THE SKYLINE REPORT

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Second Half of 2023

Contents

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Commercial Real Estate Summary For Benton Madison and Washington Counties

This report is the forty-ninth 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 Second Half of 2023

The overall vacancy rate for commercial property remained 6.4 percent in the second half of 2023 from the first half of 2023, driven by 623,288 new square feet of commercial space.

The office vacancy rate remained 8.8 percent in the second half of 2023 as 203,815 square feet of new office space was added to the market. There was solid leasing activity in the Class A office submarket.

In the retail submarket, the vacancy rate remained 7.9 percent in the second half of 2023 as 10,898 square feet of new space entered the market. There was strong leasing activity in the Class B retail submarket.

The office/retail vacancy rate increased from 5.8 percent in the first half of 2023 to 6.7 percent in the second half of 2023 primarily as102,622 square feet of new office/retail space was added to the market. There was strong leasing in the Class B submarket.

The warehouse vacancy rate decreased from 3.6 percent in the first half of 2023 to 3.2 percent in the second half of 2023 even though 262,415 new square feet of space entered the market. 43,538 square feet of new office/warehouse space but no new retail/warehouse space was added as respondents continued to report increasing demand for new warehouse and flex warehouse space.

$287.6 million in commercial building permits were issued in the second half of 2023, only $500,000 were Walmart. In comparison there were $193.9 million, $168.5 non-Walmart, in commercial building permits issued in the first half of 2023.

Report Structure

The Skyline Report presents an analysis of data from three primary sources. Information on the entire population of commercial property is gathered from the offices of the Benton and Washington County Assessors. These data sets are then filtered to exclude properties that are not part of the competitive leasing market. These excluded properties include owner-occupied buildings and other dedicated spaces. Additionally, commercial properties that do not meet certain minimum size criteria (detailed on page 73) are also filtered from the base of commercial properties considered. As a second source of data, building permit information is collected from the relevant divisions in Northwest Arkansas city governments. Finally, availability, lease rates, and other characteristics of competitive commercial properties are obtained from a panel of the largest commercial property owners and managers in Northwest Arkansas. Each of the three types of information that is collected gives a unique but critical perspective of the local commercial property market. Without understanding what the universe of commercial properties looks like at the beginning of a period, the scale of available space for lease is meaningless. Likewise, the data that come from building permits paint a picture of what market additions are imminent. Only after setting the stage with these two perspectives do vacancy rates and market absorption numbers have real value.

In order to provide yet another level of perspective on the Northwest Arkansas commercial property market, the Skyline Report contains the results of some focus group discussions with commercial property developers and managers which are summarized in order to supplement the hard data with anecdotal evidence from market participants about regional trends.

After the summary of local perceptions, the second half of 2023 numbers for total commercial property square feet and building permit data are presented. Within the total square feet table, a breakdown of property type by city is provided. Also, the square footage of competitive commercial property for which the 248 panelists provide information is broken down by city and the percentage of coverage of the competitive market is calculated. A table containing publicly announced new commercial real estate projects is presented after the summary of building permit data. This table is meant to provide an indication of the future direction of the Northwest Arkansas commercial property market. As many of these projects are still in the conceptual phase, hard data is incomplete and subject to change. This period, the announced data was examined particularly closely. Project locations were checked and developers were contacted regarding the projects from the previous Skyline report.

Following the tables of announced commercial projects, hotels, and restaurants is a trend summary that includes information about vacancy rate and available space trends. There are also three tables summarizing the results from the most recent time periods. The first table presents vacancy rates by submarket for the second half of 2022, the first half of 2023, in addition to the second half 2023. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

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

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

Local Perceptions

In each reporting period, Center for Business and Economic Research staff members discuss market conditions with a panel of commercial developers and property managers to gain insights into the current commercial real estate market in Benton and Washington Counties. Over the course of these conversations, held from September through December, respondents discussed the challenges and opportunities in the commercial, multifamily, and residential property markets in Northwest Arkansas.

Discussions about the office market contrasted the health of the Northwest Arkansas market with the challenges facing the office market in other major metropolitan areas. While respondents have concerns about future demand for office space, they indicated demand is currently strong in Class A and Class B space. A few of the panelists feel Class C office space will begin to be torn down and redeveloped over the next several years. Firms downsizing their leased space as they plan for hybrid and remote workers was the biggest concern reported by panelists. Several respondents expect new lease renewals to be for less space, albeit at higher lease rates but they do not expect many firms to give up leases as has been happening in some major metros. In addition, there is expected to be continuing demand for space from the expansion of successful smaller firms and new firms entering the market. demanding space. Walmart, Tyson, and JB Hunt bringing their own office staff back in a hybrid capacity, creates a positive expectation for other firms to return to the office market in Northwest Arkansas. Another difference pointed out by panelists was commute time being so much less in Northwest Arkansas. Panelists acknowledged that if traffic problems worsen that might lead to more hybrid and remote work and less office space demand here as well.

The high cost (land, labor, materials, interest, insurance) of new construction and tenant improvements, pushing lease rates higher, making lease deals more intricate to negotiate, and causing more corporate level involvement which slows the project timeline. However, this is not dampening demand for new Class A space, even with rates exceeding $40, or renovated and well-maintained Class B space with lease rates around $20. Further, respondents reported that the high costs were flattening, the labor market had a little more flexibility, and supply chains were stabilizing leading to less uncertainly moving into 2024. A new concern shared by respondents was the dramatic increase of 20 to 50 percent for insurance costs. While no respondents reported any deals failing because of the higher insurance costs, they are another factor pushing lease rates up. There is a concern that deals may fall through as higher insurance costs are passed on to tenants. A few panelists discussed the potential for creating self- insurance cooperatives to control costs and potentially become another revenue stream for firms able to execute.

Demand by financial, medical, and professional services firms, as well as tech start-ups were mentioned more often than vendors as providing demand for future office space. Respondents believe this diversification is part of the growth and maturation of the Northwest Arkansas market.

Retail space demand remained solid according to the Skyline respondents. Food and Beverage was the strongest submarket with one respondent reporting that he was working on 20 new restaurants coming to Northwest Arkansas in the next couple of years. Other respondents discussed the continued demand for second generation restaurant space , and the continued expansion of new standalone buildings by national and regional restaurant chains. However, another panelist expressed concern about the possible oversaturation in downtown Bentonville, and to a lesser degree downtown Springdale, as more restaurants enter the market. The high cost of tenant improvements was reported to have stopped some restaurant deals. Service retail such as hair, nails, spas, continues to see increasing demand as the population grows, 'roof-tops to retail". There were reports of high-end retail firms such as Apple and Tesla coming to the region soon. A few respondents said after the high level of construction of car washes, oil change firms, and collision centers in the last couple years there is going to be a significant slowdown after the current round of construction is completed. Most respondents feel retail demand in all the major downtown areas will remain strong in 2024 and beyond.

Respondents report the region's continuing population growth is spurring strong demand in all the warehouse submarkets. While the largest newly constructed warehouse has not yet been leased, other large warehouses were leased. Several 50,000 square foot warehouses are under construction or in the planning phase. Demand for flex warehouse space is even stronger and more projects are under construction and in the design phase. Higher construction, interest, and land costs leading to the necessity of higher lease rates is the biggest challenge in the warehouse market. Some respondents wonder if the potential tenant base can afford higher lease rates while others indicated that the warehouse users such as distributers, flooring firms, electricians, HVAC providers, and plumbers are seeing their revenues increase allowing them to absorb higher lease rates. Costs are slowing down deals, both acquisition and new construction, in this submarket as well, but not stopping them.

Northwest Arkansas's growing population remains the key driver in strong demand for both single family and multifamily housing. As in the commercial markets, (it is construction, land, interest) costs remain a challenge to developers and consumers. While material and labor costs, flatten and supply chains are improving, land costs continue to go up. A couple of respondents stated there is now a DR Horton effect on land costs (increasing demand for land increases the price of land), in addition to the high price expectations of landowners. Another big freshman class at the University of Arkansas reinforced the feeling that multifamily housing will remain tight, particularly in Fayetteville. The influx of non-student new residents into Benton County and the rest of Washington County seeming to exceed the construction of new housing units was noted by panelists as a reason to keep building all types of housing units. However, there is a concern about the delivery date timing of all the under construction and announced multifamily projects. If several projects are delivered in the same half, respondents are worried about a drastic increase in vacancy rates. Some of the respondents addressed these concerns saying that good multifamily developers need to have proformas that build in an eighteen month lease up period, and to not have lease escalators beyond 3-5 percent a year.

It was noted by some of the respondents that the higher cost of housing has virtually eliminated one part of the cost-of-living advantage that Northwest Arkansas used to have over peer regions. Respondents again discussed allowing denser zoning, more mixed-use zoning, public-private partnerships with regards to water, sewer, and road infrastructure costs, core-housing support, code reform, and finding ways to provide more staffing for local governments.

Most respondents believe 2024 is going to be challenging. Even with those challenges Northwest Arkansas will experience accelerating growth in 2025 and beyond. Panelists continue to point to the broad regional investments in amenities, education, the medical sector, and technology made by Walmart, Tyson, and JB Hunt, and the Walton, Tyson, and Hunt families. There was excitement about the University of Arkansas's MUSiC, I3R, and Art initiatives. Also, they highlighted people continuing to move here just because of the quality of life and opportunities the region offers.

.Positive Factors:

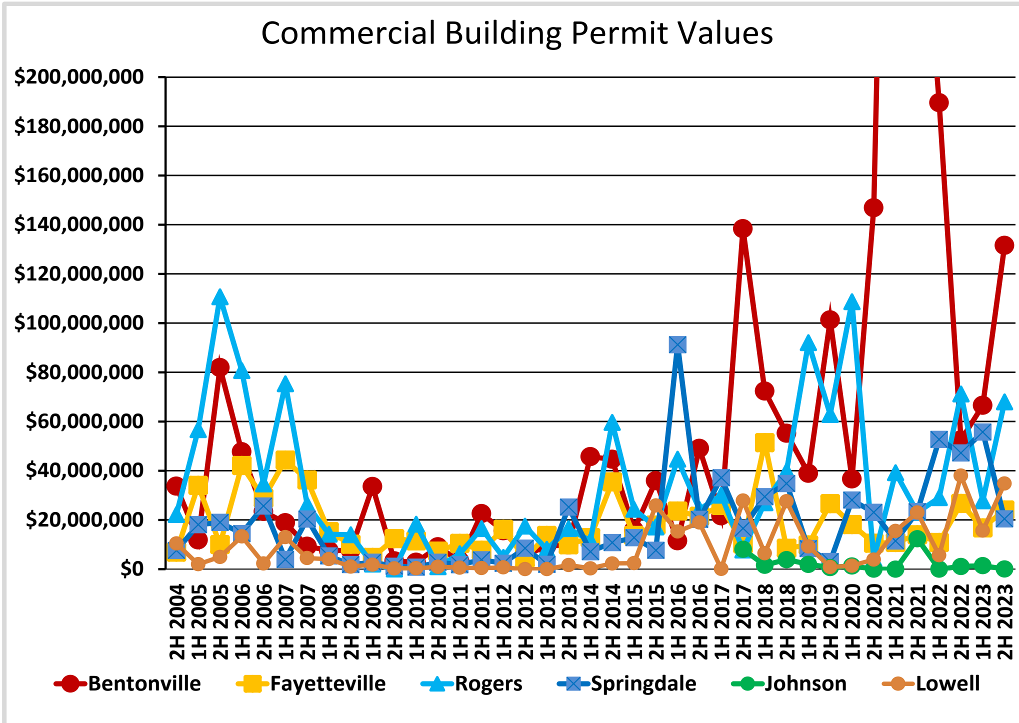
- Continued population growth and job availability in the MSA, including the smaller cities
- Construction of the new Walmart Home Office
- Growth in the healthcare sector creating demand for new Medical Office space and high paying jobs
- Alice Walton's School of Medicine and Wellness Institute
- Increase in business start-ups leading to demand for office and retail space
- Growth of existing businesses creating demand for new Class A office space
- Demand for Class A office space to attract talent to Northwest Arkansas
- Development of mixed use live-work-play communities
- Leveraging the trail system as a selling point for commercial space
- Continuing creation of amenities for various age groups in Northwest Arkansas:
- Bike Trails, Skate parks, Museums, Music Venues, City Parks, Professional Soccer Club
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

Negative Factors:

- Higher interest rates
- High land costs
- Potential increase in office vacancy
- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Shortage and inexperience of City Staff
- Infrastructure needs and costs
- Over building in the Pinnacle Hills multifamily markets
- Residential over building in Centerton

Building Permits

Building permit data from the past twelve years is presented for six major cities in Northwest Arkansas. Building permit data are seasonal in nature and show large fluctuations in square footage and value from half to half. Moreover, any particularly large project can skew the numbers immensely. Building permit data are also city-specific. Only the cities of Bentonville, Fayetteville, and Siloam Springs present square footage data, while only Bentonville and Fayetteville break out the different types of commercial property. A standardization of building permit applications in the region would provide superior data for comparison purposes.



From July 1 to December 31, 2023, $287.6 million commercial building permits were issued in seven major cities in Northwest Arkansas, Bentonville, Fayetteville, Johnson, Lowell, Rogers, Siloam Springs, and Springdale. In the third quarter of 2023, over $181.7 million in commercial building permits were issued. In the fourth quarter, over $105.7 million in building permits were issued. In the second half of 2023, Bentonville had the greatest share of building permit value with 45.8 percent. Rogers followed with 23.6 percent, then Lowell with 12.1 percent, Fayetteville with 8.4 percent, Springdale with 7.1 percent and Siloam Springs and Johnson with 3.0 percent and 0.02 percent, respectively.

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Oct - Dec 2023	$19,871,888	$4,298,395	$0	$25,681,595	$33,123,695	$8,294,555	$14,515,871	$105,786,000
July - Sept. 2023	$111,700,056	$19,751,830	$50,000	$9,086,520	$34,880,250	$435,660	$5,893,180	$181,797,496
April - June 2023	$13,727,199	$15,732,961	$0	$2,339,055	$22,025,063	$5,500,000	$33,320,263	$92,644,540
Jan - March 2023	$52,859,677	$1,000,000	$1,424,078	$13,281,960	$5,769,176	$4,516,668	$22,426,722	$101,278,281
Oct - Dec 2022	$24,279,180	$24,906,249	$0	$34,104,213	$35,136,108	$1,390,000	$32,442,364	$152,258,114
July - Sept. 2022	$28,167,383	$1,800,000	$1,104,704	$3,901,806	$36,087,348	$2,790,000	$14,820,147	$88,671,388
April - June 2022	$123,599,792	$2,690,000	$0	$5,294,435	$11,170,162	$3,808,850	$26,606,028	$173,169,267
Jan - March 2022	$65,951,134	$8,174,711	$0	$339,009	$17,857,600	$2,105,000	$26,127,980	$120,555,433
Oct - Dec 2021	$234,058,815	$3,613,127	$6,500,000	$9,104,241	$5,158,428	$0	$8,346,278	$266,780,889
July - Sept. 2021	$68,057,621	$10,347,530	$5,904,000	$13,909,667	$17,863,859	$0	$15,029,738	$131,112,415
April - June 2021	$474,818,460	$9,926,517	$0	$12,051,829	$17,584,075	$36,250,000	$8,059,007	$558,689,888
Jan - March 2021	$57,868,237	$923,840	$0	$3,466,762	$21,584,948	$1,150,000	$3,369,449	$88,363,236
Oct - Dec 2020	$93,718,136	$8,781,903	$0	$2,161,011	$3,320,307	$200,000	$23,070,264	$131,251,621
July - Sept. 2020	$53,146,422	$1,733,000	$0	$1,710,273	$871,350	$97,500	$0	$57,558,545
April - June 2020	$7,872,202	$4,539,226	$0	$1,384,169	$16,407,953	$500,000	$11,376,474	$42,080,023
Jan - March 2020	$28,760,325	$13,563,927	$1,309,680	$0	$92,262,020	$1,500,000	$16,695,901	$154,091,853
Oct - Dec 2019	$74,410,564	$21,261,745	$678,435	$0	$44,905,617	$850,000	$744,962	$142,851,323
July - Sept. 2019	$26,866,194	$5,359,405	$0	$862,000	$17,941,362	$1,311,274	$2,319,131	$54,659,366
April - June 2019	$24,734,606	$7,848,461	$1,956,100	$1,596,716	$34,523,248	$3,435,272	$2,632,279	$76,726,682
Jan - March 2019	$14,177,844	$1,950,000	$0	$7,630,590	$57,561,131	$2,639,336	$5,713,932	$89,672,833
Oct - Dec 2018	$2,781,412	$1,925,538	$0	$24,547,504	$29,223,531	$0	$28,908,633	$87,386,618
July - Sept. 2018	$52,379,644	$6,582,444	$3,873,492	$3,033,251	$10,590,898	$39,080	$5,909,232	$82,408,041
April - June 2018	$29,647,741	$36,503,927	$672,332	$6,430,700	$14,852,917	$1,752,620	$27,596,786	$117,457,022
Jan - March 2018	$42,659,355	$14,896,335	$933,120	$0	$12,128,964	$181,446	$1,853,013	$72,652,233
Oct. - Dec. 2017	$15,703,722	$1,088,272	$2,965,620	$24,474,140	$1,927,690	$1,928,435	$8,808,035	$56,895,914
July - Sept. 2017	$122,656,773	$9,140,191	$5,107,550	$3,396,926	$5,846,637	$1,347,500	$7,793,380	$155,288,957
April - June 2017	$14,303,886	$11,372,807		$0	$24,408,936	$1,412,000	$14,033,069	$65,530,698
Jan - March 2017	$7,336,615	$14,513,326		$84,000	$5,648,091	$576,141	$23,123,353	$51,281,526
Oct. - Dec. 2016	$15,844,261	$9,443,954		$4,445,138	$8,574,715	$0	$3,813,727	$42,121,795
July - Sept. 2016	$33,180,166	$12,004,863		$14,474,766	$15,710,115	$3,339,470	$16,415,992	$95,125,372
April - June 2016	$3,186,128	$21,574,412		$4,617,536	$9,205,408	$20,222,189	$87,682,358	$146,488,031
Jan - March 2016	$8,282,426	$2,018,785		$10,653,719	$35,473,387	$0	$3,569,037	$59,997,354
Oct. - Dec 2015	$29,243,802	$10,076,938		$23,090,780	$7,179,197	$1,030,000	$6,980,305	$77,601,022
July - Sept. 2015	$6,656,778	$7,819,300		$2,772,080	$9,939,946	$7,303,878	$707,070	$35,199,052
April - June 2015	$8,520,763	$9,878,384		$2,437,861	$20,234,817	$6,095,000	$4,157,720	$51,324,545
Jan - March 2015	$7,316,156	$3,829,883		$0	$4,115,779	$0	$8,617,653	$23,879,471
Oct. - Dec 2014	$15,077,940	$23,716,086		$942,443	$41,437,354	$298,450	$5,456,402	$86,928,675
July - Sept. 2014	$29,512,908	$11,744,678		$1,375,887	$18,199,323	$420,000	$5,311,744	$66,564,540

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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
Jan. -March 2012	$2,386,772	$1,015,056		$709,949	$1,027,000	$0	$2,373,879	$7,512,656
Sept. - Dec. 2011	$21,094,402	$5,907,082		$0	$16,450,594	$0	$1,455,757	$44,907,875
June - August 2011	$1,445,222	$1,763,872		$404,493	$0	$500,000	$2,328,979	$6,442,566
March - May 2011	$1,773,228	$9,552,146		$150,000	$1,614,000	$0	$0	$13,089,374
Dec. 2010 - Feb. 2011	$1,469,162	$915,280		$438,289	$4,616,536	$22,997,000	$1,803,778	$32,240,045
Sept. - Nov. 2010	$7,214,903	$2,623,509		$941,017	$958,000	$6,005,000	$1,898,944	$19,641,373
June - August 2010	$1,846,518	$4,679,537		$0	$0	$0	$892,252	$7,418,307
March - May 2010	$2,661,860	$11,450,334		$100,000	$6,055,000	$1,296,000	$798,774	$22,361,968
Dec. 2009 - Feb. 2010	$105,030	$0		$255,505	$12,224,147	$0	$0	$12,584,682
Sept. - Nov. 2009	$0	$10,005,337		$330,803	$7,000	$379,711	$1,139,928	$11,862,779
June - August 2009	$3,336,498	$2,403,905		$0	$70,000	$215,000	$37,460	$6,062,863
March - May 2009	$33,171,420	$1,368,907		$50,112	$1,500,000	$400,000	$1,194,175	$37,684,614
Dec. 2008 - Feb. 2009	$344,325	$3,403,704		$1,766,386	$545,000	$0	$1,596,349	$7,655,764
Sept. - Nov. 2008	$3,908,853	$3,588,389		$0	$6,411,775	$0	$0	$13,909,017
June - August 2008	$3,689,476	$6,548,894		$1,019,000	$7,579,500	$1,006,596	$1,861,390	$21,704,856
March - May 2008	$153,000	$3,152,132		$4,075,075	$4,179,000	$0	$1,395,524	$12,954,731
Dec. 2007 - Feb. 2008	$7,400,153	$12,125,756		$0	$9,995,030	$3,200,000	$3,970,299	$36,691,238
Sept. - Nov. 2007	$8,075,766	$27,923,695		$4,455,275	$533,200	$0	$0	$40,987,936
June - August 2007	$1,194,440	$8,309,014		$48,927	$25,668,347	$2,575,178	$20,375,131	$58,171,037
March - May 2007	$10,082,817	$20,962,887		$8,277,328	$15,727,729	$3,019,500	$3,960,747	$62,031,008
Dec. 2006 - Feb. 2007	$8,725,598	$23,406,927		$4,709,086	$59,642,734	$25,000	$0	$96,509,345
Sept. - Nov. 2006	$2,404,840	$22,721,389		$1,840,722	$11,146,805	$538,000	$0	$38,651,756
June - August 2006	$21,014,259	$6,147,723		$462,712	$23,479,198	$5,890,000	$25,663,800	$82,657,692
March - May 2006	$10,575,639	$21,780,317		$10,924,435	$36,046,864	$3,650,000	$12,322,984	$95,300,239
Dec. 2005 - Feb. 2006	$37,121,720	$20,330,697		$2,359,019	$44,672,800	$165,000	$2,151,476	$106,800,712
Sept. - Nov. 2005	$9,674,394	$3,519,150		$3,275,717	$85,896,765	$150,000	$15,999,816	$118,515,842
June - August 2005	$72,205,699	$6,434,833		$1,666,851	$24,782,039	$200,000	$2,982,618	$108,272,040
March - May 2005	$3,061,870	$15,491,806		$1,590,789	$30,534,466	$1,059,000	$15,468,833	$67,206,764
Dec. 2004 - Feb. 2005	$8,753,636	$18,560,094		$390,000	$26,172,000	$254,700	$2,614,524	$56,744,954
Sept. - Nov. 2004	$17,242,269	$2,750,867		$402,891	$489,240	$188,000	$1,174,999	$22,248,266
June - August 2004	$16,446,488	$4,145,124		$10,035,248	$21,734,534	$1,993,393	$6,390,478	$60,745,265
March - May 2004	$14,640,091	$7,839,529		$203,680	$8,804,700	$1,721,585	$2,371,888	$35,581,473

New Announced Projects

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

Following the announced properties table is a list of the existing hotel properties in Northwest Arkansas, detailed by city. In the second half of 2023, there were 6,841 standard rooms and 2,579 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,958, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of December 31, 2023. For the second half of 2023, the Skyline Report covered 100.3 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others and some cities have longer delays reporting new construction to the respective counties.

