conceptual
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		Fall 2023
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	Fall 2023
YT Mill Experience Center	Bentonville	YT Mill Industries	Commercial	7,500	Spring 2024
Collier Drug Store	Cave Springs	Mel Collier	Retail		Summer 2023
Splash Carwash	Centeron	Paul Stagg	Retail		2024
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
Splash Carwash	Farmington	Paul Stagg	Retail		2024
112 Warehouse	Fayetteville	Brandon Sebad	Flex Warehouse	10,000	Conceptual
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	Done
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Aronson, The (112 Drive-in)	Fayetteville	Steve Brooks, C.L. Partners	Retail	38,000	2024
Aspen Dental	Fayetteville	Rob Goltermann	Retail	6,400	Done
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

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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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	Done
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Crye-Leike Office	Fayetteville	Harold Crye-Leike Trust	Office		Conceptual
Dance Studio	Fayetteville	ESI	Commercial	7,800	Conceptual
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	Summer 2023
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	Conceptual
Drake Farms Medical	Fayetteville	Highstreet	Commercial	20,000	Fall 2023
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Elite Project	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Elliott Partners Warehouse	Fayetteville	Elliott Partners	Warehouse	15,000	Conceptual
Fiesta Retail 1, 2, 3	Fayetteville	Mathias Properties	Retail	20,000	Conceptual
First State Bank	Fayetteville	Charles Blanchard, FSB	Bank	6,200	Done
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Glide Xpress Carwash	Fayetteville		Retail		Fall 2023
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
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	Done
Kum and Go - MLK	Fayetteville	Kum and Go	Retail	3,973	Done
Lewis Brothers Auto I-49	Fayetteville	Lewis Brothers	Commercial		Fall 2023
Lisa Academy	Fayetteville	Boen Kemp	School		Fall 2023
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Marshalltown Expansion	Fayetteville	Marshalltown	Manufacturing	51,000	November 2023
North Point Circle Office	Fayetteville	Kelley CP	Office	6,500	Conceptual
Olsson Office	Fayetteville	Brian Shaw, Sage Partners	Office	36,000	September 2023
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual

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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Police Headquarters	Fayetteville	City of Fayetteville	Police HQ	82,630	Done
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
Rogers Fab Retail	Fayetteville	Rogers Fab and Restore	Retail	10,500	Conceptual
Rogers Fab Warehouse	Fayetteville	Rogers Fab and Restore	Manufacturing	14,400	Conceptual
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Silicon Carbide Research and Fabrication	Fayetteville	University of Arkansas, Dr Alan Mantooth	Lab	15,000	Done
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
South Cato Springs Mixed Use	Fayetteville	Ramsay Ball, Ashton McCombs, Mark Zakaras	Commercial		Conceptual
Splash Carwash-College	Fayetteville	Paul Stagg	Retail		2024
Splash Carwash-Joyce	Fayetteville	Paul Stagg	Retail	13,128	Fall 2023
Stage Station	Fayetteville	Phil Crabtree, Clay Morton	Commercial		Conceptual
Steele Blvd Retail I, II	Fayetteville		Retail		Conceptual
Superior Wheel Lab	Fayetteville	Superior Wheels	Manufacturing	21,600	Industrial
Twin Creeks Village	Fayetteville	Boen Kemp	Office	6,690	Conceptual
Twin Creeks Village	Fayetteville	Boen Kemp	Office	7,897	Conceptual
Vantage Office Park V	Fayetteville	David Erstine, Kyle Naples	Office	36,000	Conceptual
Wedington Commercial	Fayetteville	Kelley CP, Kenneth Smith	Commercial		Conceptual
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	Done
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
Greenland Business Park	Greenland	Burt Hanna	Flex Warehouse	340,000	Conceptual
XNA Expansion	Highfill	XNA	Concourse	75,000	2025
Circle K	Johnson	Bluefin Development	Retail		Conceptual
Collier Drug Store Project	Johnson	Mel Collier	Retail		Conceptual
Johnson Square	Johnson	Ward Davis, Bob Hill	Commercial	50,000	Conceptual



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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Johnson Square Medical Office	Johnson	Ward Davis, Bob Hill	Medical Office	21,783	Done
Maverick Commercial Park	Johnson	Flake Co	Commercial		Conceptual
Mill Creek Nursing Facility	Johnson	Paul Giberson	Medical Office		Conceptual
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Custom Electronics Expansion	Lowell	Matched Pair LLC	Commercial		Conceptual
Grant Parkway Flex	Lowell	Nick Julit	Flex Warehouse	25,000	Summer 2023
Indendence Plaza-CRI	Lowell	David Erstine	Office	63,000	Conceptual
Independence Plaza Office	Lowell	David Erstine	Office	75,000	Conceptual
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
Monroe Mini Storage	Lowell	Greenhouse LLC and Monroe LLC	Mini Storage	100,000	Conceptual
NWA Food Bank	Lowell	NWA Food Bank	Office/Warehouse	82,425	Early 2024
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Oakwood & Dixieland - Ferguson Plumbing	Lowell	Brian Shaw, Sage Partners	Warehouse	85,000	Fall 2023
Oakwood & Dixieland 1	Lowell	Brian Shaw, Sage Partners	Warehouse	113,700	2024
Oakwood & Dixieland 2	Lowell	Brian Shaw, Sage Partners	Warehouse	75,000	2024
Oakwood & Dixieland 3	Lowell	Brian Shaw, Sage Partners	Warehouse	38,700	2024
Old Wire Mini Storage I, II	Lowell	Mark Marquess	Mini Storage	90,000	Conceptual
Planetarium	Lowell	Katherine Auld	Museum	120,000	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
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
Splash Car Wash	Pea Ridge	Paul Stagg	Retail		Fall 2023
Urgent Care Clinic	Pea Ridge	Dillon Bentley	Medical Office		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
45th Street Storage	Rogers		Mini Storage	39,660	Conceptual

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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Arkansas Federal Credit Union	Rogers	AFCU, Valerie Erkman	Bank	7,904	Fall 2023
Armor Bank	Rogers	Big Creek Bancshares	Bank	5,619	Late 2023
Beaty Office Park III	Rogers	Lance Beaty	Office	15,000	Fall 2023
Bellview Urban Center II	Rogers	Alex Blass	Office/Warehouse	29,710	Summer 2023
Brookhollow	Rogers	Huffman & Co	Commercial		Conceptual
Caliber Collision	Rogers	Caliber Collison, Bill Watkins	Commercial		Done
CarMax	Rogers	CarMax, Burke Larkin	Retail	42,909	2025
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
Collection at Uptown	Rogers	Alan Cole, Steve Lane	Office	30,777	Early 2024
Creekside Office 2	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Fall 2023
Creekside Office 3	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Fall 2023
District at Pinnacle Hills IV	Rogers	Whisenvest	Office	61,683	Fall 2023
District at Pinnacle Hills Retail III	Rogers	Whisenvest	Retail	40,539	Fall 2023
District at Pinnacle Hills V	Rogers	Whisenvest	Office	100,000	2025
Dolle Redevelopment	Rogers	Dolle	Office/Warehouse	7,500	Conceptual
Eight and Willow Commercial Development	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Everett Buick	Rogers	Everett Auto Group	Retail		Late 2024
Everett Volkswagen	Rogers	Everett Auto Group	Retail	24,000	Done
First Western Bank Expansion	Rogers	First Western Bank	Bank	6,857	Summer 2023
First Western Bank Storage	Rogers	First Western Bank	Warehouse		Conceptual
Founders Plaza II	Rogers	Hunt Ventures	Office	80,000	Conceptual
Garage Suites Storage	Rogers	Garage Suites of Arkansas LLC	Mini Storage		Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Goad Springs Office/Warehouse	Rogers	Simmons Foods	Commercial		Conceptual
Hi-Tea Retail	Rogers	Qing Qing Luo, Kelley CP	Retail	6,000	Summer 2023
Hounds Lounge Pet Resort and Spa.	Rogers	Hounds Lounge	Commercial		Conceptual
Hudson Road Wholesale	Rogers	Gurmeet Josan	Retail		2024
Hudson Station	Rogers	Matt Ahart	Office/Warehouse	28,000	Conceptual
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
Jiffy Trip	Rogers	Jiffy Trip	Retail		Fall 2023
K9 Resort Pet Hotel	Rogers	Max and Dawn Bachman	Retail	7,300	Fall 2023
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail		Conceptual

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Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Kum and Go	Rogers	Kum and Go	Retail	3,968	Conceptual
Launch Building 1	Rogers	John Schmelzle	Office	15,360	October 2023
Launch Building 2	Rogers	John Schmelzle	Office	7,680	2024
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
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	Conceptual
Magnolia Place Alzheimers Care	Rogers	JEA Senior Living	Medical Office	34,556	Conceptual
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
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		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
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Industrial Partners I, II, III	Rogers	Alex Blass	Office/Warehouse	60,000	Conceptual
NWA Regional Animal Hospital	Rogers	NWA Regional Animal Hospital	Office	21,432	Conceptual
Olrich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Delayed
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Delayed
Pinnacle Springs	Rogers	SJC	Office/Retail	80,498	Conceptual
Pinnacle Village I, Office	Rogers	Sam Alley, Alex Blass	Office	135,000	Conceptual
Pinnacle Village I, Retail	Rogers	Sam Alley, Alex Blass	Retail	30,000	Conceptual
Pinnacle Village II Office	Rogers	Sam Alley, Alex Blass	Office	200,000	Conceptual
Pinnacle Village II Retail	Rogers	Sam Alley, Alex Blass	Retail	40,000	Conceptual
Pleasant Crossing Commercial	Rogers	Whisinvest	Commercial	20,047	Conceptual
Potato Chip Factory	Rogers	Steven Straters	Commercial		Conceptual
Price Lane Flex	Rogers	Kelley CP	Office/Warehouse	10,000	Conceptual
Price Lane Office	Rogers	Kelley CP	Office	10,200	Conceptual
Prime Healthcare Medical Office	Rogers	Prime Health Care Properties	Medical	115,000	2024

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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
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Sixteen Ninety Nine C Store	Rogers	Sixteen Ninety Nine	Retail		Conceptual
Snows Cold Storage	Rogers	Snows Cold Storage LLC	Warehouse	80,000+	Conceptual
SOHO District	Rogers	Susan Gleghorn	Commercial	50,000	Spring 2024
Splash Carwash	Rogers	Splash Carwash	Retail		Conceptual
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Sterling Bank	Rogers	Sterling Bankshares Inc.	Bank	16,000	Done
Strasters	Rogers		Office	6,350	Conceptual
Take 5 Oil	Rogers	Malek Elkhoury	Retail	1,800	Conceptual
The Plaza at Pinnacle	Rogers	Great Lakes Capital	Office	30,000	Conceptual
Tidal Wave Auto Spa	Rogers	Rhodes Properties	Retail		September 2023
Tri-State Optical	Rogers	Daniel Landis	Medical	6,031	Done
True-Self Recovery	Rogers	Tru-Self Recovery	Office	2,500	Done
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Twenty-second Street Business Park	Rogers	Louis and Shannon Froud	Office	20,312	Conceptual
UAMS Medical School	Rogers	UAMS	Medical School		Conceptual
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Van Dyke Warehouses	Rogers	Mathias Properties	Warehouse	80,000	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
Whitney Plaza	Rogers	Susan Gleghorn	Retail	10,000	Fall 2023
America's Car Mart	Sil Springs	Car Mart	Retail		Conceptual
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Bank/Retail Development	Sil Springs	Richard Long, Syndicated Dev.	Retail	8,352	Conceptual
Barnett Warehouse	Sil Springs	Jonathan Barnett	Warehouse	67,950	Conceptual
Behive Industrial	Sil Springs	Behive Enterprises	Industrial	15,000	Conceptual
Crye-Leike Laza	Sil Springs	Harold Crye-Leike Trust	Office	6,500	Conceptual
East Cornerstone Plaza	Sil Springs		Office/Retail		Conceptual
Neitzel Development	Sil Springs	Neitzel	Office		Conceptual
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	2023
Parachute Blood Plasma Center	Sil Springs	United Development	Medical Office	6,400	Conceptual
Phillips 66	Sil Springs	Hammer-Willams Company	Retail		Fall 2023



# 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
School District Admin Building	Sil Springs	Siloam Springs School District	Office		Summer 2023
Southpointe 1	Sil Springs	Dan and Jeanine Mallory	Commercial	2,880	2023
Southpointe 2	Sil Springs	Christy and Rex Osborn	Commercial	2,880	2023
A&E Auto Center Expansion	Springdale	Edgar Hernandez	Commercial		Conceptual
Airport Hanger 1	Springdale	Bill Adams	Commercial	10,000	2023
Airport Hanger 2-4	Springdale	City of Springdale	Commercial	30,000	2023
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	Conceptual
Arkansas Food Systems Building	Springdale	Arkansas Food Systems LLC	Commercial		Conceptual
Arkansas's Childrens Hospital	Springdale	Arkansas Children's Hospital	Medical Office		Conceptual
BiLD Architecture Mixed Use	Springdale	BiLD Architecture	Mixed Use	37,000	Conceptual
Brian Clark Flex Project	Springdale	Brian Clark	Flex Warehouse	20,000	Conceptual
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Card Transfer Station	Springdale	Cards Holdings	Warehouse	38,000	Fall 2023
Chad Reed Storage	Springdale	Chad Reed	Mini Storage	32,720	Conceptual
Children Safety Center	Springdale	CSC, Inc, Elizabeth Shackelford	Office	15,200	Fall 2023
Club Car Wash	Springdale	Club Car Wash	Retail		Late 2023
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Cypress Cold Storage	Springdale	Tony Nichols, Kyle Naples	Warehouse	207,285	Spring 2024
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
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
Elliot Electric Warehouse	Springdale	Elliot Electric Supply	Warehouse	40,016	Late 2023
First State Bank	Springdale	First State Bank	Bank		Conceptual
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	2023
H.C. Schmieding Office	Springdale	Chris Cryskiewicz	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	2023
Highlands Oncology II-Park Plaza	Springdale	Kathey Rhoads	Medical Office		Conceptual
I 49 Logistics Park, Building 1	Springdale	Crossland Construction, Sage Partners	Warehouse	300,000	Done
I 49 Logistics Park, Building 2	Springdale	Crossland Construction, Sage Partners	Warehouse	20,000	Conceptual

# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
I 49 Logistics Park, Building 3	Springdale	Crossland Construction, Sage Partners	Warehouse	80,000	Summer 2023
I 49 Logistics Park, Building 4	Springdale	Crossland Construction, Sage Partners	Warehouse	216,540	Conceptual
I 49 Logistics Park, Building 5	Springdale	Crossland Construction, Sage Partners	Warehouse	182,000	Fall 2023
KAL Freight	Springdale	Josh Adams	Commercial		Conceptual
Kids Spot	Springdale	Stephen and Hillary Boyd	Medical Office	21,248	Late 2023
Las Margarita Plaza	Springdale	David Mancia	Office/Retail	10-12,000	Done
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Lucky's Indoor Bark Park	Springdale	Steven D. Matteri, Jamey Wallace	Kennels	8,167	Conceptual
Marchant Rd Complex	Springdale	Arnold Hollingsworth	Commercial		Conceptual
Market Center of the Ozarks	Springdale	Walton Family Foundation	Commercial	45,000	2024
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	2023
NTI Health Facility	Springdale	Northwest Technical Institute	School	50,000	Conceptual
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
Pacific GeneTech	Springdale	Louis Bowen, Tim Collard, Ed Fryar	Commercial	35,000	Early 2024
Parkway Plaza I	Springdale	Sage Partners and Griffin Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
PM Industries Facility	Springdale	PM Industries	Industrial		Conceptual
Powers of Arkansas	Springdale	Alan Hope	Office/Warehouse	15-20,000	2023
Premier Sports Center	Springdale	Andy Chen	Sports Complex	45,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	David Erstine, Lee Ward	Warehouse	80,000	Conceptual
Shiloh Nursing and Rehabilitation	Springdale	David Norsworthy	Medical		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	2023
Starbucks Retail Center	Springdale	Haag-Brown	Retail		Done
Storage World	Springdale	Storage World	Mini Storage		2023
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
The Crossings Phase I, 1	Springdale	George Family, Matt Brown, Alan Cole	Retail	6,984	Fall 2023
The Crossings Phase I, 2	Springdale	George Family, Matt Brown, Alan Cole	Retail	8,048	Fall 2023
The Crossings Phase I, 3	Springdale	George Family, Matt Brown, Alan Cole	Retail	15,000	Fall 2023
The Crossings Phase I, 4	Springdale	George Family, Matt Brown, Alan Cole	Retail	8,721	Fall 2023

# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
The Crossings Phase II	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	115,000	2025
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual
Auto Zone	Tontitown	Auto Zone	Retail		Fall 2023
Gerber Collision and Glass	Tontitown	Gerber Collision and Glass	Retail/Warehouse		Done
Glide Xpress Carwash	Tontitown		Retail		Fall 2023
Paramount Metal	Tontitown	Paramount Metal	Industrial	3,650	Done
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
Shop Solutions	Washington County	Mountain Side Properties	Flex Warehouse	36,000	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
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
Ranch-O-Tel Motel	Rogers	21	0

# Existing Hotels

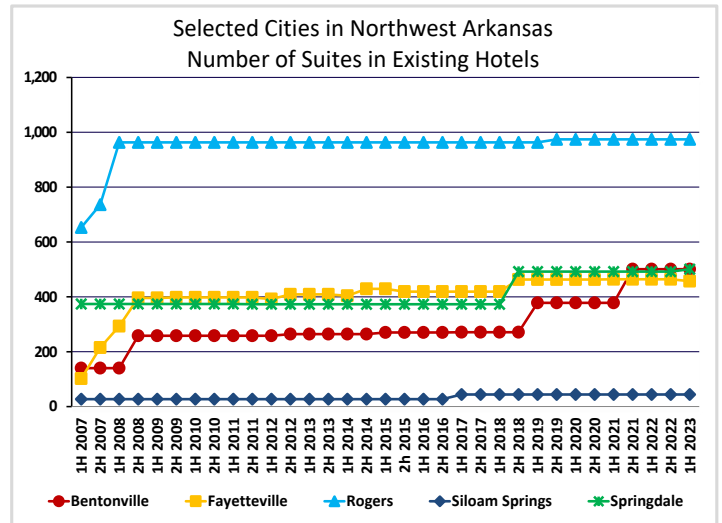
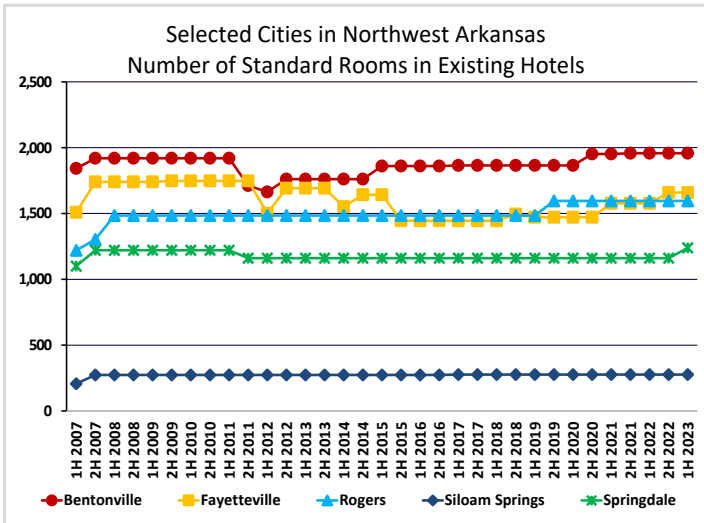
Property Name	City	Number of Standard Rooms	Number of Suites
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	0
Town & Country Inn	Rogers	86	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
Holiday Inn Express	Springdale	78	9
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
Scottish Inns	Springdale	33	24
Sleep Inn & Suites	Springdale	0	72
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
<b>Northwest Arkansas Total</b>		<b>6,841</b>	<b>2,579</b>



