# THE SKYLINE REPORT

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## First Half of 2023

Contents





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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:

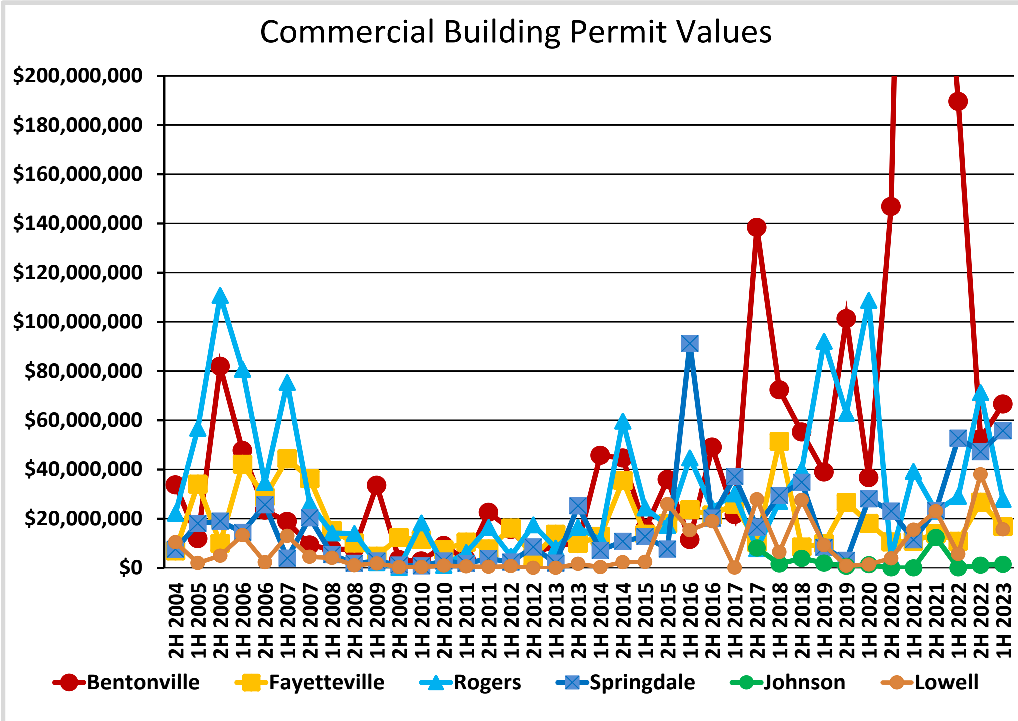
- Continued population growth and job availability in the MSA, including the smaller cities
- Construction of the new Walmart Home Office
- Growth in the healthcare sector creating demand for new Medical Office space and high paying jobs
- Alice Walton's School of Medicine and Wellness Institute
- Increase 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 | $24,408,936 | $1,412,000 | $14,033,069 | $65,530,698 |
| Jan - March 2017 | $7,336,615 | $14,513,326 | | $84,000 | $5,648,091 | $576,141 | $23,123,353 | $51,281,526 |
| Oct. - Dec. 2016 | $15,844,261 | $9,443,954 | | $4,445,138 | $8,574,715 | $0 | $3,813,727 | $42,121,795 |
| July - Sept. 2016 | $33,180,166 | $12,004,863 | | $14,474,766 | $15,710,115 | $3,339,470 | $16,415,992 | $95,125,372 |
| April - June 2016 | $3,186,128 | $21,574,412 | | $4,617,536 | $9,205,408 | $20,222,189 | $87,682,358 | $146,488,031 |
| Jan - March 2016 | $8,282,426 | $2,018,785 | | $10,653,719 | $35,473,387 | $0 | $3,569,037 | $59,997,354 |
| Oct. - Dec 2015 | $29,243,802 | $10,076,938 | | $23,090,780 | $7,179,197 | $1,030,000 | $6,980,305 | $77,601,022 |
| July - Sept. 2015 | $6,656,778 | $7,819,300 | | $2,772,080 | $9,939,946 | $7,303,878 | $707,070 | $35,199,052 |
| April - June 2015 | $8,520,763 | $9,878,384 | | $2,437,861 | $20,234,817 | $6,095,000 | $4,157,720 | $51,324,545 |
| Jan - March 2015 | $7,316,156 | $3,829,883 | | $0 | $4,115,779 | $0 | $8,617,653 | $23,879,471 |
| Oct. - Dec 2014 | $15,077,940 | $23,716,086 | | $942,443 | $41,437,354 | $298,450 | $5,456,402 | $86,928,675 |
| July - Sept. 2014 | $29,512,908 | $11,744,678 | | $1,375,887 | $18,199,323 | $420,000 | $5,311,744 | $66,564,540 |
| April - June 2014 | $14,880,491 | $6,352,097 | | $299,768 | $8,944,856 | $700,000 | $6,286,894 | $37,464,106 |
| Jan. - March 2014 | $30,816,399 | $6,462,060 | | $0 | $2,620,482 | $0 | $807,905 | $40,706,846 |

# 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 |

# New Announced Projects

| 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 |

# New Announced Projects

| 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 | Centerton | 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 Sebald | 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 |

# New Announced Projects

| 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 |

# New Announced Projects

| 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 Rodgriguez | 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 |

# New Announced Projects

| 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 |

# New Announced Projects

| 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 Volkswagon | 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 |

# New Announced Projects

| 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 | Whisenvest | 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 |

# New Announced Projects

| Project/Property Name | City | Owner/Developer/Property Manager | Use | Square Feet | Expected Completion |
|---|---|---|---|---|---|
| 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 Distrtict | 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 |

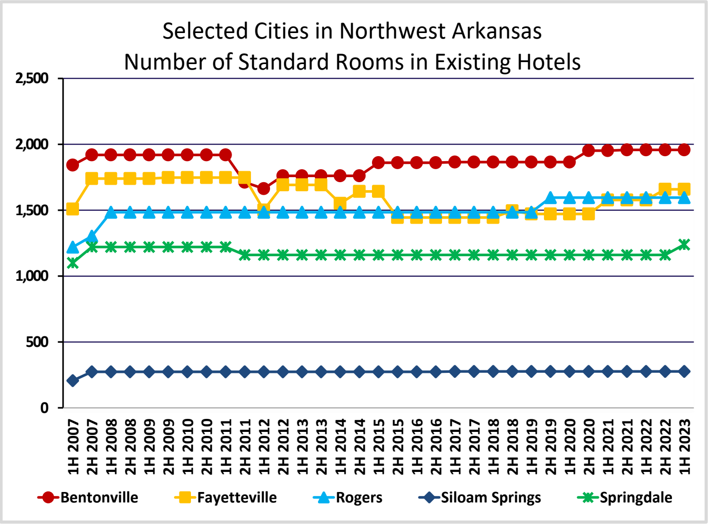
# Existing Hotels

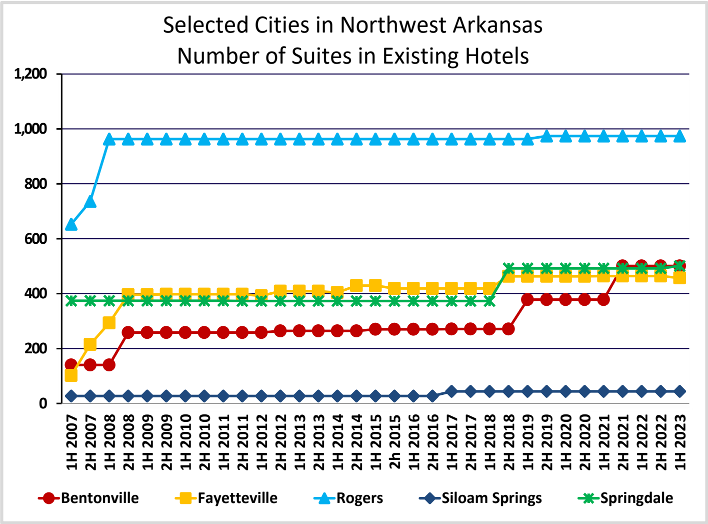
| Property Name | City | Number of Standard Rooms | Number of Suites |
|---|---|---|---|
| Regency 7 Motel | Rogers | 31 | 0 |
| Residence Inn by Marriott | Rogers | 88 | 0 |
| Rocky Branch Resort | Rogers | 14 | 0 |
| Simmons Suites | Rogers | 0 | 115 |
| Staybridge Suites | Rogers | 83 | 83 |
| Super 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 |
| Northwest Arkansas Total | | 6,841 | 2,579 |

# 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 | Whisenvest, 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 | Centerton | A&M Pizza Real Estate | Fall 2023 |
| Muse Restaurant | Centerton | 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 Zepplin | 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 |
| Pinncle Village Restaurants | Rogers | Alex Blass | Conceptual |
| Popeyes Louisiana Kitchen | Rogers | | Done |
| Rendevous 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 |
| Hawaian 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 | Ocotober 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[1] | Office[1] | Retail[1] | Warehouse[1] | Total[1] | Total Square Feet[1] (Panel Responses) | Percent Coverage (Panel) |
|---|---|---|---|---|---|---|---|
| Bella Vista | -- | 140,888 | 242,600 | 90,964 | 453,243 | 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% |
| Northwest Arkansas | 4,674,570 | 15,205,728 | 14,474,434 | 16,017,404 | 50,350,927 | 50,768,644 | 100.8% |

[1]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.
[2]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.

