THE SKYLINE REPORT

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First Half of 2021

Contents

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Commercial Real Estate Summary For Benton and Washington Counties

This report is the forty-fourth 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 2021

In the first half of 2021, there were 1,153,353 square feet of positive absorption, while 246,735 new square feet were added, leading to net positive absorption of 906,618 square feet in the Northwest Arkansas market. The overall vacancy rate was 8.9 percent, down from 10.8 percent in the second half of 2020 as a few large warehouse and industrial spaces were absorbed.

The warehouse submarket had overall positive absorption of 558,572 square feet, while no new square feet were added in the first half of 2021. The Northwest Arkansas warehouse vacancy rate decreased from 9.3 percent in the second half of 2020 to 6.6 percent in the first half of 2021.

165,424 new square feet were added in the office submarket, while 1,052 square feet were absorbed, leading to net negative absorption of 164,372 square feet in the first half of 2021. The office vacancy rate increased to 11.2 percent from 10.8 percent in the second half of 2020.

Within the retail submarket, there was overall positive absorption of 71,963 square feet, while 52,215 new square feet entered the market, leading to net positive absorption of 19,748 square feet. The retail vacancy rate was 10.8 percent in the first half of 2021 the same as in the second half of 2020.

In the office/retail submarket, there was positive absorption of 18,688 square feet, while 12,296 new square feet of office/retail space entered the market in the first half of 2021, leading to net positive absorption of 1,459 square feet. The vacancy rate remained 10.9 percent from the second half of 2020 to the first half of 2021.

From January 1 to June 30, 2020, there were $647,053,124 in commercial building permits issued in Northwest Arkansas. In comparison, there were $188,810,166 in permits issued in the second half of 2020.

Commercial Market Trends
Report Overview

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.

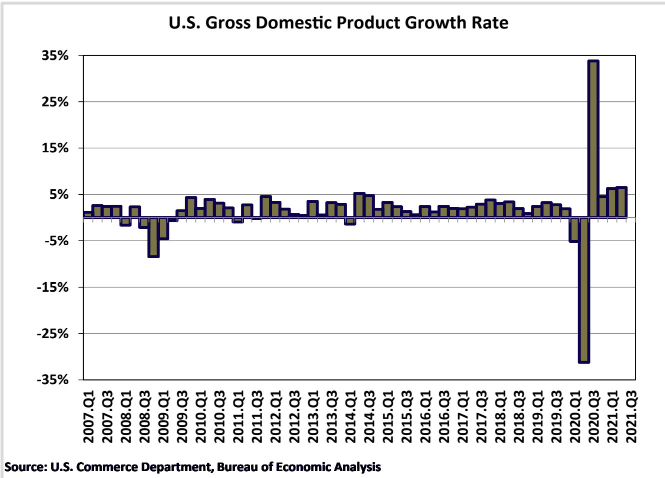
Available office square footage in Northwest Arkansas increased from 1,244,240 square feet in the first half of 2020 to 1,495,041 square feet in the first half of 2021. In the past year, 490,612 new square feet of office space were added, with Rogers having the most with 193,424 square feet, while Springdale and Bentonville added another 125,000 and 93,286 square feet, respectively. There was net negative absorption of 177,066 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net negative absorption with 259,238 square feet. Bentonville had net positive absorption at 55,037 square feet. The overall Northwest Arkansas office vacancy rate increased by 1.4 percentage points from 9.8 percent to 11.2 percent from the first half of 2020 to the first half of 2021.

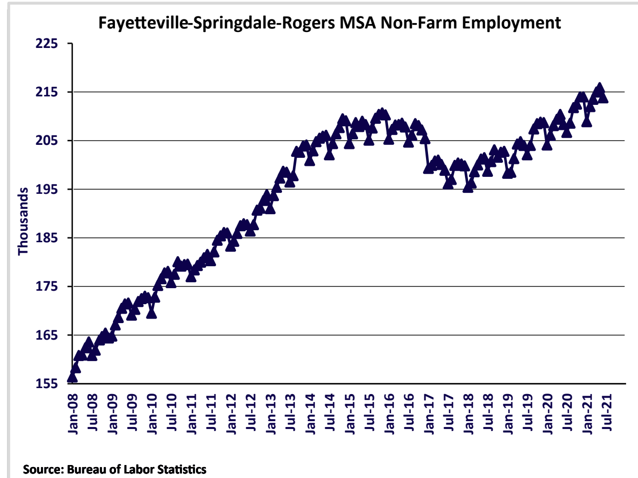
In Northwest Arkansas, 519,386 square feet of office/retail space were available in the first half of 2021, up from 501,277 square feet in the first half of 2020. The office/retail market experienced net positive absorption of 6,864 square feet in the past year. Rogers accounted for 26,766 square feet, closely followed by Springdale with 22,980 square feet of net positive absorption. Siloam Springs had net negative absorption of 22,409 square feet during this period. There were 36,584 new square feet of office/retail space added within the past year. About a third, 12,296 square feet, was in Fayetteville. The overall Northwest Arkansas office/retail vacancy rate remained the same at 10.9 percent from the first half of 2020 to the first half of 2021.

In the first half of 2021, 1,151,277 square feet of retail space were available in Northwest Arkansas, up from 1,035,075 square feet in the first half of 2020. The retail market had net negative absorption of 27,919 square feet in the past twelve months. Rogers accounted for 82,645 square feet and Bentonville added another 42,291 square feet of net negative absorption. Fayetteville and Springdale had 52,139 and 34,136 square feet of net positive absorption during this period. There were 139,950 new square feet of retail space added to the Northwest Arkansas market during the past year, with Rogers accounting for almost 90 percent, with 125,622 square feet. The overall Northwest Arkansas retail vacancy rate increased by 0.8 percentage point from 10.0 percent in the first half of 2020 to 10.8 percent in the first half of 2021.

In the Northwest Arkansas warehouse market, available square footage decreased from 886,727 in the first half of 2020 to 737,383 in the first half of 2021. The warehouse market experienced net positive absorption of 431,677 square feet during the past year. (Some industrial was reclassified into warehouse). Siloam Springs accounted for 240,589 square feet of the net positive warehouse absorption, with Springdale and Lowell adding another 89,506 and 67,692 square feet of net positive absorption. Rogers had 19,710 square feet of net negative absorption during this period in the warehouse market. No new warehouse space was added to the Northwest Arkansas market during the past year. However, 45,000 square feet of new office/warehouse space and 26,430 square feet of new retail/warehouse space were added during this period. Warehouse vacancy rates decreased by 1.7 percentage points from 8.3 percent to 6.6 percent, from the first half of 2020 to the first half of 2021.

Economic Overview



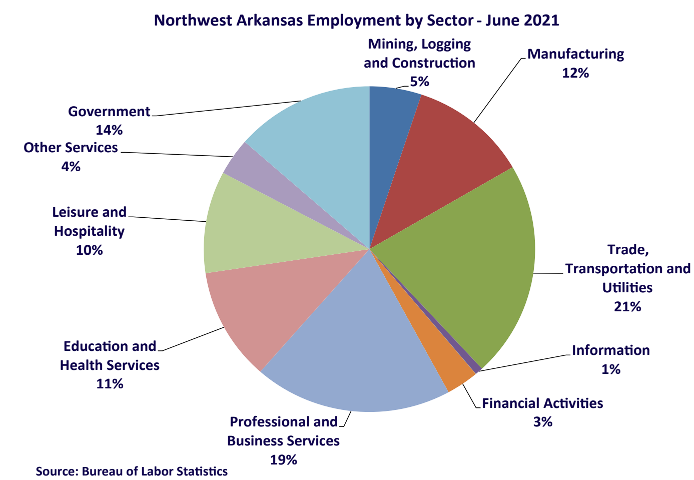


Economic Overview

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

Gross Domestic Product

In the second quarter of 2021, real GDP increased 6.5 percent according to advance estimates released by U.S. Department of Commerce's Bureau of Economic Analysis (BEA). Real GDP increased by 6.3 percent in the first quarter of 2021. The increase in real GDP increases in personal consumption expenditures (PCE), nonresidential fixed investment, exports, and state and local government spending that were partly offset by decreases in private inventory investment, residential fixed investment, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. Real GDP increased in the second quarter at a rate faster than the first quarter. In the first quarter, increases in personal consumption expenditures (PCE), nonresidential fixed investment, federal government spending, residential fixed investment, and state and local government spending that were partly offset by decreases in private inventory investment and exports.

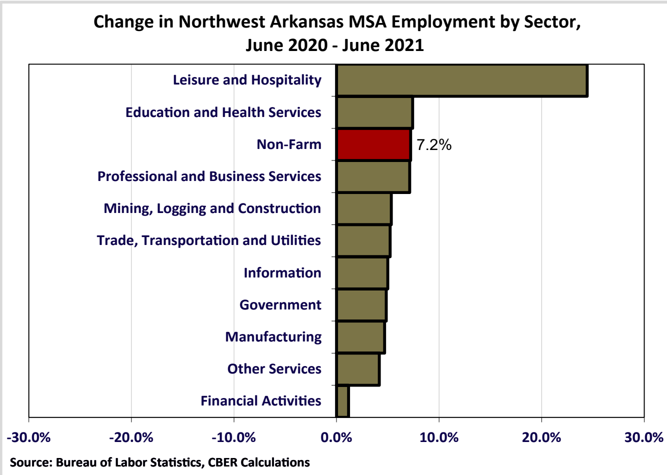


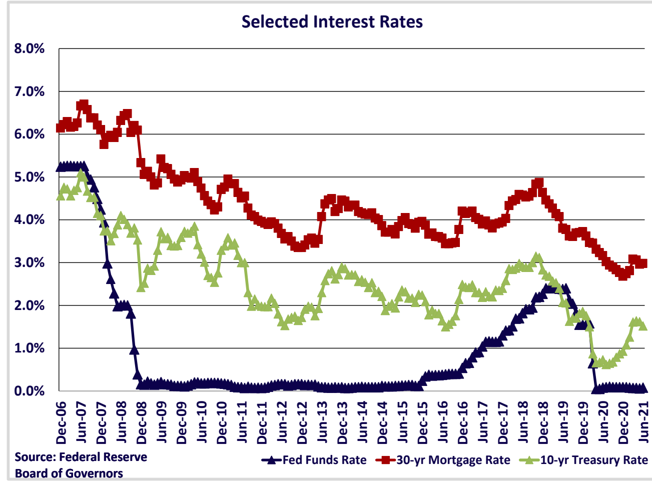
Employment

The Northwest Arkansas employment situation is extremely important to the health of the real estate market. The most recent data show that employment in the Northwest Arkansas region was at 296,328 in June 2021, up 5.4 percent from June 2020. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at 3.7 percent in June 2021, lower than the 6.1 percent in June 2020. The unemployment rate has been below 4.0 percent since October 2020. The unemployment rate in Northwest Arkansas continues to be lower than both the state (5.0 percent) and national (6.1 percent) unadjusted rates.

With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures are provided. The first shows the June 2021 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, trade, transportation, and utilities had the largest share of employment (21 percent) in

Economic Overview





Northwest Arkansas followed by professional and business services (19 percent), government (14 percent), manufacturing (12 percent), education and health services (11 percent), and leisure and hospitality (10 percent). The other figure shows the annual percentage change in the metro area's employment by sector from June 2020 to June 2021. Total nonfarm employment increased by 7.2 percent during that time. All sectors experienced employment growth. Employment in leisure and hospitality, and education and health services grew faster than the non-farm rate at 24.4 percent and 7.4 percent. The professional and business sector grew at a rate similar to the non-farm rate, 7.1 percent. The slowest growing sectors were financial activities, other services, manufacturing, and government at 1.2 percent, 4.2 percent, 4.7 percent, and 4.8 percent, respectively.

With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures are provided. The first shows the December 2020 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, trade, transportation, and utilities had the largest share of employment (22 percent) in Northwest Arkansas followed by professional and business services (20 percent), government (14 percent), manufacturing (11 percent), education and health services (10 percent), and leisure and hospitality (10 percent). The other figure shows the annual percentage change in the metro area's employment by sector from December 2019 to December 2020. Total nonfarm employment decreased by 0.6 percent during that time. Employment in professional and business services trade, transportation and utilities, and the construction sectors experienced growth of 5.5 percent, 4.5 percent and 1.6 percent, respectively. The financial activities sector was unchanged in employment. All other sectors experienced employment declines due to COVID. The most impacted sectors were manufacturing, information, and education and health services as they experienced declines of 5.6 percent, 9.5 percent and 11.7 percent, respectively.

Interest Rates

The Federal Funds rate averaged 0.08 percent in June 2021. The ten-year constant maturity Treasury bill had an interest rate of 1.52 percent in June 2021, up from 0.73 percent in June 2020. The spread remained positive and increased between the ten-year rate and the federal funds rate from a year ago, as the ten-year rate increased. The Federal Reserve Open Market Committee decided to maintain the target range for the federal funds rate at 0 to 0.25 percent. The Committee expects to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time. The accompanying figure shows the Federal Funds rate, ten-year rate, and the thirty-year mortgage rate since December 2008. The 30-year mortgage rate was 2.98 percent in June 2021.

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 to June, the pandemic's short run impact on supply chains, the labor market, and construction costs was a focus of the discussions. The conversations also revolved around longer run changes in the commercial, multifamily, and single family markets potentially brought on or accelerated by the pandemic.

Regardless of whether the respondent was a commercial, multifamily, or residential developer, supply chain problems were a significant issue. Panelists discussed extended delivery times and higher costs for materials such as steel, oriented strand board, lumber, drywall, tile, paint, as well as kitchen appliances, hvac systems, and cabinetry, among others. The uncertainty about obtaining supplies as well as future prices was starting to cause delays in project development. Respondents hoped that over the rest of 2021 and into 2022 the supply chain issues would be resolved, limiting continued price increases, and even if some projects were being delayed there was no intention to cancel future developments. However, several respondents were worried a new covid-19 surge could shut the economy down.

Many panelists reported labor shortages both for themselves and for commercial tenants being another cost driver. Some respondents felt that as unemployment benefits end, the supply of labor will increase and labor costs will stop rising. However, some respondents also noticed an increase in small businesses and think there is some transitioning from pre to post pandemic jobs as people rethought job and career choices and were more willing to take risks. Additionally, some of the panelists pointed to immigration issues for the shortages in construction labor and skilled trades. Several mentioned that Northwest Arkansas would benefit from continued expansion of vocational education as there is also a trend towards more skilled tradespeople retiring than entering career fields.

The uncertainty in demand for the the commercial office space market was one of the main discussion threads among respondents. Respondents all indicated they felt office space demand was strong and will continue to be strong over the next several years, even with changes brought on by the growth of remote work from home., But some respondents think that workers are going to continue to ask for substantial work at home time and this will lead to substantial declines in office space demand. However, panelists suggested that even remote workers will need conference and common space for the times they are on site. Other respondents thought that workers would largely return to office and have some flexible work schedules so there won't be a decline in office space demand.

Respondents think that the infrastructure needed for connecting teams across remote and on site platforms is going to be an advantage for Class A office space. The infrastructure includes technology, co-working spaces, access to the trail system, accommodations for bike riders, more windows, and "cool space" as a few respondents put it. This is in addition to traditional amenities like being close to restaurants and other retail like dry cleaners and hair care establishments. Many respondents believe that the demand for new Class A space will match the growth of Northwest Arkansas. New firms are moving or are expressing interest in moving to Northwest Arkansas. Other firms are turning their local offices into regional headquarters. There is growth in logistics firms and other professional service firms, not just vendors. There is strong interest in specialized coworking space like The Ledger is offering. Panelists continue to believe that Class B office will still remain competitive given the substantial price differential, $10 to $12 a square foot, between new Class A space and well maintained Class B space. Additionally, respondents talked about the advantages of easy entrance and exit into Class B locations, and a more personal relationship between the owners and tenants.Class B space also tends to be easier to divide into the 1,000 to 2,000 square foot spaces that several respondents said are in high demand. Many respondents indicated there is strong interest in small spaces from start-ups, firms looking to open a first office in Northwest Arkansas, and some entreprenuers wanting to move to an office after starting their business at home. Medical office, which has seen tremendous expansion in the past couple of years, was expected to have very solid long run growth potential. Another sign of strength in the office market, according to respondents, is the number of inquires from out of state and international investors with financial capital chasing real capital investment opportunities.

In addition to concerns about firms demanding less space due to the acceleration of remote work, some panelists felt that consolidation of offices around Northwest Arkansas and mergers and acquisitions might lead to less office space demand. Even though most respondents felt there was strong leasing interest, two potential future concerns were discussed. Few panelists think there is more office sublease space than in the past and that might indicate future weakness in the office market. However, respondents did indicate there are a lot of backfill conversations going on so it might not be a problem. The second concern, held by some panelists, is that as leases come up for renewal, the “flight to quality” combined with possible corporate downsizing will lead to substantial increases in Class B office vacancy rates. All of these thoughts and concerns combined to make panelists very uncertain about the office market and one panelist said, “I just don’t have a good feel for the market for the first time in a very long time”.

The retail submarket garnered much optimism from respondents. They discussed strong demand for small (under 2,000 square feet) retail space, such as restaurants, hair and nail salons, small insurance and financial service offices, niche and boutique retail. Larger retail formats that have a “treasure hunt” aspect were also thought to have long run strength. The need for outdoor space, drive throughs, curbside pick up, and increased backroom space for deliveries were discussed as important strategies for retailers moving forward. Panelists are uncertain about how much the pandemic is going to permanently change retail shopping habits but they feel brick and mortar is going to remain important even as there is more online commerce. Several respondents talked about integrating more entertainment into shopping experiences, as well as adding living spaces to retail areas, a nod to “live work play” developments. Building new retail in popular locations still has many proponents. Additionally, some respondents are in favor of refurbishing older retail buildings in good locations, as that is more cost efficient.

The most positive discussions revolved around all types of warehouse space. Panelists reported extremely busy leasing activity for existing space as well as increasing demand for new warehouse and flex warehouse space. The growing population of Northwest Arkansas, as well as changes in shopping, lead to more last mile space demand.. Further, respondents said the mindset against having to pay higher lease rates for warehouse space in Northwest Arkansas was changing and that will lead to increasing construction. The warehouse market, in addition to the office market, is benefiting from the synergies in the logistics market brought about by having Walmart, J.B. Hunt, Tyson Foods and the University of Arkansas’s supply chain and logistics programs in Northwest Arkansas.

Multifamily development remains strong according to panelists. The regions continued population growth coupled with low vacancy rates make Northwest Arkansas an attractive location to build in, and an attractive investment opportunity for regional, national, and even international financial capital. Some panelists expressed concerns about specific multifamily areas becoming over built such as the student housing market in Fayetteville, and the Pinnacle area, at least in the next couple of years. Another concern, shared among all developers, is that as construction costs push lease rates higher it might impact leasing and lead to increased vacancy.

Cost concerns and supply chain concerns were at the forefront of discussions with residential developers. Materials and finish out items keep increasing in cost and they reported facing ever growing time delays which also cost money. These panelists are also concerned about the higher costs of construction as well as higher land costs at some point pricing out a large number of potential home buyers in Northwest Arkansas. In the short run, however, panelists report extremely strong demand for single family residences. When asked to descibe the demand, they talked about an increasing number of people moving into Northwest Arkansas from states with much more expensive residential markets, first time home buyers in their late twenties and early thirties who are moving out of apartments, and members of the vendor community who have been in the area for several years and are now purchasing homes. Some builders reported they are no longer signing contracts for new homes until much closer to delivery dates as construction costs are increasing so rapidly. The issue of workforce housing was discussed and panelists felt that the best way local governments could help is by easing zoning requirements and using form based codes, and making it easier and faster to get developments through city governments.

Uncertainty and concern for the rest of 2021 and into early 2022 remain, specifically the threat of a new Covid-19 surge, but respondents remain strong in their belief for a very bright future for Northwest Arkansas. Universally they continue to feel the rate of growth will accelerate beyond the rapid prepandemic levels by the end of 2022. Panelists stressed that

Commercial Market Trends
Local Perceptions

Northwest Arkansas is on the national radar across the board and as one panelist said, “recruiting is no longer a problem.” One concern across the commercial, multifamily, and residential markets was the timing of any increase in the interest rates. Panelists point to the broad regional investments in amenities and education made by Walmart and the Waltons, the growth of Tyson and JB Hunt over the past year, as well as the perception that the Tyson and Hunt families are increasing their investments in regional amenities.

Positive Factors:

- Continued population growth in the MSA
- Construction of the new Walmart Home Office
- Growth of existing businesses creating demand for new Class A office space
- Demand for Class A office space to attract talent to Northwest Arkansas
- Growth in the healthcare sector creating demand for new Medical Office space
- Development of mixed use live-work-play communities
- High income families moving to downtown Bentonville and Pinnacle Hills
- Leveraging the trail system as a selling point for commercial space
- Continuing creation of amenities for various age groups in Northwest Arkansas:
- Bike Trails, Skate parks, Museums, Music Venues, City Parks
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

Negative Factors:

- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Lease rate increases outpacing small firm’s ability to pay
- Shift to flexible work-stations and remote work leading to less office demand
- Future increase in Class B office space vacancy rates
- Future increase in retail vacancy rates
- Over building in the Pinnacle Hills office and multifamily markets
- Overbuilding of the student housing market around the University of Arkansas
- Increased regulations on development
- Infrastructure costs

Report Structure
Commercial Market Analysis

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 3) are also filtered from the base of commercial properties considered. As a second source of data, building permit information is collected from the relevant divisions in Northwest Arkansas city governments. Finally, availability, lease rates, and other characteristics of competitive commercial properties are obtained from a panel of the largest commercial property owners and managers in Northwest Arkansas. Each of the three types of information that is collected gives a unique but critical perspective of the local commercial property market. Without understanding what the universe of commercial properties looks like at the beginning of a period, the scale of available space for lease is meaningless. Likewise, the data that come from building permits paint a picture of what market additions are imminent. Only after setting the stage with these two perspectives do vacancy rates and market absorption numbers have real value.

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

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

After the summary of local perceptions, the first half of 2021 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 234 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 both the first half of 2020 and the second half of 2020, in addition to the first half of 2021. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

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

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

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

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 2021, 234 panelists provided data on 2,261 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 2,261 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.

Interpretation
Vacancy and Space

Classification

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.