# Existing Hotels



# 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		Delayed
Battlefield Blvd Hotel	Bentonville	Uncommon Developers	150	Conceptual
Detrola Motel	Bentonville	I-14 LLC	162	Underconstruction
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Summer 2023
My Place Hotel	Bentonville	N Dakota Co		Conceptual
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
Clementine on College	Fayetteville	AMR Architects	8	Conceptual
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Donda Hotel	Fayetteville	Donda Investment; Khair Mgmt		Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Metro District Hotel	Fayetteville	Brian Reindl	134	Conceptual
Moxey By Marriot Hotel	Fayetteville	SREG	130	Fall 2024
Pratt Place Inn Expansion	Fayetteville	SREG	78	Conceptual
XNA Hotel	Highfill	XNA	100-120	Conceptual
Independence Plaza	Lowell			Delayed
Autograph Marriot	Rogers	Great Lakes Capital, John Schmelzle	125	Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Marriot Tribute Portfolio	Rogers	Whisenest, LRC2 Properties	150	Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Railyard Overlook	Rogers		7	Conceptual
Tapestry Hotel	Rogers	Jonelle Hunt	120-140	Conceptual
Tru Hotel	Rogers	Vipulkumar Patel	90	Underconstruction
Emma Hotel	Springdale	Blue Crane		Conceptual
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Delayed



# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Trailside Coffee	Bella Vista		Done
7Brew-Walton	Bentonville	7Brew	Summer 2023
Airship Coffee at the Pumphouse	Bentonville	Blue Crane	Done
Airship Coffee West	Bentonville	Blue Crane	Done
Andy's Custard	Bentonville	Andys Custard	Fall 2023
Bonchon	Bentonville	Jeff Poole	Conceptual
Botanical, The	Bentonville	Alex Thaley, Alan Gooding, Raj Suresh	September 2023
Crisp & Green	Bentonville	Crisp & Green	Done
Culver's Restaurant	Bentonville	Stephen Herbst	Done
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
Motto Hilton Restaurant	Bentonville	Osage Hospitality	Fall 2023
Mr Gatti Pizza	Bentonville	Brent Swadley	Conceptual
Muse Restaurant	Bentonville	Rose	Fall 2023
Nosh Nola	Bentonville	Heyne Begley, JR Boling	Done
Old Home Office Property	Bentonville	Walmart	Conceptual
Pizza Hut - Regional Airport	Bentonville	Flynn Restaurant Group	Done
Pop-up Drink Thru	Bentonville	Rolf Wilkin	Done
Schlotzkys	Bentonville	Schlotzkys	Fall 2023
Table at Hickory Inn	Bentonville	Carl and Lindie Garrett	Done
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
Weinerschnitzel	Bentonville	Brian Shinall	Summer 2023
Whataburger	Bentonville	Whataburger	Done
Domino's Pizza Theatre	Centeron	A&M Pizza Real Estate	Fall 2023
Muse Restaurant	Centeron	Moses Tucker	Fall 2023
Aronson Restaurant	Fayetteville	Dave Anderson, C.L. Partners	Conceptual
Arsaga's Wingate	Fayetteville	Cary Arsaga	Done
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Big Biscuit	Fayetteville	Big Biscuit	Fall 2023
Bonchon	Fayetteville	Jeff Poole	Conceptual
Boulder and Brews	Fayetteville	T Jennings, J Lam, F Cardoza, P Randall	Done
Boulevard Bread	Fayetteville	Johnathan Buford and Joshua Begley	Summer 2023
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Central BBQ	Fayetteville	Brian Wyatt, SREG	Done
Cheba Hut	Fayetteville	Cheba Hut	Summer 2023
Chi's Baohouse	Fayetteville	Jacob Chi	Summer 2023
Chuy's	Fayetteville	Daniel Marshall	Done



# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
City Park Outdoor	Fayetteville	Lewis Chase, Matt and Mike Sutton	Done
Crepes Paulette	Fayetteville	Frederic and Paula Jo Chitty Henry	Fall 2023
Crumbl Cookies	Fayetteville	Nicole Trudo	Conceptual
Daily Beet	Fayetteville	Dylan Maisel	Spring 2024
Domino's Pizza Theatre Store	Fayetteville	Domino's	Summer 2023
Dunkin Donuts-Mall Ave	Fayetteville	Dunkin Donuts	Summer 2023
Dunkin Donuts-Wedington	Fayetteville	Dunkin Donuts	Fall 2023
Fayetteville Beer Works	Fayetteville	Brian O'Connell	Summer 2023
Fayetteville Taco and Tamale	Fayetteville	Yellow Rocket	Summer 2023
Flyway Brewing	Fayetteville	Matt Foster	Summer 2023
Fossil Cove	Fayetteville	Ben Mills	Conceptual
KPOP Korean BBQ and Bar	Fayetteville	Jae Yim Shim	Conceptual
Meteor Café	Fayetteville	Chris St Peter, Doug Zell	Summer 2023
Mount Sequoyah Coffee Shop	Fayetteville	Mount Sequoyah Nonprofit	Conceptual
Mr Gatti Pizza	Fayetteville	Brent Swadley	Conceptual
Mullins Library Café	Fayetteville	U of A	Conceptual
Nautical Bowls	Fayetteville	Cheryl Hatfield	Done
Nothing Bundt Cakes	Fayetteville	Shannon Neece	Fall 2023
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Plomo's MLK	Fayetteville	Omar Kasim	Done
Rib Crib	Fayetteville		Summer 2023
Scooters Coffee Shop	Fayetteville		Fall 2023
Sunny's Stir Fry	Fayetteville	Jeff Shen	Fall 2023
Taco and Tamale	Fayetteville	Yellow Rocket	Summer 2023
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Velvet Taco	Fayetteville	Atwell Group	Fall 2023
Waystone	Fayetteville	Brian and Nicole Duncan	Summer 2023
Wedington Restaurant	Fayetteville	Kenneth V Smith	Conceptual
Word Coffee	Fayetteville	Giovanni Roberts	Fall 2023
McDonalds	Gravette	K-Mac Inc	Conceptual
Slim Chickens XNA	Highfill	Mike Phillips	Fall 2023
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Domino's Pizza Theatre	Lowell	KMK LLC	Fall 2023
Wendy's	Lowell	Wendy's	Done
Bread Zeppelin	Northwest Arkansas	Vincent Ginatta	Conceptual
Duck Donuts	Northwest Arkansas	Betsy Hamm	Conceptual
Vito Vera	Northwest Arkansas	Alica Watson	Conceptual

# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
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
Taco Bell	Pea Ridge	K-Mac Inc	Done
Angus Grill and Cantina	Rogers	Alex Blass	Done
Baked By Kori	Rogers		Done
B-List on the Bricks	Rogers		Done
Brookhollow Restaurant	Rogers	Huffman & Co	Conceptual
Cava	Rogers		Done
Chi's Baohouse	Rogers	Jacob Chi	Fall 2023
Confident Coffee	Rogers	Confident Coffee Roasters	Done
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Conceptual
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
District at Pinnacle Restaurant	Rogers	Burke Larkin	Conceptual
Domino's Pizza Theatre New Hope	Rogers	Domino's	Summer 2023
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Firebirds Wood Fired Grill	Rogers	SJC Ventures	Fall 2024
First Street Flats Coffee Shop	Rogers	Specialized Real Estate Group	Conceptual
Hero's Coffee	Rogers	Hero's Coffee	Done
Jack in the Box	Rogers	Dustin Thompson	Conceptual
Little Caesar's Pizza	Rogers		Fall 2023
Marsouls	Rogers		Fall 2023
Newks Eatery	Rogers	Newks	Fall 2023
Olive Street Townhomes Ice Cream Shop	Rogers		Conceptual
Panda Express	Rogers	Panda Express	Fall 2023
Piano Bar and Grill	Rogers	Aaron Schauer	Summer 2023
Pinky Swear	Rogers		Done
Pinnacle Village Restaurants	Rogers	Alex Blass	Conceptual
Popeyes Louisiana Kitchen	Rogers		Done
Rendezvous Junction Restaurant	Rogers	Alex Blass	Conceptual
Ruth's Chris Steakhouse	Rogers	Great Lakes Capital	Conceptual
So Chill Eat	Rogers		Done
Sonic	Rogers	Pete Esch	Conceptual
Starbucks-8th Street	Rogers	Gateway Plaza LLC	Fall 2023
Texas De Brazil	Rogers	Salim Asrawi	Done
The District Casa Alejo	Rogers	Sean Dibble	Fall 2023

# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
The District House 1830	Rogers	Sean Dibble	Fall 2023
The District Pub on the Bricks	Rogers	Sean Dibble	Fall 2023
Trash Creamery	Rogers		Summer 2023
Tupelo Honey Southern Kitchen & Bar	Rogers	Eric Gabrynowicz; SJC Ventures	Fall 2024
Umai Hot Pot and Asian Kitchen	Rogers		Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Boba Pop	Siloam Springs	David Mancia	Done
La Torchia Brick Oven Pizza	Siloam Springs		Done
Schlotzkys	Siloam Springs	Schlotzkys	Done
Taco Bell	Siloam Springs	K-Mac Inc	Done
Whataburger	Siloam Springs	Whataburger	Done
Wienerschnitzel	Siloam Springs	Brian Shinall	Conceptual
Yumbayala	Siloam Springs		Done
202 Railside Restaurant 2	Springdale	Blue Crane	Fall 2023
Bienvenue	Springdale	William Mauk	Summer 2023
Carmelitas	Springdale	Karla Putts	Done
Casa Alejo	Springdale		Done
Chipotle's	Springdale	Chipotle's	Fall 2023
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Hawaiian Bros Island Grill	Springdale		Done
Homegrown	Springdale	Blue Crane	Done
KalaVeras Mexican Restaurant Cantina	Springdale		Done
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
Medusa Bar and Grill	Springdale		Done
Mi Mazatlan Bar and Grill	Springdale		Done
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Nobili Tea	Springdale		Done
Pleasant Counter	Springdale	Ahren Boulanger	Done
Red Kite-Downtown	Springdale	Danny Hamilton	Conceptual
Revival-Downtown	Springdale		Conceptual
Romero's Cuisine Toque Latino	Springdale		Done
Scooters Coffee Shop	Springdale		Fall 2023
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
Taqueria El Cunado Express	Springdale		Done
Toasted Yolk	Springdale	Alan Cole, Brian Moore	Fall 2023
Via Emma Ice Cream Shop	Springdale	Blue Crane	Conceptual
Wienerschnitzel Elm Springs	Springdale	Brian Shinall	Summer 2023
Torres Taqueria	Tontitown		Done

# Closed Restaurants

Restaurant	City	Date Closed
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
McClards	Rogers	July 2022
Moonbroch	Rogers	July 2022
DQ Grill and Chill	Fayetteville	July 2022
Joes Italian	Fayetteville	July 2022
Icescreams	Fayetteville	September 2022
Fred's Hickory Inn	Bentonville	October 2022
Con Queso	Fayetteville	October 2022
Hapa's Hawaiian	Rogers	November 2022
Shakes Frozen Custard	Rogers	November 2022
Table and Ale	Fayetteville	December 2022
Tipsy Donut	Rogers	January 2023
Burg De Gastropub	Bentonville	February 2023
Snack Lab	Fayetteville	February 2023
AQ Chicken House	Springdale	March 2023
Sandi Sues Gluten Free Bakery	Bentonville	March 2023
Apple Blossom Brewing	Fayetteville	April 2023
Bliss Cupcakes	Fayetteville	May 2023
Bliss Cupcakes	Rogers	May 2023
Pieology	Fayetteville	May 2023
Mojo's Pints and Pies	Fayetteville	May 2023
Powerhouse	Fayetteville	June 2023
Rockin Bakery	Fayetteville	June 2023
28 Springs	Siloam Springs	June 2023

# 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 <sup>1</sup>	Office <sup>1</sup>	Retail <sup>1</sup>	Warehouse <sup>1</sup>	Total <sup>1</sup>	Total Square Feet <sup>1</sup> (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	140,888	242,600	90,964	453,243	469,383	103.6%
Bentonville	41,700	4,945,133	1,243,941	3,074,506	9,305,280	9,446,570	101.5%
Fayetteville	1,100,829	3,682,929	4,469,447	2,432,422	11,685,627	11,179,605	95.7%
Johnson	--	363,502	124,973	140,895	629,370	584,076	92.8%
Lowell	143,950	246,373	214,578	1,779,376	2,384,277	2,432,293	102.0%
Rogers	1,124,192	3,773,887	4,785,687	3,084,137	12,767,903	13,292,689	104.1%
Siloam Springs	353,242	277,983	865,000	619,372	2,115,597	1,835,600	86.8%
Springdale	1,910,657	1,775,033	2,528,208	4,795,732	11,009,630	11,528,428	104.7%
<b>Northwest Arkansas</b>	<b>4,674,570</b>	<b>15,205,728</b>	<b>14,474,434</b>	<b>16,017,404</b>	<b>50,350,927</b>	<b>50,768,644</b>	<b>100.8%</b>

<sup>1</sup>Source: 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.

<sup>2</sup>Source: 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 1,249,984 square feet in the first half of 2022 to 1,230,224 square feet in the first half of 2023. In the past year, 347,827 new square feet of office space were added, with Bentonville having the most with 208,892 square feet, while Fayetteville added another 67,124. There was net positive absorption of 18,554 square feet of office space in Northwest Arkansas during the past year. Lowell accounted for the greatest amount of net positive absorption with 55,147 square feet while Springdale added 44,247 square feet. Bentonville had the most net negative absorption with 40,810 square feet. The overall Northwest Arkansas office vacancy rate decreased from 9.1 percent in the first half of 2022 to 8.8 percent in the first half of 2023.

In Northwest Arkansas, 274,029 square feet of office/retail space were available in the first half of 2023, down from 341,234 square feet in the first half of 2022. The office/retail market experienced net positive absorption of 73,264 square feet in the past year. Fayetteville accounted for 62,050 square feet, followed by Bentonville with 19,189 square feet of net positive absorption. Rogers had net negative absorption of 19,327 square feet during this period. There were 11,198 new square feet of office/retail space added within the past year, all of it in Bentonville. The overall Northwest Arkansas office/retail vacancy rate decreased from 7.3 percent in the first half of 2022 to 5.8 percent the first half of 2023.

In the first half of 2023, 854,634 square feet of retail space were available in Northwest Arkansas, up from 852,815 square feet in the first half of 2022. The retail market had net negative absorption of 5,625 square feet in the past twelve months. Siloam Springs accounted for 46,755 square feet of net negative absorption. Rogers had 45,001 square feet of net positive absorption during this period. There were 106,845 new square feet of retail space added to the Northwest Arkansas market during the past year, with Bentonville accounting for the most, with 60,345 square feet. The overall Northwest Arkansas retail vacancy rate remained 7.9 percent from the first half of 2022 to the first half of 2023.

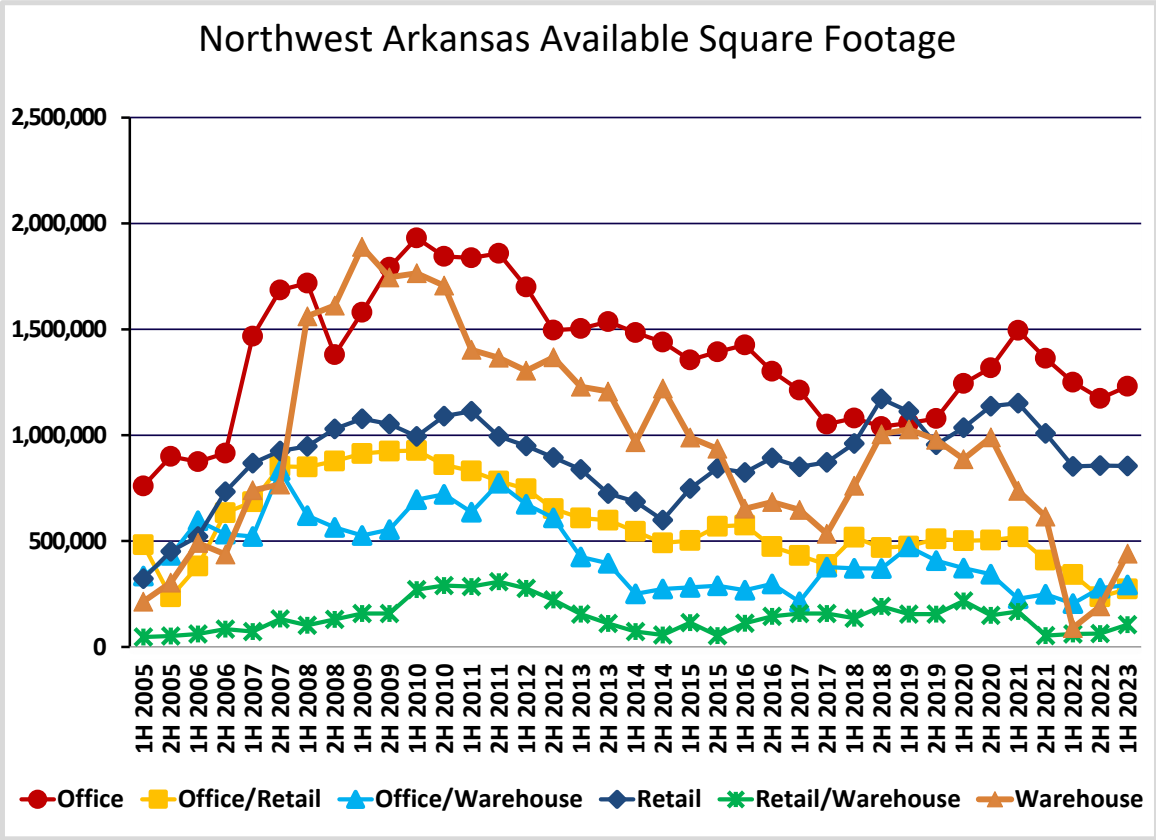
In the Northwest Arkansas warehouse market, available square footage increased from 89,804 in the first half of 2022 to 441,057 in the first half of 2023. Additionally, there is at least 275,000 square feet of high quality sublease space available in Bentonville. The warehouse market experienced net negative absorption of 302,829 square feet during the past year. Springdale accounted for 298,824 square feet of the net negative warehouse absorption, while Bentonville had net positive absorption of 29,145 square feet during this period. 311,760 new square feet of warehouse space, 300,000 in Springdale, was added to the Northwest Arkansas market during the past year. Additionally, 122,938 square feet (66,931 in Springdale) of new office/warehouse space and 33,800 (21,800 in Springdale) square feet of new retail/warehouse were added during this period. Warehouse vacancy rates increased from 0.8 percent to 3.6 percent, from the first half of 2022 to the first half of 2023.