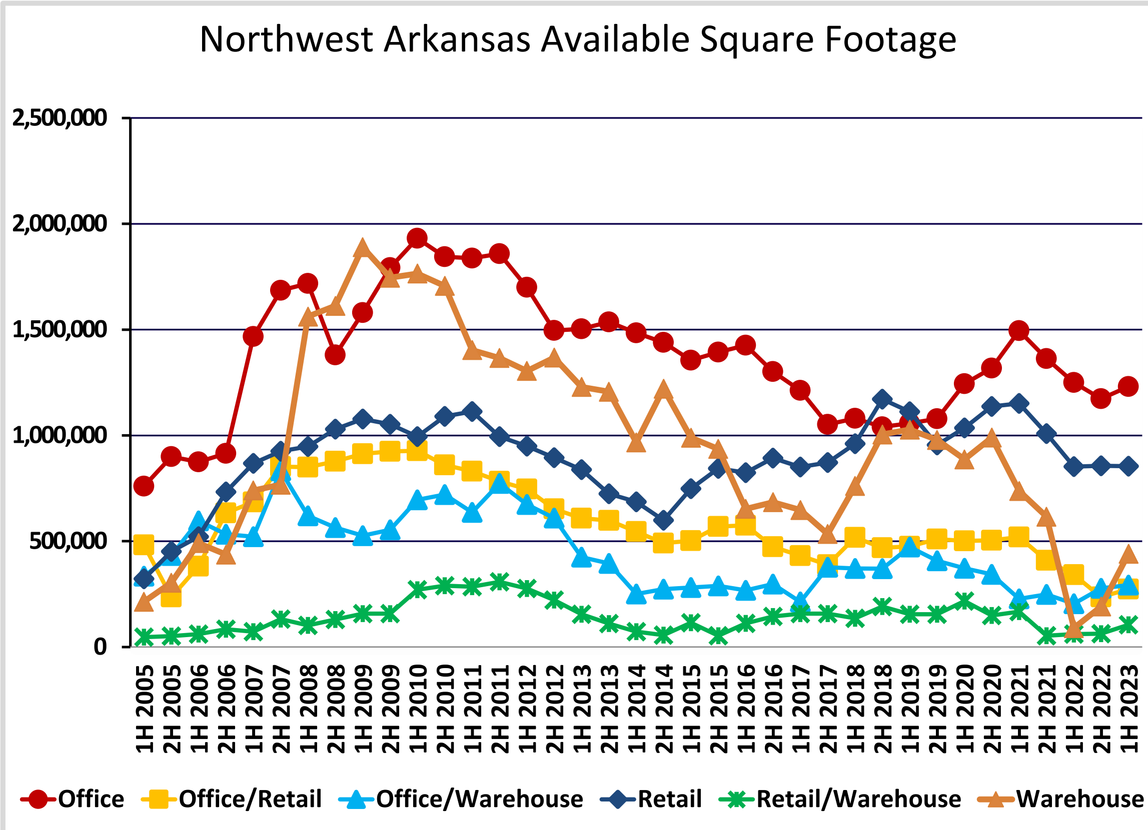
Available office square footage in Northwest Arkansas decreased from 1,249,984 square feet in the first half of 2022 to 1,230,224 square feet in the first half of 2023. In the past year, 347,827 new square feet of office space were added, with Bentonville having the most with 208,892 square feet, while 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 |
| Northwest Arkansas | 18,554 | 73,264 | -5,625 | -302,829 |

# Commercial Market Trends

## Available Square Footage by Submarket

| Available Space by Submarket | Time Period | Bella Vista | Bentonville | Fayetteville | Johnson | Lowell | Rogers | Siloam Springs | Springdale | Northwest Arkansas |
|---|---|---|---|---|---|---|---|---|---|---|
| **Office** | 1H 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 |
| | | | | | | | | | | |
| **Medical Office** | 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 |
| | | | | | | | | | | |
| **Office/Retail** | 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 |
| | | | | | | | | | | |
| **Office/Warehouse** | 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 |
| | | | | | | | | | | |
| **Retail** | 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 |
| | | | | | | | | | | |
| **Retail/Warehouse** | 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 |
| | | | | | | | | | | |
| **Warehouse** | 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 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Office** | 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% |
| | | | | | | | | | | |
| **Medical Office** | 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% |
| | | | | | | | | | | |
| **Office/Retail** | 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% |
| | | | | | | | | | | |
| **Office/Warehouse** | 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% |
| | | | | | | | | | | |
| **Retail** | 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% |
| | | | | | | | | | | |
| **Retail/Warehouse** | 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% |
| | | | | | | | | | | |
| **Warehouse** | 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% |

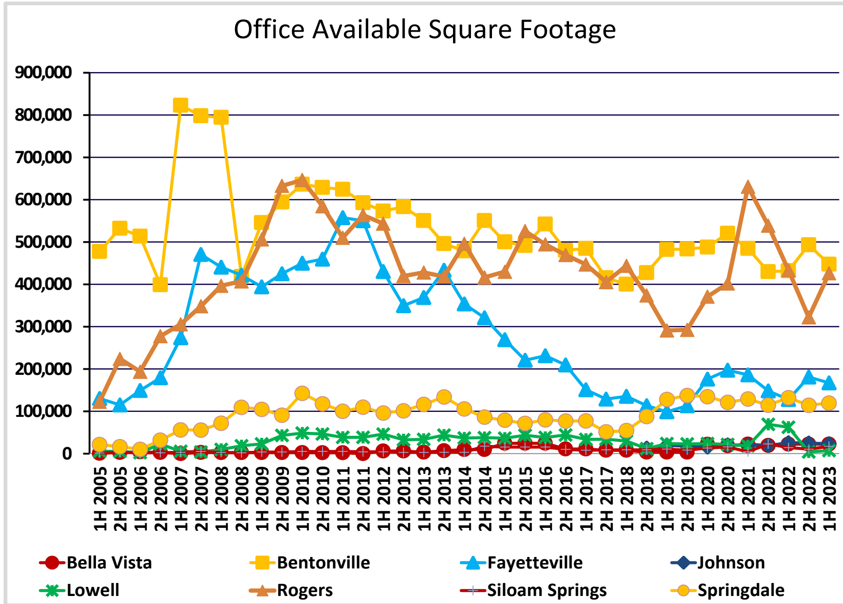
# Commercial Market Trends
## Net Absorption by Submarket

| Net Absorption by Submarket | Time Period | Bella Vista | Bentonville | Fayetteville | Johnson | Lowell | Rogers | Siloam Springs | Springdale | Northwest Arkansas |
|---|---|---|---|---|---|---|---|---|---|---|
| **Office** | 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 |
| | | | | | | | | | | |
| **Medical Office** | 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 |
| | | | | | | | | | | |
| **Office/Retail** | 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 |
| | | | | | | | | | | |
| **Office/Warehouse** | 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 |
| | | | | | | | | | | |
| **Retail** | 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 |
| | | | | | | | | | | |
| **Retail/Warehouse** | 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 |
| | | | | | | | | | | |
| **Warehouse** | 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

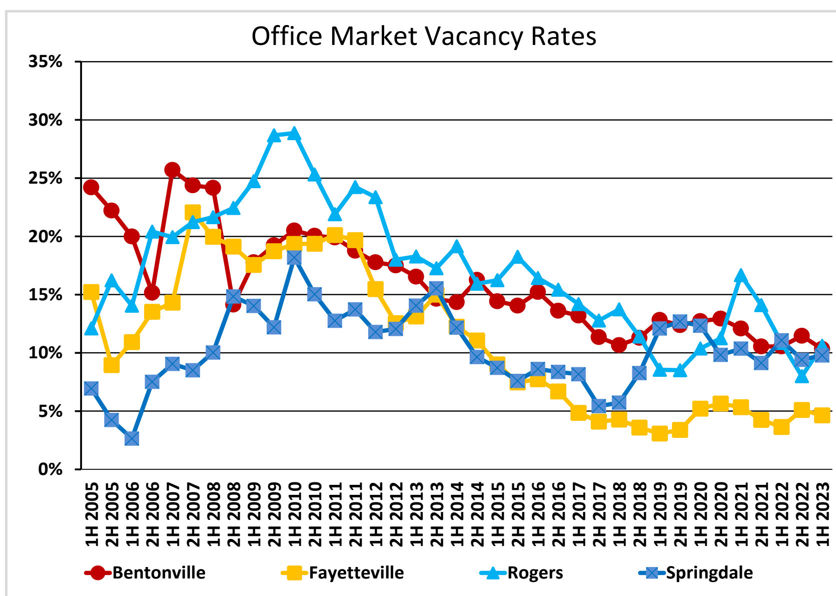
## Office Vacancy and Space

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.

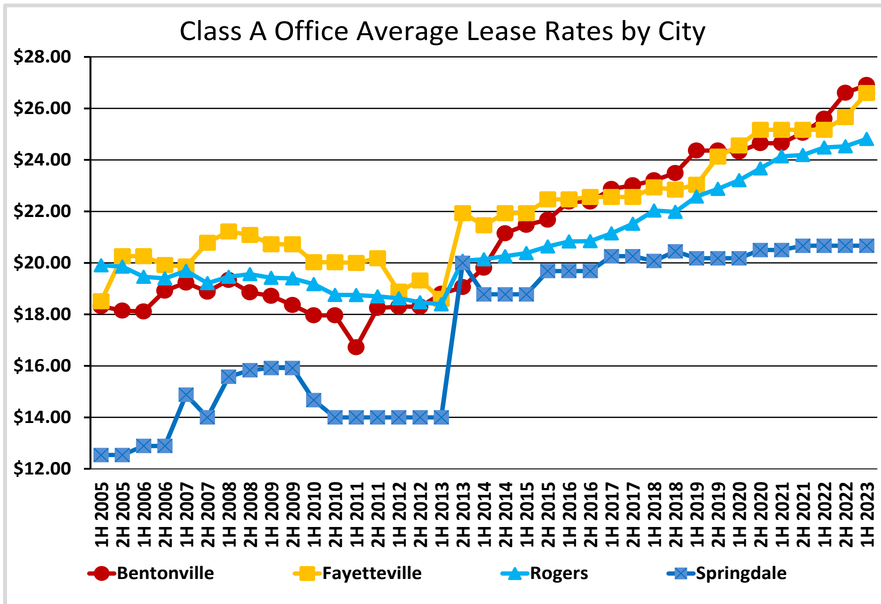
In the first half of 2023, average reported lease rates for Class A office space were highest in Bentonville, increasing $0.30 to $26.91 Fayetteville increased to $26.60, Rogers increased to $24.82, and Springdale remained at $20.67.