Categories

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;

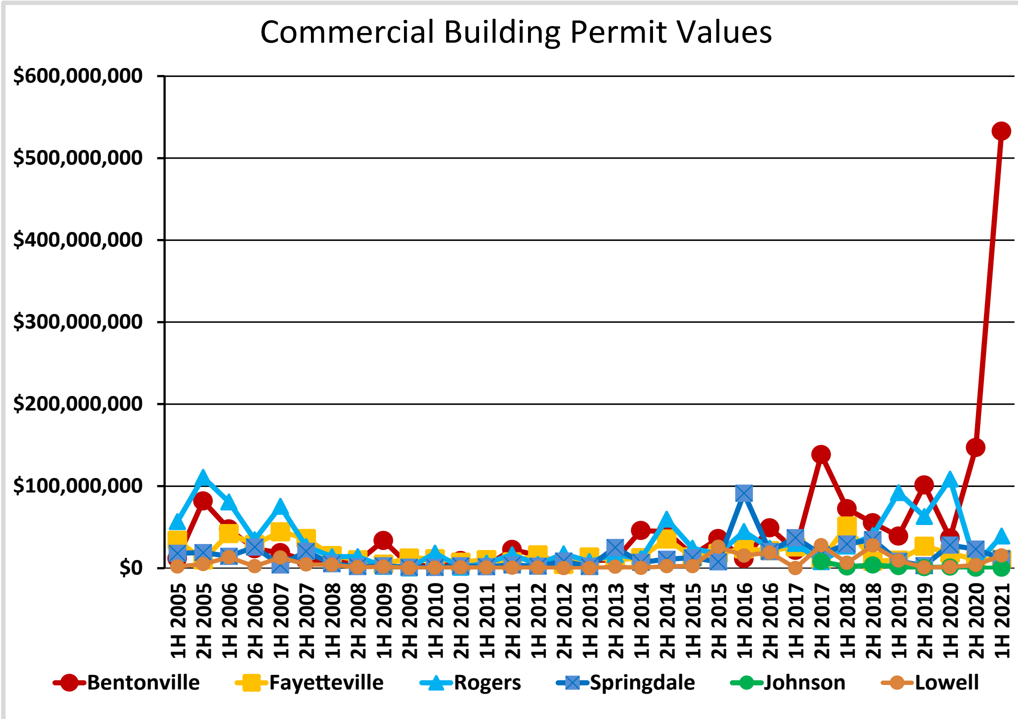
Retail/Warehouse-space where goods and services can be offered, sold, and stored;

Warehouse-space where goods can be stored until distributed.

Further, analysts at the Center for Business and Economic Research have classified individual office, office/ retail, retail buildings, and warehouse into three categories: Class A, Class B, and Class C. A description of the methodology used to classify buildings is included at the end of this report. Class A space is the highest quality space available in the Northwest Arkansas market. Class B properties encompass a wide range of spaces, which have lease rates that cluster around the market average. Finally, Class C space describes properties that have sub-average lease rates and amenities.

Commercial Market Trends
Inventory and 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, 2021, $647.1 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 2021, over $88.3 million in commercial building permits were issued. In the second quarter, over $558.6 million in building permits were issued. In the first half of 2021, Bentonville had the greatest share of building permit value with 82.3 percent. Rogers followed with 6.1 percent, then Siloam Springs with 5.8 percent. Lowell, Springdale, Fayetteville, and Johnson accounted for 2.4, 1.8, 1.7, and 0.0 percent, respectively.

City	Industrial[1]	Office[1]	Retail[1]	Warehouse[1]	Total[1]	Total Square Feet[1] (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	144,924	242,600	90,964	453,243	427,415	94.3%
Bentonville	41,700	4,565,361	1,193,345	2,513,352	8,313,758	8,343,419	100.4%
Fayetteville	1,100,829	3,489,134	4,392,240	2,305,170	11,287,373	11,287,813	100.0%
Johnson	--	337,790	115,189	112,664	565,643	535,698	94.7%
Lowell	143,950	383,318	197,808	1,490,378	2,215,454	2,204,151	99.5%
Rogers	1,124,192	3,342,676	4,565,563	2,985,016	12,017,447	12,152,573	101.1%
Siloam Springs	353,242	277,983	855,146	616,300	2,102,671	1,842,929	87.6%
Springdale	1,902,597	1,575,366	2,411,549	4,605,835	10,495,347	10,236,167	97.5%
Rogers	1,088,888	3,169,587	4,504,045	2,940,016	11,702,536	11,892,944	101.6%
Northwest Arkansas	4,666,510	14,116,552	13,973,440	14,719,679	47,450,936	47,030,165	99.1%

[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 page 34 of this report.
[2]Source: Panel of 234 large Northwest Arkansas commercial property owners and managers.

Commercial Market Trends
Inventory and Building Permits

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

Commercial Market Trends

Building Permits By City

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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

Commercial Market Trends
New Announced Projects

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

Following the announced properties table is a list of the existing hotel properties in Northwest Arkansas, detailed by city. In the first half of 2021, there were 6,675 standard rooms and 2,454 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,952, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Even with the pandemic, respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not quite ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of June 30, 2021. For the second half of 2020, the Skyline Report covered 100.1 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others and some cities have longer delays reporting new construction to the respective counties.

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Mercy Clinic	Bella Vista	Mercy Health Systems	Medical	4-6,000	Conceptual
Phat Tire	Bella Vista	Tim Robinson	Retail	14,900	Conceptual
Public Safety Building	Bella Vista	City of Bella Vista	Government Office	46,374	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
305 Main Street	Bentonville	Chip Chambers	Office	15,000	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
3rd and G	Bentonville	Jake Newell	Commercial	3,000	January 2022
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	2021
Ark Academy, The	Bentonville	Gary R Stearman Trust	School	13,934	Done
Arvest Bank-SW Regional Airport	Bentonville	Arvest Bank	Bank	2,780	Done
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual
Bentonville Animal Services	Bentonville	City of Bentonville	Animal Shelter	6,500	Summer 2022
Bentonville Eye Clinic	Bentonville	Drs. Jeff Coats and Derrick Pierce	Medical Office	7,400	Late 2021
Bentonville Merchant North-Central	Bentonville		Office		Conceptual
Bentonville Merchant South-Central	Bentonville		Office		Conceptual
Best Friends Animal Center	Bentonville	Best Friends Animal Society	Animal Shelter	12,000	Summer 2022
Best Joy Office on J	Bentonville	Best Joy LLC	Office	7,000	Conceptual
Brick Avenue Commercial	Bentonville	SREG	Commercial	100,000	Delayed
Cadence Group-Central	Bentonville	Cadence Group	Office		Conceptual
Center City Parking Garage	Bentonville	Josh Kyles	Parking Garage		Spring 2022
Circle K Convience Store	Bentonville	Bluefin Development, Jared Coleman	Retail	3,500	2021
City U	Bentonville	Blue Crane	Commercial	5,000	Conceptual
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	Conceptual
Crossmar Supplier Park IV	Bentonville	Cross Mar and Glass Investments	Warehouse	260,000	2021
Crossmar Supplier Park V	Bentonville	Cross Mar and Glass Investments	Warehouse	200,000	Conceptual
Crossmar Supplier Park VI	Bentonville	Cross Mar and Glass Investments	Warehouse	200,000	Conceptual
Crystal Bridges Expansion	Bentonville	Walton Family Foundation	Museum	100,000	2024
Crystal Bridges Parking Deck	Bentonville	Walton Family Foundation	Parking Garage	309,000	Fall 2022
Crystal Flats, Phase I	Bentonville	Blue Crane	Commercial	15,382	August 2021
Discount Tire	Bentonville	Kinetic Design	Retail	8,192	Late 2021
Discovery Storage	Bentonville		Mini Storage		Done
District at SW 4th and C	Bentonville		Commercial		Conceptual
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Fellowship Bible Church	Bentonville	Fellowship Bible Church	Church	73,000	Done
Fountain Plaza	Bentonville	Fleeman Family, David Erstine	Office	65,000	Conceptual
Goddard School	Bentonville	Travis and Leila Burkert	School	10,000	Fall 2021
Heartland Park Mixed Use	Bentonville	Zachary Wood	Mixed Use		Conceptual
Hwy 72 Warehouse	Bentonville	Matt Ahart, NAI Capstone	Office/ Warehouse	30,000	Conceptual
Intuitive Clinic	Bentonville	Seavest Healthcare	Medical Office	11,000	2021
JTK Development I	Bentonville	JTK Development	Commercial	12,000	Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
JTK Development II	Bentonville	JTK Development	Office/ Warehouse	9,000	Conceptual
Junk Brands	Bentonville	Beau Barrett and Paul Mahan	Offce/ Manufacturing	34,000	Conceptual
KCG BV Veterinary Clinic	Bentonville	KCG BV LLC, Kelsey Kreher	Medical Office		Conceptual
Lamplighter Development-The Hancock	Bentonville	Todd Renfrew and Patrick Sbarra	Commercial		Conceptual
Ledger Parking Deck	Bentonville	Josh Kyles	Parking Garage		Spring 2022
Ledger, The	Bentonville	Josh Kyles	Office	228,000	Spring 2022
Link I, II, III, The	Bentonville	Walton Family Foundation; U of A	Office	15,000	December 2021
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Living Tree Pediatric Care	Bentonville	Drs Jeffrey Savage and Julie Tate	Medical Office	10,200	Late 2021
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Main Street Office	Bentonville	Sage Partners	Office	18,000	Conceptual
Momentary Parking Garage	Bentonville	Momentary	Parking Garage	71,272	Summer 2021
North Walton Development	Bentonville	Rich Grubbs	Retail	3,420	Delayed
North Walton Development II	Bentonville	Rich Grubbs	Retail	2,697	Delayed
North Walton Development III	Bentonville	Rich Grubbs	Retail	3,489	Delayed
Old Walmart Home Office	Bentonville	Walmart	Commercial		Conceptual
Parachuting Penguins	Bentonville		Commercial		Conceptual
Park Central Commercial	Bentonville	Jake Newell	Office/Retail	4,000	Summer 2021
Peleton Garage	Bentonville	Walton Enterprises	Commercial	8,385	Fall 2021
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	2022
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Public Works Maintenance Annex	Bentonville	City of Bentonville	Office/ Warehouse	12,789	Summer 2021
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Conceptual
Redbud 2- Restaurant	Bentonville	Alan Cole, Bradford Gaines	Retail		Conceptual
Redbud 3	Bentonville	Alan Cole, Bradford Gaines			Conceptual
Redbud 4-Strip Center	Bentonville	Alan Cole, Bradford Gaines	Retail	11,000	Conceptual
Redbud 5	Bentonville	Alan Cole, Bradford Gaines			Conceptual
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual

Commercial Market Trends

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
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville		Office	6,500	Conceptual
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Stagecoach Rose Strip Center	Bentonville	Rose Properties	Office/Retail	9,000	Done
Sterling Bank	Bentonville	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Strategy Systems Art Warehouse	Bentonville	Ed and Faith Cooley	Retail/ Warehouse	6,213	Summer 2021
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
Tar & DOK	Bentonville		Commercial		Conceptual
The Incubator Phase I	Bentonville	Terry Carson	Commercial	94,250	Conceptual
The Incubator Phase II	Bentonville	Terry Carson	Commercial	51,550	Conceptual
Tigerdogs Commercial	Bentonville	Mark Chambers	Office	12,500	Summer 2021
Vernetti Law Group Office-Central	Bentonville	Vernetti Law Group	Office		Conceptual
Versalab Offices	Bentonville		Office		Conceptual
Vogel Commercial Development	Bentonville	Ross and Steve Vogel	Commercial	38,000	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
Walmart Utility Plant	Bentonville	Walmart	Industrial	27,000	2021
Westwood Development	Bentonville	Paul Esterer	Commercial		Conceptual
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	2023
Whole Health School of Medicine and Health Sciences	Bentonville	Alice Walton	Medical Office		Fall 2024
Elite Project	Centerton	Susan Gleghorn	Commercial	9,000	Summer 2021
Seavest Medical	Centerton	Seavest Healthcare Properties	Medical		Conceptual
Holland House Storage Facility	Farmington	Holland House Holdings	Mini Storage	60,000	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	December 2022
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Benedict Plaza	Fayetteville	Dale Benedict	Commercial	160,000	2023
Black Forest Retail	Fayetteville	Clinton Bennett	Retail	17,301	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Blackhive Office	Fayetteville	Ryan Efurd, Kyle Naples	Office		Conceptual
Bolder Coffee Retail Development	Fayetteville	Tom Smith	Retail	5,075	Summer 2021
Buffington Homes Office	Fayetteville	Jake Helton	Office	5,000	Conceptual
Climb Fayetteville	Fayetteville	Lance Brock, Dennis Nelms, Drew Sloss	Retail	19,000	Delayed
Cosmic Cowboy Studio	Fayetteville	Benjamin Meade	Commercial		Conceptual
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	2022
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	2022
Drake Farms	Fayetteville	Highstreet	Commercial	20,000	Conceptual
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office I	Fayetteville	Neal Pendergraft, Highstreet	Office	19,000	Summer 2021
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Firestation	Fayetteville	City of Fayetteville	Firestation	7,322	2022
Flake-Kelley Office Building	Fayetteville	Matt Dearnley	Office	60,000	Conceptual
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Hanna Warehouse	Fayetteville	Burt and Thad Hanna	Warehouse	100,000	2022
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
JBHT Cancer Support Home	Fayetteville	WRMC	Medical	9,000	Done
JGBG Expansion	Fayetteville	MAG Capital Partners	Entertainment	10,921	Fall 2021
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Kum and Go	Fayetteville	Kum and Go	Retail	5,000	Conceptual
Live/Work Artist Space	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Material Testing Facility	Fayetteville	University of Arkansas	School	30,000	2021
Network Building	Fayetteville	Entegrity, Matt Bell, Chris Ladner and John Coleman	Office	27,000	Summer 2021
Pacific Vet Group Industrial	Fayetteville	Pacific Vet Group	Manufacturing		Conceptual
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual
Police Headquarters	Fayetteville	City of Fayetteville	Police HQ	82,630	2022
Poplar and Leverett Development	Fayetteville	Taite Coates and Tommy Kilbride	Commercial		Conceptual
Presidential Conversions Office	Fayetteville	John Wilson	Office	12,000	Conceptual
Prism Education Center Expansion	Fayetteville	Misty Newcomb	School	5,000	Conceptual
Razorback Golf Course Development	Fayetteville	Craig and Laura Underwood	Commercial		Conceptual
Sanctuary at SoFay	Fayetteville	Andy Davis, Garrison Roddey, Eric Greer	Mixed Use	32,000	Summer 2022
Shoppes at Salem	Fayetteville	Melissa Sims	Office/Retail	15,120	Summer 2021
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
Sterling Bank	Fayetteville	Sterling Bankshares Inc.	Bank	16,000	November 2021
Student Success Center	Fayetteville	University of Arkansas	School	71,000	Early 2022
Vantage Drive Office Park Building III	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Vantage Drive Office Park Buildings IV	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Victory Commons	Fayetteville	Tracy Hoskins and Allied Bank	Commercial		Conceptual
Village Creek Medical	Fayetteville	Eric Boen and Jeff Kemp	Medical	7,800	Conceptual
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
West Van Asche Development	Fayetteville	Tom Terminella	Commercial		Conceptual
Whiterock Financial	Fayetteville	Clay Morton	Office	6,225	Summer 2021
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
Windgate Studio and Design Center	Fayetteville	University of Arkansas	School	154,600	Summer 2022
World Domination Building	Fayetteville	Sammie Stephenson	Commercial	9,000	Conceptual
Crye-Leike Office	Gentry	Crye-Leike Realtors	Office		Conceptual
Grand Savings Bank	Gentry	Grand Savings Bank	Bank		Summer 2021
Merchant Brands Warehouse	Gravette	Jackson Bird	Warehouse	30,000	Conceptual
XNA Expansion	Highfill	XNA	Concourse	75,000	Conceptual
Johnson Square	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Commercial	50,000	Conceptual
Johnson Square Medical Office	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Medical Office	21,000	Late 2021
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Centergate, Building II	Lowell	IDO Arkansas, Robert Stephens; Sage Partners	Retail/ Warehouse	100,000	Spring 2022

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Grant Parkway Medical Center	Lowell	Justin Ferguson, John Kushniroff, Tim Oelke	Medical Office	10,890	Winter 2021
Indendence Plaza-CRI	Lowell	Scott Dillard, David Erstine	Office	50,000	Fall 2021
Independence Plaza Office	Lowell	Scott Dillard, David Erstine	Office	75,000	Fall 2022
Independence Plaza Retail	Lowell	Scott Dillard, David Erstine	Retail	14,000	Fall 2023
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
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
The BoxMaker	Lowell	Richard Brown, Tim Oelke	Manufacturing	60,000	Fall 2021
The Boxmaker Production	Lowell	Richard Brown, Tim Oelke	Manufacturing	60,000	2022
TZZ Event Center	Lowell	TZZ Event Center	Commercial		Conceptual
Planetarium	NWA	Katherine Auld	Museum	120,000	Conceptual
Solve For Food Innovation Lab	NWA	Keith Larson, Greg Spragg	Lab	20,000	Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
Plaza Tire Center	Pea Ridge	Barry Williams	Retail		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
Beaty Office Park II	Rogers	Lance Beaty	Office	15,000	Conceptual
Beaty Office Park III	Rogers	Lance Beaty	Office	7,500	Conceptual
Beaty Office Park IV	Rogers	Lance Beaty	Office	5,000	Conceptual
Bellview Urban Center O/R	Rogers	Alex Blass	Office/Retail	30,000	Done
Bost Expansion	Rogers	Bost Inc., Katie Raines	Mixed Use	9,260	Done
Caliber Collision	Rogers	Caliber Collison, Bill Watkins	Commercial		Conceptual
Caseys General Store	Rogers	Casey's	Retail		Conceptual
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Culver's Retail Center	Rogers	Alan Cole	Retail	7,810	Summer 2021
District at Pinnacle Hills IV	Rogers	Whisenvest	Office	44,900	Conceptual
District at Pinnacle Hills Office III	Rogers	Whisenvest	Office	41,396	Done
District at Pinnacle Hills Retail III	Rogers	Whisenvest	Retail	25,000	Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Dolle Redevelopment	Rogers	Dolle	Office/ Warehouse	7,500	Conceptual
Eight and Willow Commercial Development	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Everett Volkswagon	Rogers	Everett Auto Group	Retail	24,000	Late 2021
Family Mini Storage	Rogers		Mini Storage	32,030	Conceptual
First Baptist Church Expansion	Rogers	First Baptist Church	Church	18,000	Conceptual
Founders Plaza	Rogers	Hunt Ventures	Office	117,773	Done
Founders Plaza Garage	Rogers	Hunt Ventures	Parking Garage	469,200	Done
Gateway Plaza	Rogers	Flake-Kelley	Commercial	39,600	Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Highlands Oncology II-Park Plaza	Rogers	Kathey Rhoads	Medical Office		Conceptual
Hi-Tea	Rogers		Commercial	4,500	Conceptual
Hounds Lounge Pet Resort and Spa.	Rogers	Hounds Lounge	Commercial		Conceptual
Hudson Station	Rogers	Matt Ahart, NAI Capstone	Office/ Warehouse	28,000	Conceptual
Hunt Ventures Medical Office	Rogers	Hunt Ventures	Medical Office	47,700	2021
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
Jonesboro Prosthetic & Orthotic Laboratory	Rogers	Haag Brown Development, JPO	Medical Office	12,074	Fall 2021
KD3	Rogers		Office	4,800	Conceptual
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
LISA Academy	Rogers	Kathy L Smith	School	45,000	Fall 2022
Live/Work Artist Space	Rogers	Walton Family Foundation	Commercial		Conceptual
Luther Auto Dealership	Rogers	Luther Auto Group	Commercial		Conceptual
Magnolia Dog Grooming	Rogers	Magnolia Dog Grooming	Commercial	8,500	Conceptual
Magnolia Farms Campus	Rogers	Margaret Molleston and Hunter Haynes	Commercial	135,000	Delayed
Magnolia Place Alzheimers Care	Rogers	JEA Senior Living	Medical Office	34,556	Conceptual
Med Express	Rogers		Medical		Conceptual
Metal Roofing Sales	Rogers	Metal Roofing Sales	Industrial	30,400	Conceptual
Mill Creek Manor Office	Rogers	Mill Creek Manor	Medical	4,300	Conceptual
Mills Farm Development	Rogers	Lance Beaty	Commercial		Conceptual
New Hope Plaza	Rogers	Tim Salmonson	Retail	23,000	Conceptual
Nolan Caddell Reynolds Office	Rogers	Nolan Caddell Reynolds	Office		Conceptual
Northgate II	Rogers	Hunt Ventures	Office	57,000	Fall 2021
Northwest Arkansas Classical Academy	Rogers	Responsive Education Solutions	School	55,196	Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Regional Animal Hospital	Rogers	NWA Regional Animal Hospital	Office	21,432	Conceptual
Olrich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Delayed
One Uptown Parking Deck	Rogers	Laurice Hachem and Bobby Ehardt	Parking Garage	51,290	Conceptual
Pinnacle Grove	Rogers	Abby Development	Medical	74,000	Done
Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Retail	30,500	Done
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Delayed
Pinnacle Point Office Complex	Rogers	David Erstine	Office	40,000	Conceptual
Pinnacle Village I, Office	Rogers	Sam Alley, Alex Blass	Office	138,333	Conceptual
Pinnacle Village I, Retail	Rogers	Sam Alley, Alex Blass	Retail	27,667	Conceptual
Pinnacle Village II Office	Rogers	Sam Alley, Alex Blass	Office	160,000	Conceptual
Pinnacle Village II Retail	Rogers	Sam Alley, Alex Blass	Retail	75,000	Conceptual
Plaza at Pinnacle Hills	Rogers	Alan Cole, Steve Lane	Office		Conceptual
Pleasant Crossing Commercial	Rogers	Whisenvest	Commercial	20,047	Conceptual
Pleasant Crossing Retail Building	Rogers	Whisenvest	Retail	10,000	Conceptual
Police Dispatch Center	Rogers	City of Rogers	Office	10,400	2021
Potato Chip Factory	Rogers	Steven Straters	Commercial		Conceptual
Preformed Line Products Expansion	Rogers	PLP Co	Industrial	82,884	Conceptual
Price Lane Office	Rogers		Office	10,200	Conceptual
Rainbow Road Self Storage, Ph II	Rogers		Mini Storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Rent N Roll Tire Express	Rogers	Rent N Roll Tire Express	Retail/ Warehouse	7,422	Summer 2021
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street	Rogers	David Mancia	Office/Retail	7,600	Summer 2021
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Sixteen Ninety Nine C Store	Rogers	Sixteen Ninety Nine	Retail		Conceptual
Skyline 2	Rogers	Ed Belto	Office	54,000	Conceptual
Southern Storage mini-warehouses	Rogers	Southern Storage	Commercial		Delayed
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Sterling Bank	Rogers	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Stoney Brook Development	Rogers	Clinton Bennett	Commercial		Conceptual
Take 5 Oil	Rogers	Malek Elkhoury	Retail	1,800	Conceptual
The Fields at Pinnacle I B	Rogers	Chad and Monika Hatfield	Office		Conceptual
The Fields at Pinnacle I C	Rogers	Chad and Monika Hatfield	Office		Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
The Fields at Pinnacle I D	Rogers	Chad and Monika Hatfield	Office		Conceptual
The Fields at Pinnacle II	Rogers	Chad and Monika Hatfield	Commercial		Conceptual
The Source	Rogers	Aaron Crawley, Erik Danielson	Retail	16,350	Late 2021
Transplace	Rogers	Steve Cawley	Office	148,200	Done
Tri-State Optical	Rogers	Daniel Landis	Medical		Conceptual
True-Self Recovery	Rogers	Tru-Self Recovery	Office	2,500	Conceptual
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Unnamed Medical Office	Rogers	Flake Co	Medical	100,000	Conceptual
Uptown Square Retail	Rogers	S.C. Bodner	Retail	20,000	Done
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Venture Park I	Rogers	Todd Fleeman and David Erstine	Office	21,585	Conceptual
Venture Park II	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park III	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park IV	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park V	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
Walmart Neighborhood Market Expansion	Rogers	Walmart	Retail	7,000	Conceptual
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Atwoods	Sil Springs	Atwoods, Billy Barry	Retail	63,170	Conceptual
Barnett Warehouse	Sil Springs	Jonathan Barnett	Warehouse	67,950	Conceptual
Crye-Leike Office	Sil Springs	Crye-Leike Realtors	Office	6,500	Conceptual
Holly Street Crossing	Sil Springs	Ted Viala	Commercial		Conceptual
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	Conceptual
Pharmacy and Medical Office	Sil Springs	Lykins Leasing	Medical Office	18,040	Summer 2021
Progress Plaza Phase II	Sil Springs	Brown Cow LLC	Medical Office	11,250	Conceptual
Rock Hill Foods	Sil Springs	Rock Hill Foods	Warehouse	67,178	Conceptual
Simmon Expansion	Sil Springs	Simmons Foods	Industrial	90,000	Fall 2021
Airport Hanger 1	Springdale	Bill Adams	Commercial	10,000	Conceptual
Airport Hanger 2-4	Springdale	City of Springdale	Commercial	30,000	Conceptual
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	Conceptual
Apple Blossom Logistics	Springdale	Crossland Construction, Dean Eisma, Bill McClard	Warehouse	1,300,000	Conceptual
Arkansas Blue Cross/Blue Shield	Springdale	Arkansas Blue Cross/Blue Shield	Medical Office	81,000	Summer 2021
Arkansas Childrens Phase II	Springdale	Arkansas Children's Hospital	Medical		Conceptual

