

Multifamily Highlights Second Half of 2024

Highlights.....	1
Multifamily Market Trends.....	2

**Prepared Exclusively under
Contract Agreement for
ARVEST BANK**

The information contained herein has been obtained from reasonably reliable sources. The Center for Business and Economic Research makes no guarantee, either expressed or implied, as to the accuracy of such information. All data contained herein is subject to errors, omissions and changes. Reproduction in whole or in part without prior written consent is prohibited.

**Sam M. Walton College of
Business
University of Arkansas
Fayetteville, AR 72701
Telephone: 479.575.4151
<http://cber.uark.edu>**



Real Estate Summary For Benton and Washington Counties

This report is the fifty-first edition of the Skyline Report for Benton and Washington Counties—Multifamily Real Estate Market Analysis. Researchers at the Center for Business and Economic Research in the Sam M. Walton College of Business at the University of Arkansas produce the Skyline Report to provide timely statistical analysis of the Northwest Arkansas multifamily real estate market. This study is a companion piece to the semiannual single-family residential and commercial Skyline Reports. There is a complex dynamic between multifamily housing, residential rental housing, and residential home ownership that is being influenced by several factors including: quantity of multifamily supply, quantity of rental housing, interest rates, underwriting standards, and unemployment rates, among others. The information contained in the following pages details the current condition of the multifamily market and sets the stage for future comparisons.

Highlights from the Second half of 2024

The multifamily vacancy rate remained 3.3 percent in the second half of 2024 from 3.3 percent in the first half of 2024 even with the addition of 6 new and completed complexes with 506 total units and 281 available units. With the 6 complexes removed the overall vacancy rate decreased to 2.9 percent.

The Fayetteville vacancy rate increased to 3.0 percent in the second half of 2024 from 1.9 percent in the first half of 2024. More than 2,500 new rental units are under construction and an additional 6,700 have been announced (36.3 percent of current inventory) in the Fayetteville market.

In Bentonville, vacancy rates decreased to 4.0 percent in the second half of 2024 from 4.5 percent in the first half of 2024. More than 1,800 new rental units are under construction and an additional 5,400 have been announced (70.7 percent of current inventory) in the Bentonville market.

Vacancy rates in Rogers decreased to 5.3 percent in the second half of 2024 from 6.9 percent in the first half of 2024, the highest in Northwest Arkansas. More than 1,500 new rental units are under construction and an additional 6,700 have been announced (87.6 percent of current inventory) in the Rogers market.

The Siloam Springs vacancy rate increased to 1.3 percent in the second half of 2024, from 1.1 percent in the first half of 2024, the lowest in Northwest Arkansas. More than 20 new rental units are under construction and an additional 280 have been announced (20.2 percent of current inventory) in the Siloam Springs market.