# Commercial Market Trends

## Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	0	12,890	980	0
Bentonville	-40,810	19,189	822	29,145
Fayetteville	-21,301	62,050	-6,205	15,600
Johnson	2,348	0	-3,860	0
Lowell	55,147	3,534	675	0
Rogers	-19,448	-19,327	45,001	0
Siloam Springs	-1,629	-5,700	-46,755	-48,750
Springdale	44,247	628	3,717	-298,824
<b>Northwest Arkansas</b>	<b>18,554</b>	<b>73,264</b>	<b>-5,625</b>	<b>-302,829</b>

# 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
<b>Office</b>	1H 2022	22,296	431,984	127,720	25,734	62,267	433,610	14,351	132,022	1,249,984
	2H 2022	22,296	493,314	181,019	25,269	4,120	322,108	10,590	114,387	1,173,103
	1H 2023	22,296	447,449	167,061	23,386	7,120	426,206	17,207	119,499	1,230,224
<b>Medical Office</b>	1H 2022	3,000	19,577	29,883	17,399	41,870	20,614	14,351	60,927	207,621
	2H 2022	3,000	11,552	30,361	16,934	1,870	31,600	10,590	56,866	162,773
	1H 2023	3,000	11,552	21,531	19,358	1,870	51,613	17,207	56,866	182,997
<b>Office/Retail</b>	1H 2022	20,846	103,199	157,669	0	8,209	41,040	2,781	7,490	341,234
	2H 2022	5,336	66,546	85,367	0	6,487	58,331	2,781	11,607	236,455
	1H 2023	7,956	84,010	96,709	0	4,675	60,367	10,833	9,479	274,029
<b>Office/Warehouse</b>	1H 2022		65,200	0	0	0	5,900	57,667	75,534	204,301
	2H 2022		40,200	0	0	0	67,867	57,667	111,738	277,472
	1H 2023		47,050	0	0	48,340	5,900	57,667	134,191	293,148
<b>Retail</b>	1H 2022	7,455	56,412	228,219	0	1,875	405,409	19,477	133,968	852,815
	2H 2022	1,440	65,391	215,314	0	0	372,992	64,232	137,520	856,889
	1H 2023	6,475	55,590	223,953	3,860	9,256	360,408	67,835	127,257	854,634
<b>Retail/Warehouse</b>	1H 2022		2,928	19,774	9,630	9,800	8,933	0	9,956	61,021
	2H 2022		2,928	16,104	0	9,800	8,933	0	24,956	62,721
	1H 2023		15,892	20,559	0	9,800	31,382	0	27,381	105,014
<b>Warehouse</b>	1H 2022	0	0	15,600	0	0	29,750	0	44,454	89,804
	2H 2022	0	79,500	21,000	0	0	29,750	0	61,329	191,579
	1H 2023	0	0	0	0	0	29,750	48,750	362,557	441,057



# 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
<b>Office</b>	1H 2022	18.1%	10.6%	3.6%	8.4%	18.5%	10.9%	8.3%	11.1%	9.1%
	2H 2022	18.1%	11.5%	5.1%	8.3%	1.2%	8.0%	6.2%	9.4%	8.4%
	1H 2023	18.1%	10.3%	4.6%	7.2%	3.2%	10.6%	9.9%	9.8%	8.8%
<b>Medical Office</b>	1H 2022	5.1%	5.5%	2.3%	9.7%	45.3%	4.2%	10.8%	11.8%	6.6%
	2H 2022	5.1%	3.2%	2.3%	9.4%	2.0%	5.9%	8.0%	11.0%	5.1%
	1H 2023	5.1%	3.2%	1.6%	9.7%	2.0%	9.5%	12.8%	11.0%	5.7%
<b>Office/Retail</b>	1H 2022	8.8%	9.7%	8.9%	0.0%	9.4%	7.1%	1.5%	1.1%	7.3%
	2H 2022	2.2%	6.2%	4.8%	0.0%	7.4%	10.1%	1.5%	1.6%	5.0%
	1H 2023	3.3%	7.8%	5.4%	0.0%	5.3%	10.4%	5.8%	1.3%	5.8%
<b>Office/Warehouse</b>	1H 2022		6.9%	0.0%	0.0%	0.0%	0.9%	52.2%	3.7%	4.8%
	2H 2022		4.2%	0.0%	0.0%	0.0%	9.5%	52.2%	5.2%	6.3%
	1H 2023		4.9%	0.0%	0.0%	15.2%	0.8%	53.3%	6.1%	6.4%
<b>Retail</b>	1H 2022	8.3%	6.5%	6.2%	0.0%	1.7%	10.9%	4.1%	7.6%	7.9%
	2H 2022	1.6%	7.1%	5.8%	0.0%	0.0%	10.0%	13.7%	7.8%	7.9%
	1H 2023	7.2%	6.0%	6.0%	7.2%	7.2%	9.8%	14.4%	7.2%	7.9%
<b>Retail/Warehouse</b>	1H 2022		1.2%	16.8%	53.4%	31.6%	3.3%	0.0%	1.4%	4.0%
	2H 2022		1.2%	13.7%	0.0%	31.6%	3.2%	0.0%	3.3%	3.9%
	1H 2023		6.3%	16.2%	0.0%	22.8%	10.7%	0.0%	3.5%	6.3%
<b>Warehouse</b>	1H 2022	0.0%	0.0%	1.2%	0.0%	0.0%	1.0%	0.0%	1.4%	0.8%
	2H 2022	0.0%	4.3%	1.6%	0.0%	0.0%	1.0%	0.0%	1.9%	1.6%
	1H 2023	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	6.6%	10.4%	3.6%



# 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
<b>Office</b>	1H 2022	-3,000	-8,053	23,463	-6,610	7,130	107,253	8,490	-17,328	111,346
	2H 2022	0	-61,330	-41,899	465	58,147	94,186	3,761	43,155	96,485
	1H 2023	0	20,520	20,598	1,883	-3,000	-113,634	-5,390	1,092	-77,931
<b>Medical Office</b>	1H 2022	-3,000	0	9,931	-7,875	-1,870	-12,104	7,890	-1,849	-8,877
	2H 2022	0	8,025	4,222	465	40,000	-10,986	3,761	6,561	52,048
	1H 2023	0	0	8,830	-2,424	0	-20,013	-5,390	0	-18,997
<b>Office/Retail</b>	1H 2022	-1,200	16,772	15,723	2,000	-8,209	10,658	6,805	22,652	65,201
	2H 2022	15,510	36,653	73,392	0	1,722	-17,291	0	-1,500	108,486
	1H 2023	-2,620	-17,464	-11,342	0	1,812	-2,036	-5,700	2,128	-35,222
<b>Office/Warehouse</b>	1H 2022		-300	0	0	10,400	0	34,607	0	44,707
	2H 2022		25,000	0	0	0	-37,000	0	-33,774	-45,774
	1H 2023		-6,850	0	0	-31,540	71,503	0	-48,157	-15,044
<b>Retail</b>	1H 2022	-4,156	32,607	23,745	0	0	96,203	15,696	-653	163,442
	2H 2022	6,015	-8,979	-2,466	0	1,875	32,417	-44,755	-3,552	-19,445
	1H 2023	-5,035	9,801	-3,739	-3,860	-1,200	12,584	-2,000	7,269	13,820
<b>Retail/Warehouse</b>	1H 2022		0	0	0	0	2,400	0	-4,756	-2,356
	2H 2022		0	3,670	9,630	0	0	0	-15,000	-1,700
	1H 2023		-12,964	4,800	0	0	-8,689	0	23,279	6,426
<b>Warehouse</b>	1H 2022	0	325,000	0	0	92,000	85,000	0	40,000	542,000
	2H 2022	0	-79,500	-5,400	0	0	0	0	-16,875	-101,775
	1H 2023	0	108,645	21,000	0	0	0	-48,750	-281,949	-201,054





# Commercial Market Trends

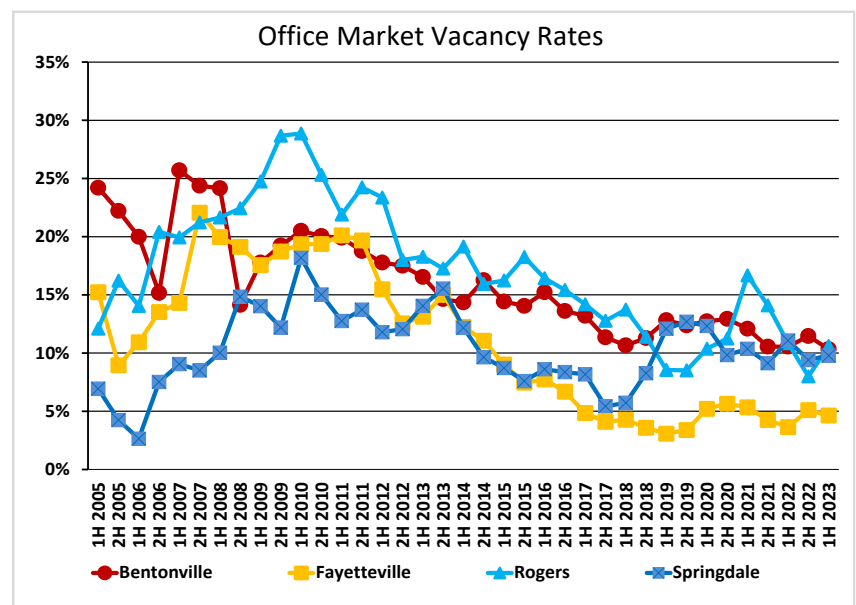
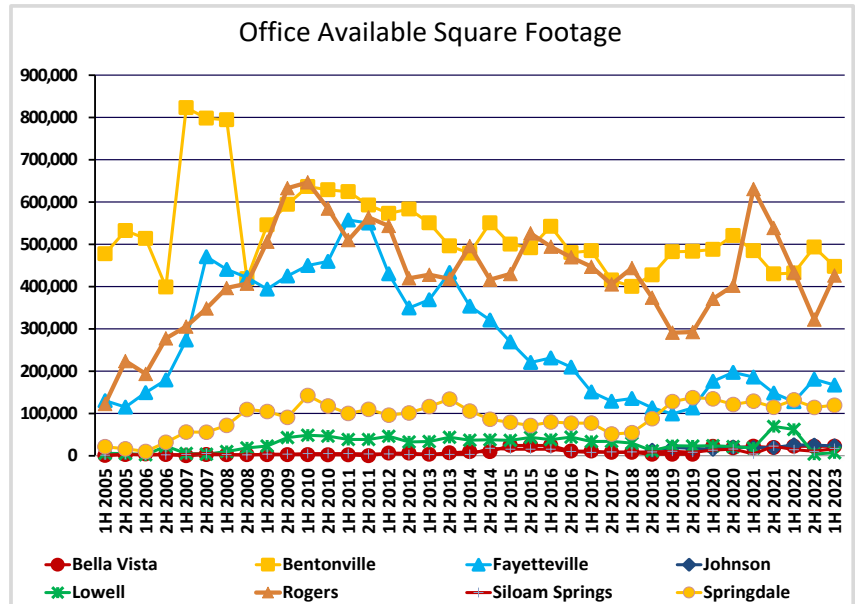
## Office Vacancy and Space

In the first half of 2023, the office properties included in the Skyline Report panel had a vacancy rate of 8.8 percent, an increase from 8.4 percent in the second half of 2022. Of the 14,020,984 square feet of Northwest Arkansas properties examined, 1,230,224 square feet were available. In the first half of 2023, 73,413 square feet of new space entered the market, while 4,518 square feet became available, netting negative absorption of 77,931 square feet for the Northwest Arkansas office market.

Bentonville had 477,449 available square feet of office space out of its total office space of 4,329,117 square feet in the first half of 2023. 58.4 percent of the available office space was Class B. There was no new office space added during this time. The Bentonville office market had overall net positive absorption of 20,520 square feet, 14,020 square feet of it in the Class B submarket and another 4,544 square feet in the Class A submarket, while the Class C and Medical submarkets had 1,956 and 0 square feet of net positive absorption, respectively.

Rogers had 4,017,665 square feet of total office space, with available square feet of 426,206 in the first half of 2023. 63.3 percent of the available space was in the Class A submarket. 6,031 square feet of Medical office space was added during this period. The Rogers office market had a net negative absorption of 113,634 square feet in the first half of 2023. The Class A submarket accounted for 83,042 square feet, the Medical submarket for 20,013 square feet, and the Class B submarket for 10,579 square feet of the net negative absorption. The Class C office submarket had no absorption during this time.

Fayetteville had 167,061 square feet of available space, out of its total office space of 3,604,813 square feet in the first half of 2023. 57.4 percent of the available space was in the Class B submarket. There were 47,382 (39,811 of Class A and 7,571 of Class B) new square feet of office space added in the first half of 2023. The Fayetteville office market had overall net positive absorption of 20,598 square feet. The Class B office submarket had 33,000 square feet of net positive absorption with another 8,830 square feet in the Medical submarket, while the Class A



# Commercial Market Trends

## Office Lease Rates by City

and Class C submarkets had 12,242 and 8,990 square feet of net negative absorption, respectively, during the same period.

Springdale had 1,221,716 total square feet of office space, with 119,499 square feet of it available in the first half of 2023. 47.6 percent was Medical office space. There was no new office space added during this period. There was net positive absorption of 1,092 square feet in the Springdale office market in the first half of 2023. Class C office had 5,910 square feet of net positive absorption while Class B had 4,818 square feet of net negative absorption. Class A and Medical office space had no absorption during this period.

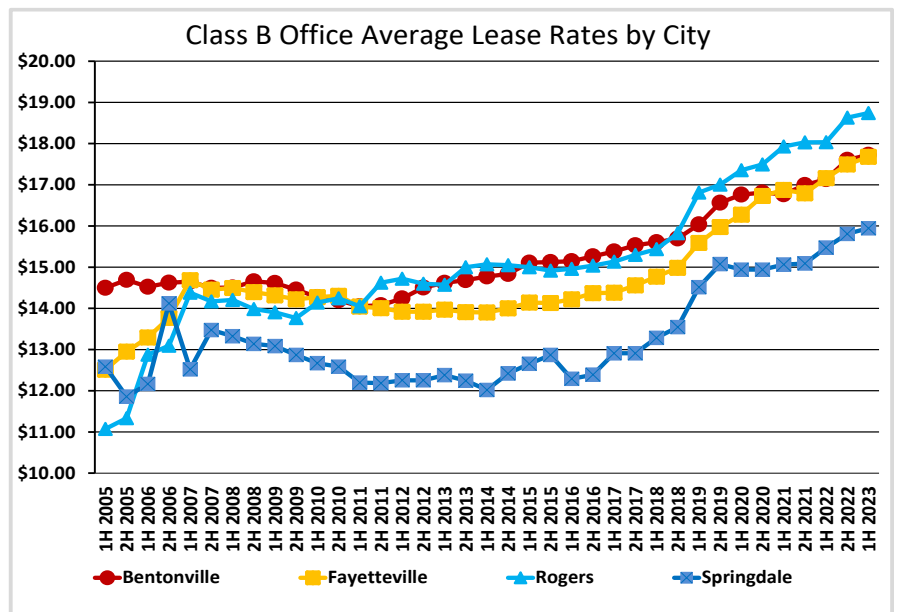
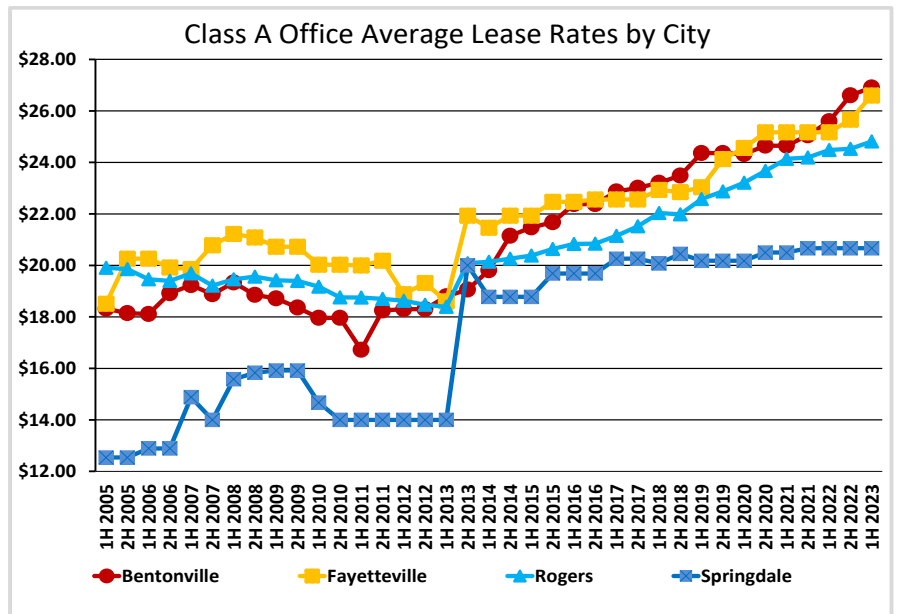
In the first half of 2023, average reported lease rates for Class A office space were highest in Bentonville, increasing \$0.30 to \$26.91 Fayetteville increased to \$26.60, Rogers increased to \$24.82, and Springdale remained at \$20.67.

Average reported lease rates for Class B office space was highest in Rogers, increasing \$0.11 to \$18.74. Bentonville increased to \$17.73, Fayetteville increased to \$17.68, and Springdale remained with the lowest reported average lease rates increasing to increasing to \$15.95.

Reported average lease rates for Class C office were highest in Bentonville increasing \$0.18 to \$14.54. Fayetteville increased \$12.99, Springdale increased to \$11.24, and Rogers became the lowest decreasing to \$10.93.

Reported average medical office space lease rates were highest in Bentonville remaining \$18.27. Springdale remained \$17.94, Fayetteville remained \$17.89, and Rogers remained the lowest average reported lease rate increasing to \$17.20.