Commercial Market Trends
New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Caseys General Store	Springdale	Casey's	Retail		Conceptual
Caseys General Store	Springdale	Casey's	Retail	6,172	Done
Center for Childrens Health and Wellness	Springdale	C.L. George and Sons, Matt Brown	Medical Office	82,000	Fall 2021
Children Safety Center	Springdale	CSC, Inc, Elizabeth Shackelford	Office	15,200	Fall 2023
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Criminal Justice Facility	Springdale	City of Springdale	Office		Spring 2021
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
Fire Training Center	Springdale	City of Springdale	Training Center	9,200	Summer 2021
First State Bank	Springdale	First State Bank	Bank		Conceptual
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
H.C. Schmieding Office	Springdale	Chris Cryskiewicz	Office		Conceptual
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Margarita Place Phase 2	Springdale	David Mancia	Office/Retail	10-12,000	Summer 2021
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Monitor Warehouse	Springdale	RPH	Warehouse		Conceptual
Northwest Technical Institute Health Facility	Springdale	NTI	School	50,000	Conceptual
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/ Warehouse	9,600	Conceptual
On Time Logistics, Phase II	Springdale	On Time Logistics, Gerald Jones	Warehouse		Conceptual
Parkway Plaza I	Springdale	Sage Partners and Griffen Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	Lee Ward	Warehouse	80,000	Conceptual
Robinson Office/Warehouse	Springdale	Edwards Properties	Office/ Warehouse	16,800	Done
Sam's Furntiture	Springdale	Mathias Properties	Warehouse	40,050	Done
Southwest DTP Office Building	Springdale	Travis Ruff, SW DTP	Office	36,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Speedy Splash Car Wash-Butterfield Coach	Springdale	The McLain Group	Retail		Conceptual
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Commercial		Conceptual
Traveling Public	Springdale	Blue Crane	Commercial	68,575	Summer 2021
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS	Springdale	Sage Partners	Medical Office	185,000	Conceptual
UAMS Orthopedic and Sports Medicine Facility	Springdale	UAMS	Medical Office	185,000	Conceptual
Williams Tractor Freedom Power Sports	Springdale	Doug Williams	Retail	33,200	Fall 2021
Williams Tractor NHA and Bobcat	Springdale	Doug Williams	Retail	63,856	Fall 2021
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual
Admiral Plaza	Tontitown	Kirk Elsass	Retail	13,800	Summer 2021
Carevet Animal Clinic	Tontitown	Carevet	Animal Medical		Conceptual
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Commercial Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Washington County	Patrick Tobin	Commercial		Conceptual
Ball Metal Fabrication & Hot Rods	Washington County	Ball Metal Fabrication & Hot Rods	Office/Shop	8,000	Conceptual
Dollar General	Washington County	Dollar General	Retail	9,100	Conceptual
James Royal Storage Facility	West Washington County		Mini Storage	8,700	Conceptual
Local Ghost Distillery	West Washington County		Commercial		Conceptual

Commercial Market Trends

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
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
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
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
Courtyard by Marriot	Fayetteville	110	4
Dickson Street Inn	Fayetteville	8	2
Fairfield Inn and Suites	Fayetteville	50	44

Commercial Market Trends

Existing Hotels

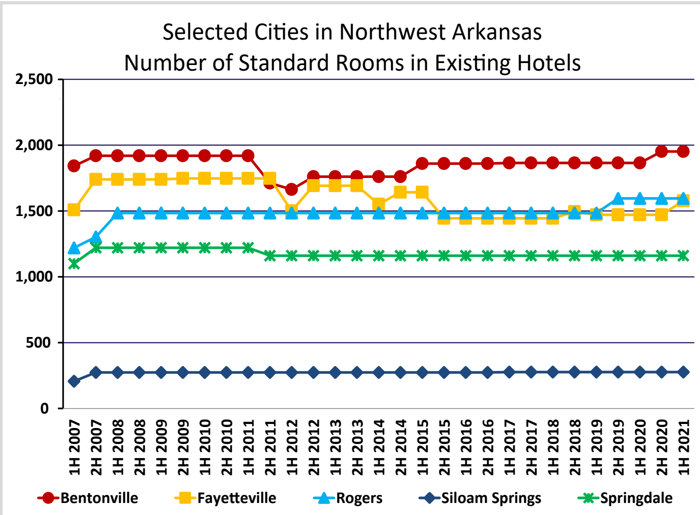
Property Name	City	Number of Standard Rooms	Number of Suites
Hampton Inn	Fayetteville	87	8
Hilton Garden Inn	Fayetteville	90	25
Holiday Inn Express	Fayetteville	77	33
Homewood Suites	Fayetteville	0	96
Hyatt Place-Steele	Fayetteville	106	1
Inn at Carnall Hall	Fayetteville	49	0
La Quinta Inn & Suites	Fayetteville	61	0
Motel 6	Fayetteville	98	0
Pratt Place Inn	Fayetteville	0	7
Quality Inn	Fayetteville	48	10
Red Roof Inns	Fayetteville	104	1
Regency 7 Motel	Fayetteville	29	3
Sleep Inn of Fayetteville	Fayetteville	62	0
Stay Inn Style	Fayetteville	6	0
Staybridge Suites	Fayetteville	0	109
Super 8 Motel	Fayetteville	83	0
The Chancellor Hotel	Fayetteville	191	17
Value Place Hotel	Fayetteville	121	0
Inn At the Mill	Johnson	54	8
Marriot Townplace	Johnson	0	94
Ramada Inn Lowell	Lowell	51	0
Colonial Motel	Prairie Grove	8	0
Aloft	Rogers	130	1
Best Value Inn & Suites	Rogers	127	0
Candlewood Suites	Rogers	118	12
Country Inn & Suites	Rogers	68	42
Courtyard by Marriot	Rogers	111	11
Embassy Suites	Rogers	0	400
Fairfield Inn Rogers	Rogers	99	0
Guest Inn	Rogers	42	0
Hampton Inn	Rogers	122	0
Hartland Lodge	Rogers	28	0
Holiday Inn	Rogers	0	127
Homewood Suites	Rogers	126	83
Hyatt Place	Rogers	104	0
Mainstay Suites	Rogers	0	99
Microtel	Rogers	52	0
Ranch-O-Tel Motel	Rogers	21	0
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0

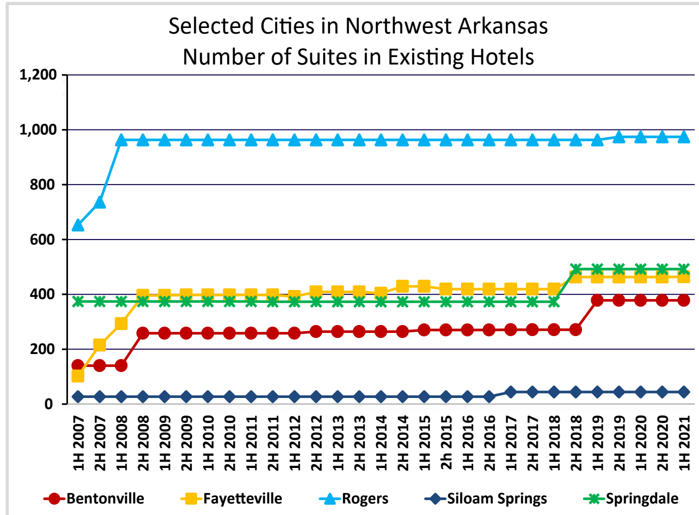
Commercial Market Trends
Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	0
Town & Country Inn	Rogers	86	1
Travelers Inn	Rogers	82	0
Best Value	Siloam Springs	19	26
Hampton Inn	Siloam Springs	66	0
Hereford Motel	Siloam Springs	10	0
Holiday Inn Express Hotel & Suites	Siloam Springs	62	18
Stone Inn's	Siloam Springs	43	0
Super 7 Inn	Siloam Springs	46	0
Super 8 Motel	Siloam Springs	30	0
Best Rest	Springdale	100	17
Comfort Suites Springdale	Springdale	0	69
DoubleTree Club Hotel of Springdale	Springdale	74	11
Executive Inn	Springdale	90	0
Extended Stayamerica	Springdale	101	0
Fairfield Inn and Suites	Springdale	40	34
Hampton Inn & Suites	Springdale	67	35
Hartland Lodge	Springdale	29	0
Hartland Motel	Springdale	29	0
Hill Top Inn	Springdale	30	0
Holiday Inn	Springdale	180	26
Home 2 Suites by Hilton	Springdale	0	119
Journey's Inn	Springdale	30	0
Laquinta Inn & Suites	Springdale	88	12
Magnolia Gardens Inn (B&B)	Springdale	10	0
Motel 8	Springdale	30	0
Residence Inn	Springdale	0	72
Scottish Inns	Springdale	33	24
Sleep Inn & Suites	Springdale	0	72
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
Northwest Arkansas Total		6,675	2,454

Commercial Market Trends

Existing Hotels





Commercial Market Trends
New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Conceptual
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Late 2022
Home 2 Suites by Hilton	Bentonville	Narry Krushiker	124	Underconstruction
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	100-200	2022
Avid Hotel	Fayetteville	IHG	82	Underconstruction
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Pratt Place Inn Expansion	Fayetteville	SREG	97	Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Exit 69 Hotel	Johnson	Matt Dearnley		Conceptual
Independence Plaza	Lowell	Scott Dillard, IHG		Conceptual
District at Pinnacle	Rogers	Whisenvest		Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Tru Hotel	Rogers	Shailesh Gopal		Conceptual
Magnolia Farms Hotel	Rogers	Hunter Haynes		Conceptual
Pinnacle Boutique Hotel	Rogers	John Schmelzle		Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Tapestry Boutique Hotel	Rogers	Jonelle Hunt, Andrew and David Burnett	120-140	2022
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual
Holiday Inn Express	Springdale	Vipulkumar Patel		Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual
Railyard Overlook	Rogers		7	Conceptual

Commercial Market Trends
New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Firehouse Subs	Bella Vista	Clinton Bennett	Conceptual
Angus Jack	Benton County	Ian and Jean Cairns	Conceptual
Unnamed Restaurant and Winery	Benton County	CEI Engineering	Conceptual
7Brew-14th	Bentonville		Done
ArkanSeoul	Bentonville	Matt Sitton	Done
Azul Tequila on the Square	Bentonville	Ricky Cortes	Fall 2021
Bentonville Taco & Tamale Co.	Bentonville	Scott McGehee, Yellow Rocket	Fall 2021
Butcher and Pint	Bentonville	Rob Nelson	Delayed
Crumbl Cookies	Bentonville		Done
Crystal Flats Restaurant	Bentonville	Cindy Springs, LLC	Conceptual
Dickey’s Barbecue Pit	Bentonville	Jared Thompson	Delayed
Frida's California Grill	Bentonville		Delayed
Fruitilicious	Bentonville	Matt Sitton	Done
Hellion Restaurant, Bar and Taproom	Bentonville	Michael LaSalata	Conceptual
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
Motto Hilton Restaurant	Bentonville	Osage Hospitality	Late 2022
Muse Restaurant	Bentonville	Rose	Summer 2021
Old Home Office Property	Bentonville	Walmart	Conceptual
Popup Drink	Bentonville		Conceptual
Sunny's	Bentonville	Ropeswing	Summer 2021
U.S. Pizza	Bentonville	Esther and Hunter McClellan, Don Henderson	Delayed
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
KFC	Centerton	Plaza Street Partners, Alan Cole	Done
Center Street Café	Elkins		Done
G's Meaty Buns	Elkins		Done
Tequila Grill	Elkins		Done
Starbucks	Farmington	Jordan Jeter and Hank Kelley	Done
Wendy's	Farmington	Jordan Jeter and Hank Kelley	Done
7 Brew-College	Fayetteville	John Davidson	Summer 2021
Apple Blossom Brewing	Fayetteville	Anthony Trammell	Done
Auntie Anne’s and Rocky Mountain Chocolate Factory	Fayetteville	Mary Jacobs	Done
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Bolder Coffee-College	Fayetteville		Delayed
Bolder Coffee-Crossover	Fayetteville	Tom Smith	Delayed
Buttered Biscuit	Fayetteville	Anna and Sam Russell	Summer 2021
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Cheba Hut 1	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Delayed

Commercial Market Trends
New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Cheba Hut 2	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Delayed
Chuy's	Fayetteville	Mike Young and John Zapp	Conceptual
Citizen, The	Fayetteville	L. Coleman, K. McCorquodale, W. Wood	Delayed
Former Hog Haus Building	Fayetteville	Mark King	Conceptual
Heaven's Tacos	Fayetteville		Done
JJ's Live	Fayetteville	MAG Capital Partners, J. and M. Thornton	Summer 2021
King Burrito-College	Fayetteville	Manny Fernandez	Done
Lift Coffee Bar-Uptown	Fayetteville	Lift Coffee Bar	Done
Locals Drive Thru Coffee	Fayetteville	Daniel Keene	Done
LongHorn Steakhouse	Fayetteville	Darden Restaurants	Fall 2021
MJ's Bistro	Fayetteville	Miles James	Delayed
Mo Tacos and Churros	Fayetteville		Done
Mojo's Pints and Pies	Fayetteville	Cley McCoy	Done
Mr Taco Loco-MLK	Fayetteville	Mr Taco Loco	Done
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Plomo Quesadillas	Fayetteville	Omar Kasim	Done
Swoon Juice Bar	Fayetteville	Nicki and Roman Villasana	Done
TJ's Sandwich Shop	Fayetteville	Nikki and Todd Golden	July 2021
Tropical Smoothie-MLK	Fayetteville		Done
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Unnamed Restaurant on Crossover	Fayetteville	The McClain Group	Conceptual
Wake & Bake	Fayetteville	Nomad's Ownership	Done
Walk On's	Fayetteville	Chris McJunkin	Fall 2021
McDonalds	Gravette	K-Mac Inc	Conceptual
Subway	Gravette		Done
Super Donuts	Gravette		Done
Taco Bell	Gravette		Done
Onyx Johnson Square	Johnson	Highstreet	Conceptual
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Lowell Historical Museum Café	Lowell	City of Lowell	Delayed
Starbucks	Lowell	Haag Brown	Late 2021
Wendy's	Lowell	Wendy's	Conceptual
Yellow Rocket Concepts BBQ	NW 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
8th Street Restaurant	Rogers	David Mancia	Conceptual
Breakfast Lunch Restaurant	Rogers	Hunt Ventures, Sage Partners, Urban7	Summer 2021
Coffee Shop-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban6	Summer 2021
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Summer 2021

Commercial Market Trends
New and Announced Restaurants

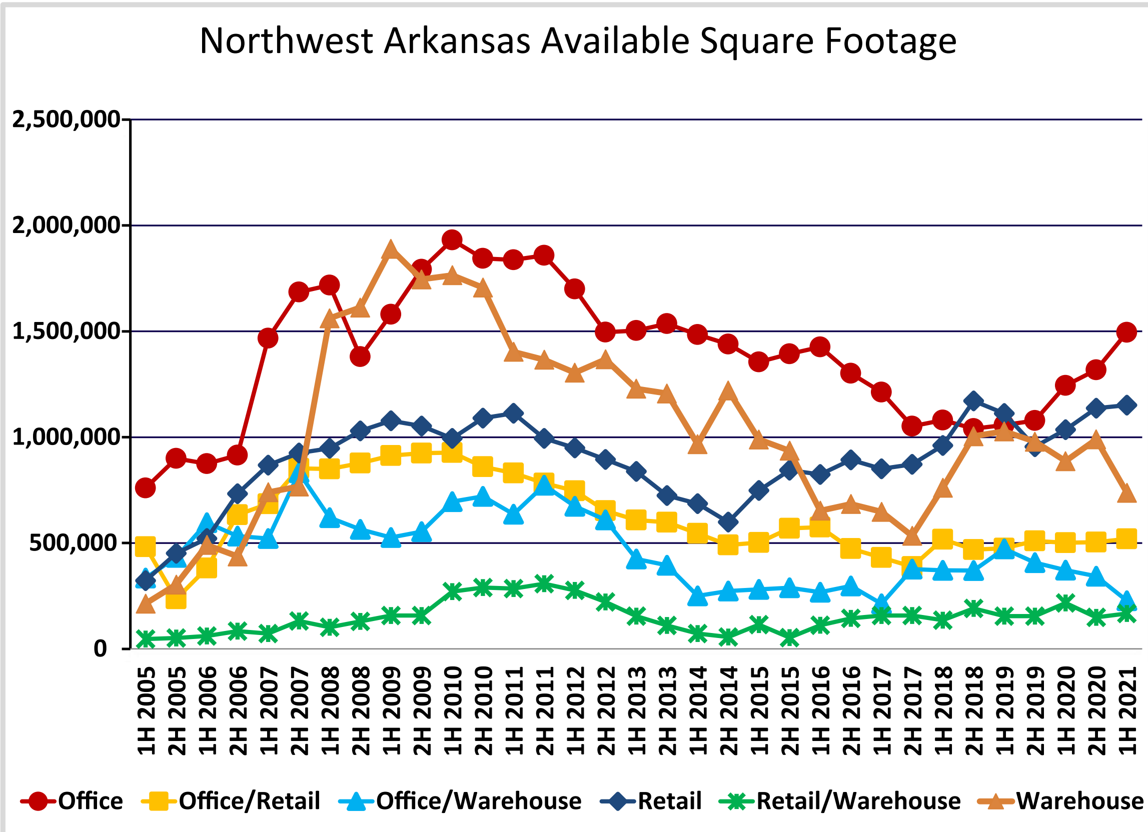
Restaurant	City	Owner	Expected Completion
Culver's Restaurant	Rogers	Culver's; Alan Cole	Summer 2021
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
King Burrito-Pleasant Crossing	Rogers	Manny Fernandez	Done
Lang's Asian Fusion	Rogers	Lang & Sokha Tang, Nathan & Anna Chhour	Done
McClard's Bar-B-Que	Rogers	Hunt Ventures, Hunter Thomason, Gus Blass	Done
One Uptown Restaurants	Rogers	Hachem Investments	Conceptual
Pinncle Village Restaurants	Rogers	Alex Blass	Conceptual
Rendevous Junction Restaurant	Rogers	Alex Blass	Conceptual
Shake's Frozen Custard	Rogers	Shake's Frozen Custard	Fall 2021
Texas Roadhouse	Rogers	Texas Roadhouse	Conceptual
U.S. Pizza	Rogers	Esther and Hunter McClellan, Don Henderson	Delayed
7 Brew	Siloam Springs	Ron Crume	Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Eat My Catfish	Siloam Springs	Scott Hill	Done
Flying Burger and Seafood	Siloam Springs	McClain Group	Delayed
La Chele #2	Siloam Springs		Done
Tintos & Tapas	Siloam Springs		Done
All American Steakhouse	Springdale	Mark Bazyk	Conceptual
Bauhaus Beirgarten-Downtown	Springdale	Daniel Hintz, Jennifer Hill Booker	Late 2021
Boardwalk Food Truck Court	Springdale		Summer 2021
Burger King	Springdale	L.W. Clark, Inc	Conceptual
Chik-fil-A-The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Early 2022
Con Quesos-Downtown	Springdale		Conceptual
El Escondite	Springdale	El Escondite	Done
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Jersey Mikes-Har-Ber Meadows	Springdale		Done
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Revival-Downtown	Springdale		Conceptual
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
Starbucks-Thompson	Springdale	Starbucks, Merry Lee Phillips Revocable Trust	September 2021
Stone Mill	Springdale	Stone Mill Bread Co	Done
Taqueria Taranda	Springdale		Done
The Crossings Restaurant	Springdale	Alan Cole	Conceptual
Traveling Public Restaurant 1	Springdale	Blue Crane	Fall 2021
Traveling Public Restaurant 2	Springdale	Blue Crane	Fall 2021
Dairy Queen	Tontitown	Aimee and Terry Sims	Conceptual
Mana Cabana Taqueria	Tontitown		Done

Closed Restaurants

Restaurant	City	Date Closed
Atlanta Bread Company	Fayetteville	July 2020
Carrabas Italian Grill	Rogers	July 2020
Fork and Crust	Fayetteville	July 2020
Meez and Kini	Fayetteville	July 2020
Mickey Finn's	Fayetteville	July 2020
Sauced	Fayetteville	July 2020
Zoes Kitchen	Fayetteville	July 2020
Eureka Pizza-MLK	Fayetteville	August 2020
Penguin Ed's Wedington	Fayetteville	August 2020
Thai Wok	Fayetteville	August 2020
Pizza Hut-College	Fayetteville	September 2020
Chik-fil-A Mall	Fayetteville	October 2020
Green Submarine-Wedington	Fayetteville	October 2020
Wendys-College	Fayetteville	October 2020
Hammontree's	Rogers	October 2020
KFC-College	Fayetteville	November 2020
Mama Carmen's	Fayetteville	November 2020
Miss Saigon Pho	Bentonville	December 2020
Shakes Frozen Custard	Rogers	December 2020
Kya Chocolate	Bentonville	January 2021
Whichwhich	Bentonville	May 2021
Bocca	Rogers	May 2021
Pho 85 Noodles	Rogers	June 2021

