

# THE SKYLINE REPORT

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## Second Half of 2021 Contents

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## Commercial Real Estate Summary For Benton and Washington Counties

*This report is the forty-fifth 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 2021

In the second half of 2021, there were 862,106 square feet of positive absorption and 636,552 new square feet of commercial space, leading to net positive absorption of 225,554 square feet in the Northwest Arkansas market. The overall vacancy rate was 8.3 percent, down from 8.9 percent in the first half of 2021.

The warehouse submarket had overall positive absorption of 578,544 square feet, while 445,365 new square feet, all in Bentonville, were added in the second half of 2021, leading to net positive absorption of 133,179 square feet. The Northwest Arkansas warehouse vacancy rate decreased from 6.6 percent in the first half of 2021 to 5.3 percent in the second half of 2021.

116,280 new square feet, all medical space, were added in the office submarket, while 235,032 square feet were absorbed, leading to net positive absorption of 118,752 square feet in the second half of 2021. The office vacancy rate decreased to 10.0 percent from 11.2 percent in the first half of 2021.

Within the retail submarket, there was overall positive absorption of 127,304 square feet, while 25,720 new square feet entered the market, leading to net positive absorption of 101,584 square feet. The retail vacancy rate decreased to 9.5 percent in the second half of 2021 from 10.8 percent in the first half of 2021.

In the office/retail submarket, there was positive absorption of 69,516 square feet, while 9,187 new square feet of office/retail space entered the market in the second half of 2021, leading to net positive absorption of 60,329 square feet. The office/retail vacancy rate decreased from 10.9 percent in the first half of 2021 to 9.6 percent in the second half of 2021.

From July 1 to December 31, 2021, there were \$397,893,305 in commercial building permits issued in Northwest Arkansas. In comparison, there were \$647,053,124 in permits issued in the first half of 2021.

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

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

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

After the summary of local perceptions, the second half of 2021 numbers for total commercial property square feet and building permit data are presented. Within the total square feet table, a breakdown of property type by city is provided. Also, the square footage of competitive commercial property for which the 252 panelists provide information is broken down by city and the percentage of coverage of the competitive market is calculated. A table containing publicly announced new commercial real estate projects is presented after the summary of building permit data. This table is meant to provide an indication of the future direction of the Northwest Arkansas commercial property market. As many of these projects are still in the conceptual phase, hard data is incomplete and subject to change. This period, the announced data was examined particularly closely. Project locations were checked and developers were contacted regarding the projects from the previous Skyline report.

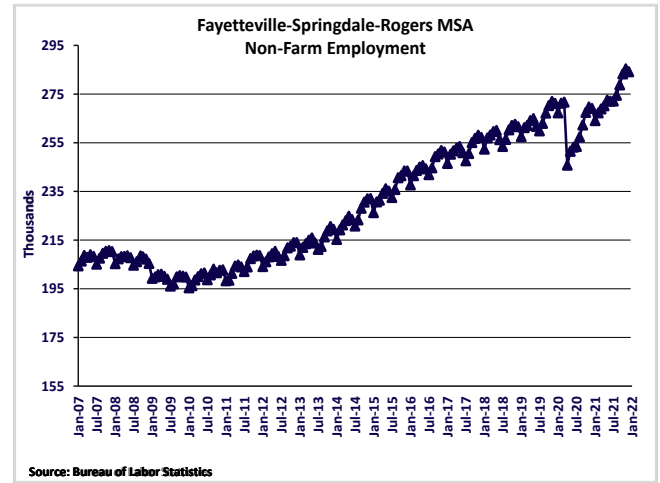
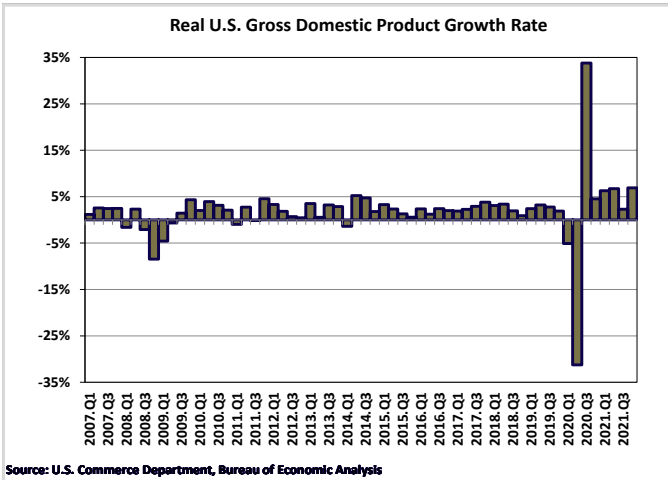
Following the tables of announced commercial projects, hotels, and restaurants is a trend summary that includes information about vacancy rate and available space trends. There are also three tables summarizing the results from the most recent time periods. The first table presents vacancy rates by submarket for both the second half of 2020 and the first half of 2021, in addition to the second half of 2021. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

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

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

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

# Economic Overview

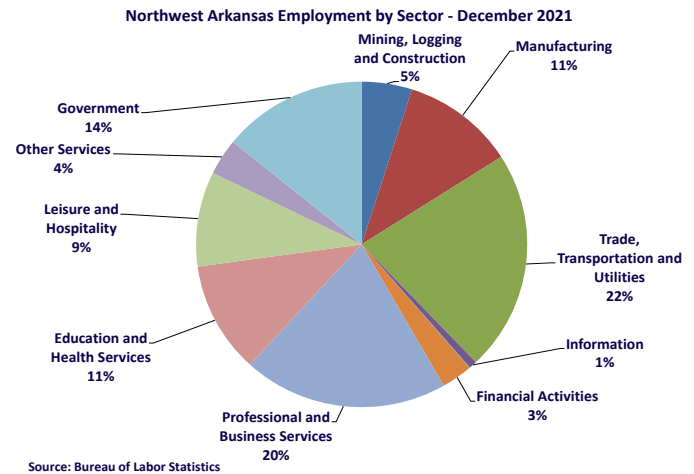


## Economic Overview

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

## Gross Domestic Product

In the fourth quarter of 2021, real GDP increased 6.9 percent according to advance estimates released by U.S. Department of Commerce's Bureau of Economic Analysis (BEA). Real GDP increased by 2.3 percent in the third quarter of 2021. The increase in real GDP primarily reflected increases in private inventory investment, exports, personal consumption expenditures (PCE), and nonresidential fixed investment that were partly offset by decreases in both federal and state and local government spending. Imports, which are a subtraction in the calculation of GDP, increased. Real GDP increased in the fourth quarter at a rate faster than the second quarter. In the third quarter, increases in private inventory investment, personal consumption expenditures (PCE), state and local government spending, and nonresidential fixed investment that were partly offset by decreases in residential fixed investment, federal government spending, and exports. Imports, which are a subtraction in the calculation of GDP, increased.



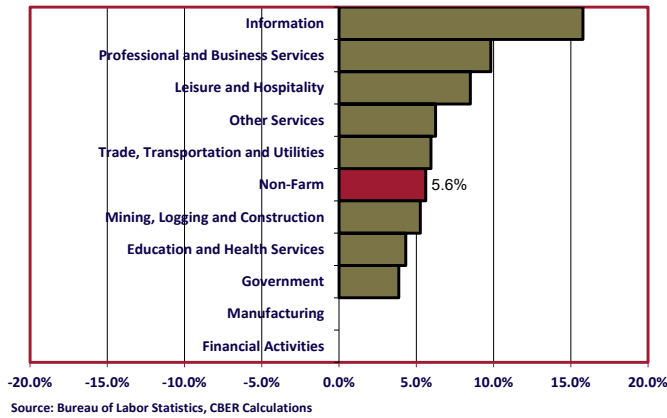
## Employment

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 293,976 in December 2021, up 4.5 percent from December 2020. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at 1.6 percent in December 2021, lower than the 3.5 percent in December 2020. The unemployment rate has been below 4.0 percent since October 2020. The unemployment rate in Northwest Arkansas continues to be lower than both the state (2.4 percent) and national (3.9 percent) unadjusted rates.

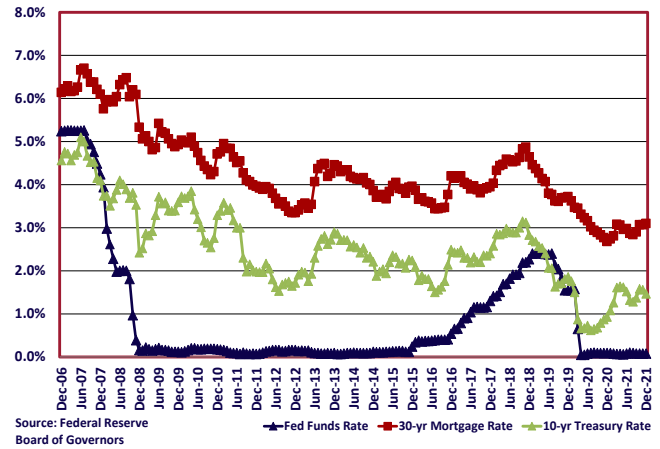
With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures are provided. The first shows the December 2021 Fayetteville-Springdale-Rogers MSA employment breakdown

# Economic Overview

Change in Northwest Arkansas MSA Employment by Sector, December 2020 - December 2021



Selected Interest Rates



by sector. As the pie chart shows, trade, transportation, and utilities had the largest share of employment (21 percent) in Northwest Arkansas followed by professional and business services (20 percent), government (14 percent), manufacturing (11 percent), education and health services (11 percent), and leisure and hospitality (9 percent). The other figure shows the annual percentage change in the metro area’s employment by sector from December 2020 to December 2021. Total nonfarm employment increased by 5.6 percent during that time. All sectors experienced employment growth, except for manufacturing and financial activities which were flat. Employment in information, professional and business, leisure and hospitality, and other services sectors grew faster than the non-farm rate at 15.8 percent, 9.8 percent, 8.5 percent, and 6.3 percent, respectively. The trade, transportation and utilities, and mining, logging and construction sectors grew at a rate similar to the non-farm rate, at 6.0 percent and 5.3 percent, respectively. The slowest growing sectors were education and health, and government at 4.3 percent, and 3.9 percent, respectively.

## Interest Rates

The Federal Funds rate averaged 0.08 percent in December 2021. The ten-year constant maturity Treasury bill had an interest rate of 1.47 percent in December 2021, down from 1.52 percent in June 2021. The spread remained positive and increased between the ten-year rate and the federal funds rate from a year ago, as the ten-year rate increased. The Federal Reserve Open Market Committee decided to maintain the target range for the federal funds rate at 0 to 0.25 percent. With inflation well above 2 percent and a strong labor market, the Committee expects it will soon be appropriate to raise the target range for the federal funds rate. The Committee decided to continue to reduce the monthly pace of its net asset purchases, bringing them to an end in early March. The accompanying figure shows the Federal Funds rate, ten-year rate, and the thirty-year mortgage rate since December 2008. The 30-year mortgage rate was 3.1 percent in December 2021.

# Local Perceptions

In each reporting period, Center for Business and Economic Research staff members discuss market conditions with a panel of commercial developers and property managers to gain insights into the current commercial real estate market in Benton and Washington Counties. Over the course of these conversations, held from October to December, and before the Omicron surge, respondents discussed demand and supply issues across the commercial submarkets, the multifamily market, and the residential market. Supply chain and labor market problems were part of each conversation as well as concerns about interest rate increases in 2022. Finally, short term uncertainty hovered over the conversations but that was tempered with very positive long run outlooks.

Strong demand was the dominant theme in most conversations with Skyline Respondents, regardless of market sector. Expansion of existing office space, new firms locating in Northwest Arkansas, as well as the 'flight to quality' were factors listed as driving demand for Class A office space. Logistics, professional services, medical, and technology firms were cited as being among the new businesses looking to move to Northwest Arkansas. Respondents say co-working space is filling a niche in the market, and is here to stay, becoming an amenity in new Class A office buildings. Class B office space demand continues to be strong as the price differential (\$10 to \$12 a square foot) encourages new firms and value conscious firms to choose well maintained Class B space over new Class A space. In addition to the price gap, panelists felt start-up businesses, expansion of existing firms, and increasing flex-use of the space for uses such as showrooms is strengthening Class B demand. However, panelists noted the lack of new Class B space being built due to high construction and land costs, which would lead to higher lease rates, thereby negating the price gap. Respondents recognize that there is still significant uncertainty in the office space market due to the ongoing pandemic and the acceleration of remote work and flexible schedules. However, they feel that in the long run, new demand for space and the productivity advantages of in-person work will outweigh office space shrinkage and the Northwest Arkansas office space market will continue to add square feet. Panelists continue to say institutional investment in commercial real estate remains relatively insignificant.

Retail demand was stronger than expected according to many respondents. The growth of restaurants, other service sector retail, and online retailers needing brick and mortar locations for final mile delivery were all contributing factors, especially for small spaces between 1,000 to 2,000 square feet. Some respondents reported surging square foot retail sales dollars even in big box locations as consumers left their homes to shop. There is an expectation among panelists that retail demand will continue to be strong and lead to new retail construction as this sector feels the impact of new business start-ups as well as a trend towards increasing inventory levels at stores. A few panelists mentioned the impact of biking on future retail growth. Entertainment services was also mentioned as a driver for retail space use.

Panelists said warehouse space and flex warehouse space are seeing the greatest increase in demand. Increasing population is generating much of this new demand as homeowners, homebuilders, commercial builders, and commercial tenants need storage space. Changing shopping habits are also leading to the need for more local warehouse space as firms build final mile delivery capabilities. Trades such as plumbers and electricians are boosting flex warehouse demand. Panelists don't believe Northwest Arkansas will become a regional delivery hub in the next several years due to the lack of large-scale manufacturing and multiple interstates.

Higher construction and higher land costs are a concern among respondents in the commercial sector because they lead to higher lease rates. In the Class A office submarket, the medical office submarket, and the retail submarket panelists report that tenants are generally willing to pay the new rates. Panelists also believe that tenants in the warehouse and flex warehouse markets are willing to pay higher lease rates in the face of market shortages. Supply chain issues are also impacting both new construction and tenant improvements. These issues include pre-pandemic skilled labor shortages, shortages of materials such as concrete and paint, and finished goods such as windows and cabinets, and delays in obtaining subcontractors. These factors contributed to several panelists mentioning project delays, but not cancellations at this time. Several respondents expressed concern that the ongoing construction of Walmart's home office will contribute to a worsening supply chain issues over the next few years.



# Local Perceptions

The multifamily market continues to have exceptional demand according to respondents with reports of having wait lists for properties. With the population of Northwest Arkansas continuing to grow panelists see continued high demand over the next several years. Anecdotally they report tenants moving from higher priced metros on the coasts, from Colorado, Texas, Chicago, as well as moving within Arkansas for jobs and a higher quality of life. As home prices continue to increase respondents think the alternative of renting is a more affordable housing choice for many households, even though average apartment lease rates are also increasing. Households also were attracted by the amenities offered at apartments such as gyms, pools, Wi-Fi, and trail access. The increasing level of investors buying apartment complexes is also making new construction more attractive, as the potential profit earned by flipping properties grows. While facing the same cost and supply chain issues as commercial property builders, multifamily respondents say the extremely low vacancy rates are encouraging building now.

Residential demand continues to be strong for new construction according to residential respondents. Low interest rates and the wide range of housing product, from zero lot line developments to estate subdivisions, are contributing to strong demand. With the continued growth in population, especially households moving to Northwest Arkansas from higher priced metros, respondents fully expect demand to stay strong. Some respondents mentioned planning for single-family rental developments as a result of the strong demand. While facing the same cost and supply chain issues as commercial and multifamily property builders, residential respondents say the extremely low inventory of new construction houses and existing houses being listed, is encouraging building now.

All of the conversations discussed concerns about the rise in interest rates as higher interest rates can stop new development according to the commercial, multifamily, and residential panelists. However, several of the panelists suggested that a modest set of interest rate increases, not exceeding 1 point, might be healthy for all the markets in the long run. They based this assertion on the idea that projects that barely pencil out now would not be moved forward and it would slow the building of projects with the primary aim of flipping rather than holding.

Uncertainty and concern remains for 2022, particularly about interest rates, supply chains, and Covid-19 surges, but respondents believe Northwest Arkansas will continue to experience accelerating growth. The growth acceleration timeline for most respondents stretched into late 2022 and early 2023. Panelists reiterated that Northwest Arkansas is on the national radar across the board and there is a noticeable amount of people looking to move here on their own, not just because of recruitment. Panelists point to the broad regional investments in amenities and education made by Walmart and the Waltons, the growth of Tyson and JB Hunt over the past year, as well as the perception that the Tyson and Hunt families are increasing their investments in regional amenities.

## Positive Factors:

- Continued population growth in the MSA
- Construction of the new Walmart Home Office
- 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
- Growth in the healthcare sector creating demand for new Medical Office space
- 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
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

# Local Perceptions

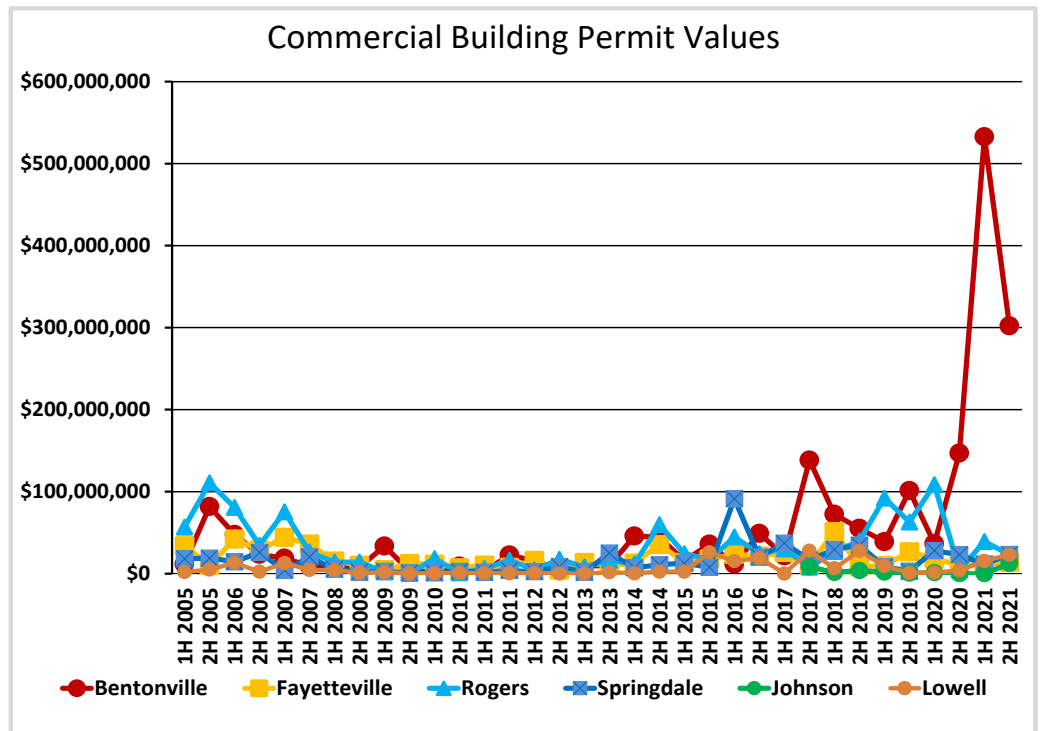
## Negative Factors:

- Higher interest rate forecast for 2022
- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Lease rate increases outpacing small firm's ability to pay
- Shift to flexible work-stations and remote work leading to less office demand
- Over building in the Pinnacle Hills multifamily markets
- Overbuilding of the student housing market around the University of Arkansas
- Increased regulations on development
- Infrastructure needs and costs



# 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, 2021, \$397.9 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 2021, over \$131.1 million in commercial building permits were issued. In the fourth quarter, over \$266.7 million in building permits were issued. In the second half of 2021, Bentonville had the greatest share of building permit value with 75.9 percent. Springdale followed with 5.9 percent, then Lowell and Rogers each with 5.8 percent. Fayetteville and Johnson accounted for 3.5 and 3.1 percent, respectively. There were no commercial building permits issued in Siloam Springs in the second half of 2021.



# Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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	\$0	\$24,408,936	\$1,412,000	\$14,033,069	\$65,530,698
Jan - March 2017	\$7,336,615	\$14,513,326	\$0	\$84,000	\$5,648,091	\$576,141	\$23,123,353	\$51,281,526
Oct. - Dec. 2016	\$15,844,261	\$9,443,954	\$0	\$4,445,138	\$8,574,715	\$0	\$3,813,727	\$42,121,795
July - Sept. 2016	\$33,180,166	\$12,004,863	\$0	\$14,474,766	\$15,710,115	\$3,339,470	\$16,415,992	\$95,125,372
April - June 2016	\$3,186,128	\$21,574,412	\$0	\$4,617,536	\$9,205,408	\$20,222,189	\$87,682,358	\$146,488,031
Jan - March 2016	\$8,282,426	\$2,018,785	\$0	\$10,653,719	\$35,473,387	\$0	\$3,569,037	\$59,997,354
Oct. - Dec 2015	\$29,243,802	\$10,076,938	\$0	\$23,090,780	\$7,179,197	\$1,030,000	\$6,980,305	\$77,601,022
July - Sept. 2015	\$6,656,778	\$7,819,300	\$0	\$2,772,080	\$9,939,946	\$7,303,878	\$707,070	\$35,199,052
April - June 2015	\$8,520,763	\$9,878,384	\$0	\$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	\$0	\$4,115,779	\$0	\$8,617,653	\$23,879,471
Oct. - Dec 2014	\$15,077,940	\$23,716,086	\$0	\$942,443	\$41,437,354	\$298,450	\$5,456,402	\$86,928,675
July - Sept. 2014	\$29,512,908	\$11,744,678	\$0	\$1,375,887	\$18,199,323	\$420,000	\$5,311,744	\$66,564,540
April - June 2014	\$14,880,491	\$6,352,097	\$0	\$299,768	\$8,944,856	\$700,000	\$6,286,894	\$37,464,106
Jan. - March 2014	\$30,816,399	\$6,462,060	\$0	\$0	\$2,620,482	\$0	\$807,905	\$40,706,846
Oct. - Dec. 2013	\$5,614,108	\$5,227,632	\$0	\$1,662,604	\$4,322,282	\$0	\$18,725,840	\$35,552,466
July - Sept 2013	\$4,147,738	\$4,642,389	\$0	\$0	\$12,137,965	\$0	\$6,472,554	\$27,400,646
April - June 2013	\$9,413,479	\$3,035,704	\$0	\$0	\$3,930,130	\$2,165,090	\$1,572,774	\$20,117,177
Jan. -March 2013	\$0	\$10,686,133	\$0	\$0	\$4,122,942	\$0	\$359,328	\$15,168,403
Oct - Dec. 2012	\$4,327,940	\$3,953,149	\$0	\$0	\$8,474,647	\$1,795,000	\$5,378,894	\$23,929,630

# Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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, etc., which results in an undetermined timeline.

Following the announced properties table is a list of the existing hotel properties in Northwest Arkansas, detailed by city. In the second half of 2021, there were 6,874 standard rooms and 2,471 suites in Northwest Arkansas as 117 standard rooms and 17 suites were added in Bentonville. Bentonville had the most standard rooms with 2069, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Even with the pandemic, respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not quite ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of December 31, 2021. For the second half of 2021, the Skyline Report covered 100.9 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others and some cities have longer delays reporting new construction to the respective counties.

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Mercy Clinic	Bella Vista	Mercy Health Systems	Medical	4-6,000	Conceptual
Phat Tire	Bella Vista	Tim Robinson	Retail	14,900	Conceptual
Public Safety Building	Bella Vista	City of Bella Vista	Government Office	46,374	Conceptual
Boat Storage Buildings	Benton County	Robert and Travis Pennington	Warehouse	8,400	Conceptual
14th Street Commercial Building	Bentonville	Kelley CP	Commercial	4,500	Conceptual
305 Main Street	Bentonville	Chip Chambers	Office	15,000	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
3rd and G	Bentonville	Jake Newell	Commercial	3,000	January 2022
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	2021
Ark Academy, The	Bentonville	Gary R Stearman Trust	School	13,934	Done
Arvest Bank-SW Regional Airport	Bentonville	Arvest Bank	Bank	2,780	Done
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual

# New Announced Projects

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



# New Announced Projects

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

# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville		Office	6,500	Conceptual
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Stagecoach Rose Strip Center	Bentonville	Rose Properties	Office/Retail	9,000	Done
Sterling Bank	Bentonville	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Strategy Systems Art Warehouse	Bentonville	Ed and Faith Cooley	Retail/ Warehouse	6,213	Summer 2021
Suite Spaces Development	Bentonville	William Oldham	Commercial	10,000	Conceptual
Superior Auto Group Dealership	Bentonville	David Slone	Commercial		Conceptual
SW Elm Tree Road Development	Bentonville				Conceptual
Tar & DOK	Bentonville		Commercial		Conceptual
The Incubator Phase I	Bentonville	Terry Carson	Commercial	94,250	Conceptual
The Incubator Phase II	Bentonville	Terry Carson	Commercial	51,550	Conceptual
Tigerdogs Commercial	Bentonville	Mark Chambers	Office	12,500	Summer 2021
Verneti Law Group Office-Central	Bentonville	Verneti Law Group	Office		Conceptual
Versalab Offices	Bentonville		Office		Conceptual
Vogel Commercial Development	Bentonville	Ross and Steve Vogel	Commercial	38,000	Conceptual
Walmart Expansion	Bentonville	Walmart	Retail	45,000	Conceptual
Walmart Home Office Campus	Bentonville	Walmart	Office		2024-26
Walmart Home Office Parking Decks	Bentonville	Walmart	Parking Garage		2022-2025
Walmart Utility Plant	Bentonville	Walmart	Industrial	27,000	2021
Westwood Development	Bentonville	Paul Esterer	Commercial		Conceptual
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	2023
Whole Health School of Medicine and Health Sciences	Bentonville	Alice Walton	Medical Office		Fall 2024
Elite Project	Centerton	Susan Gleghorn	Commercial	9,000	Summer 2021
Seavest Medical	Centerton	Seavest Healthcare Properties	Medical		Conceptual
Holland House Storage Facility	Farmington	Holland House Holdings	Mini Storage	60,000	Conceptual
Anthology Mixed Use	Fayetteville	Hunter Buwick	Commercial	27,000	Conceptual
Anthony Timberlands Center for Design and Materials Innovation	Fayetteville	University of Arkansas	School	50,000	December 2022
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Benedict Plaza	Fayetteville	Dale Benedict	Commercial	160,000	2023
Black Forest Retail	Fayetteville	Clinton Bennett	Retail	17,301	Conceptual

# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Blackhive Office	Fayetteville	Ryan Efurd, Kyle Naples	Office		Conceptual
Bolder Coffee Retail Development	Fayetteville	Tom Smith	Retail	5,075	Summer 2021
Buffington Homes Office	Fayetteville	Jake Helton	Office	5,000	Conceptual
Climb Fayetteville	Fayetteville	Lance Brock, Dennis Nelms, Drew Sloss	Retail	19,000	Delayed
Cosmic Cowboy Studio	Fayetteville	Benjamin Meade	Commercial		Conceptual
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	2022
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	2022
Drake Farms	Fayetteville	Highstreet	Commercial	20,000	Conceptual
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office I	Fayetteville	Neal Pendergraft, Highstreet	Office	19,000	Summer 2021
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Firestation	Fayetteville	City of Fayetteville	Firestation	7,322	2022
Flake-Kelley Office Building	Fayetteville	Matt Dearnley	Office	60,000	Conceptual
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Hanna Warehouse	Fayetteville	Burt and Thad Hanna	Warehouse	100,000	2022
Hillcrest Towers Commercial	Fayetteville	Fayetteville Housing Authority	Commercial		Conceptual
Huntsville Road Retail Development	Fayetteville	Clint McDonald	Retail		Conceptual
Industrial Park Fabrication	Fayetteville		Manufacturing	14,400	Conceptual
Industrial Park Multitenant	Fayetteville		Warehouse	10,500	Conceptual
Institute for Integrative and Innovative Research (I3R)	Fayetteville	University of Arkansas	School	125-130,000	January 2024
JBHT Cancer Support Home	Fayetteville	WRMC	Medical	9,000	Done
JGBG Expansion	Fayetteville	MAG Capital Partners	Entertainment	10,921	Fall 2021
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Kum and Go	Fayetteville	Kum and Go	Retail	5,000	Conceptual
Live/Work Artist Space	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Material Testing Facility	Fayetteville	University of Arkansas	School	30,000	2021
Network Building	Fayetteville	Entegrity, Matt Bell, Chris Ladner and John Coleman	Office	27,000	Summer 2021
Pacific Vet Group Industrial	Fayetteville	Pacific Vet Group	Manufacturing		Conceptual
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual

# New Announced Projects

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



# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Grant Parkway Medical Center	Lowell	Justin Ferguson, John Kushniroff, Tim Oelke	Medical Office	10,890	Winter 2021
Indendence Plaza-CRI	Lowell	Scott Dillard, David Erstine	Office	50,000	Fall 2021
Independence Plaza Office	Lowell	Scott Dillard, David Erstine	Office	75,000	Fall 2022
Independence Plaza Retail	Lowell	Scott Dillard, David Erstine	Retail	14,000	Fall 2023
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
The BoxMaker	Lowell	Richard Brown, Tim Oelke	Manufacturing	60,000	Fall 2021
The Boxmaker Production	Lowell	Richard Brown, Tim Oelke	Manufacturing	60,000	2022
TZZ Event Center	Lowell	TZZ Event Center	Commercial		Conceptual
Planetarium	NWA	Katherine Auld	Museum	120,000	Conceptual
Solve For Food Innovation Lab	NWA	Keith Larson, Greg Spragg	Lab	20,000	Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
Plaza Tire Center	Pea Ridge	Barry Williams	Retail		Conceptual
Caseys General Store	Praire Grove	Casey's	Retail	4,200	Conceptual
Heritage Mini Storage Facility	Praire Grove	Bo Speed	Mini Storage		Conceptual
Pitts Office/Warehouse	Praire Grove	Kerry Pitts	Office/Warehouse	2,000	Conceptual
Prairie Grove Self-Storage.	Praire Grove	Jerry Coyle	Mini Storage		Conceptual
Beaty Office Park II	Rogers	Lance Beaty	Office	15,000	Conceptual
Beaty Office Park III	Rogers	Lance Beaty	Office	7,500	Conceptual
Beaty Office Park IV	Rogers	Lance Beaty	Office	5,000	Conceptual
Bellview Urban Center O/R	Rogers	Alex Blass	Office/Retail	30,000	Done
Bost Expansion	Rogers	Bost Inc., Katie Raines	Mixed Use	9,260	Done
Caliber Collision	Rogers	Caliber Collison, Bill Watkins	Commercial		Conceptual
Caseys General Store	Rogers	Casey's	Retail		Conceptual
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Culver's Retail Center	Rogers	Alan Cole	Retail	7,810	Summer 2021
District at Pinnacle Hills IV	Rogers	Whisinvest	Office	44,900	Conceptual
District at Pinnacle Hills Office III	Rogers	Whisinvest	Office	41,396	Done
District at Pinnacle Hills Retail III	Rogers	Whisinvest	Retail	25,000	Conceptual

# New Announced Projects

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

# New Announced Projects

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

# New Announced Projects

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



# New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Caseys General Store	Springdale	Casey's	Retail		Conceptual
Caseys General Store	Springdale	Casey's	Retail	6,172	Done
Center for Childrens Health and Wellness	Springdale	C.L. George and Sons, Matt Brown	Medical Office	82,000	Fall 2021
Children Safety Center	Springdale	CSC, Inc, Elizabeth Shackelford	Office	15,200	Fall 2023
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Criminal Justice Facility	Springdale	City of Springdale	Office		Spring 2021
Diesel Downs, Lots 4, 5	Springdale	Raymond Merrill	Commercial		Conceptual
Diesel Downs, Lots 6, 7	Springdale	Murphy-Hoffman Co.	Commercial		Conceptual
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
Fire Training Center	Springdale	City of Springdale	Training Center	9,200	Summer 2021
First State Bank	Springdale	First State Bank	Bank		Conceptual
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
H.C. Schmieding Office	Springdale	Chris Cryskiewicz	Office		Conceptual
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Margarita Place Phase 2	Springdale	David Mancia	Office/Retail	10-12,000	Summer 2021
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Monitor Warehouse	Springdale	RPH	Warehouse		Conceptual
Northwest Technical Institute Health Facility	Springdale	NTI	School	50,000	Conceptual
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
On Time Logistics, Phase II	Springdale	On Time Logistics, Gerald Jones	Warehouse		Conceptual
Parkway Plaza I	Springdale	Sage Partners and Griffen Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	Lee Ward	Warehouse	80,000	Conceptual
Robinson Office/Warehouse	Springdale	Edwards Properties	Office/Warehouse	16,800	Done
Sam's Furniture	Springdale	Mathias Properties	Warehouse	40,050	Done
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		Conceptual
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Commercial		Conceptual
Traveling Public	Springdale	Blue Crane	Commercial	68,575	Summer 2021
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS	Springdale	Sage Partners	Medical Office	185,000	Conceptual
UAMS Orthopedic and Sports Medicine Facility	Springdale	UAMS	Medical Office	185,000	Conceptual
Williams Tractor Freedom Power Sports	Springdale	Doug Williams	Retail	33,200	Fall 2021
Williams Tractor NHA and Bobcat	Springdale	Doug Williams	Retail	63,856	Fall 2021
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual
Admiral Plaza	Tontitown	Kirk Elsass	Retail	13,800	Summer 2021
Carevet Animal Clinic	Tontitown	Carevet	Animal Medical		Conceptual
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Commercial Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Washington County	Patrick Tobin	Commercial		Conceptual
Ball Metal Fabrication & Hot Rods	Washington County	Ball Metal Fabrication & Hot Rods	Office/Shop	8,000	Conceptual
Dollar General	Washington County	Dollar General	Retail	9,100	Conceptual
James Royal Storage Facility	West Washington County		Mini Storage	8,700	Conceptual
Local Ghost Distillery	West Washington County		Commercial		Conceptual

# 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	111	13
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
Pratt Place Inn	Fayetteville	0	7
Quality Inn	Fayetteville	48	10
Red Roof Inns	Fayetteville	104	1
Regency 7 Motel	Fayetteville	29	3
Sleep Inn of Fayetteville	Fayetteville	62	0
Stay Inn Style	Fayetteville	6	0
Staybridge Suites	Fayetteville	0	109
Super 8 Motel	Fayetteville	83	0
The Chancellor Hotel	Fayetteville	191	17
Value Place Hotel	Fayetteville	121	0
Inn At the Mill	Johnson	54	8
Marriot Townplace	Johnson	0	94
Ramada Inn Lowell	Lowell	51	0
Colonial Motel	Prairie Grove	8	0
Aloft	Rogers	130	1
Best Value Inn & Suites	Rogers	127	0
Candlewood Suites	Rogers	118	12
Country Inn & Suites	Rogers	68	42
Courtyard by Marriot	Rogers	111	11
Embassy Suites	Rogers	0	400
Fairfield Inn Rogers	Rogers	99	0
Guest Inn	Rogers	42	0
Hampton Inn	Rogers	122	0
Hartland Lodge	Rogers	28	0
Holiday Inn	Rogers	0	127
Homewood Suites	Rogers	126	83
Hyatt Place	Rogers	104	0
Mainstay Suites	Rogers	0	99
Microtel	Rogers	52	0



# Existing Hotels

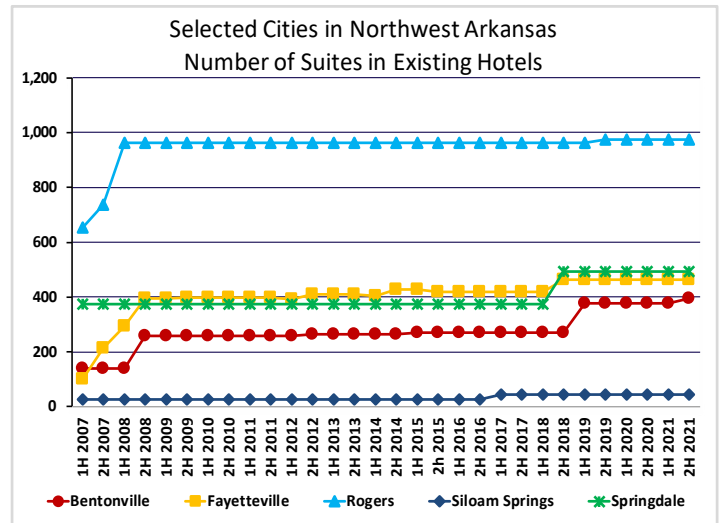
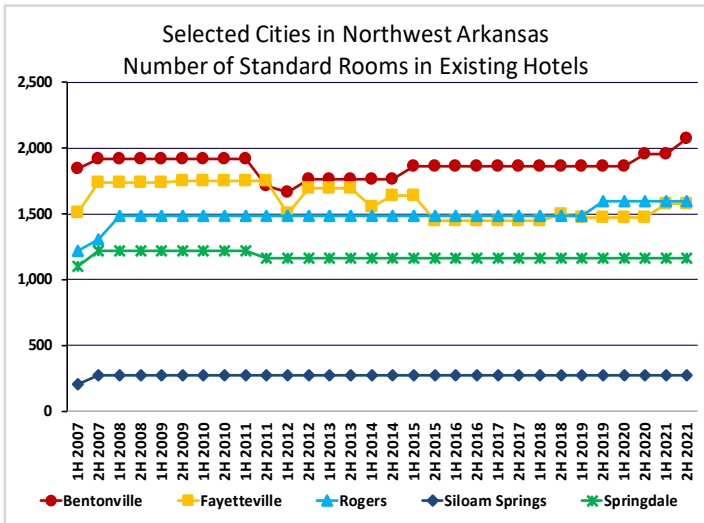
Property Name	City	Number of Standard Rooms	Number of Suites
Ranch-O-Tel Motel	Rogers	21	0
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	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
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
<b>Northwest Arkansas Total</b>		<b>6,874</b>	<b>2,471</b>



