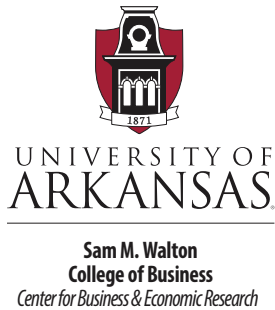




THE SKYLINE REPORT

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Second Half of 2017 February 2018 Contents

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Center for Business and Economic Research
Sam M. Walton College of Business
University of Arkansas
Fayetteville, AR 72701
Telephone: 479.575.4151
<http://cber.uark.edu/>

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Multifamily Real Estate Market Summary for Benton and Washington Counties

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

Highlights from the Second Half of 2017

- The vacancy rate for all multifamily properties in Northwest Arkansas increased to 4.5 percent in the second half of 2017 from 4.2 percent in the first half of 2017. The rate was 3.2 percent in the second half of 2016.
- The increase in regional vacancy rates was primarily due to increased vacancy rates in Bentonville and Fayetteville as a result of new construction.
- The overall multifamily vacancy rate in Fayetteville increased from 4.7 percent in the second half of 2016 to 5.4 percent in the second half of 2017, due to new additions.
- More than 2,500 additional rental units (12.3 percent of current inventory) have been announced or are under construction in new multifamily projects in Fayetteville. In Bentonville, vacancy rates increased from 1.3 percent in the second half of 2016 to 5.4 percent in the second half of 2017.
- There are also more than 2,500 rental units (47.4 percent of current inventory) that have been announced or are under construction in new multifamily projects in Bentonville.
- Rogers had an increase in vacancy rates from 2.7 percent in the first half of 2016 to 3.9 percent in the second half of 2017, but it was a decline from 6.1 percent in the first half of 2017 as new units were absorbed.
- More than 2,300 additional rental units (46.3 percent of current inventory) have been announced or are under construction in the Rogers submarket.
- Siloam Springs experienced a decrease in vacancy rates from a 1.8 percent vacancy rate in the second half of 2016 to a 1.3 percent rate in the second half of 2017, for the lowest vacancy rate in Northwest Arkansas.
- In Springdale the vacancy rate increased from 0.9 percent in the second half of 2016 to 1.8 percent in the second half of 2017.
- 150 new rental units (2.2 percent of current inventory) have been announced or are under construction in multifamily projects in Springdale.
- In the second half of 2017, the average lease rate per month for a multifamily property unit in Northwest Arkansas increased to \$645.62, with the median lease also increasing to \$593.00.

Report Structure



The results of an in-depth data gathering process are presented and analyzed in this report. Data from three distinct sources were used to examine the characteristics of the Northwest Arkansas multifamily residential housing market. First, building permit data were examined to identify any multifamily units that were new to the market. Second, the databases from the Benton and Washington County Assessors' offices were searched to identify existing multifamily properties. Finally, a survey of the population of multifamily property managers was conducted in order to collect the characteristics of the Northwest Arkansas multifamily housing market.

The Skyline Report is structured in the following way. In the first section, a review of relevant economic statistics is presented to set a context for examining multifamily housing. In the section that follows the economic overview, regional comparisons are detailed. A short discussion about

condominium market is shown second, followed by two tables with announcements of coming multifamily projects. A section on multifamily building permits issued in the last twelve months follows. Next, there is an analysis of the data obtained from the Benton and Washington County Assessors' offices. The total number and the square footage of the population of multifamily properties in Northwest Arkansas are broken down by major city. Then, the coverage of the sample of Skyline Report survey respondents is discussed in relation to that population. Finally, vacancy rates, average and median unit sizes as well as average and median floor plan prices, all calculated from the survey sample, are presented on a regional basis.

The report then turns to a more detailed city-by-city analysis. For this report, Bentonville, Fayetteville, Rogers, Siloam Springs, and Springdale were examined.

In order to collect this specific information about Northwest Arkansas multifamily residential properties, Center for Business and Economic Research staff surveyed the population of multifamily property managers. To identify potential respondents, databases from the Washington and Benton County Assessors' offices were searched. Contact information was obtained where available and at least three phone contacts were attempted for each respondent. When no response was forthcoming, the properties were physically visited by a surveyor.

As the thirty-seventh edition of the multifamily series of the Skyline Report, this study provides trend comparisons in vacancy rates, prices, unit sizes, and other multifamily property characteristics.

Economic Overview

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

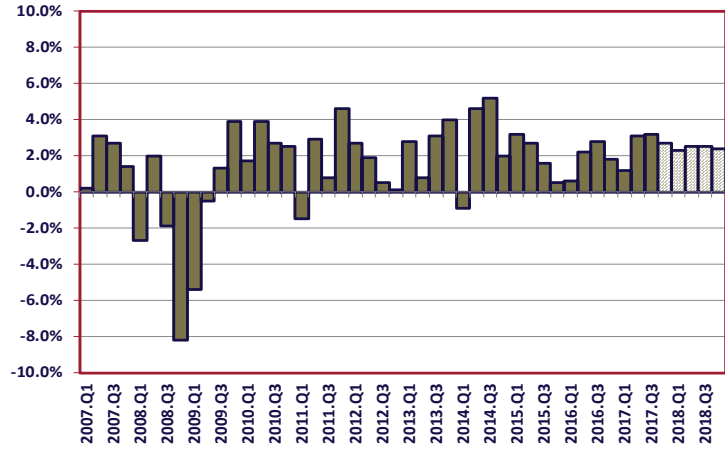
Gross Domestic Product

In the fourth quarter of 2017, real GDP increased by 2.6 percent according to advance estimates released by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA). Real GDP increased by 3.2 percent in the third quarter of 2017. The increase in real GDP in the fourth quarter primarily reflected positive contributions from personal consumption expenditures (PCE), nonresidential fixed investment, exports, residential fixed investment, state and local government spending, and federal government spending that were partly offset by negative contributions from private inventory investment. Imports, which are a subtraction in the calculation of GDP, increased. The deceleration in real GDP growth in the second quarter reflected a decrease in private inventory investment, an acceleration in PCE, and a downturn in federal government spending. These movements were partly offset by an upturn in residential fixed investment and decelerations in exports and in nonresidential fixed investment.