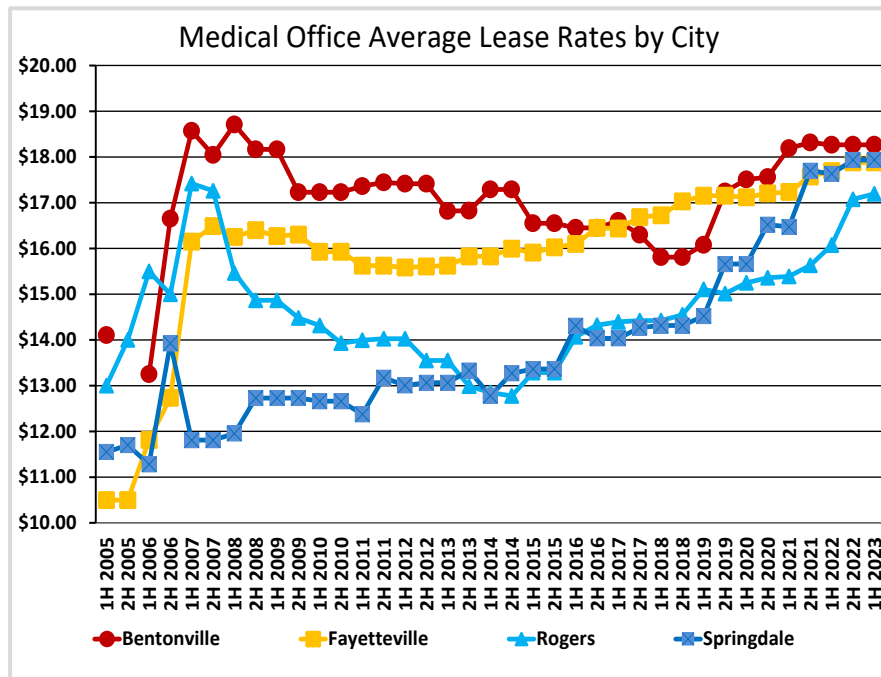
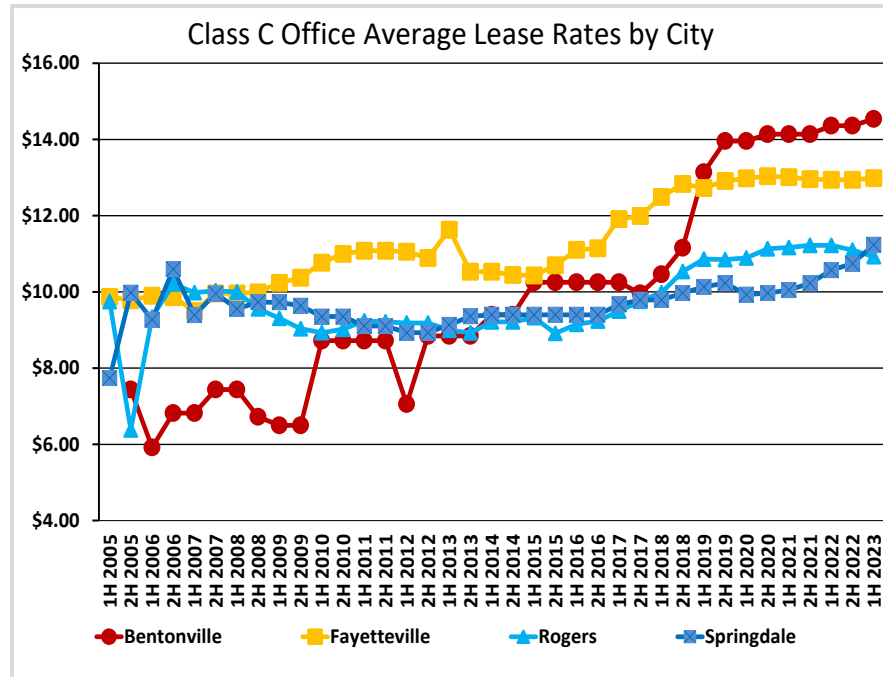
City	Class A	Class B	Class C	Medical
Bentonville	\$25.88 - \$27.94	\$17.44 - \$18.01	\$14.49 - \$14.58	\$17.95 - \$18.58
Fayetteville	\$25.09 - \$28.11	\$17.38 - \$17.98	\$12.67 - \$13.30	\$17.12 - \$18.65
Rogers	\$24.39 - \$25.24	\$18.41 - \$19.07	\$10.77 - \$11.08	\$17.12 - \$17.27
Springdale	\$20.33 - \$21.00	\$15.23 - \$16.66	\$10.76 - \$11.71	\$17.68 - \$18.19





# 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 2H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office</b>							
Bentonville	1,056,593	166,810	15.8%	4,544	0	4,544	220.3
Fayetteville	515,590	21,632	4.2%	27,569	39,811	-12,242	--
Rogers	2,167,917	269,723	12.4%	-83,042	0	-83,042	--
Springdale	95,501	0	0.0%	0	0	0	--
<b>Class B Office</b>							
Bentonville	2,553,909	261,109	10.2%	14,020	0	14,020	111.7
Fayetteville	1,318,465	95,960	7.3%	40,571	7,571	33,000	17.4
Rogers	1,004,523	91,308	9.1%	-10,579	0	-10,579	--
Springdale	364,727	24,371	6.7%	-4,818	0	-4,818	--
<b>Class C Office</b>							
Bentonville	360,651	7,978	2.2%	1,956	0	1,956	24.5
Fayetteville	462,349	27,938	6.0%	-8,990	0	-8,990	--
Rogers	303,294	13,562	4.5%	0	0	0	--
Springdale	243,239	38,262	15.7%	5,910	0	5,910	38.8
<b>Medical Office</b>							
Bentonville	357,964	11,552	3.2%	0	0	0	--
Fayetteville	1,308,409	21,531	1.6%	8,830	0	8,830	14.6
Rogers	541,931	51,613	9.5%	-13,982	6,031	-20,013	--
Springdale	518,249	56,866	11.0%	0	0	0	--

# Commercial Market Trends

## Office/Retail Vacancy and Space

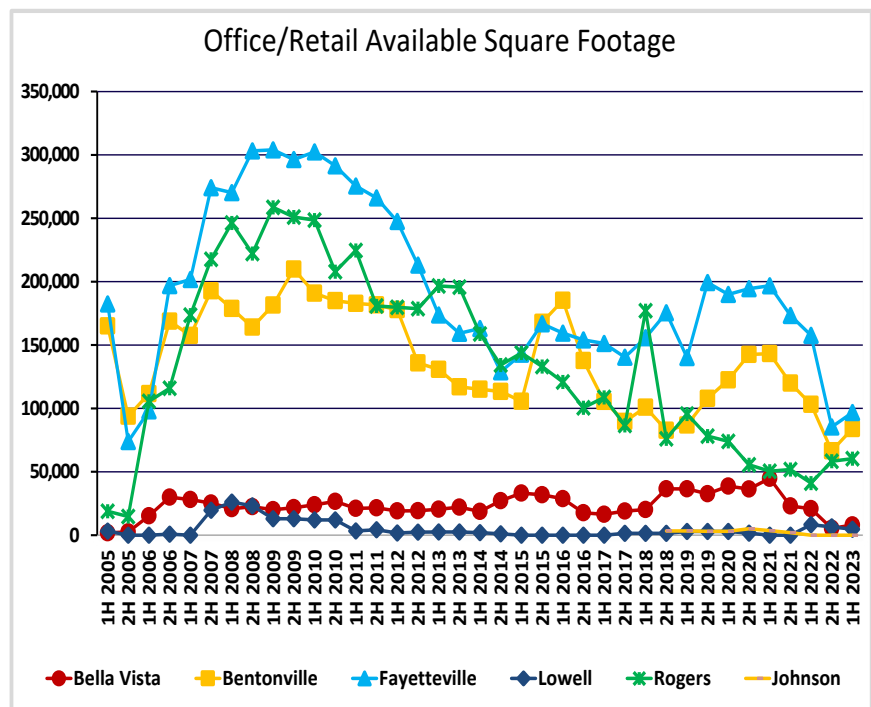
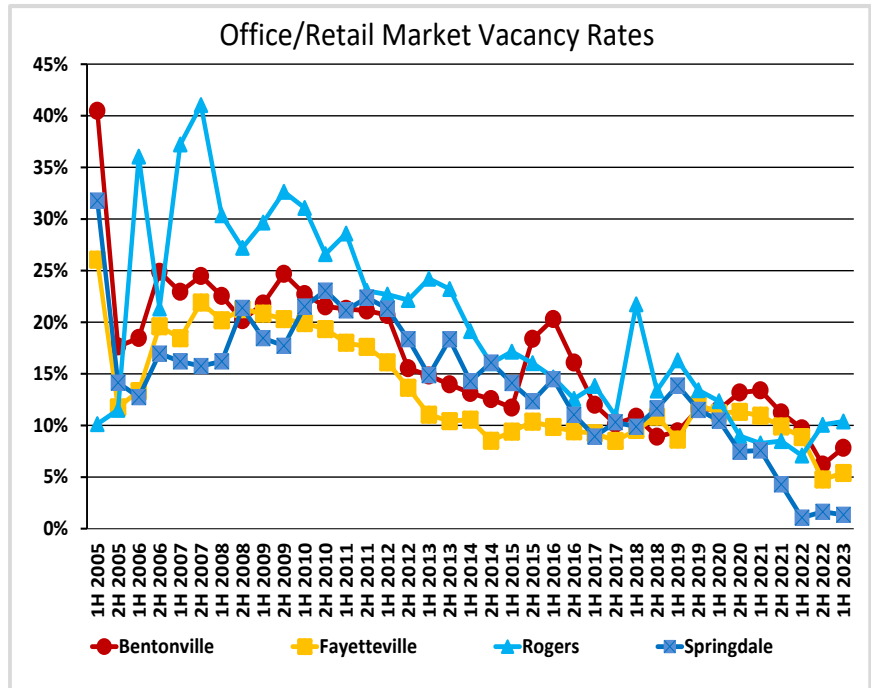
In the first half of 2023, the office/retail properties included in the Skyline Report sample had a vacancy rate of 5.8 percent, up from 5.0 percent in the second half of 2022. Of the 4,743,614 square feet of Northwest Arkansas properties examined, 274,029 square feet were available.

From the second half of 2022 to the first half of 2023, no new office/retail space were added to the market. There was net negative absorption of 35,222 square feet in the first half of 2023. Bentonville had the most net negative absorption with 17,464 square feet, with Fayetteville contributing 11,342 square feet. Meanwhile Springdale had the most net positive absorption with 2,128 square feet.

Fayetteville had the largest amount of available square feet in the office/retail submarket with 96,709 square feet in the first half of 2023, with Bentonville adding 84,010 square feet of available space. The vacancy rate was highest in Rogers at 10.4 percent.

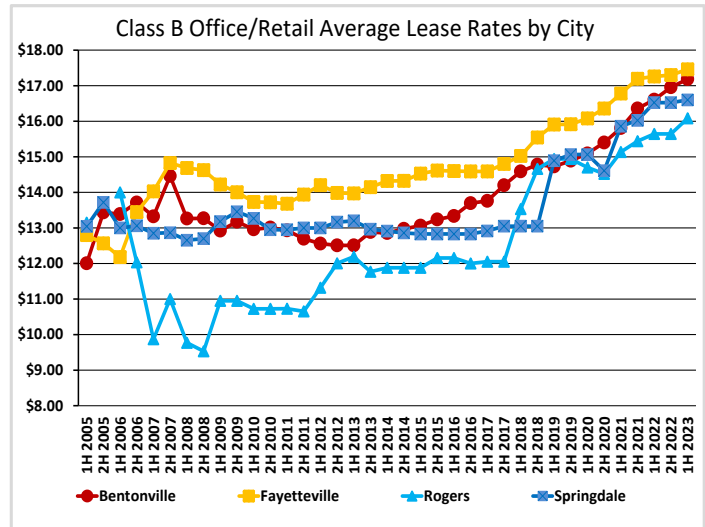
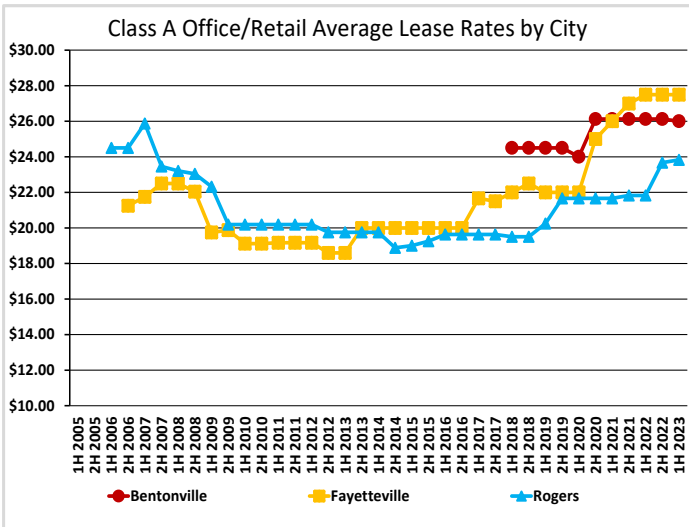
The office/retail space reported average lease rates in the first half of 2023 were highest in the Fayetteville Class A submarket remaining \$27.50. The Bentonville Class A average lease rate decreased to \$26.00, and the average Class A lease rate in Rogers increased to \$23.83.

In the Class B submarket, Fayetteville stayed the most expensive increasing to \$17.46, followed by Bentonville increasing to \$17.19, Springdale increasing to \$16.60, and Rogers remained the lowest increasing to \$16.09.

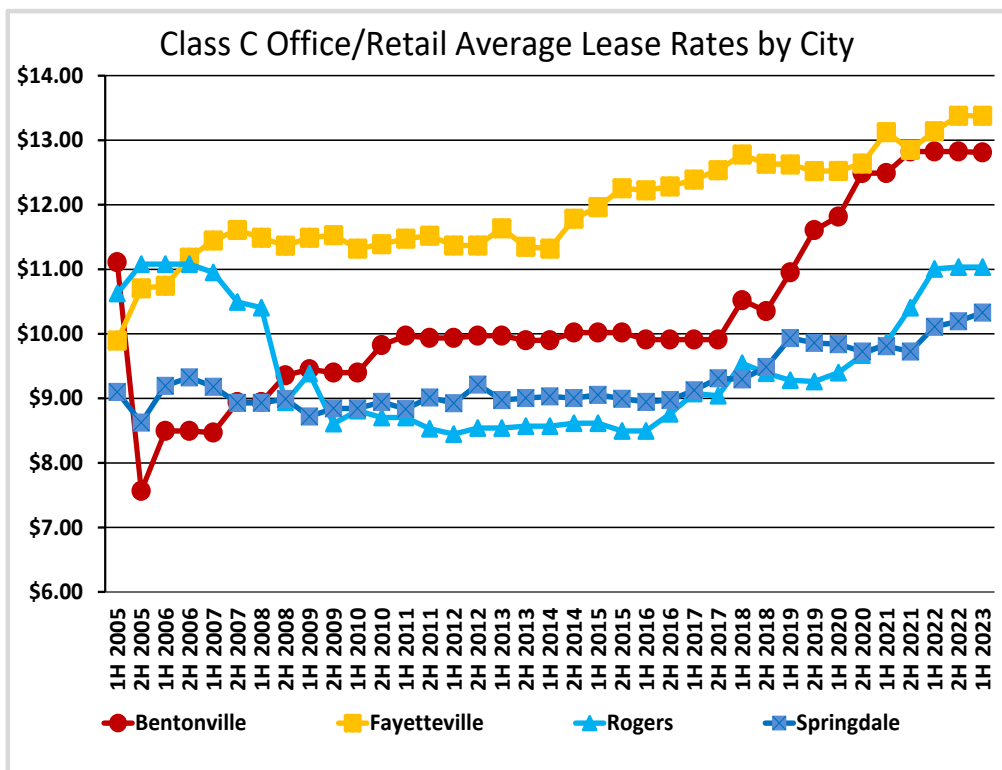


# Commercial Market Trends

## Office/Retail Classes Lease Rates by City



In the Class C submarket, the average lease rate was highest in Fayetteville remaining \$13.38. This was followed by Bentonville with the average decreasing to \$12.81, in Rogers the rate remained \$11.04, and Springdale stayed the least expensive increasing to \$10.33.



# Commercial Market Trends

## Office/Retail Available Space by City



City	Class A	Class B	Class C
Bentonville	\$25.75 - \$26.25	\$16.16 - \$18.21	\$12.51 - \$13.11
Fayetteville	\$27.50 - \$27.50	\$16.79 - \$18.13	\$12.48 - \$14.28
Rogers	\$23.83 - \$23.83	\$15.42 - \$16.75	\$10.62 - \$11.45
Springdale	--	\$16.00 - \$17.20	\$9.83 - \$10.83

Available Office/ Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 2H to 1H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office/Retail</b>							
Bentonville	140,683	1,734	--	-1,734	0	-1,734	--
Fayetteville	42,000	7,475	17.8%	0	0	0	--
Rogers	110,382	28,799	26.1%	-4,498	0	-4,498	--
Springdale	--	--	--	--	--	--	--
<b>Class B Office/Retail</b>							
Bentonville	786,175	67,316	8.6%	-3,520	0	-3,520	--
Fayetteville	1,230,098	81,454	6.6%	-20,453	0	-20,453	--
Rogers	226,613	23,368	10.3%	-6,300	0	-6,300	--
Springdale	255,475	2,842	1.1%	-1,592	0	-1,592	--
<b>Class C Office/Retail</b>							
Bentonville	147,702	14,960	10.1%	-12,210	0	-12,210	--
Fayetteville	522,068	7,780	1.5%	9,111	0	9,111	5.1
Rogers	244,110	8,200	3.4%	8,762	0	8,762	5.6
Springdale	452,120	6,637	1.5%	3,720	0	3,720	10.7





# Commercial Market Trends

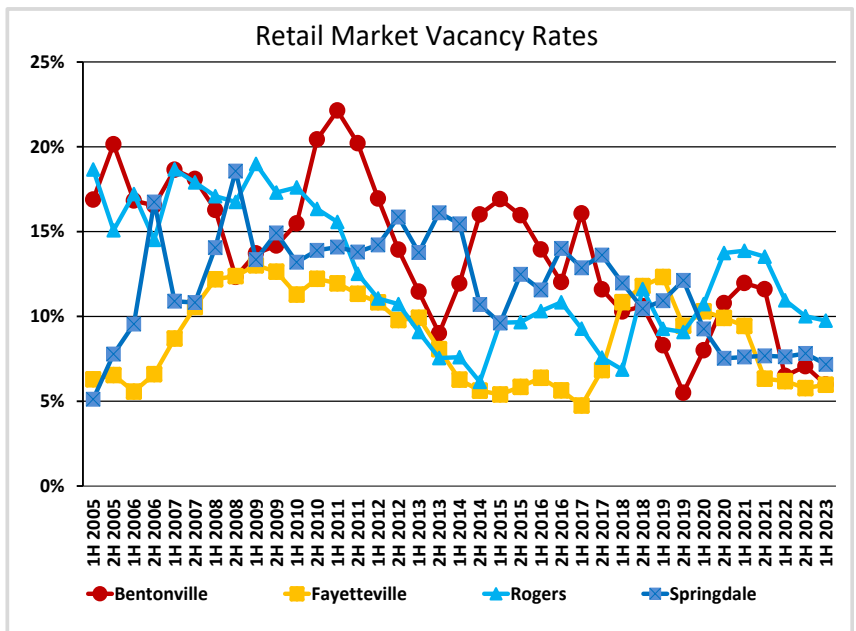
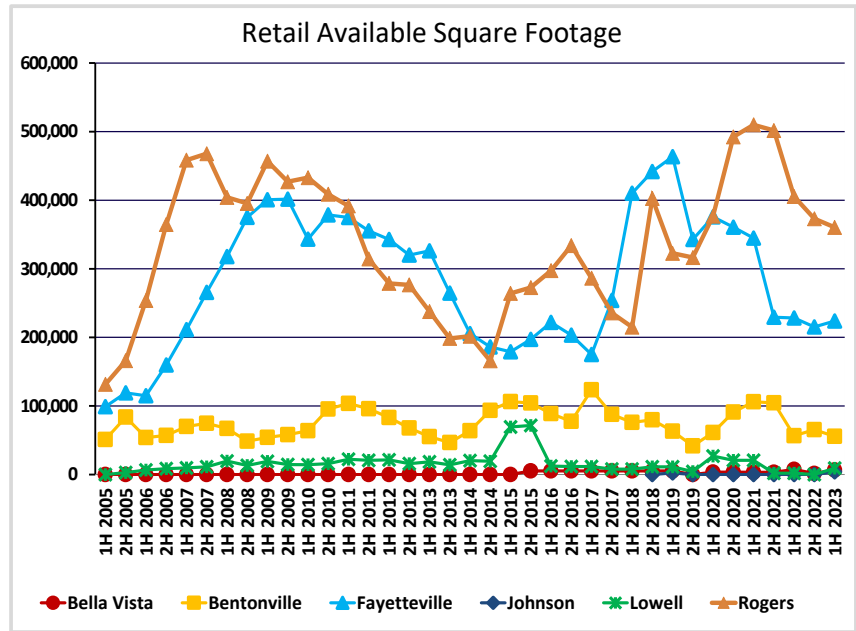
## Retail Vacancy and Space

In the first half of 2023, the retail properties included in the Skyline Report panel had a vacancy rate of 7.9 percent, the same as in the second half of 2022. Of the 10,886,814 total retail square feet examined in Northwest Arkansas, 854,634 square feet were available. 59,000 square feet of new retail space were added in Northwest Arkansas. Net positive absorption of 13,820 square feet occurred in the first half of 2023.