# Existing Hotels



# New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Conceptual
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Late 2022
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	100-200	2022
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Pratt Place Inn Expansion	Fayetteville	SREG	97	Conceptual
Exit 69 Hotel	Johnson	Matt Dearnley		Conceptual
Independence Plaza	Lowell	Scott Dillard, IHG		Conceptual
Boutique Hotel	Rogers	Jonelle Hunt, Andrew and David Burnett	120-140	2022
District at Pinnacle	Rogers	Whisenvest		Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Magnolia Farms Hotel	Rogers	Hunter Haynes		Conceptual
Pinnacle Boutique Hotel	Rogers	John Schmelzle		Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Railyard Overlook	Rogers		7	Conceptual
Tru Hotel	Rogers	Vipulkumar Patel		Conceptual
Holiday Inn Express	Springdale	Vipulkumar Patel	84	Underconstruction
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual
Railyard Overlook	Rogers		7	Conceptual
Tru Hotel	Rogers	Vipulkumar Patel		Conceptual
Holiday Inn Express	Springdale	Vipulkumar Patel	84	Underconstruction
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual



# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Firehouse Subs	Bella Vista	Clinton Bennett	Conceptual
Angus Jack	Benton County	Ian and Jean Cairns	Conceptual
Unnamed Restaurant and Winery in Benton County	Benton County	CEI Engineering	Conceptual
Ozark Beer at Rope Hounds	Bentonville	Rope Hounds	Done
Azul Tequila on the Square	Bentonville	Ricky Cortes	Early 2022
Bentonville Taco & Tamale Co.	Bentonville	Scott McGehee, Yellow Rocket	Early 2022
Butcher and Pint	Bentonville	Rob Nelson	Delayed
Crystal Flats Restaurant	Bentonville	Cindy Springs, LLC	Spring 2022
Dickey's Barbecue Pit	Bentonville	Jared Thompson	Delayed
Frida's California Grill	Bentonville		Delayed
Hellion Restaurant, Bar and Taproom	Bentonville	Michael LaSalata	Conceptual
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
Motto Hilton Restaurant	Bentonville	Osage Hospitality	Late 2022
Muse Restaurant	Bentonville	Rose	Early 2022
Old Home Office Property	Bentonville	Walmart	Conceptual
Popup Drink	Bentonville		Conceptual
Red Kite	Bentonville	Danny Hamilton	Done
Scotch and Soda	Bentonville	Josh Weidner	Done
Slim Chickens	Bentonville		February 2022
Social Project Brewing	Bentonville	Travis Banks and Chris Spence	Done
Sunny's	Bentonville	Ropeswing	Done
Two Friends Bookstore Café	Bentonville	Monica Diodati and Rachel Stuckey-Slaton	Done
U.S. Pizza	Bentonville	Esther and Hunter McClellan and Don Henderson	Delayed
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
641.Deli	Fayetteville		Done
7 Brew-College	Fayetteville	John Davidson	Done
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Bolder Coffee-College	Fayetteville		Delayed
Buttered Biscuit	Fayetteville	Anna and Sam Russell	Done
Calle Latin Cuisine	Fayetteville	Fredi Valle and Fernando Castillo	Early 2022
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Cheba Hut 1	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Delayed
Cheba Hut 2	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Delayed
Chi's Baohouse	Fayetteville	Jacob Chi	2023-24
Chuy's	Fayetteville	Mike Young and John Zapp	Conceptual
Citizen, The	Fayetteville	Lane Coleman, Knox McCorquodale, Wilson Wood	Delayed



# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Dollar Slice Club	Fayetteville	Dollar Slice Club	Done
Fossil Cove	Fayetteville	Ben Mills	Conceptual
Isabella Italian	Fayetteville	Golden Family	Early 2022
Jersey Mikes-Joyce	Fayetteville	Jersey Mike's	Early 2022
JJ's Live	Fayetteville	MAG Capital Partners	Done
Leverett Ave Restaurant	Fayetteville	Lewis Chase, Mike and Matt Sutton	Conceptual
Local Coffee Shop, The	Fayetteville		Done
LongHorn Steakhouse	Fayetteville	Darden Restaurants	early 2022
Mango's - Crossover	Fayetteville	Tony Oseguera	Done
MJ's Bistro	Fayetteville	Miles James	Delayed
Mullins Library Café	Fayetteville	U of A	Conceptual
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Tin Roof	Fayetteville	Bob Franklin, Mark King	Spring 2022
TJ's Sandwich Shop	Fayetteville	Nikki and Todd Golden	Done
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Walk On's	Fayetteville	Chris McJunkin	Early 2022
Orthodox Farmhouse Brewery	Goshen	Ashlyn and Jesse Gagnon	Early 2022
59 Diner	Gravette	Carol Thompson and Mike Wilson	Done
McDonalds	Gravette	K-Mac Inc	Conceptual
Greenland Diner	Greenland		Early 2022
Einsteins Bagels-XNA	Highfill	Heather and Mike Phillip, Aaron Nickell	Spring 2022
Hail Fellow Well Met Onyx	Johnson	Highstreet	Done
Pizzeria Ruby	Johnson	Mike Robertshaw& Meredith Butler	Done
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
JT Tri Tip Grill	Lowell		Done
Lowell Historical Museum Café	Lowell	City of Lowell	Delayed
Starbucks	Lowell	Haag Brown	Done
Wendy's	Lowell	Wendy's, Scott Dillard	2022
Der Weinerschnitzel 3 Locations	NWA	Tejas Dogs, LLC	Conceptual
Yellow Rocket Concepts BBQ	NWA	Scott McGehee	Conceptual
CTC Group Coffee Shop	Pea Ridge	Roy Cotton, Jason Ingalls	Conceptual
Dye Hard Restaurant	Pea Ridge	John Dye, John Bryant, John Carney	Conceptual
120 Tapas Bar	Rogers	Comida Artesanal Owners	Spring 2022
American Diner	Rogers	David Mancia	Done
Breakfast Lunch Restaurant	Rogers	Hunt Ventures, Sage Partners, Urban7	Conceptual
Chi's Baohouse	Rogers	Jacob Chi	Late 2022
Coffee Shop-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban6	Conceptual
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Conceptual
Crumb Cookies	Rogers	Matt Sitton	Early 2022

# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Culver's Restaurant	Rogers	Culver's; Alan Cole	Early 2022
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
Eat My Catfish	Rogers	Travis Hester	Done
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Hi Tea	Rogers	Qing Qing Luo	Early 2022
Olive Stree Townhomes Ice Cream Shop	Rogers		Conceptual
One Uptown Restaurants	Rogers	Hachem Investments	Conceptual
Panda Express	Rogers		Conceptual
Pinnacle Village Restaurants	Rogers	Alex Blass	Conceptual
Rendevous Junction Restaurant	Rogers	Alex Blass	Conceptual
Saffron Indian Cuisine	Rogers		Done
Shake's Frozen Custard	Rogers	Shake's Frozen Custard	Early 2022
Taqueria Michoacan	Rogers	David Mancia	Done
Texas Roadhouse	Rogers	Texas Roadhouse	Done
The Five6	Rogers		Done
U.S. Pizza	Rogers	Esther and Hunter McClellan and Don Henderson	Delayed
Vittles	Rogers		Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Flying Burger and Seafood	Siloam Springs	McClain Group	Delayed
I Hop	Siloam Springs	Derrick Gunaca	Early 2022
Pan Dulce Bakery	Siloam Springs		Done
All American Steakhouse and Sports Theater	Springdale	Mark Bazyk	Done
Bauhaus Beirgarten-Downtown	Springdale	Daniel Hintz, Jennifer Hill Booker	Early 2022
Boardwalk Food Truck Court	Springdale		Early 2022
Burger King	Springdale	L.W. Clark, Inc	Conceptual
Chik-fil-A-The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Early 2022
Con Quesos-Downtown	Springdale	Omar Kasim	Done
El Senor Taco	Springdale		Done
Firehouse Subs	Springdale	Jason Steele, Audie White	Done
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Homie Thai	Springdale		Done
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual

# New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Revival-Downtown	Springdale		Conceptual
Shipleys Donuts	Springdale	Shipleys	Conceptual
Starbucks-Thompson	Springdale	Starbucks, Merry Lee Phillips Revocable Trust	Early 2022
The Crossings Restaurant	Springdale	Alan Cole	Conceptual
Traveling Public Restaurant 1	Springdale	Blue Crane	Early 2022
Traveling Public Restaurant 2	Springdale	Blue Crane	Early 2022
Via Emma Ice Cream Shop	Springdale	Blue Crane	Conceptual
Wellington's	Springdale		Done
Dairy Queen	Tontitown	Aimee and Terry Sims	Conceptual
Pinapple Bliss	Tontitown	Andrew Elsass	Done





# Closed Restaurants

Restaurant	City	Date Closed
Kya Chocolate	Bentonville	January 2021
Whichwhich	Bentonville	May 2021
Bocca	Rogers	May 2021
Pho 85 Noodles	Rogers	June 2021
Flying Burger and Seafood	Fayetteville	July 2021
Hardee's	Fayetteville	August 2021
Grub's Uptown	Fayetteville	July 2021
Arsaga's at the Depot	Fayetteville	August 2021
Saffron Indian Cuisine	Fayetteville	October 2021
Hoppin' Johns	Fayetteville	November 2021
Jimmy's Egg	Fayetteville	December 2021
Mango's East	Fayetteville	January 2022
Comida Artesenal	Rogers	January 2022



# 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 <sup>1</sup>	Office <sup>1</sup>	Retail <sup>1</sup>	Warehouse <sup>1</sup>	Total <sup>1</sup>	Total Square Feet <sup>1</sup> (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	140,888	242,600	90,964	453,243	457,106	100.9%
Bentonville	41,700	4,673,226	1,206,699	3,039,816	8,961,441	9,077,027	101.3%
Fayetteville	1,100,829	3,595,002	4,419,725	2,315,310	11,430,866	11,411,369	99.8%
Johnson	--	363,502	124,973	127,964	616,439	564,076	91.5%
Lowell	143,950	383,318	199,151	1,490,378	2,216,797	2,145,859	96.8%
Rogers	1,124,192	3,617,362	4,767,597	3,010,197	12,519,348	12,899,680	103.0%
Siloam Springs	353,242	277,983	865,000	616,300	2,112,525	1,832,818	86.8%
Springdale	1,902,597	1,622,578	2,433,511	4,665,959	10,624,645	11,011,983	103.6%
<b>Northwest Arkansas</b>	<b>4,666,510</b>	<b>14,673,859</b>	<b>14,259,256</b>	<b>15,356,888</b>	<b>48,935,304</b>	<b>49,399,918</b>	<b>100.9%</b>

<sup>1</sup>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 75 of this report.

<sup>2</sup>Source: Panel of 252 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 1,318,037 square feet in the second half of 2020 to 1,362,516 square feet in the second half of 2021. In the past year, 281,704 new square feet of office space were added, with Rogers having the most with 165,424 square feet, while Springdale added another 90,000. There was net negative absorption of 45,621 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net negative absorption with 136,211 square feet. Bentonville had net positive absorption of 94,984 square feet. The overall Northwest Arkansas office vacancy rate remained the same, at 10.0 percent, from the second half of 2020 to the second half of 2021.

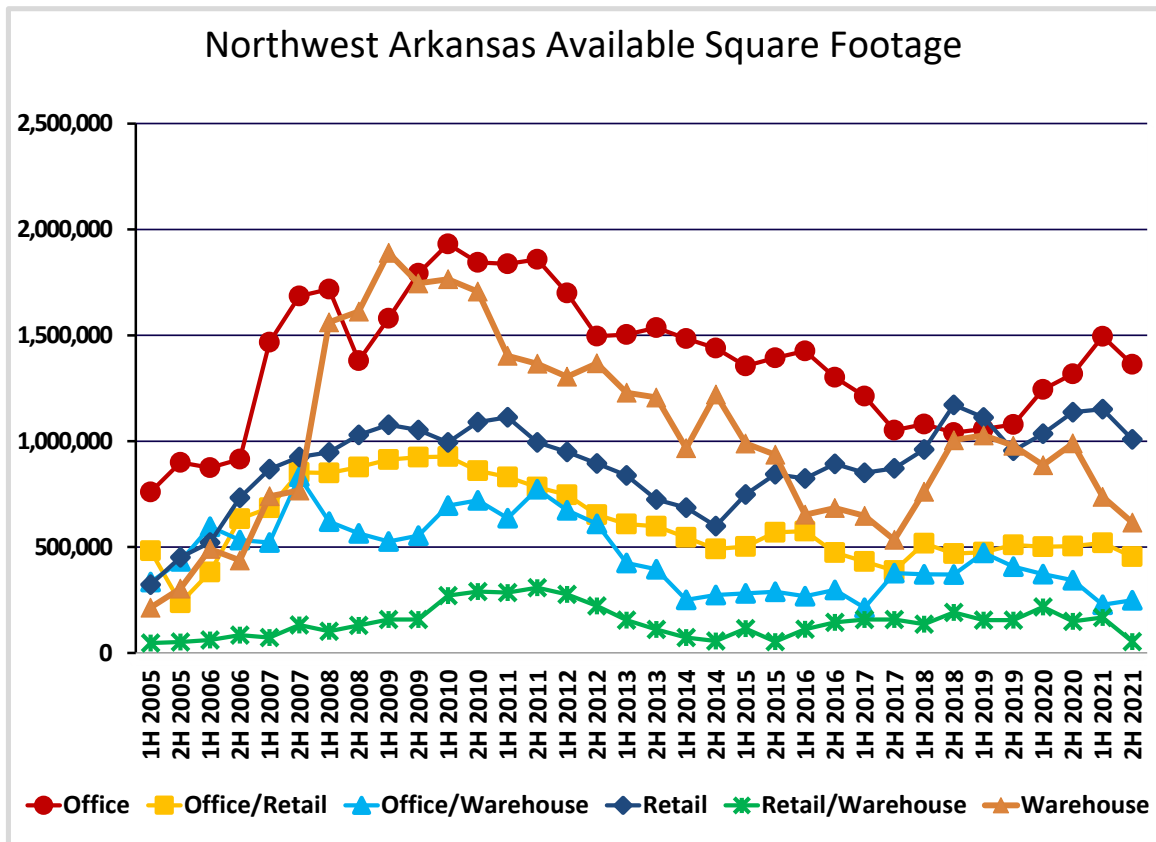
In Northwest Arkansas, 454,699 square feet of office/retail space were available in the second half of 2021, down from 504,030 square feet in the second half of 2020. The office/retail market experienced net positive absorption of 66,721 square feet in the past year. Fayetteville accounted for 29,363 square feet, closely followed by Springdale with 24,550 square feet of net positive absorption. Bentonville had net negative absorption of 26,882 square feet during this period. There were 21,483 new square feet of office/retail space added within the past year. Over half, 12,296 square feet, was in Fayetteville. The overall Northwest Arkansas office/retail vacancy rate decreased by 1.3 percent from 10.9 percent in the second half of 2020 to 9.6 percent the second half of 2021.

In the second half of 2021, 1,009,031 square feet of retail space were available in Northwest Arkansas, down from 1,136,511 square feet in the second half of 2020. The retail market had net positive absorption of 121,332 square feet in the past twelve months. Fayetteville accounted for 105,399 square feet and Lowell added another 18,735 square feet of net positive absorption. Bentonville had 13,456 square feet of net negative absorption during this period. There were 77,935 new square feet of retail space added to the Northwest Arkansas market during the past year, with Rogers accounting for almost two thirds, with 51,140 square feet. The overall Northwest Arkansas retail vacancy rate decreased by 1.3 percentage point from 10.8 percent in the second half of 2020 to 9.5 percent in the second half of 2021.

In the Northwest Arkansas warehouse market, available square footage decreased from 989,582 in the second half of 2020 to 616,204 in the second half of 2021. The warehouse market experienced net positive absorption of 691,751 square feet during the past year. (Some industrial was reclassified into warehouse). Siloam Springs accounted for 289,339 square feet of the net positive warehouse absorption, with Lowell and Rogers adding another 236,708 and 206,362 square feet of net positive absorption. Bentonville had 220,417 square feet of net negative absorption during this period. 445,365 new square feet of warehouse space, all in Bentonville, was added to the Northwest Arkansas market during the past year. Additionally, no new office/warehouse space and 56,800 square feet of new retail/warehouse space, all in Springdale, were added during this period. Warehouse vacancy rates decreased by 4.0 percentage points from 9.3 percent to 5.3 percent, from the second half of 2020 to the second half of 2021.