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Lisa Reeves Law Office	Bella Vista	Jason Ingalls	Office	3,220	Conceptual
Boat Storage Buildings	Benton County	Robert and Travis Pennington	Warehouse	8,400	Conceptual
14th Street Commercial Building	Bentonville	Kelley CP	Commercial	4,500	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Adult Wellness Center	Bentonville	City of Bentonville	Recreation		Conceptual
Alice Walton School of Medicine	Bentonville	Alice Walton	Medical Office	154,000	Fall 2025
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	Delayed
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Battlefield and Central	Bentonville	Uncommon Developers	Office/Retail	49,000	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual
Bentonville Library Expansion	Bentonville	City of Bentonville	Library	22,975	2024
Bentonville Merchant North-Central	Bentonville		Office		Conceptual
Bentonville Merchant South-Central	Bentonville		Office		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Best Joy Office on J	Bentonville	Best Joy LLC	Office	7,000	Conceptual
Brick Avenue Commercial	Bentonville	SREG	Commercial	100,000	Delayed
Cadence Group-Central	Bentonville	Cadence Group	Office		Conceptual
Caliber Collision	Bentonville	Caliber Collison	Retail	15,000	Done
Canoo	Bentonville	Tony Aquila	Office		Conceptual
Central Parking Deck	Bentonville	Off Street Parking Development	Parking Garage	167,806	2025
Central Parking Deck-Retail	Bentonville	Off Street Parking Development	Retail	1,585	2025
Clubhouse	Bentonville	Sam's Club	Design Studio	34,000	Spring 2024
Common Remote Hub Commercial	Bentonville	Blue Crane	Commercial	91,107	2025
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	Conceptual
Crossmar Supplier Park 6-11	Bentonville	Cross Mar and Glass Investments	Warehouse	1,200,000	Conceptual
Crystal Bridges Expansion	Bentonville	Walton Family Foundation	Museum	100,000	October 2025
Crystal Bridges Parking Deck	Bentonville	Walton Family Foundation	Parking Garage	309,000	Done
Downtown Activity Center	Bentonville	Bentonville City	Recreation	36,000	Conceptual
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Fountain Plaza Dental Office	Bentonville	David Erstine, Gubler Properties	Medical		Conceptual
Fountain Plaza Medical Office	Bentonville	Brian Bollich, MCP Bentonville Investors	Medical	14,776	2028
Gerber Collision and Glass	Bentonville	Gerber Collision and Glass	Retail		Spring 2024
Haven, The	Bentonville		Mixed Use		Conceptual
Heartland Park Mixed Use	Bentonville	Zachary Wood	Mixed Use		Conceptual
Homes by Roth	Bentonville	Roth Homes	Commercial		Conceptual
Hwy 72 Warehouse	Bentonville	Matt Ahart	Office/Warehouse	30,000	Conceptual
JTK Development I	Bentonville	JTK Development	Commercial	12,000	Conceptual
JTK Development II	Bentonville	JTK Development	Office/Warehouse	9,000	Conceptual
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Lumen Retail	Bentonville	Paul Esterer	Commercial		Spring 2024
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Maningas Medical Office	Bentonville	Talon and Aimee Maningas	Medical Office		Conceptual
Midcity Commons	Bentonville	Jake Newell	Commercial	2,316	Fall 2025
Moberly Office	Bentonville	David Erstine	Office	13,000	Conceptual
Old Walmart Home Office	Bentonville	Blue Crane	Commercial		Conceptual
Parachuting Penguins	Bentonville	Parachuting Penguins	Commercial		Conceptual
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	Done
Picklemall Facility	Bentonville	Picklemall, West Shaw	Recreation		Conceptual
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Done
Redbud 3- Splash Carwash	Bentonville	Alan Cole, Bradford Gaines	Retail		Done
Redbud 4-Redbud Place	Bentonville	Alan Cole, Bradford Gaines	Retail	11,181	Done
Redbud 5	Bentonville	Alan Cole, Bradford Gaines	Commercial		Conceptual
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
Sam's Club Innovation Building	Bentonville	Walmart	Office	34,000	2024
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville	Shelly Parson	Office	6,500	Delayed
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Splash Carwash	Bentonville	Paul Stagg	Retail		Done
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
U-Haul Self Storage	Bentonville		Mini Storage		Conceptual
United Bank Retail	Bentonville	Matthew Allen	Retail	2,000	Conceptual
Upland Stacks	Bentonville	Ross Construction, TJ Lefler	Office/Retail	51,000	Delayed
Vito Group	Bentonville	B Kannappa, A K Puram, M Jampana	Commercial		Conceptual
Walmart Expansion	Bentonville	Walmart	Retail	45,000	Conceptual
Walmart Home Office Campus	Bentonville	Walmart	Office		2024-26
Walmart Home Office Fitness Center	Bentonville	Walmart	Fitness Center	360,000	Done
Walnut Farm Montessori Expansion	Bentonville	Montessori	School	3,055	Spring 2024
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	Spring 2024
YT Mill Experience Center	Bentonville	YT Mill Industries	Commercial	7,500	Spring 2024
Collier Drug Store	Cave Springs	Mel Collier	Retail		Done
Kaled Commercial	Centerton	Kaled Management Group	Commercial	15,000	Conceptual
Splash Carwash	Centerton	Paul Stagg	Retail		2024
Coyle Law Office	Farmington	Jerry Coyle	Office		Conceptual
Holland House Storage Facility	Farmington	Holland House Holdings	Mini Storage	60,000	Conceptual
Legacy Bank	Farmington	Patrick Swope	Bank		Conceptual
Splash Carwash	Farmington	Paul Stagg	Retail		2024
112 Warehouse	Fayetteville	Brandon Sebald, Kubald Bentures	Flex Warehouse	10,000	Conceptual
Anthology Mixed Use	Fayetteville	Hunter Buwick	Commercial	27,000	Conceptual
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Aronson, The (112 Drive-in)	Fayetteville	Steve Brooks, C.L. Partners	Retail	38,000	Delayed

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Auto Zone	Fayetteville	AFT Development LLC	Retail	7,382	Conceptual
Black Forest Retail	Fayetteville	Kelley CP	Retail	15,439	Conceptual
Buffington Homes Office	Fayetteville	Elizabeth Phillips, Juheon Song	Office	5,000	Conceptual
B-Unlimited	Fayetteville	B-Unlimited, Ben Clark	Manufacturing		Conceptual
Canoo	Fayetteville	Tony Aquila	Commercial		Delayed
Chandler Crossing Commercial	Fayetteville	Brian Moore, Darin Riggins	Commercial		Conceptual
City Center North Mixed Use	Fayetteville	Sage Partners	Commercial	61,200	Conceptual
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Crye-Leike Office	Fayetteville	Harold Crye-Leike Trust	Office	17,000	Conceptual
Dance Studio	Fayetteville	ESI	Commercial	7,800	Conceptual
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	62,000	Done
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	Conceptual
Drake Farms Medical	Fayetteville	Highstreet	Commercial	20,000	Fall 2024
Drake Farms WRMC	Fayetteville	WRMC, High Street	Medical		Conceptual
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Elite Project	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Elliott Partners Warehouse	Fayetteville	Elliott Partners	Warehouse	15,000	Spring 2024
Fiesta Retail 1, 2, 3	Fayetteville	Mathias Properties	Retail	20,000	Conceptual
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Givington Warehouse	Fayetteville	Allen Befort, Bridgeton LLC	Warehouse	60,000	Conceptual
Glide Xpress Carwash	Fayetteville		Retail		Spring 2024
Glory Office Building	Fayetteville	Potomac Ventures LLC	Office	4,200	Conceptual
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	Spring 2024
Jiffy Trip	Fayetteville	Jiffy Trip	Retail	6,536	Conceptual
JJ's Sports Complex	Fayetteville	Jody Thornton	Sports Complex	108,602	2025
JMP	Fayetteville	JMP Solutions, Ray English	Warehouse	60,000	Conceptual
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Lewis Brothers Auto I-49	Fayetteville	Lewis Brothers	Commercial		Spring 2024
Lisa Academy	Fayetteville	Boen Kemp	School		Done
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Marshalltown Expansion	Fayetteville	Marshalltown	Manufacturing	51,000	Done

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Multi-User Silicon Carbide Research and Fabrication Facility (MUSiC)	Fayetteville	University of Arkansas	Fabrication Facility	18,660	January 2025
North Point Circle Office	Fayetteville	Kelley CP	Office	6,500	Conceptual
Olsson Office	Fayetteville	Brian Shaw, Sage Partners	Office	38,000	Done
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual
Poplar and Leverett Development	Fayetteville	Taite Coates and Tommy Kilbride	Commercial		Conceptual
Presidential Conversions Office	Fayetteville	John Wilson	Office	12,000	Conceptual
Prism Education Center Expansion	Fayetteville	Misty Newcomb	School	5,000	Conceptual
Randal Place Commercial	Fayetteville	Jesus Rodgriguez	Commercial		Conceptual
Razorback Golf Course Development	Fayetteville	Craig and Laura Underwood	Commercial		Conceptual
Roadrunner Gas Station	Fayetteville	Roadrunner	Retail	3,500	Conceptual
Rogers Fab Retail	Fayetteville	Rogers Fab and Restore	Retail	10,500	Conceptual
Rogers Fab Warehouse	Fayetteville	Rogers Fab and Restore	Manufacturing	14,400	Conceptual
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
South Cato Springs Mixed Use	Fayetteville	Ramsay Ball, Ashton McCombs, Mark Zakaras	Commercial		Conceptual
Splash Carwash-College	Fayetteville	Paul Stagg	Retail		2024
Stage Station	Fayetteville	Phil Crabtree, Clay Morton	Commercial		Summer 2024
Steel Town Market	Fayetteville	Morningside Investments, Bahri Ozturk	Industrial	20,400	Conceptual
Steele Blvd Retail I, II	Fayetteville		Retail		Conceptual
Twin Creeks Village	Fayetteville	Boen Kemp	Office	6,690	Conceptual
Twin Creeks Village	Fayetteville	Boen Kemp	Office	7,897	Conceptual
Valvoline	Fayetteville	Valvoline	Retail		Conceptual
Vantage Office Park V	Fayetteville	David Erstine, Kyle Naples	Office	36,000	Conceptual
Wedington Commercial	Fayetteville	Kelley CP, Kenneth Smith	Commercial		Conceptual
Wedington Storage	Fayetteville		Mini Storage		Conceptual
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
Windgate Studio and Design Center, Phase II	Fayetteville	University of Arkansas	School	58,000	Conceptual
Crye-Leike Office	Gentry	Crye-Leike Realtors	Office		Conceptual
Crossmar Warehouse	Gravette	Crossmar Investments	Warehouse		Conceptual
Greenland Business Park	Greenland	Burt Hanna	Flex Warehouse	340,000	Conceptual
XNA Expansion	Highfill	XNA	Concourse	75,000	2025
Circle K	Johnson	Bluefin Development	Retail		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Collier Drug Store Project	Johnson	Mel Collier	Retail		Conceptual
Johnson Square	Johnson	Ward Davis, Bob Hill	Commercial	50,000	Conceptual
Maverick Commercial Park	Johnson	Flake Co	Commercial		Conceptual
Mill Creek Nursing Facility	Johnson	Paul Giberson	Medical Office		Conceptual
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Avad3 Headquarters	Lowell	Cameron Magee	Office	10,000+	Conceptual
Custom Electronics Expansion	Lowell	Matched Pair LLC	Commercial		Conceptual
Grant Parkway Flex	Lowell	Nick Julit	Flex Warehouse	25,000	Spring 2024
Indendence Plaza-CRI	Lowell	David Erstine	Office	63,000	Conceptual
Independence Plaza Office	Lowell	David Erstine	Office	75,000	Conceptual
Integritech Co-Work	Lowell	Jason Robinson	Office	3,200	Conceptual
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
Monroe Mini Storage	Lowell	Greenhouse LLC and Monroe LLC	Mini Storage	100,000	Conceptual
NWA Food Bank	Lowell	NWA Food Bank	Office/Warehouse	82,425	Done
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Oakwood & Dixieland - Ferguson Plumbing	Lowell	Brian Shaw, Sage Partners	Warehouse	85,000	Spring 2024
Oakwood & Dixieland 1	Lowell	Brian Shaw, Sage Partners	Warehouse	113,700	2024
Oakwood & Dixieland 2	Lowell	Brian Shaw, Sage Partners	Warehouse	75,000	2024
Oakwood & Dixieland 3	Lowell	Brian Shaw, Sage Partners	Warehouse	38,700	2024
Old Wire Mini Storage I, II	Lowell	Mark Marquess	Mini Storage	90,000	Spring 2024
Planetarium	Lowell	Katherine Auld	Museum	120,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
TZZ Event Center	Lowell	Brandon Hash	Commercial		Conceptual
Auto Zone	Pea Ridge	Auto Zone	Retail		Conceptual
D & D	Pea Ridge	D&D Investments	Commercial		Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
Mixed Use Pea Ridge	Pea Ridge	Matt Sitton	Mixed Use		Conceptual
Plaza Tire Center	Pea Ridge	Barry Williams	Retail		Conceptual
Smith Street Warehouse	Pea Ridge		Warehouse		Conceptual
Splash Car Wash	Pea Ridge	Paul Stagg	Retail		Done
Today's Bank	Pea Ridge	Sam Mathias	Bank		Done
Urgent Care Clinic	Pea Ridge	Dillon Bentley	Medical Office		Conceptual
Caseys General Store	Praire Grove	Casey's	Retail	4,200	Done
Heritage Mini Storage Facility	Praire Grove	Bo Speed	Mini Storage		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Pitts Office/Warehouse	Praire Grove	Kerry Pitts	Office/Warehouse	2,000	Conceptual
Prairie Grove Self-Storage.	Praire Grove	Jerry Coyle	Mini Storage		Conceptual
10th Street Commercial Project	Rogers	Bates and Associates	Commercial	113,000	Conceptual
13th and Easy Warehouse	Rogers	Daniel B Smith, Isaac Smith	Warehouse	60,000	Conceptual
45th Street Storage	Rogers		Mini Storage	39,660	Conceptual
Arisa Health	Rogers	Arisa Health	Medical Office	20,000	2025
Arkansas Federal Credit Union	Rogers	AFCU, Valerie Erkman	Bank	7,904	Done
Armor Bank	Rogers	Big Creek Bancshares	Bank	5,619	Done
Beaty Office Park III	Rogers	Lance Beaty	Office	15,000	Done
Bellview Urban Center II	Rogers	Alex Blass	Office/Warehouse	29,710	Done
CarMax	Rogers	CarMax, Burke Larkin	Retail	42,909	2025
Caseys General Store	Rogers	Casey's	Retail		Conceptual
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Collection at Uptown	Rogers	Alan Cole, Steve Lane	Office	30,777	Spring 2024
Creekside Office 2	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Spring 2024
Creekside Office 3	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Spring 2024
District at Pinnacle Hills IV	Rogers	Whisenvest	Office	61,683	Spring 2024
District at Pinnacle Hills Retail III	Rogers	Whisenvest	Retail	40,539	Spring 2024
District at Pinnacle Hills V	Rogers	Whisenvest	Office	100,000	2025
Dolle Redevelopment	Rogers	Dolle	Office/Warehouse	7,500	Conceptual
Eight and Willow Commercial Development	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Everett Buick	Rogers	Everett Auto Group	Retail		Late 2024
First Western Bank Expansion	Rogers	First Western Bank	Bank	6,857	Done
First Western Bank Storage	Rogers	First Western Bank	Warehouse		Conceptual
Founders Plaza II	Rogers	Hunt Ventures	Office	80,000	Conceptual
Garage Suites Storage	Rogers	Garage Suites of Arkansas LLC	Mini Storage		Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Goad Springs Office/Warehouse	Rogers	Simmons Foods	Commercial		Conceptual
Highlands Oncology Cancer Center	Rogers	Highlands Oncology	Medical Office	150,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Hi-Tea Retail	Rogers	Qing Qing Luo, Kelley CP	Retail	6,000	Done
Hounds Lounge Pet Resort and Spa.	Rogers	Hounds Lounge	Commercial		Conceptual
Hudson Road Wholesale	Rogers	Gurmeet Josan	Retail		2024
Hudson Station	Rogers	Matt Ahart	Office/Warehouse	28,000	Conceptual
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
Jiffy Trip	Rogers	Jiffy Trip	Retail		Spring 2024
K9 Resort Pet Hotel	Rogers	Max and Dawn Bachman	Retail	7,300	Done
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail		Done
Kum and Go	Rogers	Kum and Go	Retail	3,968	Done
Launch Building 1	Rogers	John Schmelzle	Office	15,360	Spring 2024
Launch Building 2	Rogers	John Schmelzle	Office	7,680	2024
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
Live/Work Artist Space	Rogers	Walton Family Foundation	Commercial		Conceptual
Luther Auto Dealership	Rogers	Luther Auto Group	Commercial		Conceptual
Magnolia Dog Grooming	Rogers	Magnolia Dog Grooming	Commercial	8,500	Conceptual
Magnolia Farms Campus	Rogers	Margaret Molleston and Hunter Haynes	Commercial	135,000	Conceptual
Magnolia Place Alzheimers Care	Rogers	JEA Senior Living	Medical Office	34,556	Conceptual
Marque Collection Suites	Rogers	Nick Dozier	Storage	100000+	Summer 2024
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Retail	250,000	Delayed
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Warehouse	250,000	Delayed
Med Express	Rogers		Medical		Conceptual
Metal Roofing Sales	Rogers	Metal Roofing Sales	Industrial	30,400	Conceptual
Metro Business Center	Rogers	Bennett CRE	Warehouse	100,000	Conceptual
Mill Creek Manor Office	Rogers	Mill Creek Manor	Medical	4,300	Conceptual
Mills Farm Development	Rogers	Jason Moles	Commercial		Conceptual
Modern Storage	Rogers	Brian Dale	Mini Storage		Conceptual
Nelson Berna Crematorium	Rogers	Nelson Berna	Commercial		Conceptual
New Hope Plaza	Rogers	Tim Salmonson	Retail	23,000	Conceptual
Nolan Caddell Reynolds Office	Rogers	Nolan Caddell Reynolds	Office		Conceptual
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Industrial Partners I, II, III	Rogers	Alex Blass	Office/Warehouse	60,000	Late 2024
NWA Regional Animal Hospital	Rogers	NWA Regional Animal Hospital	Office	21,432	Conceptual
Olrich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Delayed
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Delayed

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Pinnacle Springs	Rogers	SJC	Office/Retail	80,498	2025
Pinnacle Village I, Office	Rogers	Sam Alley, Alex Blass	Office	135,000	2025
Pinnacle Village I, Retail	Rogers	Sam Alley, Alex Blass	Retail	30,000	2025
Pinnacle Village II Office	Rogers	Sam Alley, Alex Blass	Office	200,000	2025
Pinnacle Village II Retail	Rogers	Sam Alley, Alex Blass	Retail	40,000	2025
Pleasant Crossing Commercial	Rogers	Whisenvest	Commercial	20,047	Conceptual
Potato Chip Factory	Rogers	Steven Strasters	Commercial		Conceptual
Price Lane Flex	Rogers	Daniel Freeman	Office/Warehouse	10,000	Done
Price Lane Office	Rogers	Daniel Freeman	Office	10,200	Conceptual
Promenade Wellness Campus, P IB	Rogers	Prime HCP, Mark Samples, Kelley CP	Medical	28,000	Fall 2024
Promenade Wellness Campus, Ph IA	Rogers	Prime HCP, Mark Samples, Kelley CP	Medical	15,000	Fall 2024
Promenade Wellness Campus, Phase II	Rogers	Prime HCP, Mark Samples, Kelley CP	Medical	78,000	Conceptual
Rainbow Road Self Storage, Ph II	Rogers		Mini Storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street II	Rogers	David Mancia	Office/Retail	24,000	Conceptual
Shops at the Forum	Rogers	Mathias Properties	Commercial		Conceptual
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Snows Cold Storage	Rogers	Snows Cold Storage LLC	Warehouse	80,000+	Conceptual
SOHO Distrtict	Rogers	Susan Gleghorn	Commercial	50,000	Spring 2024
Splash Carwash	Rogers	Splash Carwash	Retail		Conceptual
Take 5 Oil	Rogers	Malek Elkhoury	Retail	1,800	Conceptual
Technical Park	Rogers	Nick Dozier	Commercial		Conceptual
The Plaza at Pinnacle	Rogers	Great Lakes Capital, Chad Hatfield	Retail	30,000	2025
The Pointe Rogers Commercial	Rogers	Keith Richardson, Paul Esterer	Commercial	14,000	Conceptual
Tidal Wave Auto Spa	Rogers	Rhodes Properties	Retail		Done
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Twenty-second Street Business Park	Rogers	Louis and Shannon Froud	Office	20,312	Conceptual
UAMS Medical School	Rogers	UAMS	Medical School	185,000	Conceptual
USL Arkansas Soccer Stadium	Rogers	Chris Martinovic and Warren Smith	Soccer Stadium	5,000 Seats	2026
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Van Dyke Warehouses	Rogers	Mathias Properties	Warehouse	80,000	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
Warren Park	Rogers	Kristen Boozeman and John Schmelzle	Commercial		Conceptual
Whitney Plaza	Rogers	Susan Gleghorn	Retail	10,000	Spring 2024

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
America's Car Mart	Sil Springs	Car Mart	Retail	4,340	Done
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Bank/Retail Development	Sil Springs	Richard Long, Syndicated Dev.	Retail	8,352	Conceptual
Beehive Industrial	Sil Springs	Beehive Enterprises	Industrial	15,000	Conceptual
Crye-Leike Laza	Sil Springs	Harold Crye-Leike Trust	Office	6,500	Conceptual
Neitzel Development	Sil Springs	Neitzel	Office/Retail		Conceptual
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	Conceptual
Parachute Blood Plasma Center	Sil Springs	United Development	Medical Office	6,400	Conceptual
Phillips 66	Sil Springs	Hammer-Willams Company	Retail		Done
Progress Plaza Phase II	Sil Springs	Brown Cow LLC	Medical Office	11,250	Conceptual
School District Admin Building	Sil Springs	Siloam Springs School District	Office		Done
Southpointe 1	Sil Springs	Dan and Jeanine Mallory	Commercial	2,880	Done
Southpointe 2	Sil Springs	Christy and Rex Osborn	Commercial	2,680	Done
A&E Auto Center Expansion	Springdale	Edgar Hernandez	Commercial		Conceptual
Airport Hanger 1	Springdale	Bill Adams	Commercial	10,000	Done
Airport Hanger 2-4	Springdale	City of Springdale	Commercial	30,000	Done
Aldi's	Springdale	Aldi's	Retail	24,000	Done
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	Conceptual
Arkansas's Childrens Hospital	Springdale	Arkansas Children's Hospital	Medical Office		Conceptual
Brian Clark Flex Project	Springdale	Brian Clark	Flex Warehouse	20,000	Conceptual
Card Transfer Station	Springdale	Cards Holdings	Warehouse	38,000	Done
Central States Manufacturing	Springdale	Jim Sliker	Manufacturing	105,000	2025
Chad Reed Storage	Springdale	Chad Reed	Mini Storage	32,720	Conceptual
Children Safety Center	Springdale	CSC, Inc, Elizabeth Shackelford	Office	15,200	Done
Club Car Wash	Springdale	Club Car Wash	Retail		Done
Club Car Wash	Springdale	Club Car Wash	Retail		Spring 2024
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Cypress Cold Storage	Springdale	Tony Nichols, Kyle Naples	Warehouse	207,285	Spring 2024
Dandy Carwash	Springdale	Dandy Oil	Retail	4,800	Conceptual
Diesel Downs, Lots 4, 5	Springdale	Raymond Merrill	Commercial		Conceptual
Diesel Downs, Lots 6, 7	Springdale	Murphy-Hoffman Co.	Commercial		Conceptual
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
Elliot Electric Warehouse	Springdale	Elliot Electric Supply	Warehouse	40,016	Delayed
First State Bank	Springdale	First State Bank	Bank		Conceptual
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Frez-N-Stor Expansion	Springdale	Brandon Siems	Warehouse	20,000	Conceptual
Frito-Lay Warehouse	Springdale	Nelson Family Enterprises	Warehouse	19,000	Spring 2024
Greystone Storage	Springdale	John Hendricks	Mini Storage	71,100	Done
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Heyer Park	Springdale	Daniel and Wade Smith	Office	20,000	Spring 2024
Highlands Oncology II-Park Plaza	Springdale	Kathey Rhoads	Medical Office		Conceptual
I 49 Logistics Park, Building 2	Springdale	Crossland Construction, Sage Partners	Warehouse	20,000	Conceptual
I 49 Logistics Park, Building 3	Springdale	Crossland Construction, Sage Partners	Warehouse	80,000	Done
I 49 Logistics Park, Building 4	Springdale	Crossland Construction, Sage Partners	Warehouse	216,540	Conceptual
I 49 Logistics Park, Building 5	Springdale	Crossland Construction, Sage Partners	Warehouse	182,000	Done
KAL Freight	Springdale	Josh Adams	Commercial		Conceptual
Kids Spot	Springdale	Stephen and Hillary Boyd	Medical Office	21,248	Spring 2024
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Lucky's Indoor Bark Park	Springdale	Steven D. Matteri, Jamey Wallace	Kennels	8,167	Conceptual
Marchant Rd Complex	Springdale	Arnold Hollingsworth	Commercial		Conceptual
Market Center of the Ozarks	Springdale	Walton Family Foundation	Commercial	45,000	2024
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Modern Storage	Springdale	Modern Storage	Mini Storage	154,000	Done
Moxy	Springdale	Randy and Missy Hurban, Matt Huber	Office	10,000	Spring 2024
NTI Health Facility	Springdale	Northwest Technical Institute	School	50,000	Conceptual
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
Pacific GeneTech	Springdale	Louis Bowen, Tim Collard, Ed Fryar, Bill McClard	Commercial	35,000	Late 2024
Parkway Plaza I	Springdale	Sage Partners and Griffin Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
PM Industries Facility	Springdale	PM Industries	Industrial		Conceptual
Powers of Arkansas	Springdale	Alan Hope	Office/Warehouse	20,000	Spring 2024
Premier Sports Center	Springdale	Andy Chen	Sports Complex	45,000	Conceptual
Premium Brands	Springdale	Haney Family, Premium Brands	Commercial	130,000	2025
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	David Erstine, Lee Ward	Warehouse	80,000	Conceptual
Rove	Springdale	Blue Crane	Commercial	5,850	Spring 2025
Shiloh Nursing and Rehabilitation	Springdale	David Norsworthy	Medical		Conceptual
Southwest DTP Office Building	Springdale	Travis Ruff, SW DTP	Office	36,000	Conceptual