In the first half of 2023, Fayetteville had a retail vacancy rate of 6.0 percent, up from 5.8 percent in the second half of 2022, with 223,953 available square feet out of a total of 3,748,166. 27,000 new square feet, all Class B, were added and there was net negative absorption of 3,739 square feet in the Fayetteville retail market, of which 8,457 square feet was Class A. However, Class B had net positive absorption of 4,718 square feet.

The Rogers market had 360,408 square feet of available retail space out of a total of 3,693,416 square feet, for a vacancy rate of 9.8 percent in the first half of 2023. This was a decrease from the 10.0 percent rate in the second half of 2022. No new retail space were added in Rogers, and there was net positive absorption of 12,584 square feet, of which 7,232 square feet were Class A.

Bentonville had 929,821 total square feet with 55,590 available square feet of retail space in the first half of 2023, resulting in a vacancy rate of 6.0 percent. This represented an decrease from 7.1 percent in the second half of 2022. 12,500 new square feet of Class A retail space were added to the Bentonville market which had net positive absorption of 9,801 square feet, led by Class B with 22,301 square feet.



In the Class A retail submarket Fayetteville remained the highest average reported lease rate decreasing \$0.45 to \$27.10. Bentonville had an average reported lease rate of \$24.54, after an increase of \$0.46. The average rate in Rogers increased \$0.34 to \$22.60.

# Commercial Market Trends

## Retail Available Space



City	Class A	Class B	Class C
Bentonville	\$23.62 - \$25.46	\$17.40 - \$19.16	\$11.52 - \$12.80
Fayetteville	\$25.80 - \$28.40	\$19.13 - \$19.89	\$12.01 - \$12.63
Rogers	\$22.10 - \$23.10	\$15.34 - \$16.84	\$10.50 - \$10.77
Springdale	--	\$16.40 - \$16.89	\$9.94 - \$10.71

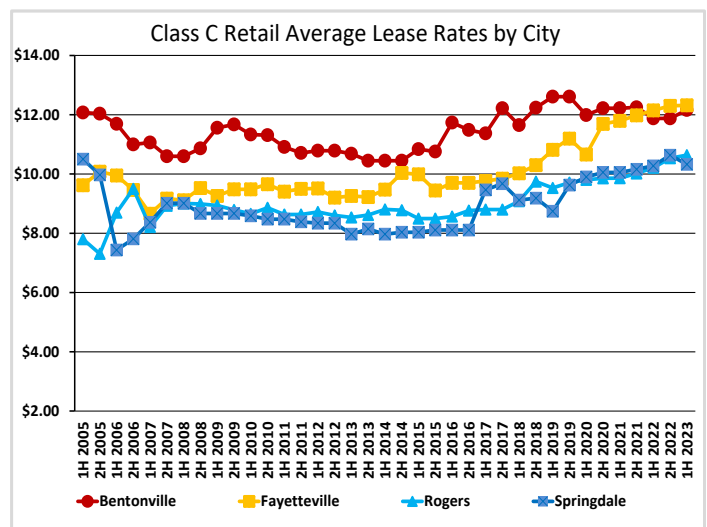
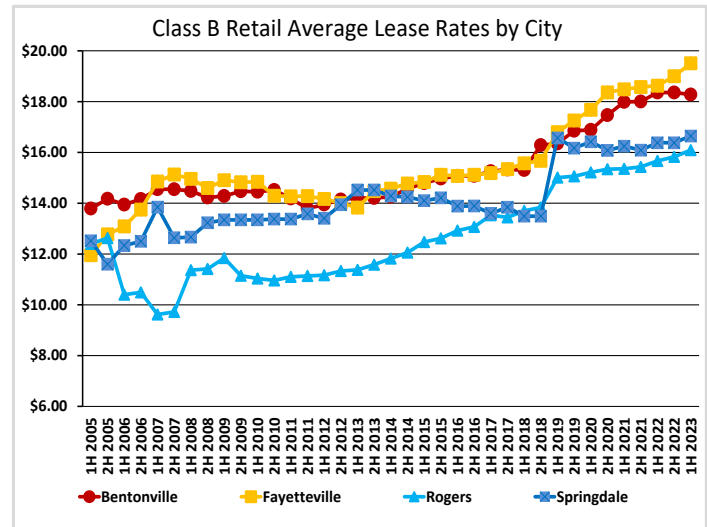
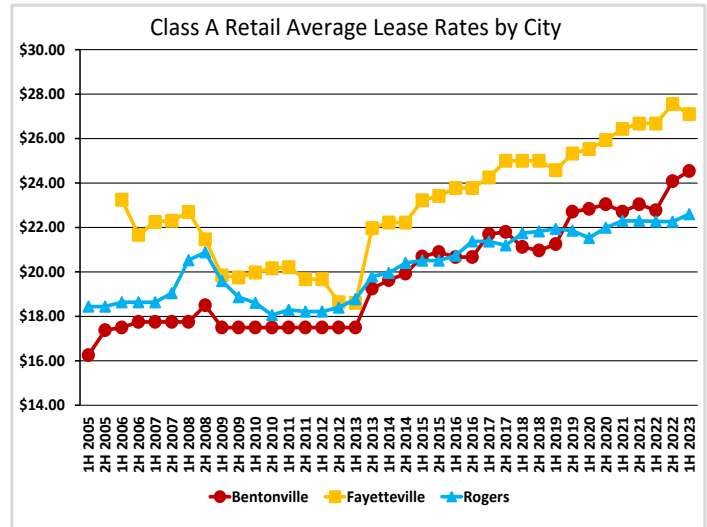
Available Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 2H to 1H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Retail</b>							
Bentonville	220,513	19,509	8.8%	0	12,500	-12,500	--
Fayetteville	1,130,393	23,580	2.1%	-8,457	0	-8,457	9.7
Rogers	1,686,932	57,368	3.4%	7,232	0	7,232	47.6
Springdale	--	--	--	--	--	--	--
<b>Class B Retail</b>							
Bentonville	547,270	36,081	6.6%	22,301	0	22,301	9.7
Fayetteville	2,101,760	161,839	7.7%	31,718	27,000	4,718	205.8
Rogers	1,453,797	298,270	20.5%	6,226	0	6,226	287.4
Springdale	1,053,939	97,743	9.3%	20,379	12,000	8,379	70.0
<b>Class C Retail</b>							
Bentonville	162,038	0	0.0%	0	0	0	--
Fayetteville	516,013	38,534	7.5%	0	0	0	--
Rogers	552,687	4,770	0.9%	-874	0	-874	--
Springdale	718,964	29,514	4.1%	-1,110	0	-1,110	--

# Commercial Market Trends

## Retail Lease Rates By Class A, B or C

After an increase of \$0.51, Class B average reported retail lease rates were highest in Fayetteville at \$19.51. Bentonville decreased to \$18.28, Springdale increased to \$16.65, and Rogers stayed the lowest after increasing to \$16.09.

Class C average reported lease rates were the highest in Fayetteville after increasing \$0.02 to \$12.32. Bentonville increased to \$12.16, Rogers increased to \$10.64, leaving Springdale the lowest after decreasing to \$10.33 in the first half of 2023.

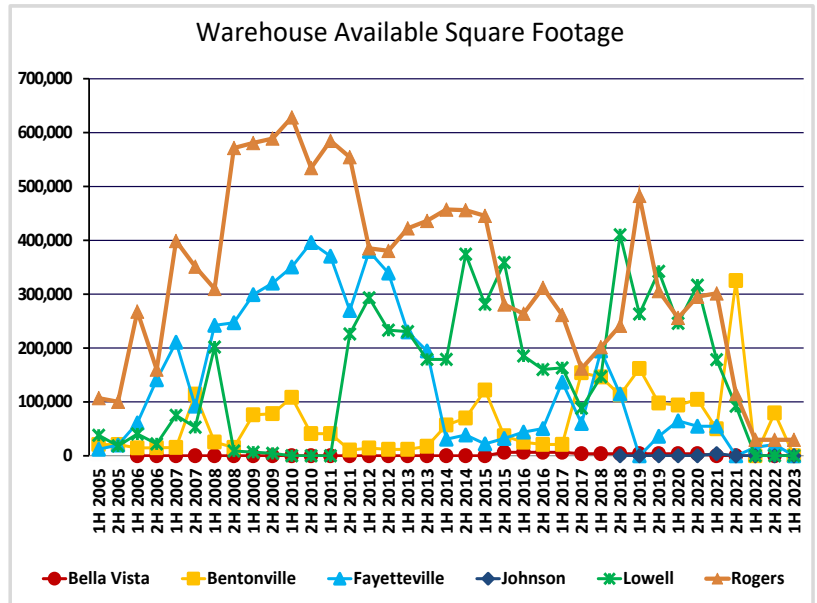


# Commercial Market Trends

## Warehouse Vacancy and Space

In the first half of 2023, the warehouse properties included in the Skyline Report panel had a 3.6 percent vacancy rate, up from 1.6 percent in the second half of 2022. Of the 12,124,575 square feet of warehouse space examined, 441,057 square feet were available. There were 311,760 new square feet of warehouse space added in the first half of 2023, and there was net negative absorption of 201,054 square feet. Additionally, there was at least 275,000 square feet of high quality sublease space available in Bentonville.

Springdale, including Tontitown warehouse space, in the first half of 2023 had 3,493,026 square feet of warehouse space, of which 55.3 percent is Class B space. 362,557 square feet was available, including 300,000 square feet new Class A space. There was net negative absorption of 281,949 square feet, 300,000 from the Class A submarket in the first half of 2023, while the Class B and C submarkets combined for 18,051 square feet of net positive absorption, leading to an overall vacancy rate of 10.4 percent, up from 1.9 percent in the second half of 2022.

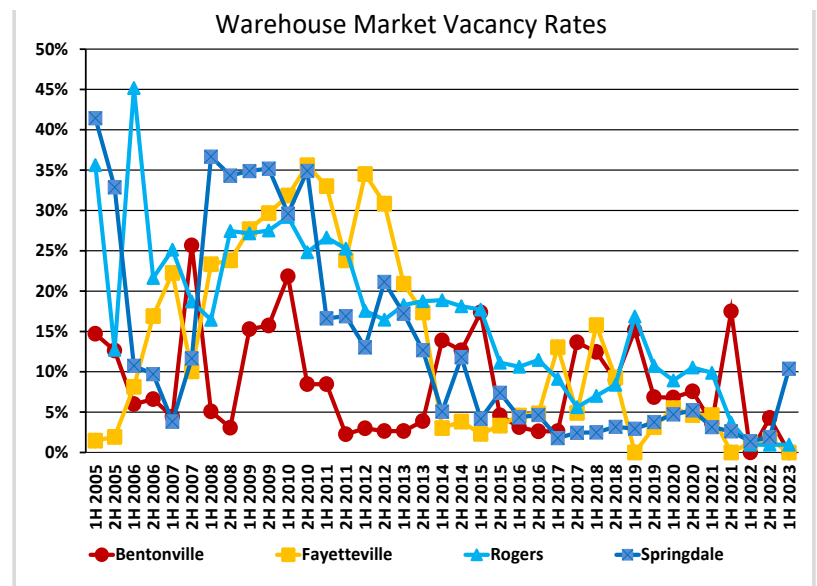


Rogers had 3,103,482 square feet of warehouse space, of which 36.6 percent was Class C. 29,750 square feet was available, all of it Class C space. There was no absorption of warehouse in the first half of 2023 and the vacancy rate remained 1.0 percent. No new square feet of warehouse space were added to the Rogers warehouse submarket this half.

Bentonville had 1,885,688 total square feet of warehouse space, 86.9 percent being Class A warehouse space. No warehouse space was available after net positive absorption of 108,645 square feet of Class B space in the first half of 2023. 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 4.3 percent in the second half of 2022.

No warehouse space was available in Lowell out of 1,496,407 total square feet of warehouse space. 49.8 percent of the total warehouse space was Class A. No new square feet of warehouse were added in the Lowell submarket in the first half of 2023. The vacancy rate remained 0.0 percent.

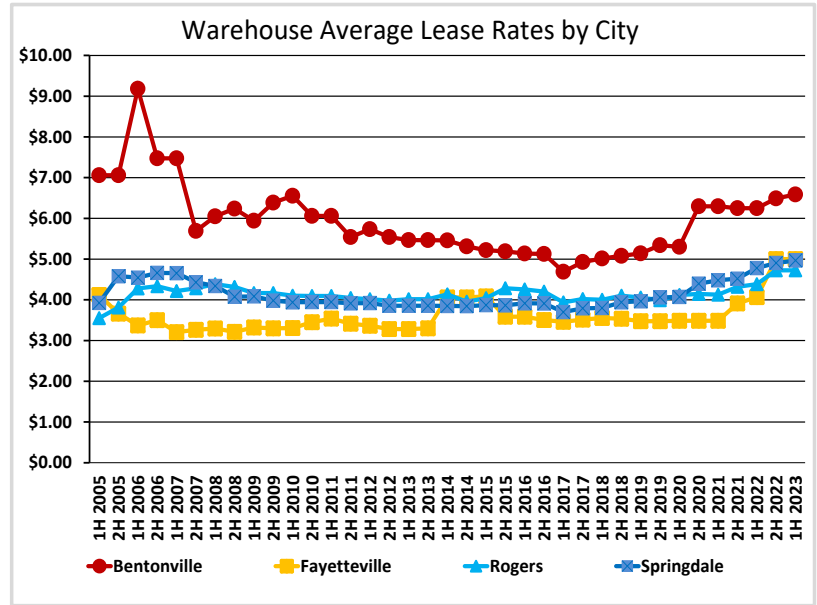
There was 1,306,350 total square feet of warehouse space in Fayetteville in the first half of 2023 and 65.4 percent of it was Class B warehouse space. 11,760 new square feet of Class B warehouse space were added to in the Fayetteville warehouse submarket in the first half of 2023. The vacancy rate for all warehouse space was 0.0 percent, up from 1.6 percent in the second half of 2022 in accordance with net positive absorption of 21,000 square feet.



# Commercial Market Trends

## Warehouse Lease Rates

The average reported warehouse lease rates in the first half of 2023 remained the highest in Bentonville increasing to \$6.59, followed by Fayetteville at \$5.00, Springdale at \$4.97, and Rogers at \$4.73. It is interesting to note that the highest lease rates are not necessarily in the Class A warehouse submarket. According to Skyline report respondents this is mostly due to economies of scale in the Class A submarket, which includes mostly large warehouse space, over 50,000 square feet. However, construction costs have driven up lease rates for newer warehouse spaces and will continue to do so for future warehouses according to respondents.



City	Class A	Class B	Class C
Bentonville	\$6.75 - \$681	\$6.05 - \$6.25	--
Fayetteville	--	\$4.17 - \$4.90	\$5.56 - \$5.71
Rogers	\$4.00 - \$4.00	\$4.51 - \$4.66	\$4.83 - \$4.88
Springdale	\$5.13 - \$5.13	\$4.92 - \$5.54	\$4.55 - \$4.95

Warehouse Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 2H to 1H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Class A Warehouse</b>							
Bentonville	1,639,391	0	0.0%	0	0	0	--
Fayetteville	--	--	--	--	--	--	--
Rogers	937,500	0	0.0%	0	0	0	--
Springdale	396,200	300,000	75.7%	0	300,000	-300,000	--
<b>Class B Warehouse</b>							
Bentonville	246,297	0	0.0%	108,645	0	108,645	0.0
Fayetteville	854,324	0	0.0%	11,760	11,760	0	--
Rogers	1,029,424	0	0.0%	0	0	0	--
Springdale	1,931,589	0	0.0%	7,500	0	7,500	0.0
<b>Class C Warehouse</b>							
Bentonville	--	--	--	--	--	--	--
Fayetteville	452,026	0	0.0%	21,000	0	21,000	0.0
Rogers	1,136,558	29,750	2.6%	0	0	0	--
Springdale	1,165,237	62,557	5.4%	10,551	0	10,551	35.6



# Commercial Market Trends

## Office/Warehouse Vacancy, Space, and Lease

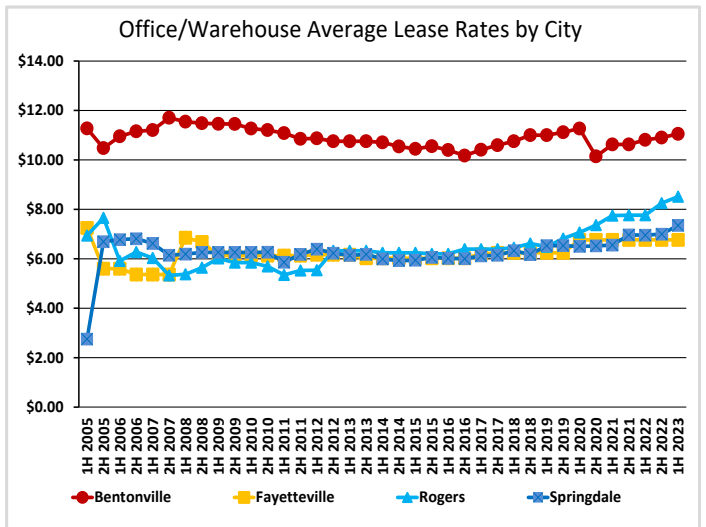
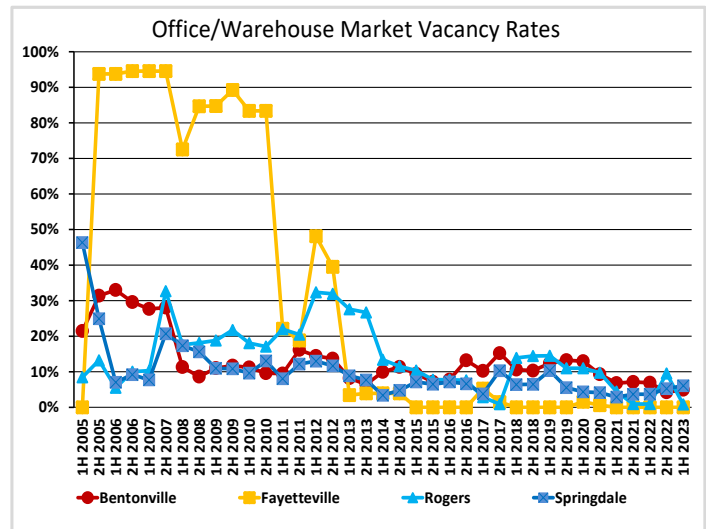
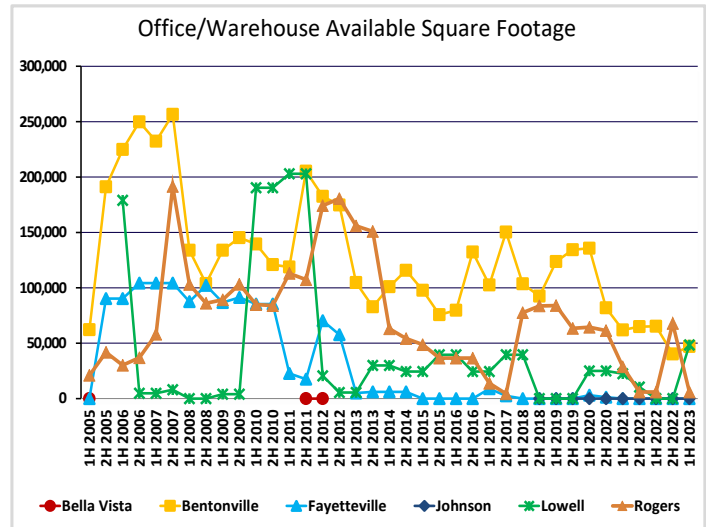
### Office/Warehouse

The Skyline Report panelists reported on 4,567,439 total square feet of office/warehouse space with 293,148 square feet available in the first half of 2023. Springdale, and Siloam Springs, with 134,191 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 increased from 6.3 percent in the first half of 2022 to 6.4 percent in the first half of 2023. 72,767 square feet of office/warehouse space entered the market in Northwest Arkansas during this period, with Springdale accounting for 41,227 square feet and Lowell adding another 31,450 square feet.

