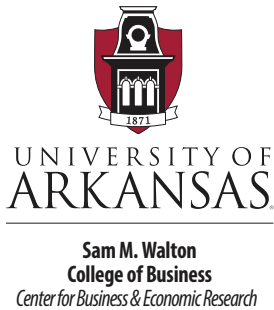




THE SKYLINE REPORT

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Multifamily Real Estate Market Summary for Benton and Washington Counties

This report is the thirty-ninth 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.

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Highlights from the Second Half of 2018

- The vacancy rate for all multifamily properties in Northwest Arkansas decreased to 3.5 percent in the second half of 2018 from 3.9 percent in the first half of 2018. The rate was 4.5 percent in the second half of 2017.
- The decrease in regional vacancy rates was primarily due to decreased vacancy rates in Bentonville and Fayetteville as a result of absorption new construction.
- The overall multifamily vacancy rate in Fayetteville decreased from 5.4 percent in the second half of 2017 to 4.3 percent in the second half of 2018. More than 3,700 additional rental units (18.3 percent of current inventory) have been announced or are under construction in new multifamily projects in Fayetteville.
- In Bentonville (Centerton incorporated), vacancy rates decreased from 5.4 percent in the second half of 2017 to 3.7 percent in the second half of 2018. There are also more than 3300 rental units (54.8 percent of current inventory) that have been announced or are under construction in new multifamily projects in Bentonville.
- Rogers had a decrease in vacancy rates from 3.9 percent in the second half of 2017 to 3.6 percent in the second half of 2018, as new units were absorbed. More than 2,500 additional rental units (48.7 percent of current inventory) have been announced or are under construction in the Rogers submarket.
- Siloam Springs vacancy rates increased from 1.3 percent vacancy rate in the second half of 2017 to 2.0 percent in the second half of 2018.
- In Springdale the vacancy rate decreased from 1.8 percent in the second half of 2017 to 1.5 percent in the second half of 2018 making it the lowest vacancy rate in Northwest Arkansas. More than 1,000 new rental units (16.5 percent of current inventory) have been announced or are under construction in multifamily projects in Springdale.
- In the second half of 2018, the average lease rate per month for a multifamily property unit in Northwest Arkansas increased to \$674.65, with the median lease also increasing to \$605.00 from \$600.00 in the first half of 2018.

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 (now incorporating Centerton), 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-ninth 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.

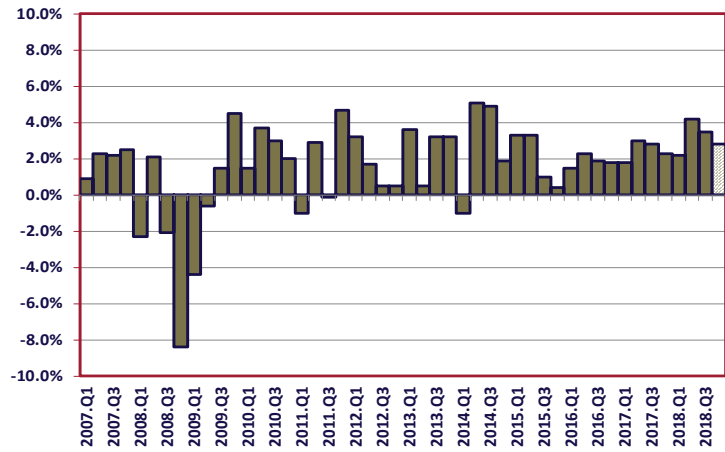
Gross Domestic Product

In the third quarter of 2018, real GDP increased by 3.4 percent according to advance estimates released by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA). Real GDP increased by 4.2 percent in the second quarter of 2018. The increase in real GDP in the third quarter reflected positive contributions from personal consumption expenditures (PCE), private inventory investment, nonresidential fixed investment, federal government spending, and state and local government spending that were partly offset by negative contributions from exports and residential fixed investment. Imports, which are a subtraction in the calculation of GDP, increased. The deceleration in real GDP growth in the third quarter primarily reflected a downturn in exports and decelerations in nonresidential fixed investment and in PCE. Imports increased in the third quarter after decreasing in the second. These movements were partly offset by an upturn in private inventory investment

Employment

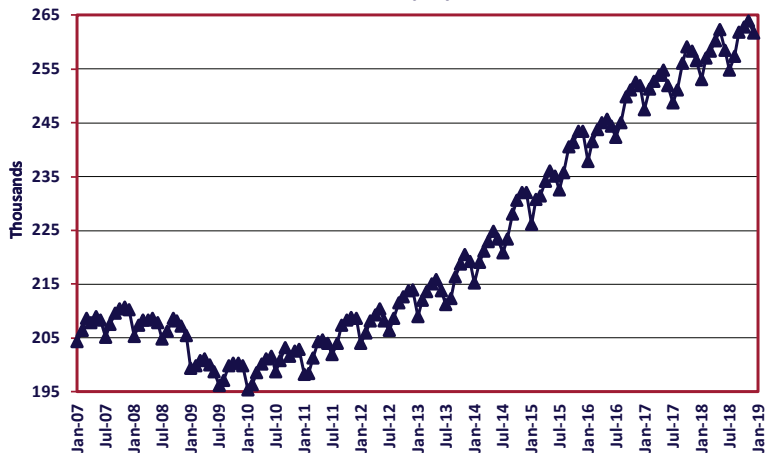
The Northwest Arkansas employment situation is extremely important to the health of the real estate market. The most recent data show that employment in the Northwest Arkansas region was at 261,700 in December 2018, up 2.0 percent from December 2017. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at 2.5 percent in November 2018, similar to the unemployment rate in November 2017.