Commercial Market Trends

Space and Absorption by Submarket

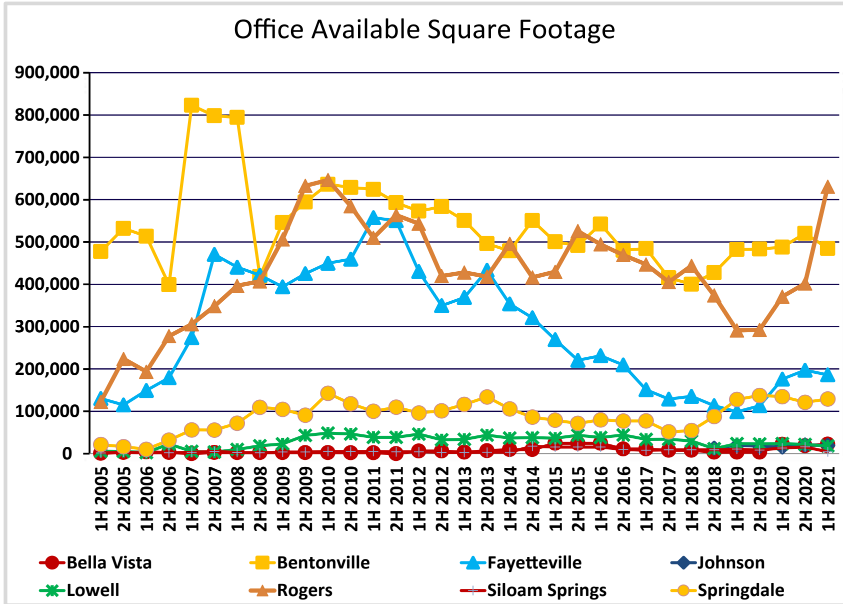


Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	3,300	-8,466	101	3,600
Bentonville	55,037	-18,804	-42,291	44,000
Fayetteville	-6,649	4,417	52,139	10,000
Johnson	-1,864	-500	0	-4,000
Lowell	5,346	2,880	6,300	67,692
Rogers	-259,238	26,766	-82,645	-19,710
Siloam Springs	8,900	-22,409	4,341	240,589
Springdale	18,102	22,980	34,136	89,506
Northwest Arkansas	-177,066	6,864	-27,919	431,677

Commercial Market Trends

Office Vacancy and Space

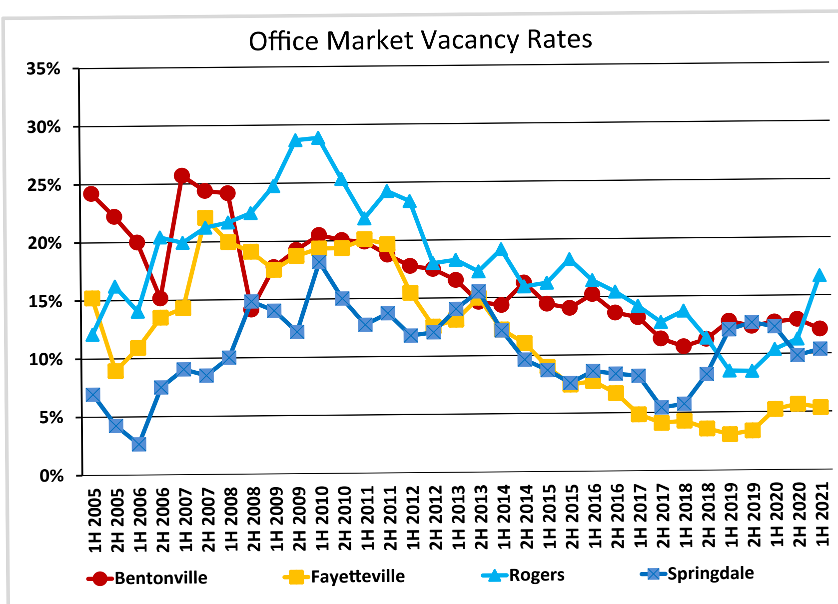
In the first half of 2021, the office properties included in the Skyline Report panel had a vacancy rate of 11.2 percent, an increase from 10.0 percent in the second half of 2020. Of the 13,392,249 square feet of Northwest Arkansas properties examined, 1,495,041 square feet were available. In the first half of 2021, 165,424 square feet of new space entered the market, while 1,052 square feet became occupied, netting negative absorption of 164,372 square feet for the Northwest Arkansas office market.



Bentonville had 484,819 available square feet of office space out of its total office space of 4,012,479 square feet in the first half of 2021. 63.9 percent of the available office space was Class B. There were no new square feet added during this time. The Bentonville office market had overall net positive absorption of 35,830 square feet with net positive absorption of 36,908 in the Class B submarket while Class A office space had 3,688 square feet of net negative absorption.

Rogers had 3,783,545 square feet of total office space, with the most available square feet at 630,872 in the first half of 2021. 66.6 percent of the available space was in the Class A submarket. 165,424 new square feet of office space, of which 157,989 was Class A, was added during this time. The Rogers office market had a net negative absorption of 228,220 square feet in the first half of 2021. The Class A submarket accounted for 215,830 square feet and the Class B submarket for 18,197 square feet of the net negative absorption, while the Class C submarket had net positive absorption of 7,727 square feet.

Fayetteville had 186,186 square feet of available space, out of its total office space of 3,487,578 square feet in the first half of 2021. 53.2 percent of the available space was in the Class B submarket. There were no new square feet added in the first half of 2021. The Fayetteville office market had overall net positive absorption of 11,095 square feet, with 20,671 square feet in the Class C office submarket and another 10,938 in the Class B office submarket. The Class A submarket had 23,010 square feet of net negative absorption during the same period.



Springdale had 1,244,761 total square feet of office space, with 129,054 square feet of it available in the first half of 2021. 49.2 percent was Class B office space.

Commercial Market Trends

Office Lease Rates by City

There were no new square feet added during this period. There was net positive absorption of 592 square feet in the Springdale office market in the first half of 2021.

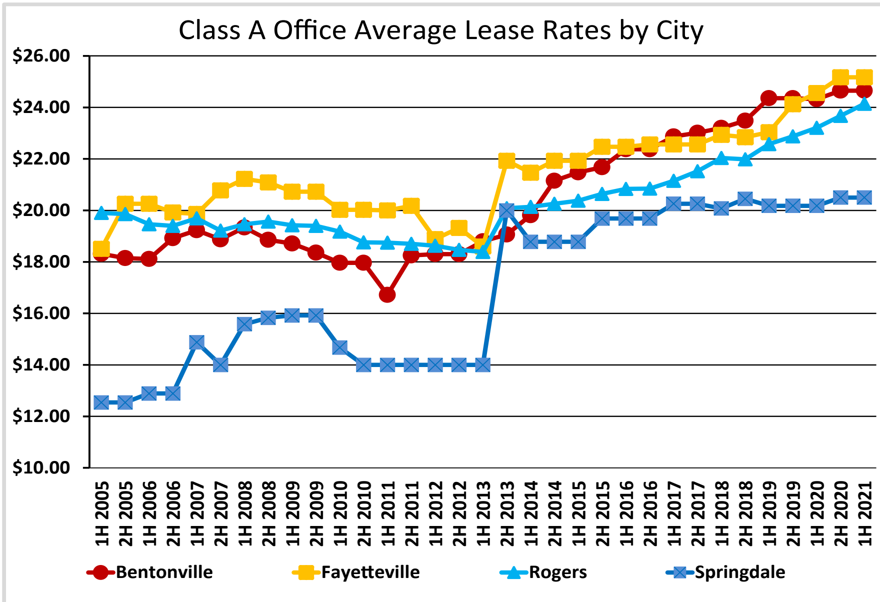
In the first half of 2021, average reported lease rates for Class A office space were highest in Fayetteville, remaining $25.17. Bentonville remained $24.65, Rogers increased $0.47 to $24.14, and Springdale remained $20.50.

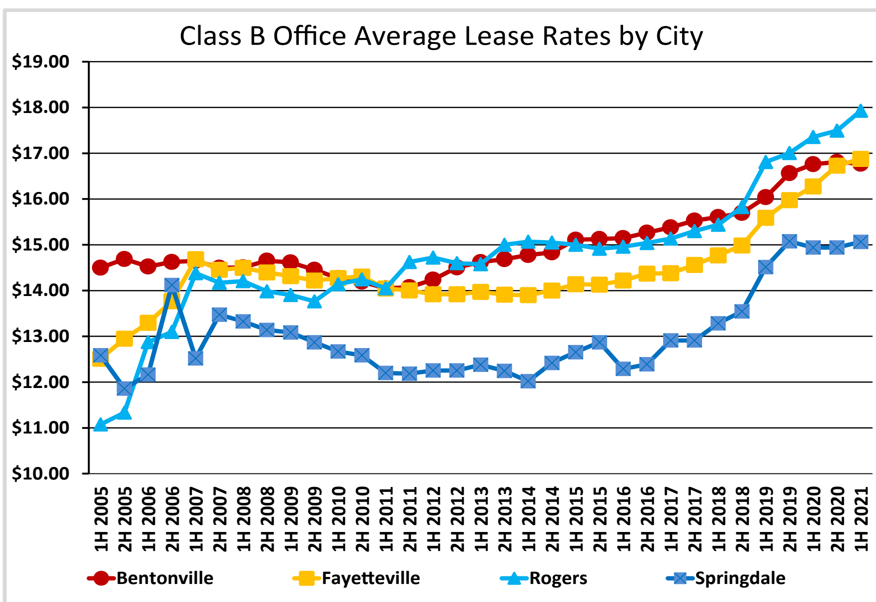
Average reported lease rates for Class B office space was highest in Rogers, having the biggest increase of $0.43 to $17.93. Bentonville decreased to $16.77, Fayetteville increased to $16.88, and Springdale remained with the lowest reported average lease rates increasing to $15.07.

Reported average lease rates for Class C office were highest in Bentonville remaining at $14.14. Fayetteville decreased to $13.04, Rogers increased to $11.17, and Springdale remained the lowest but increased to $10.05.

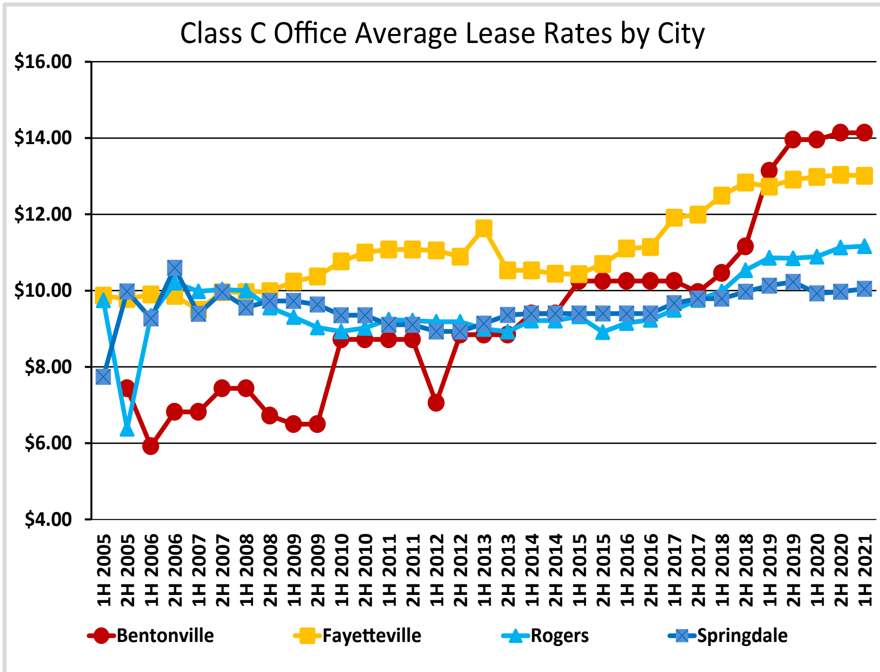
Reported average medical office space lease rates were highest in Bentonville after the greatest increase of $0.63 to $18.19. Fayetteville increased to $17.24, Springdale decreased to $16.47, and Rogers increased to $15.39.

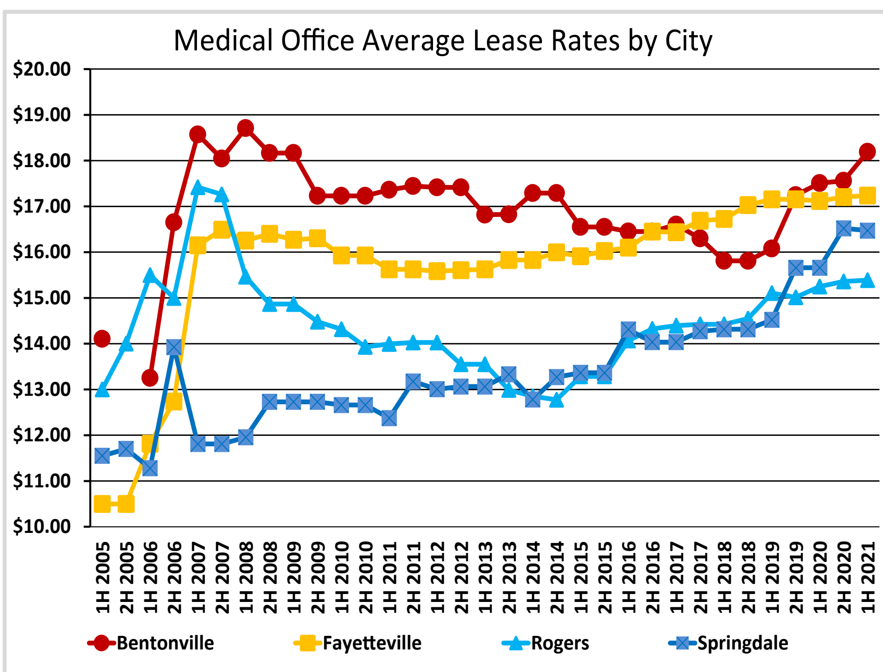
City	Class A	Class B	Class C	Medical
Bentonville	$23.76 - $25.54	$16.48 - $17.06	$14.09 - $14.19	$17.95 - $18.43
Fayetteville	$23.09 - $27.25	$16.58 - $17.17	$12.70 - $13.32	$16.38 - $18.09
Rogers	$23.56 - $24.72	$17.64 - $18.22	$10.99 - $11.34	$15.31 - $15.47
Springdale	$20.00 - $21.00	$14.64 - $15.49	$9.53 - $10.57	$16.47 - $16.47





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 2 H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office							
Bentonville	847,975	142,035	16.7%	-3,688	0	-3,688	--
Fayetteville	456,037	40,384	8.9%	-23,010	0	-23,010	--
Rogers	2,023,096	420,407	20.8%	-57,841	157,989	-215,830	--
Springdale	95,501	0	0.0%	0	0	0	--
Class B Office							
Bentonville	2,504,973	309,894	12.4%	36,908	0	36,908	50.4
Fayetteville	1,286,251	99,088	7.7%	10,938	0	10,938	54.4
Rogers	999,104	164,094	16.4%	-10,762	7,435	-18,197	--
Springdale	499,478	63,454	12.7%	592	0	592	643.1
Class C Office							
Bentonville	341,151	12,113	3.6%	2,610	0	2,610	27.8
Fayetteville	456,748	20,098	4.4%	20,671	0	20,671	5.8
Rogers	312,026	34,837	11.2%	7,727	0	7,727	27.1
Springdale	214,033	15,698	7.3%	0	0	0	--
Medical Office							
Bentonville	318,380	20,777	6.5%	0	0	0	--
Fayetteville	1,288,542	26,616	2.1%	2,496	0	2,496	64.0
Rogers	449,319	11,534	2.6%	-1,920	0	-1,920	--
Springdale	435,749	49,902	11.5%	0	0	0	--

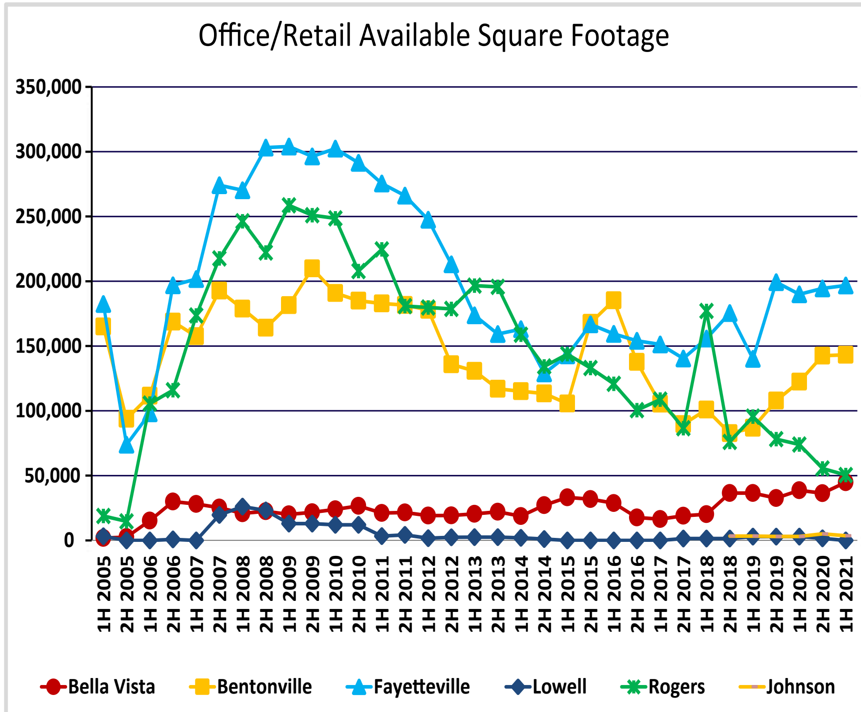
Commercial Market Trends
Office/Retail Vacancy and Space

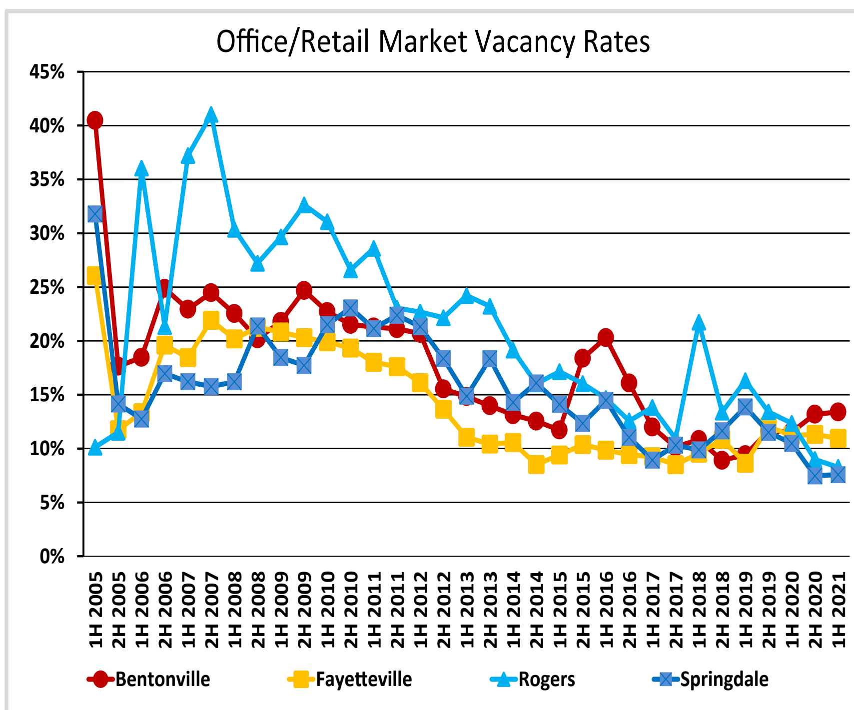
In the first half of 2021, the office/retail properties included in the Skyline Report sample had a vacancy rate of 10.9 percent, the same as in the second half of 2020. Of the 4,776,591 square feet of Northwest Arkansas properties examined, 519,386 square feet were available.

From the second half of 2020 to the first half of 2021, 12,296 square feet of new office/retail space were added in Northwest Arkansas, all of it in Fayetteville. There was a net positive absorption of 6,392 square feet in the first half of 2021. Rogers had the most net positive absorption with 8,366 square feet, with Fayetteville contributing 7,922 square feet, while Bella vista had the most net negative absorption at 8,466 square feet and Siloam Springs had an additional 3,374 square feet of net negative absorption.

Fayetteville had the largest amount of available square feet in the office/ retail submarket with 196,799 square feet in the first half of 2021, with Bentonville adding 143,207 square feet of available space. The vacancy rate was highest in Bella Vista at 16.6 percent.

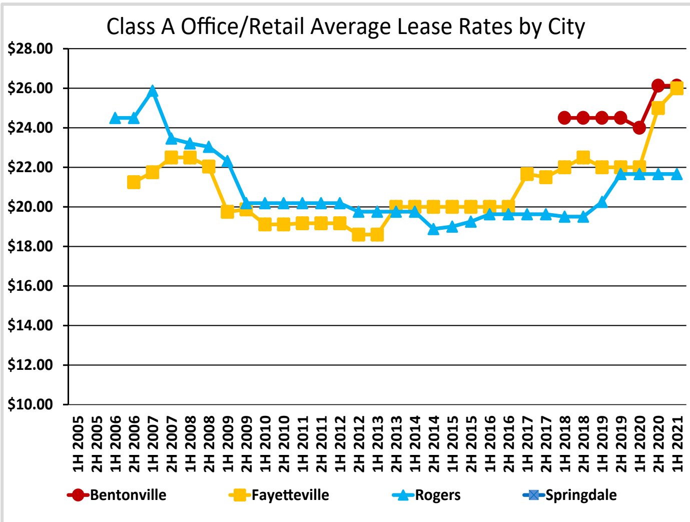
The office/retail space reported average lease rates in the first half of 2021 were highest in the Bentonville Class A submarket at $26.13. After a $1.00 increase, the Fayetteville Class A average lease rate was $26.00, while the average Class A lease rate in Rogers remained at $21.67.