The office/warehouse submarket in Northwest Arkansas experienced net negative absorption of 15,044 square feet during the first half of 2023. Springdale and Lowell accounted for 48,157 and 31,540 square feet of net negative absorption, while Rogers had 71,503 square feet of net positive absorption.

Bentonville continued to have the highest reported average lease rates increasing to \$11.15. Reported office/warehouse average lease rates increased to \$8.52 in Rogers, increased to \$7.35 in Springdale, while they remained the same in Fayetteville at \$6.77 in the first half of 2023.





# Commercial Market Trends

## Retail/Warehouse Vacancy, Space and Lease

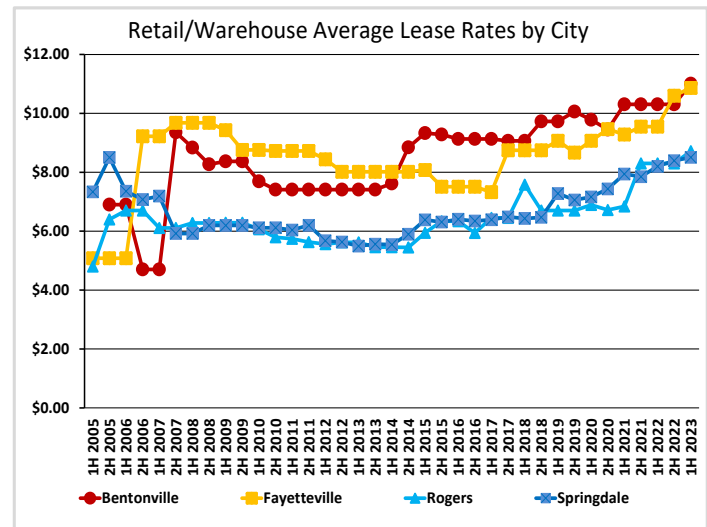
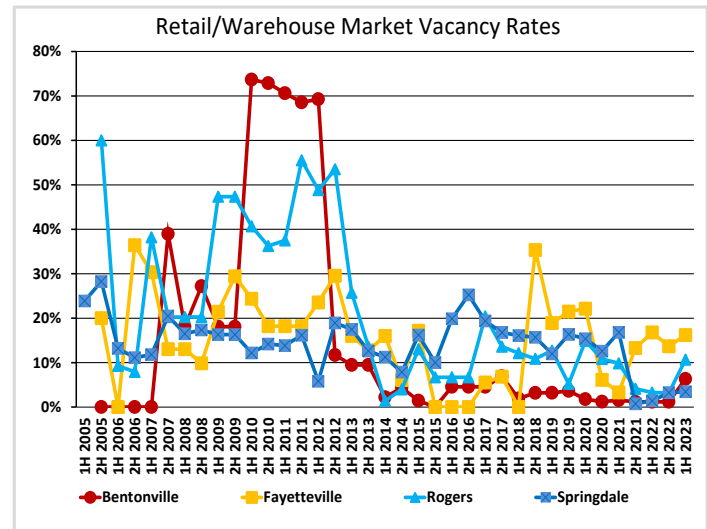
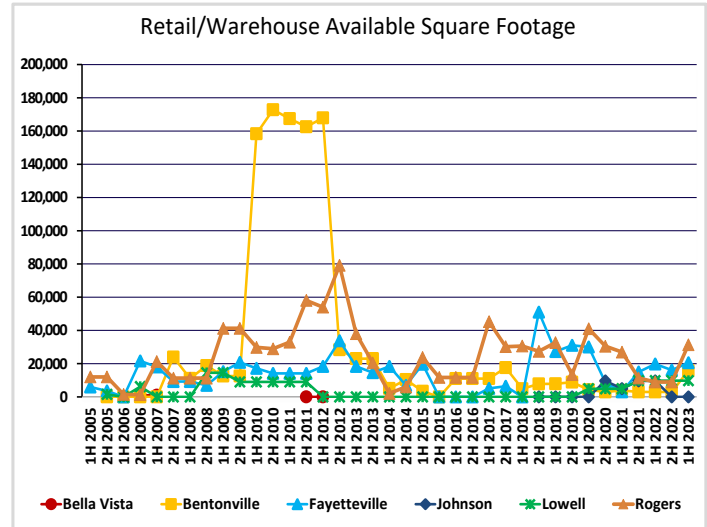
### Retail/Warehouse

The Skyline Report panelists reported on 1,660,497 square feet of retail/warehouse space in the first half of 2023. A total of 105,014 square feet was available in Northwest Arkansas. Rogers had the most available retail/warehouse space with 31,382 square feet followed by Springdale with 27,381 square feet.

There were 12,000 new square feet of retail/warehouse added to the market during the first half of 2023. The vacancy rate in the retail/warehouse submarket increased from 3.9 percent in the second half of 2022 to 6.3 percent in the first half of 2023.

From the second half of 2022 to the first half of 2023, there was net positive absorption of 6,426 square feet of retail/warehouse space in Northwest Arkansas. Springdale contributed net positive absorption of 23,279 square feet while Bentonville had 12,964 square feet of the net negative absorption in the first half of 2023.

In the first half of 2023, Bentonville became the highest average lease rate in this market increasing \$0.70 to \$11.01. Reported retail/warehouse average lease rates increased in Fayetteville to \$10.87, increased in Rogers to \$8.72. Springdale became the lowest average lease rate after increasing to \$8.51.



# Commercial Market Trends

## Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 2H to 1H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Office/Warehouse</b>							
Bentonville	953,798	47,050	4.9%	-6,850	0	-6,850	--
Fayetteville	222,610	0	0.0%	0	0	0	--
Rogers	723,081	5,900	0.8%	71,503	0	71,503	0.5
Springdale	2,210,617	134,191	6.1%	-6,930	41,227	-48,157	--
<b>Retail/Warehouse</b>							
Bentonville	251,246	15,892	6.3%	-12,964	0	-12,964	--
Fayetteville	126,897	20,559	16.2%	4,800	0	4,800	25.7
Rogers	294,159	31,382	10.7%	-8,689	0	-8,689	--
Springdale	793,354	27,381	3.5%	23,279	0	23,279	7.1

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$10.01 - \$12.09	\$10.41 - \$11.60
Fayetteville	\$6.37 - \$7.16	\$10.09 - \$11.64
Rogers	\$8.41 - \$8.62	\$8.59 - \$8.84
Springdale	\$6.92 - \$7.78	\$8.19 - \$8.82



# Bella Vista

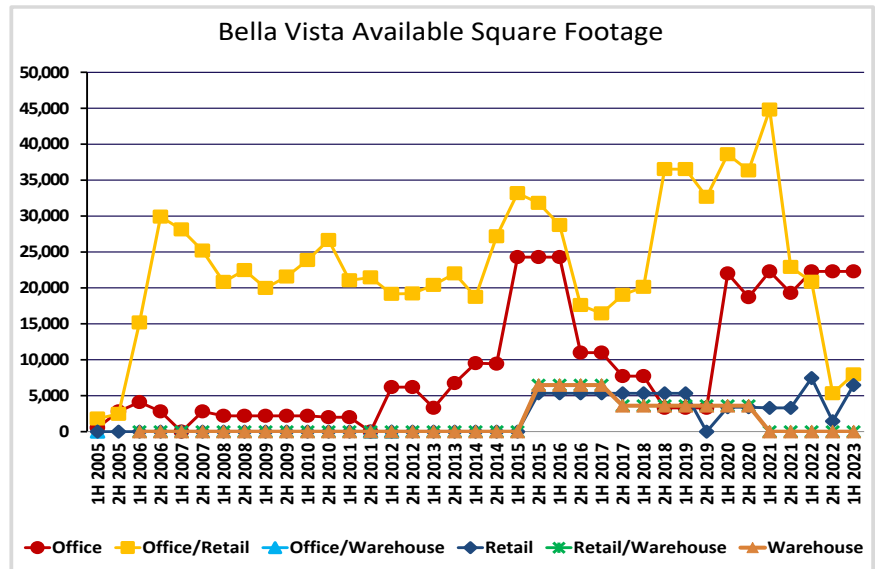
## Commercial Market Summary

From January 1 to June 30, 2023, Bella Vista issued no new building permits for commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 469,383 square feet of commercial space in Bella Vista in the first half of 2023.

In the first half of 2023, Bella Vista experienced net negative absorption of 7,655 square feet. Class B retail had 5,035 square feet of this total, while Class B office/retail space had 2,620 square feet, while no submarket had net positive absorption in this period.

All reported average lease rates in Bella Vista in the first half of 2023 remained stable.



No new commercial square feet were added to Bella Vista in the first half of 2023.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$13.12 - \$13.78	123,479	22,296	18.1%	0	0	0	--
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%	0	0	0	--
Office/Retail	\$11.06 - \$13.34	238,082	7,956	3.3%	-2,620	0	-2,620	--
Class A	--	--	--	--	--	--	--	--
Class B	\$11.06 - \$13.34	226,706	5,820	2.6%	-2,620	0	-2,620	--
Class C	--	11,376	2,136	18.8%	0	0	0	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$18.75 - \$18.75	89,336	6,475	7.2%	-5,035	0	-5,035	--
Class A	--	--	--	--	--	--	--	--
Class B	\$18.75 - \$18.75	89,336	6,475	7.2%	-5,035	0	-5,035	--
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	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.



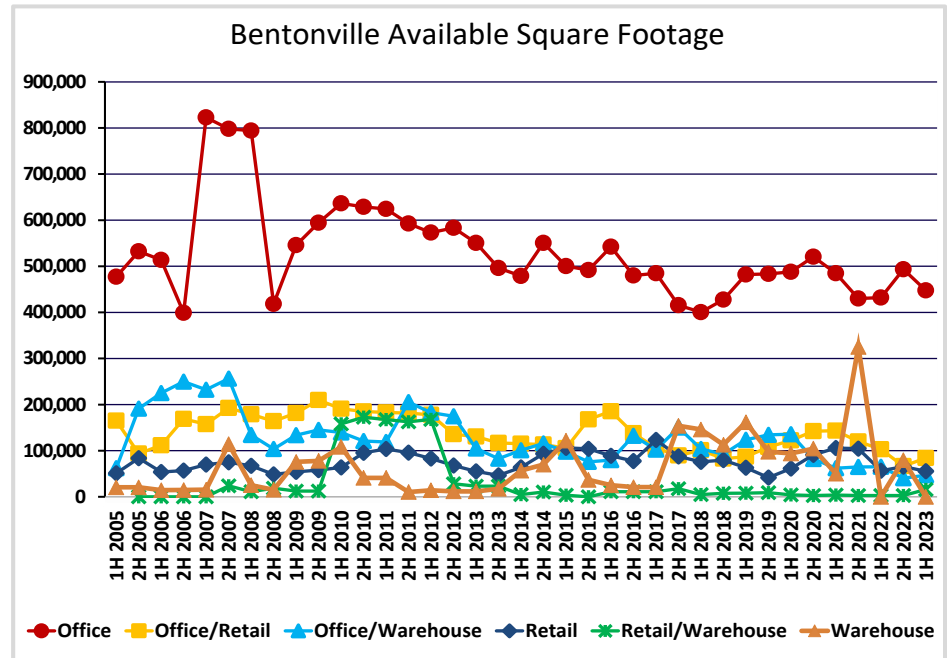
# Bentonville Commercial Market Summary

From January 1 to June 30, 2023, Bentonville issued \$66,586,876 worth of building permits for new commercial space. \$25,358,494 of the building permits were issued for the new Walmart Campus. (over \$8.4 million in remodel permits were issued).

The first half of 2023 building permit value was 27.0 percent higher than the second half of 2022 value of \$52,446,563.

Bentonville accounted for 34.3 percent of the commercial permits issued in Northwest Arkansas during the first half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 9,390,798 square feet of commercial space in Bentonville in the first half of 2023.



In the first half of 2023, Bentonville experienced net positive absorption of 101,688 square feet, while 12,500 new square feet of Class A retail space were added.

The warehouse submarket had the greatest amount of net positive absorption with 108,645 square feet, all Class B warehouse. The Class B retail submarket added 22,301 square feet of net positive absorption. The retail/warehouse submarket had the most net negative absorption with 12,964 square feet.

Reported vacancy rates from the second half of 2022 to the first half of 2023 decreased in the office, retail, and warehouse submarkets, increased in the office/retail, office/warehouse, and retail/warehouse submarkets, and remained relatively stable in the medical office

submarket.

Average reported lease rates increased noticeably by \$0.70 in the retail/warehouse and by \$0.47 in Class B warehouse submarkets. Lease rates remained relatively stable in the other submarkets during this period.

# Bentonville

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$5.33 - \$9.67	22,340	0	0.0%	0	0	0	--
Office	\$18.01 - \$18.67	4,329,117	447,449	10.3%	20,520	0	20,520	130.8
Class A	\$25.88 - \$27.94	1,056,593	166,810	15.8%	4,544	0	4,544	220.3
Class B	\$17.44 - \$18.01	2,553,909	261,109	10.2%	14,020	0	14,020	111.7
Class C	\$14.49 - \$14.58	360,651	7,978	2.2%	1,956	0	1,956	24.5
Medical	\$17.95 - \$18.58	357,964	11,552	3.2%	0	0	0	--
Office/Retail	\$15.91 - \$17.53	1,074,560	84,010	7.8%	-17,464	0	-17,464	--
Class A	\$25.75 - \$26.25	140,683	1,734	--	-1,734	0	-1,734	--
Class B	\$16.16 - \$18.21	786,175	67,316	8.6%	-3,520	0	-3,520	--
Class C	\$12.51 - \$13.11	147,702	14,960	10.1%	-12,210	0	-12,210	--
Office/Warehouse	\$10.01 - \$12.09	953,798	47,050	4.9%	-6,850	0	-6,850	--
Retail	\$17.38 - \$19.05	929,821	55,590	6.0%	22,301	12,500	9,801	--
Class A	\$23.62 - \$25.46	220,513	19,509	8.8%	0	12,500	-12,500	--
Class B	\$17.40 - \$19.16	547,270	36,081	6.6%	22,301	0	22,301	9.7
Class C	\$11.52 - \$12.80	162,038	0	0.0%	0	0	0	--
Retail/Warehouse	\$10.41 - \$11.60	251,246	15,892	6.3%	-12,964	0	-12,964	--
Warehouse	\$6.53 - \$6.55	1,885,688	0	0.0%	108,645	0	108,645	0.0
Class A	\$6.75 - \$6.81	1,639,391	0	0.0%	0	0	0	--
Class B	\$6.05 - \$6.25	246,297	0	0.0%	108,645	0	108,645	0.0
Class C	--	--	--	--	--	--	--	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.



# Bentonville

## Commercial Market Summary

### Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,189,679 square feet of office, office/retail, and retail space in Downtown Bentonville in the first half of 2023. 12,500 square feet of new retail space was added during this period.

There was net negative absorption of 19,910 square feet in Downtown Bentonville during the first half of 2023. Office space in Downtown Bentonville had a reported vacancy rate of 11.8 percent in the first half of 2023, down from 12.4 percent in the second half of 2022, with net positive absorption of 4,544 square feet. This was higher than the overall Bentonville office vacancy rate of 10.3 percent.

The office/retail vacancy rate in Downtown Bentonville increased from 1.2 percent in the second half of 2022 to 9.5 percent in the first half of 2023 in accordance with net negative absorption of 11,854 square feet. This was higher than the overall Bentonville office/retail vacancy rate of 7.8 percent.

The retail vacancy rate in Downtown Bentonville increased from 0.5 percent from the second half of 2022 to 9.3 percent in the first half of 2023 in accordance with net negative absorption of 12,500 square feet. This was higher than the overall Bentonville retail vacancy rate of 6.0 percent.

Average reported lease rates increased by \$1.08 in the office submarket, increased by \$0.99 in the office/retail submarket, and increased by \$0.64 in the retail submarket in Downtown Bentonville in the first half of 2023.

### Downtown Bentonville Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$22.66 - \$25.02	882,162	104,462	11.8%	4,544	0	4,544	137.9
Office/Retail	\$20.30 - \$23.82	143,328	13,588	9.5%	-11,854	0	-11,854	--
Retail	\$18.55 - \$20.75	164,189	13,239	8.1%	0	12,500	-12,500	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.





# Fayetteville Commercial Market Summary

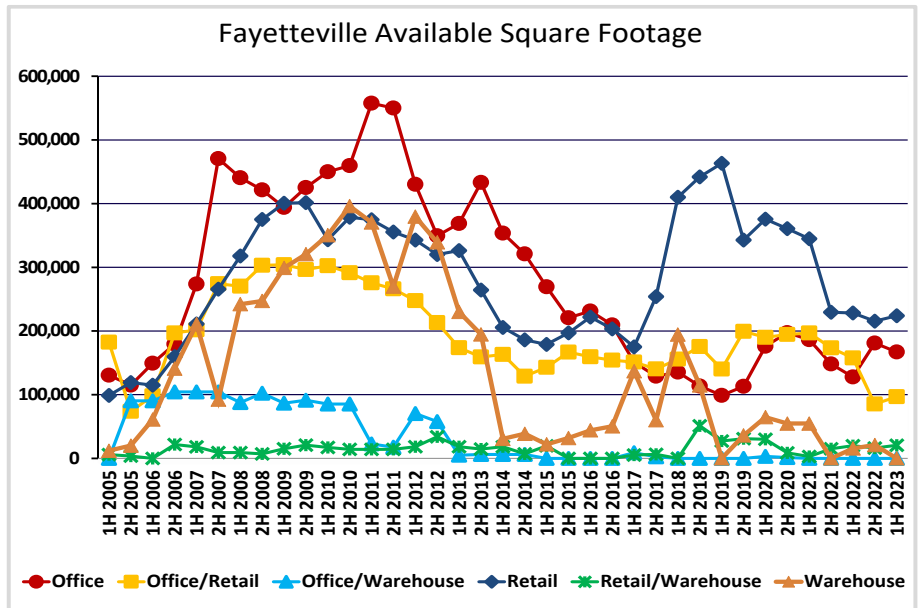
From January 1 to June 30, 2023, Fayetteville issued building permits for \$16,732,961 worth of new commercial space.