Real U.S. Gross Domestic Product Growth Rate



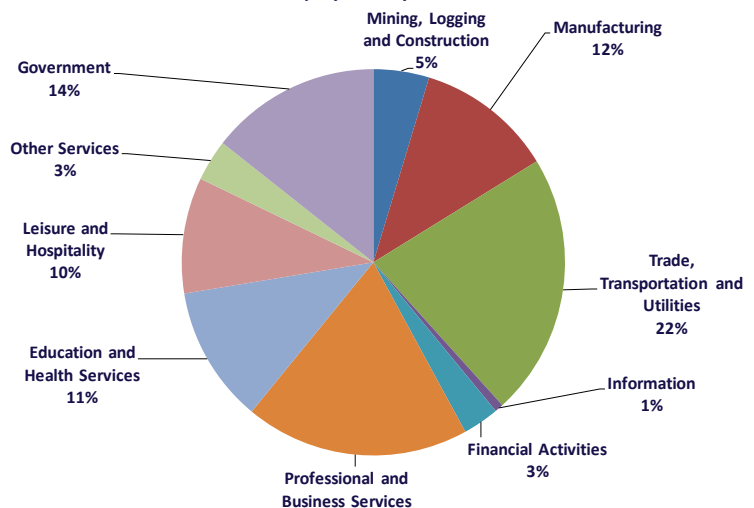
Source: U.S. Commerce Department, Bureau of Economic Analysis, October 2018 NABE Outlook

Fayetteville-Springdale-Rogers MSA Non-Farm Employment



Source: Bureau of Labor Statistics

Northwest Arkansas Employment by Sector - December 2018



Source: Bureau of Labor Statistics

Economic Overview

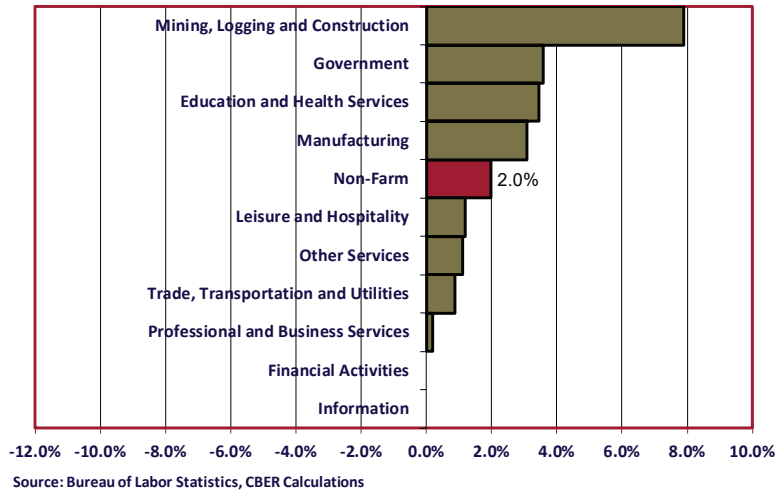
The unemployment rate has remained under 4.0 percent since August of 2015. The unemployment rate in Northwest Arkansas continues to be lower than both the state (3.3 percent) and national (3.5 percent) unadjusted rates.

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 December 2018 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 (19 percent), government (14 percent), manufacturing (12 percent), education and health services (11 percent), and leisure and hospitality (10 percent). The other figure shows the annual percentage change in the metro area's employment by sector from December 2017 to December 2018. Total nonfarm employment increased by 2.0 percent during that time. Employment in construction, government, education and health services, and manufacturing sectors grew more quickly than 2.0 percent. Leisure and hospitality, other services sector, the trade, transportation and utilities sector, and professional and business services grew slower than 2.0 percent while the financial activities sector and information sector remained unchanged.

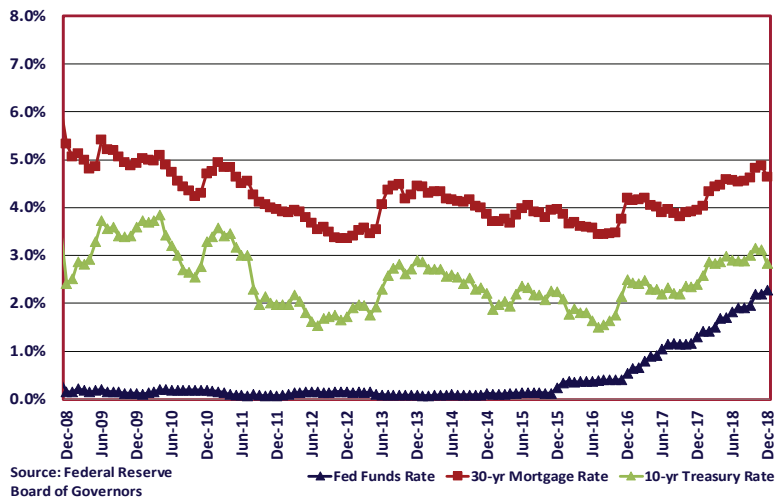
Interest Rates

The Federal Funds rate averaged 2.27 percent in December 2018. The ten-year constant maturity Treasury bill had an interest rate of 2.83 percent in December 2018, up from 2.40 percent in December 2017. The positive spread between the ten-year rate and the federal funds rate narrowed from a year ago, but remains positive as both rates have increased. The Federal Reserve Open Market Committee decided to increase the target range for the federal