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		Delayed
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Delayed
Star Mechanical	Springdale	Star Mechanical	Warehouse	20,000	Delayed
Storage World	Springdale	Storage World	Mini Storage		Done
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Done
The Crossings Phase I	Springdale	George Family, Matt Brown, Alan Cole	Retail	13,832	Spring 2024
The Crossings Phase II, 1	Springdale	George Family, Matt Brown, Alan Cole	Retail	5,924	Spring 2024
The Crossings Phase II, 2	Springdale	George Family, Matt Brown, Alan Cole	Retail	8,611	Spring 2024
The Crossings Phase II, 3	Springdale	George Family, Matt Brown, Alan Cole	Retail	6,984	Spring 2024
The Crossings Phase II, 4	Springdale	George Family, Matt Brown, Alan Cole	Retail	8,721	Spring 2024
The Crossings Phase III	Springdale	George Family, Matt Brown, Alan Cole	Commercial		Conceptual
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS Orthopedic and Sports Medicine Facility	Springdale	UAMS	Medical Office	115,000	Fall 2025
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual
Auto Zone	Tontitown	Auto Zone	Retail		Done
Glide Xpress Carwash	Tontitown		Retail		Done
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Commercial Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Washington County	Patrick Tobin	Commercial		Conceptual
Ball Metal Fabrication & Hot Rods	Washington County	Ball Metal Fabrication & Hot Rods	Office/Shop	8,000	Conceptual
Dollar General	Washington County	Dollar General	Retail	9,100	Done
Shop Solutions	Washington County	Mountain Side Properties	Flex Warehouse	36,000	Conceptual
James Royal Storage Facility	West Washington County		Mini Storage	8,700	Conceptual
Local Ghost Distillery	West Washington County		Commercial		Conceptual

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
21c Hotel	Bentonville	98	6
Avid Hotel	Bentonville	87	0
Best Western Bentonville Inn	Bentonville	55	0
Best Western Castle Rock Suites	Bentonville	84	0
Bike Inn	Bentonville	6	4
Comfort Inn	Bentonville	64	0
Comfort Inn-I-49-Bentonville	Bentonville	115	0
Comfort Suites	Bentonville	120	0
Courtyard Bentonville	Bentonville	90	0
Days Inn & Suites	Bentonville	63	0
DoubleTree Guest Suites	Bentonville	0	140
Element	Bentonville	0	107
Four Points by Sheraton	Bentonville	99	6
Hartland Motel of Bentonville	Bentonville	31	0
Hilton Garden Inn	Bentonville	133	0
Holiday Inn Express Hotel & Suites	Bentonville	84	0
Home 2 Suites by Hilton	Bentonville	0	119
La Quinta Inn & Suites	Bentonville	107	0
Laughlin Bed & Breakfast	Bentonville	5	1
Merchant Flats on 8th	Bentonville	10	0
Microtel	Bentonville	78	0
Pines Motel	Bentonville	9	0
Red Roof Inns	Bentonville	103	0
South Walton Suites	Bentonville	56	0
Springhill Suites By Marriott	Bentonville	67	0
Suburban Extended Stay	Bentonville	0	118
Super 8 Motel-Bentonville/Rogers	Bentonville	52	0
The Links at Bentonville Apts.	Bentonville	41	0
Towneplace Suites by Marriott	Bentonville	78	0
Value Place Extended Stay	Bentonville	121	0
Wingate Inn Bentonville	Bentonville	102	0
Avid Hotel	Fayetteville	82	0
Best Western Windsor Suites	Fayetteville	66	0
Candlewood Suites	Fayetteville	0	78
Chief Motel	Fayetteville	31	1
Comfort Inn-Fayetteville	Fayetteville	60	0
Country Inn & Suites By Carlson	Fayetteville	40	25

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Courtyard by Marriot	Fayetteville	110	4
Dickson Street Inn	Fayetteville	8	2
Fairfield Inn and Suites	Fayetteville	50	44
Hampton Inn	Fayetteville	87	8
Hilton Garden Inn	Fayetteville	90	25
Holiday Inn Express	Fayetteville	77	33
Homewood Suites	Fayetteville	0	96
Hyatt Place-Steele	Fayetteville	106	1
Inn at Carnall Hall	Fayetteville	49	0
La Quinta Inn & Suites	Fayetteville	61	0
Motel 6	Fayetteville	98	0
Quality Inn	Fayetteville	48	10
Red Roof Inns	Fayetteville	104	1
Regency 7 Motel	Fayetteville	29	3
Sleep Inn of Fayetteville	Fayetteville	62	0
Stay Inn Style	Fayetteville	6	0
Staybridge Suites	Fayetteville	0	109
Super 8 Motel	Fayetteville	83	0
The Chancellor Hotel	Fayetteville	191	17
Value Place Hotel	Fayetteville	121	0
Inn At the Mill	Johnson	54	8
Marriot Townplace	Johnson	0	94
Ramada Inn Lowell	Lowell	51	0
Colonial Motel	Prairie Grove	8	0
Aloft	Rogers	130	1
Best Value Inn & Suites	Rogers	127	0
Candlewood Suites	Rogers	118	12
Country Inn & Suites	Rogers	68	42
Courtyard by Marriot	Rogers	111	11
Embassy Suites	Rogers	0	400
Fairfield Inn Rogers	Rogers	99	0
Guest Inn	Rogers	42	0
Hampton Inn	Rogers	122	0
Hartland Lodge	Rogers	28	0
Holiday Inn	Rogers	0	127
Homewood Suites	Rogers	126	83
Hyatt Place	Rogers	104	0
Mainstay Suites	Rogers	0	99
Microtel	Rogers	52	0
Ranch-O-Tel Motel	Rogers	21	0

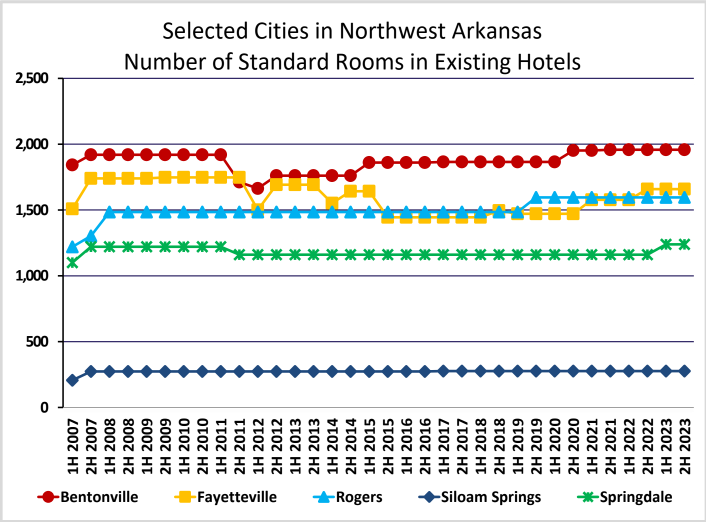
Existing Hotels

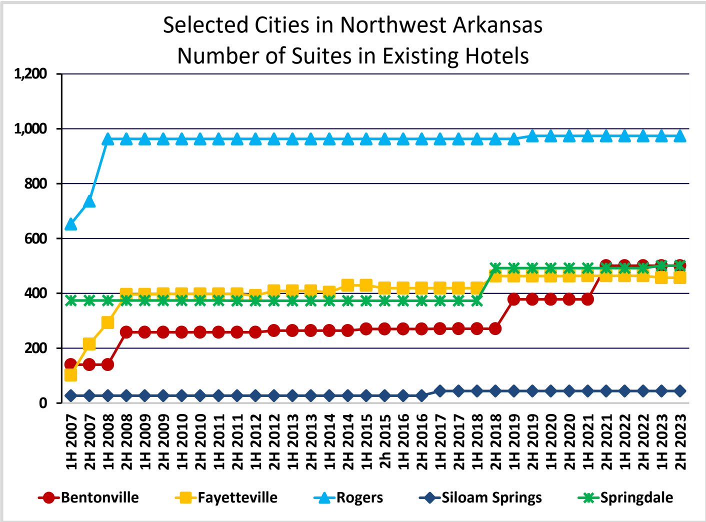
Property Name	City	Number of Standard Rooms	Number of Suites
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	0
Town & Country Inn	Rogers	86	1
Travelers Inn	Rogers	82	0
Best Value	Siloam Springs	19	26
Hampton Inn	Siloam Springs	66	0
Hereford Motel	Siloam Springs	10	0
Holiday Inn Express Hotel & Suites	Siloam Springs	62	18
Stone Inn's	Siloam Springs	43	0
Super 7 Inn	Siloam Springs	46	0
Super 8 Motel	Siloam Springs	30	0
Best Rest	Springdale	100	17
Comfort Suites Springdale	Springdale	0	69
DoubleTree Club Hotel of Springdale	Springdale	74	11
Executive Inn	Springdale	90	0
Extended Stayamerica	Springdale	101	0
Fairfield Inn and Suites	Springdale	40	34
Hampton Inn & Suites	Springdale	67	35
Hartland Lodge	Springdale	29	0
Hartland Motel	Springdale	29	0
Hill Top Inn	Springdale	30	0
Holiday Inn	Springdale	180	26
Holiday Inn Express	Springdale	78	9
Home 2 Suites by Hilton	Springdale	0	119
Journey's Inn	Springdale	30	0
Laquinta Inn & Suites	Springdale	88	12
Magnolia Gardens Inn (B&B)	Springdale	10	0
Motel 8	Springdale	30	0
Residence Inn	Springdale	0	72
Scottish Inns	Springdale	33	24
Sleep Inn & Suites	Springdale	0	72

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
Scottish Inns	Springdale	33	24
Sleep Inn & Suites	Springdale	0	72
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
Northwest Arkansas Total		6,841	2,579

Existing Hotels





New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
AC Hotel by Marriot	Bentonville	Walmart, Marriot	153	Summer 2024
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Delayed
Battlefield Blvd Hotel	Bentonville	Uncommon Developers	150	Conceptual
Detrola Motel	Bentonville	I-14 LLC	162	Underconstruction
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Underconstruction
My Place Hotel	Bentonville	N Dakota Co	63	Underconstruction
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	142	Underconstruction
City Center North Hotel	Fayetteville	City Center North LLC, Sage Partners		Conceptual
Clementine on College	Fayetteville	AMR Architects	8	Conceptual
Depot on Dickson Hyatt	Fayetteville	Ted Belden/Greg House/Sage Partners	100	Conceptual
Donda Hotel	Fayetteville	Donda Investment; Khair Mgmt		Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Metro District Hotel	Fayetteville	Brian Reindl	120	Conceptual
Moxey By Marriot Hotel	Fayetteville	SREG	130	Fall 2024
Pratt Place Inn Expansion	Fayetteville	SREG	78	Conceptual
XNA Hotel	Highfill	XNA	100-120	Conceptual
Independence Plaza	Lowell			Delayed
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Marriot Autograph	Rogers	Great Lakes Capital, John Schmelzle	125	2025
Marriot Tribute Portfolio	Rogers	Whisenvest, LRC2 Properties	150	Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Railyard Overlook	Rogers		7	Conceptual
Tapestry Hotel	Rogers	Windsor Aughtry	170	Underconstruction
Tru Hotel	Rogers	Vipulkumar Patel	90	Underconstruction
Woodsprings Suites	Rogers	TGC Group	106	Conceptual
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Delayed
Tapestry Hotel	Springdale	Blue Crane	129	Fall 2025

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Trailside Coffee	Bella Vista		Done
7Brew-Walton	Bentonville	7Brew	Done
Airship Coffee at the Pumphouse	Bentonville	Blue Crane	Done
Airship Coffee West	Bentonville	Blue Crane	Done
Andy's Custard	Bentonville	Andy's Custard	Done
Bentoville	Bentonville	Tammy Sun	Fall 2024
Bonchon	Bentonville	Jeff Poole	Conceptual
Botanical at 8th and A, The	Bentonville	Alex Thaley, Alan Gooding, Raj Suresh	Done
Coffee Kiosk	Bentonville		Conceptual
Crisp & Green	Bentonville	Crisp & Green	Done
Culver's Restaurant	Bentonville	Stephen Herbst	Done
Hawaian Bros Island Grill	Bentonville	Ohana Restaurant Group	Conceptual
Hellion Restaurant, Bar and Taproom	Bentonville	Michael LaSalata	Conceptual
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
JP Specialty Restaurant	Bentonville	JP Specialty LLC, G. Josan, S. Butler	Conceptual
Mezzaluna Pasteria	Bentonville	Soerke Peters	2024
Motto Hilton Restaurant	Bentonville	Osage Hospitality	2024
Mr Gatti Pizza	Bentonville	Brent Swadley	Conceptual
Muse Restaurant	Bentonville	Rose	Done
Noodles & Company	Bentonville	Noodles & Company, Pavan and Navi Sandhu	Conceptual
Nosh Nola	Bentonville	Heyne Begley, JR Boling	Done
Old Home Office Property	Bentonville	Walmart	Conceptual
Ozark Mountain Bagels	Bentonville	Bill, Sheila, Tyler Ford	Done
Pizza Hut - Regional Airport	Bentonville	Flynn Restaurant Group	Done
Pop-up Drink Thru	Bentonville	Rolf Wilkin	Done
Schlotzkys	Bentonville	Schlotzkys	Done
Starbucks-SW Regional Airport	Bentonville	Bella Terra LLC	Conceptual
Table at Hickory Inn	Bentonville	Carl and Lindie Garrett	Done
Tea & Mi	Bentonville		Done
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
Weinerschnitzel	Bentonville	Brian Shinall, Tejas Dogs	Done
Whataburger	Bentonville	Whataburger	Done
Ziggi's Coffee	Bentonville	Anita, Chris, Crystal, Nic Bryant	Spring 2024
Domino's Pizza Theatre	Centerton	A&M Pizza Real Estate	Done
Muse Restaurant	Centerton	Moses Tucker	Done
Aronson Restaurant	Fayetteville	Dave Anderson, C.L. Partners	Conceptual
Arsaga's Wingate	Fayetteville	Cary Arsaga	Done
Baked By Kori	Fayetteville	Kori Stanton	Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Big Biscuit	Fayetteville	Terry and Aimee Sims	Spring 2024
Big Chicken	Fayetteville	Authentic Brands Group, Shaq	Spring 2024
Bonchon	Fayetteville	Jeff Poole	Conceptual
Boulder and Brews	Fayetteville	T Jennings, J Lam, F Cardoza, P Randall	Done
Calle Latin Cuisine	Fayetteville	Fredi Valle and Fernando Castillo	Early 2024
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Central BBQ	Fayetteville	Brian Wyatt, SREG	Done
Cheba Hut	Fayetteville	Kendra and Tom Smith	Spring 2024
Chi's Baohouse	Fayetteville	Jacob Chi	Spring 2024
Chuy's	Fayetteville	Daniel Marshall	Done
City Park Outdoor	Fayetteville	Lewis Chase, Matt and Mike Sutton	Done
Crème Ice Cream Co	Fayetteville	Nicolas Mendoza	Done
Crepes Paulette	Fayetteville	Frederic and Paula Jo Chitty Henry	Done
Crumbl Cookies	Fayetteville	Nicole Trudo	Conceptual
Daily Beet	Fayetteville	Dylan Maisel	Spring 2024
Domino's Pizza Theatre Store	Fayetteville	Domino's	Done
Domino's Pizza Theatre Store	Fayetteville	A & M Pizza	Late 2024
Donatos	Fayetteville	Donatos	Conceptual
Dunkin Donuts-Mall Ave	Fayetteville	Dunkin Donuts	Spring 2024
Dunkin Donuts-Wedington	Fayetteville	Dunkin Donuts	Spring 2024
Fayetteville Coffee Works	Fayetteville	Brian O'Connell	Done
Fayetteville Beer Works	Fayetteville	Brian O'Connell	Done
Fayetteville Taco and Tamale	Fayetteville	Yellow Rocket	Done
Flyway Brewing	Fayetteville	Matt Foster	Done
Fossil Cove	Fayetteville	Ben Mills	Conceptual
Hawaian Bros Island Grill	Fayetteville	Ohana Restaurant Group	Conceptual
Hotvine Wine Shop	Fayetteville	Adam Bernbach	Done
Kiko Rice & Noodle	Fayetteville		
KPOP Korean BBQ and Bar	Fayetteville	Jae Yim Shim	Conceptual
Little Caesar's Pizza	Fayetteville		Spring 2024
Meteor Café	Fayetteville	Chris St Peter, Doug Zell	Done
Moonhouse Café and Bar	Fayetteville	Ramirez Investments	Spring 2024
Mount Sequoyah Coffee Shop	Fayetteville	Mount Sequoyah Nonprofit	Summer 2024
Mr Gatti Pizza	Fayetteville	Brent Swadley	Conceptual
Mullins Library Café	Fayetteville	U of A	Conceptual
Nautical Bowls	Fayetteville	Cheryl Hatfield	Done
Noodles & Company	Fayetteville	Noodles & Company, Pavan and Navi Sandhu	Conceptual
Nothing Bundt Cakes	Fayetteville	Shannon Neece	Done
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Panera Bread	Fayetteville	Panera Bread	Spring 2024

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Plomo's MLK	Fayetteville	Omar Kasim	Done
Rock N Roll Sushi	Fayetteville	Lance and Gerri Mach Hallmark	Spring 2024
Scooters Coffee Shop	Fayetteville	Scooters Coffee Shop	Spring 2024
Senor Munchies Bar & Grill	Fayetteville	Senor Munchies Bar & Grill	Done
Small Sliders	Fayetteville	Amber and David Kearby, Matt Crews	Summer 2024
Sunny's Stir Fry	Fayetteville	Jeff Shen	Delayed
Taco and Tamale	Fayetteville	Yellow Rocket	Done
Tuskers Tavern	Fayetteville	Todd and Marti Martin, Zack and Natalie Wakefield	Spring 2024
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Upper Ramble Hotel Café	Fayetteville	Brian Reindl	Conceptual
Upper Ramble Hotel Restaurant	Fayetteville	Brian Reindl	Conceptual
Urban Cellar	Fayetteville	Cassidy Ginger	Done
Velvet Taco	Fayetteville	Atwell Group	Summer 2024
Waystone Pizza	Fayetteville	Brian and Nicole Duncan	Done
Weinerschnitzel	Fayetteville	Brian Shinall, Tejas Dogs	Conceptual
Word Coffee	Fayetteville	Giovanni Roberts	Done
Zen Tea	Fayetteville		Done
McDonalds	Gravette	K-Mac Inc	Conceptual
Slim Chickens XNA	Highfill	Mike Phillips	Done
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Domino's Pizza Theatre	Lowell	KMK LLC	Done
Wendy's	Lowell	Wendy's	Done
Bread Zepplin	Northwest Arkansas	Vincent Ginatta	Conceptual
Duck Donuts	Northwest Arkansas	Betsy Hamm	Conceptual
Vito Vera	Northwest Arkansas	Alica Watson	Conceptual
Yellow Rocket Concepts BBQ	Northwest Arkansas	Scott McGehee	Conceptual
Butcher and Pint	Pea Ridge	Jake Gerdes	Conceptual
CTC Group Coffee Shop	Pea Ridge	Roy Cotton, Jason Ingalls	Conceptual
Dye Hard Restaurant	Pea Ridge	John Dye, John Bryant, John Carney	Conceptual
Taco Bell	Pea Ridge	K-Mac Inc	Done
Angus Grill and Cantina	Rogers	Alex Blass	Done
Baked By Kori	Rogers		Done
B-List on the Bricks	Rogers		Done
Cava	Rogers		Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Chi's Baohouse	Rogers	Jacob Chi	Conceptual
Confident Coffee	Rogers	Confident Coffee Roasters	Done
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Conceptual
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
District at Pinnacle Restaurant	Rogers	Burke Larkin	Conceptual
Domino's Pizza Theatre New Hope	Rogers	Domino's	Done
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Firebirds Wood Fired Grill	Rogers	SJC Ventures	Fall 2024
First Street Flats Coffee Shop	Rogers	Specialized Real Estate Group	Conceptual
Hawaian Bros Island Grill	Rogers	Ohana Restaurant Group	Conceptual
Hero's Coffee	Rogers	Hero's Coffee	Done
Jack in the Box	Rogers	Dustin Thompson	Conceptual
Little Caesar's Pizza	Rogers		Done
Marsouls	Rogers		Done
Newks Eatery	Rogers	Newks	Done
Noodles & Company	Rogers	Noodles & Company, Pavan and Navi Sandhu	Conceptual
Oak Steakhouse at Tapestry	Rogers	The Indigo Road Hospitality Group	Fall 2024
Olive Street Townhomes Ice Cream Shop	Rogers		Conceptual
Panda Express	Rogers	Panda Express	Delayed
Piano Bar and Grill	Rogers	Aaron Schauer	Done
Pinky Swear	Rogers		Done
Pinncle Village Restaurants	Rogers	Alex Blass	Conceptual
Popeyes Louisiana Kitchen	Rogers		Done
Rendevous Junction Restaurant	Rogers	Alex Blass	Conceptual
Ruth's Chris Steakhouse at the Fields	Rogers	Great Lakes Capital	2025
So Chill Eat	Rogers		Done
Sonic	Rogers	Pete Esch	Conceptual
Soho District Restaurant	Rogers	Susan Gleghorn	Spring 2024
Starbucks-8th Street	Rogers	Gateway Plaza LLC	Delayed
Texas De Brazil	Rogers	Salim Asrawi	Done
The District Casa Alejo	Rogers	Sean Dibble	Delayed
The District House 1830	Rogers	Sean Dibble	Done
The District Pub on the Bricks	Rogers	Sean Dibble	Done
Trash Ice Cream	Rogers		Done
Tupelo Honey Southern Kitchen & Bar	Rogers	Eric Gabrynowicz; SJC Ventures	Fall 2024
Umai Hot Pot and Asian Kitchen	Rogers		Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Boba Pop	Siloam Springs	David Mancia	Done

Commercial Market Trends
Vacancy Rates by Submarket

Restaurant	City	Owner	Expected Completion
La Torchia Brick Oven Pizza	Siloam Springs		Done
Perisseia Coffeehouse	Siloam Springs	Ashtyn Leinbach	Done
Schlotzkys	Siloam Springs	Schlotzkys	Done
Taco Bell	Siloam Springs	K-Mac Inc	Done
Whataburger	Siloam Springs	Whataburger	Done
Wienerschnitzel	Siloam Springs	Brian Shinall	Conceptual
Yumbayala	Siloam Springs		Done
202 Railside Restaurant 2	Springdale	Blue Crane	Spring 2024
7 Brew Coffee-Robinson	Springdale	7 Brew	Done
AQ Chicken House	Springdale	Tom Lundstrom	2025
Bienvenue	Springdale	William Mauk	Done
Carmelitas	Springdale	Karla Putts	Done
Casa Alejo	Springdale		Done
Chipotle's	Springdale	Chipotle's	Delayed
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Gaskins on Emma	Springdale	Gaskins Cabin Steakhouse	Conceptual
Hawaian Bros Island Grill	Springdale		Done
Homegrown	Springdale	Blue Crane	Done
KalaVeras Mexican Restaurant Cantina	Springdale		Done
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
Medusa Bar and Grill	Springdale		Done
Mi Mazatlan Bar and Grill	Springdale		Done
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Nobili Tea	Springdale		Done
Onyx on Emma	Springdale	Andrea and Jon Allen	Spring 2024
Panera	Springdale	Allen Hawkins	Summer 2024
Pleasant Counter	Springdale	Ahren Boulanger	Done
Red Kite-Downtown	Springdale	Danny Hamilton	Conceptual
Revival-Downtown	Springdale		Conceptual
Romero’s Cuisine Toque Latino	Springdale		Done
Scooters Coffee Shop	Springdale		Done
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
Small Sliders	Springdale	Amber and David Kearby, Matt Crews	2024
Tapestry Restaurant	Springdale	Blue Crane	2025
Taqueria El Cunado Express	Springdale		Done
Toasted Yolk	Springdale	Alan Cole, Brian Moore	Spring 2024
Via Emma Ice Cream Shop	Springdale	Blue Crane	Conceptual
Wienerschnitzel Elm Springs	Springdale	Brian Shinall, Tejas Dogs	Done
Torres Taqueria	Tontitown		Done

Closed Restaurants

Restaurant	City	Date Closed
Tipsy Donut	Rogers	January 2023
Burg De Gastropub	Bentonville	February 2023
Snack Lab	Fayetteville	February 2023
AQ Chicken House	Springdale	March 2023
Sandi Sues Gluten Free Bakery	Bentonville	March 2023
Apple Blossom Brewing	Fayetteville	April 2023
Bliss Cupcakes	Fayetteville	May 2023
Bliss Cupcakes	Rogers	May 2023
Pieology	Fayetteville	May 2023
Mojo's Pints and Pies	Fayetteville	May 2023
Powerhouse	Fayetteville	June 2023
Rockin Bakery	Fayetteville	June 2023
28 Springs	Siloam Springs	June 2023
Smashburger	Bentonville	September 2023
Beer Keg	Fayetteville	September 2023
Green Submarine	Fayetteville	September 2023
Paradise Donuts	Bentonville	October 2023
Hills Hideaway	Fayetteville	October 2023
Johnny Carinos	Rogers	October 2023
120 Tapas	Rogers	October 2023
Auntie Anne's and Rocky Mountain Chocolate Factory	Fayetteville	November 2023
Baked by Kori	Fayetteville	December 2023
Newks	Rogers	December 2023

Inventory Classification and Coverage

Categories of Commercial Properties

The Northwest Arkansas commercial market is divided into eight major categories of space:

Lab-a workplace for conducting scientific research;

Industrial-space that is appropriate for the manufacturing of goods;

Office-space where business professionals work;

Office/Retail-space that can be configured as either office or retail space or both;

Office/Warehouse-space that can be configured as either office or warehouse space or both;

Retail-space where goods and services can be offered and sold to the public;

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

Warehouse-space where goods can be stored until distributed.