Employment

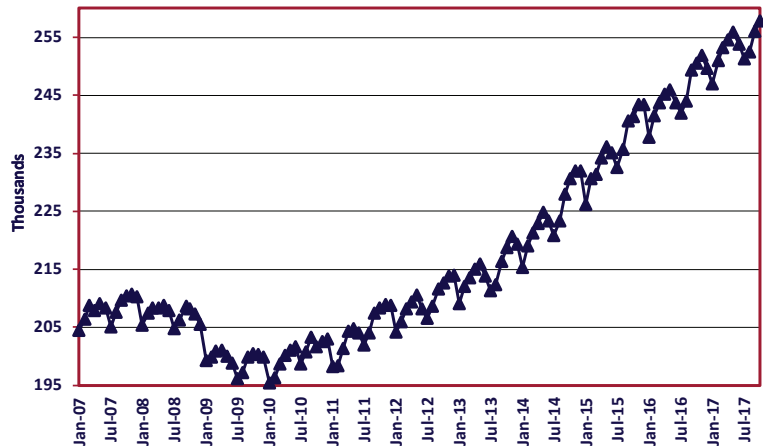
The Northwest Arkansas employment situation is extremely important to the health of the real estate market. The most recent data show that employment in the Northwest Arkansas region was at 255,500 in December 2017, up 2.4 percent from December 2016. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at

Real U.S. Gross Domestic Product Growth Rate



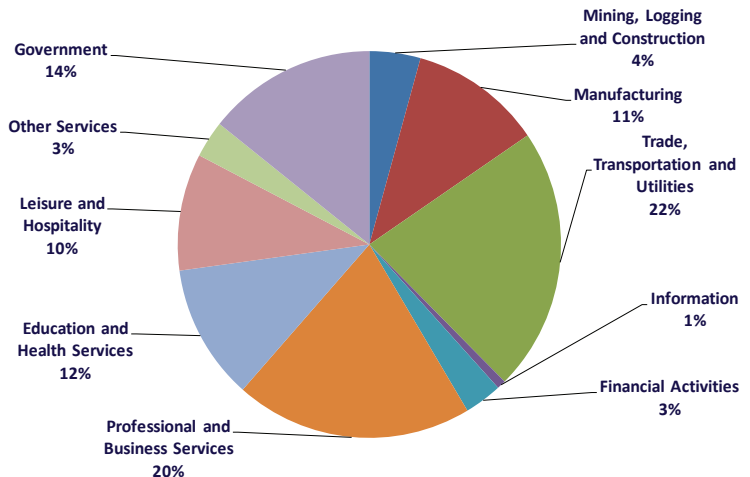
Source: U.S. Commerce Department, Bureau of Economic Analysis, December 2017 NABE Outlook

Fayetteville-Springdale-Rogers MSA Non-Farm Employment



Source: Bureau of Labor Statistics

Northwest Arkansas Employment by Sector - December 2017



Source: Bureau of Labor Statistics

Economic Overview

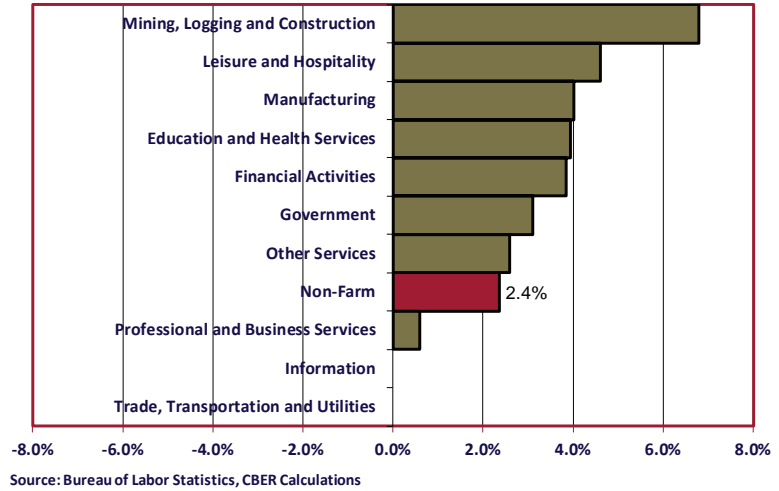
2.7 percent in December 2017, unchanged from the unemployment rates in December 2018. The unemployment rate has remained under 4.0 percent since August of 2015. The unemployment rate in Northwest Arkansas continues to be lower than both the state (3.6 percent) and national (3.9 percent) unadjusted rates.

With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures (on the previous page) are provided. The first shows the June 2017 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, trade, transportation, and utilities had the largest share of employment (22 percent) in Northwest Arkansas followed by professional and business services (20 percent), government (14 percent), manufacturing (11 percent), education and health services (12 percent), and leisure and hospitality (10 percent). The other figure shows the annual percentage change in the metro area's employment by sector from December 2016 to December 2017. Total nonfarm employment increased by 2.4 percent during that time. Employment in construction, financial activities, leisure and hospitality, education and health services, government, manufacturing, and other services grew more quickly than 2.4 percent while the information sector and trade, transportation and utilities sector remained unchanged from December 2016 to December 2017.

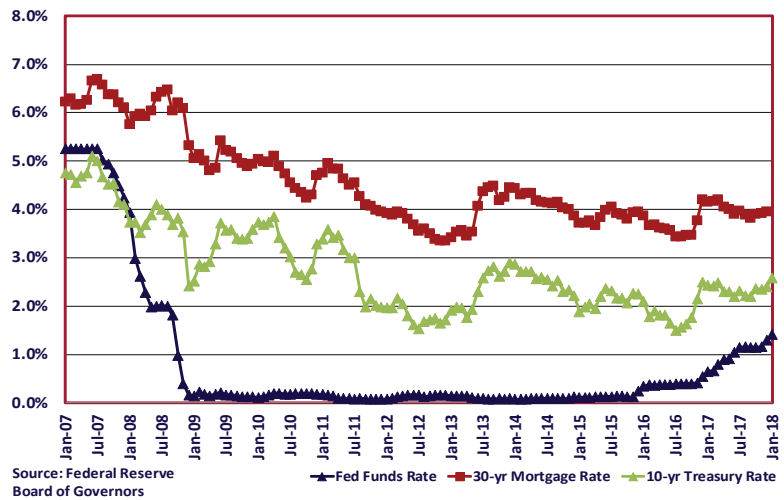
Interest Rates

The Federal Funds rate averaged 1.30 percent in December 2017. The ten-year constant maturity Treasury bill had an interest rate of 2.40 percent in December 2017, down from 2.49 percent in December 2016. The positive spread between the ten year rate and the federal funds rate narrowed a little from a year ago, but remains positive