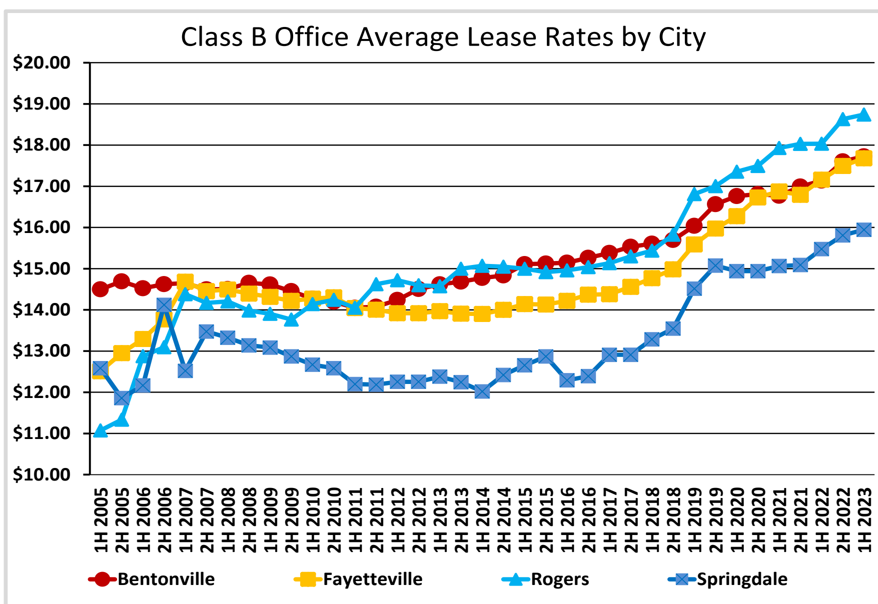
Average reported lease rates for Class B office space was highest in Rogers, increasing $0.11 to $18.74. Bentonville increased to $17.73, Fayetteville increased to $17.68, and Springdale remained with the lowest reported average lease rates increasing to increasing to $15.95.

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.

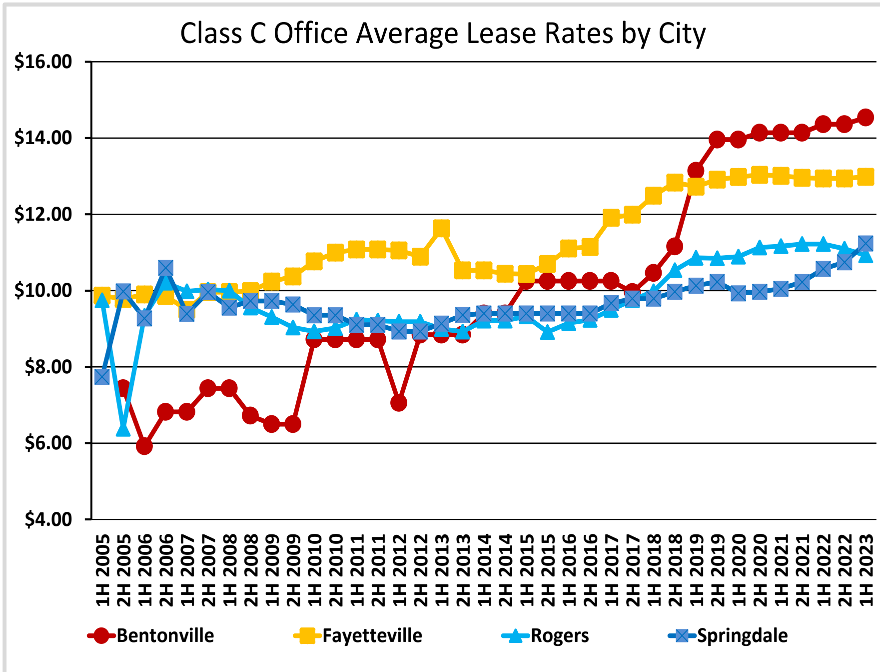
Reported average medical office space lease rates were highest in Bentonville remaining $18.27. Springdale remained $17.94, Fayetteville remained $17.89, and Rogers remained the lowest average reported lease rate increasing to $17.20.

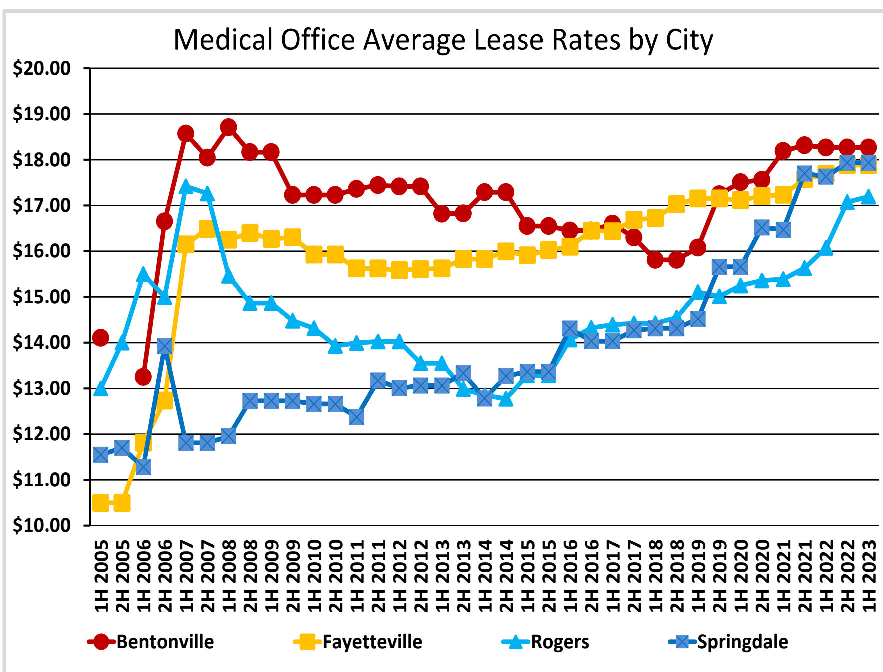
| City | Class A | Class B | Class C | Medical |
|---|---|---|---|---|
| Bentonville | $25.88 - $27.94 | $17.44 - $18.01 | $14.49 - $14.58 | $17.95 - $18.58 |
| Fayetteville | $25.09 - $28.11 | $17.38 - $17.98 | $12.67 - $13.30 | $17.12 - $18.65 |
| Rogers | $24.39 - $25.24 | $18.41 - $19.07 | $10.77 - $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 Squre Feet | Percent Available | Absorption from 1H to 2H | New Available Square Feet | Net Absorption | Months of Inventory |
|---|---|---|---|---|---|---|---|
| **Class A Office** | | | | | | | |
| 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 | -- |
| **Class B Office** | | | | | | | |
| 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 | -- |
| **Class C Office** | | | | | | | |
| 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 |
| **Medical Office** | | | | | | | |
| 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

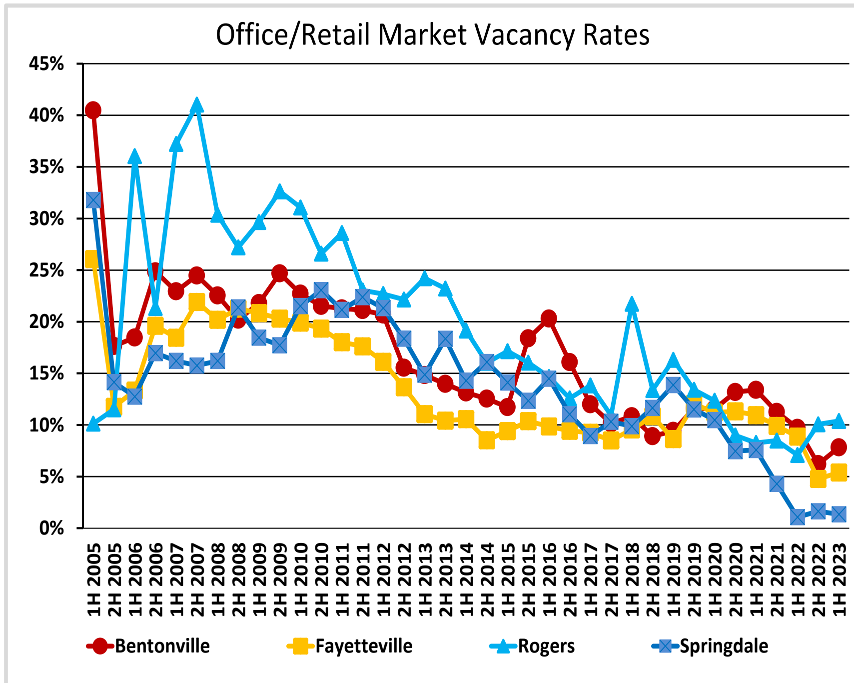
In the first half of 2023, the office/retail properties included in the Skyline Report sample had a vacancy rate of 5.8 percent, up from 5.0 percent in the second half of 2022. Of the 4,743,614 square feet of Northwest Arkansas properties examined, 274,029 square feet were available.