# Commercial Market Trends

## Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	3,000	13,427	101	3,600
Bentonville	94,984	-26,882	-13,456	-220,417
Fayetteville	54,772	29,363	105,399	54,745
Johnson	3,534	3,000	0	0
Lowell	-47,637	1,600	18,735	236,708
Rogers	-136,211	7,037	4,379	206,362
Siloam Springs	-7,014	14,626	5,120	289,339
Springdale	-11,048	24,550	1,054	121,414
<b>Northwest Arkansas</b>	<b>-45,621</b>	<b>66,721</b>	<b>121,332</b>	<b>691,751</b>

# 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
<b>Office</b>	2H 2020	18,700	520,649	197,281	20,558	21,760	402,026	15,827	121,236	1,318,037
	1H 2021	22,296	484,819	186,186	19,191	18,262	630,872	4,361	129,054	1,495,041
	2H 2021	19,296	430,058	148,243	19,124	69,397	538,863	22,841	114,694	1,362,516
<b>Medical Office</b>	2H 2020	3,000	20,777	29,112	20,558	0	8,114	7,027	41,492	130,080
	1H 2021	3,000	20,777	26,616	9,291	0	11,534	3,761	49,902	124,881
	2H 2021	0	19,577	39,814	9,524	40,000	8,510	22,841	59,078	199,344
<b>Office/Retail</b>	2H 2020	36,337	142,481	194,463	5,000	1,600	55,535	24,212	44,402	504,030
	1H 2021	44,803	143,207	196,799	3,500	0	50,369	27,586	53,122	519,386
	2H 2021	22,910	164,971	173,392	2,000	0	51,698	9,586	30,142	454,699
<b>Office/Warehouse</b>	2H 2020		81,900	1,200	0	25,000	61,400	92,274	81,936	343,710
	1H 2021		61,900	0	0	22,400	28,730	57,667	56,818	227,515
	2H 2021		64,900	0	0	10,400	5,900	92,274	75,534	249,008
<b>Retail</b>	2H 2020	3,400	90,937	360,603	0	20,610	492,349	37,793	130,819	1,136,511
	1H 2021	3,299	105,949	344,812	0	20,610	509,916	34,193	132,498	1,151,277
	2H 2021	3,299	104,393	229,364	0	1,875	501,612	35,173	133,315	1,009,031
<b>Retail/Warehouse</b>	2H 2020		2,928	8,700	9,630	4,900	30,469	9,860	82,712	149,199
	1H 2021		3,846	3,004	4,980	4,900	26,953	9,860	113,587	167,130
	2H 2021		2,928	14,974	9,630	9,800	11,333	0	5,200	53,865
<b>Warehouse</b>	2H 2020	3,600	104,583	54,745	0	316,708	295,328	48,750	165,868	989,582
	1H 2021	0	50,000	54,745	4,000	178,208	301,512	48,750	100,168	737,383
	2H 2021	0	325,000	0	0	92,000	114,750	0	84,454	616,204

# 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
<b>Office</b>	2H 2020	20.7%	12.9%	5.6%	6.8%	6.6%	11.2%	10.3%	9.8%	10.0%
	1H 2021	24.6%	12.1%	5.3%	6.4%	5.7%	16.7%	2.8%	10.4%	11.2%
	2H 2021	16.1%	10.6%	4.3%	6.3%	21.2%	14.1%	13.3%	9.1%	10.0%
<b>Medical Office</b>	2H 2020	13.0%	6.5%	2.3%	6.8%	0.0%	1.9%	6.1%	9.7%	4.4%
	1H 2021	13.0%	6.5%	2.1%	5.2%	0.0%	2.6%	3.3%	11.5%	4.3%
	2H 2021	0.0%	5.5%	3.1%	5.3%	48.4%	1.8%	13.3%	11.2%	6.4%
<b>Office/Retail</b>	2H 2020	13.5%	13.2%	11.3%	6.7%	2.2%	9.0%	13.2%	7.5%	10.9%
	1H 2021	16.6%	13.4%	11.0%	4.7%	0.0%	8.3%	15.0%	7.6%	10.9%
	2H 2021	8.5%	15.5%	9.9%	2.7%	0.0%	8.5%	5.2%	4.3%	9.6%
<b>Office/Warehouse</b>	2H 2020		9.3%	0.6%	0.0%	16.2%	9.7%	83.6%	4.1%	8.6%
	1H 2021		6.8%	0.0%	0.0%	13.9%	4.4%	52.2%	2.9%	5.6%
	2H 2021		7.1%	0.0%	0.0%	6.4%	0.9%	83.6%	3.7%	6.0%
<b>Retail</b>	2H 2020	7.0%	10.8%	9.9%	0.0%	18.3%	13.7%	8.2%	7.5%	10.8%
	1H 2021	6.8%	12.0%	9.4%	0.0%	18.3%	13.9%	7.3%	7.6%	10.8%
	2H 2021	6.8%	11.6%	6.3%	0.0%	1.7%	13.5%	7.5%	7.7%	9.5%
<b>Retail/Warehouse</b>	2H 2020		1.2%	6.1%	53.4%	13.1%	10.8%	7.4%	12.6%	9.9%
	1H 2021		1.5%	3.3%	27.6%	15.8%	9.9%	7.4%	16.8%	11.4%
	2H 2021		1.2%	13.3%	53.4%	31.6%	4.1%	0.0%	0.7%	3.5%
<b>Warehouse</b>	2H 2020	19.5%	7.6%	4.6%	0.0%	22.4%	10.5%	9.0%	5.2%	9.3%
	1H 2021	0.0%	3.6%	4.6%	4.9%	12.6%	9.9%	6.2%	3.1%	6.6%
	2H 2021	0.0%	17.5%	0.0%	0.0%	6.7%	3.7%	0.0%	2.6%	5.3%

# 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
<b>Office</b>	2H 2020	3,300	19,207	-17,744	-3,231	1,848	-31,018	-2,566	17,510	-12,694
	1H 2021	0	35,830	11,095	1,367	3,498	-228,220	11,466	592	-164,372
	2H 2021	3,000	59,154	43,677	2,167	-51,135	92,009	-18,480	-11,640	118,752
<b>Medical Office</b>	2H 2020	0	0	1,720	-3,231	0	5,074	-3,266	0	297
	1H 2021	0	0	2,496	2,917	0	-1,920	3,266	0	6,759
	2H 2021	3,000	1,200	-13,198	-233	-40,000	3,024	-18,480	-9,176	-73,863
<b>Office/Retail</b>	2H 2020	0	-18,078	-3,505	-2,000	1,280	18,400	-19,035	23,410	472
	1H 2021	-8,466	-726	7,922	1,500	1,600	8,366	-3,374	-430	6,392
	2H 2021	21,893	-26,156	21,441	1,500	0	-1,329	18,000	24,980	60,329
<b>Office/Warehouse</b>	2H 2020		-100	1,900	0	0	3,000	-34,607	4,389	-25,418
	1H 2021		20,000	1,200	0	2,600	32,670	34,607	25,798	116,875
	2H 2021		-3,000	0	0	12,000	22,830	-34,607	7,284	4,507
<b>Retail</b>	2H 2020	0	-27,279	23,526	0	6,300	-78,720	-1,759	30,265	-47,667
	1H 2021	101	-15,012	28,613	0	0	-3,925	6,100	3,871	19,748
	2H 2021	0	1,556	76,786	0	18,735	8,304	-980	-2,817	101,584
<b>Retail/Warehouse</b>	2H 2020		0	28,600	-9,630	0	10,553	49,150	24,612	103,285
	1H 2021		0	-1,304	4,650	0	3,516	0	-14,915	-8,053
	2H 2021		918	0	-4,650	-4,900	15,620	9,860	90,387	107,235
<b>Warehouse</b>	2H 2020	0	-10,583	10,000	0	-70,808	-39,310	0	-16,194	-126,895
	1H 2021	3,600	54,583	0	-4,000	138,500	19,600	240,589	105,700	558,572
	2H 2021	0	-275,000	54,745	4,000	98,208	186,762	48,750	15,714	133,179



# Commercial Market Trends

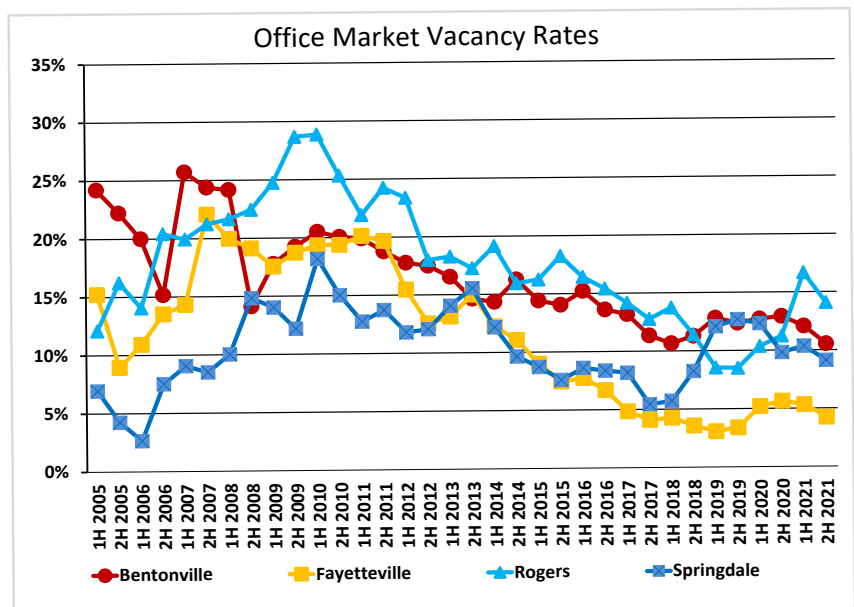
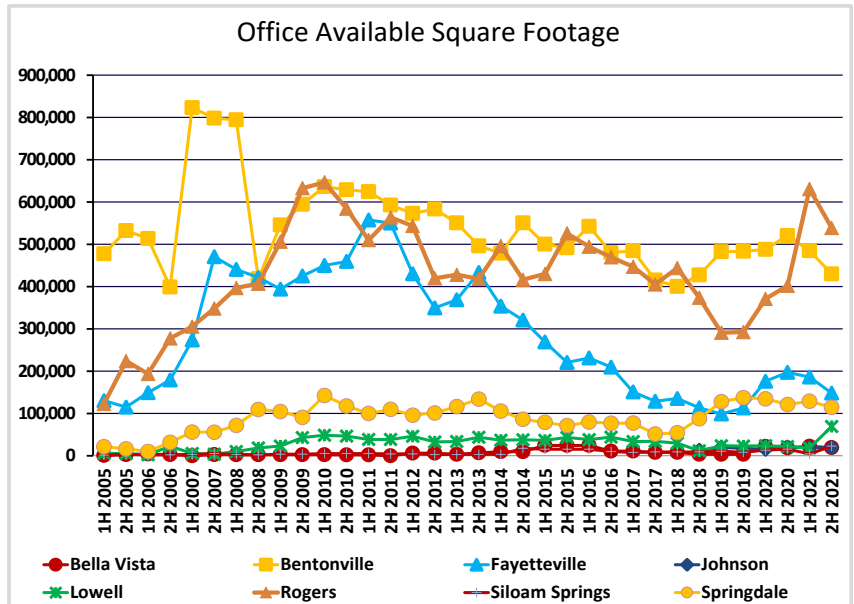
## Office Vacancy and Space

In the second half of 2021, the office properties included in the Skyline Report panel had a vacancy rate of 10.0 percent, a decrease from 11.2 percent in the first half of 2021. Of the 13,565,273 square feet of Northwest Arkansas properties examined, 1,362,516 square feet were available. In the second half of 2021, 116,280 square feet of new space entered the market, while 235,032 square feet became occupied, netting positive absorption of 118,752 square feet for the Northwest Arkansas office market.

Bentonville had 430,058 available square feet of office space out of its total office space of 4,075,117 square feet in the second half of 2021. 60.8 percent of the available office space was Class B. There were no new square feet added during this time. The Bentonville office market had overall net positive absorption of 59,154 square feet, 52,871 in the Class B submarket while Class A, Class C, and Medical office space each had less than 3,000 square feet of net positive absorption.

Rogers had 3,822,272 square feet of total office space, with the most available square feet of 538,863 in the second half of 2021. 66.6 percent of the available space was in the Class A submarket. No new office space was added during this time. The Rogers office market had a net positive absorption of 92,009 square feet in the second half of 2021. The Class A submarket accounted for 61,284 square feet, the Class B submarket for 19,062 square feet, and the Class C submarket for 8,639 square feet of the net positive absorption.

Fayetteville had 148,243 square feet of available space, out of its total office space of 3,486,820 square feet in the second half of 2021. 45.2 percent of the available space was in the Class B submarket. There were 7,800 new square feet of medical office space added in the second half of 2021. The Fayetteville office market had overall net positive absorption of 43,677 square feet, with 32,061 square feet in the Class B office submarket and another 29,368 in the Class A office submarket. The Medical office submarket had 13,198 square feet of net negative absorption during the same period.



# Commercial Market Trends

## Office Lease Rates by City

Springdale had 1,256,693 total square feet of office space, with 114,694 square feet of it available in the second half of 2021. 51.5 percent was Medical office space. There were 90,000 new square feet of Medical office space added during this period. There was net negative absorption of 11,640 square feet in the Springdale office market in the second half of 2021. Medical office had 9,176 square feet and Class C office had 9,340 square feet of net negative absorption, while the Class B office submarket had 9,296 square feet of net positive absorption.

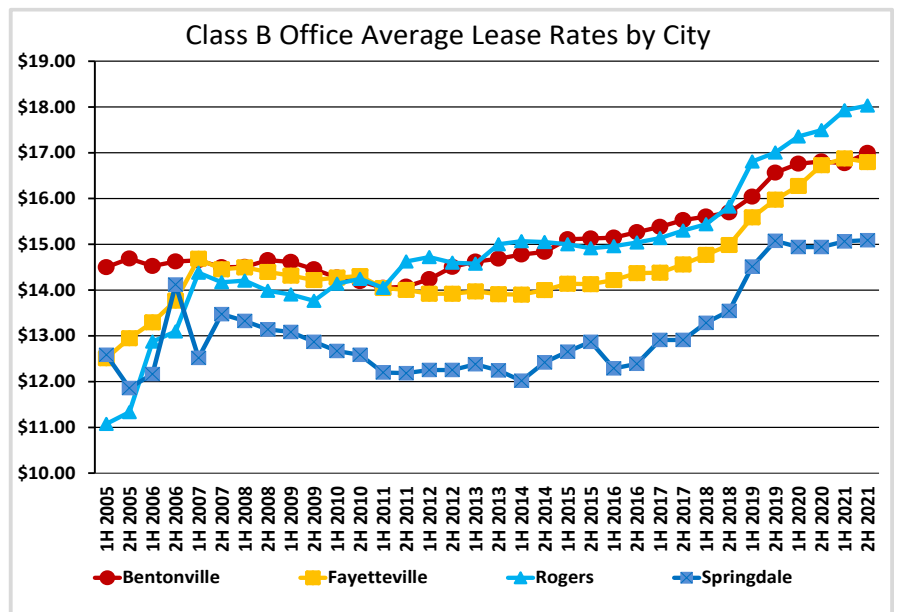
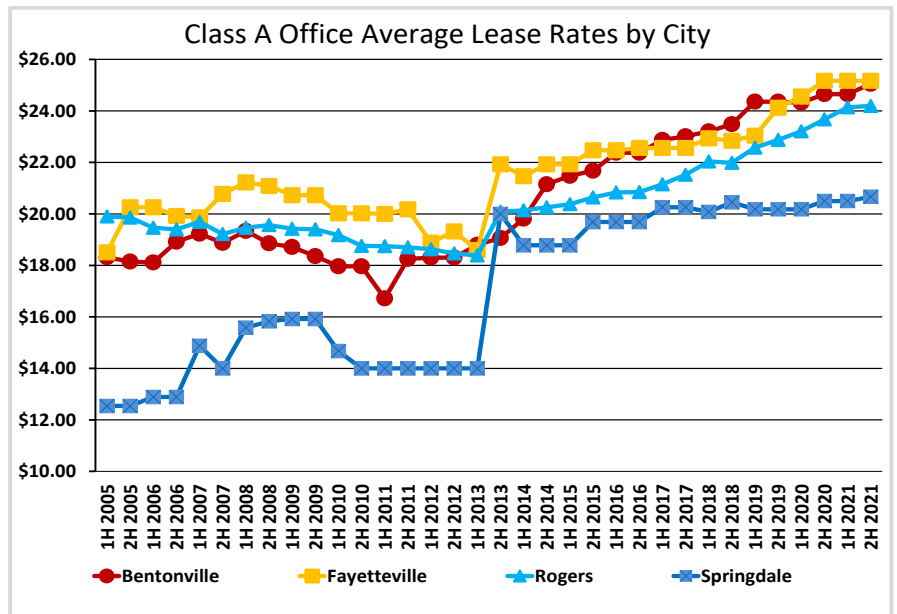
In the second half of 2021, average reported lease rates for Class A office space were highest in Fayetteville, remaining \$25.17. Bentonville increased \$0.40 to \$25.05, Rogers increased to \$24.19, and Springdale increased to \$20.67.

Average reported lease rates for Class B office space was highest in Rogers, increasing slightly to \$18.03. Bentonville increased to \$17.00, Fayetteville decreased to \$16.80, and Springdale remained the lowest, but increased to \$10.23.

Reported average lease rates for Class C office were highest in Bentonville remaining at \$14.14. Fayetteville decreased to \$12.96, Rogers increased to \$11.22, and Springdale remained the lowest, but increased to \$10.23.