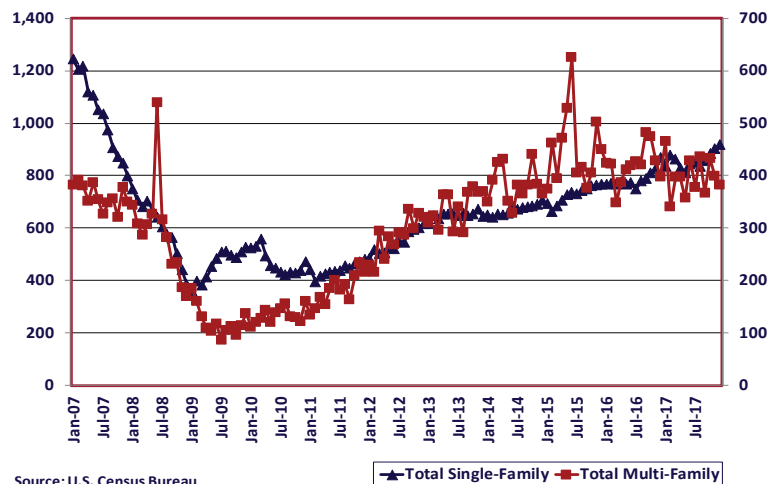
Change in Northwest Arkansas MSA Employment by Sector, December 2016 - December 2017



Selected Interest Rates



Number of National Building Permits



Economic Overview

as both rates have increased. The Federal Reserve Open Market Committee decided to increase the target range for the federal funds rate from 1.25 to 1.50 percent. The stance of monetary policy remains accommodative, thereby supporting further improvement in labor market conditions and a sustained return to 2 percent inflation. The accompanying figure shows the Federal Funds rate and the thirty year mortgage rate since January 2007. The 30 year mortgage rate was 3.95 percent in December 2017.

Multifamily Building Permits

The U.S. Census Bureau estimates the issuance of building permits. The national level of multifamily building permits was a seasonally adjusted average rate (SAAR) of 382,000 in December 2017, a decrease of 3.8 percent from the December 2016 rate of 397,000, and a decrease of 4.3 percent from November 2017.

Regional Overview

Regional Overview

While increased demand from population growth has driven the overall Northwest Arkansas multifamily market over the past decade, current building is still being driven by expected growth in the University of Arkansas's student population, as well as the overall low vacancy rate in the region. Some multifamily builders feel that projects in a particular location or with special amenities that might appeal to students can also be successful by meeting the needs of the expanding University of Arkansas student population, as well as taking tenants from older complexes. The newer student housing complexes are not geared to be highly competitive in terms of pricing, although project developers assert the price differential is made up by all the utilities and amenities included in the lease rates. Additionally, the developers of new apartment complexes around the University of Arkansas are heavily recruiting in Texas for students who are accepting enrollment at the Fayetteville campus.

Multifamily housing serves multiple purposes in Northwest Arkansas. In Fayetteville, home of the University of Arkansas, the state's flagship institution of higher education, much of the supply of multifamily housing is designed to serve the increasing and ever-changing student population. In addition to providing student housing, multifamily properties also act as low-income housing for those whose financial status and credit ratings are not sufficient to purchase a single-family home, or for those who are still choosing to not purchase single family residences, even if they could do so. Additionally, the affordability of home ownership has begun to stabilize. Coupled with rate increases in affordable single family rental housing,

this may cause an increase in the demand for multifamily housing.

Multifamily properties also serve as transitional housing for those who are between single family residences. Additionally, in Rogers and Bentonville, a number of upscale properties with monthly leases comparable to, and even exceeding monthly mortgage payments are in the market. These properties are designed to provide easy accessibility to the commercial districts of the cities and to appeal to tenants looking to eliminate property maintenance responsibilities. These upscale properties pushed up average rents, but have leased strongly and no longer negatively impact vacancy rates.

Condominium Market

The growth in the condominium market in Northwest Arkansas remained slow in the past six months. Only a few small condominium projects have been completed during this time period. Additionally, the pipeline of coming condominiums has shrunk tremendously as projects have been cancelled due to lack of demand and financing issues.

Bentonville and Springdale have one announced condominium project each with 4 and 10 units, respectively. There is more leasing and lease-to-buy in existing condominium projects as well. Announced projects from previous periods, which were indicated as being indefinitely postponed, are not included in the report. If and when these projects are viable, they will be included in the announced projects tables.

Other Announced Projects

The business press was examined to formulate the attached table of announced new projects. These projects are in addition to projects with building permits that are mentioned below and should be considered jointly with the building permit information in order to get a firm picture about the supply that is coming onto the market. Expected supply, which could add over 2,500 rental units to the Bentonville market, over 2,500 units to the Fayetteville market, over 2,300 units to the Rogers market, and 150 units in the Springdale market, if all are built. In addition the University of Arkansas has 5,732 beds, and is considering projects that could add over 700 beds as early as fall 2019. Further, Greek Life at the University of Arkansas currently has approximately 1,330 beds and is adding at least an additional 50 beds.

The associated table details the building permits that have been issued for multifamily housing purposes over the past twelve months. Six of the projects are located in Bentonville, three are in Fayetteville, three are in Rogers, and two are in Springdale. These 14 projects had 107 building permits issued worth \$132,330,955. The largest project is in Bentonville: Sullivan Square had 35 permits worth \$50,294,701. The next largest is Woodland Park at the Grove with 16 permits worth \$24,396,149, in Rogers.