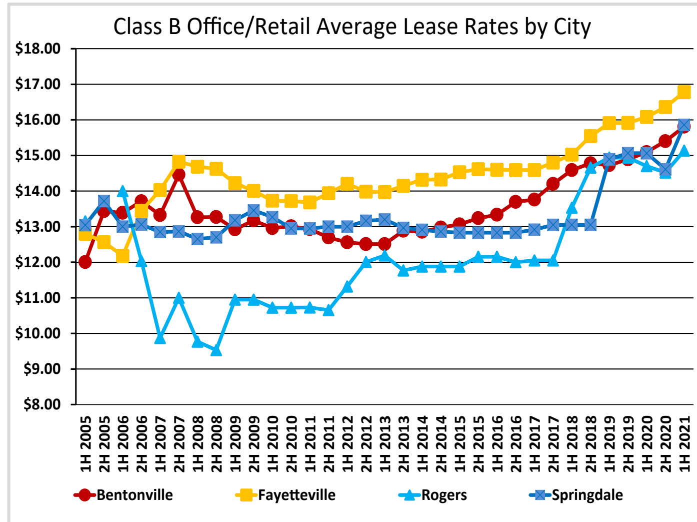




Commercial Market Trends

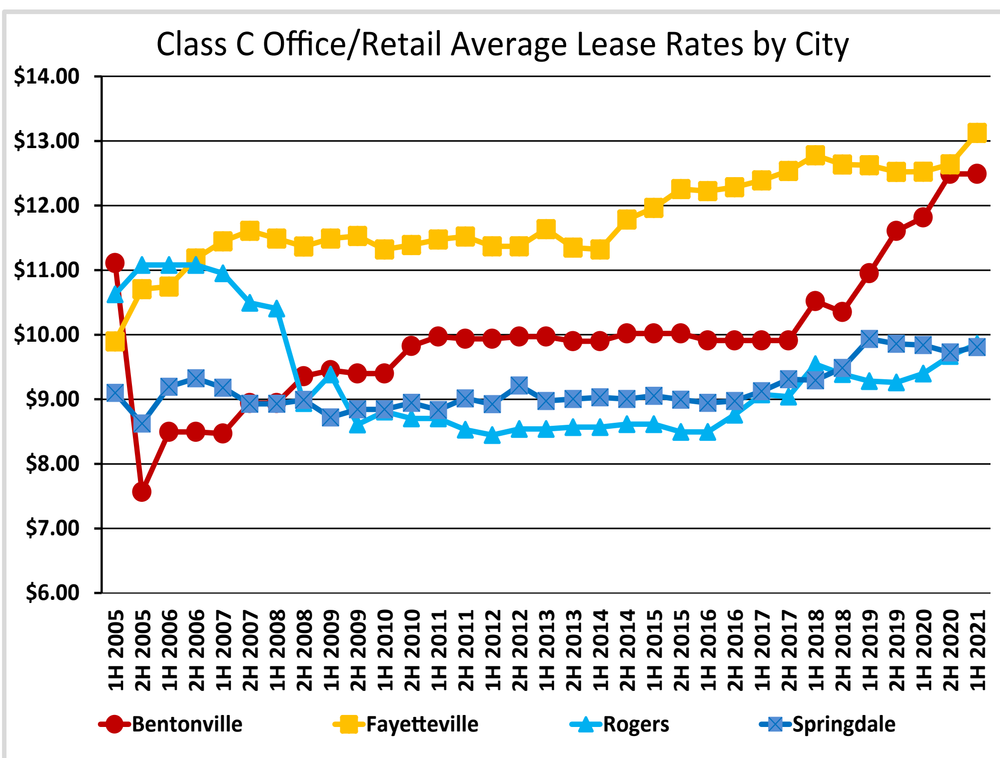
Office/Retail Classes Lease Rates by City





In the Class B submarket, Fayetteville stayed the most expensive at $16.78 after a $0.42 increase, followed by Bentonville at $15.81, after an increase of $0.41, Springdale increased $1.25 to $1586, and Rogers at $15.14, after a $0.62 increase.

In the Class C submarket, the average lease rate was highest in Fayetteville at $13.13 after an increase of $0.48. In Bentonville, the average was $12.49, in Rogers the rate was $9.86, and Springdale was the least expensive at $9.81.



Commercial Market Trends
Office/Retail Available Space by City

City	Class A	Class B	Class C
Bentonville	$26.00 - $26.25	$15.36 - $16.26	$12.19 - $12.79
Fayetteville	$26.00 - $26.00	$16.20 - $17.36	$12.44 - $13.81
Rogers	$21.50 - $21.83	$14.47 - $15.80	$9.27 - $10.45
Springdale	--	$14.94 - $16.78	$9.29 - $10.33

Available Office/Retail 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	140,683	12,750	--	1,060	0	1,060	72.2
Fayetteville	42,000	8,272	19.7%	1,498	0	1,498	33.1
Rogers	110,651	2,468	2.2%	1,032	0	1,032	14.3
Springdale	--	--	--	--	--	--	--
Class B Office							
Bentonville	780,875	123,477	15.8%	-13,021	0	-13,021	--
Fayetteville	1,205,524	158,991	13.2%	15,852	12,296	3,556	268.3
Rogers	212,813	26,183	12.3%	-3,482	0	-3,482	--
Springdale	253,475	21,192	8.4%	3,058	0	3,058	41.6
Class C Office							
Bentonville	147,702	6,980	4.7%	11,235	0	11,235	3.7
Fayetteville	549,014	29,536	5.4%	2,868	0	2,868	61.8
Rogers	285,944	21,718	7.6%	10,816	0	10,816	12.0
Springdale	447,626	31,930	7.1%	-3,488	0	-3,488	--

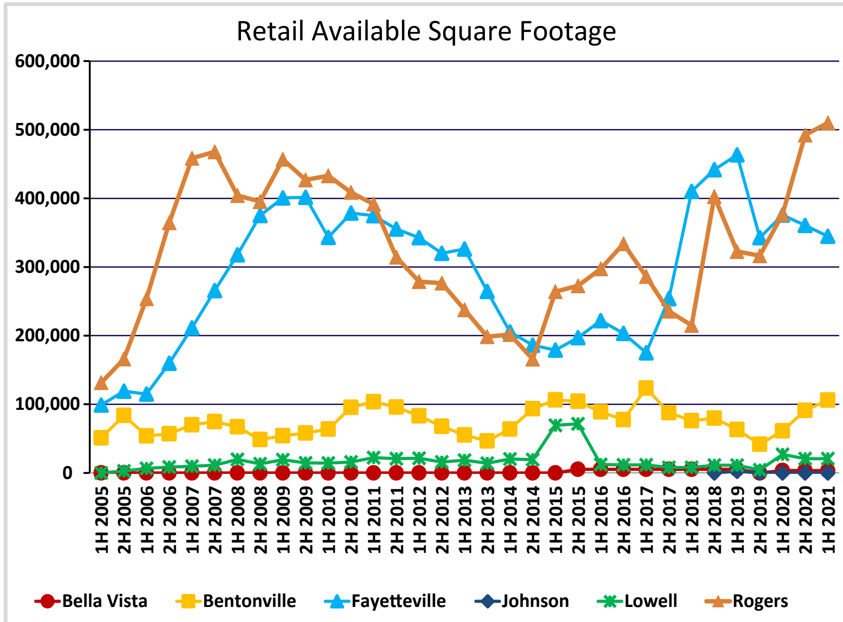
Commercial Market Trends
Retail Vacancy and Space

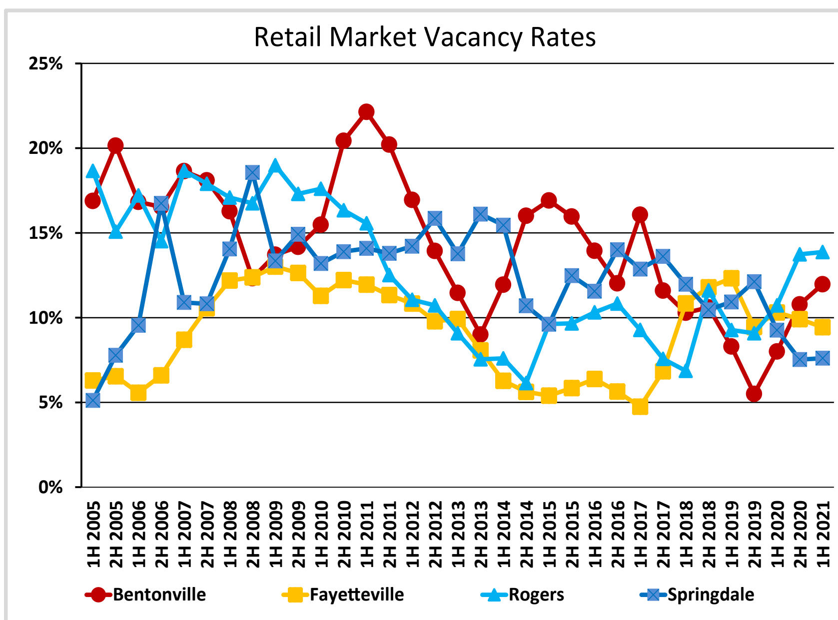
In the first half of 2021, the retail properties included in the Skyline Report panel had a vacancy rate of 10.8 percent, the same as in the second half of 2020. Of the 10,634,145 total retail square feet examined in Northwest Arkansas, 1,151,277 square feet were available. 52,215 square feet of new retail space were added in Northwest Arkansas. There was net positive absorption of 19,748 square feet in the first half of 2021.

In the first half of 2021, Fayetteville had a retail vacancy rate of 9.4 percent, down from 9.9 percent in the second half of 2020, with 344,812 available square feet out of a total of 3,651,270. 1,075 new square feet were added and there was net positive absorption of 28,613 square feet in the Fayetteville retail market in the first half of 2021.

The Rogers market had 509,916 square feet of available retail space out of a total of 3,674,596 square feet, for a vacancy rate of 13.9 percent in the first half of 2021. This was a decrease from the 15.4 percent rate in the second half of 2020. 51,140 square feet of new retail space were added in Rogers, contributing to a net negative absorption of 3,925 square feet.

Bentonville had 884,971 total square feet with 105,949 available square feet of retail space in the first half of 2021, resulting in a vacancy rate of 12.0 percent. This represented an increase from the rate of 10.8 percent in the second half of 2020. No new square feet of retail space were added to the Bentonville market which had net negative absorption of 15,012 square feet.





Commercial Market Trends
Retail Available Space

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There were 132,498 square feet of available retail space out of a total of 1,740,971 square feet in Springdale in the first half of 2021. This implied a vacancy rate of 7.6 percent, up from 7.5 percent in the second half of 2020. No new square feet of retail space were added during the first half of 2021, and there was net positive absorption of 3,871 square feet.

City	Class A	Class B	Class C
Bentonville	$22.92-$23.17	$16.68-$18.25	$11.59-$12.85
Fayetteville	$25.26-$26.61	$18.01-$18.72	$11.53-$11.85
Rogers	$21.28-$22.70	$14.52-$16.16	$9.71-$10.00
Springdale	--	$15.84-$16.32	$9.66-$10.45

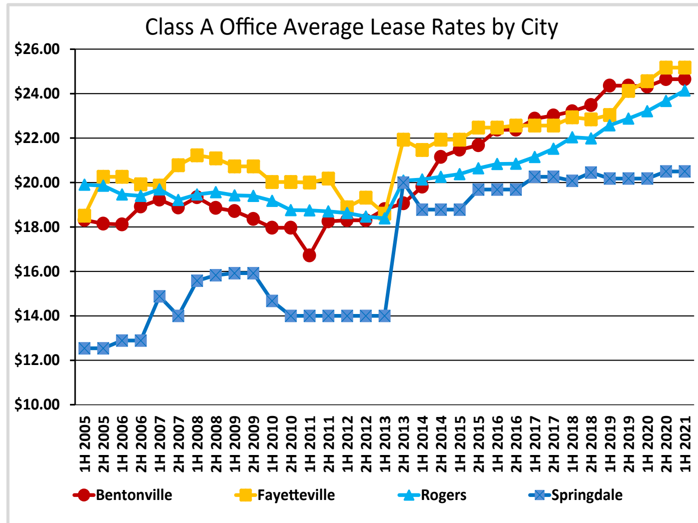
Available Retail Space	Total Square Feet	Available Squre Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Retail							
Bentonville	175,709	19,260	11.0%	-3,294	0	-3,294	--
Fayetteville	1,130,393	64,716	5.7%	-2,969	0	-2,969	--
Rogers	1,574,380	135,491	8.6%	-36,243	42,176	-78,419	--
Springdale	--	--	--	--	--	--	--
Class B Retail							
Bentonville	499,382	71,677	14.4%	-15,132	11,253	-26,385	--
Fayetteville	2,026,208	217,606	10.7%	30,787	0	30,787	42.4
Rogers	1,432,249	372,577	26.0%	43,332	32,306	11,026	202.7
Springdale	1,026,703	104,535	10.2%	32,451	2,000	30,451	20.6
Class C Retail							
Bentonville	168,264	0	0.0%	2,400	0	2,400	0.0
Fayetteville	480,772	78,281	16.3%	-4,292	0	-4,292	--
Rogers	577,685	44,281	7.7%	-11,327	0	-11,327	--
Springdale	710,460	26,284	3.7%	-186	0	-186	--

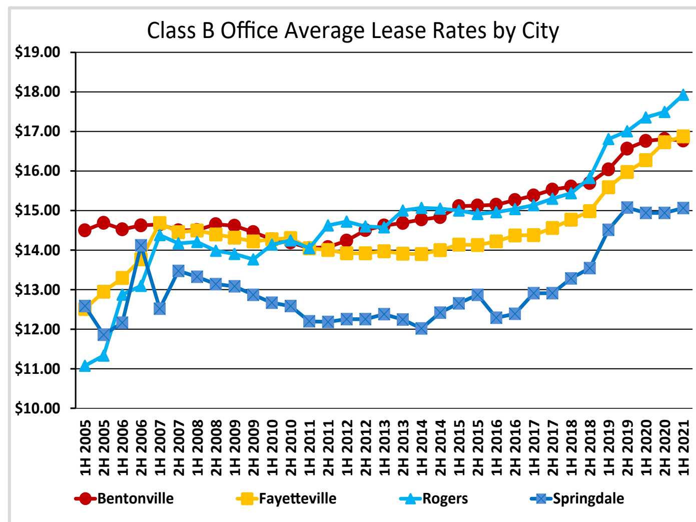
Commercial Market Trends
Retail Lease Rates By Class A, B or C

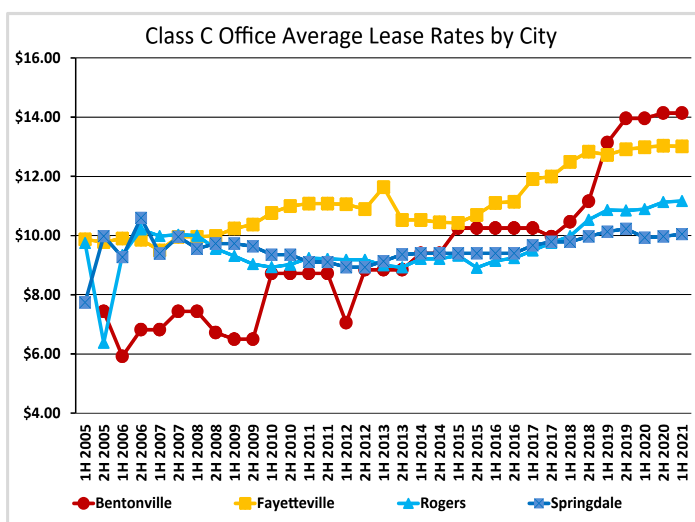
In the Class A retail submarket Fayetteville had the highest average reported lease rate at $26.44 after an increase of $0.50. Bentonville had an average reported lease rate of $22.71, after a decrease of $0.34. The average rate in Rogers was $22.30, after an increase of $0.31.

After an increase of $0.12, Class B average reported retail lease rates were highest in Fayetteville at $18.49. Bentonville increased $0.53 to $17.99, Springdale decreased $0.17 to $16.25, and Rogers was the lowest at $15.36.

Class C average reported lease rates remained the highest in Bentonville at $12.22. Fayetteville increased $0.11 to $11.80, Springdale was at $10.06, leaving Rogers the lowest at $9.86 in the first half of 2021.

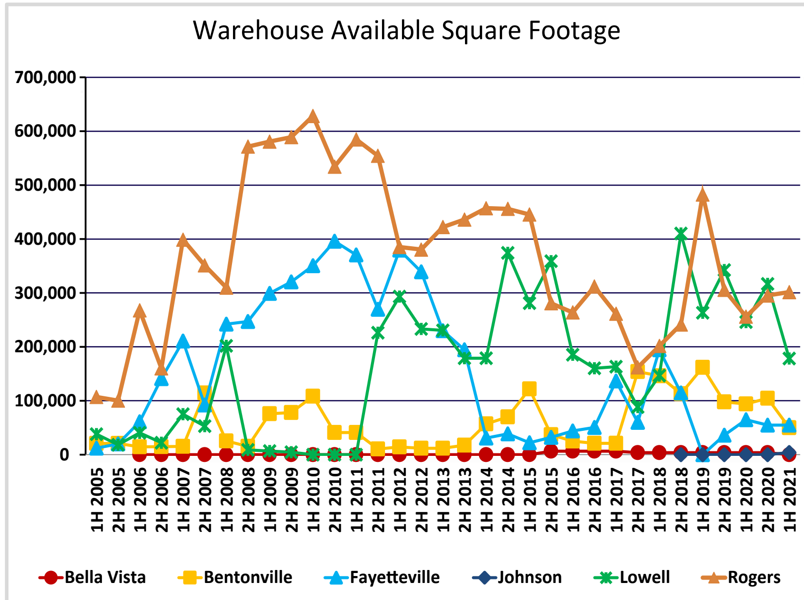






Commercial Market Trends
Warehouse Vacancy and Space

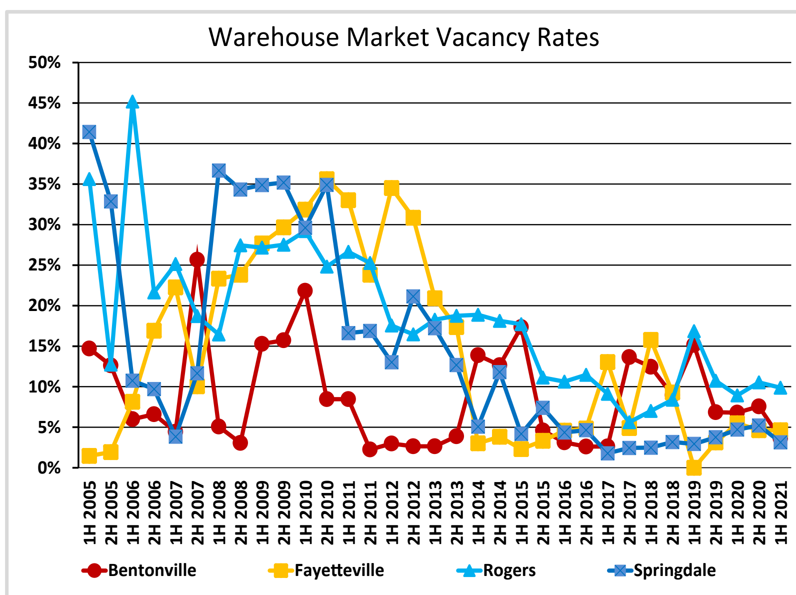
In the first half of 2021, the warehouse properties included in the Skyline Report panel had a 6.6 vacancy rate percent, up from 9.3 percent in the second half of 2020. Of the 11,101,193 square feet of warehouse space examined, 737,383 square feet were available. There were no new square feet of warehouse space added in the first half of 2021, and there was net positive absorption of 558,572 square feet, including some industrial that was reclassified as warehouse.



Bentonville had 1,383,297 total square feet of warehouse space and 83.5 percent of it was Class A warehouse space. 50,000 square feet of warehouse space, all of it Class A, was available in the first half of 2021. No new square feet of warehouse space were added to the Bentonville warehouse submarket in the first half of 2021. The vacancy rate was 3.6 percent, down from 7.7 in the second half of 2020. There was net positive absorption of 54,583 square feet in this report period.

There was 1,180,839 total square feet of warehouse space in Fayetteville in the first half of 2021 and 63.1 percent of it was Class B warehouse space. No new square feet of warehouse space were added to the Fayetteville warehouse submarket in the first half of 2021. The vacancy rate for all warehouse space was 4.6 percent, the same as in the second half of 2020. 54,745 square feet of warehouse space, all Class B, was available after no absorption in the first half of 2021.

178,208 square feet of warehouse space was available in Lowell out of 1,412,628 total square feet of warehouse space. 52.6 percent of the total warehouse space was Class B. No new square feet of warehouse were added to the Lowell submarket in the first half of 2021. After net positive absorption of 138,500 square feet, the resulting vacancy rate was 12.6 percent, down from 22.4 percent in the second half of 2020. 50,100 square feet of the net positive absorption was in the Class A warehouse market and Class B warehouse market added net positive absorption of 88,400 square feet in the first half of 2021.

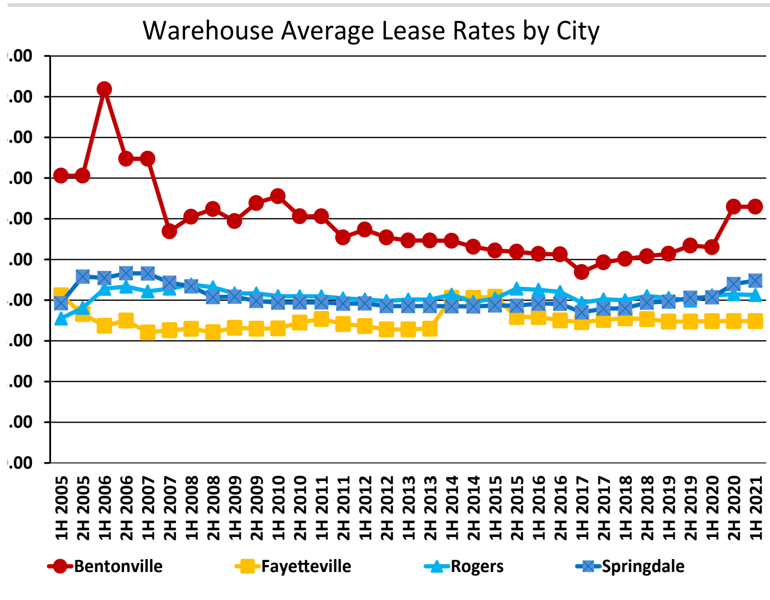


Rogers had 3,050,920 square feet of warehouse space, of which 35.5 percent was Class C. 301,512 square feet was available, all of it Class C space. There was net positive absorption of 19,600 square feet, all in the Class B submarket in the first half of 2021 leading to a vacancy rate of 9.9 percent, down from 10.5 percent in the second half of 2020. No new square feet of warehouse space were added to the Rogers warehouse submarket this half.

Commercial Market Trends
Warehouse Lease Rates

Springdale, including Tontitown warehouse space, in the first half of 2021 had 3,190,035 square feet of warehouse space, of which 59.9 percent is Class B space. 100,168 square feet was available, slightly over half of it, 52,090 square feet, was Class B space. There was net positive absorption of 105,700 square feet, 95,700 square feet from the Class B submarket, and 10,000 square feet from the Class C submarket in the first half of 2021, leading to an overall vacancy rate of 3.1 percent, down from 5.2 percent in the second half of 2020. There were no new square feet added to the Springdale warehouse submarket in the first half of 2021.