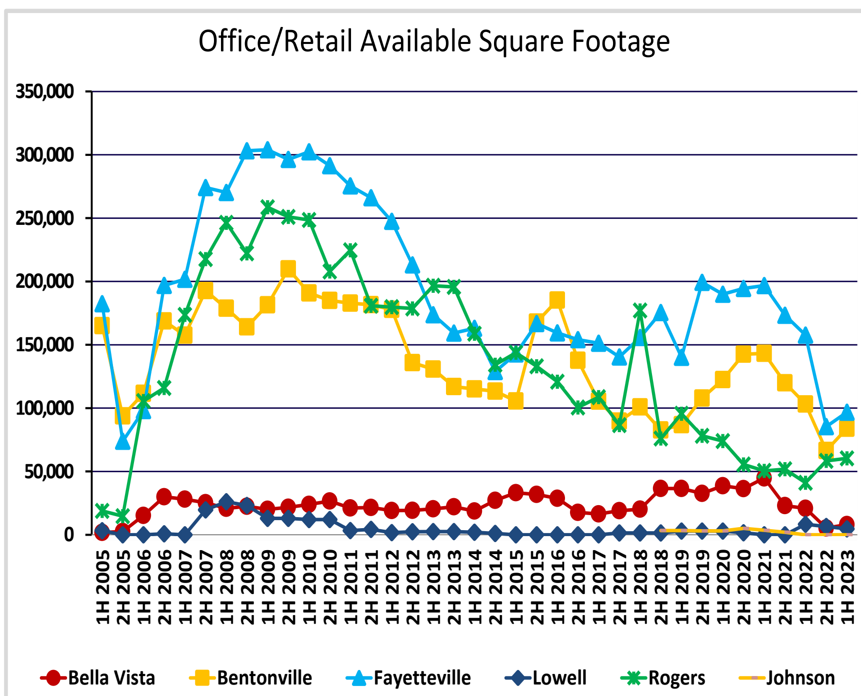
From the second half of 2022 to the first half of 2023, no new office/retail space were added to the market. There was net negative absorption of 35,222 square feet in the first half of 2023. Bentonville had the most net negative absorption with 17,464 square feet, with Fayetteville contributing 11,342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

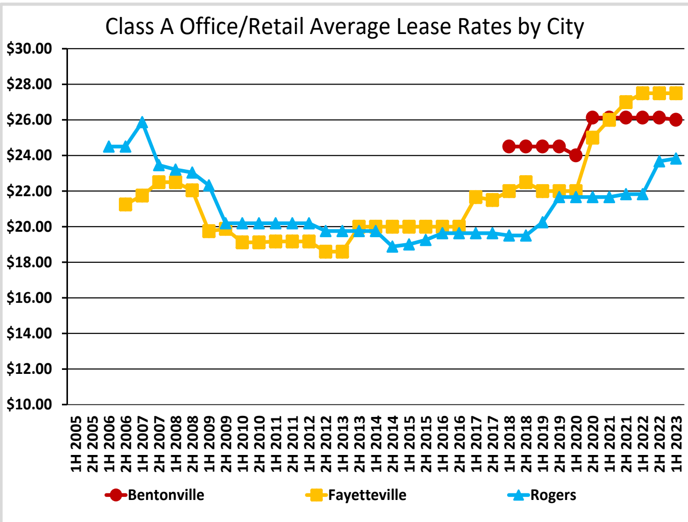
The office/retail space reported average lease rates in the first half of 2023 were highest in the Fayetteville Class A submarket remaining $27.50. The Bentonville Class A average lease rate decreased to $26.00, and the average Class A lease rate in Rogers increased to $23.83.

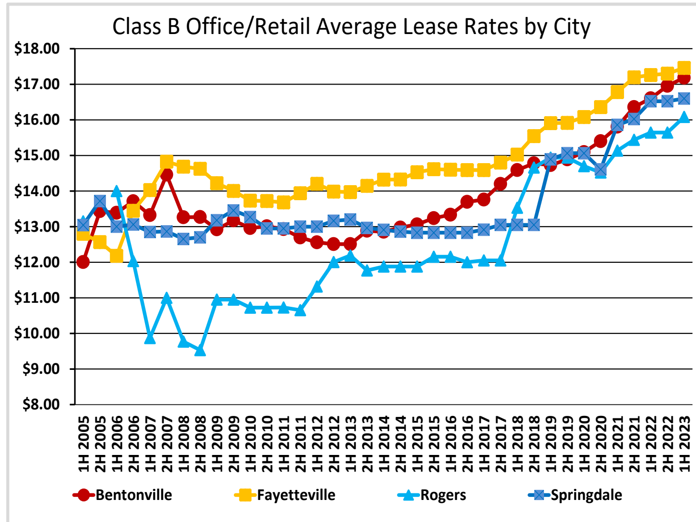
In the Class B submarket, Fayetteville stayed the most expensive increasing to $17.46, followed by Bentonville increasing to $17.19, Springdale increasing to $16.60, and Rogers remained the lowest increasing to $16.09.



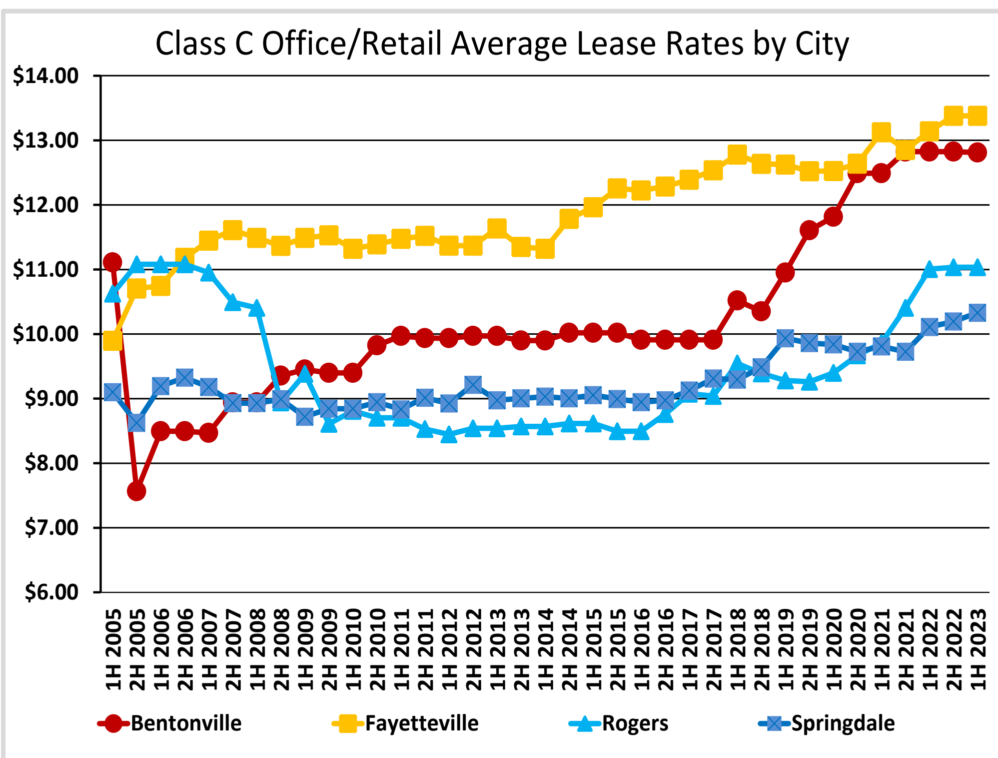



# Commercial Market Trends
## Office/Retail Classes Lease Rates by City




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 Squre Feet | Percent Available | Absorption from 2H to 1H | New Available Square Feet | Net Absorption | Months of Inventory |
|---|---|---|---|---|---|---|---|
| **Class A Office/Retail** | | | | | | | |
| 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 | -- | -- | -- | -- | -- | -- | -- |
| **Class B Office/Retail** | | | | | | | |
| 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 | -- |
| **Class C Office/Retail** | | | | | | | |
| 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 |

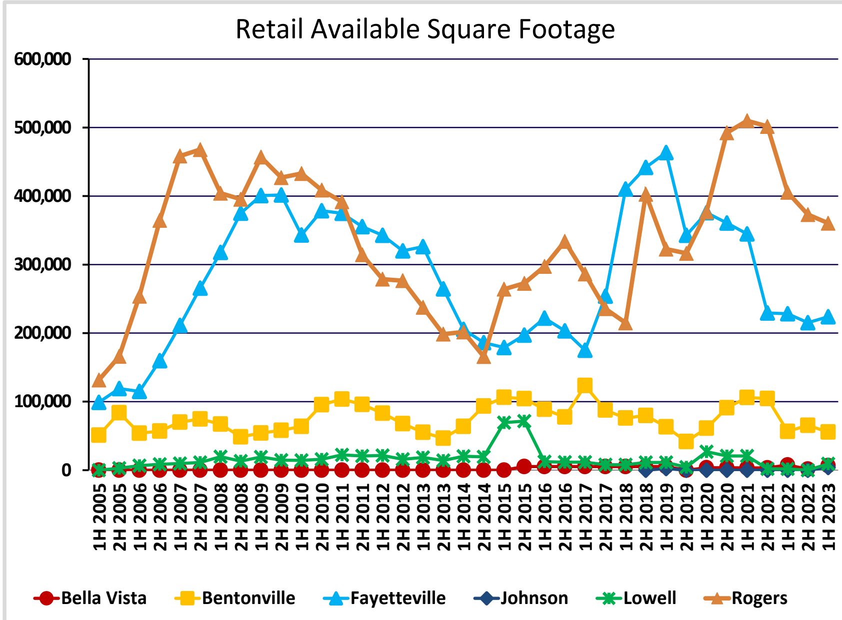
# Commercial Market Trends
## Retail Vacancy and Space