Announced Projects and Permits

Announcements of New Projects

Complex Name	Developer	Construction Costs	Number of Units	City
Capstone Townhomes	Capstone Investment Group LLC			Bentonville
Crystal Flats	Cindy Springs, LLC		487	Bentonville
Dream on Central	SPREG		263	Bentonville
Eversole Trust Project	Eversole Revocable Trust		384	Bentonville
Harbin Pointe Townhomes	J&M Investments of NWA		96	Bentonville
I Street Luxury Apartments	A.M.S., BC Center LLC, L. F./J.Y.		238	Bentonville
Off the Square	SPREG		30	Bentonville
Pharm II Townhouses	NFD LLC		6	Bentonville
Phillips Park Townhomes				Bentonville
Rainbow Curve	Honey Creek Land & Cattle		96	Bentonville
Red Barn	Walton Family Enterprises		137	Bentonville
The Parc at Bentonville, Phase 2	TCI Bentonville (Phil Swope)		184	Bentonville
Village Flats	Newell Development		20	Bentonville
Walton Crossing Apartments	Lindsey Development Co.		600	Bentonville
Yessur Townhomes	Yessur Investments LLC			Bentonville
Center Pointe West	Walker and Dunlop	\$21,780,000	199	Centeron
Watercolor	Rich Richardson		340	Centeron
Beachwood Village Cottages ,Phase II	Fountain Residential Partners		430 beds	Fayetteville
Grand Village at Clear Creek	1913 Capital		125	Fayetteville
Macy Drive Townhomes	Tim Brisiel		57	Fayetteville
Morgan Manor Expansion	Fayetteville Housing Authority		58	Fayetteville
Mount Carmel Retirement Complex	Jimmy Elrod		25	Fayetteville
New Beginnings Community	University of Arkansas		20	Fayetteville
Piney Creek Ranch	Andi and Jeremy Pratt			Fayetteville
Residences at Forest Hills	John Alford		72	Fayetteville
Springhouse Village Ret. Community	John and Susan Foster		102	Fayetteville
Stadium Drive Residence Hall	University of Arkansas		710 Beds	Fayetteville
The Avenue	Haven Campus Communities		(185 units)652 Beds	Fayetteville
Twin Arch Apartments	Mark Zweig	\$1,200,000	17	Fayetteville
Vantage II Apartments	Lindsey Development Co.		140	Fayetteville
WAC Row Houses	Partners for Better Housing		12	Fayetteville
Willow Bend at Clear Creek	Trey Jackson and McCrary Lowe		106	Fayetteville
Johnson Square	Ward Davis, Bob Hill, Morgan Hooker			Johnson
Honeysuckle and Pleasant Grove	HGJ Properties		30	Lowell
49 West Apartments	S&K Multifamily, Greg Simmons, Pete Kourtis		334	Rogers
Arabella of Rogers	Abby Development	\$33,000,000	120	Rogers
ARC Multifamily Complex on Dixieland	Arc Multifamily		14	Rogers
Dixieland Road Apartments	Carl Walker		15	Rogers
Fields at Pinnacle	Chad and Monika Hatfield		150	Rogers
Kilimajaro Way Project	Jon R. Brittenum		66	Rogers
Palisades at Pleasant Grove Apartments, Phase II	Salter Properties		208	Rogers
Pinnacle Lofts, Phase I	Kingman Land LLC, Ron Pender, Bill Watkins		222	Rogers
Pinnacle Lofts, Phase II	Kingman Land LLC, Ron Pender, Bill Watkins		134	Rogers
Pinnacle Place Apartments	SC Bodner Co		241	Rogers
The Grove Phase III	Whisinvest		24	Rogers
The Frisco-Apartments on Walnut	Brooks Norris and John Schmelzle		128	Rogers
West Village Apartments	Hunt Ventures, Sage Partners, Urban5		296	Rogers
Woodland Park	Orchard Properties		426	Rogers
Chord Apartments	Matthew Zaidner, Matt Timboe, Derek Dewey,			Siloam Springs
Mansion at Mill Creek Patio Homes	Tom Embach, Leisure Homes Corp		80	Springdale
Shiloh Springs	Mid America Management		76	Springdale

Announced Projects and Permits

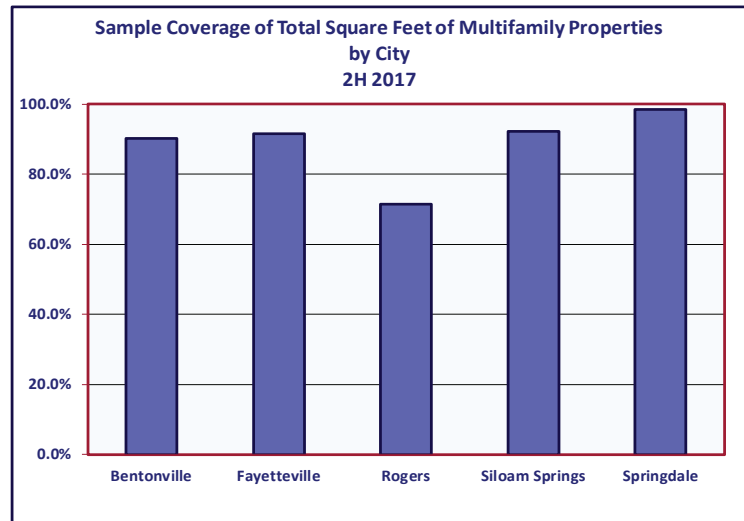
Multifamily Building Permits January 1, 2017 - December 31, 2017

Date	Complex or Developer	Number of Permits	Total Value of Permits	City
1/10/2017	Fullerton Apartment	1	\$355,675	Bentonville
1/17/2017	Broadway Apartment	1	\$372,064	Bentonville
2/1/2017	Berkley on B Street	6	\$1,207,266	Bentonville
2/1/2017	The Brownstones	11	\$1,918,798	Bentonville
6/14/2017	Sullivan Square	31	\$47,320,381	Bentonville
8/1/2017	Sullivan Square	4	\$2,974,320	Bentonville
11/16/2017	I Street Luxury Apartments	2	\$14,067,352	Bentonville
3/22/2017	Noble Oaks	1	\$923,533	Fayetteville
4/6/2017	Links at Fayetteville	4	\$6,190,476	Fayetteville
12/15/2017	Grand Retirement Community	1	\$9,941,400	Fayetteville
3/15/2017	Watermark at Walnut Creek	2	\$2,087,776	Rogers
3/30/2017	Woodland Park at the Grove	16	\$24,396,149	Rogers
12/1/2017	The Frisco Apartments on Walnut	17	\$12,074,276	Rogers
4/19/2017	Towne Park	8	\$7,709,295	Springdale
8/22/2017	Erin Place Apartments	2	\$792,194	Springdale
Total		107	\$132,330,955	

Multifamily Properties

Building permits give a good indication of the types and amounts of space that will become available on the market in the near future. However, to understand the existing inventory of multifamily properties, the Center for Business and Economic Research staff examined the property tax databases from the offices of the Benton and Washington County assessors. From those databases, parcels that were classified as multifamily residential were identified and then results were aggregated by complex to avoid double counting. Unfortunately, the databases do not include any measure of the number of units associated with a particular property, but rather the total square feet of any buildings on the parcels is provided. The number of properties by city and the total square feet of multifamily residential space are provided in the accompanying table.