The average reported warehouse lease rates were relatively stable in the first half of 2021. Bentonville continued to have the highest reported lease rate at $6.30, followed by Springdale at $4.48. 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	$6.92 - $7.00	$4.68 - $4.93	--
Fayetteville	--	$3.68 - $3.71	$3.14 - $3.31
Rogers	$4.00 - $4.00	$4.51 - $4.66	$3.91 -$3.95
Springdale	$3.25 - $3.25	$4.31 - $4.88	$4.26 - $4.55

Warehouse Space Class and City	Total Square Feet	Available Squre Feet[1]	Percent Available[2]	Absorption[2] from 1H to 2H	New Available Square Feet[1]	Net Absorption	Months of Inventory
Class A Warehouse							
Bentonville	1,154,672	50,000	4.3%	38,458	0	38,458	7.8
Fayetteville	--	--	--	--	--	--	--
Rogers	937,500	0	0.0%	0	0	0	--
Springdale	96,200	0	0.0%	0	0	0	--
Class B Warehouse							
Bentonville	220,500	0	0.0%	8,000	0	8,000	0.0
Fayetteville	744,813	54,745	7.4%	0	0	0	--
Rogers	1,029,424	0	0.0%	19,600	0	19,600	0.0
Springdale	1,912,077	52,090	2.7%	95,700	0	95,700	3.3
Class C Warehouse							
Bentonville	8,125	0	0.0%	8,125	0	8,125	0.0
Fayetteville	436,026	0	0.0%	0	0	0	--
Rogers	1,083,996	301,512	27.8%	0	0	0	--
Springdale	1,181,758	48,078	4.1%	10,000	0	10,000	28.8

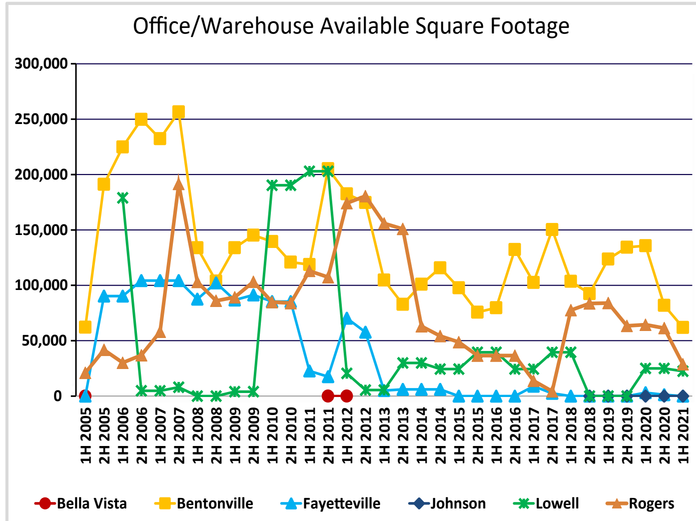
Commercial Market Trends
Office/Warehouse Vacancy, Space, and Lease

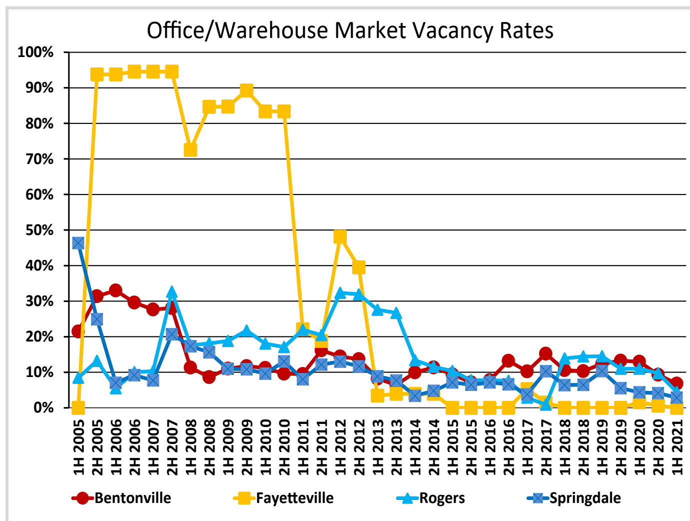
Office/Warehouse

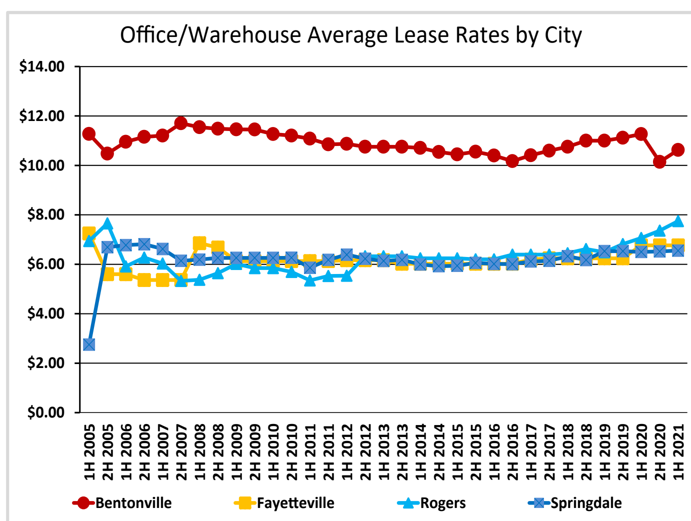
The Skyline Report panelists reported on 4,045,376 square feet of office/warehouse space with 227,515 total square feet available in the first half of 2021. Bentonville, Siloam Springs, and Springdale, with 61,900 square feet, 57,667 square feet and 56,818 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

The vacancy rate in the office/warehouse submarket decreased from 8.6 percent in the second half of 2020 to 5.6 percent in the first half of 2021. No new square feet of office/warehouse space entered the market in Northwest Arkansas during this period. The office/warehouse submarket in Northwest Arkansas experienced net positive absorption of 116,875 square feet during the first half of 2021. Siloam Springs and Rogers accounted for 34,607 and 32,670 square feet of the net positive absorption.

Bentonville continued to have the highest reported average lease rates at $10.63 after an increase of $0.48. Reported office/warehouse average lease rates increased to $7.75 in Rogers, stayed $6.77 in Fayetteville, while they increased to $6.56 in Springdale in the first half of 2021.







Commercial Market Trends

Retail/Warehouse Vacancy, Space and Lease

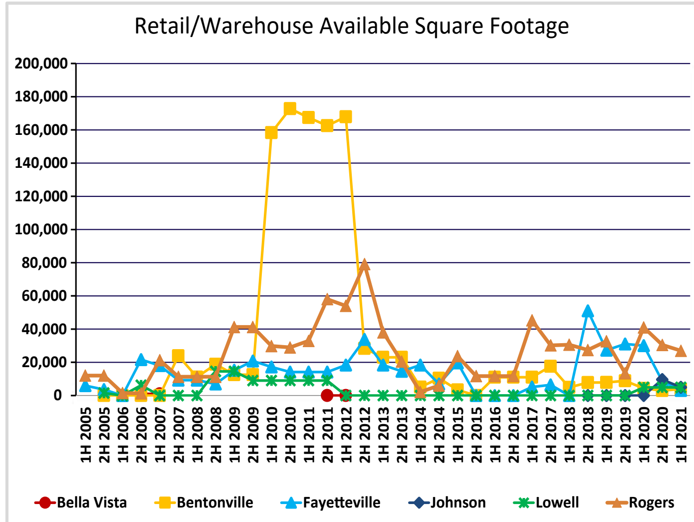
Retail/Warehouse

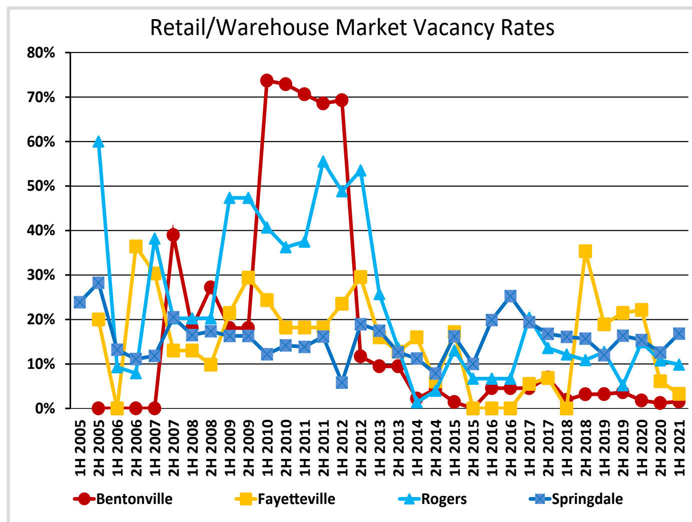
The Skyline Report panelists reported on 1,471,096 square feet of retail/warehouse space in the first half of 2021. A total of 163,130 square feet was available in Northwest Arkansas. Springdale had the most available retail/warehouse space with 113,587 square feet.

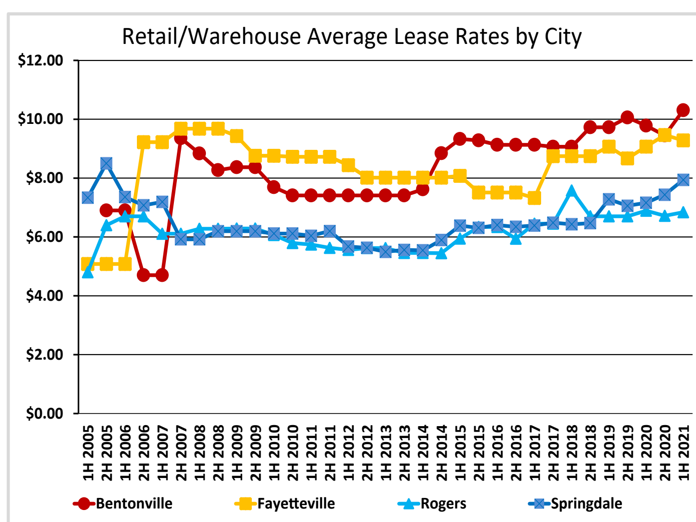
16,800 square feet of retail/warehouse, all in Springdale, was added to the market during the first half of 2021. The vacancy rate in the retail/warehouse submarket increased from 9.9 percent in the second half of 2020 to 11.4 percent in the first half of 2021.

From the second half of 2020 to the first half of 2021, there was net negative absorption of 8,053 square feet of retail/warehouse space in Northwest Arkansas.

In the first half of 2021, Bentonville had the highest average lease rate in this market at $10.31, after an increase of $0.86. Reported retail/warehouse average lease rates decreased by $0.18 in Fayetteville to $9.28, increased by $0.51 in Springdale to $7.94, and decreased by $0.12 to $6.84 in Rogers.







Commercial Market Trends

Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Squre Feet[1]	Percent Available[2]	Absorption[2] from 1H to 2H	New Available Square Feet[1]	Net Absorption	Months of Inventory
Office/Warehouse							
Bentonville	911,143	61,900	6.8%	20,000	0	20,000	18.6
Fayetteville	198,392	0	0.0%	1,200	0	1,200	0.0
Rogers	647,431	28,730	4.4%	32,670	0	32,670	5.3
Springdale	1,985,217	56,818	2.9%	25,798	0	25,798	13.2
Retail/Warehouse							
Bentonville	248,466	3,846	1.5%	0	0	0	--
Fayetteville	90,744	3,004	3.3%	-1,304	0	-1,304	--
Rogers	273,605	26,953	9.9%	3,516	0	3,516	46.0
Springdale	675,440	113,587	16.8%	1,885	16,800	-14,915	--

City	Office/Warehouse	Retail/Warehouse
Bentonville	$9.26-$11.02	$8.72-$10.18
Fayetteville	$6.37-$7.16	$8.50-$10.43
Rogers	$6.92-$7.80	$6.54-$6.90
Springdale	$6.10-$6.94	$7.17-$7.70

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 2020	24.3%	12.7%	5.2%	5.3%	7.1%	10.4%	8.6%	12.3%	9.8%
	2H 2020	20.7%	12.9%	5.6%	6.8%	6.6%	11.2%	10.3%	9.8%	10.0%
	1H 2021	24.6%	12.1%	5.3%	6.4%	5.7%	16.7%	2.8%	10.4%	11.2%
Medical Office	1H 2020	13.0%	6.5%	2.4%	6.0%	0.0%	2.8%	3.3%	13.7%	4.5%
	2H 2020	13.0%	6.5%	2.3%	6.8%	0.0%	1.9%	6.1%	9.7%	4.4%
	1H 2021	13.0%	6.5%	2.1%	5.2%	0.0%	2.6%	3.3%	11.5%	4.3%
Office/Retail	1H 2020	13.0%	11.5%	11.2%	4.6%	4.0%	12.3%	2.8%	10.5%	10.9%
	2H 2020	13.5%	13.2%	11.3%	6.7%	2.2%	9.0%	13.2%	7.5%	10.9%
	1H 2021	16.6%	13.4%	11.0%	4.7%	0.0%	8.3%	15.0%	7.6%	10.9%
Office/Warehouse	1H 2020		13.0%	1.6%	0.0%	16.2%	11.0%	52.2%	4.3%	9.0%
	2H 2020		9.3%	0.6%	0.0%	16.2%	9.7%	83.6%	4.1%	8.6%
	1H 2021		6.8%	0.0%	0.0%	13.9%	4.4%	52.2%	2.9%	5.6%
Retail	1H 2020	7.0%	8.0%	10.3%	0.0%	23.9%	10.7%	6.9%	9.3%	10.0%
	2H 2020	7.0%	10.8%	9.9%	0.0%	18.3%	13.7%	8.2%	7.5%	10.8%
	1H 2021	6.8%	12.0%	9.4%	0.0%	18.3%	13.9%	7.3%	7.6%	10.8%
Retail/Warehouse	1H 2020		1.8%	22.1%	0.0%	13.1%	14.9%	31.9%	15.4%	14.8%
	2H 2020		1.2%	6.1%	53.4%	13.1%	10.8%	7.4%	12.6%	9.9%
	1H 2021		1.5%	3.3%	27.6%	15.8%	9.9%	7.4%	16.8%	11.4%
Warehouse	1H 2020	19.5%	6.8%	5.5%	0.0%	17.3%	8.9%	12.8%	4.7%	8.3%
	2H 2020	19.5%	7.6%	4.6%	0.0%	22.4%	10.5%	9.0%	5.2%	9.3%
	1H 2021	0.0%	3.6%	4.6%	4.9%	12.6%	9.9%	6.2%	3.1%	6.6%

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 2020	-18,700	3,365	-45,060	1,820	-670	-77,817	-5,011	2,645	-139,428
	2H 2020	3,300	19,207	-17,744	-3,231	1,848	-31,018	-2,566	17,510	-12,694
	1H 2021	0	35,830	11,095	1,367	3,498	-228,220	11,466	592	-164,372
Medical Office	1H 2020	-3,000	0	957	0	0	0	2,339	0	296
	2H 2020	0	0	1,720	-3,231	0	5,074	-3,266	0	297
	1H 2021	0	0	2,496	2,917	0	-1,920	3,266	0	6,759
Office/Retail	1H 2020	-5,936	-9,624	16,843	0	0	8,212	14,283	2,308	26,086
	2H 2020	0	-18,078	-3,505	-2,000	1,280	18,400	-19,035	23,410	472
	1H 2021	-8,466	-726	7,922	1,500	1,600	8,366	-3,374	-430	6,392
Office/Warehouse	1H 2020		-1,278	-3,100	0	-25,000	-1,000	43,567	22,760	35,949
	2H 2020		-100	1,900	0	0	3,000	-34,607	4,389	-25,418
	1H 2021		20,000	1,200	0	2,600	32,670	34,607	25,798	116,875
Retail	1H 2020	-3,400	-5,087	-11,425	0	3,000	-42,234	12,260	51,701	4,815
	2H 2020	0	-27,279	23,526	0	6,300	-78,720	-1,759	30,265	-47,667
	1H 2021	101	-15,012	28,613	0	0	-3,925	6,100	3,871	19,748
Retail/Warehouse	1H 2020		-282	1,000	0	0	-21,569	-8,860	12,600	-17,111
	2H 2020		0	28,600	-9,630	0	10,553	49,150	24,612	103,285
	1H 2021		0	-1,304	4,650	0	3,516	0	-14,915	-8,053
Warehouse	1H 2020	0	-8,000	-28,745	0	96,600	49,886	0	-14,025	95,716
	2H 2020	0	-10,583	10,000	0	-70,808	-39,310	0	-16,194	-126,895
	1H 2021	3600	54,583	0	-4,000	138,500	19,600	240,589	105,700	558,572

Commercial Market Trends
Available Square Footage by Submarket

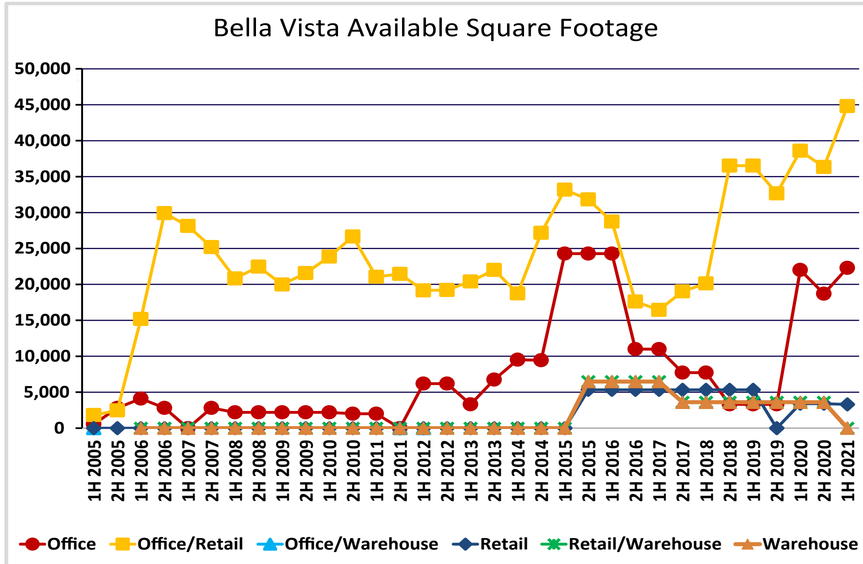
Available Space by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	1H 2020	22,000	488,005	176,057	15,555	23,608	371,008	13,261	134,746	1,244,240
	2H 2020	18,700	520,649	197,281	20,558	21,760	402,026	15,827	121,236	1,318,037
	1H 2021	22,296	484,819	186,186	19,191	18,262	630,872	4,361	129,054	1,495,041
Medical Office	1H 2020	3,000	20,777	30,832	10,436	0	13,188	3,761	41,492	123,486
	2H 2020	3,000	20,777	29,112	20,558	0	8,114	7,027	41,492	130,080
	1H 2021	3,000	20,777	26,616	9,291	0	11,534	3,761	49,902	124,881
Office/Retail	1H 2020	38,587	122,394	189,892	3,000	2,880	73,935	5,177	65,412	501,277
	2H 2020	36,337	142,481	194,463	5,000	1,600	55,535	24,212	44,402	504,030
	1H 2021	44,803	143,207	196,799	3,500	0	50,369	27,586	53,122	519,386
Office/Warehouse	1H 2020		135,660	3,100	0	25,000	64,400	57,667	86,325	372,152
	2H 2020		81,900	1,200	0	25,000	61,400	92,274	81,936	343,710
	1H 2021		61,900	0	0	22,400	28,730	57,667	56,818	227,515
Retail	1H 2020	3,400	61,238	375,729	0	26,910	376,739	31,493	159,566	1,035,075
	2H 2020	3,400	90,937	360,603	0	20,610	492,349	37,793	130,819	1,136,511
	1H 2021	3,299	105,949	344,812	0	20,610	509,916	34,193	132,498	1,151,277
Retail/Warehouse	1H 2020		4,248	30,000	0	4,900	41,022	34,970	102,124	217,264
	2H 2020		2,928	8,700	9,630	4,900	30,469	9,860	82,712	149,199
	1H 2021		3,846	3,004	4,980	4,900	26,953	9,860	113,587	167,130
Warehouse	1H 2020	3,600	94,000	64,745	0	245,900	256,018	72,790	149,674	886,727
	2H 2020	3,600	104,583	54,745	0	316,708	295,328	48,750	165,868	989,582
	1H 2021	0	50,000	54,745	4,000	178,208	301,512	48,750	100,168	737,383

Bella Vista
Commercial Market Summary

From January 1 to June 30, 2021, Bella Vista issued no new building permits for any commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 427,892 square feet of commercial space in Bella Vista in the first half of 2021.

In the first half of 2021, Bella Vista experienced net negative absorption 4,735 square feet. Class B office/retail space had 9,466 square feet of this total, while warehouse space had net positive absorption of 3,600 square feet.
Most reported average lease rates in Bella Vista in the first half of 2021 remained stable. However, due to a Class C office property becoming owner-occupied overall average office lease rates increased by $0.61.



No new commercial square feet were added to Bella Vista in the first half of 2021.

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	90,725	22,296	24.6%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$13.68 - $13.68	64,025	15,700	24.5%	0	0	0	--
Class C	--	3,596	3,596	100.0%	0	0	0	--
Medical	$12.00 - $14.00	23,104	3,000	13.0%	0	0	0	--
Office/Retail	$10.48 - $13.48	270,033	44,803	16.6%	-8,466	0	-8,466	--
Class A	--	--	--	--	--	--	--	--
Class B	$10.48 - $13.48	258,657	42,667	16.5%	-9,466	0	-9,466	--
Class C	--	11,376	2,136	18.8%	1,000	0	1,000	12.8
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	$16.65 - $16.65	48,648	3,299	6.8%	101	0	101	196.0
Class A	--	--	--	--	--	--	--	--
Class B	$18.67 - $18.67	27,648	3,299	11.9%	101	0	101	196.0
Class C	$10.59 - $10.59	21,000	0	--	0	0	0	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	$1.00 - $2.70	18,486	0	0.0%	3,600	0	3,600	0.0
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	$1.00 - $2.70	18,486	0	0.0%	3,600	0	3,600	0.0

[1]From all 1H 2021 respondents.
[2]From 1H 202 respondents who were also 2H 2020 respondents.

Bentonville

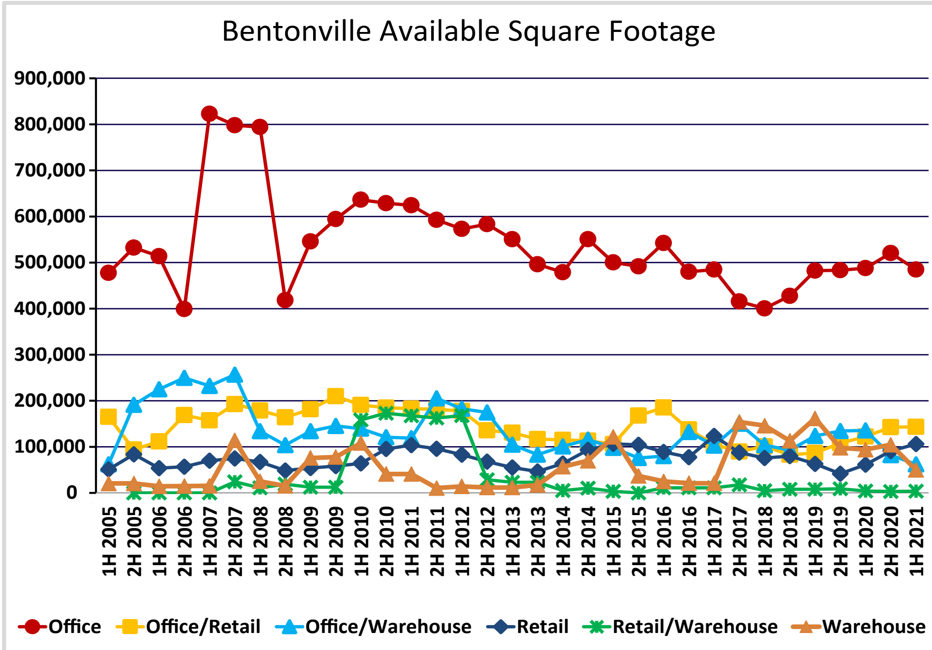
Commercial Market Summary

From January 1 to June 30, 2021, Bentonville issued $532,686,697 worth of building permits for new commercial space. $434,718,056 of the building permits were issued for the new Walmart Campus.