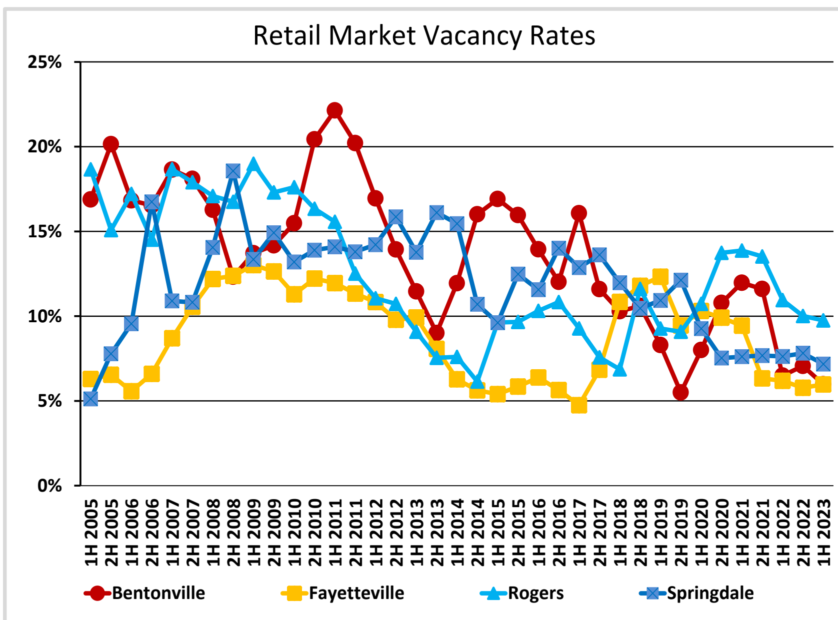
In the first half of 2023, the retail properties included in the Skyline Report panel had a vacancy rate of 7.9 percent, the same as in the second half of 2022. Of the 10,886,814 total retail square feet examined in Northwest Arkansas, 854,634 square feet were available. 59,000 square feet of new retail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

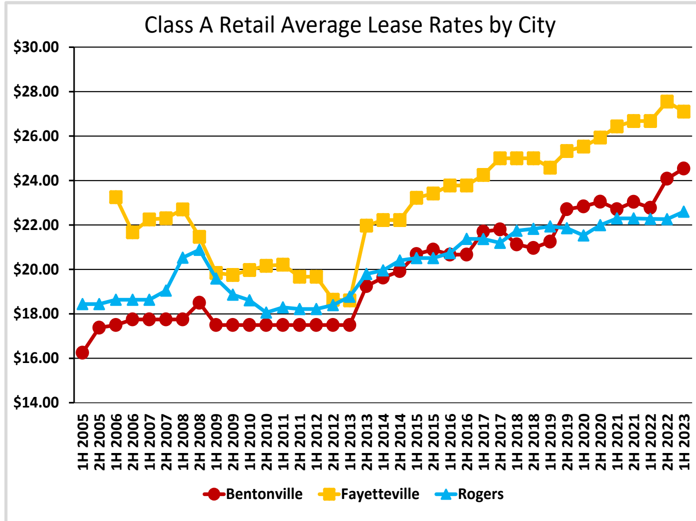

| City | Class A | Class B | Class C |
|---|---|---|---|
| Bentonville | \$23.62 - \$25.46 | \$17.40 - \$19.16 | \$11.52 - \$12.80 |
| Fayetteville | \$25.80 - \$28.40 | \$19.13 - \$19.89 | \$12.01 - \$12.63 |
| Rogers | \$22.10 - \$23.10 | \$15.34 - \$16.84 | \$10.50 - \$10.77 |
| Springdale | -- |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

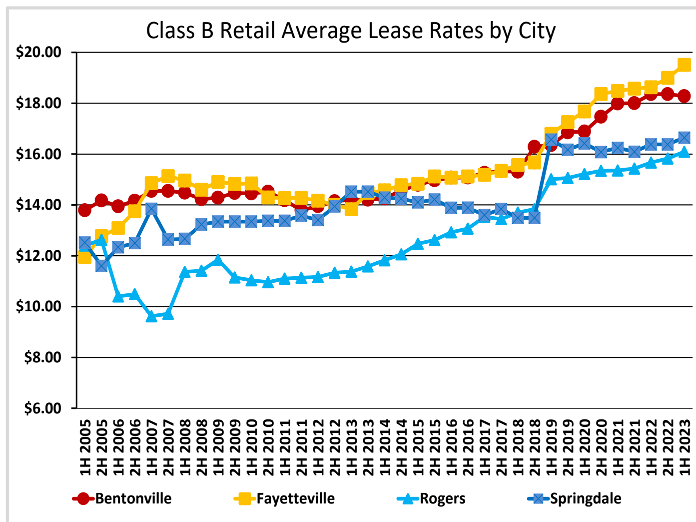
| Available Retail Space | Total Square Feet | Available Squre Feet | Percent Available | Absorption from 2H to 1H | New Available Square Feet | Net Absorption | Months of Inventory |
|---|---|---|---|---|---|---|---|
| **Class A Retail** | | | | | | | |
| Bentonville | 220,513 | 19,509 | 8.8% | 0 | 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 | -- | -- | -- | -- | -- | -- | -- |
| **Class B Retail** | | | | | | | |
| 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 |
| **Class C Retail** | | | | | | | |
| 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 | -- |

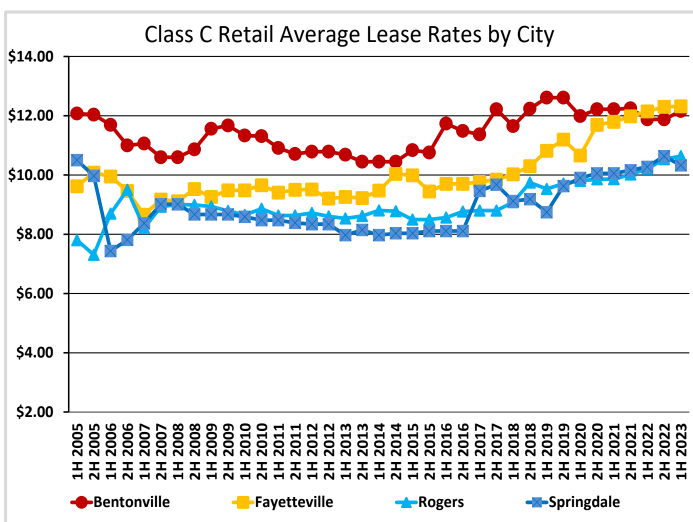
# Commercial Market Trends
## Retail Lease Rates By Class A, B or C

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.



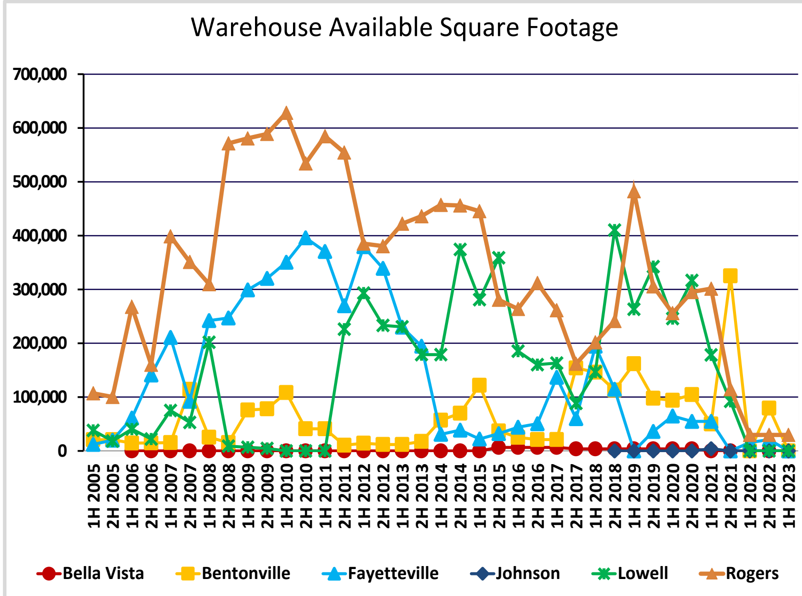




# Commercial Market Trends

## 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.

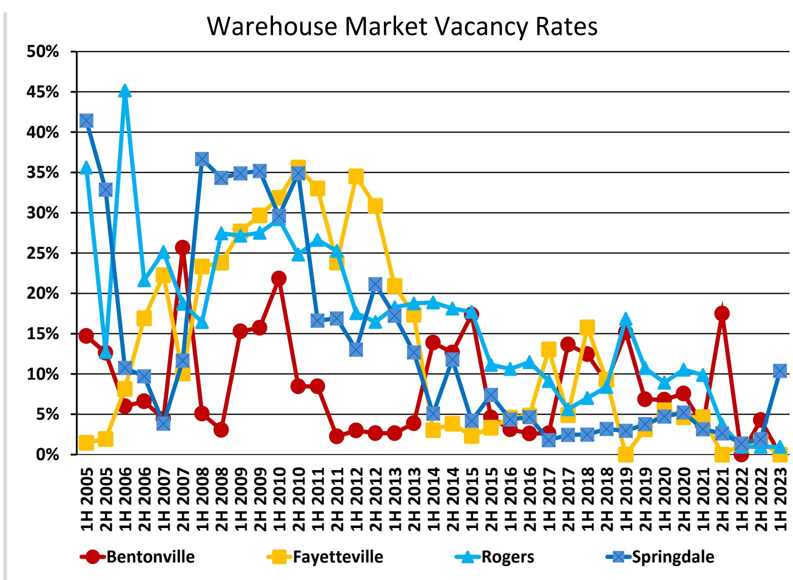



Springdale, including Tontitown warehouse space, in the first half of 2023 had 3,493,026 square feet of warehouse space, of which 55.3 percent is Class B space. 362,557 square feet was available, including 300,000 square feet new Class A space. There was net negative absorption of 281,949 square feet, 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 in the second half of 2022.

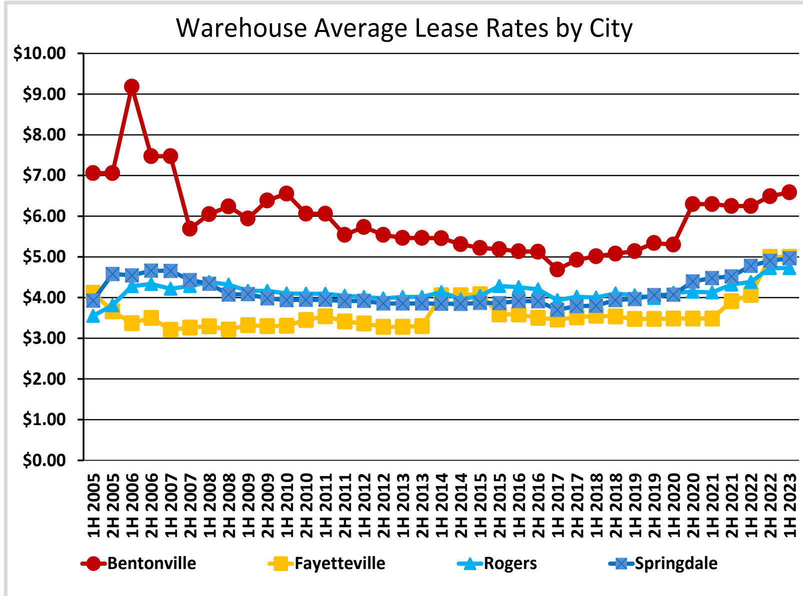
No warehouse space was available in Lowell out of 1,496,407 total square feet of warehouse space. 49.8 percent of the total warehouse space was Class A. No new square feet of warehouse were added in the Lowell submarket in the first half of 2023. The vacancy rate remained 0.0 percent.