The first half of 2023 value was 37.3 percent lower than the second half of 2022 value of \$26,706,249.

During the first half of 2023, Fayetteville accounted for 8.6 percent of the commercial building permits issued in Northwest Arkansas.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,179,605 square feet of commercial space in Fayetteville in the first half of 2023.

In the first half of 2023, Fayetteville experienced positive absorption of 117,459 square feet with 86,142 square feet of new commercial space, 39,811 of Class A office, 7,571 of Class B office, 27,000 of Class B retail, and 11,760 of Class B warehouse, entering the market. This resulted in net positive absorption of 31,317 square feet during this time.



The Class B office submarket had the greatest amount of net positive absorption with 33,000 square feet, followed by the Class C warehouse submarket with 21,000 square feet. The Class B office/retail submarket had the most net negative absorption with 20,453 square feet in the first half of 2023.

Observed vacancy rates in Fayetteville from the second half of 2022 to the first half of 2023 decreased for office, medical office, and warehouse space. Rates increased for office/retail, retail, and retail/warehouse space. Vacancy rates remained the same for lab, industrial and office/warehouse space during this time.

The Fayetteville Class A office submarket had a significant average lease rate increase of \$0.94 in the first half of 2023. All other lease rates were relatively stable from the second half of 2022 to the first half of 2023.

# Fayetteville

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
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	\$16.68 - \$17.67	3,604,813	167,061	4.6%	67,980	47,382	20,598	48.7
Class A	\$25.09 - \$28.11	515,590	21,632	4.2%	27,569	39,811	-12,242	--
Class B	\$17.38 - \$17.98	1,318,465	95,960	7.3%	40,571	7,571	33,000	17.4
Class C	\$12.67 - \$13.30	462,349	27,938	6.0%	-8,990	0	-8,990	--
Medical	\$17.12 - \$18.65	1,308,409	21,531	1.6%	8,830	0	8,830	14.6
Office/Retail	\$15.27 - \$16.77	1,794,166	96,709	5.4%	-11,342	0	-11,342	--
Class A	\$27.50 - \$27.50	42,000	7,475	17.8%	0	0	0	--
Class B	\$16.79 - \$18.13	1,230,098	81,454	6.6%	-20,453	0	-20,453	--
Class C	\$12.48 - \$14.28	522,068	7,780	1.5%	9,111	0	9,111	5.1
Office/Warehouse	\$6.37 - \$7.16	222,610	0	0.0%	0	0	0	--
Retail	\$17.08 - \$17.91	3,748,166	223,953	6.0%	23,261	27,000	-3,739	--
Class A	\$25.80 - \$28.40	1,130,393	23,580	2.1%	-8,457	0	-8,457	--
Class B	\$19.13 - \$19.89	2,101,760	161,839	7.7%	31,718	27,000	4,718	205.8
Class C	\$12.01 - \$12.63	516,013	38,534	7.5%	0	0	0	--
Retail/Warehouse	\$10.09 - \$11.64	126,897	20,559	16.2%	4,800	0	4,800	25.7
Warehouse	\$4.76 - \$5.24	1,306,350	0	0.0%	32,760	11,760	21,000	0.0
Class A	--	--	--	--	--	--	--	--
Class B	\$4.17 - \$4.90	854,324	0	0.0%	11,760	11,760	0	--
Class C	\$5.56 - \$5.71	452,026	0	0.0%	21,000	0	21,000	0.0

<sup>1</sup>From all 2H 2021 respondents

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

### Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,138,370 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the first half of 2023.

There was net negative absorption of 14,610 square feet in the downtown Fayetteville area in the first half of 2023.

There was no new space added in downtown Fayetteville during the first half of 2023.

The office space in downtown Fayetteville had a reported vacancy rate of 6.5 percent in the first half of 2023, up from 2.8 percent in the second half of 2022 with net negative absorption of 19,288 square feet. This was higher than the overall Fayetteville office vacancy rate of 4.6 percent.

The office/retail vacancy rate for downtown Fayetteville properties increased from 2.1 percent in the second half of 2022 to 2.9 percent in the first half of 2023 in accordance with net negative absorption of 3,088 square feet. This was lower than the overall Fayetteville office/retail vacancy rate of 5.4 percent in the first half of 2023.

# Fayetteville

## Commercial Market Summary

The downtown Fayetteville retail vacancy rate decreased from 13.8 percent in the second half of 2022 to 9.3 percent with net positive absorption of 7,766 square feet in the first half of 2023. This was higher than the overall Fayetteville retail vacancy rate of 6.0 percent in the first half of 2023.

Average reported lease rates in downtown Fayetteville increased \$0.10 in the office submarket, increased \$0.41 in the office/retail submarket, and remained the same in the retail submarket from the second half of 2022 to the first half of 2023.

### Downtown Fayetteville/Dickson Street Area Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$15.22 - \$17.41	521,684	33,988	6.5%	-19,288	0	-19,288	--
Office/Retail	\$17.06 - \$18.25	435,238	12,543	2.9%	-3,088	0	-3,088	--
Retail	\$18.80 - \$19.73	181,448	16,786	9.3%	7,766	0	7,766	13.0

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

### Uptown Fayetteville/Joyce Street Corridor/Mall

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,251,368 square feet of office, office/retail, and retail space in Uptown Fayetteville in the first half of 2023.

There was overall net positive absorption of 40,593 square feet of space during the first half of 2023 in Uptown Fayetteville.

There were 39,811 new square feet of office space added to Uptown Fayetteville in the first half of 2023.

Office space in Uptown Fayetteville had net positive absorption of 42,670 square feet in the first half of 2023 leading to a reported vacancy rate of 4.2 percent in the first half of 2023. This was lower than the second half of 2022 vacancy rate of 6.1 percent and was lower than the 4.6 percent vacancy rate for all of Fayetteville.

In the first half of 2023, the office/retail vacancy rate in Uptown Fayetteville increased to 5.7 percent from 0.0 percent in the second half of 2022, with 3,661 square feet of net negative absorption. The vacancy rate was above the city average office/retail vacancy rate of 5.4 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 4.8 percent in the first half of 2023, a decrease from 4.9 percent in the second half of 2022, in accordance with net positive absorption of 1,584 square feet during the first half of 2023. This was lower than the overall Fayetteville rate of 6.0 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.20 in the office, increased \$0.24 in the office/retail, and increased \$0.08 in the retail submarkets in the first half of 2023.

# Fayetteville

## Commercial Market Summary

### Uptown Fayetteville/Joyce Street Corridor/Mall Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$18.29 - \$19.15	1,977,999	82,678	4.2%	82,481	39,811	42,670	11.6
Office/Retail	\$16.42- \$17.23	64,054	3,661	5.7%	-3,661	0	-3,661	--
Retail	\$18.73 - \$19.93	2,209,315	107,034	4.8%	1,584	0	1,584	405.4

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

### Martin Luther King, Jr. Boulevard Corridor

In the first half of 2023, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 534,242 square feet of office, office/retail, and retail space in the MLK Boulevard Corridor of Fayetteville.

The MLK Boulevard Corridor experienced net negative absorption of 1,612 square feet of space in the first half of 2023.

In the first half of 2023 there was 27,000 square feet of 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 2023, the same as in the second half of 2022. This was higher than the overall office vacancy rate of 4.6 percent for all of Fayetteville.

From the second half of 2022 to the first half of 2023, with 9,888 square feet of net positive absorption, the office/retail vacancy rate decreased from 7.9 percent to 4.2 percent in the MLK Boulevard Corridor of Fayetteville and was lower than the overall city average rate of 5.4 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 11.1 percent in the first half of 2023, a decrease from 4.5 percent in the second half of 2022 due to net negative absorption of 11,500 square feet. The retail vacancy rate for all of Fayetteville was lower at 6.0 percent.

Average reported lease rates in the MLK Boulevard Corridor were stable in the office submarket, stable in the office/retail submarket, and increased \$1.24 in the retail submarket in the first half of 2023 due to the new space.

### Martin Luther King, Jr. Boulevard Corridor Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$15.88 - \$15.88	40,281	1,916	4.8%	0	0	0	--
Office/Retail	\$14.61 - \$17.41	267,511	11,300	4.2%	9,888	0	9,888	6.9
Retail	\$19.13 - \$19.70	226,450	25,140	11.1%	15,500	27,000	-11,500	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.



# Johnson Commercial Market Summary

From January 1 to June 30, 2023, Johnson issued \$1,424,078 worth of building permits for new commercial space.

The first half of 2023 value was 28.9 percent higher than the second half of 2022 value of \$1,101,704.

Johnson accounted for 0.7 percent of the total commercial permits issued in Northwest Arkansas in the first half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 584,076 square feet of Johnson commercial space in the first half of 2023.

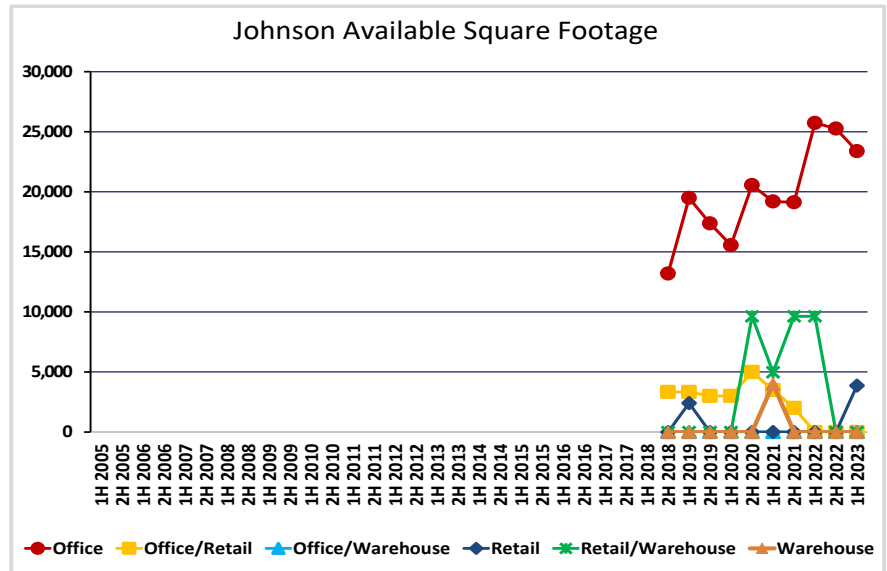
In the first half of 2023, Johnson had net negative absorption of 1,977 square feet.

The Class B retail submarket had the most net negative absorption with 3,860 square feet and the medical office submarket added 2,424 square feet. The Class A retail submarket had the most net positive absorption with 4,307 square feet.

There were 20,000 new square feet of medical space added in Johnson in the first half of 2023.

The office submarket in Johnson had a vacancy rate of 7.2 percent in the first half of 2023, an decrease from 8.3 percent in the second half of 2022 in accordance with net positive absorption of 1,883 square feet.

Average reported lease rates in Johnson increased significantly by \$2.04 in the medical space submarket due to the new space, and remained relatively stable in all other submarkets in the first half of 2023.





# Johnson

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$22.97 - \$23.24	325,295	23,386	7.2%	21,883	20,000	1,883	74.5
Class A	\$24.25 - \$24.25	72,373	1,928	2.7%	4,307	0	4,307	2.7
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	\$24.34 - \$24.84	199,789	19,358	9.7%	17,576	20,000	-2,424	--
Office/Retail	\$15.22 - \$18.52	74,451	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.03 - \$17.90	41,369	0	0.0%	0	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	\$15.40 - \$17.50	53,335	3,860	7.2%	-3,860	0	-3,860	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.25 - \$18.88	50,335	3,860	7.7%	-3,860	0	-3,860	--
Class C	\$12.00 - \$12.00	3,000	0	0.0%	0	0	0	--
Retail/Warehouse	--	18,050	0	0.0%	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	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

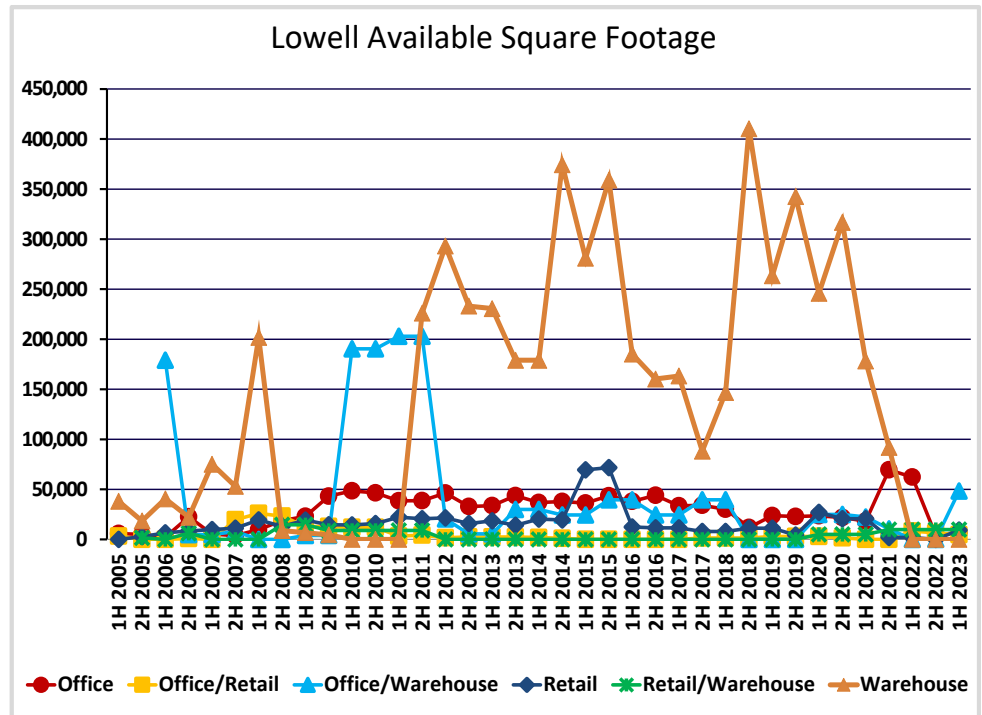
# Lowell Commercial Market Summary

From January 1 to June 30, 2023, Lowell issued building permits for \$15,621,015 worth of new commercial space. (over \$12.5 million in remodel permits were issued).

The first half of 2023 value was 58.9 percent lower than the second half of 2022 value of \$38,006,019.

Lowell accounted for 8.1 percent of building permits issued in Northwest Arkansas in the first half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,432,293 square feet of Lowell commercial space in the first half of 2023. 109,330 square feet of Class A office space became owner occupied during this period.



In the first half of 2023, Lowell had overall net negative absorption of 33,928 square feet while 51,040 new square feet of commercial space, 31,540 of office/warehouse, 7,500 of Class B retail, and 12,000 of retail/warehouse, were added in the first half of 2023.

The office/warehouse submarket had the greatest amount of net negative absorption with 31,540 square feet, while the Class B office submarket added another 3,000 square feet of net negative absorption. The Class B office/retail submarket had 1,812 square feet of net positive absorption during the first half of 2013.

Reported vacancy rates decreased in the office/retail and retail/warehouse submarkets, increased in the office, office/warehouse, and retail submarkets and stayed the same in the remaining submarkets from the second half of 2022 to the first half of 2023.

Average reported lease rates in Lowell increased by \$2.62 in the retail/warehouse, \$2.25 in the office/warehouse, \$0.75 in the Class C retail, and \$0.74 in the Class B retail submarkets and remained relatively stable in all other submarkets in the first half of 2023.

# Lowell

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$6.50 - \$6.50	133,780	0	0.0%	0	0	0	--
Office	\$16.93 - \$17.07	225,533	7,120	3.2%	-3,000	0	-3,000	--
Class A	--	--	--	--	--	--	--	--
Class B	\$14.75 - \$15.08	104,753	3,000	2.9%	-3,000	0	-3,000	--
Class C	\$15.13 - \$15.13	28,316	2,250	7.9%	0	0	0	--
Medical	\$21.00 - \$21.00	92,464	1,870	2.0%	0	0	0	--
Office/Retail	\$15.67 - \$17.00	87,579	4,675	5.3%	1,812	0	1,812	15.5
Class A	--	--	--	--	--	--	--	--
Class B	\$15.76 - \$17.00	58,603	4,675	8.0%	1,812	0	1,812	15.5
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$9.50 - \$9.73	317,778	48,340	15.2%	0	31,540	-31,540	--
Retail	\$14.22 - \$16.33	128,184	9,256	7.2%	6,300	7,500	-1,200	--
Class A	--	--	--	--	--	--	--	--
Class B	\$14.71 - \$17.43	113,128	9,256	8.2%	6,300	7,500	-1,200	--
Class C	\$12.50 - \$12.50	15,056	0	0.0%	0	0	0	--
Retail/Warehouse	\$10.76 - \$10.76	43,032	9,800	22.8%	12,000	12,000	0	--
Warehouse	\$4.76 - \$4.83	1,496,407	0	0.0%	0	0	0	--
Class A	\$5.02 - \$5.18	744,748	0	0.0%	0	0	0	--
Class B	\$4.87 - \$4.90	564,749	0	0.0%	0	0	0	--
Class C	\$3.38 - \$3.38	186,910	0	0.0%	0	0	0	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.



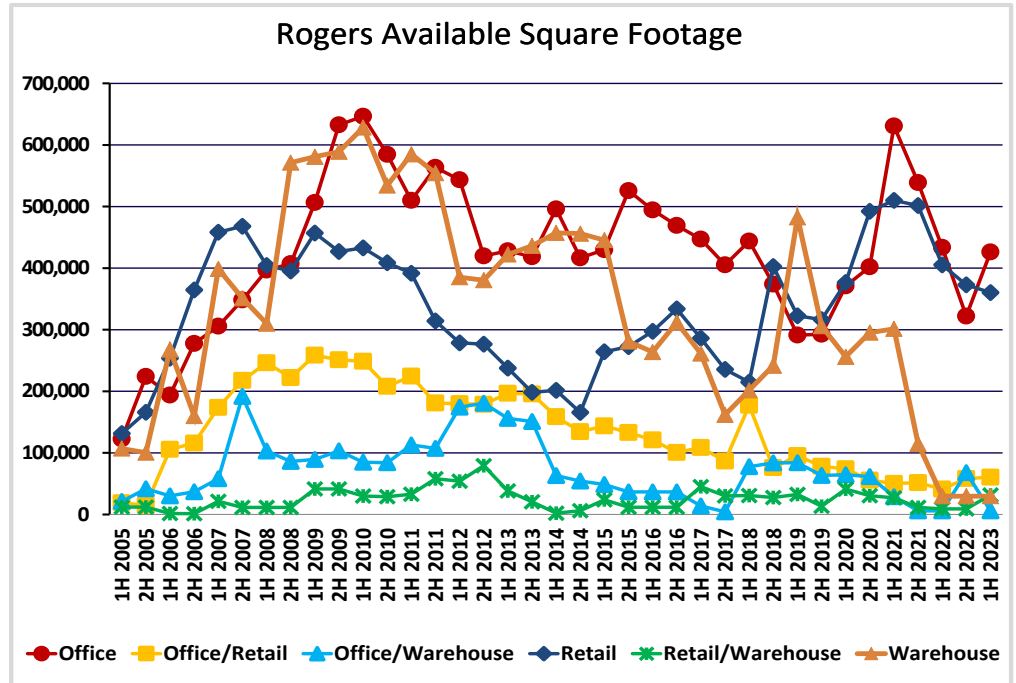
# Rogers Commercial Market Trends

From January 1 to June 30, 2023, Rogers issued building permits for \$27,794,239 worth of new commercial space.