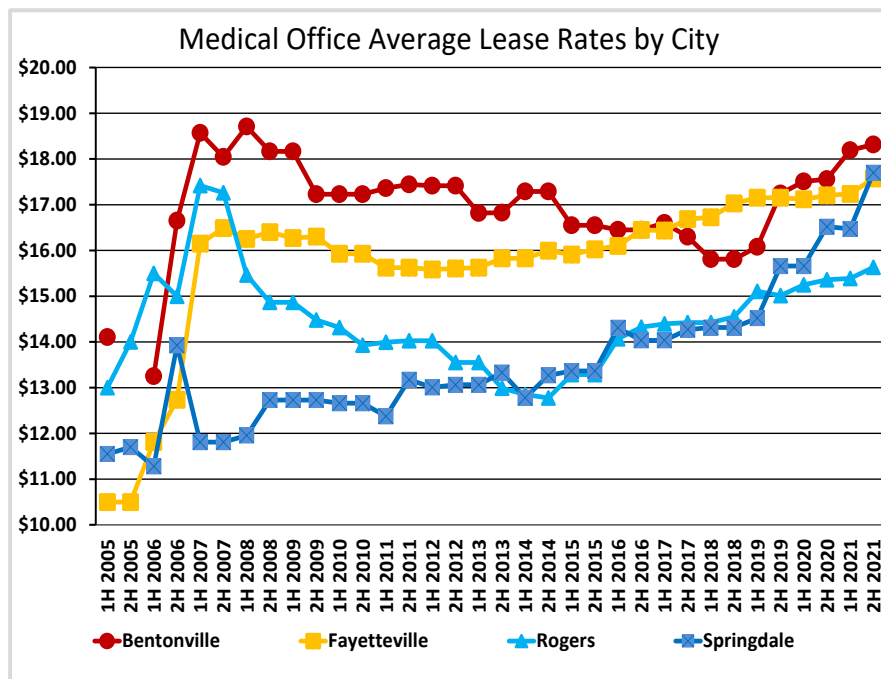
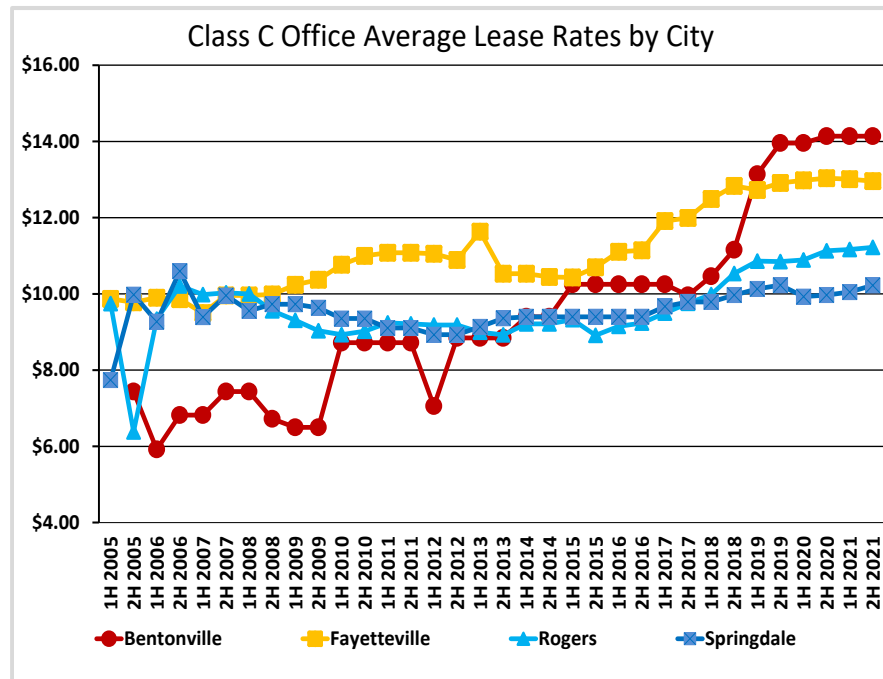
Reported average medical office space lease rates were highest in Bentonville increasing to \$18.32. Springdale had the greatest increase of \$1.23 reaching \$17.70, Fayetteville increased to \$17.58, and Rogers remained the lowest average reported lease rate increasing to \$15.63.

City	Class A	Class B	Class C	Medical
Bentonville	\$24.09 - \$26.01	\$16.75 - \$17.24	\$14.09 - \$14.19	\$18.08 - \$18.55
Fayetteville	\$23.09 - \$27.25	\$16.5 - \$17.05	\$12.65 - \$13.27	\$16.79 - \$18.36
Rogers	\$23.64 - \$24.74	\$17.74 - \$18.22	\$11.07 - \$11.37	\$15.55 - \$15.71
Springdale	\$20.33 - \$21.00	\$14.65 - \$15.53	\$9.72 - \$10.73	\$17.70 - \$17.70



# Commercial Market Trends

## Office Lease Rates by Class and City



# Commercial Market Trends

## Available Office Space by Category

Office Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2 H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office</b>							
Bentonville	847,975	139,755	16.5%	2,280	0	2,280	367.8
Fayetteville	456,037	11,016	2.4%	29,368	0	29,368	2.3
Rogers	2,044,302	359,123	17.6%	61,284	0	61,284	35.2
Springdale	95,501	2,420	2.5%	-2,420	0	-2,420	--
<b>Class B Office</b>							
Bentonville	2,508,527	261,506	10.4%	52,781	0	52,781	29.7
Fayetteville	1,284,067	67,027	5.2%	32,061	0	32,061	12.5
Rogers	988,875	145,032	14.7%	19,062	0	19,062	45.7
Springdale	423,048	28,158	6.7%	9,296	0	9,296	18.2
<b>Class C Office</b>							
Bentonville	360,651	9,220	2.6%	2,893	0	2,893	19.1
Fayetteville	462,482	30,386	6.6%	-4,554	0	-4,554	--
Rogers	316,359	26,198	8.3%	8,639	0	8,639	18.2
Springdale	212,395	25,038	11.8%	-9,340	0	-9,340	--
<b>Medical Office</b>							
Bentonville	357,964	19,577	5.5%	1,200	0	1,200	97.9
Fayetteville	1,284,234	39,814	3.1%	-5,398	7,800	-13,198	--
Rogers	472,736	8,510	1.8%	3,024	0	3,024	16.9
Springdale	525,749	59,078	11.2%	80,824	90,000	-9,176	--

# Commercial Market Trends

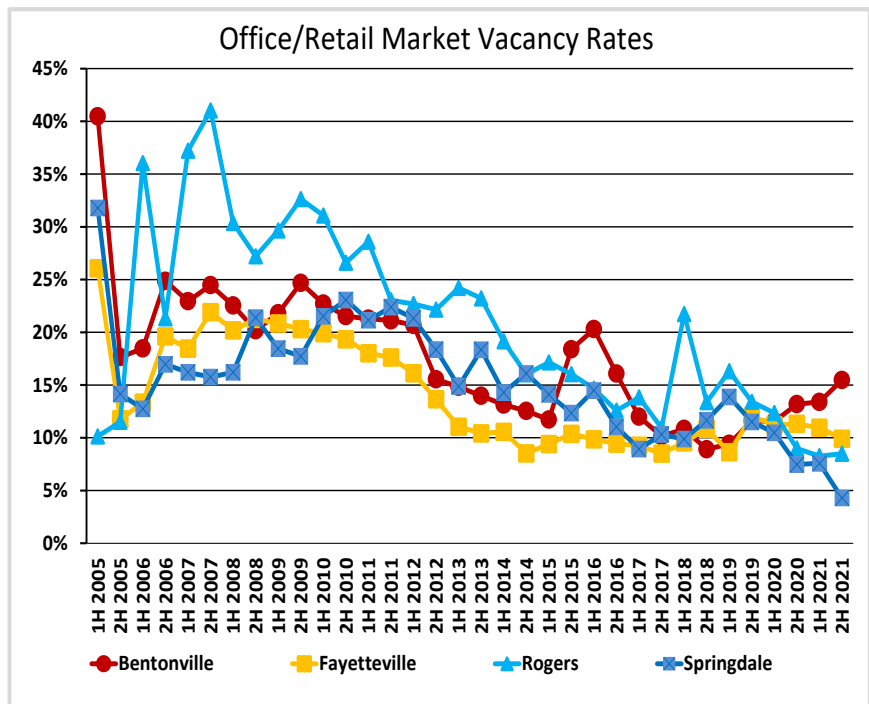
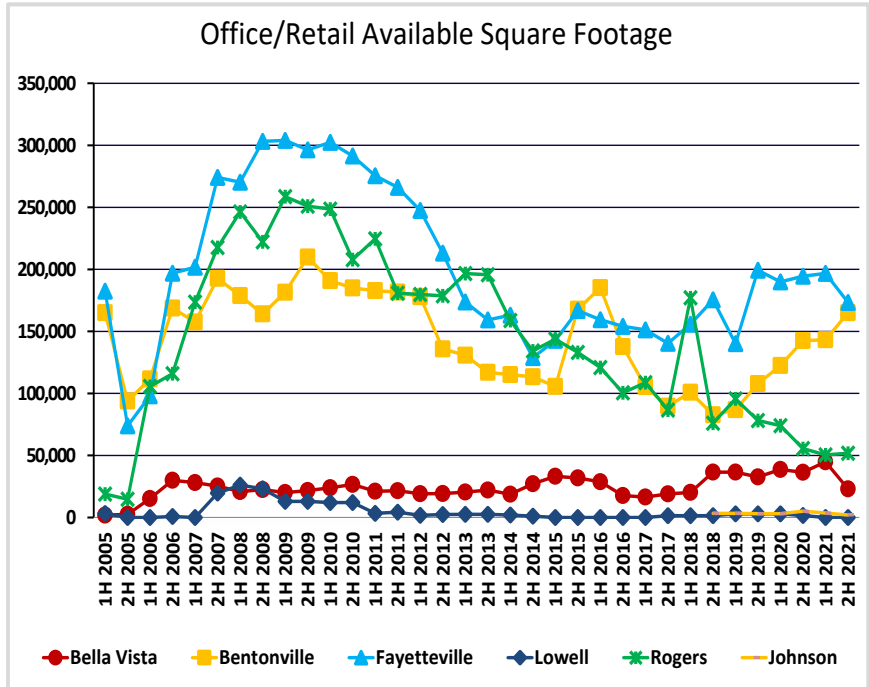
## Office/Retail Vacancy and Space

In the second half of 2021, the office/retail properties included in the Skyline Report sample had a vacancy rate of 9.6 percent, down from 10.9 percent in the first half of 2021. Of the 4,729,822 square feet of Northwest Arkansas properties examined, 454,699 square feet were available.

From the first half of 2021 to the second half of 2021, 9,187 square feet of new office/retail space were added in Northwest Arkansas, all of it in Bentonville. There was net positive absorption of 60,329 square feet in the second half of 2021. Springdale had the most net positive absorption with 24,980 square feet, with Bella Vista contributing 21,893 square feet, and Fayetteville added 21,441 square feet of net positive absorption. Meanwhile Bentonville had the most net negative absorption at 26,156 square feet.

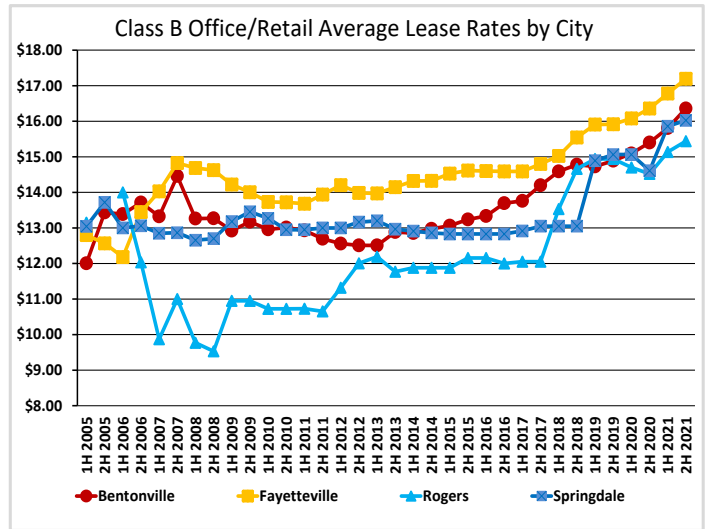
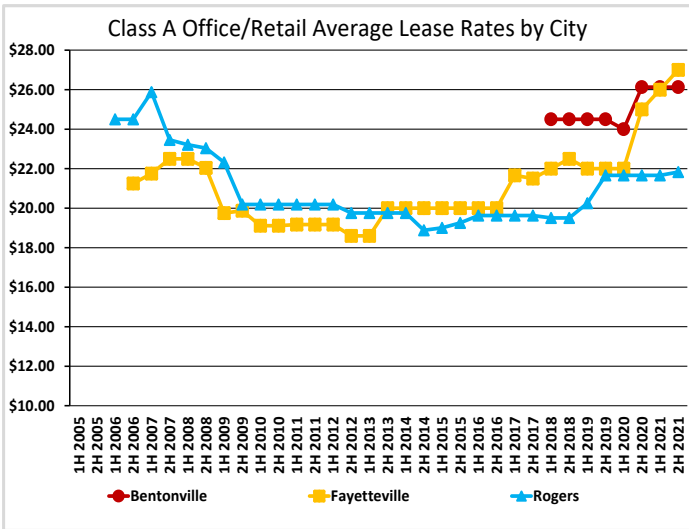
Fayetteville had the largest amount of available square feet in the office/retail submarket with 173,392 square feet in the second half of 2021, with Bentonville adding 164,971 square feet of available space. The vacancy rate was highest in Bentonville at 15.5 percent.

The office/retail space reported average lease rates in the second half of 2021 were highest in the Fayetteville Class A submarket at \$27.00, after a \$1.00 increase. The Bentonville Class A average lease rate remained at \$26.13, while the average Class A lease rate in Rogers increased to \$21.83.



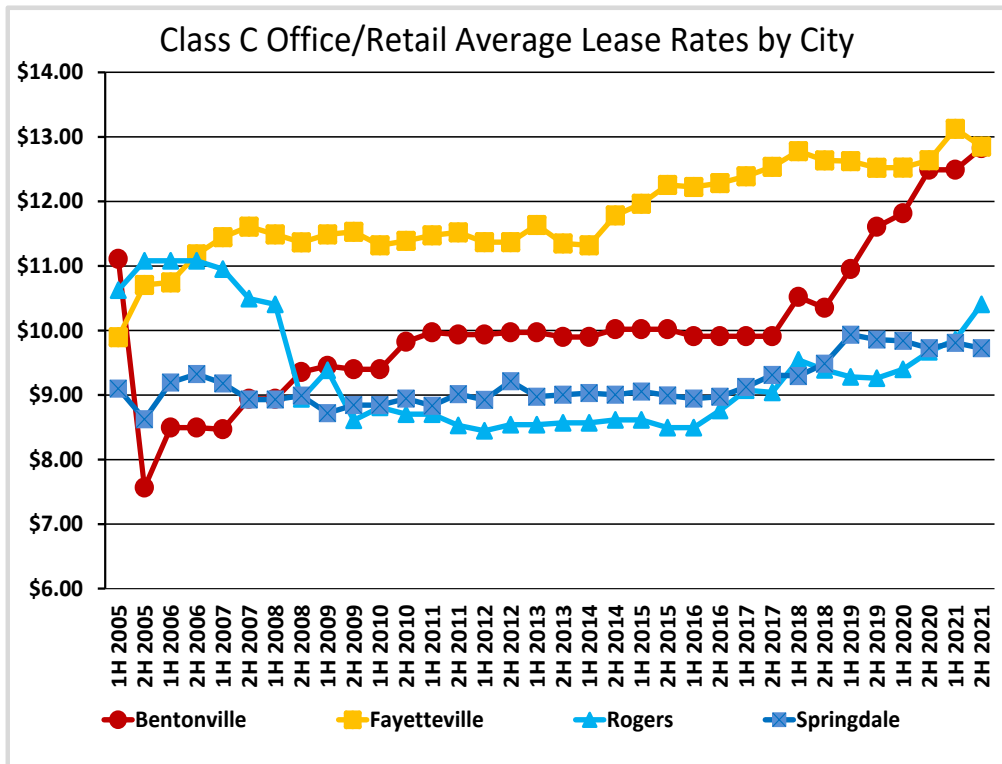
# Commercial Market Trends

## Office/Retail Classes Lease Rates by City



In the Class B submarket, Fayetteville stayed the most expensive at \$16.78 after a \$0.41 increase, followed by Bentonville at \$16.36, after an increase of \$0.55, Springdale increased to \$16.03, and Rogers remained the lowest after an increase to \$15.44.

In the Class C submarket, the average lease rate was highest in Fayetteville at \$13.13 after a decrease of \$0.28. In Bentonville, the average increased to \$12.83, in Rogers, the rate increased \$0.55 to \$10.41, and Springdale was the least expensive decreasing to \$9.73.





# Commercial Market Trends

## Office/Retail Available Space by City

City	Class A	Class B	Class C
Bentonville	\$26.00 - \$26.25	\$15.75 - \$16.97	\$12.51 - \$13.14
Fayetteville	\$26.50 - \$27.50	\$16.56 - \$17.83	\$12.17 - \$13.53
Rogers	\$21.83 - \$21.83	\$14.78 - \$16.10	\$9.76 - \$11.05
Springdale	--	\$14.95 - \$17.10	\$9.19 - \$10.26

Available Office/ Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office/Retail</b>							
Bentonville	140,683	2,750	--	10,000	0	10,000	1.7
Fayetteville	42,000	7,475	17.8%	797	0	797	56.3
Rogers	110,382	5,593	5.1%	-3,125	0	-3,125	--
Springdale	--	--	--	--	--	--	--
<b>Class A Office/Retail</b>							
Bentonville	777,844	154,196	19.8%	-25,924	9,187	-35,111	--
Fayetteville	1,204,111	138,219	11.5%	24,772	0	24,772	33.5
Rogers	212,813	29,683	13.9%	-3,500	0	-3,500	--
Springdale	255,475	13,492	5.3%	9,700	0	9,700	8.3
<b>Class A Office/Retail</b>							
Bentonville	147,702	8,025	5.4%	-1,045	0	-1,045	--
Fayetteville	504,958	27,698	5.5%	-4,128	0	-4,128	--
Rogers	285,944	16,422	5.7%	5,296	0	5,296	18.6
Springdale	447,626	16,650	3.7%	15,280	0	15,280	6.5

# Commercial Market Trends

## Retail Vacancy and Space

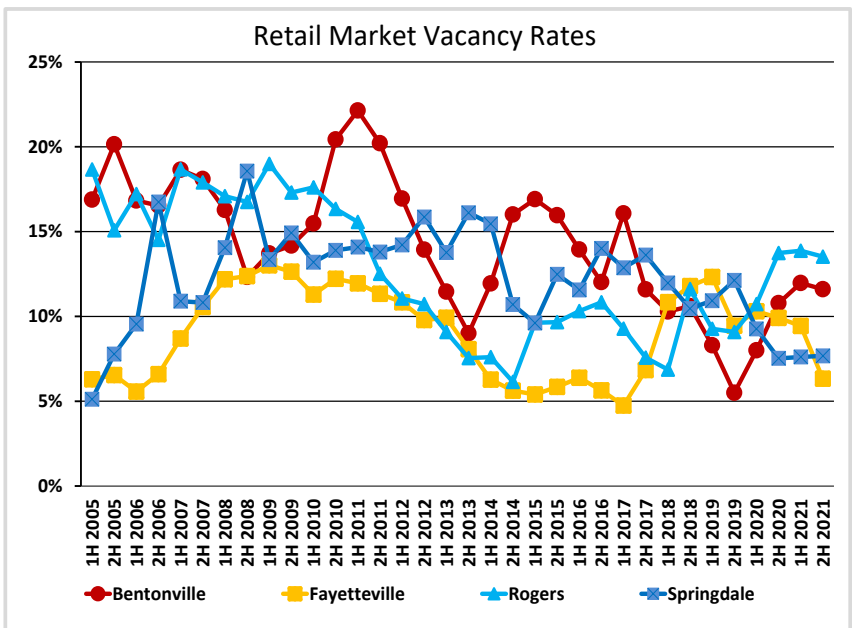
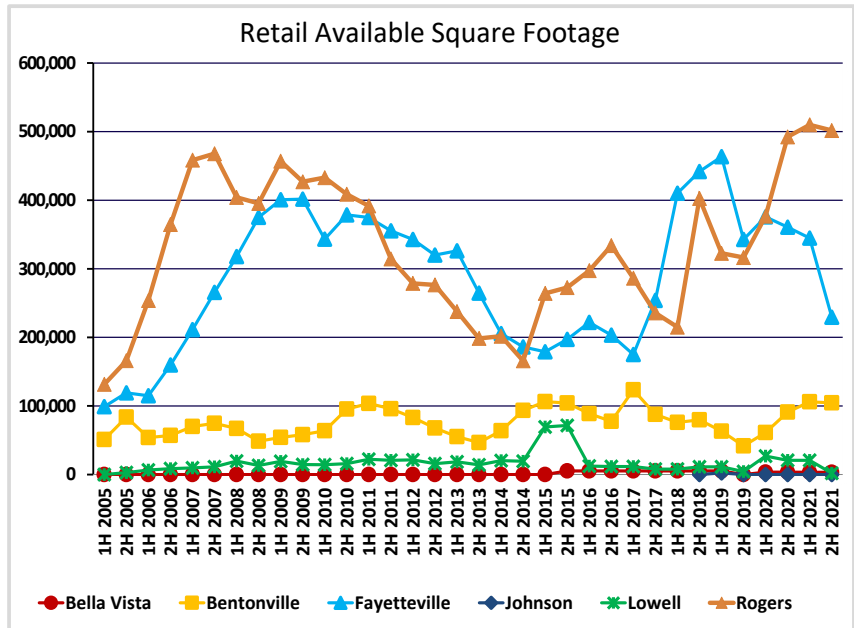
In the second half of 2021, the retail properties included in the Skyline Report panel had a vacancy rate of 9.5 percent, down from 10.8 in the first half of 2021. Of the 10,649,007 total retail square feet examined in Northwest Arkansas, 1,009,031 square feet were available. 25,720 square feet of new retail space were added in Northwest Arkansas. There was net positive absorption of 101,584 square feet in the second half of 2021.