The first half of 2021 building permit value was 262.7 percent higher than the second half of 2020 value of $146,864,558.

Bentonville accounted for 82.3 percent of the commercial permits issued in Northwest Arkansas during the first half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 8,525,956 square feet of commercial space in Bentonville in the first half of 2021.



In the first half of 2021, Bentonville experienced positive absorption of 94,675 square feet, while no new square feet of space were added.

The warehouse submarket had the greatest amount of net positive absorption with 54,583 square feet, including 38,458 of Class B warehouse. The Class B office submarket added net positive absorption of 36,908 square feet. The retail submarket had net negative absorption of 15,012 square feet, split between Class A and Class B.

Reported vacancy rates from the second half of 2020 to the first half of 2021 decreased in the office, office/warehouse, and warehouse submarkets, increased in the office/retail, retail, and retail/warehouse submarkets, and remained the same in the medical office submarket in Bentonville.

Average reported lease rates increased noticeably by $0.86 in the retail/warehouse, $0.48 in the office/warehouse submarkets. Lease rates remained relatively stable in the other submarkets during this period.

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	$4.50 - $4.50	16,340	0	0.0%	0	0	0	--
Office	$17.03 - $17.66	4,012,479	484,819	12.1%	35,830	0	35,830	81.2
Class A	$23.76 - $25.54	847,975	142,035	16.7%	-3,688	0	-3,688	--
Class B	$16.48 - $17.06	2,504,973	309,894	12.4%	36,908	0	36,908	50.4
Class C	$14.09 - $14.19	341,151	12,113	3.6%	2,610	0	2,610	27.8
Medical	$17.95 - $18.43	318,380	20,777	6.5%	0	0	0	--
Office/Retail	$15.28 - $16.07	1,069,260	143,207	13.4%	-726	0	-726	--

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]
Class A	$26.00 - $26.25	140,683	12,750	--	1,060	0	1,060	72.2
Class B	$15.36 - $16.26	780,875	123,477	15.8%	-13,021	0	-13,021	--
Class C	$12.19 - $12.79	147,702	6,980	4.7%	11,235	0	11,235	3.7
Office/ Warehouse	$9.79 - $11.46	911,143	61,900	6.8%	20,000	0	20,000	18.6
Retail	$16.88 - $18.13	884,971	105,949	12.0%	-15,012	0	-15,012	--
Class A	$22.58 - $22.83	175,709	27,534	15.7%	-8,274	0	-8,274	--
Class B	$17.20 - $18.78	540,998	78,415	14.5%	-6,738	0	-6,738	--
Class C	$11.59 - $12.85	168,264	0	0.0%	0	0	0	--
Retail/ Warehouse	$9.65 - $10.96	248,466	3,846	1.5%	0	0	0	--
Warehouse	$6.23 - $6.36	1,383,297	50,000	3.6%	54,583	0	54,583	5.5
Class A	$6.92 - $7.00	1,154,672	50,000	4.3%	38,458	0	38,458	7.8
Class B	$4.68 - $4.93	220,500	0	0.0%	8,000	0	8,000	0.0
Class C	--	8,125	0	0.0%	8,125	0	8,125	0.0

[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 892,941 square feet of office, office/retail, and retail space in Downtown Bentonville in the first half of 2021. No new space was added during this period.

There was net negative absorption of 13,482 square feet in Downtown Bentonville during the first half of 2021. The office/ retail and retail submarkets had 4,940 and 10,150 square feet of net negative absorption, respectively, while the office submarket had 1,608 square feet of net positive absorption during this period.

Office space in Downtown Bentonville had a reported vacancy rate of 10.6 percent in the first half of 2021, down from 10.9 percent in the second half of 2020. This was lower than the overall Bentonville office vacancy rate of 12.1 percent.

The office/retail vacancy rate in Downtown increased from 12.4 percent in the second half of 2020 to 15.9 percent in the first half of 2021. This was higher than the overall Bentonville office/retail vacancy rate of 13.4 percent.

The retail vacancy rate in Downtown Bentonville increased from 6.6 percent in the second half of 2020 to 16.1 percent in the first half of 2021. This was lower than the overall Bentonville retail vacancy rate of 12.0 percent.

Average reported lease rates increased by $0.18 in the office submarket, decreased by $0.18 in the office/retail submarket, and decreased by $0.27 in the retail submarket in Downtown Bentonville in the first half of 2021.

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$21.59 - $23.41	644,532	68,548	10.6%	1,608	0	1,608	255.8
Office/Retail	$20.28 - $21.82	141,024	22,420	15.9%	-4,940	0	-4,940	--
Retail	$17.82 - $19.12	107,385	17,250	16.1%	-10,150	0	-10,150	--

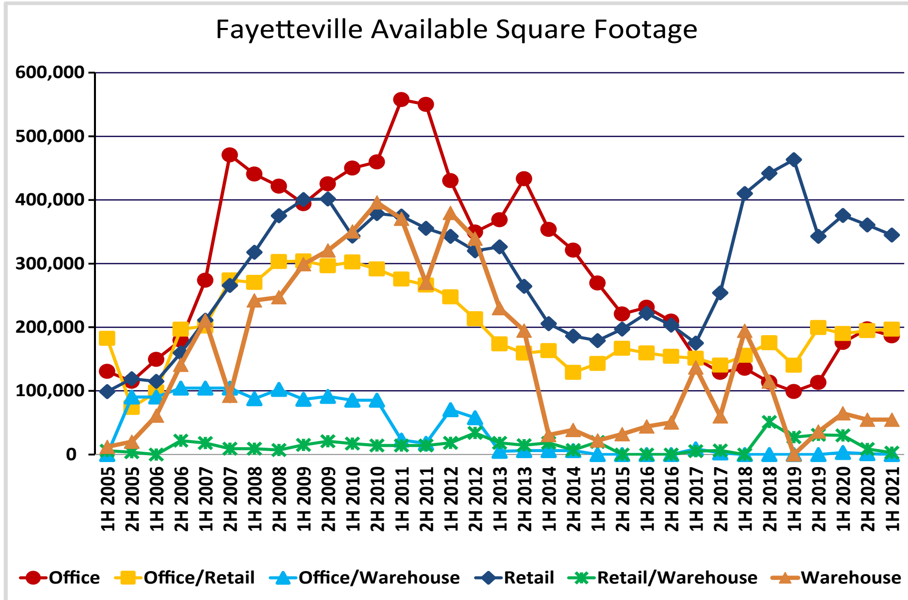
[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Fayetteville
Commercial Market Summary

From January 1 to June 31, 2021, Fayetteville issued building permits for $10,850,357 worth of new commercial space. The first half of 2021 value was 3.2 percent higher than the second half of 2020 value of $10,514,903.

During the first half of 2021, Fayetteville accounted for 1.7 percent of the commercial building permits issued in Northwest Arkansas.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,443,464 square feet of commercial space in Fayetteville in the first half of 2021.



In the first half of 2021, Fayetteville experienced positive absorption of 65,897 square feet with 13,371 new square feet of space commercial space, 12,296 of office/retail space and 1,075 of retail space, entering the market. This resulted in net positive absorption of 52,526 square feet during this time.

The Class C office submarket had the greatest amount of net positive absorption with 20,671 square feet, followed by the Class B retail submarket with 19,535 square feet. The Class A office submarket had the most net negative absorption with 23,010 square feet in the first half of 2021.

Observed vacancy rates in Fayetteville from the second half of 2020 to the first half of 2021 decreased for industrial, office, medical office, office/retail, office/warehouse space, retail, and retail/warehouse space. Vacancy rates remained the same for warehouse space during this time.

The Fayetteville Class A office/retail had a significant average lease rate increase of $1.00 in the first half of 2021. The Class B and Class C office/retail and the Class A retail submarkets had a modest average lease rate increases of $0.42, $0.48, and $0.50, respectively. All other lease rates were relatively stable from the second half of 2020 to the first half of 2021.

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	5,714	7.6%	0	0	0	--
Industrial	$3.80 - $3.88	962,500	0	0.0%	5,000	0	5,000	0.0
Office	$15.86 - $16.92	3,487,578	186,186	5.3%	11,095	0	11,095	100.7
Class A	$23.09 - $27.25	456,037	40,384	8.9%	-23,010	0	-23,010	--
Class B	$16.58 - $17.17	1,286,251	99,088	7.7%	10,938	0	10,938	54.4
Class C	$12.70 - $13.32	456,748	20,098	4.4%	20,671	0	20,671	5.8
Medical	$16.38 - $18.09	1,288,542	26,616	2.1%	2,496	0	2,496	64.0
Office/Retail	$14.84 - $16.07	1,796,538	196,799	11.0%	20,218	12,296	7,922	149.1
Class A	$26.00 - $26.00	42,000	8,272	19.7%	1,498	0	1,498	33.1
Class B	$16.20 - $17.36	1,205,524	158,991	13.2%	15,852	12,296	3,556	268.3
Class C	$12.44 - $13.81	549,014	29,536	5.4%	2,868	0	2,868	61.8
Office/Warehouse	$6.37 - $7.16	198,392	0	0.0%	1,200	0	1,200	0.0
Retail	$16.55 - $17.10	3,651,270	344,812	9.4%	29,688	1,075	28,613	72.3
Class A	$25.86 - $27.01	1,130,393	58,691	5.2%	6,025	0	6,025	58.4
Class B	$18.19 - $18.78	2,040,105	210,893	10.3%	20,610	1,075	19,535	64.8
Class C	$11.64 - $11.95	480,772	75,228	15.6%	3,053	0	3,053	147.8
Retail/Warehouse	$8.50 - $10.06	90,744	3,004	3.3%	-1,304	0	-1,304	--
Warehouse	$3.44 - $3.53	1,180,839	54,745	4.6%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$3.68 - $3.71	744,813	54,745	7.4%	0	0	0	--
Class C	$3.14 - $3.31	436,026	0	0.0%	0	0	0	--

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,122,900 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the first half of 2021.

There was net positive absorption of 24,341 square feet in the downtown Fayetteville area in the first half of 2021.

There was no new space added in downtown Fayetteville during the first half of 2021.

The office space in downtown Fayetteville had a reported vacancy rate of 4.1 percent in the first half of 2021, down from 7.4 percent in the second half of 2020 in accordance with net positive absorption of 16,238 square feet. This was lower than the overall Fayetteville office vacancy rate of 5.3 percent.

The office/retail vacancy rate for downtown Fayetteville properties went down from 4.6 percent in the second half of 2020 to 3.1 percent in the first half of 2021. This submarket had net positive absorption of 6,532 square feet. This was lower than the overall Fayetteville office/retail vacancy rate of 11.0 percent in the first half of 2021.

The downtown Fayetteville retail vacancy rate increased from 13.4 percent to 19.0 percent, with no net absorption, as some space became owner occupied and exited the database and was higher than the overall Fayetteville retail vacancy rate of 9.4 percent in the first half of 2021.

Fayetteville
Commercial Market Summary

Average reported lease rates in downtown Fayetteville increased $0.16 in the office submarket and $0.57 in the office/retail submarket, while decreasing $0.04 in the retail submarket from the second half of 2020 to the first half of 2021.

Downtown Fayetteville/Dickson Street Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$14.92 - $17.28	505,603	20,954	4.1%	16,238	0	16,238	7.7
Office/Retail	$16.65 - $17.79	445,997	13,830	3.1%	6,532	0	6,532	12.7
Retail	$17.27 - $17.77	171,300	32,511	19.0%	1,571	0	1,571	124.2

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Uptown Fayetteville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,199,511 square feet of office, office/retail, and retail space in Uptown Fayetteville in the first half of 2021.

There was overall net negative absorption of 1,771 square feet of space during the first half of 2021 in Uptown Fayetteville.

There were no new square feet of commercial space added to the Uptown Fayetteville in the first half of 2021.

Office space in Uptown Fayetteville had net negative absorption of 13,366 square feet in the first half of 2021 leading to a reported vacancy rate of 6.1 percent in the first half of 2021. This was higher than the second half of 2020 vacancy rate of 5.4 percent and was higher than the 5.3 percent vacancy rate for all of Fayetteville.

In the first half of 2021, the office/retail vacancy rate in Uptown Fayetteville increased to 7.1 percent from 0.0 percent in the second half of 2020, as office/retail space had net negative absorption of 4,005 square feet. The vacancy rate was below the city average office/retail vacancy rate of 11.0 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 7.4 percent in the first half of 2021, a decrease from 8.1 percent in the second half of 2020, in accordance with net positive absorption of 15,600 square feet during the first half of 2021. This was lower than the overall Fayetteville rate of 9.4 percent.

Average reported lease rates in Uptown Fayetteville decreased $0.47 in the office, remained the same in the office/retail, and increased by $0.19 in the retail submarkets in the first half of 2021.

Uptown Fayetteville Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$17.26 - $18.20	1,917,783	116,648	6.1%	-13,366	0	-13,366	--
Office/Retail	$17.42 - $17.58	56,708	4,005	7.1%	-4,005	0	-4,005	--
Retail	$18.63 - $19.18	2,225,020	165,403	7.4%	15,600	0	15,600	63.6

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Fayetteville
Commercial Market Summary

Martin Luther King, Jr. Boulevard Corridor

In the first half of 2021, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 583,462 square feet of office, office/retail, and retail space in the MLK Boulevard Corridor of Fayetteville.

The MLK Boulevard Corridor experienced net positive absorption of 3,714 square feet of space in the first half of 2021.

In the first half of 2021 there was 1,075 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 2021, a decrease from 14.7 percent in the second half of 2020 in accordance with net positive absorption of 4,000 square feet. This was higher than the overall office vacancy rate of 5.3 percent for all of Fayetteville.

From the second half of 2020 to the first half of 2021, with 3,108 square feet of net positive absorption the office/retail vacancy rate decreased from 11.8 percent to 10.7 percent in the MLK Boulevard Corridor of Fayetteville and was lower than the overall city average rate of 11.0 percent.

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%	4,000	0	4,000	2.9
Office/Retail	$15.56 - $17.09	290,867	31,130	10.7%	3,108	0	3,108	60.1
Retail	$17.53 - $18.07	252,314	81,338	32.2%	-2,319	1,075	-3,394	--

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

The vacancy rate for retail space in the MLK Boulevard Corridor was 32.2 percent in the first half of 2021, an increase from 31.0 percent in the second half of 2020 due to net negative absorption of 3,394 square feet. The retail vacancy rate for all of Fayetteville was much lower at 9.4 percent.

Average reported lease rates in the MLK Boulevard Corridor was stable in the office submarket, increased $1.54 in the office/retail submarket and increased $0.55 in the retail submarket in the first half of 2021.

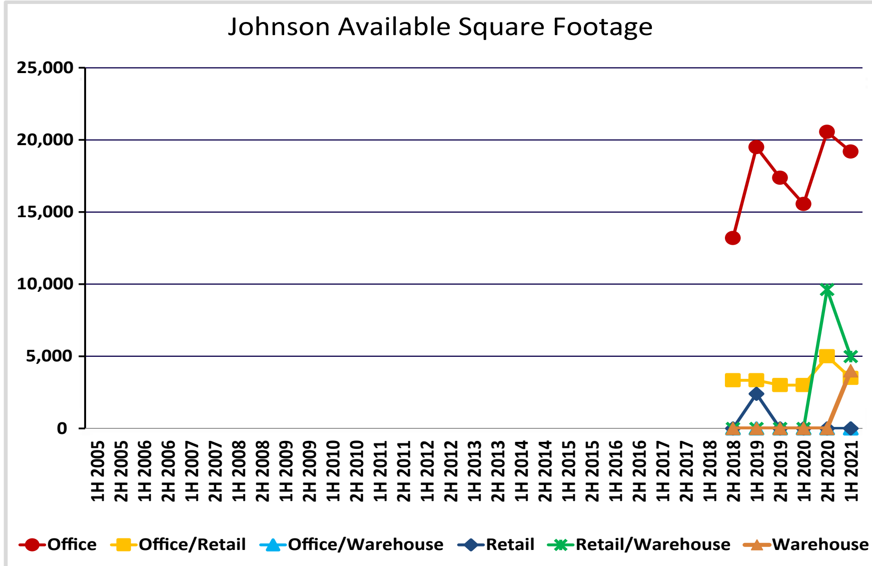
Johnson

Commercial Market Summary

From January 1 to June 30, 2021, Johnson issued no building permits for new commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 559,699 square feet of Johnson commercial space in the first half of 2021.

In the first half of 2021, Johnson had net negative absorption of 3,517 square feet. The retail/warehouse submarket had the most net positive absorption with 4,650 square feet, while the warehouse submarket had the most net negative absorption with 4,000 square feet.



There were no new square feet of commercial space added in Johnson in the first half of 2021.
The office submarket in Johnson had a vacancy rate of 6.4% percent in the first half of 2021, a decrease from 6.8 percent in the first half of 2020 in accordance with net positive absorption of 1,367 square feet.
Average reported lease rates in Johnson remained relatively stable in all submarkets.

Johnson
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	--	--	--	--	--	--	--	--
Office	$21.59 - $21.59	300,918	19,191	6.4%	1,367	0	1,367	84.2
Class A	$23.25 - $23.25	72,373	7,500	10.4%	850	0	850	52.9
Class B	$16.50 - $16.50	31,300	0	0.0%	0	0	0	--
Class C	--	17,456	2,400	13.7%	-2,400	0	-2,400	--
Medical	$22.19 - $22.19	179,789	9,291	5.2%	2,917	0	2,917	19.1
Office/Retail	$15.12 - $18.52	74,451	3,500	4.7%	1,500	0	1,500	14.0
Class A	--	--	--	--	--	--	--	--
Class B	$15.12 - $18.52	41,369	3,500	8.5%	1,500	0	1,500	14.0
Class C	--	33,082	0	--	0	0	0	--
Office/ Warehouse	$5.50 - $5.50	31,340	0	0.0%	0	0	0	--
Retail	$12.63 - $15.00	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$12.83 - $16.00	50,335	0	0.0%	0	0	0	--
Class C	$12.00 - $12.00	3,000	0	0.0%	0	0	0	--
Retail/ Warehouse	--	18,050	4,980	27.6%	4,650	0	4,650	6.4
Warehouse	$3.81 - $4.86	81,605	4,000	4.9%	-4,000	0	-4,000	--
Class A	--	--	--	--	--	--	--	--
Class B	$3.89 - $4.95	61,870	0	0.0%	0	0	0	--
Class C	$3.50 - $4.50	19,735	4,000	20.3%	-4,000	0	-4,000	--

[1]From all 1H 2021 respondents.
[2]From 1H 202 respondents who were also 2H 2020 respondents.

Lowell

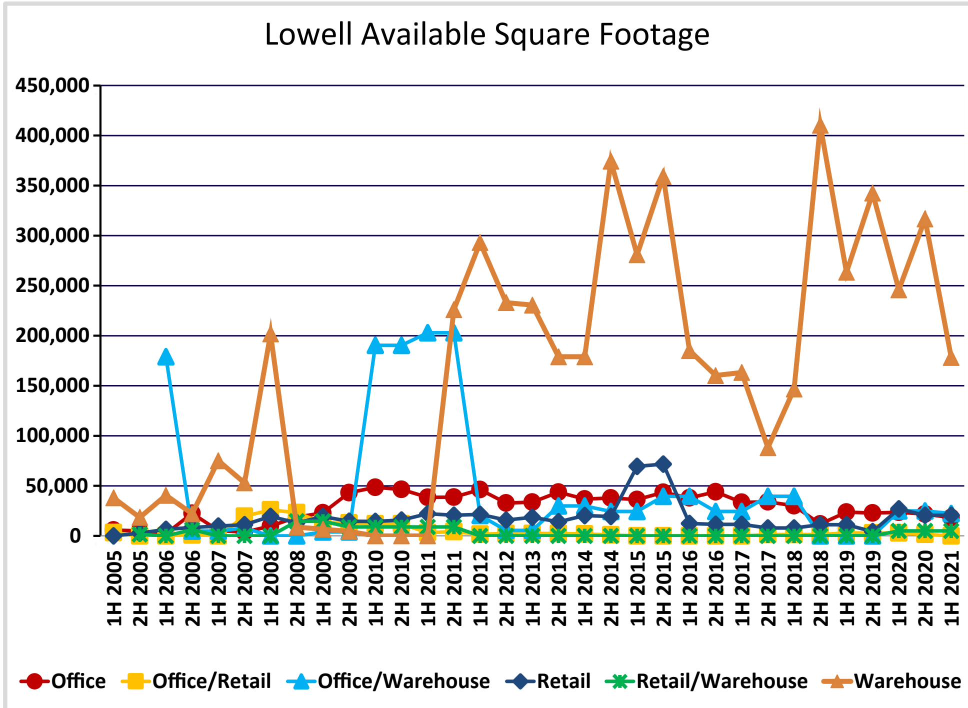
Commercial Market Summary

From January 1 to June 30, 2021, Lowell issued building permits for $15,518,591 worth of new commercial space.

The first half of 2021 value was 300.9 percent higher than the second half of 2020 value of $3,871,284.

Lowell accounted for 2.4 percent of building permits issued in Northwest Arkansas in the first half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,183,661 square feet of Lowell commercial space in the first half of 2021.



In the first half of 2021, Lowell had net positive absorption of 146,198 square feet overall.

The warehouse submarket had the greatest amount of net positive absorption with 138,500 square feet, while the office submarket added another 3,498 square feet of net positive absorption, even though the Class C office submarket had 9,000 square feet of net negative absorption.

No new square feet of commercial space were added in Lowell in the first half of 2021.

Reported vacancy rates decreased in the office, office/retail, office/warehouse and warehouse submarkets, increased in the retail/warehouse submarket, and remained the same in the medical submarket from the second half of 2020 to the first half of 2021.

Average reported lease rates in Lowell from the second half of 2020 to the first half of 2021 increased noticeably in the office/warehouse and Class C office submarkets by $0.56 and $0.29, respectively. They decreased significantly by $3.42 in the retail/warehouse submarket, as a property in the small sample became owner-occupied and decreased modestly by $0.37 in the Class B retail submarket. Average reported lease rates remained relatively stable in all submarkets in the first half of 2021.