In order to compare similar spaces, the Center for Business and Economic Research has developed a classification system for office, office/retail, retail spaces and warehouses. These classes rate the quality of each building in terms of the following criteria: age, quality of construction, location, and included amenities.

Class A space represents the most prestigious buildings available in the Northwest Arkansas market. These spaces are new or newly renovated, made of the best quality materials, with brick, masonry, or glass exteriors. Class A buildings are located in highly accessible locations with easy access to major clients or customers.

Class B space includes buildings that compete for a wide range of uses, including much of the Walmart vendor community. These spaces have average range rents. The buildings are attractive, but not necessarily brand new, and have a lower level of material quality than Class A buildings. Many amenities are not included in the base lease price of Class B buildings.

Class C space is adequate for users that require functional space for their businesses, but not above average locations, materials, or amenities. These buildings are often older and have lease rates that are below average.

City	Industrial[1]	Office[1]	Retail[1]	Warehouse[1]	Total[1]	Total Square Feet[1] (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	140,888	242,600	90,964	453,243	469,383	103.6%
Bentonville	47,875	4,945,133	1,284,006	3,074,506	9,351,520	9,761,962	104.4%
Fayetteville	1,100,829	3,682,929	4,469,447	2,432,422	11,685,627	11,349,118	97.1%
Johnson	--	363,502	124,973	140,895	629,370	584,076	92.8%
Lowell	143,950	246,373	217,128	1,821,826	2,429,277	2,495,417	102.7%
Rogers	1,124,192	3,843,968	4,801,037	3,097,937	12,867,134	13,441,629	104.5%
Siloam Springs	329,942	277,983	883,216	619,372	2,110,513	1,815,698	86.0%
Springdale	1,910,657	1,775,033	2,528,208	5,338,759	11,552,657	11,895,456	103.0%
Northwest Arkansas	4,657,445	15,275,809	14,550,615	16,616,681	51,079,341	51,812,739	101.4%

[1]Source: Benton and Washington County offices of the Assessor. The total square feet represent the population of competitive commercial properties that meet the baseline criteria set out on pages 34 and 73 of this report.
[2]Source: Panel of 248 large Northwest Arkansas commercial property owners and managers.

Commercial Market Trends

This version of the Commercial Skyline Report presents data that have been collected since 2005. Annual comparisons are made to minimize the effects of attributing too much weight to seasonal changes. The accompanying graphs show how vacancy rates and available square footage have changed in each submarket over the past sixteen years. Also, a table presents the total absorption over the past year by city and submarket. The following three pages have tables with more detailed information about vacancy rates, net absorption, and available space.

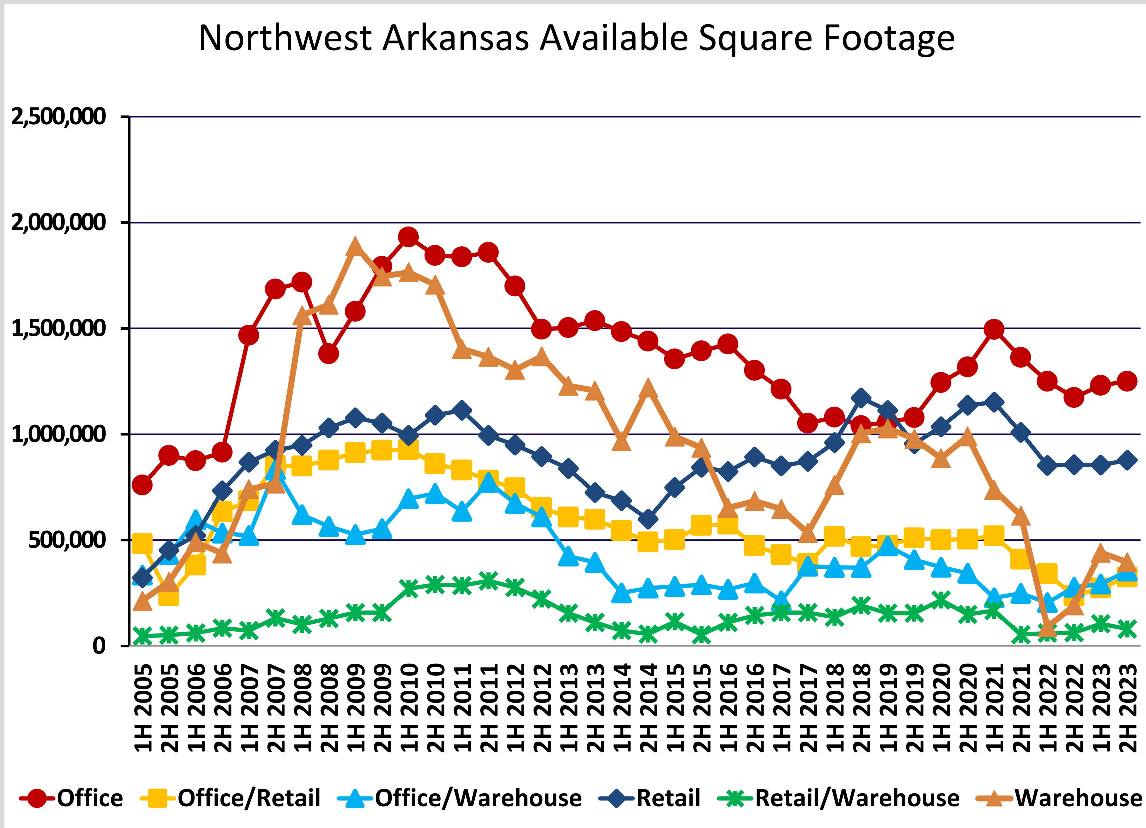
Available office square footage in Northwest Arkansas increased from 1,173,103 square feet in the second half of 2022 to 1,249,498 square feet in the second half of 2023. In the past year, 277,228 new square feet of office space were added, with Bentonville having the most with 147,962 square feet, while Fayetteville added another 91,153. There was net negative absorption of 92,871 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net negative absorption with 99,170 square feet while Bentonville added 60,129 square feet. Fayetteville had the most net positive absorption with 48,758 square feet. The overall Northwest Arkansas office vacancy rate increased from 8.4 percent in the second half of 2022 to 8.8 percent in the second half of 2023.

In Northwest Arkansas, 325,622 square feet of office/retail space were available in the second half of 2023, up from 236,455 square feet in the second half of 2022. The office/retail market experienced net negative absorption of 72,033 square feet in the past year. Bentonville accounted for 28,465 square feet, followed by Springdale with 18,197 square feet of net negative absorption. No city had net positive absorption during this period. There were 102,622 new square feet of office/retail space added within the past year, 62,000 of it in Fayetteville.The overall Northwest Arkansas office/retail vacancy rate increased from 5.0 percent in the second half of 2022 to 6.7 percent the second half of 2023.

In the second half of 2023, 877,315 square feet of retail space were available in Northwest Arkansas, up from 856,889 square feet in the second half of 2022. The retail market had net positive absorption of 81,323 square feet in the past twelve months. Rogers accounted for 39,664 square feet and Fayetteville for 21,021 square feet of net positive absorption. Bella Vista had 3,922 square feet and Johnson 3,860 square feet of net negative absorption during this period. There were 69,898 new square feet of retail space added to the Northwest Arkansas market during the past year, with Fayetteville accounting for 27,000 square feet and Bentonville adding 23,398 square feet. The overall Northwest Arkansas retail vacancy rate remained 7.9 percent from the second half of 2022 to the second half of 2023.

In the Northwest Arkansas warehouse market, available square footage increased from 191,5794 in the second half of 2022 to 395,814 in the second half of 2023. Additionally, there is at least 140,000 square feet of high quality sublease space available in Bentonville.The warehouse market experienced net negative absorption of 145,525 square feet during the past year. Springdale accounted for 275,170 square feet of the net negative warehouse absorption, while Bentonville had net positive absorption of 108,645 square feet during this period. 574,175 new square feet of warehouse space, 562,415 in Springdale, was added to the Northwest Arkansas market during the past year. Additionally, 116,305 square feet (74,625 in Springdale) of new office/warehouse space and 33,800 (21,800 in Springdale) square feet of new retail/warehouse were added during this period. Warehouse vacancy rates increased from 1.6 percent to 3.2 percent, from the second half of 2022 to the second half of 2023.

Commercial Market Trends
Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	3,000	-6,634	-3,922	0
Bentonville	-60,129	-28,465	14,384	108,645
Fayetteville	48,758	-6,932	21,021	21,000
Johnson	7,094	0	-3,860	0
Lowell	1,120	-5,734	0	0
Rogers	-99,170	-371	39,664	0
Siloam Springs	1,227	-5,700	3,365	0
Springdale	5,229	-18,197	10,671	-275,170
Northwest Arkansas	-92,871	-72,033	81,323	-145,525

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	2H 2022	22,296	493,314	181,019	25,269	4,120	322,108	10,590	114,387	1,173,103
	1H 2023	22,296	447,449	167,061	23,386	7,120	426,206	17,207	119,499	1,230,224
	2H 2023	19,296	528,098	148,856	18,175	3,000	416,029	10,590	105,454	1,249,498
Medical Office	2H 2022	3,000	11,552	30,361	16,934	1,870	31,600	10,590	56,866	162,773
	1H 2023	3,000	11,552	21,531	19,358	1,870	51,613	17,207	56,866	182,997
	2H 2023	0	8,937	27,215	13,868	0	70,935	10,590	45,601	177,146
Office/Retail	2H 2022	5,336	66,546	85,367	0	6,487	58,331	2,781	11,607	236,455
	1H 2023	7,956	84,010	96,709	0	4,675	60,367	10,833	9,479	274,029
	2H 2023	11,970	95,011	97,173	0	12,221	58,702	10,833	39,712	325,622
Office/Warehouse	2H 2022		40,200	0	0	0	67,867	57,667	111,738	277,472
	1H 2023		47,050	0	0	48,340	5,900	57,667	134,191	293,148
	2H 2023		51,159	2,500	0	54,860	25,313	57,667	162,444	353,943
Retail	2H 2022	1,440	65,391	215,314	0	0	372,992	64,232	137,520	856,889
	1H 2023	6,475	55,590	223,953	3,860	9,256	360,408	67,835	127,257	854,634
	2H 2023	5,362	51,007	214,588	3,860	8,056	363,475	65,568	165,399	877,315
Retail/Warehouse	2H 2022		2,928	16,104	0	9,800	8,933	0	24,956	62,721
	1H 2023		15,892	20,559	0	9,800	31,382	0	27,381	105,014
	2H 2023		8,626	17,475	0	9,800	21,836	0	22,753	80,490
Warehouse	2H 2022	0	79,500	21,000	0	0	29,750	0	61,329	191,579
	1H 2023	0	0	0	0	0	29,750	48,750	362,557	441,057
	2H 2023	0	0	0	0	4,391	35,645	0	355,778	395,814

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	2H 2022	18.1%	11.5%	5.1%	8.3%	1.2%	8.0%	6.2%	9.4%	8.4%
	1H 2023	18.1%	10.3%	4.6%	7.2%	3.2%	10.6%	9.9%	9.8%	8.8%
	2H 2023	15.6%	11.8%	4.0%	5.6%	1.3%	10.3%	6.1%	9.2%	8.8%
Medical Office	2H 2022	5.1%	3.2%	2.3%	9.4%	2.0%	5.9%	8.0%	11.0%	5.1%
	1H 2023	5.1%	3.2%	1.6%	9.7%	2.0%	9.5%	12.8%	11.0%	5.7%
	2H 2023	0.0%	2.5%	2.1%	6.9%	0.0%	12.7%	7.9%	9.7%	5.5%
Office/Retail	2H 2022	2.2%	6.2%	4.8%	0.0%	7.4%	10.1%	1.5%	1.6%	5.0%
	1H 2023	3.3%	7.8%	5.4%	0.0%	5.3%	10.4%	5.8%	1.3%	5.8%
	2H 2023	5.0%	9.0%	5.3%	0.0%	13.2%	9.6%	5.8%	5.3%	6.7%
Office/Warehouse	2H 2022		4.2%	0.0%	0.0%	0.0%	9.5%	52.2%	5.2%	6.3%
	1H 2023		4.9%	0.0%	0.0%	15.2%	0.8%	53.3%	6.1%	6.4%
	2H 2023		5.4%	1.1%	0.0%	16.7%	3.4%	53.3%	7.2%	7.6%
Retail	2H 2022	1.6%	7.1%	5.8%	0.0%	0.0%	10.0%	13.7%	7.8%	7.9%
	1H 2023	7.2%	6.0%	6.0%	7.2%	7.2%	9.8%	14.4%	7.2%	7.9%
	2H 2023	6.0%	5.3%	5.7%	7.2%	6.5%	9.7%	13.8%	9.0%	7.9%
Retail/Warehouse	2H 2022		1.2%	13.7%	0.0%	31.6%	3.2%	0.0%	3.3%	3.9%
	1H 2023		6.3%	16.2%	0.0%	22.8%	10.7%	0.0%	3.5%	6.3%
	2H 2023		3.4%	13.8%	0.0%	22.8%	7.2%	0.0%	2.9%	4.8%
Warehouse	2H 2022	0.0%	4.3%	1.6%	0.0%	0.0%	1.0%	0.0%	1.9%	1.6%
	1H 2023	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	6.6%	10.4%	3.6%
	2H 2023	0.0%	0.0%	0.0%	0.0%	0.3%	1.1%	0.0%	9.4%	3.2%

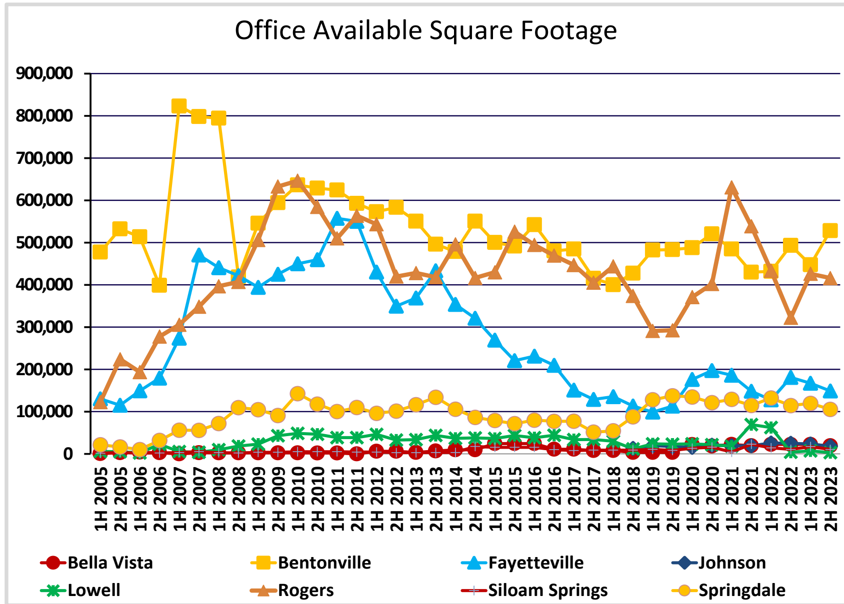
Commercial Market Trends
Net Absorption by Submarket

Net Absorption by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	2H 2022	0	-61,330	-41,899	465	58,147	94,186	3,761	43,155	96,485
	1H 2023	0	20,520	20,598	1,883	-3,000	-113,634	-5,390	1,092	-77,931
	2H 2023	3,000	-80,649	28,160	5,211	4,120	14,464	6,617	4,137	-14,940
Medical Office	2H 2022	0	8,025	4,222	465	40,000	-10,986	3,761	6,561	52,048
	1H 2023	0	0	8,830	-2,424	0	-20,013	-5,390	0	-18,997
	2H 2023	3,000	2,615	3,233	5,490	1,870	-19,322	6,617	11,265	14,768
Office/Retail	2H 2022	15,510	36,653	73,392	0	1,722	-17,291	0	-1,500	108,486
	1H 2023	-2,620	-17,464	-11,342	0	1,812	-2,036	-5,700	2,128	-35,222
	2H 2023	-4,014	-11,001	4,410	0	-7,546	1,665	0	-20,325	-36,811
Office/Warehouse	2H 2022		25,000	0	0	0	-37,000	0	-33,774	-45,774
	1H 2023		-6,850	0	0	-31,540	71,503	0	-48,157	-15,044
	2H 2023		-4,109	-2,500	0	5,000	-14,293	0	-28,253	-44,155
Retail	2H 2022	6,015	-8,979	-2,466	0	1,875	32,417	-44,755	-3,552	-19,445
	1H 2023	-5,035	9,801	-3,739	-3,860	-1,200	12,584	-2,000	7,269	13,820
	2H 2023	1,113	4,583	24,760	0	1,200	27,080	5,365	3,402	67,503
Retail/Warehouse	2H 2022		0	3,670	9,630	0	0	0	-15,000	-1,700
	1H 2023		-12,964	4,800	0	0	-8,689	0	23,279	6,426
	2H 2023		12,964	3,084	0	0	9,546	0	4,628	30,222
Warehouse	2H 2022	0	-79,500	-5,400	0	0	0	0	-16,875	-101,775
	1H 2023	0	108,645	21,000	0	0	0	-48,750	-281,949	-201,054
	2H 2023	0	0	0	0	0	0	48,750	6,779	55,529

Commercial Market Trends

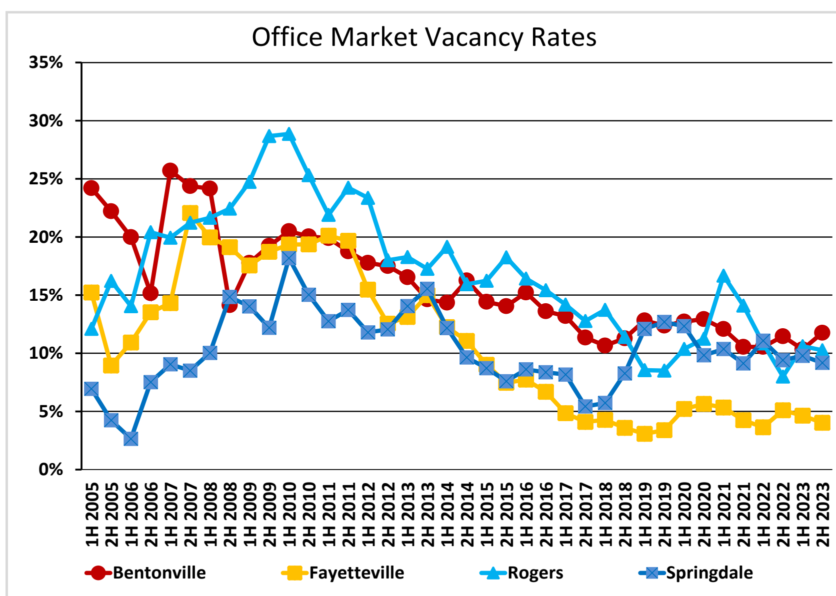
Office Vacancy and Space

In the second half of 2023, the office properties included in the Skyline Report panel had a vacancy rate of 8.8 percent, the same the first half of 2023. Of the 14,233,852 square feet of Northwest Arkansas properties examined, 1,249,498 square feet were available. In the second half of 2023, 203,815 square feet of new space entered the market, while 188,875 square feet was absorbed, netting negative absorption of 14,940 square feet for the Northwest Arkansas office market.



Bentonville had 528,098 available square feet of office space out of its total office space of 4,488,279 square feet in the second half of 2023. 53.9 percent of the available office space was Class B. There was 147,962 square feet of new office space, all Class A, added during this time. The Bentonville office market had overall net negative absorption of 80,649 square feet, 57,840 square feet of it in the Class A submarket, 23,755 square feet in the Class B submarket, 1,669 square feet in the Class C submarket whilethe Medical submarkets had 2,615 square feet of net positive absorption.

Rogers had 4,054,045 square feet of total office space, with available square feet of 416,029 in the second half of 2023. 41.5 percent of the available space was in the Class A submarket. 12,082 square feet of Class B office space was added during this period. The Rogers office market had a net positive absorption of 14,464 square feet in the second half of 2023. The Class A submarket accounted for 38,066 square feet and the Class C office submarket for 3,514 square feet of net positive absorption. The Medical submarket accounted for 19,322 square feet, and the Class B submarket for 7,794 square feet of net negative absorption.



Fayetteville had 148,856 square feet of available space, out of its total office space of 3,694,971 square feet in the second half of 2023. 50.3 percent of the available space was in the Class B submarket. There were 43,771 (37,271 of Class A and 6,500 of Medical) new square feet of office space added in the second half of 2023. The Fayetteville office market had overall net positive absorption of 28,160 square feet. The Class B office submarket had

Commercial Market Trends
Office Lease Rates by City

31,138 square feet of net positive absorption with another 4,516 square feet in the Class C and 3,233 in the Medical submarkets, while the Class A submarket had 10,727 square feet of net negative absorption during the same period.

Springdale had 1,148,884 total square feet of office space, with 105,454 square feet of it available in the second half of 2023. 46.4 percent was Class C office space. There was no new office space added during this period. There was net positive absorption of 4,137 square feet in the Springdale office market in the second half of 2023. Medical office had 11,265 square feet of net positive absorption while Class B added 3,590 square feet. Class C had 10,718 of net negative absorption.

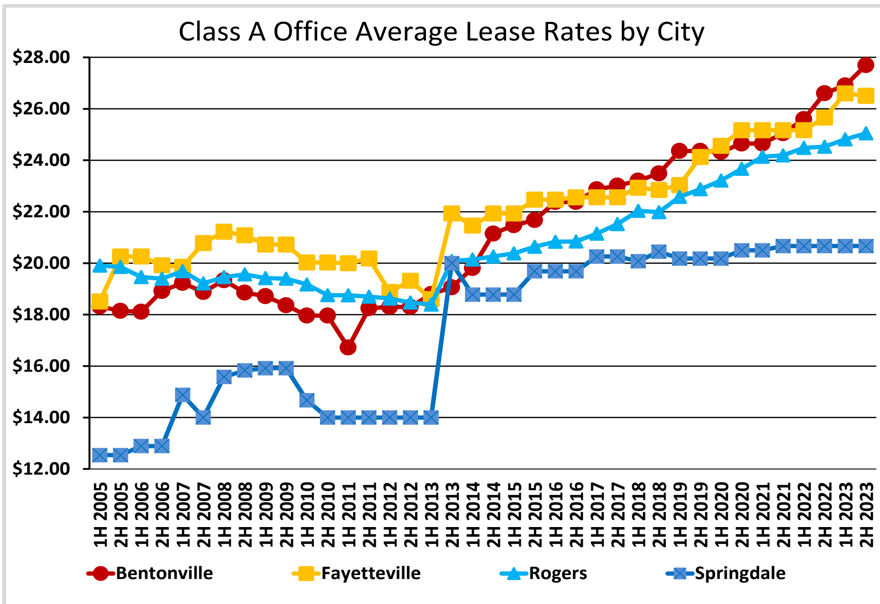
In the second half of 2023, average reported lease rates for Class A office space were highest in Bentonville, increasing $0.79 to $27.70. Fayetteville decreased to $26.51, Rogers increased to $25.05, and Springdale remained at $20.67.

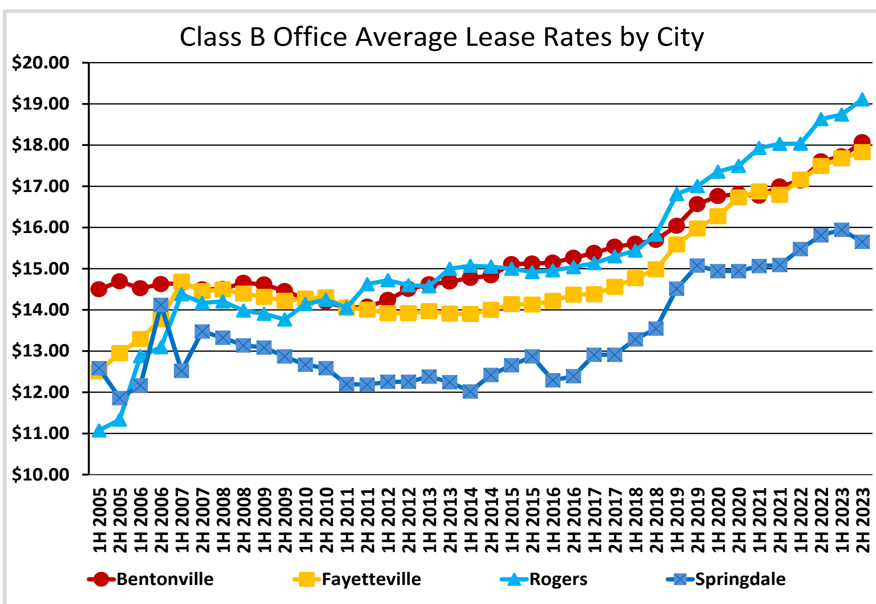
Average reported lease rates for Class B office space was highest in Rogers, increasing $0.37 to $19.11. Bentonville increased to $18.07, Fayetteville increased to $17.83, and Springdale remained with the lowest reported average lease rates decreasing to increasing to $15.65.