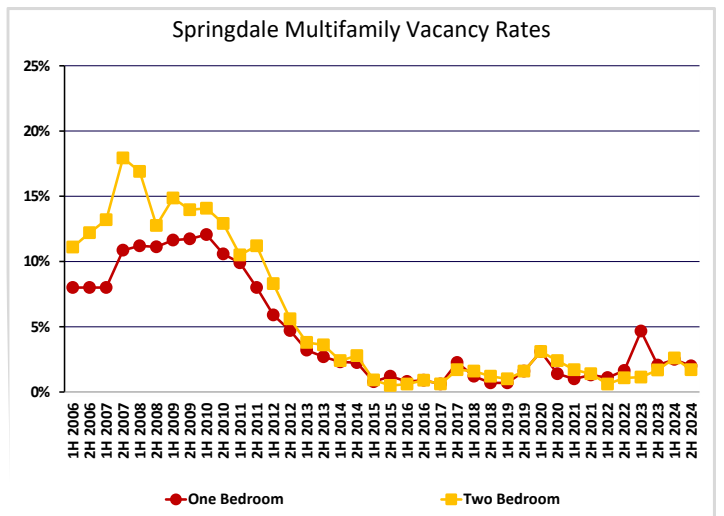
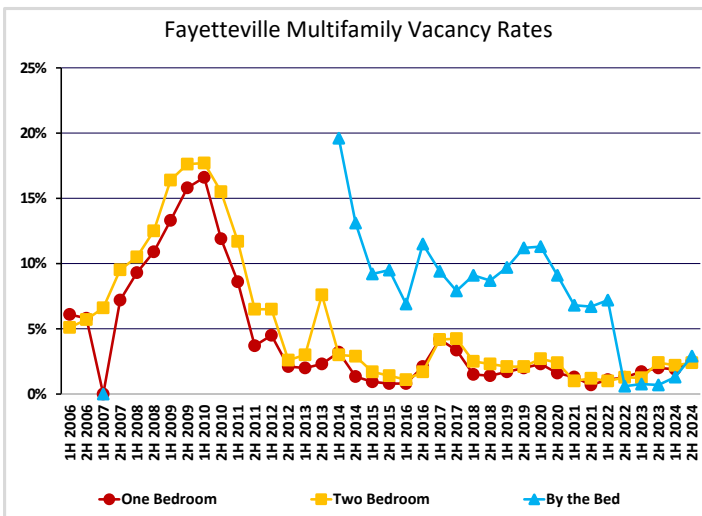
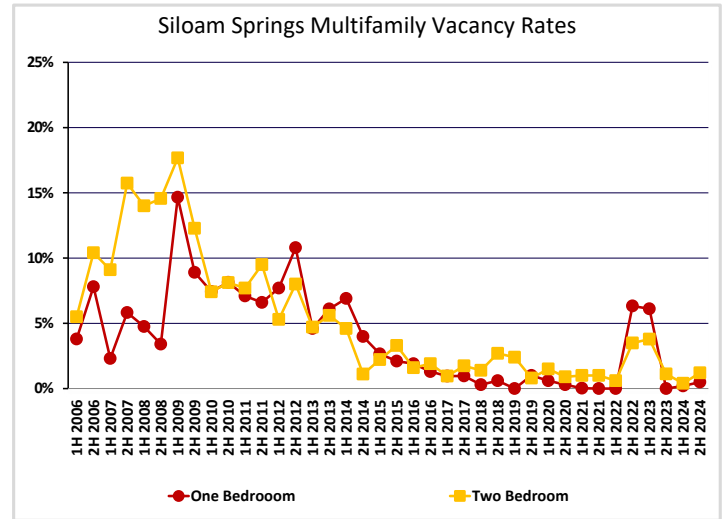
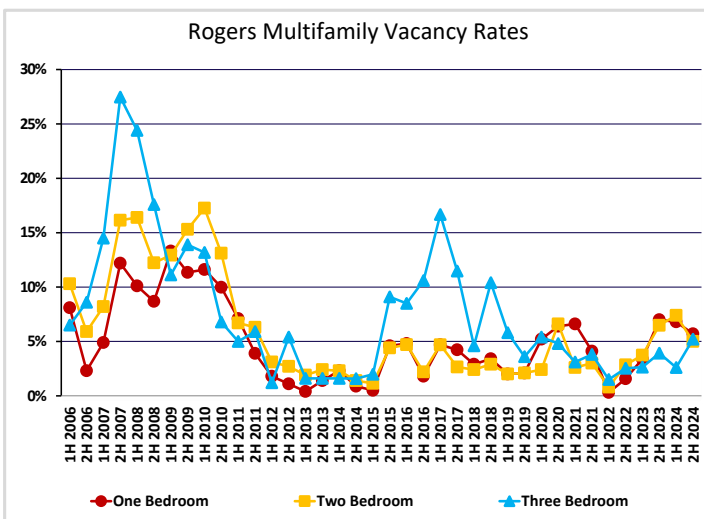
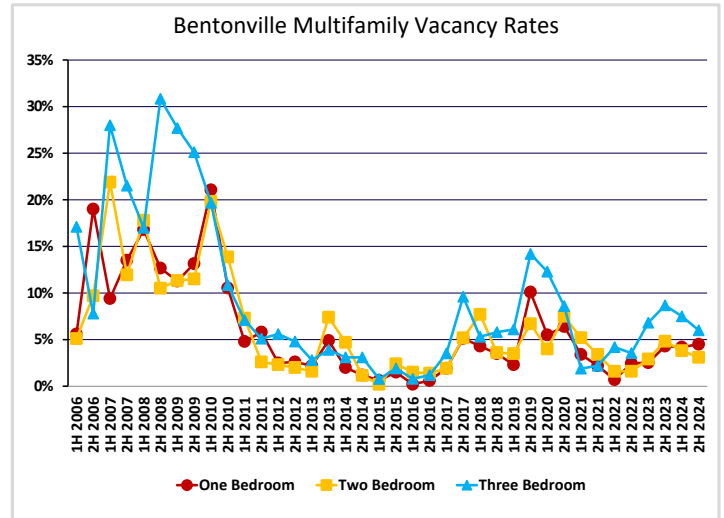
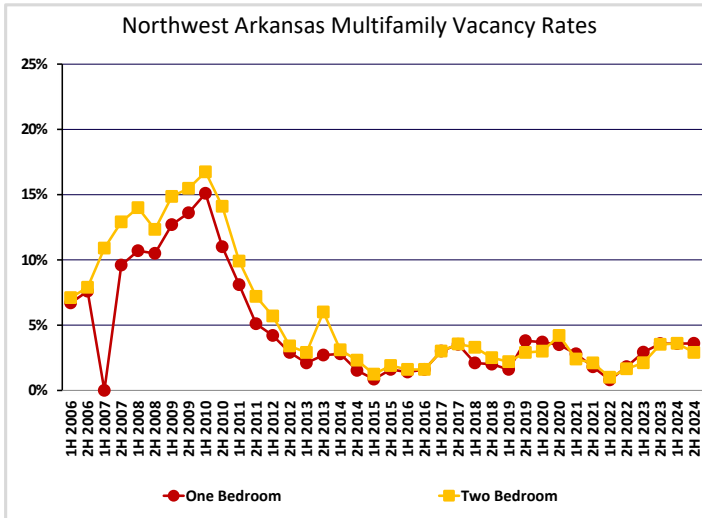
In Springdale, the vacancy rate decreased to 1.9 percent in the second half of 2024 from 2.9 percent in the first half of 2024. More than 1,400 new rental units are under construction and an additional 700 have been announced (22.8 percent of current inventory) in the Springdale market.