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 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 Fayettville 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 Squre Feet[1] | Percent Available[2] | Absorption[2] from 2H to 1H | New Available Square Feet[1] | Net Absorption | Months of Inventory |
|---|---|---|---|---|---|---|---|
| **Class A Warehouse** | | | | | | | |
| 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 | -- |
| **Class B Warehouse** | | | | | | | |
| 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 |
| **Class C Warehouse** | | | | | | | |
| 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

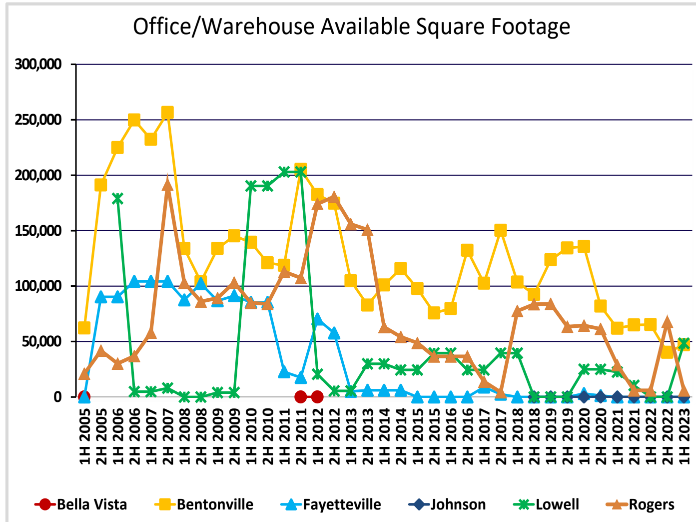
### Office/Warehouse

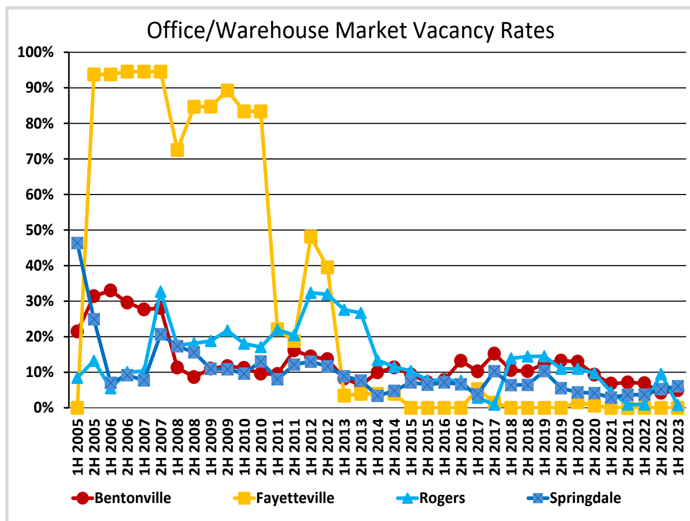
The Skyline Report panelists reported on 4,567,439 total square feet of office/warehouse space with 293,148 square feet available in the first half of 2023. Springdale, and Siloam Springs, with 134,191 square feet and 57,667 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

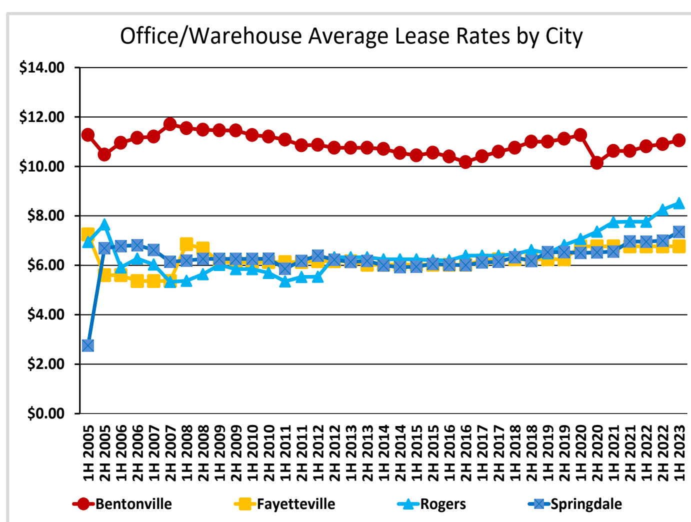
The vacancy rate in the office/warehouse submarket increased from 6.3 percent in the first half of 2022 to 6.4 percent in the first half of 2023. 72,767 square feet of office/warehouse space entered the market in Northwest Arkansas during this period, with Springdale accounting for 41,227 square feet 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

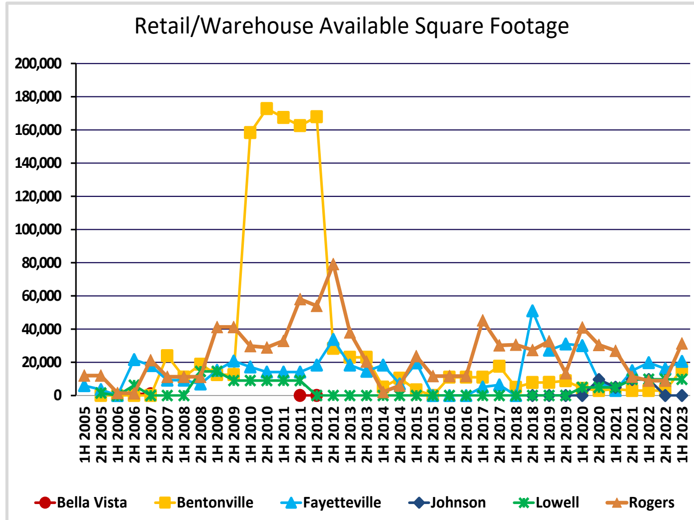
### Retail/Warehouse

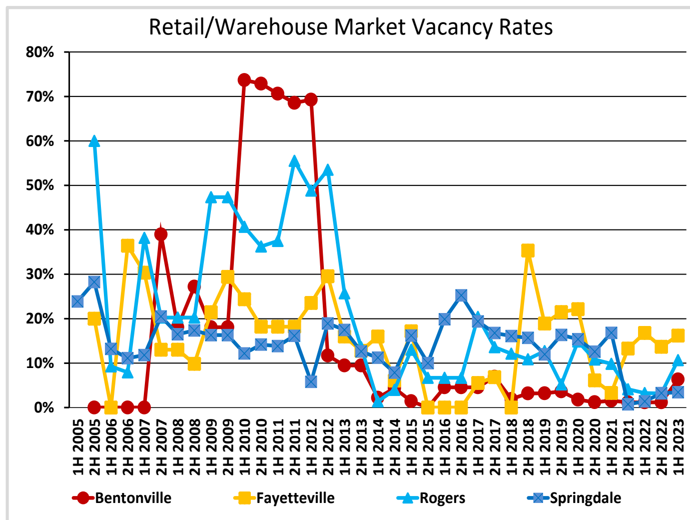
The Skyline Report panelists reported on 1,660,497 square feet of retail/warehouse space in the first half of 2023. A total of 105,014 square feet was available in Northwest Arkansas. Rogers had the most available retail/warehouse space with 31,382 square feet followed by Springdale with 27,381 square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

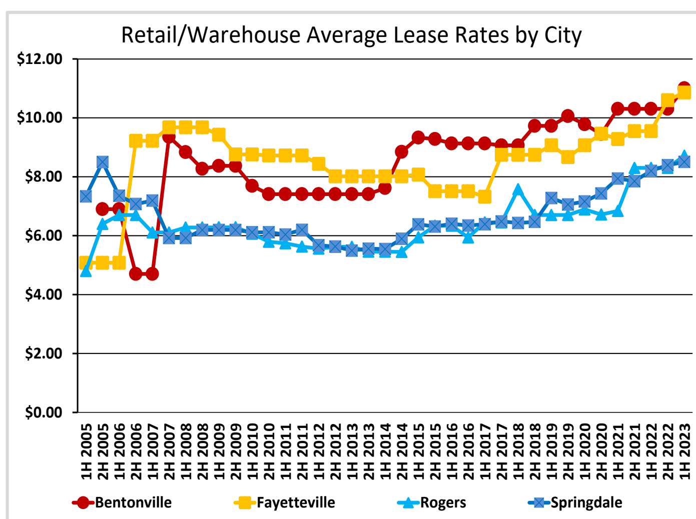
There were 12,000 new square feet of retail/warehouse added to the market during the first half of 2023. The vacancy rate in the retail/warehouse submarket increased from 3.9 percent in the second half of 2022 to 6.3 percent in the first half of 2023.