The Rogers market had 501,612 square feet of available retail space out of a total of 3,708,368 square feet, for a vacancy rate of 13.5 percent in the second half of 2021. This was a decrease from the 13.9 percent rate in the first half of 2021. No new retail space were added in Rogers, and there was net positive absorption of 8,304 square feet.

In the second half of 2021, Fayetteville had a retail vacancy rate of 6.3 percent, down from 9.4 percent in the first half of 2021, with 229,364 available square feet out of a total of 3,620,335. 9,201 new square feet were added and there was net positive absorption of 76,786 square feet in the Fayetteville retail market.

Bentonville had 899,841 total square feet with 104,393 available square feet of retail space in the second half of 2021, resulting in a vacancy rate of 11.6 percent. This represented a decrease from the rate of 12.0 percent in the first half of 2021. 16,519 new square feet of retail space were added to the Bentonville market which had net positive absorption of 1,556 square feet.

There were 133,315 square feet of available retail space out of a total of 1,735,902 square feet in Springdale in the second half of 2021. The vacancy rate of 7.7 percent, was up from 7.6 percent in the first half of



2021. No new square feet of retail space were added during the second half of 2021, and there was net negative absorption of 2,817 square feet.

# Commercial Market Trends

## Retail Available Space



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

Available Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Retail</b>							
Bentonville	175,709	21,534	12.3%	6,000	0	6,000	21.5
Fayetteville	1,130,393	44,081	3.9%	14,610	0	14,610	--
Rogers	1,665,715	169,498	10.2%	3,601	0	3,601	282.4
Springdale	--	--	--	--	--	--	--
<b>Class B Retail</b>							
Bentonville	555,868	82,859	14.9%	12,075	16,519	-4,444	--
Fayetteville	2,043,202	164,849	8.1%	54,283	9,201	45,082	21.9
Rogers	1,462,220	313,900	21.5%	-21,968	0	-21,968	--
Springdale	1,033,009	106,379	10.3%	-5,497	0	-5,497	--
<b>Class C Retail</b>							
Bentonville	168,264	0	0.0%	0	0	0	--
Fayetteville	446,740	20,434	4.6%	17,094	0	17,094	7.2
Rogers	580,433	18,214	3.1%	26,671	0	26,671	4.1
Springdale	702,893	26,936	3.8%	2,680	0	2,680	60.3

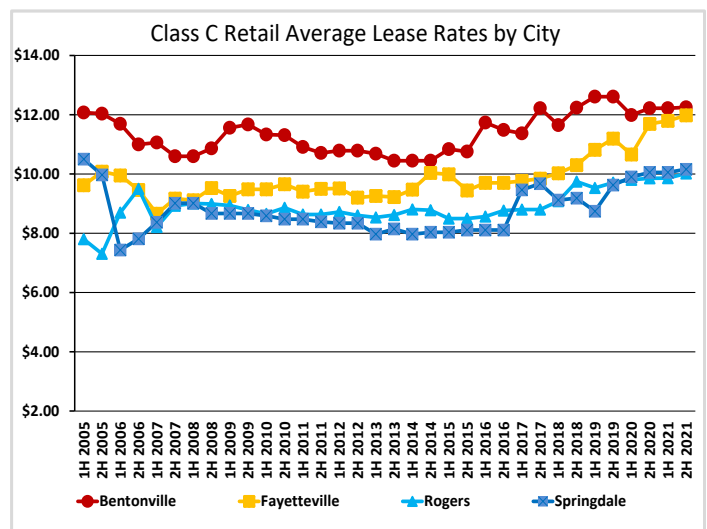
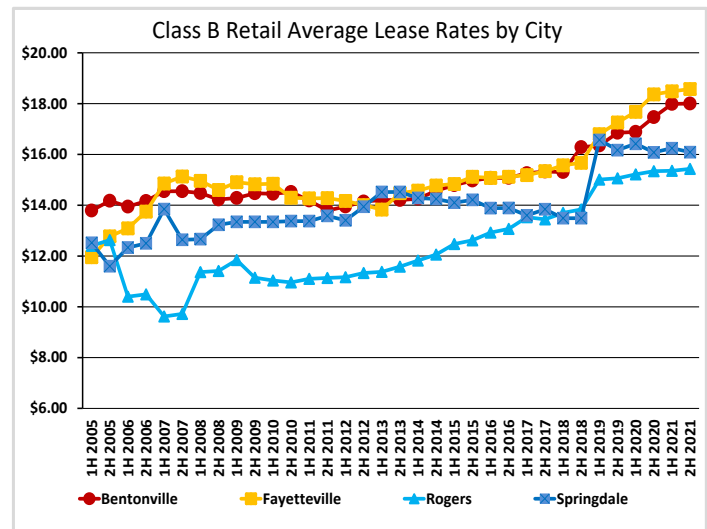
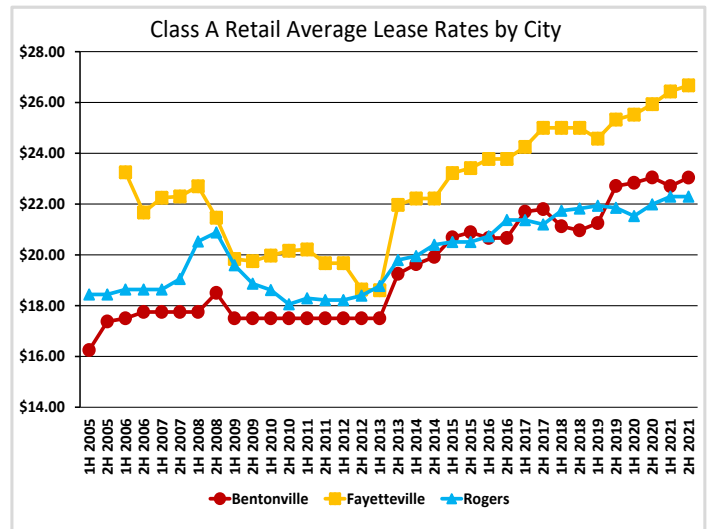
# Commercial Market Trends

## Retail Lease Rates By Class A, B or C

In the Class A retail submarket Fayetteville had the highest average reported lease rate at \$26.68 after an increase of \$0.24. Bentonville had an average reported lease rate of \$23.04, after an increase of \$0.34. The average rate in Rogers remained \$22.30.

After an increase of \$0.09, Class B average reported retail lease rates were highest in Fayetteville at \$18.58. Bentonville increased to \$18.01, Springdale decreased to \$16.09, and Rogers was the lowest after increasing to \$15.43.

Class C average reported lease rates remained the highest in Bentonville increasing to \$12.25. Fayetteville increased to \$11.98, Springdale increased to \$10.16, leaving Rogers the lowest after increasing to \$10.02 in the second half of 2021.



# Commercial Market Trends

## Warehouse Vacancy and Space

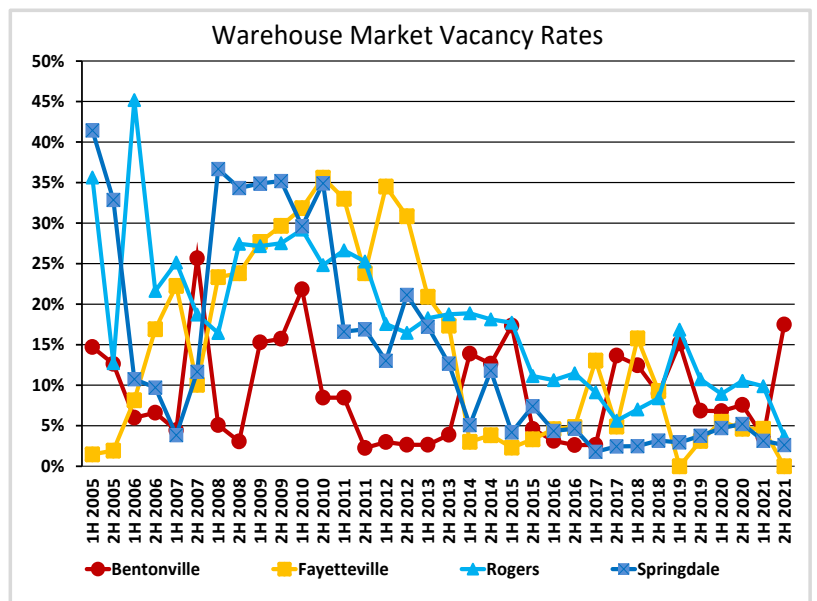
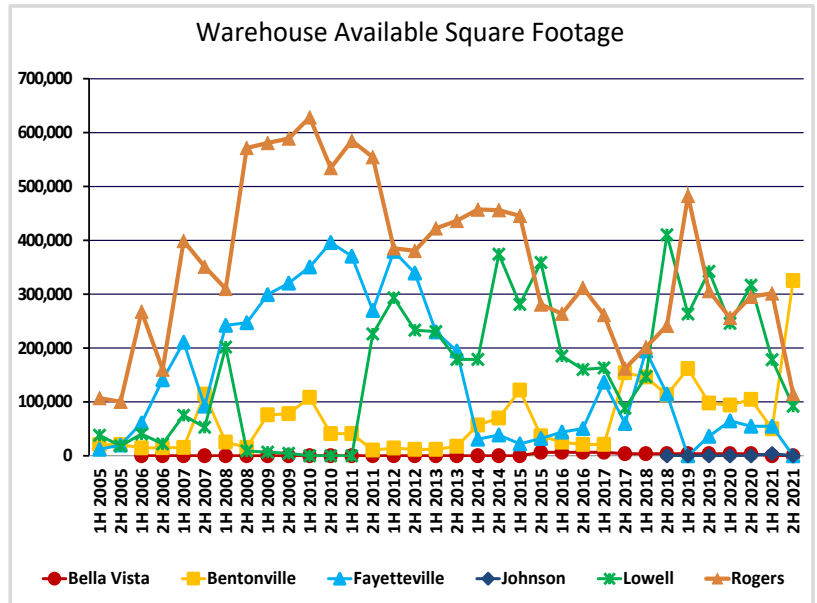
In the second half of 2021, the warehouse properties included in the Skyline Report panel had a 5.3 vacancy rate percent, down from 6.6 percent in the first half of 2021. Of the 11,584,871 square feet of warehouse space examined, 616,204 square feet were available. There were 445,365 new square feet of warehouse space added in the second half of 2021, and there was net positive absorption of 133,179 square feet.

Springdale, including Tontitown warehouse space, in the second half of 2021 had 3,235,447 square feet of warehouse space, of which 60.9 percent is Class B space. 84,454 square feet was available, slightly over half of it, 44,454 square feet, was Class C space. There was net positive absorption of 15,714 square feet, 12,090 square feet from the Class B submarket in the second half of 2021, leading to an overall vacancy rate of 2.6 percent, down from 3.1 percent in the first half of 2021. There were no new square feet added to the Springdale warehouse submarket.

Rogers had 3,103,914 square feet of warehouse space, of which 36.6 percent was Class C. 114,750 square feet was available, all of it Class C space. There was net positive absorption of 186,762 square feet, all in the Class C submarket in the second half of 2021 leading to a vacancy rate of 3.7 percent, down from 9.9 percent in the first half of 2021. No new square feet of warehouse space were added to the Rogers warehouse submarket this half.

Bentonville had 1,859,891 total square feet of warehouse space. 88.1 percent being Class A warehouse space. 325,000 square feet of warehouse space, all of it Class A, was available in the second half of 2021. 445,365 new square feet of warehouse space were added to the Bentonville warehouse submarket in the second half of 2021. The vacancy rate was 17.5 percent, up from 3.6 in the first half of 2021. There was net negative absorption of 275,000 square feet in this report period.

92,000 square feet of warehouse space was available in Lowell out of 1,366,407 total square feet of warehouse space. 50.9 percent of the total warehouse space was Class B. No new square feet of warehouse were added to the Lowell submarket in the second half of 2021. After net positive absorption of 98,208 square feet, the resulting vacancy rate was 6.7 percent, down from 12.6 percent in the first half of 2021. All of the net positive absorption was in the Class B warehouse submarket.

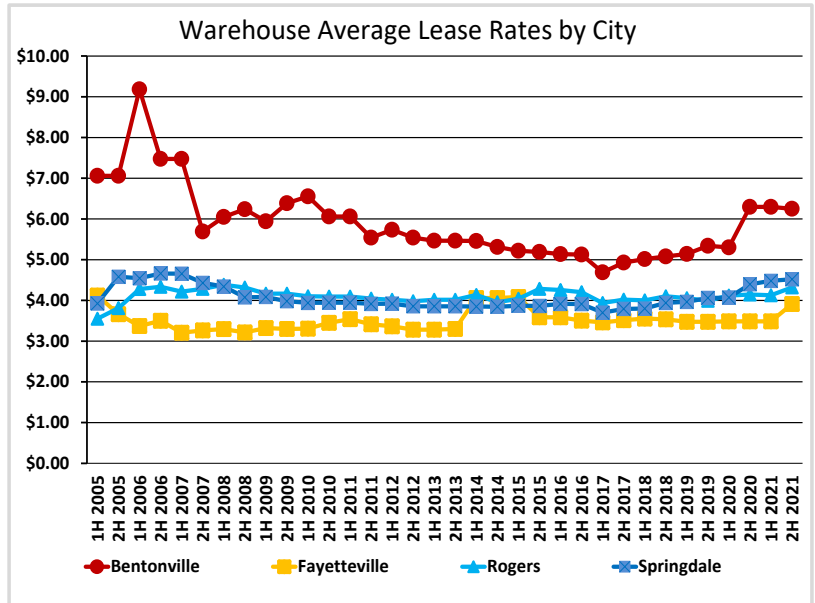


# Commercial Market Trends

## Warehouse Lease Rates

There was 1,179,590 total square feet of warehouse space in Fayetteville in the second half of 2021 and 63.0 percent of it was Class B warehouse space. No new square feet of warehouse space were added to the Fayetteville warehouse submarket in the second half of 2021. The vacancy rate for all warehouse space was 0.0 percent, down from 4.6 in the first half of 2021 after net positive absorption of 54,745 square feet of Class B warehouse space.