In the Skyline Report sample, Fayetteville had the most multifamily properties in Northwest Arkansas with 363, totaling over 7 million square feet. Following Fayetteville, in descending order from most multifamily properties to fewest in the sample were Bentonville, Springdale, Rogers, and Siloam Springs. The total number of multifamily properties with in-



formation reported in these cities other than Fayetteville in the second half of 2017 was 388 with a total size of over 12.6 million square feet.

The Center for Business and Economic Research staff attempted to obtain additional information about each of the multifamily residential properties in these five cities. A survey instrument was developed to ascertain the number of units in each property, the number of units currently available for lease, the types of different floor plans, the prices of different floor plans, lease durations, and the amenities

associated with each property. An online data collection tool was used to streamline the process and to make responding more convenient for apartment managers. The results from this surveying effort comprise the remainder of this report. In the second half of 2017, information was collected on 87.8 percent of the existing square footage of multifamily properties, a decrease from the 88.1 percent in the first half of 2017.

In the analysis that follows, it is important to remember that the survey sample disproportionately measures large properties with many units, rather than

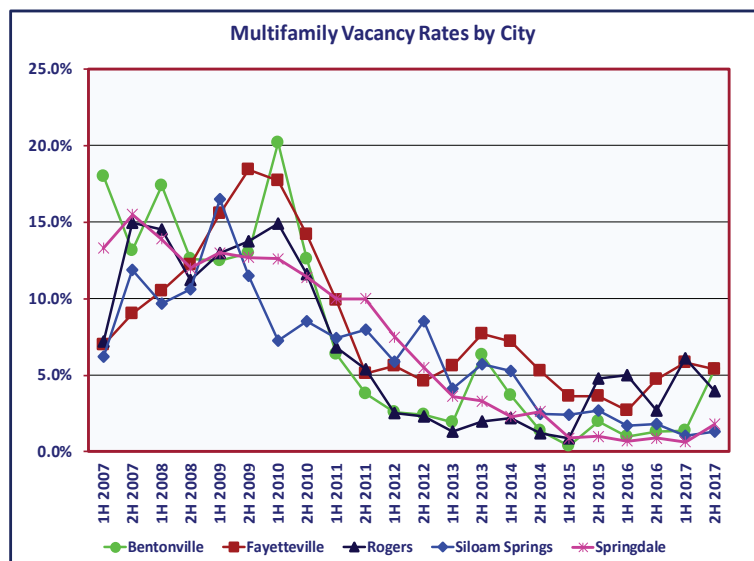
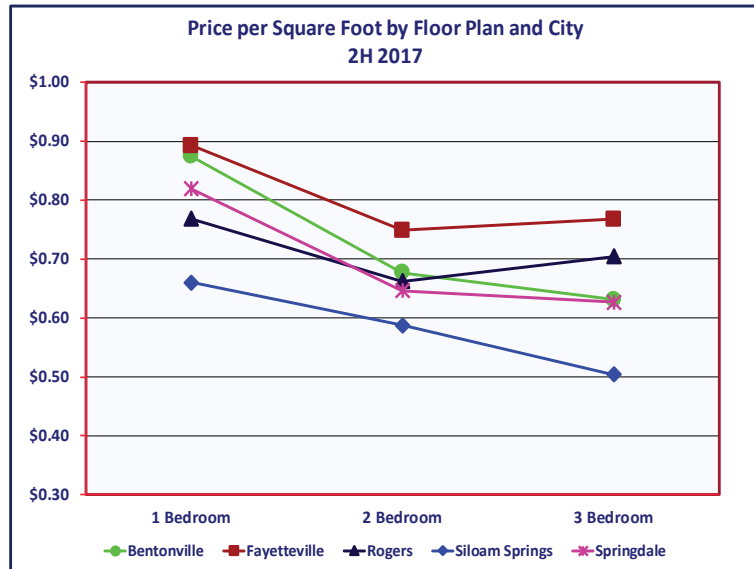
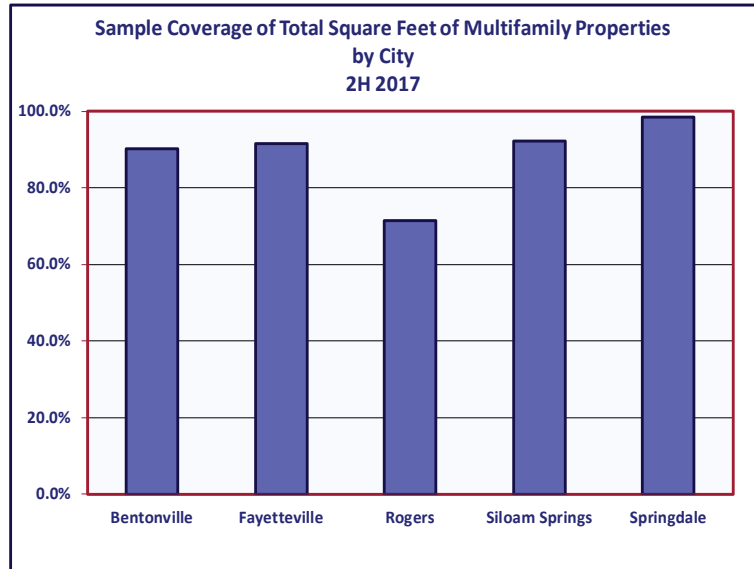
Total Inventory of Multifamily Properties and Sample Coverage Second Half of 2017

City	Number of Multifamily Properties in County Assessor Databases	Total Square Feet of Multifamily Properties in County Assessor Databases	Number of Multifamily Properties in Sample	Total Square Feet of Multifamily Properties in Sample	Percent Coverage of Total Square Feet
Bentonville	145	4,395,838	132	3,971,479	90.3%
Fayetteville	313	7,751,635	363	7,093,778	91.5%
Rogers	157	5,475,873	103	3,918,230	71.6%
Siloam Springs	53	692,037	50	639,066	92.3%
Springdale	128	4,229,196	103	4,167,616	98.5%
Northwest Arkansas	796	22,544,579	751	19,790,169	87.8%

Multifamily Properties

small multifamily properties. In as much as the large properties drive the market for multifamily housing, extrapolating the results to the entire population is entirely reasonable. Within the second half of 2017 survey respondents, there were 38,230 total units in 751 multifamily properties. These properties had a combined vacancy rate of 4.5 percent, up from 4.2 percent in the first half of 2017. The highest vacancy rate was in Fayetteville and Bentonville at 5.4 percent and the lowest vacancy rate was in Siloam Springs at 1.3 percent. In the second of 2017, Rogers had vacancy rates of 3.9 percent, and Springdale had vacancy rates of 1.8 percent respectively.