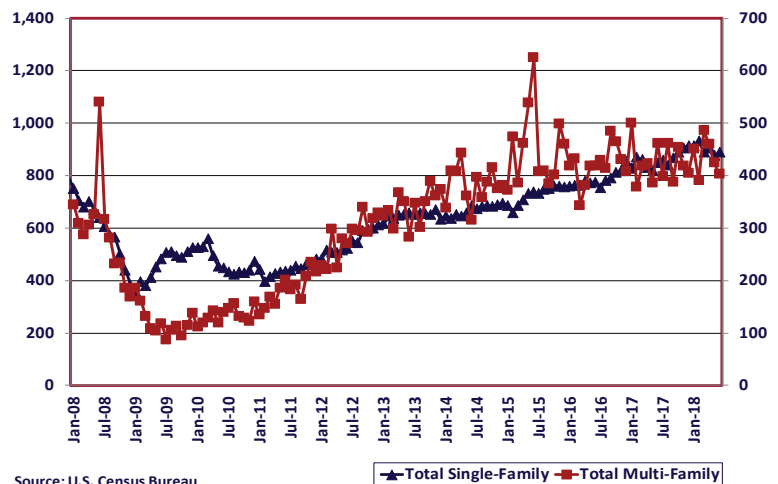
Change in Northwest Arkansas MSA Employment by Sector, December 2017 - December 2018



Selected Interest Rates



Number of National Building Permits



Economic Overview

funds rate from 2.25 to 2.50 percent. The stance of monetary policy remains steady, it is supportive of further improvement in economic and labor market conditions along with sustained 2 percent inflation. The accompanying figure shows the Federal Funds rate and the thirty-year mortgage rate since December 2008. The 30-year mortgage rate was 4.64 percent in December 2018.

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 441,000 in November 2018, an increase of 15.4 percent from the October 2018 rate of 382,000, and an increase 5.5 percent from November 2017.

Regional Overview

Regional Overview

While increased demand from population growth, coupled with the overall low vacancy rate in the region, has driven the overall Northwest Arkansas multifamily market over the past decade, current building is also being driven by perceived demand for higher end apartment complexes, particularly in Benton County. Additionally, construction is still being driven by expected growth in the University of Arkansas's student population. Some multifamily builders feel that projects in a particular location close to campus, 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 3,300 rental units to the Bentonville market, over 3,700 units to the Fayetteville market, over 2,500 units to the Rogers market, and 1,000 units in the Springdale market, if all are built. In addition, the University of Arkansas has 5,732 beds, and a new dorm with over 700 beds is under construction for completion early as fall 2019. Further, Greek Life at the University of Arkansas currently has approximately 1,297 beds and is adding at least an additional 176 beds in the next year, with the expectation of at least one more chapter in the next three years.

The associated table details the building permits that have been issued for multifamily housing purposes over the past twelve months. Seven of the projects are located in Bentonville, seven are in Fayetteville, six are in Rogers, one is in Siloam Springs, and two are in Springdale. These 23 projects had 276 building permits issued worth \$372,922,213. The largest project was in Fayetteville with The Avenue which had 6 permits valued at \$46,130,936. Four other projects were valued at over \$30 million: In Bentonville, Walton Crossing had 17 permits valued at \$36,203,128 and Crystal Flats with 3 permits was valued at \$33,032,328; In Rogers, Dodson Road Apartments had 29 permits valued at \$39,540,666 and Pinnacle Heights had 4 permits valued at \$31,794,447.

Announced Projects and Permits

Announcements of New Projects

Complex Name	Developer	Construction Costs	Number of Units	City
Brownstones II	Jake Newell		6	Bentonville
City U	Bentonville Housing, LLC		375	Bentonville
Crystal Flats	Cindy Springs, LLC		487	Bentonville
Dunn & Davis Townhomes	Jake Newell		23	Bentonville
Elm Tree Townhouses			32	Bentonville
Eversole Trust Project	Eversole Revocable Trust		384	Bentonville
Glen Road Townhomes				Bentonville
I Street Luxury Apartments	Affinite Mgmt. Svs., BC Ctr.LLC, L. Funk, J. Youngblood		238	Bentonville
J3	SREG	\$31,500,000	252	Bentonville
Lamplighter District	Todd Renfrew		5	Bentonville
Old Home Office	Walmart			Bentonville
Park Central	SREG		25	Bentonville
Phillips Park Townhomes				Bentonville
Pointe at Bentonville II	Richsmith Development		288	Bentonville
Rainbow Curve	Honey Creek Land & Cattle		96	Bentonville
Red Barn	Walton Family Enterprises		120	Bentonville
Roddey Residential Properties	Roddy Residential Properties		12	Bentonville
The District	Duley Group		12	Bentonville
The Parc at Bentonville, Phase 2	TCl Bentonville (Phil Swope)		184	Bentonville
Village Flats	Jake Newell		17	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	Centerton
Beachwood Village Cottages ,Phase II	Fountain Residential Partners		430 beds	Fayetteville
Cottages of Hollywood	Asset Campus Housing; Spectrum Living Solutions		650 Beds	Fayetteville
Delta Gamma House	Delta Gamma	\$12,490,000	84	Fayetteville
Grand Village at Clear Creek	1913 Capital		125	Fayetteville
Kappa Delta	Kappa Delta	\$11,700,000	92	Fayetteville
Macy Drive Townhomes	Tim Brisiel		57	Fayetteville
Markham Hill	SREG		257	Fayetteville
Morgan Manor Expansion	Fayetteville Housing Authority		58	Fayetteville
Mount Carmel Retirement Complex	Jimmy Elrod		25	Fayetteville
New Beginnings Community	Serve NWA		20	Fayetteville
Noble Oaks Phase III	Sweetser Properties		16	Fayetteville
Piney Creek Ranch	Andi and Jeremy Pratt			Fayetteville
Residences at Forest Hills	John Alford		72	Fayetteville
Springhouse Village Retire. Comm.	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
The Links at Fayetteville, Phase III	Lindsey Development Co.		122	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		100	Johnson
Honeysuckle and Pleasant Grove	HGJ Properties		30	Lowell
Tuscany Vines	Jason Appel		99	Lowell

Announced Projects and Permits

Announcements of New Projects Cont.