Reported average lease rates for Class C office were highest in Bentonville decreasing $1.73 to $12.81. Fayetteville decreased $12.77, Springdale increased to $11.35, and Rogers remained the lowest at to $10.93.

Reported average medical office space lease rates were highest in Bentonville increasing $0.97 to $19.24. Springdale increased to $18.22, Fayetteville increased to $18.77, and Rogers remained the lowest at $17.20.

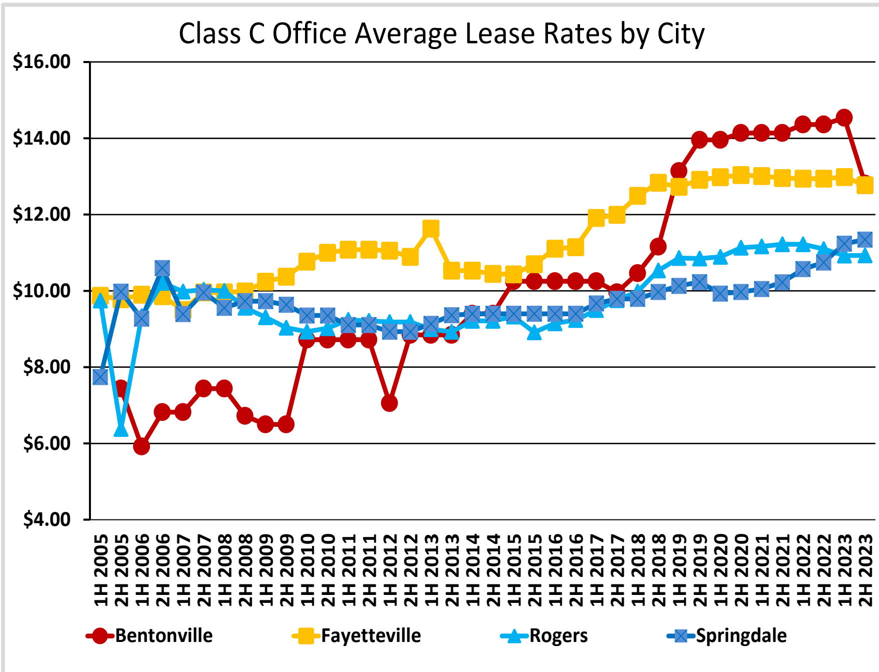
City	Class A	Class B	Class C	Medical
Bentonville	$26.36 - $29.03	$17.41 - $18.73	$12.51 - $13.11	$18.94 - $19.53
Fayetteville	$25.12 - $27.89	$17.45 - $18.21	$12.37 - $13.17	$18.01 - $19.52
Rogers	$24.50 - $25.60	$18.49 - $19.43	$10.78 - $11.08	$17.12 - $17.27
Springdale	$20.33 - $21.00	$14.94 - $16.36	$10.87 - $11.82	$17.96 - $18.47

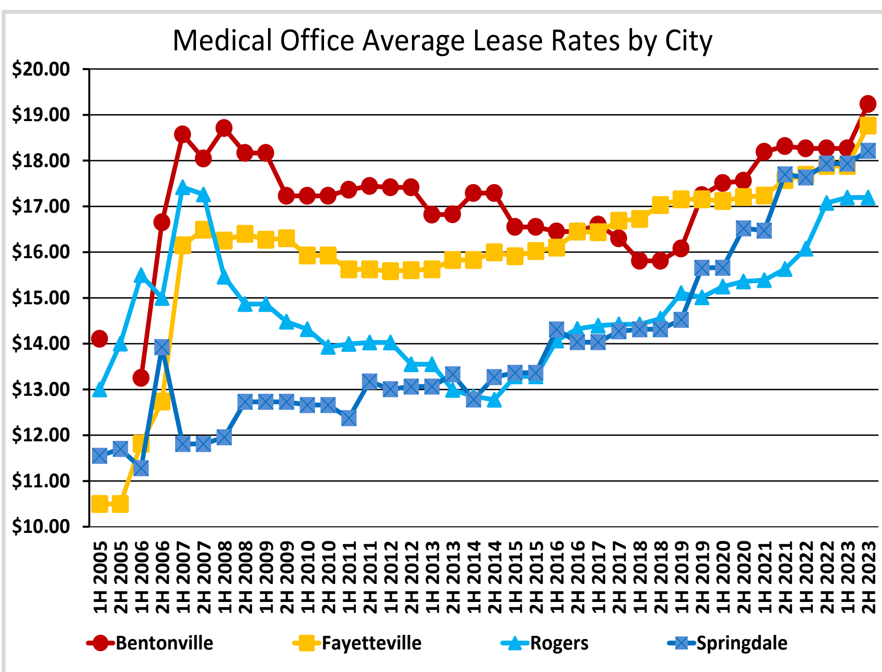




Commercial Market Trends

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 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office							
Bentonville	1,204,555	224,650	18.7%	90,122	147,962	-57,840	--
Fayetteville	552,861	32,359	5.9%	26,544	37,271	-10,727	--
Rogers	2,108,917	172,657	8.2%	38,066	0	38,066	27.2
Springdale	95,501	0	0.0%	0	0	0	--
Class B Office							
Bentonville	2,565,109	284,864	11.1%	-23,755	0	-23,755	--
Fayetteville	1,370,646	74,850	5.5%	31,138	0	31,138	14.4
Rogers	1,079,798	162,389	15.0%	4,288	12,082	-7,794	--
Springdale	338,455	10,873	3.2%	3,590	0	3,590	18.2
Class C Office							
Bentonville	360,651	9,647	2.7%	-1,669	0	-1,669	--
Fayetteville	447,638	14,432	3.2%	4,516	0	4,516	19.2
Rogers	308,131	10,048	3.3%	3,514	0	3,514	17.2
Springdale	246,439	48,980	19.9%	-10,718	0	-10,718	--
Medical Office							
Bentonville	357,964	8,937	2.5%	2,615	0	2,615	20.5
Fayetteville	1,323,826	27,215	2.1%	9,733	6,500	3,233	50.5
Rogers	557,199	70,935	12.7%	-19,322	0	-19,322	--
Springdale	468,489	45,601	9.7%	11,265	0	11,265	24.3

Commercial Market Trends
Office/Retail Vacancy and Space

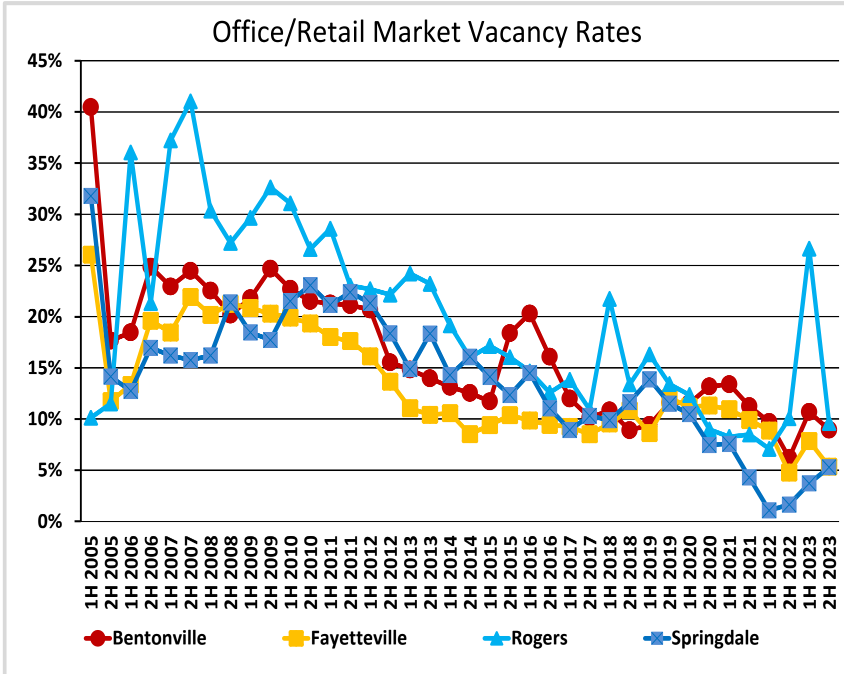
In the second half of 2023, the office/retail properties included in the Skyline Report sample had a vacancy rate of 6.7 percent, up from 5.8 percent in the first half of 2023. Of the 4,832,393 square feet of Northwest Arkansas properties examined, 325,622 square feet were available.

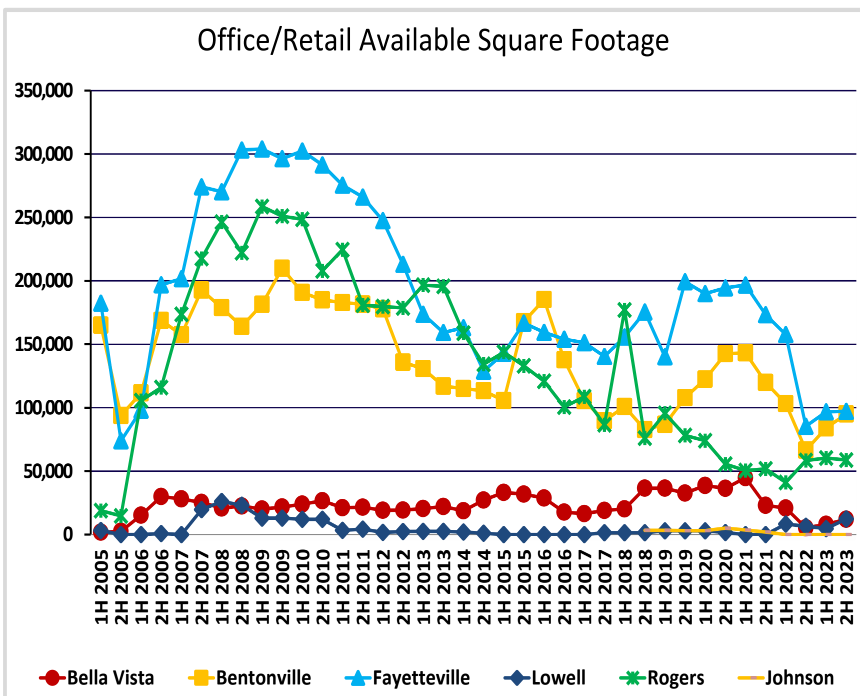
From the first half of 2023 to the second half of 2023, 102,622 (91,710 Class A and 10,912 Class B) new square feet of office/retail space were added to the market. There was net negative absorption of 36,811 square feet in the second half of 2023. Springdale had the most net negative absorption with 20,325 square feet, with Bentonville contributing 11,001 square feet. Meanwhile Fayetteville had the most net positive absorption with 4,410 square feet.

Fayetteville had the largest amount of available square feet in the office/retail submarket with 97,173 square feet in the second half of 2023, with Bentonville adding 95,011 square feet of available space. The vacancy rate was highest in Lowell at 13.2 percent.

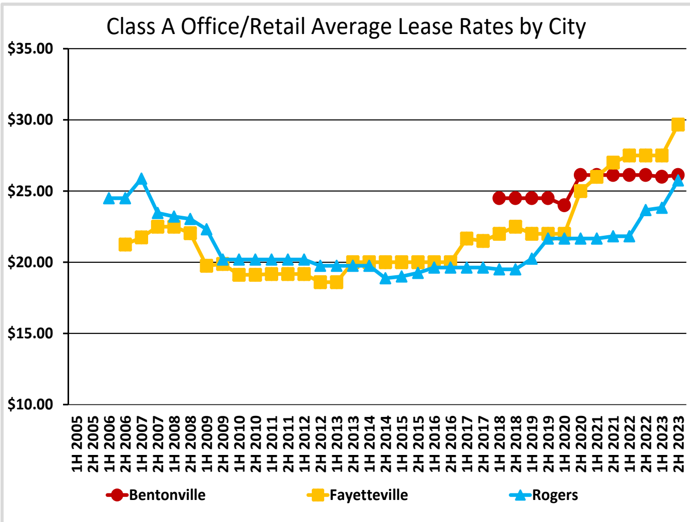
The office/retail space reported average lease rates in the second half of 2023 were highest in the Fayetteville Class A submarket increasing $2.17 to $29.67. The Bentonville Class A average lease rate increased to $26.13, and the average Class A lease rate in Rogers increased to $25.75.

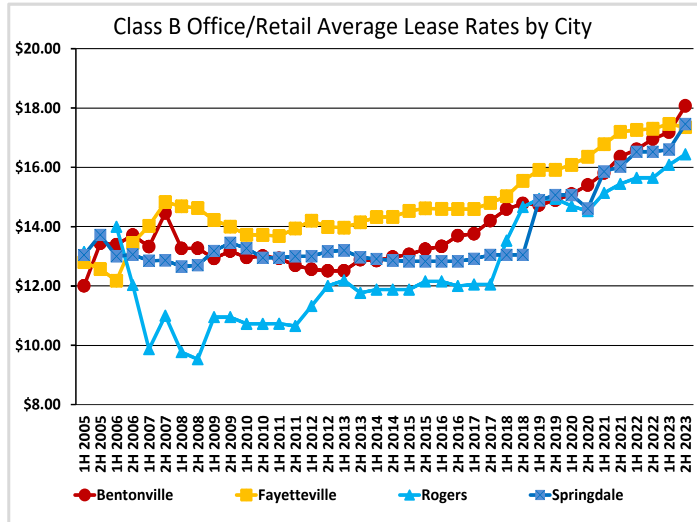
In the Class B submarket, Bentonville became the most expensive increasing $0.88 to $18.07, followed by Springdale increasing to $17.46, Fayetteville decreasing to $17.36, and Rogers remained the lowest increasing to $16.44.



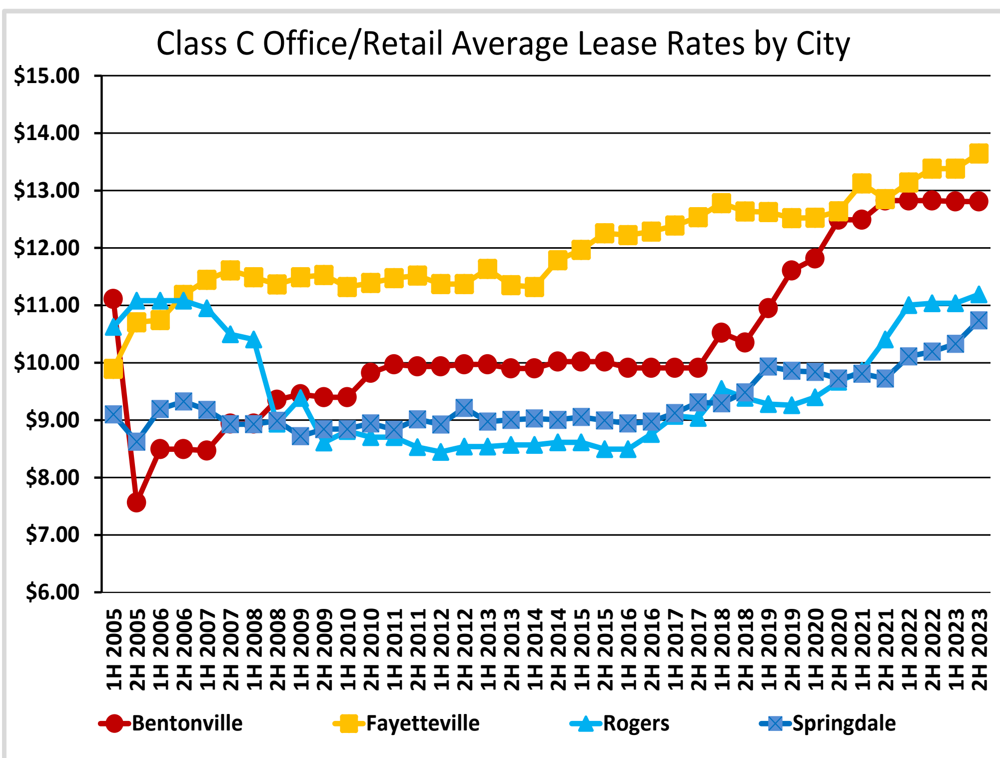


Commercial Market Trends
Office/Retail Classes Lease Rates by City





In the Class C submarket, the average lease rate was highest in Fayetteville increasing to $13.65. This was followed by Bentonville remaining $12.81, Rogers increasing to $11.19, and Springdale stayed the least expensive increasing to $10.41.



Commercial Market Trends

Office/Retail Available Space by City

City	Class A	Class B	Class C
Bentonville	$25.75 - $26.50	$17.41 - $18.73	$12.51 - $13.11
Fayetteville	$27.67 - $31.67	$16.67 - $18.04	$12.81 - $14.48
Rogers	$25.75 - $25.75	$15.68 - $17.20	$11.06 - $11.32
Springdale	--	$16.25 - $18.67	$10.14 - $11.34

Available Office/ Retail Space	Total Square Feet	Available Squre Feet	Percent Available	Absorption from 2H to 1H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office/Retail							
Bentonville	140,683	10,255	--	-8,521	0	-8,521	--
Fayetteville	104,000	58,543	56.3%	10,932	62,000	-51,068	--
Rogers	140,092	35,491	25.3%	23,018	29,710	-6,692	--
Springdale	--	--	--	--	--	--	--
Class B Office/Retail							
Bentonville	772,007	70,441	9.1%	7,787	10,912	-3,125	--
Fayetteville	1,187,945	24,068	2.0%	57,386	0	57,386	2.5
Rogers	226,613	13,968	6.2%	9,400	0	9,400	8.9
Springdale	299,191	18,506	6.2%	-5,756	0	-5,756	--
Class C Office/Retail							
Bentonville	147,702	14,315	9.7%	645	0	645	--
Fayetteville	526,942	14,562	2.8%	-1,908	0	-1,908	--
Rogers	244,110	9,243	3.8%	-1,043	0	-1,043	--
Springdale	452,120	21,206	4.7%	-14,569	0	-14,569	--

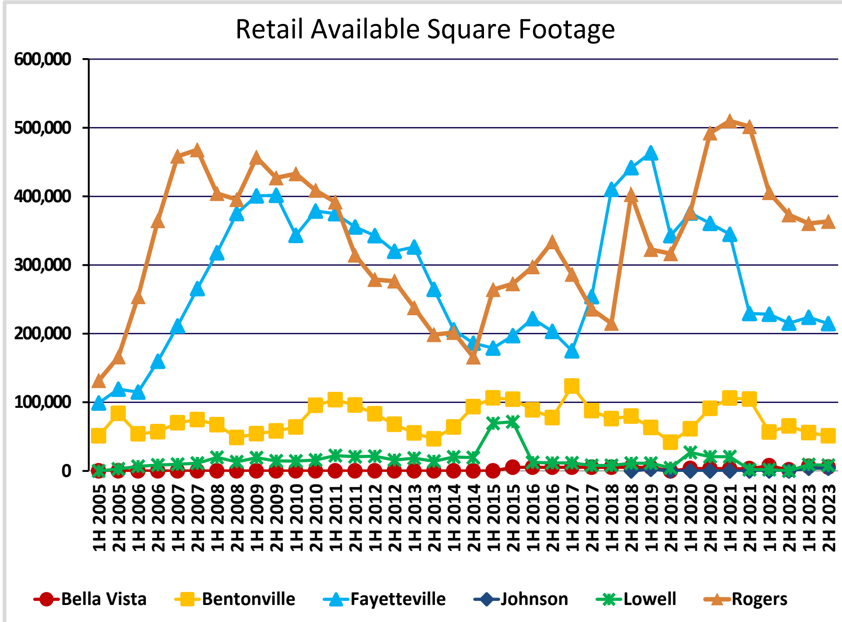
Commercial Market Trends
Retail Vacancy and Space

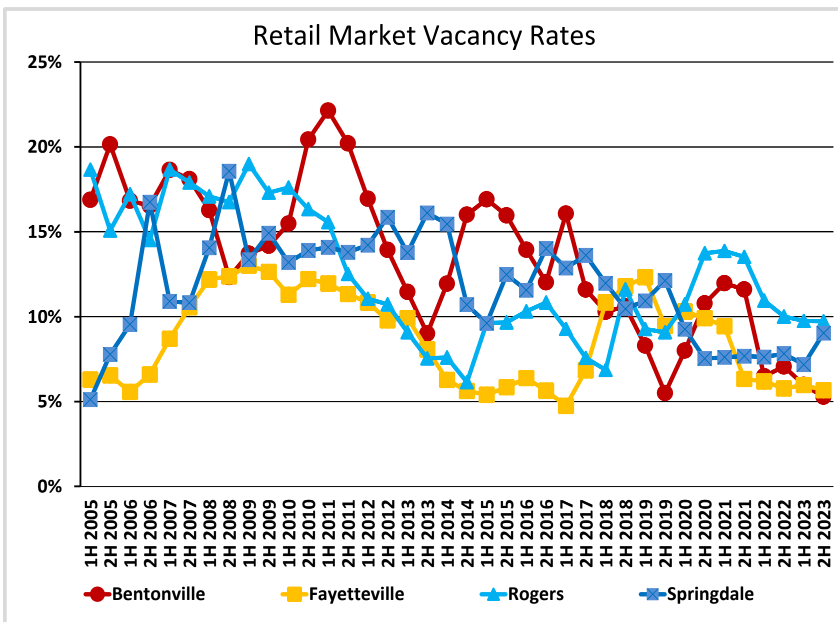
In the second half of 2023, the retail properties included in the Skyline Report panel had a vacancy rate of 7.9 percent, the same as in the first half of 2023. Of the 11,057,418 total retail square feet examined in Northwest Arkansas, 877,315 square feet were available. 10,898 square feet of new retail space were added in Northwest Arkansas. Net positive absorption of 67,503 square feet occurred in the second half of 2023.

In the second half of 2023, Fayetteville had a retail vacancy rate of 5.7 percent, down from 6.0 percent in the first half of 2023, with 214,588 available square feet out of a total of 3,783,200. No new square feet, all were added and there was net positive absorption of 24,760 square feet in the Fayetteville retail market, of which 36,933 square feet was Class B and 27,190 was Class C. However, Class A had net negative absorption of 39,363 square feet.

The Rogers market had 363,475 square feet of available retail space out of a total of 3,737,362 square feet, for a vacancy rate of 9.7 percent in the second half of 2023. This was a decrease from the 9.8 percent rate in the first half of 2023. No new retail space were added in Rogers, and there was net positive absorption of 27,080 square feet, of which 23,184 square feet were Class B.

Bentonville had 965,488 total square feet with 51,007 available square feet of retail space in the second half of 2023, resulting in a vacancy rate of 5.3 percent. This represented an decrease from 6.0 percent in the first half of 2023. 10,898 new square feet of Class B retail space were added to the Bentonville market which had net positive absorption of 4,583 square feet, led by Class A with 3,111 square feet.