Within the sample, the average lease price per month in Northwest Arkansas was \$645.62, up from \$631.28 in the first half of 2017. Meanwhile, the average square footage increased to 865 square feet. The median lease price increased at \$593.00 in the second half of 2017, while the median size of a unit also increased at 825 square feet in the first half of 2017. The average monthly price per square foot of a multifamily property was \$0.75, increasing from \$0.74 from the first half of 2017, and the median price per square foot increased to \$0.72. Examining the price and square footage by floor plan yields other statistics: on a price per square foot basis, the least expensive floor plans, on average, were two and three bedrooms at \$0.69 per month. The most expensive floor plans, on average, were “by the bed” floor plans in Fayetteville at an average price per square foot of \$1.60.



Multifamily Properties

Sample Vacancy Rates - Second Half of 2017

Market Area	Number of Apartment Complexes	Number of Units	2H 2017 Vacancy Rate	1H 2017 Vacancy Rate	2H 2016 Vacancy Rate
Bentonville	132	5,273	5.4%	1.4%	1.3%
Fayetteville	363	20,384	5.4%	5.8%	4.7%
Rogers	103	4,967	3.9%	6.1%	2.7%
Siloam Springs	50	1,057	1.3%	1.0%	1.8%
Springdale	103	6,549	1.8%	0.6%	0.9%
NWA	751	38,230	4.5%	4.2%	3.2%

Average Size and Price by Floor Plan Second Half of 2017

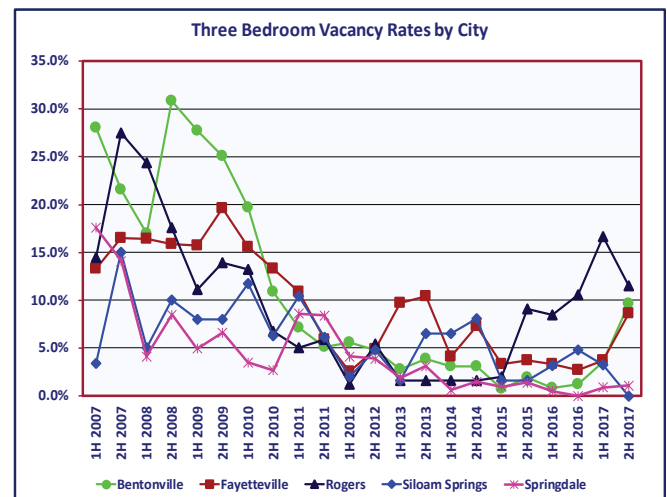
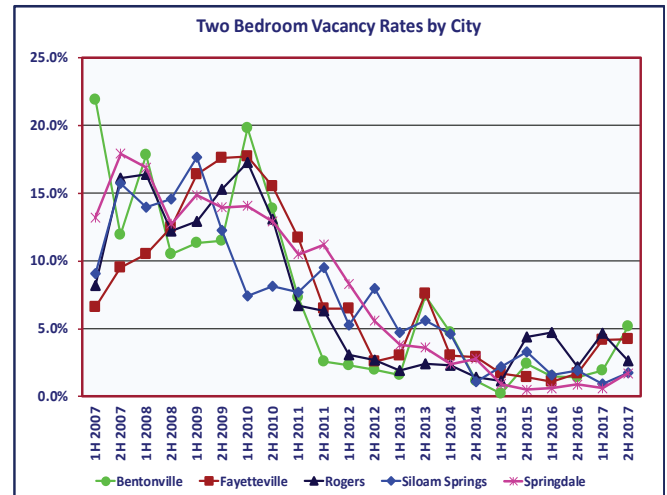
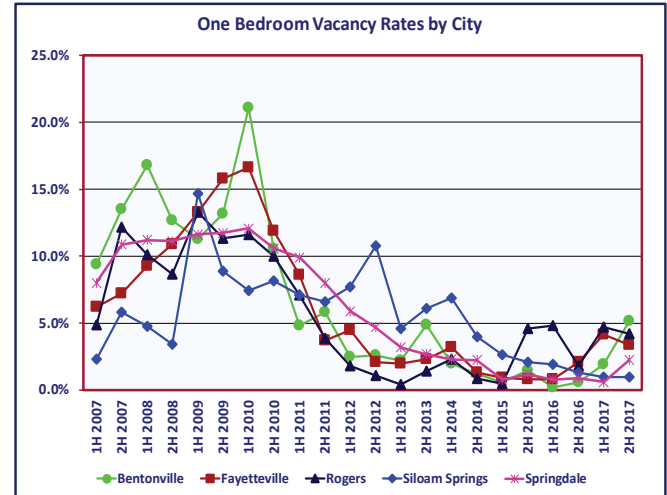
Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	413	\$450.82	\$1.09
By the Bed	432	\$689.50	\$1.60
1 Bedroom	626	\$531.22	\$0.85
2 Bedroom	924	\$641.27	\$0.69
3 Bedroom	1,295	\$898.01	\$0.69
4 Bedroom	1,382	\$1,246.48	\$0.90
NWA	865	\$645.62	\$0.75