Complex Name	Developer	Construction Costs	Number of Units	City
Arabella of Rogers	Abby Development	\$33,000,000	122	Rogers
Dixieland Road Apartments	Carl Walker		15	Rogers
Dodson Road Apartments	Kirstin Rimes		242	Rogers
Gateway Senior Apartments	Gateway Homes		160	Rogers
Magnolia Farms Apartments	Hunter Haynes		100	Rogers
Mill Creek Manor Nursing Home				Rogers
North Valley West Townhomes	Kim Fugitt		19	Rogers
Palisades at Pleasant Grove Apts., 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
Pinnacle Village	Alex Blass			Rogers
Promenade Commons	Hunter Haynes		128	Rogers
Rose Property Apartments	Edward Rose Properties		84	Rogers
Summer Ridge Townhomes	Tommy Mardis	\$5,340,000	50	Rogers
The District at Pinnacle	Whisinvest		275	Rogers
The Frisco	John Schmezle		80	Rogers
The Grove Phase III	Silver Development Co		24	Rogers
West Village Apartments	Hunt Ventures, Sage Partners, Urban5		296	Rogers
Woodlands at the Grove Phase II	Robbie Bader		180	Rogers
Chord Apartments	Matthew Zaidner, Matt Timboe, Derek Dewey,			Siloam Springs
Har-Ber Townhomes	Phil Taldo		25	Springdale
Mansion at Mill Creek Patio Homes	Tom Embach, Leisure Homes Corp		80	Springdale
Nordale Terraces	Gary Stith		75	Springdale
Parkway Plaza Apartments	Phil Taldo		200	Springdale
Riggins Duplexes	Kevin Riggins		28	Springdale
Shiloh Springs	Mid America Management		76	Springdale
Trails at Legacy	C.L. George and Sons, Lindsey Management		476	Springdale
Wobble Lane Phase II	Dave Pinson		128	Springdale

Announced Projects and Permits

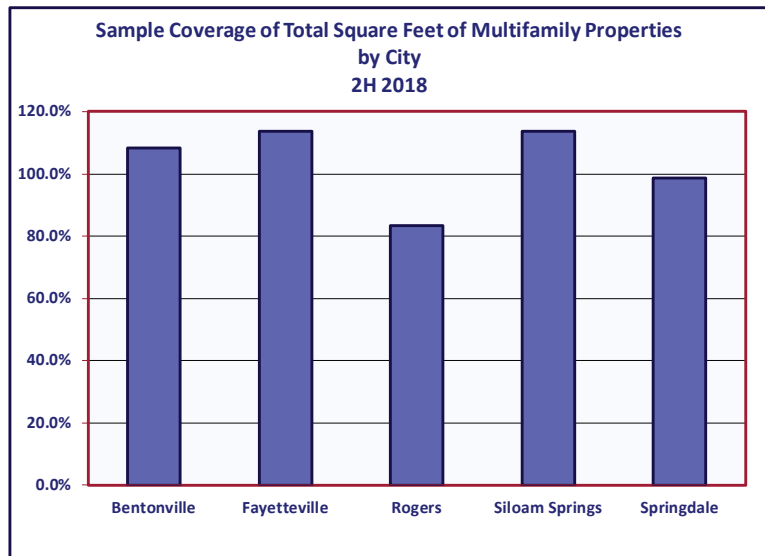
Multifamily Building Permits Jan 1, 2018 to December 31, 2018

Date	Complex or Developer	Number of Permits	Total Value of Permits	City
1/3/2018	Walton Crossing	17	\$36,203,128	Bentonville
1/22/2018	Harbin Pointe Townhomes	9	\$5,921,169	Bentonville
3/1/2018	J3	8	\$22,922,490	Bentonville
4/13/2018	Red Barn	17	\$22,544,686	Bentonville
4/18/2018	Depot 16	1	\$3,429,960	Bentonville
11/21/2018	Village at B Street	1	\$944,205	Bentonville
12/5/2018	Crystal Flats	3	\$33,032,328	Bentonville
1/4/2018	The Avenue	6	\$46,130,936	Fayetteville
1/22/2018	Springhouse Village	1	\$20,749,700	Fayetteville
6/7/2018	Washington Triplexes	6	\$637,559	Fayetteville
6/20/2018	Cottages at Hollywood	104	\$28,049,078	Fayetteville
7/11/2018	Cottages at Hollywood	6	\$14,013,124	Fayetteville
7/27/2018	Kappa Delta House	1	\$11,700,000	Fayetteville
12/20/2018	Leverett Gardens	2	\$1,083,133	Fayetteville
6/4/2018	Dixieland Road Apartments	15	\$2,295,555	Rogers
6/25/2018	Woodland Park at the Grove, Phase II	13	\$18,364,645	Rogers
9/7/2018	Gateway Senior Apartments	6	\$3,241,000	Rogers
9/14/2018	Palisades at Pleasant Cross. Phase II	15	\$19,428,000	Rogers
9/26/2018	Dodson Road Apartments	29	\$39,540,666	Rogers
12/10/2018	Pinnacle Heights	4	\$31,794,447	Rogers
9/14/2018	Holly Street	4	\$1,409,520	Siloam Springs
6/13/2018	Har-Ber Town Homes	5	\$2,925,348	Springdale
11/30/2018	The Peaks at Springdale	3	\$6,561,536	Springdale
	Total	276	\$372,922,213	

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 354, totaling over 10 million square feet. Following Fayetteville, in descending order from most multifamily properties to fewest in the sample were Bentonville (incorporating Centerton), Springdale, Rogers, and Siloam Springs. The total number of multifamily



properties with information reported in these cities other than Fayetteville in the second half of 2018 was 404 with a total size of over 14.2 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 2018, information was collected on 95.7 percent of the existing square footage of multifamily properties, an increase from the 84.5 percent in the first half of 2018.