The average reported warehouse lease rates were relatively stable in the second half of 2021. Bentonville continued to have the highest reported lease rate at \$6.30, followed by Springdale at \$4.52. 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 - \$681	\$4.68 - \$4.93	--
Fayetteville	--	\$4.09 - \$4.69	\$3.14 - \$3.31
Rogers	\$4.00 - \$4.00	\$4.51 - \$4.66	\$4.21 - \$4.66
Springdale	\$3.25 - \$3.25	\$4.29 - \$4.85	\$4.31 - \$4.65

Warehouse Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 1H to 2H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Class A Warehouse</b>							
Bentonville	1,639,391	325,000	19.8%	170,365	445,365	-275,000	--
Fayetteville	--	--	--	--	--	--	--
Rogers	937,500	0	0.0%	0	0	0	--
Springdale	96,200	0	0.0%	0	0	0	--
<b>Class B Warehouse</b>							
Bentonville	220,500	0	0.0%	0	0	0	--
Fayetteville	743,564	0	0.0%	54,745	0	54,745	0.0
Rogers	1,029,424	0	0.0%	0	0	0	--
Springdale	1,970,293	40,000	2.0%	12,090	0	12,090	19.9
<b>Class C Warehouse</b>							
Bentonville	--	--	--	--	--	--	--
Fayetteville	436,026	0	0.0%	0	0	0	--
Rogers	1,136,990	114,750	10.1%	186,762	0	186,762	3.7
Springdale	1,168,954	44,454	3.8%	3,624	0	3,624	73.6



# Commercial Market Trends

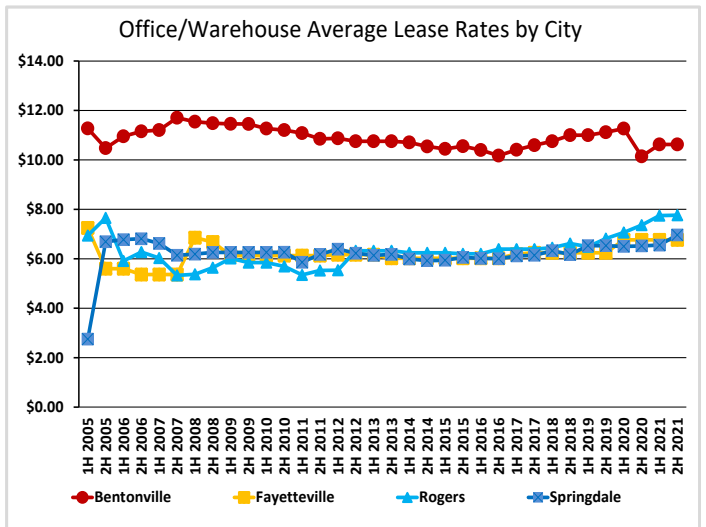
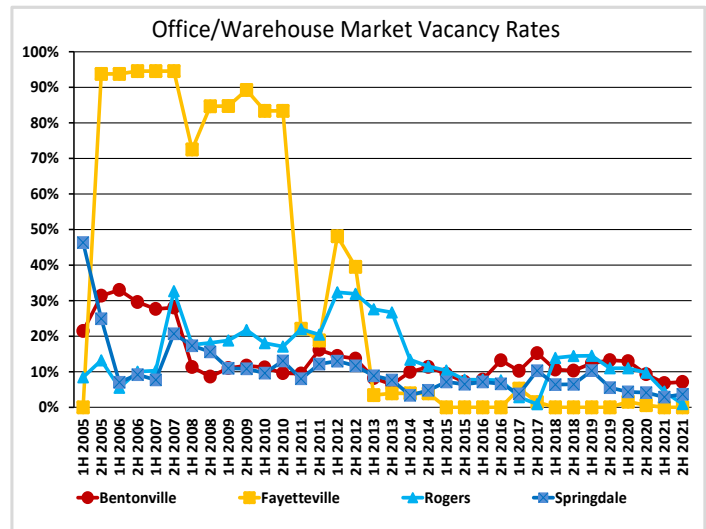
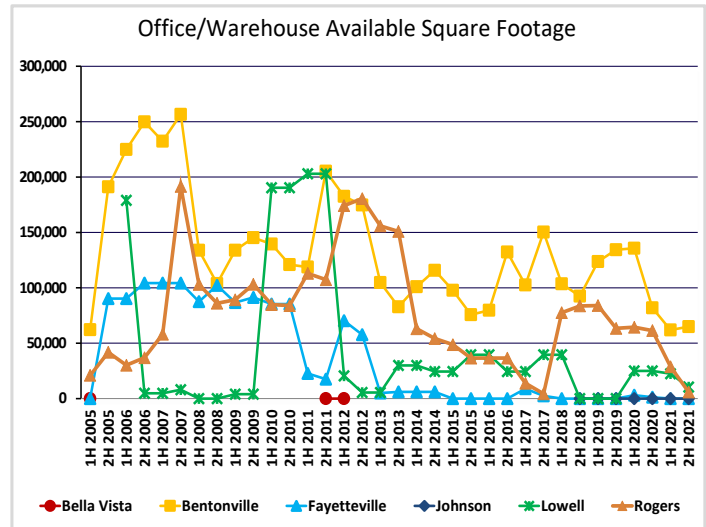
## Office/Warehouse Vacancy, Space, and Lease

### Office/Warehouse

The Skyline Report panelists reported on 4,136,430 square feet of office/warehouse space with 248,009 total square feet available in the second half of 2021. Siloam Springs, Springdale, and Bentonville with 92,274 square feet, 75,534 square feet, and 64,900 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 5.6 percent in the first half of 2021 to 6.0 percent in the second half of 2021. No new square feet of office/warehouse space entered the market in Northwest Arkansas during this period. The office/warehouse submarket in Northwest Arkansas experienced net positive absorption of 4,507 square feet during the second half of 2021. Rogers and Lowell accounted for 22,830 and 12,000 square feet of net positive absorption, while Siloam Springs had 34,607 square feet of net negative absorption.

Bentonville continued to have the highest reported average lease rates remaining at \$10.63. Reported office/warehouse average lease rates increased to \$7.77 in Rogers, increased to \$6.97 in Springdale, while they stayed \$6.77 in Fayetteville in the second half of 2021.



# Commercial Market Trends

## Retail/Warehouse Vacancy, Space and Lease

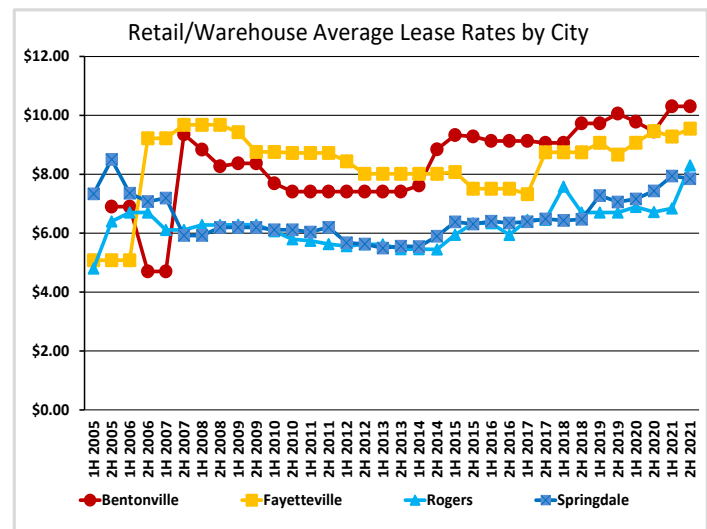
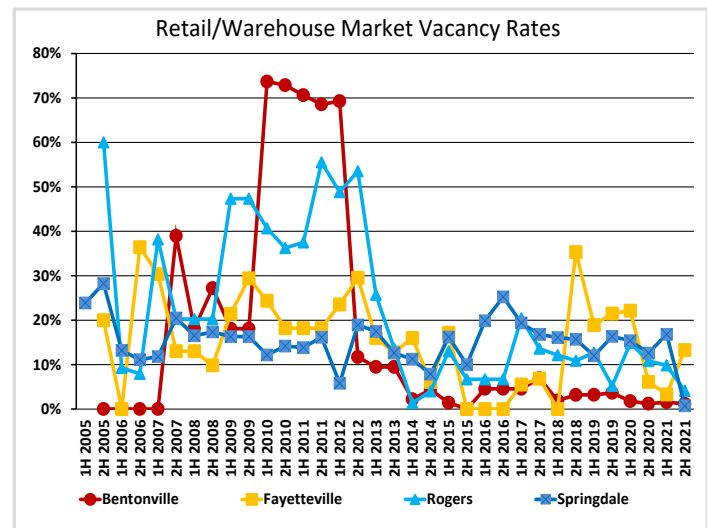
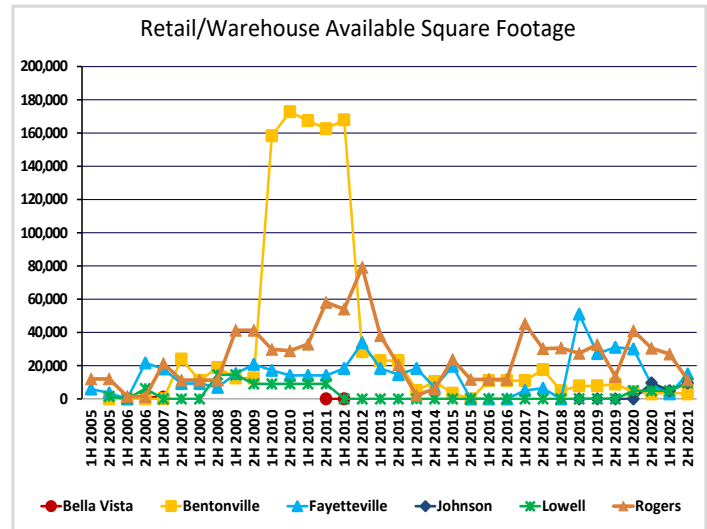
### Retail/Warehouse

The Skyline Report panelists reported on 1,517,324 square feet of retail/warehouse space in the second half of 2021. A total of 53,865 square feet was available in Northwest Arkansas. Fayetteville had the most available retail/warehouse space with 14,974 square feet followed by Rogers with 11,333 square feet.

40,000 square feet of retail/warehouse, all in Springdale, was added to the market during the second half of 2021. The vacancy rate in the retail/warehouse submarket decreased from 11.4 percent in the first half of 2021 to 3.5 percent in the second half of 2021.

From the first half of 2021 to the second half of 2021, there was net positive absorption of 107,235 square feet of retail/warehouse space in Northwest Arkansas. Springdale contributed 90,387 square feet of the net positive absorption in the second half of 2021.

In the second half of 2021, Bentonville remained the highest average lease rate in this market at \$10.31. Reported retail/warehouse average lease rates decreased by \$0.27 in Fayetteville to \$9.55, increased by \$1.46 in Rogers to \$8.30, and decreased by \$0.09 to \$7.85 in Springdale.



# Commercial Market Trends

## Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 1H to 2H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Office/Warehouse</b>							
Bentonville	911,143	64,900	7.1%	-3,000	0	-3,000	--
Fayetteville	222,610	0	0.0%	0	0	0	--
Rogers	647,431	5,900	0.9%	22,830	0	22,830	1.6
Springdale	2,052,053	75,534	3.7%	7,284	0	7,284	62.2
<b>Retail/Warehouse</b>							
Bentonville	248,466	2,928	1.2%	918	0	918	19.1
Fayetteville	112,842	14,974	13.3%	0	0	0	--
Rogers	273,605	11,333	4.1%	15,620	0	15,620	4.4
Springdale	699,570	5,200	0.7%	130,387	40,000	90,387	0.3

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$9.79 - \$11.46	\$9.65 - \$10.96
Fayetteville	\$6.37 - \$7.16	\$8.85 - \$10.25
Rogers	\$7.64 - \$7.89	\$8.17 - \$8.43
Springdale	\$6.50 - \$7.43	\$7.57 - \$8.13



# Bella Vista

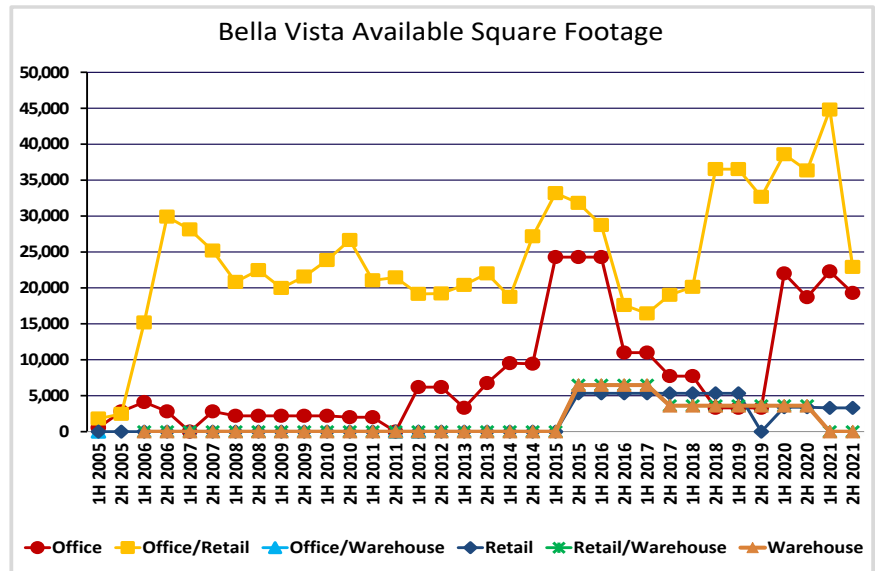
## Commercial Market Summary

From July 1 to December 31, 2021, Bella Vista issued \$15,488,000 worth of new building permits for commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 457,106 square feet of commercial space in Bella Vista in the second half of 2021.

In the second half of 2021, Bella Vista experienced net positive absorption 24,893 square feet. Class B office/retail space had 21,893 square feet of this total, while medical office space had net positive absorption of 3,000 square feet.

The Class B office/retail submarket had a small average lease rate increase of \$0.16. All other reported average lease rates in Bella Vista in the second half of 2021 remained stable.



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

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$13.12 - \$13.78	119,939	19,296	16.1%	3,000	0	3,000	38.6
Class A	--	--	--	--	--	--	--	--
Class B	\$13.68 - \$13.68	64,025	15,700	24.5%	0	0	0	--
Class C	--	3,596	0	0.0%	0	0	0	--
Medical	\$12.00 - \$14.00	52,318	0	0.0%	3,000	0	3,000	0.0
Office/Retail	\$10.63 - \$13.64	270,033	22,910	8.5%	21,893	0	21,893	6.3
Class A	--	--	--	--	--	--	--	--
Class B	\$10.63 - \$13.64	258,657	20,774	8.0%	21,893	0	21,893	5.7
Class C	--	11,376	2,136	18.8%	0	0	0	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$16.65 - \$16.65	48,648	3,299	6.8%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$18.67 - \$18.67	27,648	3,299	11.9%	0	0	0	--
Class C	\$10.59 - \$10.59	21,000	0	--	0	0	0	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

# Bentonville

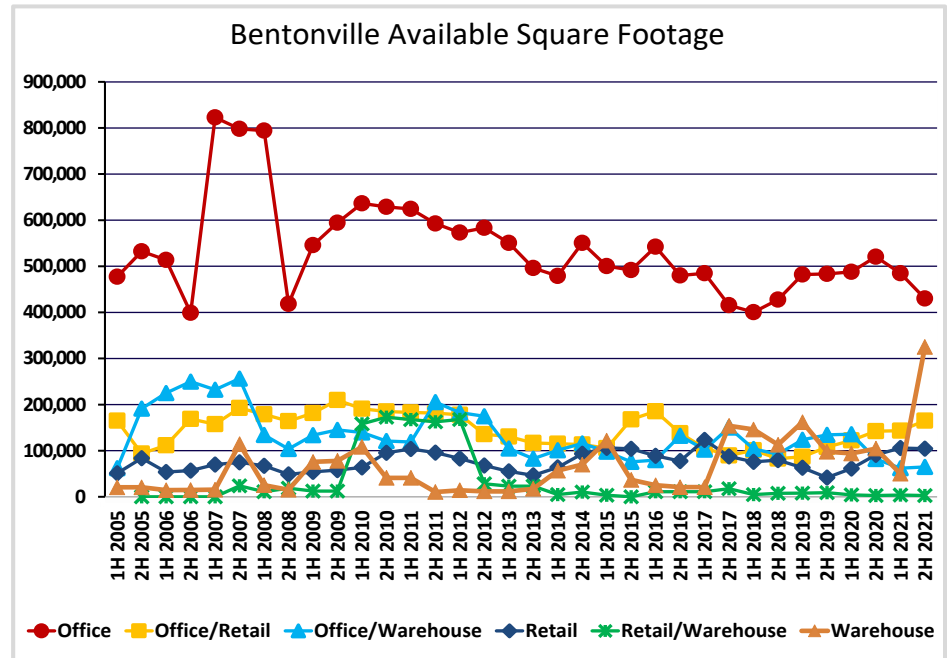
## Commercial Market Summary

From July 1 to December 31, 2021, Bentonville issued \$397,896,305 worth of building permits for new commercial space. \$290,202,676 of the building permits were issued for the new Walmart Campus.

The second half of 2021 building permit value was 43.3 percent lower than the first half of 2021 value of \$647,053,124.

Bentonville accounted for 75.9 percent of the commercial permits issued in Northwest Arkansas during the second half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 9,077,027 square feet of commercial space in Bentonville in the second half of 2021.



In the second half of 2021, Bentonville experienced net negative absorption of 242,529 square feet, while 471,071 new square feet of space were added. 445,365 square feet were new warehouse space, 16,519 square feet were new retail space, and 9,187 square feet were new office/retail space.

The warehouse submarket had the greatest amount of net negative absorption with 275,000 square feet, all Class A warehouse. Class B office/retail added 35,111 square feet of net negative absorption. The Class B office submarket had net positive absorption of 52,781 square feet. The retail submarket had net positive absorption of 1,556 square feet.

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

Average reported lease rates increased noticeably by \$0.55 in the Class B office/retail 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 <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$21.59 - \$23.41	664,032	57,227	8.6%	11,321	0	11,321	30.3
Office/Retail	\$20.28 - \$21.82	143,328	2,750	1.9%	19,670	0	19,670	0.8
Retail	\$17.82 - \$19.12	107,385	15,374	14.3%	1,876	0	1,876	49.2
Class B	\$16.48 - \$17.06	2,504,973	309,894	12.4%	36,908	0	36,908	50.4
Class C	\$14.09 - \$14.19	341,151	12,113	3.6%	2,610	0	2,610	27.8
Office	\$17.27 - \$17.85	4,075,117	430,058	10.6%	59,154	0	59,154	43.6
Class A	\$24.09 - \$26.01	847,975	139,755	16.5%	2,280	0	2,280	367.8
Class B	\$16.75 - \$17.24	2,508,527	261,506	10.4%	52,781	0	52,781	29.7
Class C	\$14.09 - \$14.19	360,651	9,220	2.6%	2,893	0	2,893	19.1
Medical	\$18.08 - \$18.55	357,964	19,577	5.5%	1,200	0	1,200	97.9
Office/Retail	\$15.63 - \$16.65	1,066,229	164,971	15.5%	-16,969	9,187	-26,156	--
Class A	\$26.00 - \$26.25	140,683	2,750	--	10,000	0	10,000	1.7
Class B	\$15.75 - \$16.97	777,844	154,196	19.8%	-25,924	9,187	-35,111	--
Class C	\$12.51 - \$13.14	147,702	8,025	5.4%	-1,045	0	-1,045	--
Office/Warehouse	\$9.79 - \$11.46	911,143	64,900	7.1%	-3,000	0	-3,000	--
Retail	\$16.79 - \$18.42	899,841	104,393	11.6%	18,075	16,519	1,556	402.5
Class A	\$22.58 - \$23.50	175,709	21,534	12.3%	6,000	0	6,000	21.5
Class B	\$16.99 - \$19.02	555,868	82,859	14.9%	12,075	16,519	-4,444	--
Class C	\$11.65 - \$12.85	168,264	0	0.0%	0	0	0	--
Retail/Warehouse	\$9.65 - \$10.96	248,466	2,928	1.2%	918	0	918	19.1
Warehouse	\$6.19 - \$6.31	1,859,891	325,000	17.5%	170,365	445,365	-275,000	--
Class A	\$6.75 - \$6.81	1,639,391	325,000	19.8%	170,365	445,365	-275,000	--
Class B	\$4.68 - \$4.93	220,500	0	0.0%	0	0	0	--
Class C	--	--	--	--	--	--	--	--

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.



# Bentonville

## Commercial Market Summary

### Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 914,745 square feet of office, office/retail, and retail space in Downtown Bentonville in the second half of 2021. No new space was added during this period.

There was net positive absorption of 32,867 square feet in Downtown Bentonville during the second half of 2021. The office, office/retail, and retail submarkets had 11,321, 19,670, and 1,876 square feet of net positive absorption, respectively, during this period.