Median Size and Price by Floor Plan Second Half of 2017

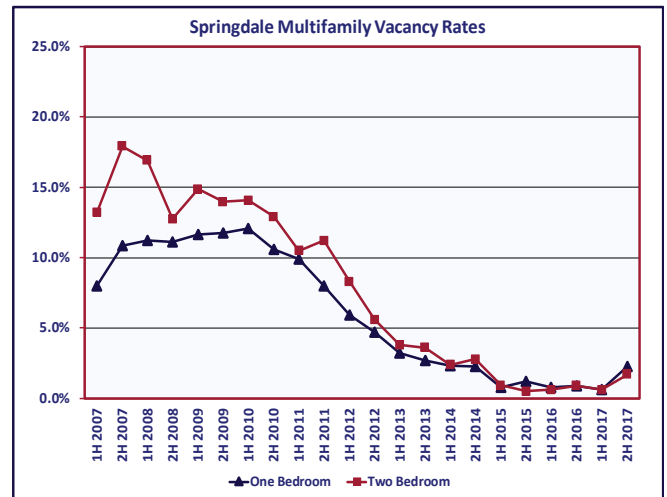
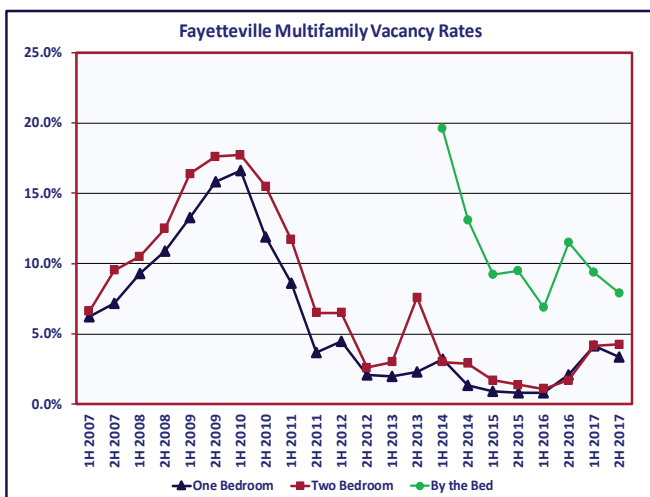
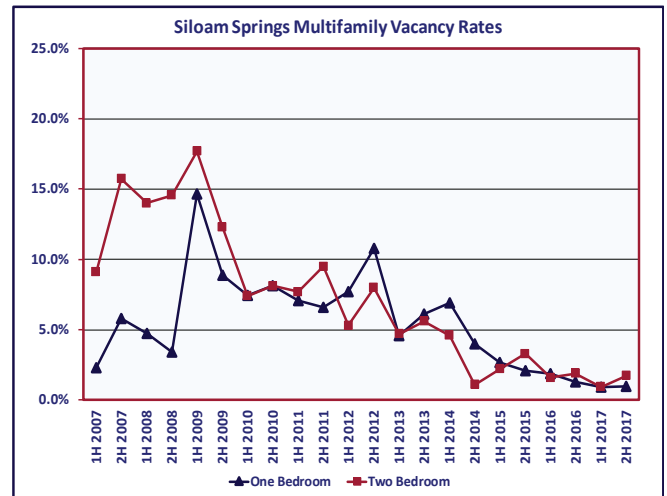
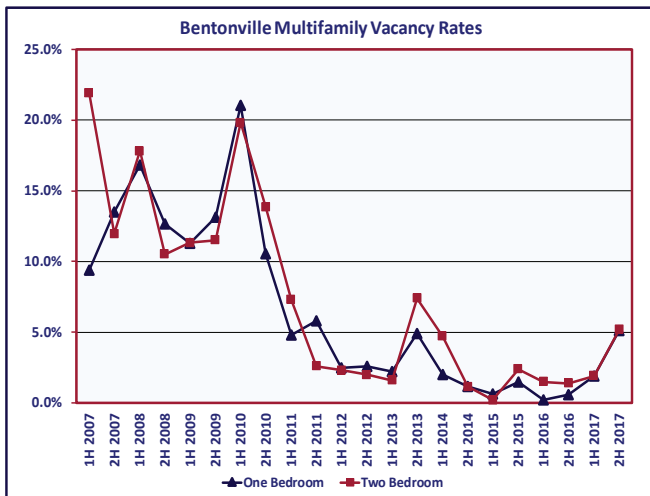
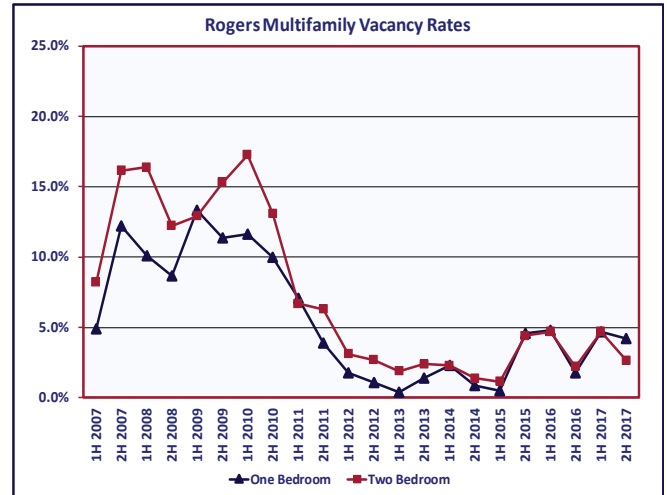
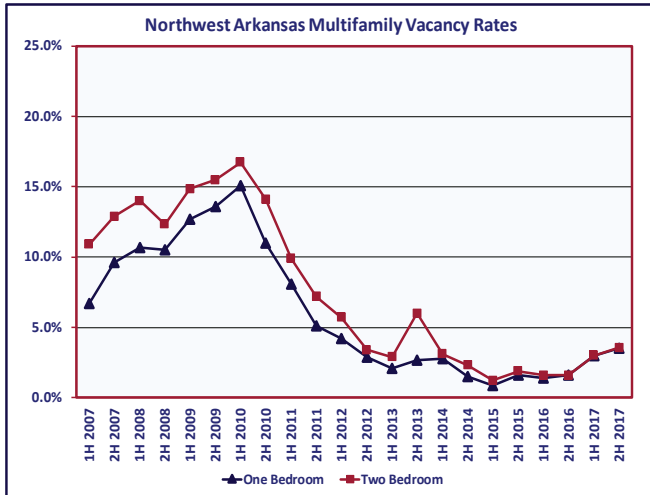
Floor Plan	Median Square Feet	Median Price per Month	Median Price per Square Foot
Studio	405	\$425.00	\$1.05
By the Bed	419	\$691.50	\$1.65
1 Bedroom	600	\$475.00	\$0.79
2 Bedroom	900	\$600.00	\$0.67
3 Bedroom	1,300	\$804.00	\$0.62
4 Bedroom	1,300	\$1,382.00	\$1.06
NWA	825	\$593.00	\$0.72

Vacancy Rates by Floor Plan Second Half of 2017

Market Area	By-the-Bed	One Bedroom	Two Bedroom	Three Bedroom
Bentonville		5.1%	5.2%	9.6%
Fayetteville	7.9%	3.4%	4.2%	8.6%
Rogers		4.2%	2.6%	11.5%
Siloam Springs		1.0%	1.7%	0.0%
Springdale		2.3%	1.7%	1.1%
NWA	7.9%	3.5%	3.6%	6.8%



Multifamily Properties



Bentonville

- The Benton County Assessor’s database contained 145 multifamily properties in Bentonville in the second half of 2017. These properties comprised 4,395,838 square feet.
- The 132 Bentonville Skyline Report survey respondents accounted for 90.3 percent of the square footage of all of the multifamily properties in the city.
- In the 5,273 units that were reported by Skyline Report survey respondents, there was a 5.4 percent vacancy rate in the second half of 2017, up from 1.4 percent in the first half of 2017 and up from 1.3 percent in the second half of 2016.
- The average lease rate of all units in Bentonville increased to \$648.34 in the second half of 2017 from \$617.46 in the first half of 2017, and the average size of a unit increased to 910 square feet.