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

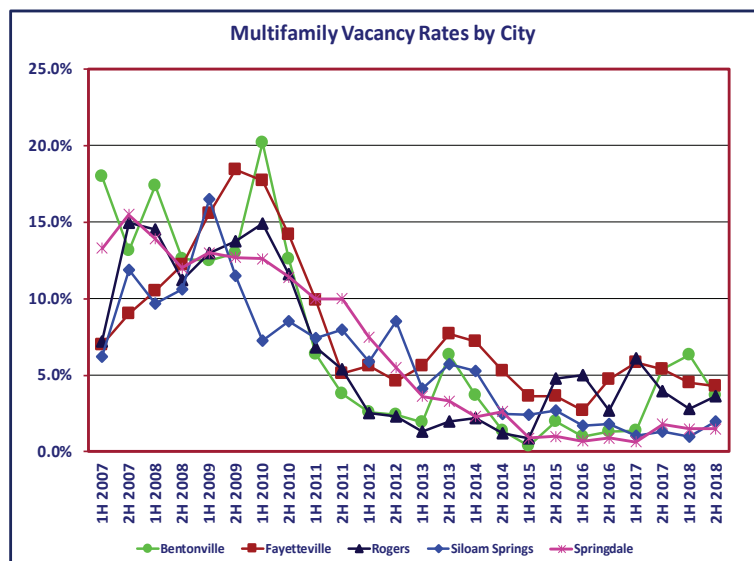
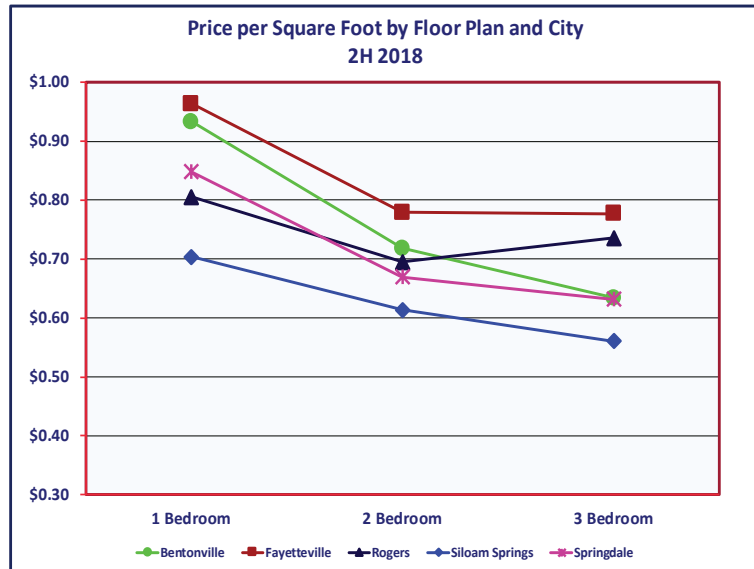
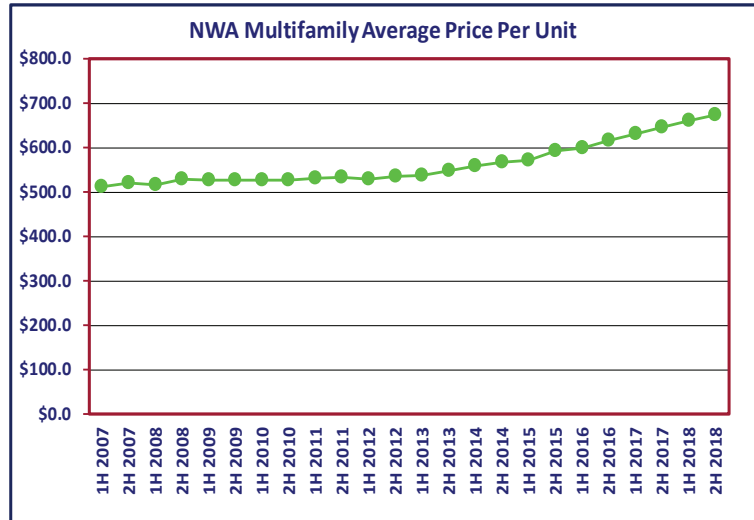
Total Inventory of Multifamily Properties and Sample Coverage Second of 2018

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	152	4,749,371	136	4,764,791	100.3%
Fayetteville	322	10,144,660	354	10,099,318	99.6%
Rogers	158	5,530,158	105	4,568,324	82.6%
Siloam Springs	55	772,308	56	734,831	95.1%
Springdale	128	4,229,196	107	4,167,616	98.5%
Northwest Arkansas	815	25,425,693	758	24,334,880	95.7%

Multifamily Properties

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 first half of 2018 survey respondents, there were 39,601 total units in 758 multifamily properties. These properties had a combined vacancy rate of 3.5 percent, down from 3.9 percent in the first half of 2018. The highest vacancy rate was in Fayetteville at 4.3 percent and the lowest vacancy rate was in Springdale at 1.5 percent. In the second half of 2018, Rogers had vacancy rates of 3.6 percent, Bentonville had vacancy rates of 3.7 percent, and Siloam Springs had vacancy rates of 2.0 percent respectively.

Within the sample, the average lease price per month in Northwest Arkansas was \$674.65, up from \$660.80 in the first half of 2018. Meanwhile, the average square footage decreased to 863 square feet. The median lease price increased from \$600.00 to \$605.00 in the second half of 2018, while the median size of a unit remained unchanged 820 square feet in the second half of 2018. The average monthly price per square foot of a multifamily property was \$0.78, increasing from \$0.76 in the first half of 2018, and the median price per square foot increased to \$0.74. 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 \$0.72 and \$0.70 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 \$1.66.