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[1] | Percent Available[2] | Absorption[2] from 2H to 1H | New Available Square Feet[1] | Net Absorption | Months of Inventory |
|---|---|---|---|---|---|---|---|
| **Office/Warehouse** | | | | | | | |
| 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 | -- |
| **Retail/Warehouse** | | | | | | | |
| 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 |

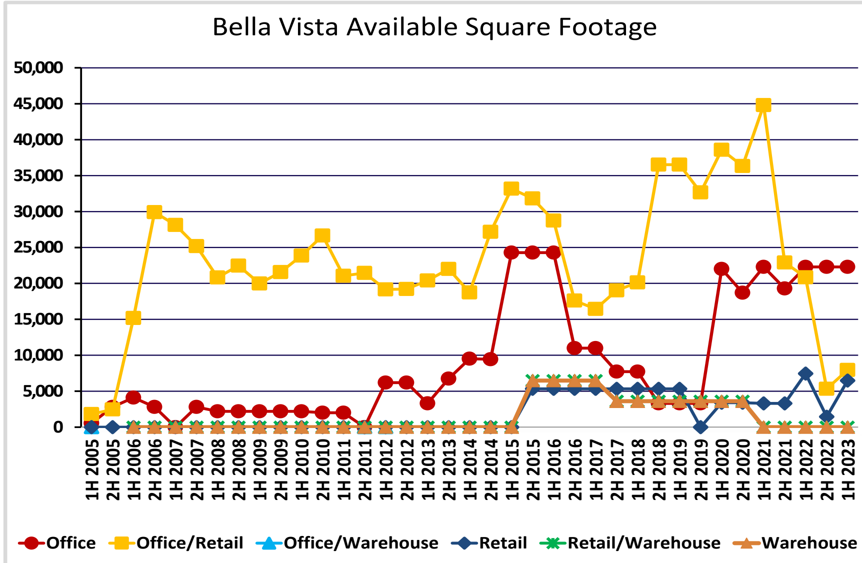
# Bella Vista
## Commercial Market Summary

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.



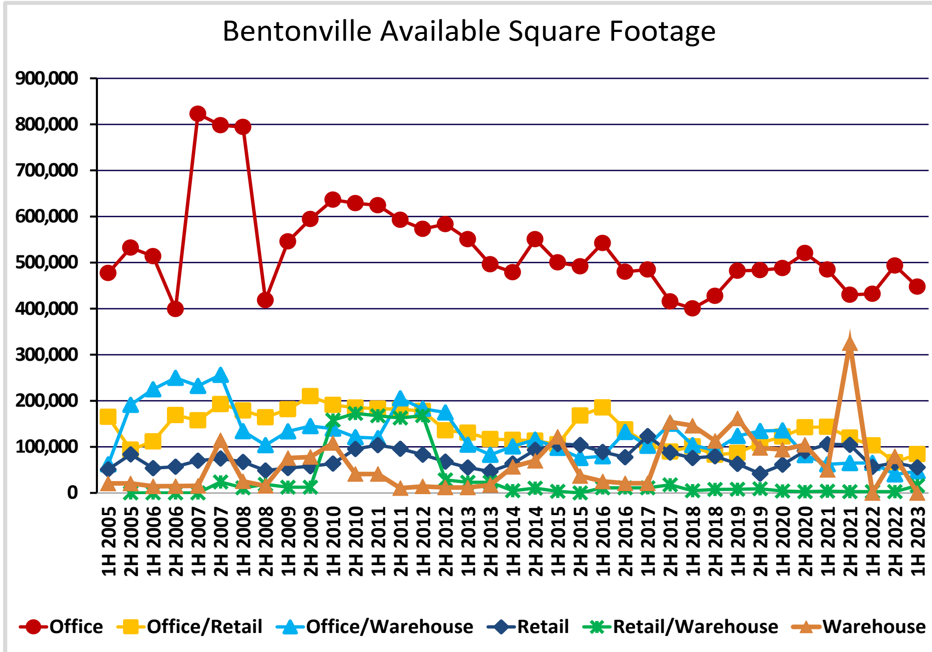

No new commercial square feet were added to Bella Vista in the second half of 2022.

| Category | Average Lease Rate Range | Total Square Feet[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Industrial | -- | -- | -- | -- | -- | -- | -- | -- |
| Office | $13.12 - $13.78 | 123,479 | 22,296 | 18.1% | 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 | -- |

[1]From all 1H 2023 respondents.
[2]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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 - $681 | 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 | -- | -- | -- | -- | -- | -- | -- | -- |

[1]From all 1H 2023 respondents.
[2]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.

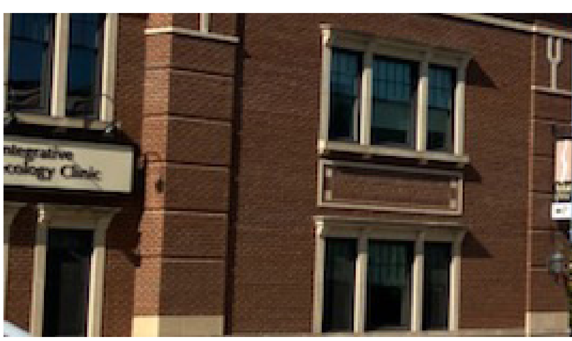
The retail vacancy rate in Downtown Bentonville increased from 0.5 percent from the second half of 2022 to 9.3 percent in the first half of 2023 in accordance with net negative absorption of 12,500 square feet. This was higher than the overall Bentonville retail vacancy rate of 6.0 percent.

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

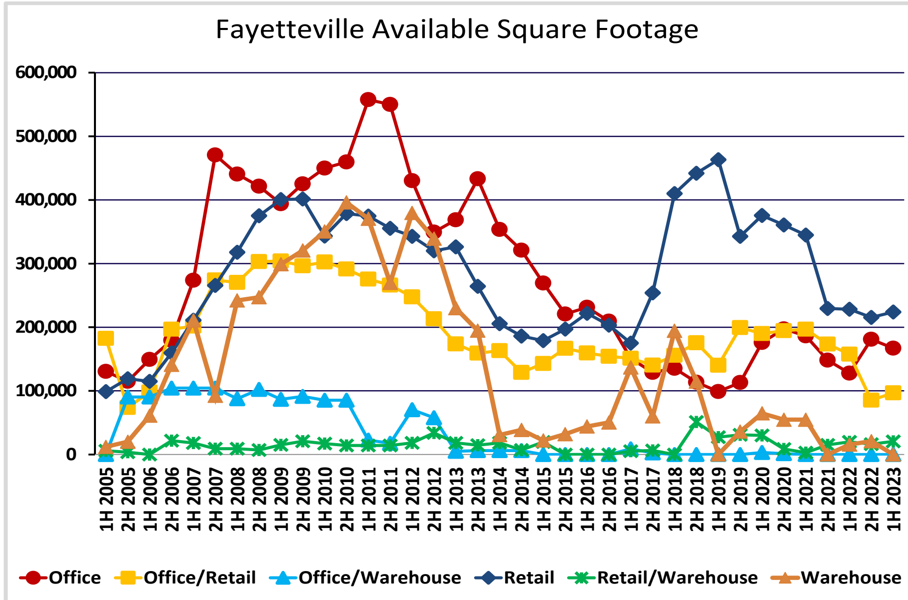
| Category | Average Lease Rate Range | Total Square Feet[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Office | $22.66 - $25.02 | 882,162 | 104,462 | 11.8% | 4,544 | 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 | -- |

[1]From all 1H 2023 respondents.
[2]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 signficant 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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Lab | $21.32 - $23.35 | 75,603 | 3,000 | 4.0% | 0 | 0 | 0 | -- |
| Industrial | $3.73 - $4.50 | 301,000 | 0 | 0.0% | 0 | 0 | 0 | -- |
| Office | $16.68 - $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 |

[1]From all 2H 2021 respondents
[2]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 thefirst 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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 |

[1]From all 1H 2023 respondents.
[2]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 then 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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 |

[1]From all 1H 2023 respondents.
[2]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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Office | $15.88 - $15.88 | 40,281 | 1,916 | 4.8% | 0 | 0 | 0 | -- |
| Office/Retail | $14.61 - $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 | -- |

[1]From all 1H 2023 respondents.
[2]From 1H 2023 respondents who were also 2H 2022 respondents.

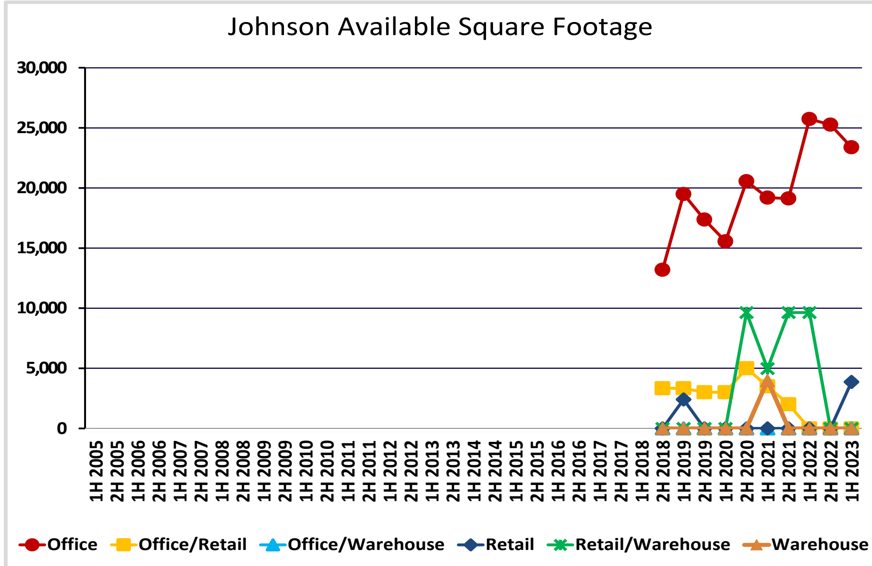
# Johnson
## Commercial Market Summary

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.