Average Unit Size and Price by Floor Plan Second Half of 2017

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	356	\$350.00	\$0.98
1 Bedroom	638	\$557.87	\$0.87
2 Bedroom	946	\$640.59	\$0.68
3 Bedroom	1,360	\$858.40	\$0.63
Bentonville	910	\$648.34	\$0.71

- The monthly leases for Bentonville multifamily properties averaged between \$0.63 per square foot for a three-bedroom apartment and \$0.98 per square foot for a studio apartment.
- Most Bentonville multifamily properties required either 6-month or 12-month leases, while month-to-month options were available at some properties.



Fayetteville



- The Washington County Assessor's database contained 313 multifamily properties in Fayetteville in the second half of 2017. These properties comprised 7,751,635 square feet.
- The 363 Fayetteville Skyline Report survey respondents accounted for 91.5 percent of the square footage of all of the multifamily properties in the city.
- In the 20,384 units that were reported by Skyline Report survey respondents, there was a 5.4 percent vacancy rate in the second half of 2017, 5.8 in the first half of 2017, and 4.7 in the second half of 2016.
- The average price of all units in Fayetteville increased to \$693.64 in the second half of 2017 from \$678.19 in the first half of 2017 and the average size of a unit increased to 852 square feet.
- The monthly leases for Fayetteville multifamily properties averaged between \$0.75 per square foot for a two-bedroom apartment and \$1.60 per square foot for a by the bed unit.
- Fayetteville had multifamily properties with many different floor plans, with a wide variety of lease options to suit the student population.

Average Unit Size and Price by Floor Plan Second Half of 2017

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	415	\$489.00	\$1.18
By the Bed	432	\$689.50	\$1.60
1 Bedroom	628	\$560.47	\$0.89
2 Bedroom	921	\$689.50	\$0.75
3 Bedroom	1,296	\$994.67	\$0.77
4 Bedroom	1,414	\$1,332.44	\$0.94
Fayetteville	852	\$693.64	\$0.81

Rogers

- The Benton County Assessor’s database contained 157 multifamily properties in Rogers in the second half of 2017. These properties comprised 5,475,873 square feet.
- The 103 Rogers Skyline Report survey respondents accounted for 71.6 percent of the square footage of all of the multifamily properties in the city.
- In the 4,967 units that were reported by Skyline Report survey respondents, there was a 3.9 percent vacancy rate in the second half of 2017, down from 6.1 percent in the first half of 2017 and up from 2.7 percent in the second half of 2016.
- The average lease rate of all units in Rogers increased to \$643.70 in the

second half of 2017 from \$636.46 in the first half of 2017 while the average size of a unit increased to 928 square feet.

- The monthly leases for multifamily properties in Rogers averaged between \$0.66 per square foot for a

two bedroom apartment and \$0.77 per square foot for a 1 bedroom.

- Most Rogers multifamily properties required either 6-month or 12-month leases, although some month-to-month leases were available.

Average Unit Size and Price by Floor Plan Second Half of 2017

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	510		
1 Bedroom	678	\$521.09	\$0.77
2 Bedroom	964	\$638.46	\$0.66
3 Bedroom	1,280	\$902.13	\$0.70
Rogers	928	\$643.70	\$0.69



Siloam Springs



Average Unit Size and Price by Floor Plan Second Half of 2017

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	387	\$345.75	\$0.89
1 Bedroom	601	\$396.94	\$0.66
2 Bedroom	880	\$517.08	\$0.59
3 Bedroom	1,374	\$692.46	\$0.50
4 Bedroom	1,210	\$779.00	\$0.64
Siloam Springs	866	\$514.57	\$0.59

- The Benton County Assessor's database contained 53 multifamily properties in Siloam Springs in the second half of 2017. These properties comprised 692,037 square feet.
- The 53 Siloam Springs Skyline Report survey respondents accounted for 92.3

percent of the square footage of all of the multifamily properties in the city.

- In the 1,057 units that were reported by Skyline Report survey respondents, there was a 1.3 percent vacancy rate in the second half of 2017,

up from the 1.0 percent vacancy rate in the first half of 2017, and down from the 1.8 percent rate in the second half of 2016.

- The average price of all units in Siloam Springs increased to \$514.57, as the average size of a unit increased at 866 square feet.
- The monthly leases for the Siloam Springs multifamily properties averaged between \$0.50 per square foot for a three bedroom apartment and \$0.89 per square foot for a studio apartment.
- Most Siloam Springs multifamily properties required 12-month leases, although some month-to-month leases were available.

Springdale

- The Washington County Assessor’s database contained 128 multifamily properties in Springdale in the second half of 2017. These properties comprised 4,229,196 square feet.
- The 103 Springdale Skyline Report survey respondents accounted for 98.5 percent of the square footage of all of the multifamily properties in the city.
- In the 6,549 units that were reported by Skyline Report survey respondents, there was a 1.8 percent vacancy rate in the second half of 2017, up from 0.6 percent in the first half of 2017 and up from 0.9 percent in the second half of 2016.
- The average price of all units in Springdale was \$551.90, while the average size of a unit decreased to 787 square feet.

Average Unit Size and Price by Floor Plan Second Half of 2017

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
1 Bedroom	574	\$469.98	\$0.82
2 Bedroom	874	\$565.16	\$0.65
3 Bedroom	1,165	\$730.50	\$0.63
4 Bedroom	1,333	\$940.00	\$0.71
Springdale	787	\$551.90	\$0.70

- The monthly leases for Springdale multifamily properties averaged between \$0.63 per square foot for three bedroom apartments and \$0.86 per square foot for a studio apartment.
- Most Springdale multifamily properties required either 6-month or

12-month leases, although some 3-month, 9-month, and month-to-month leases were available.