Multifamily Properties

Sample Vacancy Rates - Second Half of 2018

Market Area	Number of Apartment Complexes	Number of Units	2H 2018 Vacancy Rate	1H 2018 Vacancy Rate	2H 2017 Vacancy Rate
Bentonville	136	6,118	3.7%	6.3%	5.4%
Fayetteville	354	20,427	4.3%	4.5%	5.4%
Rogers	105	5,297	3.6%	2.8%	3.9%
Siloam Springs	56	1,176	2.0%	1.0%	1.3%
Springdale	107	6,583	1.5%	1.5%	1.8%
NWA	758	39,601	3.5%	3.9%	4.5%

Average Size and Price by Floor Plan Second Half of 2018

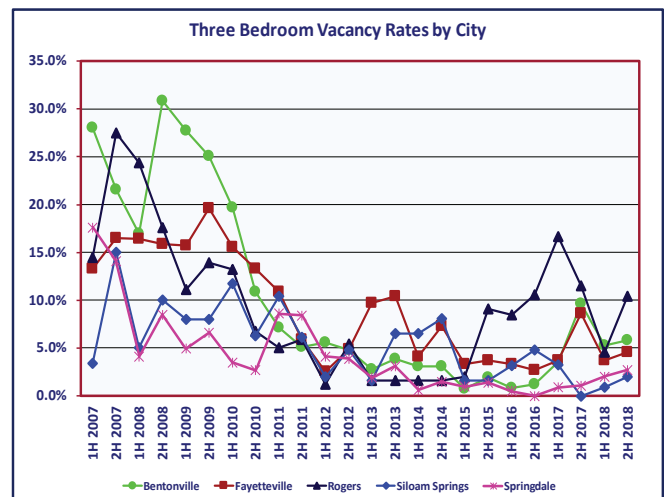
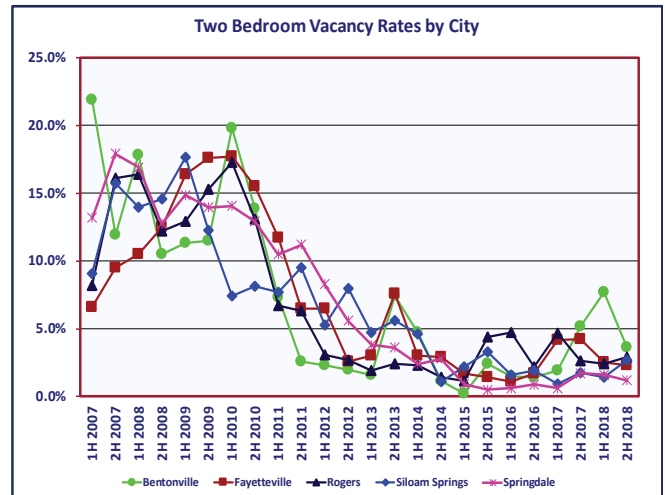
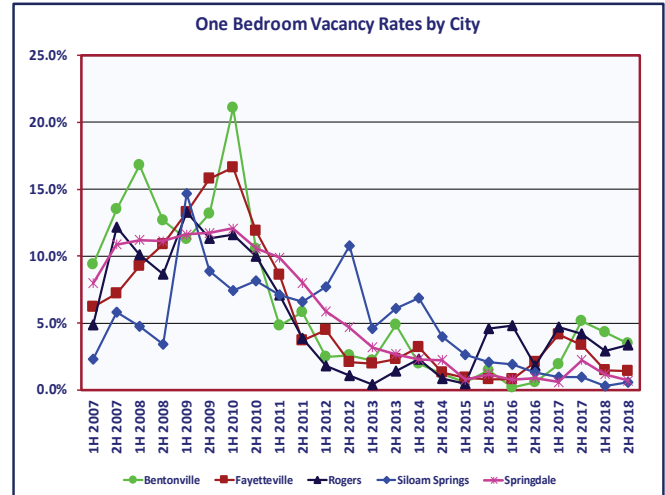
Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	449	\$530.28	\$1.18
By the Bed	426	\$708.75	\$1.66
1 Bedroom	624	\$562.97	\$0.90
2 Bedroom	923	\$669.07	\$0.72
3 Bedroom	1,297	\$913.55	\$0.70
4 Bedroom	1,373	\$1,356.00	\$0.99
NWA	863	\$674.65	\$0.78