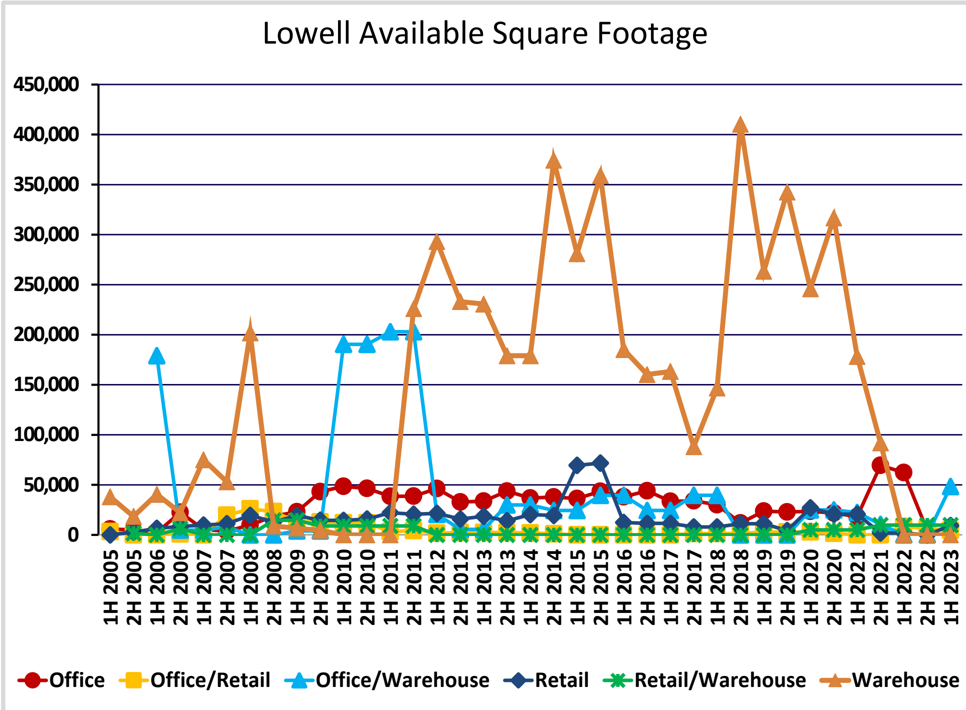
Average reported lease rates in Johnson increased significantly by $2.04 in the medical space submarket due to the new space, and remained relatively stable in all other submarkets in the first half of 2023.

# Johnson
## Commercial Market Summary

| Category | Average Lease Rate Range | Total Square Feet[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 | -- |

[1]From all 1H 2023 respondents.
[2]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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Industrial | $6.50 - $6.50 | 133,780 | 0 | 0.0% | 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 | -- |

[1]From all 1H 2023 respondents.
[2]From 1H 2023 respondents who were also 2H 2022 respondents.

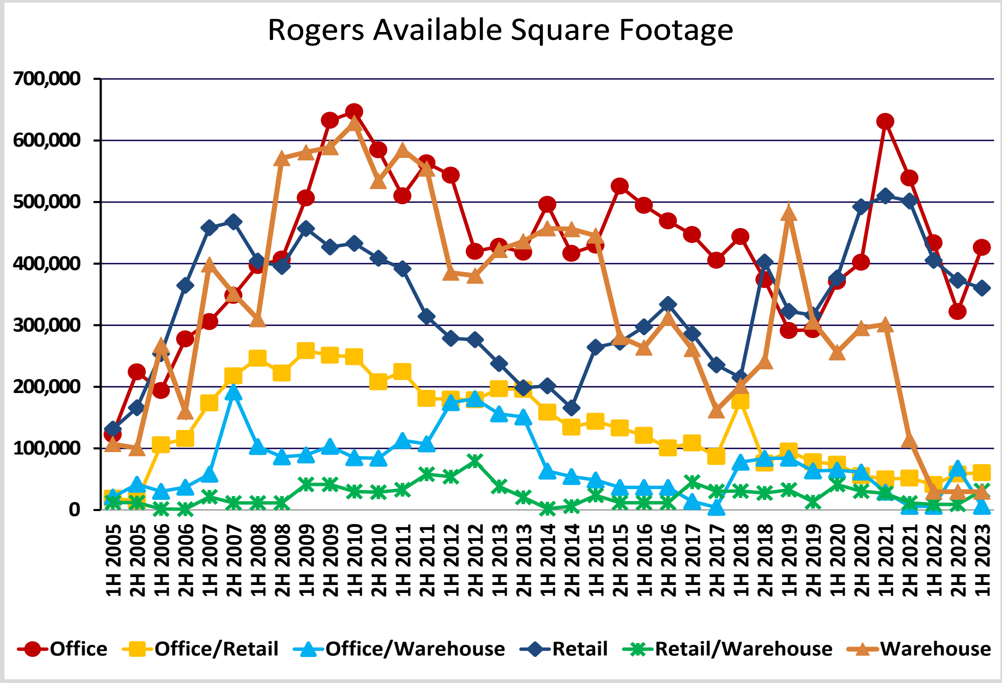
# Rogers
## Commercial Market Trends

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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Lab | $11.00 - $11.00 | 9,482 | 0 | 0.0% | 0 | 0 | 0 | -- |
| Industrial | $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 | -- |

[1]From all 1H 2023 respondents.
[2]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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 | -- |

[1]From all 1H 2023 respondents.
[2]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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 |

[1]From all 1H 2023 respondents.
[2]From 1H 2023 respondents who were also 2H 2022 respondents.

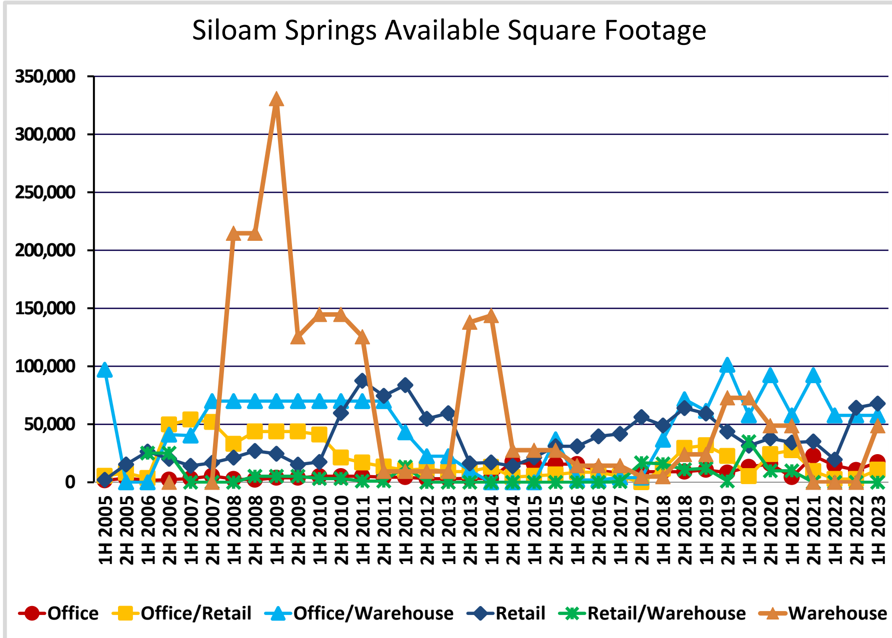
# Siloam Springs
## Commercial Market Summary

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.

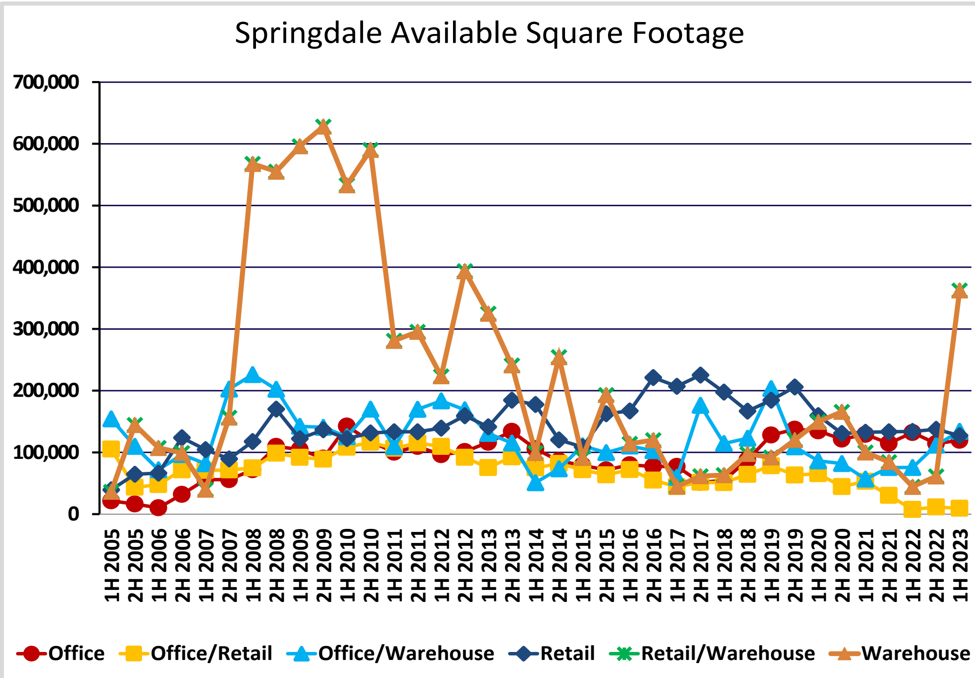
Average lease rates increased by $0.84 in the Class B office, $0.74 in the Class B retail, and $0.71 in the Class C retail submarkets. All other submarkets were relatively stable in the first half of 2023 in Siloam Springs.

# Siloam Springs
## Commercial Market Summary

| Category | Average Lease Rate Range | Total Square Feet[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 | -- |

[1]From all 1H 2023 respondents.
[2]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 a 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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| Lab | -- | 5,224 | 0 | 0.0% | 0 | 0 | 0 | -- |
| Industrial | $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 |

[1]From all 1H 2023 respondents.
[2]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 remained10.9 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[1] | Available Square Feet[1] | Percent Available[1] | Absorption[2] | New Available Square Feet[1] | Net Absorption[2] | Months of Inventory[2] |
|---|---|---|---|---|---|---|---|---|
| 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 |

[1]From all 1H 2023 respondents.
[2]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 |

[1]From all 1H 2023 respondents.
[2]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.