Commercial Market Trends
Retail Available Space

City	Class A	Class B	Class C
Bentonville	$23.62 - $25.62	$18.37 - $20.15	$11.52 - $12.80
Fayetteville	$26.73 - $27.82	$18.89 - $20.11	$12.22 - $12.50
Rogers	$22.17 - $23.25	$16.27 - $17.57	$10.82 - $11.13
Springdale	--	$16.85 - $17.85	$10.51 - $11.31

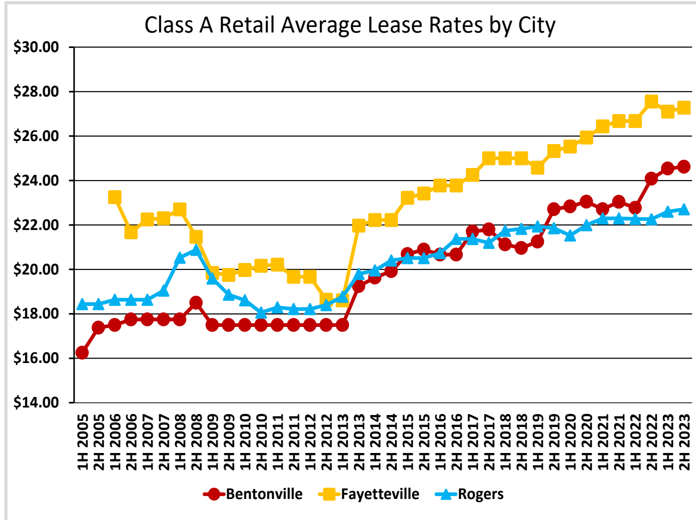
Available Retail Space	Total Square Feet	Available Squre Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Retail							
Bentonville	220,513	16,398	7.4%	3,111	0	3,111	31.6
Fayetteville	1,157,393	68,343	5.9%	-39,363	0	-39,363	141.1
Rogers	1,687,466	55,242	3.3%	2,126	0	2,126	155.9
Springdale	--	--	--	--	--	--	--
Class B Retail							
Bentonville	582,937	34,609	5.9%	12,370	10,898	1,472	141.1
Fayetteville	2,101,086	127,383	6.1%	36,933	0	36,933	20.7
Rogers	1,490,817	293,661	19.7%	23,184	0	23,184	76.0
Springdale	1,085,523	111,557	10.3%	4,570	0	4,570	146.5
Class C Retail							
Bentonville	162,038	0	0.0%	0	0	0	--
Fayetteville	524,721	18,862	3.6%	27,190	0	27,190	4.2
Rogers	559,079	14,572	2.6%	1,770	0	1,770	49.4
Springdale	745,039	53,842	7.2%	-1,168	0	-1,168	--

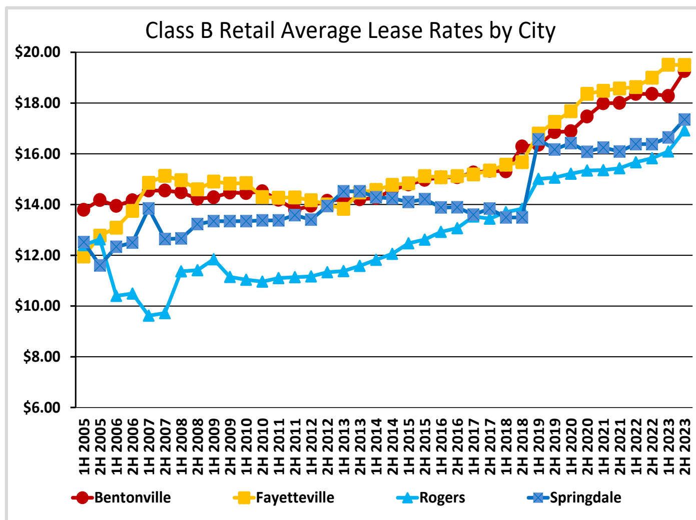
Commercial Market Trends
Retail Lease Rates By Class A, B or C

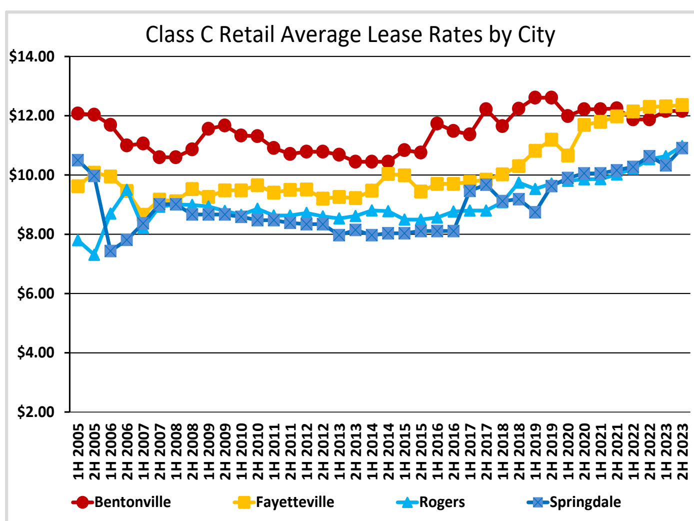
In the Class A retail submarket Fayetteville remained the highest average reported lease rate increasing $0.17 to $27.28. Bentonville had increased to $24.62. The average rate in Rogers increased $0.11 to $22.71.

After a decrease of $0.01, Class B average reported retail lease rates were highest in Fayetteville at $19.50. Bentonville increased to $19.26, Springdale increased to $17.35, and Rogers stayed the lowest after increasing to $16.92.

Class C average reported lease rates were the highest in Fayetteville after increasing $0.04 to $12.36. Bentonville remained $12.16, Rogers increased to $10.98, leaving Springdale the lowest after increasing to $10.91 in the second half of 2023.



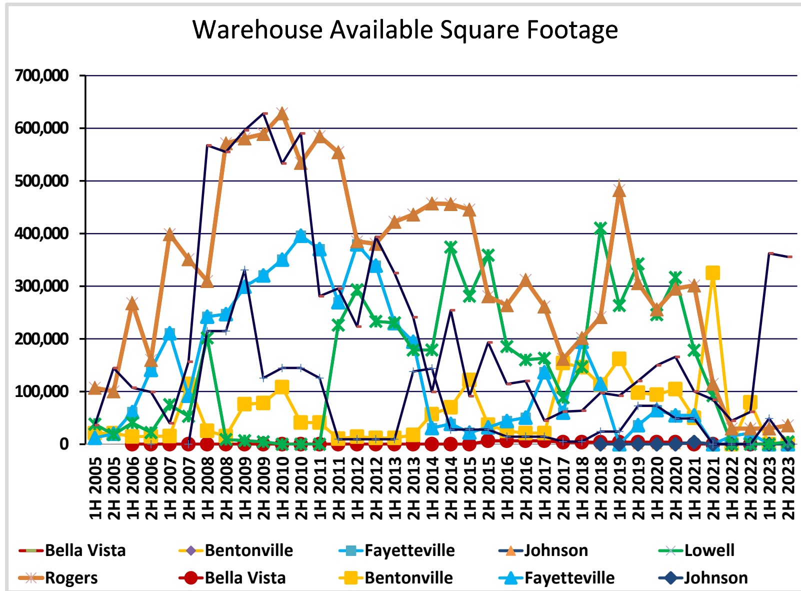




Commercial Market Trends

Warehouse Vacancy and Space

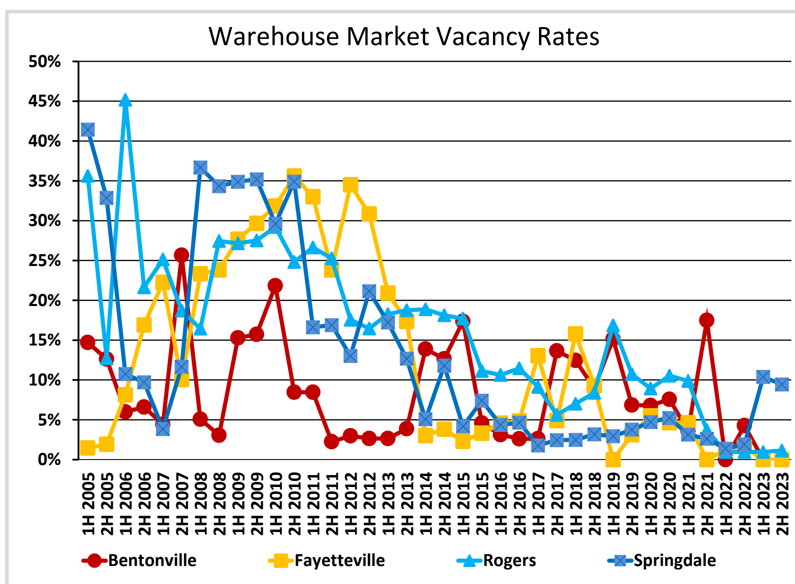
In the second half of 2023, the warehouse properties included in the Skyline Report panel had a 3.2 percent vacancy rate, up from 3.6 percent in the first half of 2023. Of the 12,504,419 square feet of warehouse space examined, 395,814 square feet were available. There were 262,415 new square feet of warehouse space added in the second half of 2023, but there was net positive absorption of 201,054 square feet. Additionally, there was at least 140,000 square feet of high quality sublease space available in Bentonville.



Springdale, including Tontitown warehouse space, in the second half of 2023 had 3,769,141 square feet of warehouse space, of which 51.2 percent is Class B space. 355,778 square feet was available, including 300,000 square feet of Class A space built last half. There was net positive absorption of 6,779 square feet all Class C space in the second half of 2023, leading to an overall vacancy rate of 9.4 percent, up from 10.4 percent in the first half of 2023.

Rogers had 3,117,082 square feet of warehouse space, of which 36.9 percent was Class C. 35,645 square feet was available, all of it Class C space. There was no absorption of warehouse space in the second half of 2023. No new square feet of warehouse space were added to the Rogers warehouse submarket this half but previously owner occupied space entered the market and the vacancy rate increased to 1.1 percent from 1.0 percent last half.

Bentonville had 1,964,503 total square feet of warehouse space, 83.5 percent being Class A warehouse space. No warehouse space was available in the second half of 2023. No new square feet of warehouse space were added to the Bentonville warehouse submarket in during this half. The vacancy rate remained 0.0 percent in the second half of 2023.

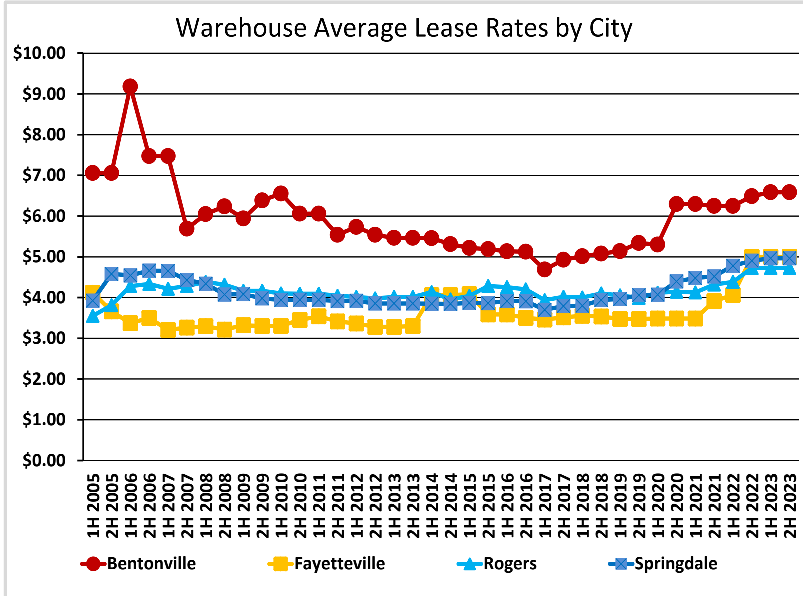


4,391 square feet of Class B warehouse space was available in Lowell out of 1,507,721 total square feet of warehouse space. 53.7 percent of the total warehouse space was Class A. No new square feet of warehouse were added in the Lowell submarket in the second half of 2023 but previously owner occupied space entered the data base and the vacancy rate increased to 0.3 percent from 0.0 percent last half.

Commercial Market Trends
Warehouse Lease Rates

There was 1,306,350 total square feet of warehouse space in Fayetteville in the second half of 2023 and 65.4 percent of it was Class B warehouse space. No new square feet of warehouse space were added to in the Fayetteville warehouse submarket in the second half of 2023. The vacancy rate for all warehouse space remained 0.0 percent.

The average reported warehouse lease rates in the second half of 2023 remained the highest in Bentonville increasing $0.16 to $6.74, followed by Springdale increasing to $5.12, Rogers increasing to at $5.03, and Fayetteville now the lowest afer decreasing to at $4.95. It is interesting to note that the highest lease rates are not necessarily in the Class A warehouse submarket. According to Skyline report respondents this is mostly due to economies of scale in the Class A submarket, which includes mostly large warehouse space, over 50,000 square feet. However, construction costs have driven up lease rates for newer warehouse spaces and will continue to do so for future warehouses according to respondents.



City	Class A	Class B	Class C
Bentonville	$6.75 - $6.81	$6.45 - $6.85	--
Fayetteville	--	$4.17 - $4.90	$5.31 - $5.71
Rogers	$4.00 - $4.00	$5.01 - $5.16	$5.07 -$5.11
Springdale	$8.96 - $8.96	$4.92 - $5.54	$4.55 - $4.95

Warehouse Space Class and City	Total Square Feet	Available Squre Feet[1]	Percent Available[2]	Absorption[2] from 2H to 1H	New Available Square Feet[1]	Net Absorption	Months of Inventory
Class A Warehouse							
Bentonville	1,641,211	0	0.0%	0	0	0	--
Fayetteville	--	--	--	--	--	--	--
Rogers	937,500	0	0.0%	0	0	0	--
Springdale	658,615	300,000	45.6%	262,415	262,415	0	--
Class B Warehouse							
Bentonville	323,292	0	0.0%	0	0	0	--
Fayetteville	854,324	0	0.0%	0	0	0	--
Rogers	1,029,424	0	0.0%	0	0	0	--
Springdale	1,931,589	0	0.0%	0	0	0	--
Class C Warehouse							
Bentonville	--	--	--	--	--	--	--
Fayetteville	452,026	0	0.0%	0	0	0	--
Rogers	1,150,158	35,645	3.1%	0	0	0	--
Springdale	1,178,937	55,778	4.7%	6,779	0	6,779	49.4

Commercial Market Trends

Office/Warehouse Vacancy, Space, and Lease

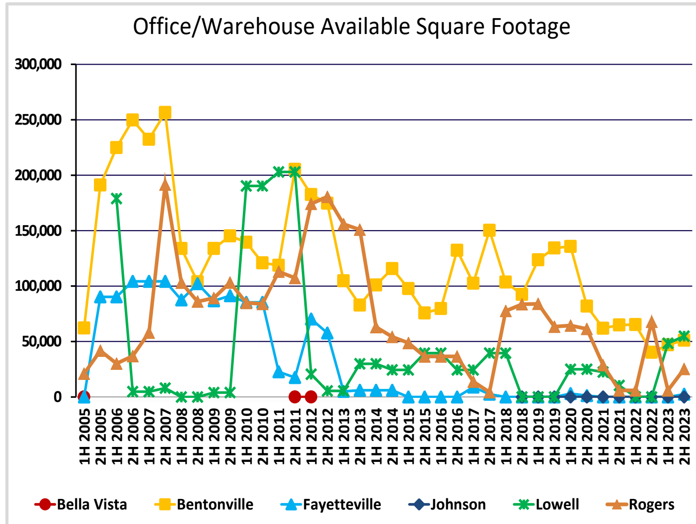
Office/Warehouse

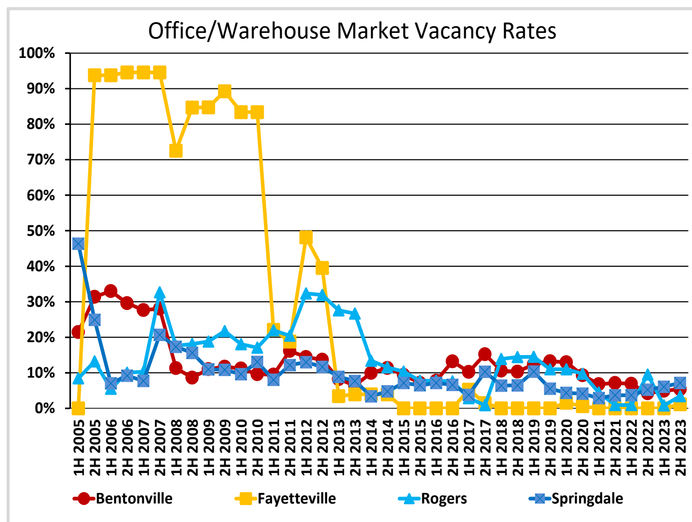
The Skyline Report panelists reported on 4,653,272 total square feet of office/warehouse space with 353,943 square feet available in the second half of 2023. Springdale, and Siloam Springs, with 162,444 square feet and 57,667 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

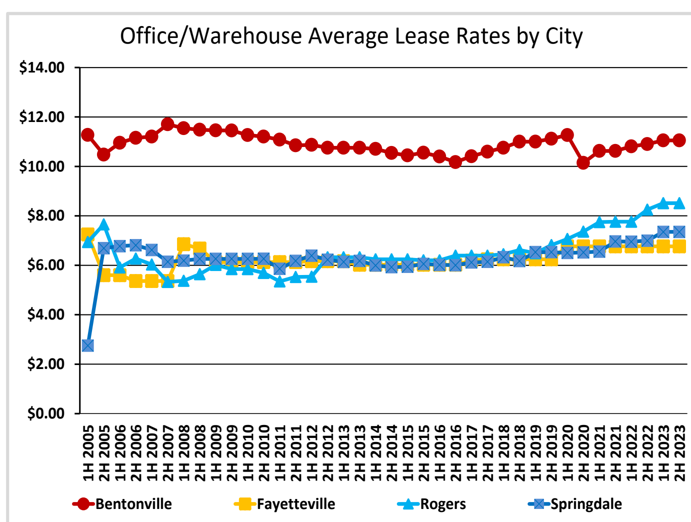
The vacancy rate in the office/warehouse submarket increased from 6.4 percent in the second half of 2022 to 7.6 percent in the second half of 2023. 43,538 square feet of office/warehouse space entered the market in Northwest Arkansas during this period, with Springdale accounting for 33,398 square feet and Rogers adding another 10,140 square feet.

The office/warehouse submarket in Northwest Arkansas experienced net negative absorption of 44,155 square feet during the second half of 2023. Springdale and Rogers accounted for 28,253 and 14,293 square feet of net negative absorption, while Lowell had 5,000 square feet of net positive absorption.

Bentonville continued to have the highest reported average lease rates increasing $0.42 to $11.47. Reported office/warehouse average lease rates increased to $9.38 in Rogers, increased to $8.28 in Springdale, while they remained the same in Fayetteville at $6.77 in the second half of 2023.







Commercial Market Trends
Retail/Warehouse Vacancy, Space and Lease

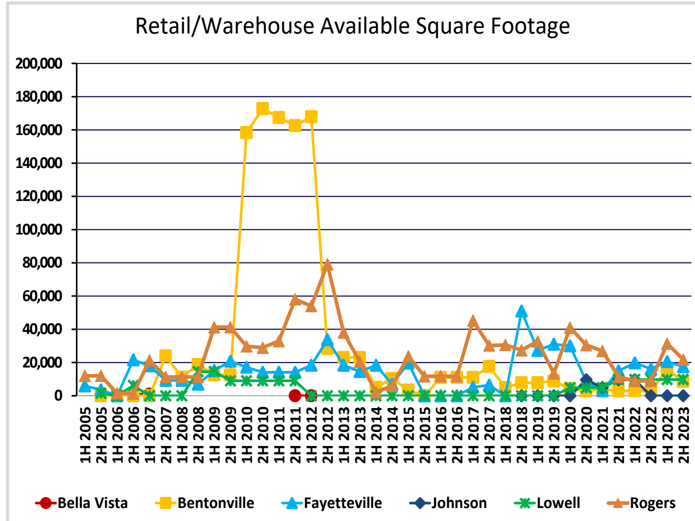
Retail/Warehouse

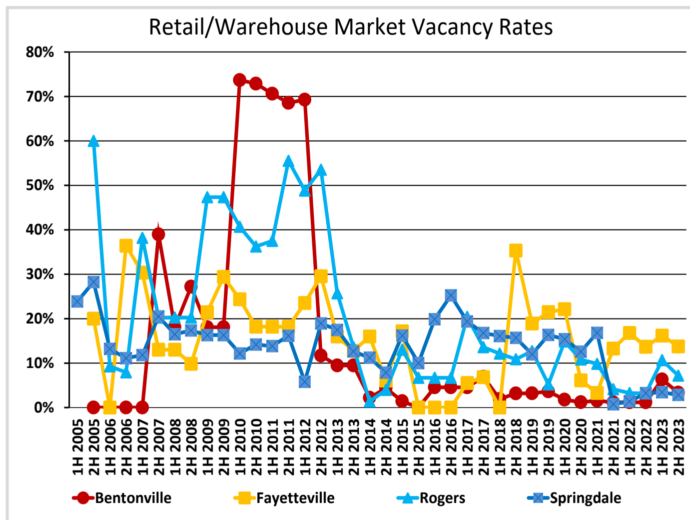
The Skyline Report panelists reported on 1,679,509 square feet of retail/warehouse space in the second half of 2023. A total of 80,490 square feet was available in Northwest Arkansas. Springdale had the most available retail/warehouse space with 22,753 square feet followed by Rogers with 21,836 square feet.

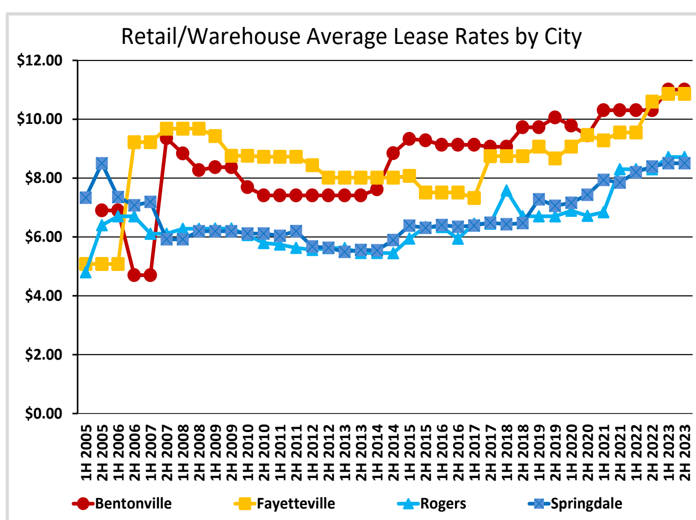
There were no new square feet of retail/warehouse added to the market during the second half of 2023. The vacancy rate in the retail/warehouse submarket decreased from 6.3 percent in the first half of 2023 to 4.8 percent in the second half of 2023.

From the first half of 2023 to the second half of 2023, there was net positive absorption of 30,222 square feet of retail/warehouse space in Northwest Arkansas. Springdale contributed net positive absorption of 12,964 square feet with Rogers adding 9,546 square feet in the second half of 2023.

In the second half of 2023, Bentonville remained the highest average lease rate in this market at $11.01. Reported retail/warehouse average lease rates remained in Fayetteville to $10.87, increased in Rogers to $8.91. Springdale remained the lowest average lease rate after increasing to $8.65.







Commercial Market Trends
Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Square Feet[1]	Percent Available[2]	Absorption[2] from 2H to 1H	New Available Square Feet[1]	Net Absorption	Months of Inventory
Office/Warehouse							
Bentonville	953,798	51,159	5.4%	-4,109	0	-4,109	--
Fayetteville	222,610	2,500	1.1%	-2,500	0	-2,500	--
Rogers	738,341	25,313	3.4%	-4,153	10,140	-14,293	--
Springdale	2,269,670	162,444	7.2%	5,145	33,398	-28,253	--
Retail/Warehouse							
Bentonville	256,944	8,626	3.4%	12,964	0	12,964	4.0
Fayetteville	126,897	17,475	13.8%	3,084	0	3,084	34.0
Rogers	304,203	21,836	7.2%	9,546	0	9,546	13.7
Springdale	796,624	22,753	2.9%	4,628	0	4,628	29.5

City	Office/Warehouse	Retail/Warehouse
Bentonville	$10.42 - $12.52	$10.41 - $11.60
Fayetteville	$6.37 - $7.16	$10.09 - $11.64
Rogers	$9.21 - $9.55	$8.79 - $9.03
Springdale	$7.86 - $8.69	$8.18 - $9.11

Bella Vista

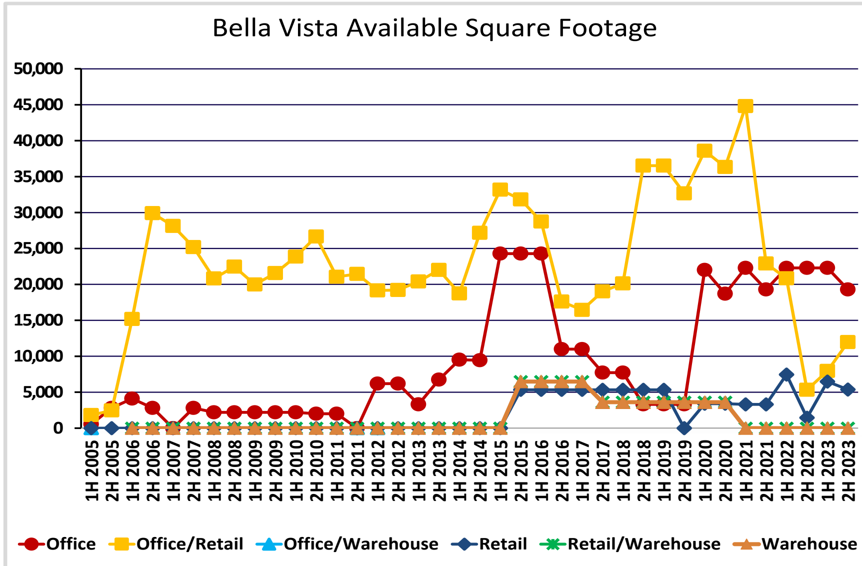
Commercial Market Summary

From July 1 to December 31, 2023, Bella Vista issued no new building permits for commercial space.

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

In the second half of 2023, Bella Vista experienced net positive absorption of 99 square feet. Medical office had 3,000 square feet of this total, while Class C office/retail space added 2,136 square feet. The Class B office/retail submarket had net negative absorption of 6,150 square feet in this period.

Except for an increase of $0.38 in the Class B office/retail submarket reported average lease rates in Bella Vista in the second half of 2023 remained stable.