Median Size and Price by Floor Plan Second Half of 2018

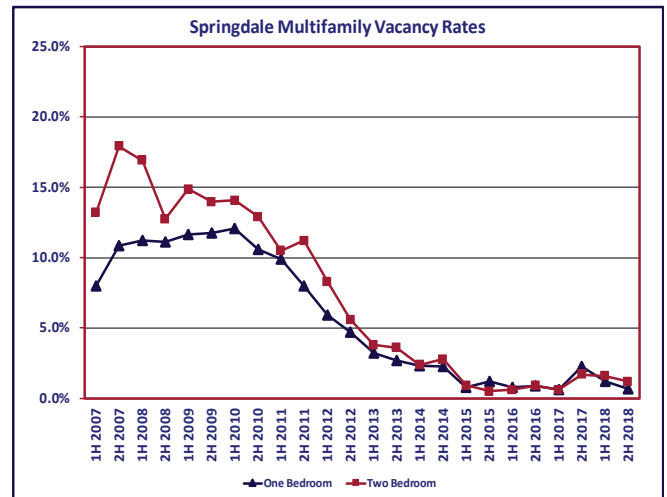
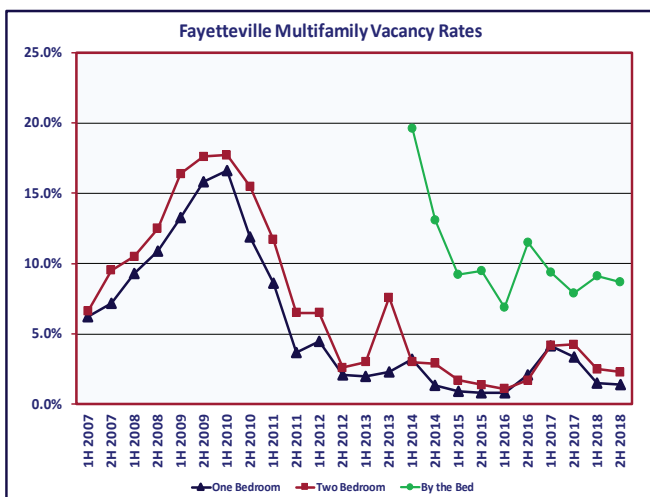
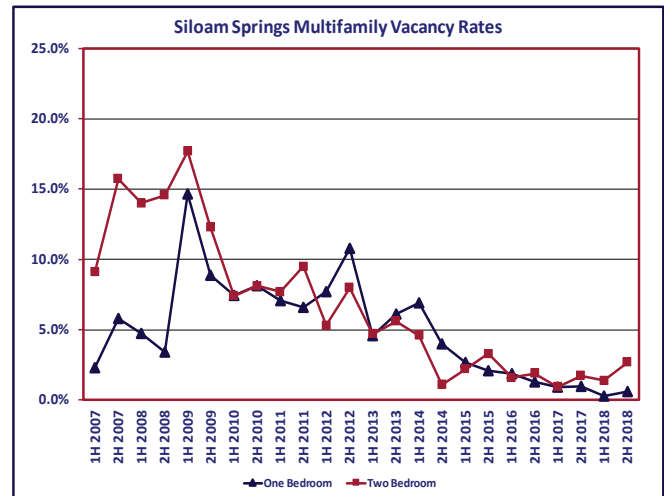
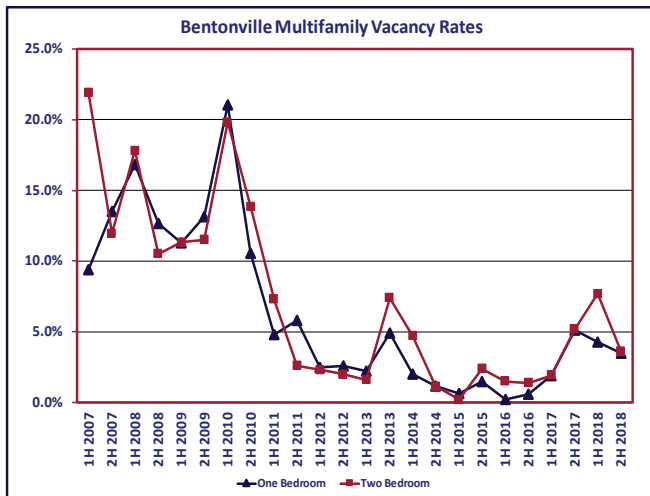
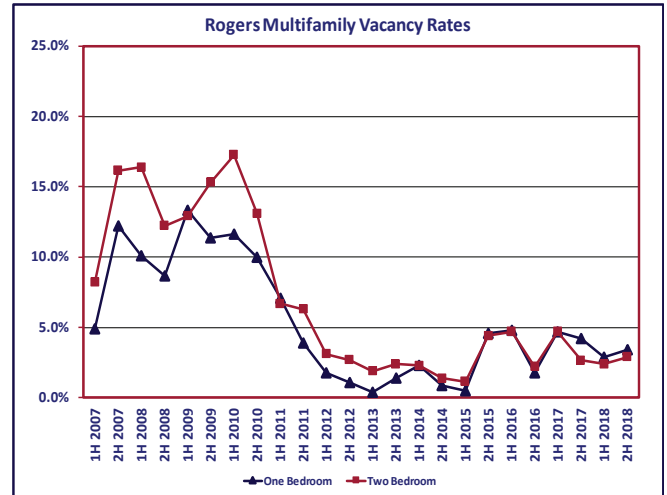
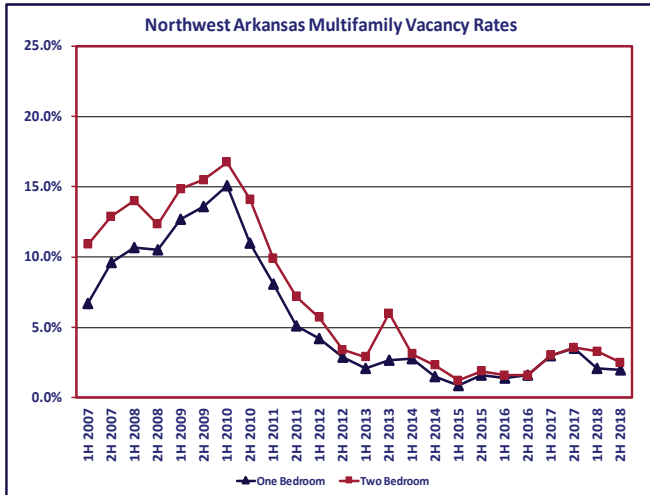
Floor Plan	Median Square Feet	Median Price per Month	Median Price per Square Foot
Studio	450	\$475.00	\$1.06
By the Bed	420	\$696.00	\$1.66
1 Bedroom	600	\$515.00	\$0.86
2 Bedroom	900	\$620.00	\$0.69
3 Bedroom	1,268	\$850.00	\$0.67
4 Bedroom	1,300	\$1,200.00	\$0.92
NWA	820	\$605.00	\$0.74

Vacancy Rates by Floor Plan Second Half of 2018

Market Area	By-the-Bed	One Bedroom	Two Bedroom	Three Bedroom
Bentonville		3.5%	3.6%	5.8%
Fayetteville	8.7%	1.4%	2.3%	4.6%
Rogers		3.4%	2.9%	10.4%
Siloam Springs		0.6%	2.7%	2.0%
Springdale		0.7%	1.2%	2.7%
NWA	8.7%	2.0%	2.5%	5.2%