The first half of 2023 value was 61.0 percent lower than the second half of 2022 value of \$71,223,4562.

Rogers accounted for 14.3 percent of the commercial permits issued in Northwest Arkansas during the first half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 13,292,689 square feet of commercial space in the first half of 2023.



In the first half of 2023, Rogers had overall net negative absorption of 40,272 square feet. The Class A office submarket had the greatest amount of net negative absorption with 83,042 square feet and the medical office submarket contributed 20,013 square feet. The office/warehouse submarket had net positive absorption of 71,503 square feet.

In the first half of 2023, 6,031 square feet of new medical space was added to the Rogers market.



Reported vacancy rates in the first half of 2023 decreased in the office/warehouse and retail submarkets. Vacancy rates increased for the office, medical office, office/retail and retail/warehouse submarkets. Vacancy rates remained the same in the other submarkets.

From the second half of 2022 to the first half of 2023, significant increases were reported in the Class B office/retail and retail/warehouse submarkets of \$0.44 and \$0.4. All other lease rates remained relatively unchanged.

# Rogers

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	\$11.00 - \$11.00	9,482	0	0.0%	0	0	0	--
Industrial	\$5.03 - \$5.03	870,299	25,000	2.9%	0	0	0	--
Office	\$17.79 - \$18.32	4,017,665	426,206	10.6%	-107,603	6,031	-113,634	--
Class A	\$24.39 - \$25.24	2,167,917	269,723	12.4%	-83,042	0	-83,042	--
Class B	\$18.41 - \$19.07	1,004,523	91,308	9.1%	-10,579	0	-10,579	--
Class C	\$10.77 - \$11.08	303,294	13,562	4.5%	0	0	0	--
Medical	\$17.12 - \$17.27	541,931	51,613	9.5%	-13,982	6,031	-20,013	--
Office/Retail	\$13.77 - \$14.75	581,105	60,367	10.4%	-2,036	0	-2,036	--
Class A	\$23.83 - \$23.83	110,382	28,799	26.1%	-4,498	0	-4,498	--
Class B	\$15.42 - \$16.75	226,613	23,368	10.3%	-6,300	0	-6,300	--
Class C	\$10.62 - \$11.45	244,110	8,200	3.4%	8,762	0	8,762	5.6
Office/Warehouse	\$8.41 - \$8.62	723,081	5,900	0.8%	71,503	0	71,503	0.5
Retail	\$14.87 - \$15.68	3,693,416	360,408	9.8%	12,584	0	12,584	171.8
Class A	\$22.10 - \$23.10	1,686,932	57,368	3.4%	7,232	0	7,232	47.6
Class B	\$15.34 - \$16.84	1,453,797	298,270	20.5%	6,226	0	6,226	287.4
Class C	\$10.50 - \$10.77	552,687	4,770	0.9%	-874	0	-874	--
Retail/Warehouse	\$8.59 - \$8.84	294,159	31,382	10.7%	-8,689	0	-8,689	--
Warehouse	\$4.69 - \$4.76	3,103,482	29,750	1.0%	0	0	0	--
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	\$4.83 - \$4.88	1,136,558	29,750	2.6%	0	0	0	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

## Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 463,675 square feet of office, office/retail, and retail space in Downtown Rogers in the first half of 2023.

No new commercial space was added to downtown Rogers in the first half of 2023.

Office space in Downtown Rogers had net positive absorption of 618 square feet and had a vacancy rate of 2.0 percent in the first half of 2023 a decrease from 8.0 in the second half of 2022, as some space was reclassified and other space became owner occupied. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, of 10.6 percent during the same period.

The office/retail submarket had no absorption. The vacancy rate remained 2.1 percent from the second half of 2022 to the first half of 2023. This was lower than the vacancy rate of 10.4 percent for all of Rogers.

Downtown Rogers experienced net negative absorption of 1,048 square feet of retail space during the first half of 2023. The reported retail vacancy rate for downtown Rogers properties for the first half of 2023 increased to 1.9 percent from 1.2 percent in the second half of 2022 and was lower than the 9.8 percent average rate for all of Rogers.

Average reported lease rates for downtown Rogers decreased by \$0.26 in the office submarket, remained the same in the office/retail submarket, and increased \$0.66 in the retail submarket in the first half of 2023.



# Rogers

## Commercial Market Summary

### Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$12.14 - 12.46	145,965	2,964	2.0%	0	0	0	--
Office/Retail	\$12.35 - \$14.07	107,310	2,300	2.1%	0	0	0	--
Retail	\$12.93 - \$13.68	210,400	3,944	1.9%	-1,048	0	-1,048	--

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

### Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,610,647 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the first half of 2023.

No new square feet of commercial space was added to the Rogers I-49 corridor submarket in the first half of 2023, while there was net negative absorption of 19,260 square feet.

Office space along the Rogers I-49 corridor experienced net negative absorption of 30,598 square feet during the first half of 2023. The reported average vacancy rate of office space was 10.4 percent in the first half of 2023, an increase from the 9.9 percent rate in the second half of 2022. This was lower than the overall office vacancy rate for all of Rogers at 10.6 percent.

Office/retail space along the Rogers I-49 corridor experienced net negative absorption of 4,498 square feet in the first half of 2023. The office/retail submarket had a 21.9 percent vacancy rate, an increase from the 18.8 percent reported in the second half of 2022. This compares to a vacancy rate of 10.4 percent for all of Rogers.

There were 15,836 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 2023 was 5.0 percent, a decrease from 5.6 percent in the second half of 2022, and lower than the 9.8 percent average rate for all of Rogers.

Average reported lease rates increased \$0.12 in the office submarket, increased \$0.60 in the office/retail, and increased \$0.24 in the retail submarket in the Rogers I-49 area in the first half of 2023.



### Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$22.03 - \$22.75	3,058,024	319,514	10.4%	-30,598	0	-30,598	--
Office/Retail	\$21.41 - \$22.41	145,458	31,838	21.9%	-4,498	0	-4,498	--
Retail	\$20.55 - \$21.82	2,407,165	119,744	5.0%	15,836	0	15,836	45.4

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.

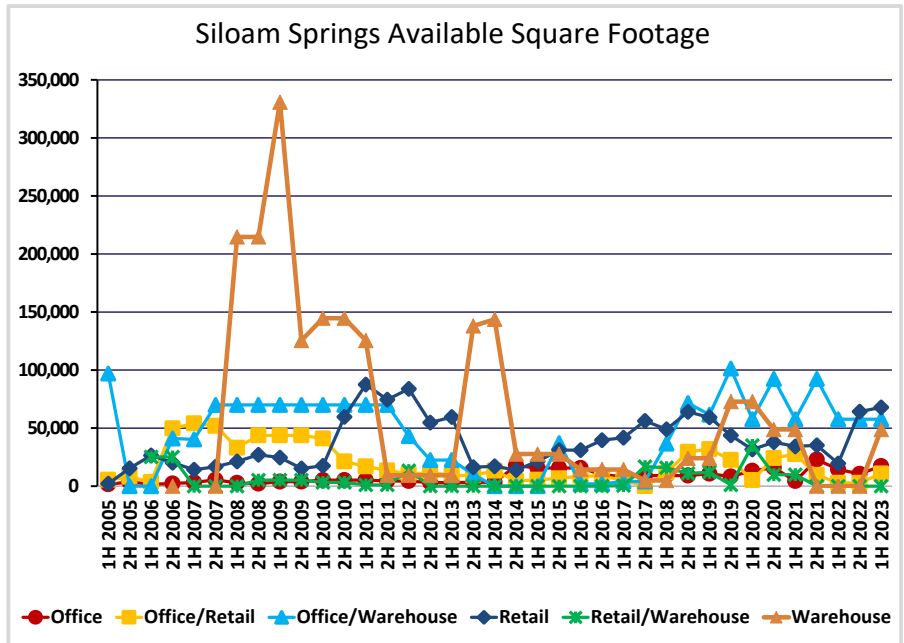
# Siloam Springs Commercial Market Summary

From January 1 to June 30, 2023, Siloam Springs issued new commercial building permits valued at \$10,016,668.

The first half of 2023 value was 139.6 percent higher than the second half of 2022 value of \$4,180,000.

Siloam Springs accounted for 5.2 percent of the commercial permits issued in Northwest Arkansas during the first half of 2023.

In the first half of 2023, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,835,600 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 2023.

In the first half of 2023, Siloam Springs experienced overall net negative absorption of 61,840 square feet. The most net negative absorption of 48,218 square feet was in the Class C warehouse submarket as one building became vacant. There was also net negative absorption of 5,700 in the Class C office/retail submarket. No submarket had net positive absorption during this period.



Vacancy rates from the second half of 2022 to the first half of 2023 increased in the office, medical office, office/retail, office/warehouse, retail, and warehouse submarkets, and remained the same in the retail/warehouse submarket.

Average lease rates increased by \$0.84 in the Class B office, \$0.74 in the Class B retail, and \$0.71 in the Class C retail submarkets. All other submarkets were relatively stable in the first half of 2023 in Siloam Springs.

# Siloam Springs Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$2.39 - \$2.95	23,000	0	0.0%	0	0	0	--
Office	\$12.69 - \$14.61	173,366	17,207	9.9%	-5,390	0	-5,390	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.33 - \$12.67	27,734	0	0.0%	0	0	0	--
Class C	\$7.76 - \$11.28	11,421	0	0.0%	0	0	0	--
Medical	\$16.34 - \$17.26	134,211	17,207	12.8%	-5,390	0	-5,390	--
Office/Retail	\$9.60 - \$11.83	186,076	10,833	5.8%	-5,700	0	-5,700	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.83 - \$16.17	96,650	5,133	5.3%	0	0	0	--
Class C	\$7.26 - \$10.20	89,426	5,700	6.4%	-5,700	0	-5,700	--
Office/Warehouse	\$3.64 - \$3.89	108,215	57,667	53.3%	0	0	0	--
Retail	\$14.24 - \$15.02	471,653	67,835	14.4%	-2,000	0	-2,000	--
Class A	--	--	--	--	--	--	--	--
Class B	\$20.36 - \$21.36	120,763	8,014	6.6%	0	0	0	--
Class C	\$10.35 - \$10.98	350,890	59,821	17.0%	-2,000	0	-2,000	--
Retail/Warehouse	\$5.26 - \$6.49	133,759	0	0.0%	0	0	0	--
Warehouse	\$3.34 - \$3.65	739,531	48,750	6.6%	-48,750	0	-48,750	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63 - \$3.70	321,269	0	0.0%	0	0	0	--
Class C	\$3.23 - \$3.63	418,262	48,750	11.7%	-48,750	0	-48,750	--

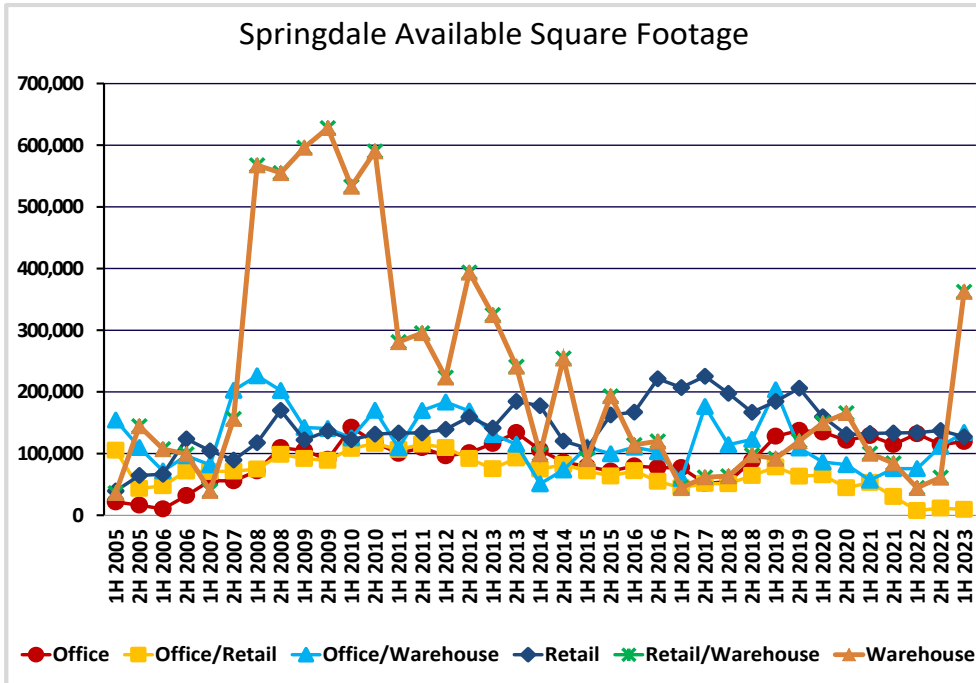
<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 respondents.





# Springdale Commercial Market Trends



From January 1 to June 30, 2023, Springdale issued \$55,746,985 worth of building permits for new commercial space.

This was an increase of 18.0 percent from the \$47,262,511 issued in the second half of 2022.

Springdale accounted for 28.7 percent of the commercial permits issued in Northwest Arkansas for the first half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,528,428 square feet of commercial space in Springdale in the first half of 2023.

There were 353,227 new square feet of commercial space, 300,000

of warehouse, 41,227 of office/warehouse, and 12,000 of Class B retail, added to the Springdale market during this time period.

Springdale experienced net negative absorption of 301,138 square feet in the first half of 2023. The Class A warehouse submarket had the most net negative absorption with 300,000 square feet while the office/warehouse submarket added 48,157 square feet. The retail/warehouse submarket with 23,279 square feet had the most net positive absorption in this time period.

Reported vacancy rates decreased in the office/retail and retail submarkets. Vacancy rates increased in the industrial, office, office/warehouse, retail/warehouse, and warehouse submarkets, while remaining the same in the lab and medical office submarkets in the first half of 2023.

Average reported lease rates in Springdale increased significantly by \$1.88 in the Class A warehouse submarket. There were modest lease rate increases of \$0.49 and in the Class C office and \$0.36 in the office/warehouse submarkets. All other lease rates remained relatively stable from the second half of 2022 to the first half of 2023.



# Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$5.67 - \$6.20	1,323,993	4,800	0.4%	-4,800	0	-4,800	--
Office	\$14.15 - \$15.17	1,221,716	119,499	9.8%	1,092	0	1,092	656.6
Class A	\$20.33 - \$21.00	95,501	0	0.0%	0	0	0	--
Class B	\$15.23 - \$16.66	364,727	24,371	6.7%	-4,818	0	-4,818	--
Class C	\$10.76 - \$11.71	243,239	38,262	15.7%	5,910	0	5,910	38.8
Medical	\$17.68 - \$18.19	518,249	56,866	11.0%	0	0	0	--
Office/Retail	\$11.17 - \$12.22	707,595	9,479	1.3%	2,128	0	2,128	26.7
Class A	--	--	--	--	--	--	--	--
Class B	\$16.00 - \$17.20	255,475	2,842	1.1%	-1,592	0	-1,592	--
Class C	\$9.83 - \$10.83	452,120	6,637	1.5%	3,720	0	3,720	10.7
Office/Warehouse	\$6.92 - \$7.78	2,210,617	134,191	6.1%	-6,930	41,227	-48,157	--
Retail	\$12.69 - \$13.34	1,772,903	127,257	7.2%	19,269	12,000	7,269	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.40 - \$16.89	1,053,939	97,743	9.3%	20,379	12,000	8,379	70.0
Class C	\$9.94 - \$10.71	718,964	29,514	4.1%	-1,110	0	-1,110	--
Retail/Warehouse	\$8.19 - \$8.82	793,354	27,381	3.5%	23,279	0	23,279	7.1
Warehouse	\$4.72 - \$5.21	3,493,026	362,557	10.4%	18,051	300,000	-281,949	--
Class A	\$5.13 - \$5.13	396,200	300,000	75.7%	0	300,000	-300,000	--
Class B	\$4.92 - \$5.54	1,931,589	0	0.0%	7,500	0	7,500	0.0
Class C	\$4.55 - \$4.95	1,165,237	62,557	5.4%	10,551	0	10,551	35.6

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 2H 2022 who were 1H 2022 respondents-

## Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 394,760 square feet of office, office/retail, and retail space in downtown Springdale in the first half of 2023.

No new square feet of retail property was added to downtown Springdale in the first half of 2023.

There was net positive absorption of 140 square feet in the office submarket in downtown Springdale in the first half of 2023. The office space in downtown Springdale had an average vacancy rate of 20.2 percent in the first half of 2023 the same as in the second half of 2022. The rate was higher than the overall Springdale average office vacancy rate of 9.8 percent.

Office/retail space in downtown Springdale had no net absorption in the first half of 2023. The vacancy rate remained 10.9 percent in the first half of 2023 was higher than the average office/retail vacancy rate for all of Springdale at 1.3 percent in the first half of 2023. This is a very small sample size of only 23,943 square feet.



# Springdale

## Commercial Market Summary

There was 6,017 square feet of net positive absorption in the retail submarket in downtown Springdale in the first half of 2023. 17.0 percent of all reported retail space was available in downtown Springdale, down from 21.5 percent in the second half of 2022. This compares to the 7.2 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale increased by \$0.08 in the office submarket, and remained stable in the office/retail and retail submarkets in the first half of 2023.

### Downtown Springdale Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$13.88 - \$15.37	243,796	49,171	20.2%	140	0	140	2,107.3
Office/Retail	\$13.40 - \$16.10	23,943	2,617	10.9%	0	0	0	--
Retail	\$12.64 - \$13.84	127,021	21,572	17.0%	5,698	0	5,698	22.7

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 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 2023. There were no new square feet of commercial space added to West Springdale during this time.

The office space in West Springdale had net negative absorption of 4,958 square feet in the first half of 2023. The vacancy rate increased from 11.0 percent in the second half of 2022 to 12.3 percent in the first half of 2023. The rate was higher than the overall city average office vacancy rate of 9.8 percent.

The office/retail submarket had no net absorption in the first half of 2023. The first half of 2023 vacancy rate of 0.6 percent in West Springdale remained the same from the second half of 2022. The rate was below the overall city average office/retail vacancy rate of 1.3 percent.

The retail vacancy rate for West Springdale properties decreased from 3.6 percent in the second half of 2022 to 2.8 percent in the first half of 2023. The vacancy rate was below the city average retail vacancy rate of 7.2 percent.

Average reported lease rates for West Springdale remained relatively stable in the office and office/retail submarkets but increased \$0.14 in the retail submarket in the first half of 2023.

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	45,621	12.3%	-4,958	0	-4,958	--
Office/Retail	\$17.60 - \$18.80	214,872	1,250	0.6%	0	0	0	--
Retail	\$18.14 - \$18.82	675,912	18,600	2.8%	6,017	0	6,017	18.5

<sup>1</sup>From all 1H 2023 respondents.

<sup>2</sup>From 1H 2023 respondents who were also 2H 2022 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 2023, 251 panelists provided data on 2,349 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 2,349 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.