In the second half of 2024, the average lease rate per month for a multifamily property unit in Northwest Arkansas increased to \$1075.18, from \$1037.57 in the first half of 2024.

In the second half of 2024, 31 current multifamily projects had building permits valued at \$523.8 million, an increase from \$363.6 million in the first half of 2024.

Regional Market Trends

Multifamily Vacancy Rates



Regional Market Trends

Multifamily Rates and Building Permits

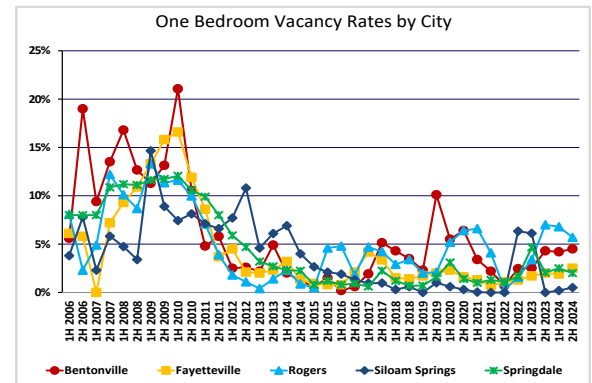
In Northwest Arkansas, 368 building permits were issued, worth \$523.8 million, for 31 separate complexes. Two projects, were located in Bentonville/Centerton with permits valued at \$40.0 million. Rogers had six projects valued at \$109.3 million. The Summit was the highest valued at \$67.3 million. Two projects worth \$6.3 million are in Siloam Springs. Twelve projects in Fayetteville, are valued at \$214.3million. Current on Center was the highest valued at \$60.4 million. Nine projects with permits valued at \$153.8 million were located in Springdale/Tontitown. The highest was Clear Creek Apartments valued at \$51.2 million.

Multifamily Building Permits	Complex or Developer	Number of New Permits	Total Value of Permits	City
11/5/2024	Medlin Condos	3	\$13,149,208	Bentonville
12/24/2024	Main and A	6	\$26,845,818	Bentonville
1/9/2024	Apex Apartments	6	\$762,413	Fayetteville
1/25/2024	Bacardi Apartments	1	\$3,003,550	Fayetteville
2/6/2024	Ramsey Village	51	\$14,737,726	Fayetteville
3/12/2024	Garland Apartments	43	\$9,229,607	Fayetteville
6/28/2024	Junction at Fayetteville	4	\$24,972,055	Fayetteville
8/15/2024	University Lofts at Sanctuary	1	\$2,312,371	Fayetteville
9/9/2024	Trails on the Creeks	13	\$46,386,704	Fayetteville
9/13/2024	The Claude	2	\$14,317,962	Fayetteville
10/6/2024	The Axis	3	\$23,147,238	Fayetteville
11/8/2024	Park Meadows	3	\$7,561,604	Fayetteville
11/13/2024	Patriot Park	9	\$7,353,250	Fayetteville
12/27/2024	Current on Center	1	\$60,490,404	Fayetteville
1/4/2024	The Summit	2	\$31,318,096	Rogers
3/6/2024	Townhomes at Scottsdale	21	\$7,305,701	Rogers
3/7/2024	Villas at Turtle Creek	104	\$14,126,530	Rogers
7/29/2024	Kindergrove Olive	2	\$2,085,186	Rogers
8/19/2024	The Summit	3	\$35,987,339	Rogers
9/4/2024	Olive Street Apartments	4	\$12,953,741	Rogers
10/2/2024	Ritter and Spool	2	\$5,559,610	Rogers
2/2/2024	Azlin Place	5	\$2,494,450	Siloam Springs
3/18/2024	Sager Crossing, II	1	\$3,836,641	Siloam Springs
1/10/2024	The Ramsay at Springdale	17	\$27,604,476	Springdale
3/11/2024	Chandler Village	5	\$5,529,583	Springdale
3/19/2024	Bridger Crossing	7	\$6,078,489	Springdale
5/14/2024	Big Emma	3	\$13,749,700	Springdale
5/22/2024	Cadence Crossing	6	\$1,661,681	Springdale
5/23/2024	Peaks at Springdale III	3	\$4,500,000	Springdale
6/19/2024	Clear Creek Apartments	16	\$51,172,304	Springdale
6/19/2024	Har-ber Meadow Townhomes	1	\$560,544	Springdale
6/20/2024	Trails at the Crossing II	15	\$35,988,165	Springdale
12/10/2024	Chandler Village	8	\$7,010,000	Springdale
NWA	31 Unique Projects	368	\$523,792,147	