Multifamily Properties



Bentonville

- The Benton County Assessor’s database contained 152 multifamily properties in Bentonville (includes apartments in Centerton) in the second half of 2018. These properties comprised 4,749,371 square feet.
- The 136 Bentonville Skyline Report survey respondents accounted for 100.3 percent of the square footage of all of the multifamily properties in the city.
- In the 6,118 units that were reported by Skyline Report survey respondents, there was a 3.7 percent vacancy rate in the second half of 2018, down from 6.3 percent in the first half of 2018 and down from 5.4 percent in the second half of 2017.
- The average lease rate of all units in Bentonville increased to \$685.77 in the second half of 2018 from \$656.22 in the first half of 2018, and the average size of a unit increased to 912 square feet.
- 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.

Average Unit Size and Price by Floor Plan Second Half of 2018

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	356	\$350.00	\$0.98
1 Bedroom	646	\$602.75	\$0.93
2 Bedroom	951	\$682.74	\$0.72
3 Bedroom	1,378	\$873.65	\$0.63
Bentonville	912	\$685.77	\$0.75

Fayetteville



- The Washington County Assessor's database contained 322 multifamily properties in Fayetteville in the second half of 2018. These properties comprised 10,144,660 square feet.
- The 354 Fayetteville Skyline Report survey respondents accounted for 99.6 percent of the square footage of all of the multifamily properties in the city.
- In the 20,427 units that were reported by Skyline Report survey respondents, there was a 4.3 percent vacancy rate in the second half of 2018, 4.5 percent in the first half of 2018, and 5.4 in the second half of 2017.
- The average price of all units in Fayetteville increased to \$725.01 in the second half of 2018 from \$713.49 in the first half of 2018 and the average size of a unit decreased to 847 square feet.
- The monthly leases for Fayetteville multifamily properties averaged between \$0.78 per square foot for a two-bedroom or three bedroom apartment and \$1.66 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 2018

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	470	\$590.24	\$1.26
By the Bed	426	\$708.75	\$1.66
1 Bedroom	616	\$593.52	\$0.96
2 Bedroom	923	\$719.07	\$0.78
3 Bedroom	1,292	\$1,003.80	\$0.78
4 Bedroom	1,402	\$1,459.67	\$1.04
Fayetteville	847	\$725.01	\$0.86

Rogers

- The Benton County Assessor's database contained 158 multifamily properties in Rogers in the second half of 2018. These properties comprised 5,530,158 square feet.
- The 105 Rogers Skyline Report survey respondents accounted for 82.6 percent of the square footage of all of the multifamily properties in the city.
- In the 5,297 units that were reported by Skyline Report survey respondents, there was a 3.6 percent vacancy rate in the second half of 2018, up from 2.8 percent in the first half of 2018 and down from 3.9 percent in the second half of 2017.
- The average lease rate of all units in Rogers increased to \$673.19 in the

second half of 2018 from \$658.91 in the first half of 2018 while the average size of a unit decreased to 926 square feet.

- The monthly leases for multifamily properties in Rogers averaged between \$0.70 per square foot for a

two bedroom apartment and \$0.81 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 2018

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	510		
1 Bedroom	683	\$550.12	\$0.81
2 Bedroom	954	\$663.07	\$0.70
3 Bedroom	1,297	\$954.16	\$0.74
Rogers	926	\$673.19	\$0.73



Siloam Springs



Average Unit Size and Price by Floor Plan Second Half of 2018

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	387	\$367.00	\$0.95
1 Bedroom	601	\$422.89	\$0.70
2 Bedroom	884	\$542.49	\$0.61
3 Bedroom	1,324	\$742.53	\$0.56
4 Bedroom	1,210	\$839.00	\$0.69
Siloam Springs	868	\$548.09	\$0.63

- The Benton County Assessor’s database contained 55 multifamily properties in Siloam Springs in the second half of 2018. These properties comprised 772,308 square feet.
- The 56 Siloam Springs Skyline Report survey respondents accounted for 95.1 percent of the square footage of all

of the multifamily properties in the city.

- In the 1,176 units that were reported by Skyline Report survey respondents, there was a 2.0 percent vacancy rate in the second half of 2018, up from the 1.0 percent vacancy rate in the first half of 2018, and up from

the 1.3 percent rate in the second half of 2017.

- The average lease rate of all units in Siloam Springs increased to \$548.09 in the second half of 2018 from \$527.36 in the first half of 2018 while the average size of a unit decreased to 868 square feet.
- The monthly leases for the Siloam Springs multifamily properties averaged between \$0.56 per square foot for a three bedroom apartment and \$0.95 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 2018. These properties comprised 4,229,196 square feet.
- The 107 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 6,583 units that were reported by Skyline Report survey respondents, there was a 1.5 percent vacancy rate in the second half of 2018, unchanged from 1.5 percent in the first half of 2018 and down from 1.8 percent in the second half of 2017.
- The average lease rate of all units in Springdale increased to \$570.43 in the second half of 2018 from \$561.31 in the first half of 2018 while the av-

Average Unit Size and Price by Floor Plan Second Half of 2018

Floor Plan	Average Square Feet	Average Price per Month	Average Price per Square Foot
Studio	430	\$383.33	\$0.89
1 Bedroom	583	\$494.58	\$0.85
2 Bedroom	873	\$584.35	\$0.67
3 Bedroom	1,158	\$731.78	\$0.63
4 Bedroom	1,333	\$940.00	\$0.71
Springdale	785	\$570.43	\$0.73

verage size of a unit increased to 785 square feet.

- The monthly leases for Springdale multifamily properties averaged between \$0.63 per square foot for three bedroom apartments and \$0.85 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.