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	75,280	0	0.0%	0	0	0	--
Office	$14.60 - $14.73	318,584	18,262	5.7%	3,498	0	3,498	31.3
Class A	$19.33 - $19.33	109,330	7,442	6.8%	4,528	0	4,528	9.9
Class B	$12.75 - $13.08	108,700	0	0.0%	7,970	0	7,970	0.0
Class C	$10.17 - $10.17	17,955	10,820	60.3%	-9,000	0	-9,000	--
Medical	$18.00 - $18.00	82,599	0	0.0%	0	0	0	--
Office/Retail	$10.50 - $12.50	72,076	0	0.0%	1,600	0	1,600	0.0
Class A	--	--	--	--	--	--	--	--
Class B	$10.50 - $12.50	43,100	0	0.0%	1,600	0	1,600	0.0
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	$7.25 - $7.46	161,438	22,400	13.9%	2,600	0	2,600	51.7
Retail	$12.43 - $15.47	112,628	20,610	18.3%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$12.70 - $16.96	97,572	20,610	21.1%	0	0	0	--
Class C	$11.75 - $11.75	15,056	0	0.0%	0	0	0	--
Retail/Warehouse	$6.77 - $6.77	31,032	4,900	15.8%	0	0	0	--
Warehouse	$4.12 -$4.21	1,412,623	178,208	12.6%	138,500	0	138,500	7.7
Class A	$5.19 - $5.19	483,332	0	0.0%	50,100	0	50,100	0.0
Class B	$3.84 - $3.98	742,381	98,208	13.2%	88,400	0	88,400	6.7
Class C	$3.38 - $3.38	186,910	80,000	42.8%	0	0	0	--

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

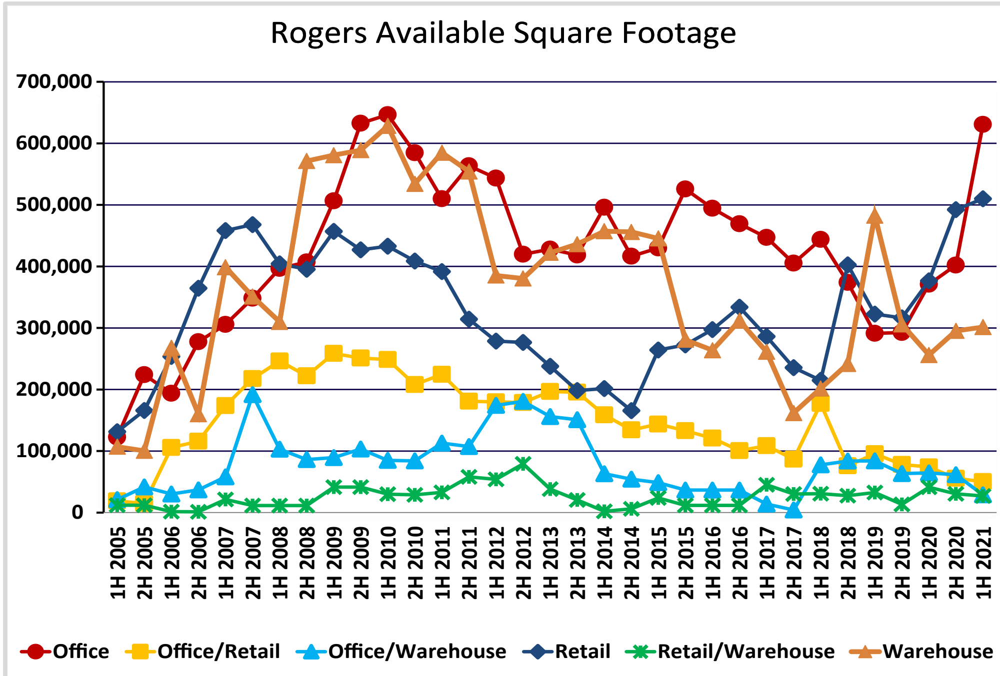
Rogers
Commercial Market Trends

From January 1 to June 30, 2020, Rogers issued building permits for $39,169,023 worth of new commercial space.

The first half of 2021 value was 834.5 percent higher than the second half of 2020 value of $4,191,657.

Rogers accounted for 6.1 percent of the commercial permits issued in Northwest Arkansas during the first half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 12,774,456 square feet of commercial space in the first half of 2021.



In the first half of 2021, Rogers had overall net positive absorption of 106,263 square feet. The Industrial submarket had the most net positive absorption with 274,256 square feet and the office/warehouse submarket contributed 32,670 square feet. The office market had the greatest amount of net negative absorption with 228,220 square feet.

In the first half of 2021, 216,564 square feet of new commercial space was added to the Rogers market. 165,424 square feet was office space, and 51,140 square feet was retail space.

Reported vacancy rates in the first half of 2021 decreased in the industrial, office/retail, office/warehouse, retail/warehouse, and warehouse submarkets. Vacancy rates increased for the office, medical office, retail, and submarkets.

From the second half of 2020 to the first half of 2021, modest increases were reported in the Class A and C office, Class B office/retail, and office/warehouse submarkets of $0.47, $0.43, $0.62, and $0.39. All other lease rates remained relatively unchanged.

Rogers
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Lab	$11.00 - $11.00	9,482	0	0.0%	0	0	0	--
Industrial	$4.02 - $4.02	725,469	35,304	4.9%	274,256	0	274,256	0.8
Office	$17.03 - $17.60	3,783,545	630,872	16.7%	-62,796	165,424	-228,220	--
Class A	$23.56 - $24.72	2,023,096	420,407	20.8%	-57,841	157,989	-215,830	--
Class B	$17.64 - $18.22	999,104	164,094	16.4%	-10,762	7,435	-18,197	--
Class C	$10.99 - $11.34	312,026	34,837	11.2%	7,727	0	7,727	27.1
Medical	$15.31 - $15.47	449,319	11,534	2.6%	-1,920	0	-1,920	--
Office/Retail	$12.37 - $13.54	609,408	50,369	8.3%	8,366	0	8,366	36.1
Class A	$21.50 - $21.83	110,651	2,468	2.2%	1,032	0	1,032	14.3
Class B	$14.47 - $15.80	212,813	26,183	12.3%	-3,482	0	-3,482	--
Class C	$9.27 - $10.45	285,944	21,718	7.6%	10,816	0	10,816	12.0
Office/Warehouse	$7.64 - $7.86	647,431	28,730	4.4%	32,670	0	32,670	5.3
Retail	$14.24 - $15.20	3,674,596	509,916	13.9%	47,215	51,140	-3,925	--
Class A	$21.61 - $22.98	1,665,715	173,099	10.4%	20,502	51,140	-30,638	--
Class B	$14.55 - $16.16	1,431,196	291,932	20.4%	27,317	0	27,317	64.1
Class C	$9.72 - $10.00	577,685	44,885	7.8%	-604	0	-604	--
Retail/Warehouse	$6.72 - $6.96	273,605	26,953	9.9%	3,516	0	3,516	46.0
Warehouse	$4.09 - $4.16	3,050,920	301,512	9.9%	19,600	0	19,600	92.3
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%	19,600	0	19,600	0.0
Class C	$3.91 -$3.95	1,083,996	301,512	27.8%	0	0	0	--

[1]From all 2H 2019 respondents.
[2]From 2H 2019 respondents who were also 1H 2019 respondents.

Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 536,841 square feet of office, office/retail, and retail space in Downtown Rogers in the first half of 2021.

No new commercial space was added to downtown Rogers in the first half of 2021.

Office space in Downtown Rogers had a net positive absorption of 4,593 square feet and had a vacancy rate of 8.4 percent in the first half of 2021 and decreased from 12.4 in the second half of 2020. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, which was 16.7 percent during the same period.

The office/retail submarket had a net negative absorption of 2,000 square feet. The vacancy rate increased to 3.5 percent from the second half of 2020 rate of 0.0 percent in the downtown area. This compares to a vacancy rate of 8.3 percent for all of Rogers.

Downtown Rogers experienced a net negative absorption of 772 square feet of retail space during the first half of 2021. The reported retail vacancy rate for downtown Rogers properties for the first half of 2021 increased to 10.8 percent from 10.5 percent in the second half of 2020 and was lower than the 13.9 percent average rate for all of Rogers.

Rogers
Commercial Market Summary

Average reported lease rates for downtown Rogers increased by $0.26 in the office submarket, increased by $0.91 in the office/retail submarket, and decreased by $0.09 in the retail submarket in the first half of 2021.

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	$12.44 - 12.60	152,299	12,869	8.4%	4,593	0	4,593	16.8
Office/Retail	$11.06 - $13.41	149,144	5,200	3.5%	-2,000	0	-2,000	--
Retail	$11.24 - $11.97	235,398	25,440	10.8%	-772	0	-772	--

[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,343,384 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the first half of 2021.

216,584 square feet of new commercial space, 165,424 square feet of office space and 51,140 square feet of retail space, was added to the Rogers I-49 corridor submarket in the first half of 2021.

Office space along the Rogers I-49 corridor experienced net negative absorption of 219,987 square feet during the first half of 2021. The reported average vacancy rate of office space was 20.2 percent in the first half of 2021, an increase from the 13.3 percent rate in the second half of 2020. This was higher than the overall office vacancy rate for all of Rogers at 16.7 percent.

Office/retail space along the Rogers I-49 corridor experienced net positive absorption of 2,390 square feet in the first half of 2021. The office/retail submarket had a 7.2 percent vacancy rate, a decrease from the 8.9 percent reported in the second half of 2020. This compares to a vacancy rate of 8.3 percent for all of Rogers.

There were 36,006 square feet of net negative absorption in the retail submarket for the Rogers I-49 corridor properties. The average retail vacancy rate for the first half of 2021 was 11.2 percent, an increase from 9.5 percent in the second half of 2020, but lower than the 13.9 percent average rate for all of Rogers.

Average reported lease rates increased $0.24 in the office submarket and remained relatively unchanged in the office/retail and increased $0.28 in the retail submarket in the Rogers I-49 area in the first half of 2021.

Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$21.17 - $22.00	2,807,646	568,201	20.2%	-54,563	165,424	-219,987	--
Office/Retail	$21.01 - $21.21	145,727	10,522	7.2%	2,390	0	2,390	26.4
Retail	$20.09 - $21.63	2,390,011	267,270	11.2%	15,134	51,140	-36,006	--

[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

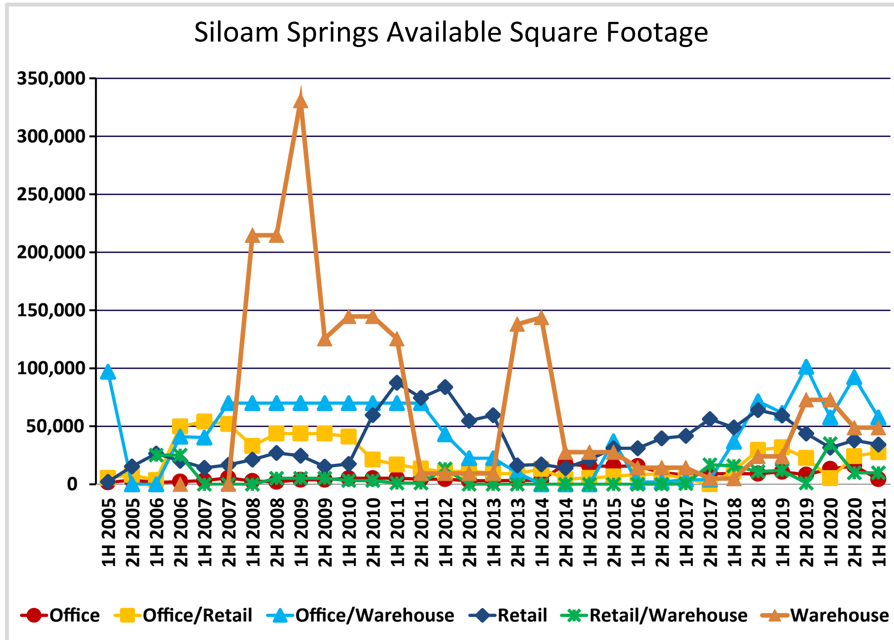
Siloam Springs
Commercial Market Summary

From January 1 to June 30, 2021, Siloam Springs issued commercial building permits worth $37,400,000.

The first half of 2021 value was 12,471.4 percent higher than the second half of 2020 value of $297,500.

Siloam Springs accounted for 5.8 percent of the commercial permits issued in Northwest Arkansas during the first half of 2021.

In the first half of 2021, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,855,971 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 2021.

In the first half of 2021, Siloam Springs experienced overall net positive absorption of 312,688 square feet. There was net positive absorption of 240,589 square feet in the Class B warehouse submarket and 34,607 square feet in the office/warehouse submarket. There was net negative absorption of 21,088 in the Class C office/retail submarket during this period.

Vacancy rates from the second half of 2020 to the first half of 2021 decreased in the office, medical office, office/warehouse, retail, and warehouse, submarkets. Vacancy rates increased in the office/retail submarket and remained the same in the retail/warehouse submarket during the same period.

Average lease rates decreased significantly by $1.29 in the Class B retail submarket and decreased noticeably by $0.33 in the Class C office submarket. In the Medical office and Class B office/retail submarkets, there were modest increases of $0.30 and $0.25, respectively. The other submarkets were relatively stable in the first half of 2021 in Siloam Springs.

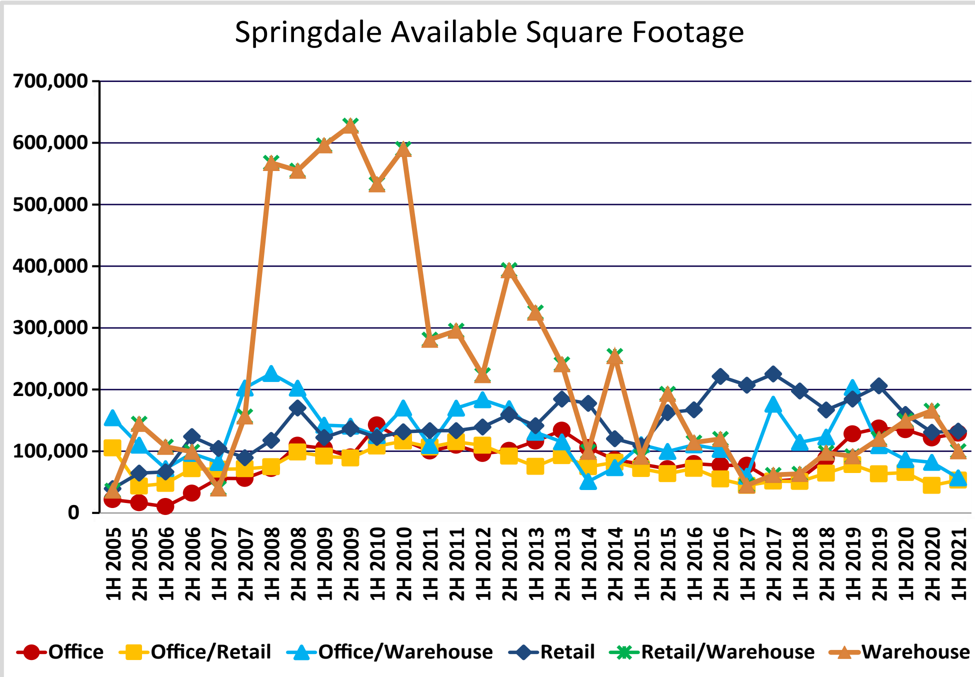
Siloam Springs
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	$2.95 - $2.95	23,300	0	0.0%	23,300	0	23,300	0.0
Office	$12.25 - $13.90	153,659	4,361	2.8%	11,466	0	11,466	2.3
Class A	--	--	--	--	--	--	--	--
Class B	$10.33 - $11.00	27,734	0	0.0%	4,500	0	4,500	0.0
Class C	$7.76 - $11.28	11,421	600	5.3%	3,700	0	3,700	1.0
Medical	$16.11 - $17.21	114,504	3,761	3.3%	3,266	0	3,266	6.9
Office/Retail	$7.99 - $10.81	183,724	27,586	15.0%	-3,374	0	-3,374	--
Class A	--	--	--	--	--	--	--	--
Class B	$11.83 - $14.33	94,298	2,781	2.9%	17,714	0	17,714	0.9
Class C	$6.55 - $9.49	89,426	24,805	27.7%	-21,088	0	-21,088	--
Office/ Warehouse	$3.52 - $3.89	110,415	57,667	52.2%	34,607	0	34,607	10.0
Retail	$13.37 - $14.17	467,726	34,193	7.3%	6,100	0	6,100	33.6
Class A	--	--	--	--	--	--	--	--
Class B	$19.86 - $20.86	120,663	18,518	15.3%	0	0	0	--
Class C	$8.84 - $9.48	347,063	15,675	4.5%	6,100	0	6,100	15.4
Retail/ Warehouse	$4.87 - $6.71	133,759	9,860	7.4%	0	0	0	--
Warehouse	$3.34 - $3.63	783,388	48,750	6.2%	240,589	0	240,589	1.2
Class A	--	--	--	--	--	--	--	--
Class B	$3.63 - $3.63	561,858	0	0.0%	240,589	0	240,589	0.0
Class C	$3.34 - $3.63	221,530	48,750	22.0%	0	0	0	--

[1]From all 1H 2021 respondents.

2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

Springdale
Commercial Market Trends



From January 1 to June 30, 2021, Springdale issued $11,428,456 worth of building permits for new commercial space.

This was a decrease of 50.5 percent from the $23,070,264 issued in the second half of 2020.

Springdale accounted for 1.8 percent of the commercial permits issued in Northwest Arkansas for the first half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 10,866,742 square feet of commercial space in Springdale in the first half of 2021.

In the first half of 2021, there were 16,800 new square feet of commercial space, all retail/warehouse, added to the Springdale market.

Springdale experienced net positive absorption of 195,516 square feet in the first half of 2021. The Class B warehouse submarket had the most net positive absorption with 74,900 square feet. The industrial and office/warehouse submarkets contributed 74,900 square feet and 25,798 square feet of net positive absorption, respectively. The retail/warehouse submarket had the greatest amount of net negative absorption with 14,915 square feet.

Reported vacancy rates decreased in the industrial, office/warehouse, and warehouse submarkets. Vacancy rates increased in the office, medical office, office/retail, retail, retail/warehouse submarkets in the first half of 2021.

Average reported lease tes in Springdale increased significantly by $1.25 in the Class B office/retail and $0.51 in the retail/warehouse submarkets. All other lease rates remained relatively stable from the second half of 2020 to the first half of 2021.

Springdale

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	$4.76 - $5.35	1,323,993	0	0.0%	74,900	0	74,900	0.0
Office	$13.46 - $14.22	1,244,761	129,054	10.4%	592	0	592	1,308.0
Class A	$20.00 - $21.00	95,501	0	0.0%	0	0	0	--
Class B	$14.64 - $15.49	499,478	63,454	12.7%	592	0	592	643.1
Class C	$9.53 - $10.57	214,033	15,698	7.3%	0	0	0	--
Medical	$16.47 - $16.47	435,749	49,902	11.5%	0	0	0	--
Office/Retail	$10.42 - $11.62	701,101	53,122	7.6%	-430	0	-430	--
Class A	--	--	--	--	--	--	--	--
Class B	$14.94 - $16.78	253,475	21,192	8.4%	3,058	0	3,058	41.6
Class C	$9.29 - $10.33	447,626	31,930	7.1%	-3,488	0	-3,488	--
Office/ Warehouse	$6.10 - $7.01	1,985,217	56,818	2.9%	25,798	0	25,798	13.2
Retail	$12.43 - $13.12	1,740,971	132,498	7.6%	3,871	0	3,871	205.4
Class A	--	--	--	--	--	--	--	--
Class B	$15.96 - $16.53	1,026,703	102,882	10.0%	1,653	0	1,653	373.4
Class C	$9.66 - $10.45	714,268	29,616	4.1%	2,218	0	2,218	80.1
Retail/ Warehouse	$7.66 - $8.22	675,440	113,587	16.8%	1,885	16,800	-14,915	--
Warehouse	$4.27 - $4.69	3,190,035	100,168	3.1%	105,700	0	105,700	5.7
Class A	$3.25 - $3.25	96,200	0	0.0%	0	0	0	--
Class B	$4.31 - $4.88	1,912,077	52,090	2.7%	95,700	0	95,700	3.3
Class C	$4.26 - $4.55	1,181,758	48,078	4.1%	10,000	0	10,000	28.8

[1]From all 2 H 2020 Respondents.
[2]From 1H 2020 who were 2H 2019 respondents-

Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 348,691 square feet of office, office/retail, and retail space in downtown Springdale in the first half of 2021.

No new square feet of commercial property was added to downtown Springdale in the first half of 2021.

There was net positive absorption of 1,700 square feet in the office submarket in downtown Springdale in the first half of 2021. The office space in downtown Springdale had an average vacancy rate of 15.4 percent, lower than the 16.4 percent in the second half of 2020. The rate was higher than the overall Springdale average office vacancy rate of 10.4 percent.

Office/retail space in downtown Springdale had positive net absorption of 4,562 square feet in the first half of 2021. The vacancy rate decreased from 30.8 percent in the second half of 2020 to 0.0 percent in the first half of 2021 and was lower than the average office/retail vacancy rate for all of Springdale at 7.6 percent in the first half of 2021. This is a very small sample size of only 17,449 square feet.

Springdale
Commercial Market Summary

There was net positive absorption of 4,359 in the retail submarket in downtown Springdale in the first half of 2021. 15.1 percent of all reported retail space was available in downtown Springdale, down from 18.9 percent in the second half of 2020. This compares to 7.6 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale increased by $0.67 in the office/retail submarket and remained the same in the office and retail submarkets, in the first half of 2021.

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	$13.10 - $14.37	225,450	34,635	15.4%	1,700	0	1,700	122.2
Office/Retail	$10.15 - $12.50	17,449	0	0.0%	4,562	0	4,562	0.0
Retail	$12.24 - $13.64	105,792	15,963	15.1%	4,359	0	4,359	22.0

[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.

West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,173,356 square feet of office, office/retail, and retail space in West Springdale in the first half of 2021. There were no new square feet of space added to West Springdale during this time.

The office space in West Springdale had net negative absorption of 2,984 square feet in the first half of 2021. The vacancy rate increased from 6.3 percent in the second half of 2020 to 7.3 percent in the first half of 2021. The rate was lower than the overall city average office vacancy rate of 10.4 percent.

The office/retail submarket had net positive absorption of 5,650 square feet in the first half of 2021. The first half of 2021 vacancy rate of 7.3 percent in West Springdale was lower than the 11.9 percent in the second half of 2020. The rate was below the overall city average office/retail vacancy rate of 7.6 percent.

The retail vacancy rate for West Springdale properties increased from 2.5 percent in the second half of 2020 to 3.2 percent in the first half of 2021, in accordance with net negative absorption of 4,542 square feet. The vacancy rate was below the city average retail vacancy rate of 7.6 percent.

Average reported lease rates for West Springdale decreased $0.13 in the office submarket, decreased by $0.05 in the office/retail submarket, and increased $0.43 in the retail submarket.

West Springdale Summary

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	$16.32 - $16.86	290,828	21,242	7.3%	-2,984	0	-2,984	--
Office/Retail	$16.00 - $18.40	214,872	15,600	7.3%	5,650	0	5,650	16.6
Retail	$18.32 - $18.82	667,656	21,065	3.2%	-4,542	0	-4,542	--

[1]From all 1H 2021 respondents.
2[F]rom 1H 202 respondents who were also 2H 2020 respondents.