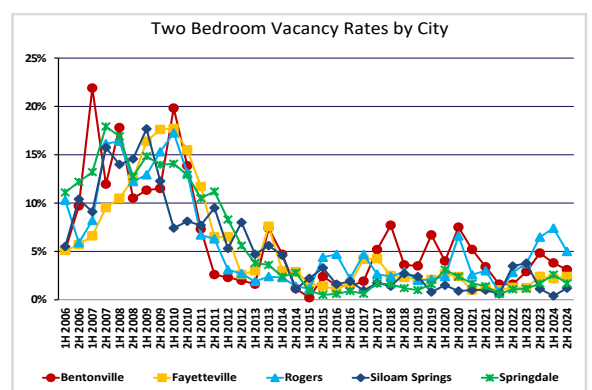
Regional Market Trends

Multifamily Sample Data

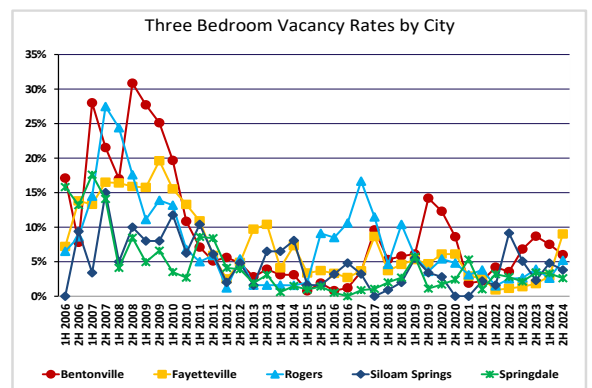
Sample Vacancy Rates	Number of Apartment Complexes	Number of Units	2H 2024 Vacancy Rate	1H 2024 Vacancy Rate	2H 2023 Vacancy Rate
Bentonville	153	10,264	4.0%	4.5%	4.9%
Fayetteville	387	25,656	3.0%	1.9%	1.7%
Rogers	135	9,503	5.3%	6.9%	6.6%
Siloam Springs	48	1,502	1.3%	1.1%	0.9%
Springdale	138	9,415	1.9%	2.9%	2.0%
NWA	861	56,340	3.3%	3.3%	3.1%



Vacancy Rates by Floor Plan	By the Bedroom	One Bedroom	Two Bedroom	Three Bedroom
Bentonville	--	4.5%	3.1%	6.0%
Fayetteville	2.9%	2.5%	2.4%	9.0%
Rogers	--	5.7%	5.0%	5.2%
Siloam Springs	--	0.5%	1.2%	3.8%
Springdale	--	2.0%	1.7%	2.6%
NWA	2.9%	3.6%	2.9%	5.5%



Median Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	500	\$811.50	\$1.62
By the Bed	408	\$950.00	\$2.33
1 Bedroom	612	\$775.00	\$1.27
2 Bedroom	925	\$950.00	\$1.03
3 Bedroom	1300	\$1,350.00	\$1.04
4 Bedroom	1800	\$1,800.00	\$1.00
NWA	850	\$950.00	\$1.12



Average Unit Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	551	\$982.26	\$1.78
By the Bed	420	\$939.09	\$2.24
1 Bedroom	665	\$973.56	\$1.46
2 Bedroom	964	\$1,118.70	\$1.16
3 Bedroom	1,304	\$1,471.34	\$1.13
4 Bedroom	1,707	\$2,088.76	\$1.22
NWA	804	\$1,075.18	\$1.34