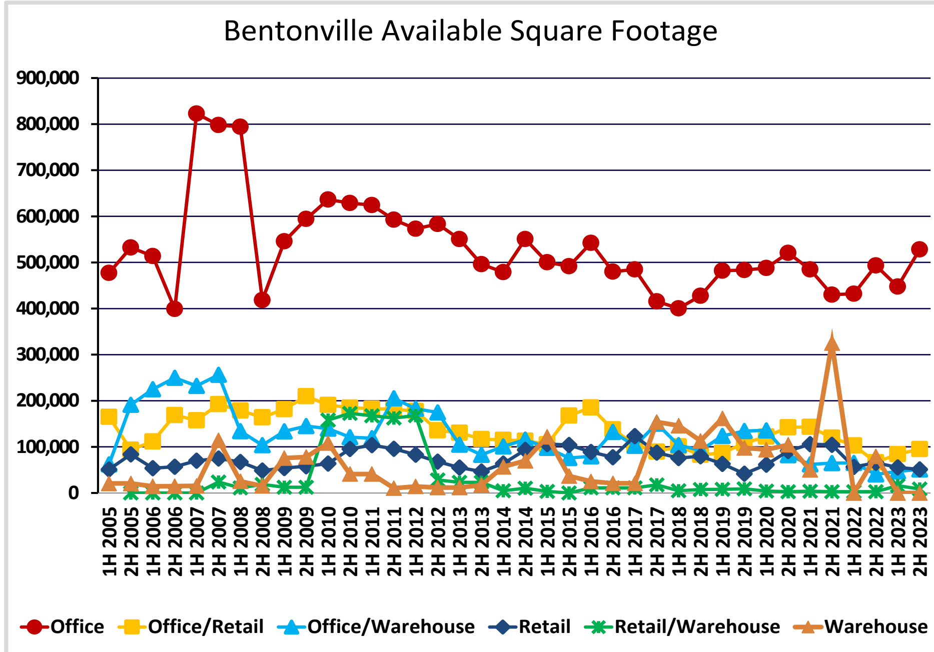


Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	--	--	--	--	--	--	--	--
Office	$13.12 - $13.78	123,479	19,296	15.6%	3,000	0	3,000	38.6
Class A	--	--	--	--	--	--	--	--
Class B	$13.68 - $13.68	60,725	15,700	25.9%	0	0	0	--
Class C	--	3,596	3,596	100.0%	0	0	0	--
Medical	$12.00 - $14.00	59,158	0	0.0%	3,000	0	3,000	0.0
Office/Retail	$11.48 - $13.67	238,082	11,970	5.0%	-4,014	0	-4,014	--
Class A	--	--	--	--	--	--	--	--
Class B	$11.48 - $13.67	226,706	11,970	5.3%	-6,150	0	-6,150	--
Class C	--	11,376	0	0.0%	2,136	0	2,136	0.0
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	$18.75 - $18.75	89,336	5,362	6.0%	1,113	0	1,113	28.9
Class A	--	--	--	--	--	--	--	--
Class B	$18.75 - $18.75	89,336	5,362	6.0%	1,113	0	1,113	28.9
Class C	--	--	--	--	--	--	--	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	$1.00 - $2.70	18,486	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	$1.00 - $2.70	18,486	0	0.0%	0	0	0	--

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

Bentonville
Commercial Market Summary

From July 1 to December 31, 2023, Bentonville issued $131,571,944 worth of building permits for new commercial space. Only $510,508 of the building permits were issued for the new Walmart Campus.(Over $30.4 million in remodel permits were issued).



The second half of 2023 building permit value was 97.0 percent higher than the first half of 2023 value of $66,586,876.

Bentonville accounted for 45.8 percent of the commercial permits issued in Northwest Arkansas during the second half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 9,761,962 square feet of commercial space in Bentonville in the second half of 2023.

In the second half of 2023, Bentonville experienced net negative absorption of 78,212 square feet, while 169,772 new square feet of commercial space were added.

The Class A and B office submarkets had the greatest amount of net negative absorption with 57,840 and 23,755 square feet, respectively. The Class A office/retail submarket added 8,521 square feet of net negative absorption. The retail/warehouse submarket had the most net positive absorption with 12,964 square feet.

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

Average reported lease rates increased significantly by $0.97 in the Medical office, by $0.98 in the Class B retail and by $0.50 in Class B warehouse submarkets. They increased modestly in the Class A office, Class B office/retail, and office/warehouse submarkets. They decreased significantly by $1.73 on the Class C office submarket. Lease rates remained relatively stable in the other submarkets during this period.

Bentonville
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	$5.33 - $9.67	72,558	0	0.0%	0	0	0	--
Office	$18.54 - $19.19	4,488,279	528,098	11.8%	67,313	147,962	-80,649	--
Class A	$26.36 - $29.03	1,204,555	224,650	18.7%	90,122	147,962	-57,840	--
Class B	$17.41 - $18.73	2,565,109	284,864	11.1%	-23,755	0	-23,755	--
Class C	$12.51 - $13.11	360,651	9,647	2.7%	-1,669	0	-1,669	--
Medical	$18.94 - $19.53	357,964	8,937	2.5%	2,615	0	2,615	20.5
Office/Retail	$16.80 - $17.92	1,060,392	95,011	9.0%	-89	10,912	-11,001	--
Class A	$25.75 - $26.50	140,683	10,255	--	-8,521	0	-8,521	--
Class B	$17.41 - $18.73	772,007	70,441	9.1%	7,787	10,912	-3,125	--
Class C	$12.51 - $13.11	147,702	14,315	9.7%	645	0	645	--
Office/ Warehouse	$10.42 - $12.52	953,798	51,159	5.4%	-4,109	0	-4,109	--
Retail	$17.95 - $19.67	965,488	51,007	5.3%	15,481	10,898	4,583	66.8
Class A	$23.62 - $25.62	220,513	16,398	7.4%	3,111	0	3,111	31.6
Class B	$18.37 - $20.15	582,937	34,609	5.9%	12,370	10,898	1,472	141.1
Class C	$11.52 - $12.80	162,038	0	0.0%	0	0	0	--
Retail/ Warehouse	$10.41 - $11.60	256,944	8,626	3.4%	12,964	0	12,964	4.0
Warehouse	$6.65 - $6.83	1,964,503	0	0.0%	0	0	0	--
Class A	$6.75 - $6.81	1,641,211	0	0.0%	0	0	0	--
Class B	$6.45 - $6.85	323,292	0	0.0%	0	0	0	--
Class C	--	--	--	--	--	--	--	--

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

Bentonville
Commercial Market Summary

Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,337,641 square feet of office, office/retail, and retail space in Downtown Bentonville in the second half of 2023. 147,962 square feet of new office space was added during this period.

There was net negative absorption of 37,160 square feet of office space in Downtown Bentonville during the second half of 2023. This led to a reported vacancy rate of 13.7 percent in the second half of 2023, up from 11.8 percent in the first half of 2023. This was higher than the overall Bentonville office vacancy rate of 11.8 percent.

The office/retail vacancy rate in Downtown Bentonville remained 9.5 percent from the first half of 2023 to the second half of 2023 in accordance with no absorption. This was higher than the overall Bentonville office/retail vacancy rate of 9.0 percent.

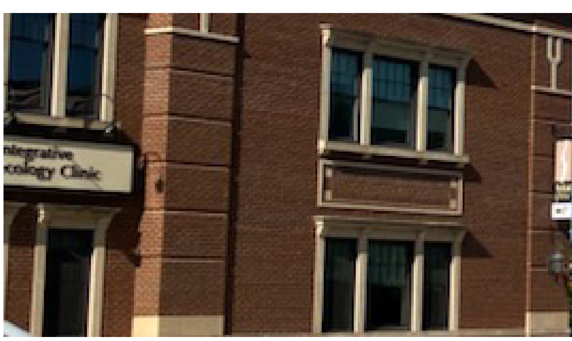
The retail vacancy rate in Downtown Bentonville decreased from 9.3 percent from the first half of 2023 to 7.6 percent in the second half of 2023 in accordance with net positive absorption of 831 square feet. This was higher than the overall Bentonville retail vacancy rate of 5.3 percent.

Average reported lease rates increased by $1.11 in the office submarket, increased by $0.67 in the office/retail submarket, and increased by $0.59 in the retail submarket in Downtown Bentonville in the second half of 2023.

Downtown Bentonville Summary

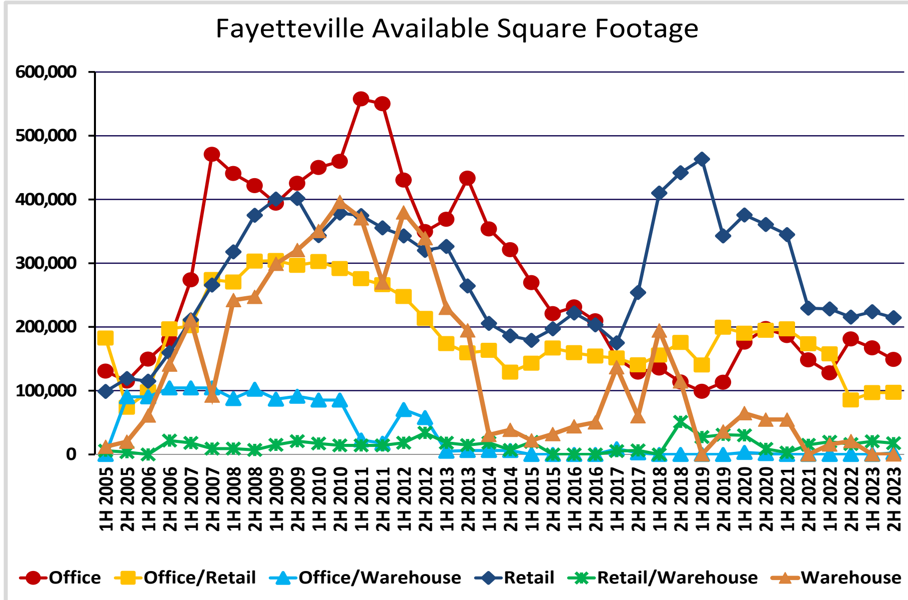
Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$23.56 - $26.33	1,030,124	141,622	13.7%	110,802	147,962	-37,160	--
Office/Retail	$21.64 - $23.82	143,328	13,588	9.5%	0	0	0	--
Retail	$19.14 - $21.34	164,189	12,408	7.6%	831	0	831	89.6

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




Fayetteville
Commercial Market Summary

From July 1 to December 31, 2023, Fayetteville issued building permits for $24,050,225 worth of new commercial space. (Over $7.1 million in remodel permits were issued).



The second half of 2023 value was 43.7 percent higher than the first half of 2023 value of $16,732,961.

During the second half of 2023, Fayetteville accounted for 8.4 percent of the commercial building permits issued in Northwest Arkansas.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,349,118 square feet of commercial space in Fayetteville in the second half of 2023.

In the second half of 2023, Fayetteville experienced positive absorption of 165,685 square feet with 105,771 square feet of new commercial space, 37,271 of Class A office, 6,500 of Medical office, and 62,000 of Class A office/retail, entering the market. This resulted in net positive absorption of 59,914 square feet during this time.

The Class B office/retail submarket had the greatest amount of net positive absorption with 57,386 square feet, followed by the Class B retail submarket with 36,933 square feet. The Class A office/retail submarket had the most net negative absorption with 51,068 square feet, followed by the Class A retail submarket with 39,363 square feet in the second half of 2023.

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

The Fayetteville Class A office/retail submarket had a signficant average lease rate increase of $2.17 in the second half of 2023 as a new space entered the market. There were modest increases in the Class C office, Medical office, and Class C office/retail submarkets. All other lease rates were relatively stable from the first half of 2023 to the second half of 2023.

Fayetteville
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Lab	$21.32 - $23.35	75,603	1,000	1.3%	2,000	0	2,000	3.0
Industrial	$3.73 - $4.50	320,600	0	0.0%	0	0	0	--
Office	$16.99 - $18.09	3,694,971	148,856	4.0%	71,931	43,771	28,160	31.7
Class A	$25.12 - $27.89	552,861	32,359	5.9%	26,544	37,271	-10,727	--
Class B	$17.45 - $18.21	1,370,646	74,850	5.5%	31,138	0	31,138	14.4
Class C	$12.37 - $13.17	447,638	14,432	3.2%	4,516	0	4,516	19.2
Medical	$18.01 - $19.52	1,323,826	27,215	2.1%	9,733	6,500	3,233	50.5
Office/Retail	$15.44 - $17.02	1,818,887	97,173	5.3%	66,410	62,000	4,410	132.2
Class A	$27.67 - $31.67	104,000	58,543	56.3%	10,932	62,000	-51,068	--
Class B	$16.67 - $18.04	1,187,945	24,068	2.0%	57,386	0	57,386	2.5
Class C	$12.81 - $14.48	526,942	14,562	2.8%	-1,908	0	-1,908	--
Office/Warehouse	$6.37 - $7.16	222,610	2,500	1.1%	-2,500	0	-2,500	--
Retail	$17.12 - $17.97	3,783,200	214,588	5.7%	24,760	0	24,760	52.0
Class A	$26.73 - $27.82	1,157,393	68,343	5.9%	-39,363	0	-39,363	--
Class B	$18.89 - $20.11	2,101,086	127,383	6.1%	36,933	0	36,933	20.7
Class C	$12.22 - $12.50	524,721	18,862	3.6%	27,190	0	27,190	4.2
Retail/Warehouse	$10.09 - $11.64	126,897	17,475	13.8%	3,084	0	3,084	34.0
Warehouse	$4.65 - $5.24	1,306,350	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$4.17 - $4.90	854,324	0	0.0%	0	0	0	--
Class C	$5.31 - $5.71	452,026	0	0.0%	0	0	0	--

[1]From all 2H 2021 respondents
[2]From 1H 2023 respondents who were also 2H 2022 respondents.

Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,221,283 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the second half of 2023.

There was net negative absorption of 22,387 square feet in the downtown Fayetteville area in the second half of 2023.

There was 62,000 square feet of new office/retail space added in downtown Fayetteville during the second half of 2023.

The office space in downtown Fayetteville had a reported vacancy rate of 4.5 percent in the second half of 2023, down from 6.5 percent in the first half of 2023 with net positive absorption of 8,427 square feet. This was higher than the overall Fayetteville office vacancy rate of 4.0 percent.

The office/retail vacancy rate for downtown Fayetteville properties increased from 2.9 percent in the first half of 2023 to 13.8 percent in the second half of 2023 in accordance with net negative absorption of 46,000 square feet. This was lower than the overall Fayetteville office/retail vacancy rate of 5.3 percent in the second half of 2023.

Fayetteville
Commercial Market Summary

The downtown Fayetteville retail vacancy rate decreased from 9.3 percent in the first half of 2023 to 8.9 percent with net positive absorption of 15,186 square feet in the second half of 2023. This was higher than the overall Fayetteville retail vacancy rate of 5.7 percent in thesecond half of 2023.

Average reported lease rates in downtown Fayetteville increased $0.33 in the office submarket, increased $0.60 in the office/retail submarket, and increased $0.53 in the retail submarket from the first half of 2023 to the second half of 2023.

Downtown Fayetteville/Dickson Street Area Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$15.50 - $17.80	563,837	25,561	4.5%	8,427	0	8,427	18.2
Office/Retail	$17.32 - $19.20	459,959	63,417	13.8%	16,000	62,000	-46,000	--
Retail	$19.12 - $20.47	197,487	17,639	8.9%	15,186	0	15,186	7.0

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

Uptown Fayetteville/Joyce Street Corridor/Mall

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,299,373 square feet of office, office/retail, and retail space in Uptown Fayetteville in the second half of 2023.

There was overall net negative absorption of 27,907 square feet of space during the second half of 2023 in Uptown Fayetteville.

There were 43,771 new square feet of office space added to Uptown Fayetteville in the second half of 2023.

Office space in Uptown Fayetteville had net positive absorption of 8,545 square feet in the second half of 2023 leading to a reported vacancy rate of 4.2 percent in the second half of 2023 the same as the first half of 2023 vacancy rate, and was higher then the 4.0 percent vacancy rate for all of Fayetteville.

In the second half of 2023, the office/retail vacancy rate in Uptown Fayetteville increased to 0.0 percent from 5.7 percent in the first half of 2023, with 3,661 square feet of net positive absorption. The vacancy rate was above the city average office/retail vacancy rate of 5.3 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 6.7 percent in the second half of 2023, an increase from 4.8 percent in the first half of 2023, in accordance with net negative absorption of 40,113 square feet during the second half of 2023. This was lower than the overall Fayetteville rate of 5.7 percent.

Average reported lease rates in Uptown Fayetteville increased $0.47 in the office, remained the same in the office/retail, and decreased $0.28 in the retail submarkets in the second half of 2023.

Fayetteville
Commercial Market Summary

Uptown Fayetteville/Joyce Street Corridor/Mall Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$18.67 - $19.71	2,026,004	84,088	4.2%	52,316	43,771	8,545	59.0
Office/Retail	$16.42- $17.23	64,054	0	0.0%	3,661	0	3,661	0.0
Retail	$18.85 - $19.55	2,209,315	147,147	6.7%	-40,113	0	-40,113	--

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

Martin Luther King, Jr. Boulevard Corridor

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

The MLK Boulevard Corridor experienced net positive absorption of 1,164 square feet of space in the second half of 2023.

In the second half of 2023 no new commercial space was added to the MLK Boulevard Corridor.

Office space in the MLK Boulevard Corridor of Fayetteville had a reported vacancy rate of 17.8 percent in the second half of 2023, an increase from the 4.8 percent in the first half of 2023, in accordance with net negative absorption of 5,268 square feet. This was higher than the overall office vacancy rate of 4.0 percent for all of Fayetteville.

From the first half of 2023 to the second half of 2023, with 3,068 square feet of net negative absorption, the office/retail vacancy rate increased from 4.2 percent to 5.4 percent in the MLK Boulevard Corridor of Fayetteville and was lower than the overall city average rate of 5.3 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 6.9 percent in the second half of 2023, a decrease from 11.1 percent in the first half of 2023 due to net positive absorption of 9,500 square feet. The retail vacancy rate for all of Fayetteville was lower at 5.7 percent.

Average reported lease rates in the MLK Boulevard Corridor increased by $4.37 the office submarket, as a previously owner-occupied medical space entered the market, decreased $0.18 in the office/retail submarket, and increased $0.14 in the retail submarket in the second half of 2023.

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	$20.25 - $20.25	40,281	7,184	17.8%	-5,268	0	-5,268	--
Office/Retail	$14.97 - $16.68	267,511	14,368	5.4%	-3,068	0	-3,068	--
Retail	$19.43 - $19.70	226,450	15,640	6.9%	9,500	0	9,500	9.9

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

Johnson

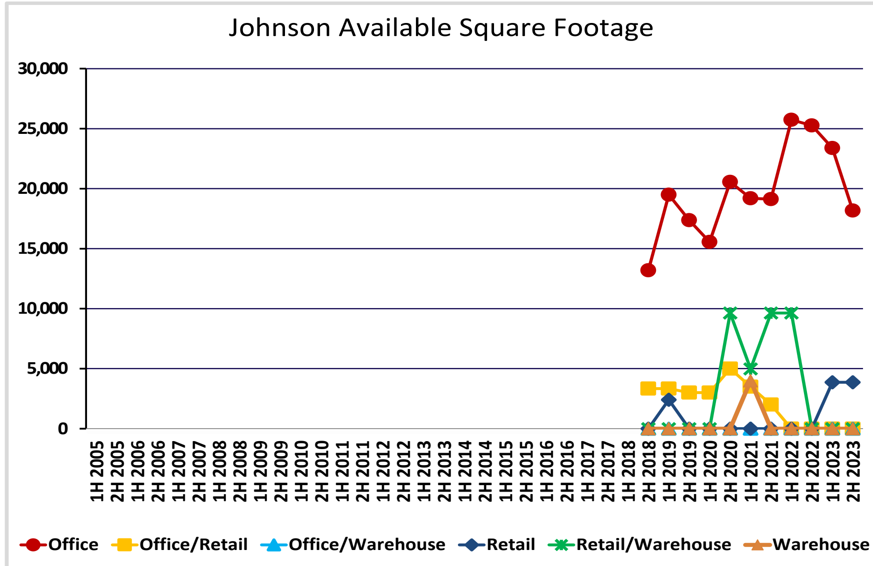
Commercial Market Summary

From July 1 to December 31, 2023, Johnson issued $50,000 worth of building permits for new commercial space.

The second half of 2023 value was 96.5 percent lower than the first half of 2023 value of $1,424,078.

Johnson accounted for 0.02 percent of the total commercial permits issued in Northwest Arkansas in the second half of 2023.

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



In the second half of 2023, Johnson had net positive absorption of 5,222 square feet. The Medical office submarket had the most net positive absorption with 5,490 square feet and the Class B office submarket added 2,100 square feet. The Class A office submarket had net negative absorption of 2,379 square feet.

There were no new square feet of commercial space added in Johnson in the second half of 2023.

The office submarket in Johnson had a vacancy rate of 5.6 percent in the second half of 2023, a decrease from 7.2 percent in the first half of 2023 in accordance with net positive absorption of 5,211 square feet.

Average reported lease rates in Johnson increased by $0.67 in the medical space submarket, and remained relatively stable in all other submarkets in the second half of 2023.

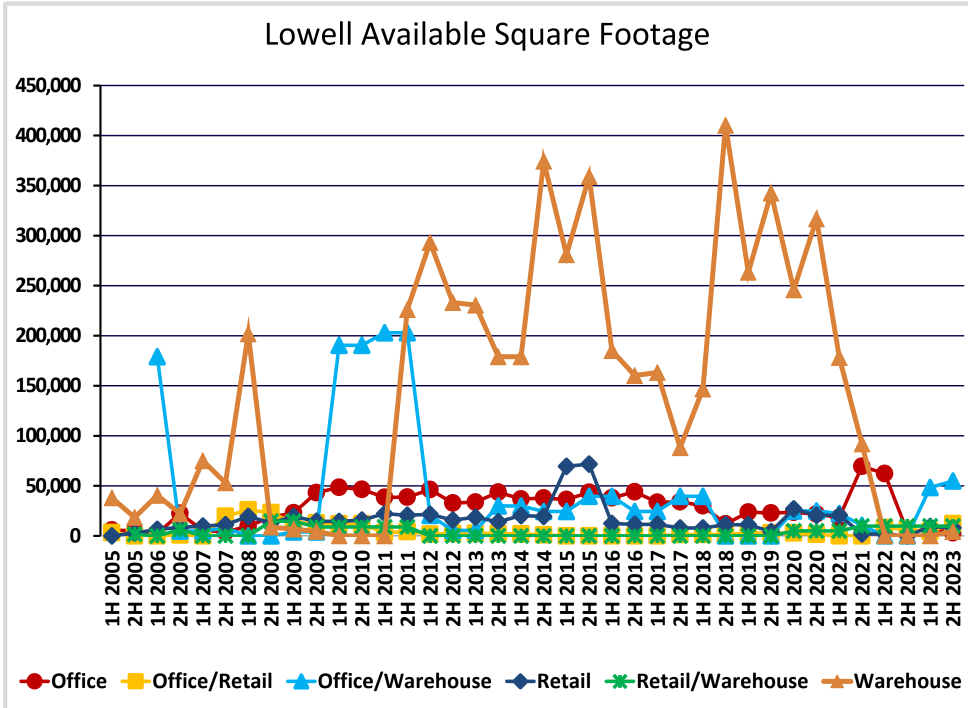
Johnson
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	--	--	--	--	--	--	--	--
Office	$23.45 - $23.45	325,295	18,175	5.6%	5,211	0	5,211	20.9
Class A	$24.25 - $24.25	72,373	4,307	6.0%	-2,379	0	-2,379	--
Class B	$18.25 - $18.25	35,677	0	0.0%	2,100	0	2,100	0.0
Class C	--	17,456	0	0.0%	0	0	0	--
Medical	$25.21 - $25.21	199,789	13,868	6.9%	5,490	0	5,490	15.2
Office/Retail	$15.22 - $18.52	74,451	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$16.03 - $17.90	41,369	0	0.0%	0	0	0	--
Class C	$12.00 - $21.00	33,082	0	--	0	0	0	--
Office/ Warehouse	$5.50 - $5.50	31,340	0	0.0%	0	0	0	--
Retail	$15.40 - $17.50	53,335	3,860	7.2%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$16.25 - $18.88	50,335	3,860	7.7%	0	0	0	--
Class C	$12.00 - $12.00	3,000	0	0.0%	0	0	0	--
Retail/ Warehouse	--	18,050	0	0.0%	0	0	0	--
Warehouse	$3.81 - $4.86	81,605	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$3.89 - $4.95	61,870	0	0.0%	0	0	0	--
Class C	$3.50 - $4.50	19,735	0	0.0%	0	0	0	--

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

Lowell

Commercial Market Summary



From July 1 to December 31, 2023, Lowell issued building permits for $34,768,115 worth of new commercial space.

The second half of 2023 value was 122.6 percent higher than the first half of 2023 value of $15,621,015.

Lowell accounted for 12.1 percent of building permits issued in Northwest Arkansas in the second half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,495,417 square feet of Lowell commercial space in the second half of 2023.

In the second half of 2023, Lowell had overall net negative absorption of 2,774 square feet no new square feet of commercial space were added in the second half of 2023.

The office/warehouse submarket had the greatest amount of net positive absorption with 5,000 square feet, while the Class C office submarket added another 2,250 square feet of net positive absorption. The Class B office/retail submarket had 7,546 square feet of net negative absorption during the second half of 2023.

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

Average reported lease rates in Lowell increased significantly by $0.84 in the Class B warehouse, increased modestly in the Class B office/retail submarket, and decreased modestly in the Class B and C office submarkets, and remained relatively stable in all other submarkets in the second half of 2023.

Lowell
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	$6.50 - $6.50	174,070	0	0.0%	0	0	0	--
Office	$16.59 - $16.73	225,533	3,000	1.3%	4,120	0	4,120	4.4
Class A	--	--	--	--	--	--	--	--
Class B	$14.25 - $14.58	104,753	3,000	2.9%	0	0	0	--
Class C	$14.61 - $14.61	28,316	0	0.0%	2,250	0	2,250	0.0
Medical	$21.00 - $21.00	92,464	0	0.0%	1,870	0	1,870	0.0
Office/Retail	$15.25 - $16.75	92,379	12,221	13.2%	-7,546	0	-7,546	--
Class A	--	--	--	--	--	--	--	--
Class B	$16.00 - $18.00	58,603	12,221	20.9%	-7,546	0	-7,546	--
Class C	$13.00 - $13.00	33,776	0	0.0%	0	0	0	--
Office/Warehouse	$9.70 - $9.84	329,298	54,860	16.7%	5,000	0	5,000	65.8
Retail	$14.38 - $16.73	123,384	8,056	6.5%	1,200	0	1,200	40.3
Class A	--	--	--	--	--	--	--	--
Class B	$14.71 - $17.41	113,128	8,056	7.1%	1,200	0	1,200	40.3
Class C	$12.00 - $12.00	10,256	0	0.0%	0	0	0	--
Retail/Warehouse	$10.76 - $10.76	43,032	9,800	22.8%	0	0	0	--
Warehouse	$5.23 -$5.30	1,507,721	4,391	0.3%	0	0	0	--
Class A	$5.21 - $5.35	809,748	0	0.0%	0	0	0	--
Class B	$5.71 - $5.74	511,063	4,391	0.9%	0	0	0	--
Class C	$3.38 - $3.38	186,910	0	0.0%	0	0	0	--

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

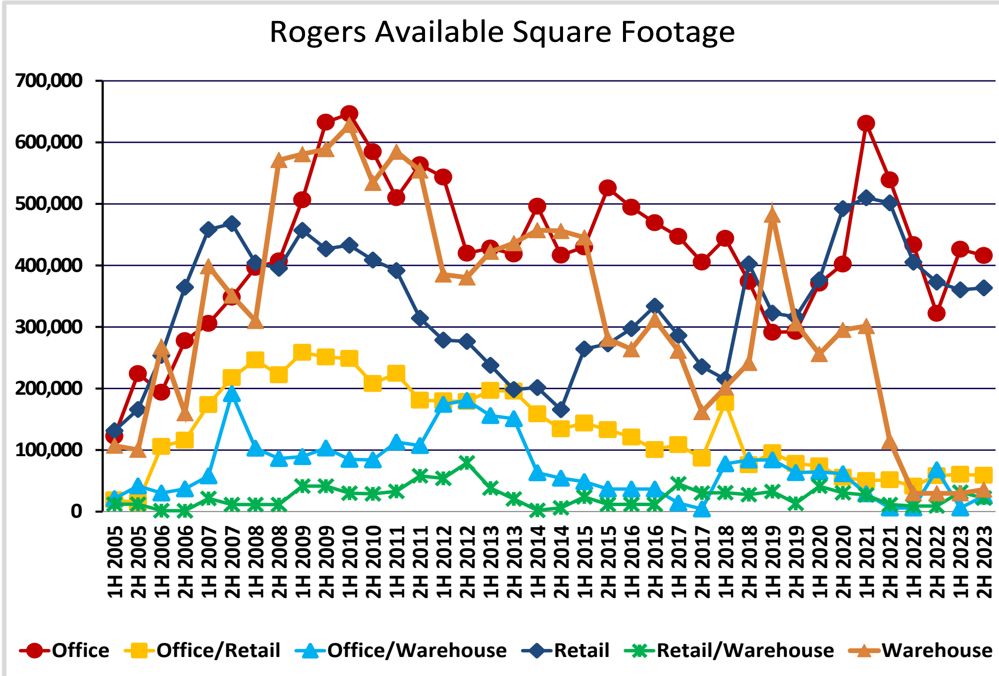
Rogers
Commercial Market Trends

From July 1 to December 31, 2023, Rogers issued building permits for $68,003,945 worth of new commercial space. (over $5.2 million for remodels).

The second half of 2023 value was 144.7 percent higher than the first half of 2023 value of $27,794,239.

Rogers accounted for 23.6 percent of the commercial permits issued in Northwest Arkansas during the second half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 13,441,629 square feet of commercial space in the second half of 2023.



In the second half of 2023, Rogers had overall net positive absorption of 38,462 square feet. The Class A office submarket had the greatest amount of net positive absorption with 38,066 square feet and the Class B retail submarket contributed 23,184 square feet. The Medical office submarket had net negative absorption of 19,322 square feet.

In the second half of 2023, 51,932 square feet of new commercial space was added to the Rogers market. The Class A office/retail submarket contributed 29,710 square feet, while the Class B office and office/warehouse submarkets added 12,082 and 10,140 square feet, respectively.

Reported vacancy rates in the second half of 2023 decreased in the office, office/retail, retail, and retail/warehouse submarkets. They increased for the medical office, office/warehouse, and warehouse submarkets.

From the first half of 2023 to the second half of 2023, significant increases were reported in the Class A office/retail, office/warehouse, retail, and Class B warehouse submarkets of $1.92, $0.87, and $0.50, respectively. There was a modest increase in the Class B retail submarket and all other lease rates remained relatively unchanged.

Rogers
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Lab	$11.00 - $11.00	9,482	0	0.0%	0	0	0	--
Industrial	$5.03 - $5.03	870,299	25,000	2.9%	0	0	0	--
Office	$17.90 - $18.47	4,054,045	416,029	10.3%	26,546	12,082	14,464	172.6
Class A	$24.50 - $25.60	2,108,917	172,657	8.2%	38,066	0	38,066	27.2
Class B	$18.49 - $19.43	1,079,798	162,389	15.0%	4,288	12,082	-7,794	--
Class C	$10.78 - $11.08	308,131	10,048	3.3%	3,514	0	3,514	17.2
Medical	$17.12 - $17.27	557,199	70,935	12.7%	-19,322	0	-19,322	--
Office/Retail	$14.46 - $15.21	610,815	58,702	9.6%	31,375	29,710	1,665	211.5
Class A	$25.75 - $25.75	140,092	35,491	25.3%	23,018	29,710	-6,692	--
Class B	$15.68 - $17.20	226,613	13,968	6.2%	9,400	0	9,400	8.9
Class C	$11.06 - $11.32	244,110	9,243	3.8%	-1,043	0	-1,043	--
Office/Warehouse	$9.21 - $9.55	738,341	25,313	3.4%	-4,153	10,140	-14,293	--
Retail	$15.23 - $16.02	3,737,362	363,475	9.7%	27,080	0	27,080	80.5
Class A	$22.17 - $23.25	1,687,466	55,242	3.3%	2,126	0	2,126	155.9
Class B	$16.27 - $17.57	1,490,817	293,661	19.7%	23,184	0	23,184	76.0
Class C	$10.82 - $11.13	559,079	14,572	2.6%	1,770	0	1,770	49.4
Retail/Warehouse	$8.79 - $9.03	304,203	21,836	7.2%	9,546	0	9,546	13.7
Warehouse	$4.99 - $5.06	3,117,082	35,645	1.1%	0	0	0	--
Class A	$4.00 - $4.00	937,500	0	0.0%	0	0	0	--
Class B	$5.01 - $5.16	1,029,424	0	0.0%	0	0	0	--
Class C	$5.07 -$5.11	1,150,158	35,645	3.1%	0	0	0	--

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

Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 505,733 square feet of office, office/retail, and retail space in Downtown Rogers in the second half of 2023.

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

Office space in Downtown Rogers had net positive absorption of 2,964 square feet and had a vacancy rate of 0.0 percent in the second half of 2023 a decrease from 2.0 in the first half of 2023. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, of 10.3 percent during the same period.

The office/retail submarket had no absorption. The vacancy rate remained 2.1 percent from the first half of 2023 to the second half of 2023. This was lower than the vacancy rate of 9.6 percent for all of Rogers.

Downtown Rogers experienced net positive absorption of 1,770 square feet of retail space during the second half of 2023. The reported retail vacancy rate for downtown Rogers properties for the second half of 2023 increased to 7.3 percent from 1.9 percent in the first half of 2023 as newly renovated space entered the market, and was lower than the 9.7 percent average rate for all of Rogers.

Average reported lease rates for downtown Rogers decreased by $0.06 in the office submarket, remained the same in the office/retail submarket, and increased $0.39 in the retail submarket in the second half of 2023.

Rogers
Commercial Market Summary

Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$12.09 - 12.39	150,802	0	0.0%	2,964	0	2,964	0.0
Office/Retail	$12.35 - $14.07	107,310	2,300	2.1%	0	0	0	--
Retail	$13.35 - $14.04	247,621	18,130	7.3%	1,770	0	1,770	61.5

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

Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,672,435 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the second half of 2023.

41,792 new square feet of commercial space was added to the Rogers I-49 corridor submarket in the second half of 2023, while there was net positive absorption of 51,454 square feet.

Office space along the Rogers I-49 corridor experienced net positive absorption of 31,431 square feet during the second half of 2023, while 12,082 new square feet of space was added. The reported average vacancy rate of office space was 9.5 percent in the second half of 2023, a decrease from the 10.4 percent rate in the first half of 2023. This was lower than the overall office vacancy rate for all of Rogers at 10.3 percent.

Office/retail space along the Rogers I-49 corridor experienced net negative absorption of 8,092 square feet in the second half of 2023 as 29,710 square feet of new space was added. The office/retail submarket had a 22.8 percent vacancy rate, an increase from the 21.9 percent reported in the first half of 2023. This compares to a vacancy rate of 9.6 percent for all of Rogers.

There were 28,115 square feet of net positive absorption in the retail submarket for the Rogers I-49 corridor properties. The average retail vacancy rate for the second half of 2023 was 3.8 percent, a decrease from 5.0 percent in the first half of 2023, and lower than the 9.7 percent average rate for all of Rogers.

Average reported lease rates increased $0.18 in the office submarket, increased $2.02 in the office/retail with the additon of new space, and increased $0.39 in the retail submarket in the Rogers I-49 area in the second half of 2023.

Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$22.17 - $22.96	3,089,568	292,370	9.5%	43,513	12,082	31,431	55.8
Office/Retail	$23.93 - $23.93	175,168	39,930	22.8%	21,618	29,710	-8,092	--
Retail	$21.17 - $22.27	2,407,699	91,629	3.8%	28,115	0	28,115	19.6

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

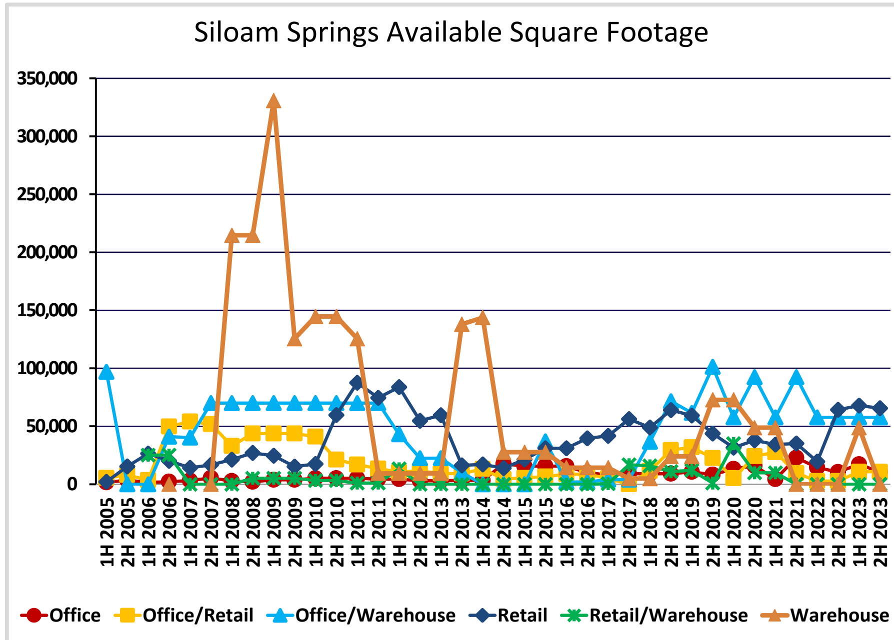
Siloam Springs
Commercial Market Summary

From July 1 to December 31, 2023, Siloam Springs issued new commercial building permits valued at $8,730,215.

The second half of 2023 value was 12.8 percent lower than the first half of 2023 value of $10,016,668.

Siloam Springs accounted for 3.0 percent of the commercial permits issued in Northwest Arkansas during the second half of 2023.

In the second half of 2023, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,815,698 square feet of commercial space for Siloam Springs.



There was no new commercial space added to the Siloam Springs market in the second half of 2023.

In the second half of 2023, Siloam Springs experienced overall net positive absorption of 60,732 square feet. The most net positive absorption of 48,750 square feet was in the Class C warehouse submarket.. There was also net positive absorption of 6,617 in the Medical office submarket. No submarket had net negative absorption during this period.

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

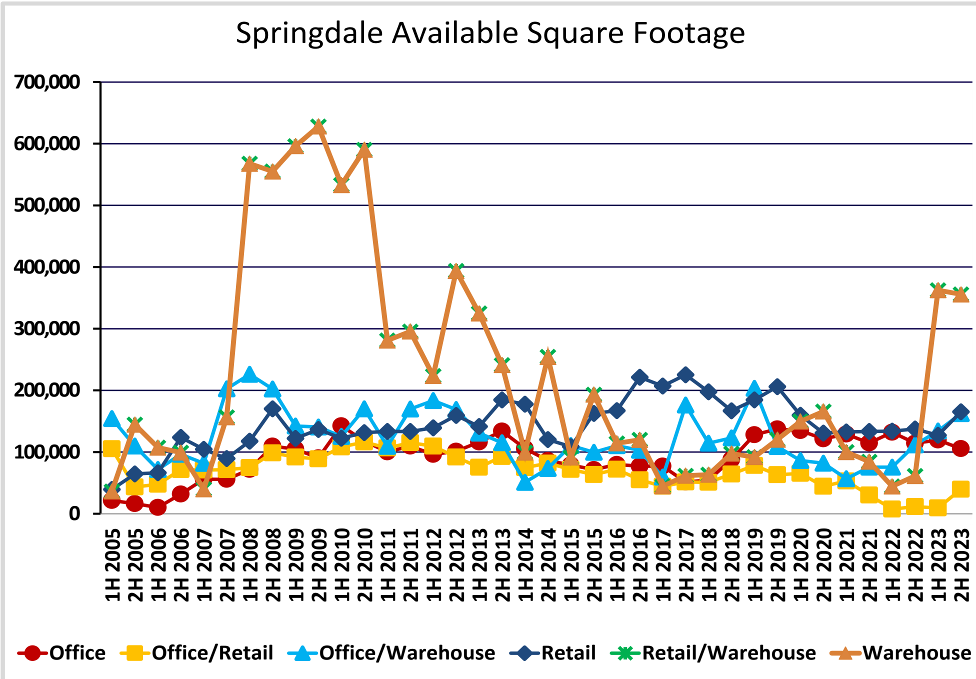
Average lease rates increased significantly by $2.39 in the Class B retail submarket. All other submarkets were relatively stable in the second half of 2023 in Siloam Springs.

Siloam Springs
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Industrial	--	--	--	--	--	--	--	--
Office	$12.69 - $14.61	173,366	10,590	6.1%	6,617	0	6,617	9.6
Class A	--	--	--	--	--	--	--	--
Class B	$10.33 - $12.67	27,734	0	0.0%	0	0	0	--
Class C	$7.76 - $11.28	11,421	0	0.0%	0	0	0	--
Medical	$16.34 - $17.26	134,211	10,590	7.9%	6,617	0	6,617	9.6
Office/Retail	$9.60 - $11.83	186,076	10,833	5.8%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	$15.83 - $16.17	96,650	5,133	5.3%	0	0	0	--
Class C	$7.26 - $10.20	89,426	5,700	6.4%	0	0	0	--
Office/ Warehouse	$3.64 - $3.89	108,215	57,667	53.3%	0	0	0	--
Retail	$15.67 - $16.41	474,751	65,568	13.8%	5,365	0	5,365	73.3
Class A	--	--	--	--	--	--	--	--
Class B	$22.81 - $23.69	123,861	9,747	7.9%	1,365	0	1,365	42.8
Class C	$10.48 - $11.11	350,890	55,821	15.9%	4,000	0	4,000	83.7
Retail/ Warehouse	$5.26 - $6.49	133,759	0	0.0%	0	0	0	--
Warehouse	$3.41 - $3.72	739,531	0	0.0%	48,750	0	48,750	0.0
Class A	--	--	--	--	--	--	--	--
Class B	$3.63 - $3.70	321,269	0	0.0%	0	0	0	--
Class C	$3.33 - $3.73	418,262	0	0.0%	48,750	0	48,750	0.0

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

Springdale
Commercial Market Trends



From July 1 to December 31, 2023, Springdale issued $20,409,051 worth of building permits for new commercial space.

This was a decrease of 63.4 percent from the $55,746,985 issued in the first half of 2023.

Springdale accounted for 7.1 percent of the commercial permits issued in Northwest Arkansas for the second half of 2023.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,895,456 square feet of commercial space in Springdale in the second half of 2023.

There were 295,813 new square feet of commercial space, 262,415 of warehouse, and 33,398 of office/warehouse, added to the Springdale market during this time period.

Springdale experienced net negative absorption of 35,679 square feet in the second half of 2023. The office/warehouse submarket had the most net negative absorption with 28,253 square feet while the Class C office/retail submarket added 14,569 square feet. The Medical office submarket with 11,265 square feet had the most net positive absorption in this time period.

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

Average reported lease rates in Springdale increased significantly by $3.83 in the Class A warehouse submarket as new product entered the market. There were modest lease rate increases in the Class B office/retail and Class C Retail submarkets. All other lease rates remained relatively stable from the first half of 2023 to the second half of 2023.

Springdale
Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	$5.95 - $6.48	1,324,040	10,847	0.8%	-6,047	0	-6,047	--
Office	$14.14 - $15.15	1,148,884	105,454	9.2%	4,137	0	4,137	152.9
Class A	$20.33 - $21.00	95,501	0	0.0%	0	0	0	--
Class B	$14.94 - $16.36	338,455	10,873	3.2%	3,590	0	3,590	18.2
Class C	$10.87 - $11.82	246,439	48,980	19.9%	-10,718	0	-10,718	--
Medical	$17.96 - $18.47	468,489	45,601	9.7%	11,265	0	11,265	24.3
Office/Retail	$11.64 - $13.13	751,311	39,712	5.3%	-20,325	0	-20,325	--
Class A	--	--	--	--	--	--	--	--
Class B	$16.25 - $18.67	299,191	18,506	6.2%	-5,756	0	-5,756	--
Class C	$10.14 - $11.34	452,120	21,206	4.7%	-14,569	0	-14,569	--
Office/ Warehouse	$7.86 - $8.69	2,269,670	162,444	7.2%	5,145	33,398	-28,253	--
Retail	$13.14 - $14.02	1,830,562	165,399	9.0%	3,402	0	3,402	291.7
Class A	--	--	--	--	--	--	--	--
Class B	$16.85 - $17.85	1,085,523	111,557	10.3%	4,570	0	4,570	146.5
Class C	$10.51 - $11.31	745,039	53,842	7.2%	-1,168	0	-1,168	--
Retail/ Warehouse	$8.18 - $9.11	796,624	22,753	2.9%	4,628	0	4,628	29.5
Warehouse	$4.88 - $5.36	3,769,141	355,778	9.4%	269,194	262,415	6,779	314.9
Class A	$8.96 - $8.96	658,615	300,000	45.6%	262,415	262,415	0	--
Class B	$4.92 - $5.54	1,931,589	0	0.0%	0	0	0	--
Class C	$4.55 - $4.95	1,178,937	55,778	4.7%	6,779	0	6,779	49.4

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

Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 407,519 square feet of office, office/retail, and retail space in downtown Springdale in the second half of 2023.

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

There was net negative absorption of 3,613 square feet in the office submarket in downtown Springdale in the second half of 2023. The office space in downtown Springdale had an average vacancy rate of 20.2 percent in the second half of 2023 the same as in the first half of 2023. This was due to some office space being reclassified as office/retail space. The rate was higher than the overall Springdale average office vacancy rate of 9.2 percent.

Office/retail space in downtown Springdale had net negative absorption of 4,512 square feet in the second half of 2023. The vacancy rate increased to 25.2 percent in the second half of 2023 from 10.9 percent in the first half of 2023, and was higher than the average office/retail vacancy rate for all of Springdale at 5.3 percent in the second half of 2023.

Springdale
Commercial Market Summary

There was 3,984 square feet of net positive absorption in the retail submarket in downtown Springdale in the second half of 2023. 13.2 percent of all reported retail space was available in downtown Springdale, down from 17.0 percent in the first half of 2023. This compares to the 9.0 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale decreased by $0.91 in the office submarket, increased by $2.47 in the office/retail submarket, and increased by $1.53 in the retail submarket in the second half of 2023.

Downtown Springdale Summary

Category	Average Lease Rate Range	Total Square Feet[1]	Available Square Feet[1]	Percent Available[1]	Absorption[2]	New Available Square Feet[1]	Net Absorption[2]	Months of Inventory[2]
Office	$12.99 - $14.44	212,724	42,876	20.2%	-3,613	0	-3,613	--
Office/Retail	$15.94 - $18.50	67,659	17,037	25.2%	-4,512	0	-4,512	--
Retail	$14.08 - $15.45	127,136	16,788	13.2%	3,984	0	3,984	25.3

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

West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,211,852 square feet of office, office/retail, and retail space in West Springdale in the second half of 2023.

There were no new square feet of commercial space added to West Springdale during this time, while there was net negative absorption of 4,615 square feet.

The office space in West Springdale had net positive absorption of 14,765 square feet in the second half of 2023. The vacancy rate decreased from 12.3 percent in the first half of 2023 to 9.6 percent in the second half of 2023. The rate was higher than the overall city average office vacancy rate of 9.2 percent.

The office/retail submarket had net negative absorption of 7,250 square feet in the second half of 2023. The second half of 2023 vacancy rate of 4.0 percent in West Springdale increased from 0.6 percent first half of 2023. The rate was below the overall city average office/retail vacancy rate of 5.3 percent.

The retail vacancy rate for West Springdale properties increased from 2.8 percent in the first half of 2023 to 3.2 percent in the second half of 2023, in accordance with net negative absorption of 2,900 square feet. The vacancy rate was below the city average retail vacancy rate of 9.0 percent.

Average reported lease rates for West Springdale increased by $0.31 in the office submarket, remained stable in the office/retail submarkets, and increased $0.09 in the retail submarket in the second half of 2023.

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	$18.12 - $18.59	321,068	30,856	9.6%	14,765	0	14,765	12.5
Office/Retail	$16.40 - $20.00	214,872	8,500	4.0%	-7,250	0	-7,250	--
Retail	$18.14 - $19.00	675,912	21,500	3.2%	-2,900	0	-2,900	--

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

Interpretation
Methodology

The methodology that is used to produce the Skyline report has been designed to elicit the most useful, comprehensive, and up-to-date information available about the Northwest Arkansas commercial real estate market. Data comes from three primary sources that complement one another. Each source, however, has limitations, and as such, results should be compared and interpreted carefully.

The first level of data that the Skyline report contains comes directly from the offices of the Washington and Benton County Assessors. The Benton County Assessor Office uses Apprentice Information Systems as the subcontractor to handle data requests. On a semi-annual basis, Center for Business and Economic Research staff members acquire databases containing listings of all real estate parcels within each county. The information contained in these databases is sorted by type and by size. In order to determine the population of commercial properties of interest, properties that do not meet the following minimum criteria are eliminated from consideration:

Banks: 20,000 square feet
Department Stores: 20,000 square feet
Discount Stores: 20,000 square feet
Industrial Buildings: 20,000 square feet
Markets: 20,000 square feet
Office Buildings: 5,000 square feet
Medical Office Buildings: 5,000 square feet
Retail Buildings: 10,000 square feet
Community Shopping Centers: 5,000 square feet
Neighborhood Shopping Centers: 5,000 square feet
Warehouses: 20,000 square feet

Next, properties are individually examined to determine if they are part of the competitive commercial property market. Owner-occupied and other dedicated spaces are eliminated from the base of properties that the Skyline Report examines.

The second source of data that helps comprise the Skyline Report is building permit reports from the cities of Northwest Arkansas. Each city has its own reporting requirements for building permits, which makes in-depth comparisons on a city-by-city basis impossible. Bentonville and Fayetteville have the most comprehensive building permits, which include information on the square footage of buildings and their uses in addition to the value of the permit and identifying characteristics of the property. The other cities in Northwest Arkansas only report the building address, contractor name, and value of the permit. In general, property owner or developer names are not included on building permits in Northwest Arkansas. Building permits also do not provide any sense of the estimated time of completion of a project or availability for leasing.

The third source of data for the Skyline report is a panel of large commercial property owners and managers. These individuals are responsible for the bulk of the competitive commercial properties in Northwest Arkansas. The Center for Business and Economic Research staff gather information on square footage available to the market, lease rates, and other property characteristics from the panelists. In the second half of 2023, 248 panelists provided data on 2,400 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 2,400 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.