Office space in Downtown Bentonville had a reported vacancy rate of 8.6 percent in the second half of 2021, down from 10.6 percent in the first half of 2021. This was lower than the overall Bentonville office vacancy rate of 10.6 percent.

The office/retail vacancy rate in Downtown decreased from 15.9 percent in the first half of 2021 to 1.9 percent in the second half of 2021. This was lower than the overall Bentonville office/retail vacancy rate of 15.5 percent.

The retail vacancy rate in Downtown Bentonville decreased from 16.1 percent in the first half of 2021 to 14.3 percent in the second half of 2021. This was higher than the overall Bentonville retail vacancy rate of 11.6 percent.

Average reported lease rates decreased by \$0.06 in the office submarket, remained the same in the office/retail submarket, and decreased by \$0.16 in the retail submarket in Downtown Bentonville in the second half of 2021.

### Downtown Bentonville Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$21.59 - \$23.41	664,032	57,227	8.6%	11,321	0	11,321	30.3
Office/Retail	\$20.28 - \$21.82	143,328	2,750	1.9%	19,670	0	19,670	0.8
Retail	\$17.82 - \$19.12	107,385	15,374	14.3%	1,876	0	1,876	49.2

<sup>1</sup>From all 2H 2021 respondents.

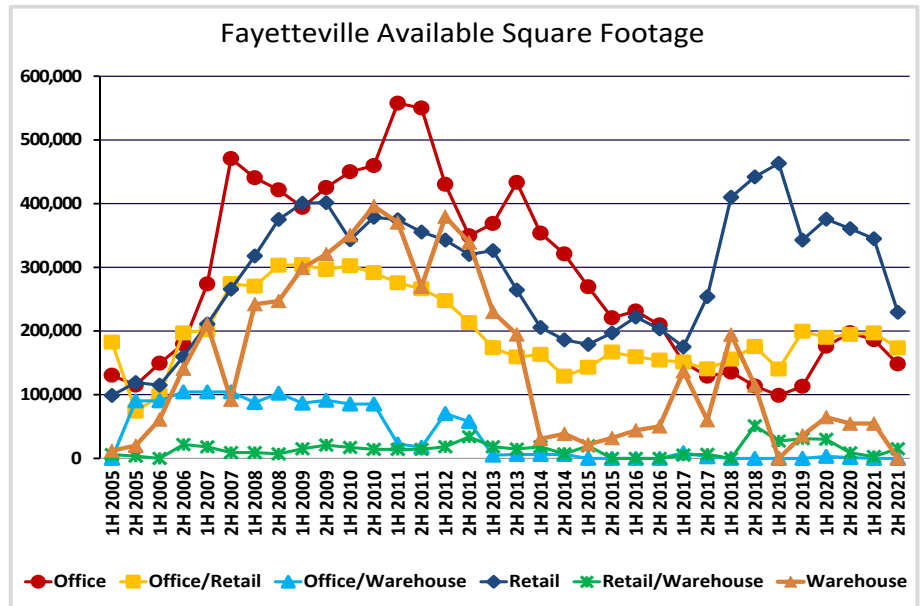
<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

# Fayetteville Commercial Market Summary

From July 1 to December 31, 2021, Fayetteville issued building permits for \$13,960,657 worth of new commercial space. The second half of 2021 value was 28.7 percent higher than the first half of 2021 value of \$10,850,357.

During the second half of 2021, Fayetteville accounted for 3.5 percent of the commercial building permits issued in Northwest Arkansas.

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



In the second half of 2021, Fayetteville experienced positive absorption of 216,364 square feet with 17,001 new square feet of space commercial space, 7,800 of medical office space and 9,201 of retail space, entering the market. This resulted in net positive absorption of 199,363 square feet during this time.

The Class B warehouse submarket had the greatest amount of net positive absorption with 54,745 square feet, followed by the Class B retail submarket with 45,082 square feet and the Class B office submarket with 32,061 square feet. The Class medical office submarket had the most net negative absorption with 13,198 square feet in the second half of 2021.

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

The Fayetteville Class A office/retail, Class B and Class C warehouse submarkets had significant average lease rate increases of \$1.00, \$0.69, and \$0.36, respectively in the second half of 2021. The Class B office/retail had a modest average lease rate increase of \$0.41. All other lease rates were relatively stable from the first half of 2021 to the second half of 2021.

# Fayetteville

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	\$21.32 - \$23.35	75,603	3,000	4.0%	2,714	0	2,714	--
Industrial	\$3.73 - \$4.50	962,500	0	0.0%	0	0	0	--
Office	\$15.94 - \$16.94	3,486,820	148,243	4.3%	51,477	7,800	43,677	20.4
Class A	\$23.09 - \$27.25	456,037	11,016	2.4%	29,368	0	29,368	2.3
Class B	\$16.5 - \$17.05	1,284,067	67,027	5.2%	32,061	0	32,061	12.5
Class C	\$12.65 - \$13.27	462,482	30,386	6.6%	-4,554	0	-4,554	--
Medical	\$16.79 - \$18.36	1,284,234	39,814	3.1%	-5,398	7,800	-13,198	--
Office/Retail	\$14.97 - \$16.28	1,751,069	173,392	9.9%	21,441	0	21,441	48.5
Class A	\$26.50 - \$27.50	42,000	7,475	17.8%	797	0	797	56.3
Class B	\$16.56 - \$17.83	1,204,111	138,219	11.5%	24,772	0	24,772	33.5
Class C	\$12.17 - \$13.53	504,958	27,698	5.5%	-4,128	0	-4,128	--
Office/Warehouse	\$6.37 - \$7.16	222,610	0	0.0%	0	0	0	--
Retail	\$16.66 - \$17.20	3,620,335	229,364	6.3%	85,987	9,201	76,786	17.9
Class A	\$26.05 - \$27.30	1,130,393	44,081	3.9%	14,610	0	14,610	18.1
Class B	\$18.28 - \$18.87	2,043,202	164,849	8.1%	54,283	9,201	45,082	21.9
Class C	\$11.84 - \$12.12	446,740	20,434	4.6%	17,094	0	17,094	7.2
Retail/Warehouse	\$8.85 - \$10.25	112,842	14,974	13.3%	0	0	0	--
Warehouse	\$3.70 - \$4.12	1,179,590	0	0.0%	54,745	0	54,745	0.0
Class A	--	--	--	--	--	--	--	--
Class B	\$4.09 - \$4.69	743,564	0	0.0%	54,745	0	54,745	0.0
Class C	\$3.14 - \$3.31	436,026	0	0.0%	0	0	0	--

<sup>1</sup>From all 2H 2021 respondents

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

### Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,124,623 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the second half of 2021.

There was net positive absorption of 24,852 square feet in the downtown Fayetteville area in the second half of 2021.

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

The office space in downtown Fayetteville had a reported vacancy rate of 3.8 percent in the second half of 2021, down from 4.1 percent in the first half of 2021 in accordance with net positive absorption of 7,242 square feet. This was lower than the overall Fayetteville office vacancy rate of 4.3 percent.

The office/retail vacancy rate for downtown Fayetteville properties went down from 3.1 percent in the first half of 2021 to 2.9 percent in the second half of 2021. This submarket had net positive absorption of 1,116 square feet. This was lower than the overall Fayetteville office/retail vacancy rate of 9.9 percent in the second half of 2021.

# Fayetteville

## Commercial Market Summary

The downtown Fayetteville retail vacancy rate decreased from 19.0 percent to 9.5 percent, with net positive absorption of 16,494 square feet. This was higher than the overall Fayetteville retail vacancy rate of 96.3 percent in the second half of 2021.

Average reported lease rates in downtown Fayetteville decreased \$0.03 in the office submarket and \$0.02 in the office/retail submarket, while remaining the same in the retail submarket from the first half of 2021 to the second half of 2021.

### Downtown Fayetteville/Dickson Street Area Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$14.92 - \$17.28	511,337	19,446	3.8%	7,242	0	7,242	16.1
Office/Retail	\$16.65 - \$17.79	445,128	12,714	2.9%	1,116	0	1,116	68.4
Retail	\$17.27 - \$17.77	168,158	16,017	9.5%	16,494	0	16,494	5.8

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

### Uptown Fayetteville/Joyce Street Corridor/Mall

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,171,524 square feet of office, office/retail, and retail space in Uptown Fayetteville in the second half of 2021.

There was overall net positive absorption of 76,278 square feet of space during the second half of 2021 in Uptown Fayetteville.

There were 7,800 new square feet of medical space added to Uptown Fayetteville in the second half of 2021.

Office space in Uptown Fayetteville had net positive absorption of 38,139 square feet in the second half of 2021 leading to a reported vacancy rate of 4.1 percent in the second half of 2021. This was lower than the first half of 2021 vacancy rate of 6.1 percent and was lower than the 4.3 percent vacancy rate for all of Fayetteville.

In the second half of 2021, the office/retail vacancy rate in Uptown Fayetteville increased to 8.7 percent from 7.1 percent in the first half of 2021, even though office/retail space had no net absorption, as some property was reclassified. The vacancy rate was below the city average office/retail vacancy rate of 9.9 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 5.7 percent in the second half of 2021, a decrease from 7.4 percent in the first half of 2021, in accordance with net positive absorption of 38,139 square feet during the second half of 2021. This was lower than the overall Fayetteville rate of 6.3 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.20 in the office, decreased \$0.50 in the office/retail, and remained the same in the retail submarkets in the second half of 2021.

# Fayetteville

## Commercial Market Summary

### Uptown Fayetteville/Joyce Street Corridor/Mall Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$17.26 - \$18.20	1,900,473	78,509	4.1%	45,939	7,800	38,139	12.4
Office/Retail	\$17.42 - \$17.58	46,031	4,005	8.7%	0	0	0	--
Retail	\$18.63 - \$19.18	2,225,020	127,264	5.7%	38,139	0	38,139	20.0

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

### Martin Luther King, Jr. Boulevard Corridor

In the second half of 2021, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 501,107 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 19,188 square feet of space in the second half of 2021.

In the second half of 2021 there was 4,201 square feet of new retail space added to the MLK Boulevard Corridor.

Office space in the MLK Boulevard Corridor of Fayetteville had a reported vacancy rate of 4.8 percent in the second half of 2021, the same as in the first half of 2021. This was higher than the overall office vacancy rate of 4.3 percent for all of Fayetteville.

From the first half of 2021 to the second half of 2021, with 2,307 square feet of net positive absorption the office/retail vacancy rate decreased from 10.7 percent to 9.3 percent in the MLK Boulevard Corridor of Fayetteville and was lower than the overall city average rate of 9.9 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 10.5 percent in the second half of 2021, a decrease from 32.2 percent in the first half of 2021 due to net positive absorption of 16,454 square feet. The retail vacancy rate for all of Fayetteville was lower at 6.3 percent.

Average reported lease rates in the MLK Boulevard Corridor was stable in the office submarket, decreased \$1.08 in the office/retail submarket, and increased \$0.18 in the retail submarket in the second half of 2021.

### Martin Luther King, Jr. Boulevard Corridor Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$15.88 - \$15.88	40,281	1,916	4.8%	0	0	0	--
Office/Retail	\$15.56 - \$17.09	246,811	22,857	9.3%	2,307	0	2,307	59.4
Retail	\$17.53 - \$18.07	214,015	22,384	10.5%	20,655	4,201	16,454	8.2

<sup>1</sup>From all 2H 2021 respondents.

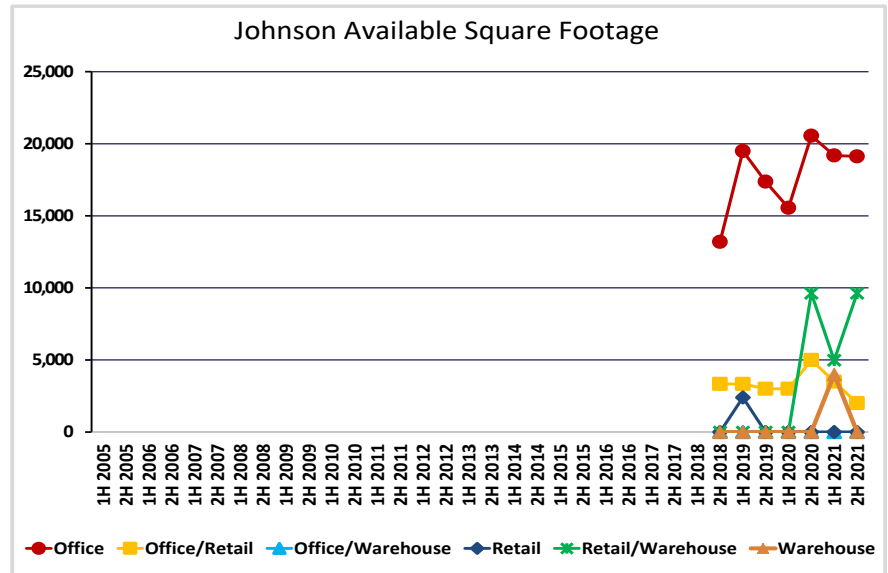
<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

# Johnson Commercial Market Summary

From July 1 to December 31, 2021, Johnson issued \$12,404,000 worth of building permits for new commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 564,076 square feet of Johnson commercial space in the second half of 2021.

In the second half of 2021, Johnson had net positive absorption of 3,017 square feet. The warehouse submarket had the most net positive absorption with 4,000 square feet, while the retail/warehouse submarket had the most net negative absorption with 4,650 square feet.



There were no new square feet of commercial space added in Johnson in the second half of 2021.

The office submarket in Johnson had a vacancy rate of 6.3 percent in the second half of 2021, a decrease from 6.8 percent in the first half of 2021 in accordance with net positive absorption of 2,167 square feet.

Average reported lease rates increased by \$2.33 in the medical office and \$1.75 in the Class B office submarkets in Johnson and remained relatively stable in all submarkets.





# Johnson

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$22.37 - \$22.37	305,295	19,124	6.3%	2,167	0	2,167	53.0
Class A	\$23.25 - \$23.25	72,373	7,500	10.4%	0	0	0	--
Class B	\$18.25 - \$18.25	35,677	2,100	5.9%	0	0	0	--
Class C	--	17,456	0	0.0%	2,400	0	2,400	0.0
Medical	\$24.52 - \$24.52	179,789	9,524	5.3%	-233	0	-233	--
Office/Retail	\$15.12 - \$18.52	74,451	2,000	2.7%	1,500	0	1,500	8.0
Class A	--	--	--	--	--	--	--	--
Class B	\$15.12 - \$18.52	41,369	2,000	4.8%	1,500	0	1,500	8.0
Class C	--	33,082	0	--	0	0	0	--
Office/Warehouse	\$5.50 - \$5.50	31,340	0	0.0%	0	0	0	--
Retail	\$12.63 - \$15.00	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$12.83 - \$16.00	50,335	0	0.0%	0	0	0	--
Class C	\$12.00 - \$12.00	3,000	0	0.0%	0	0	0	--
Retail/Warehouse	--	18,050	9,630	53.4%	-4,650	0	-4,650	--
Warehouse	\$3.81 - \$4.86	81,605	0	0.0%	4,000	0	4,000	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%	4,000	0	4,000	0.0

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

# Lowell

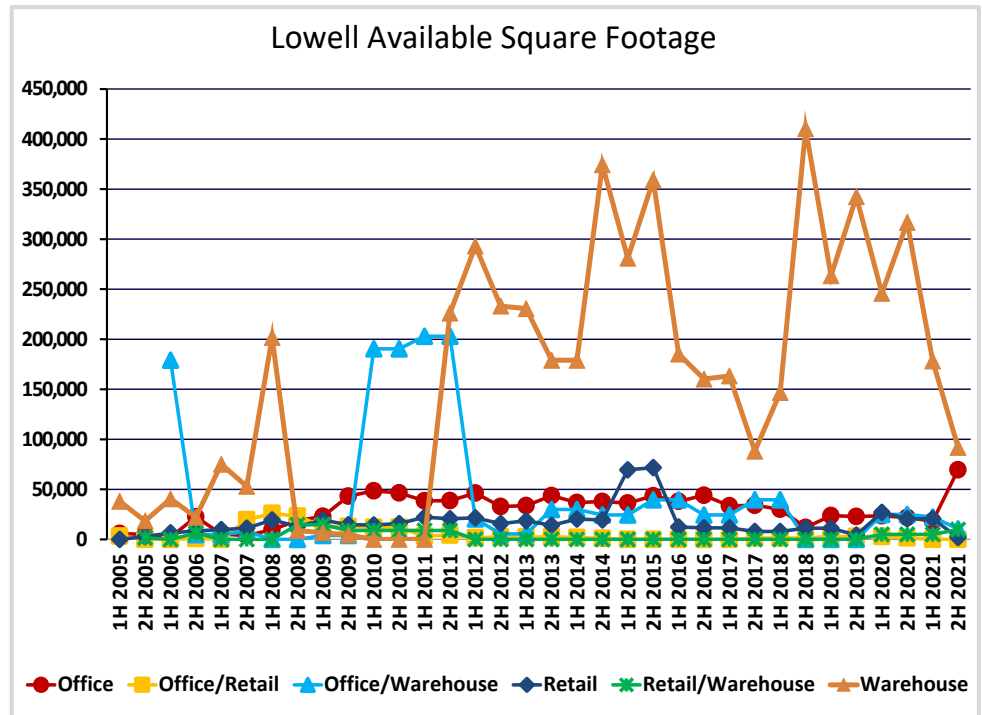
## Commercial Market Summary

From July 1 to December 31, 2021, Lowell issued building permits for \$23,013,909 worth of new commercial space.

The second half of 2021 value was 48.3 percent higher than the first half of 2021 value of \$15,518,591.

Lowell accounted for 5.8 percent of building permits issued in Northwest Arkansas in the second half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,145,859 square feet of Lowell commercial space in the second half of 2021.



In the second half of 2021, Lowell had overall net positive absorption of 72,908 square feet.

The warehouse submarket had the greatest amount of net positive absorption with 98,208 square feet, while the retail submarket added another 18,735 square feet of net positive absorption. The office submarket had 51,135 square feet of net negative absorption.

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

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

Average reported lease rates in Lowell from the first half of 2021 to the second half of 2021 increased noticeably in the Class A, Class B, Class C office (new ownership in a very small sample size), Medical office, and retail/warehouse submarkets by \$1.17, \$1.83, \$5.21, \$2.00, and \$1.37 respectively. They increased modestly by \$0.50 in the Class B retail and by \$0.65 in the Class B warehouse submarkets. Average reported lease rates remained relatively stable in all other submarkets in the second half of 2021.

# Lowell

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$6.50 - \$6.50	75,280	0	0.0%	0	0	0	--
Office	\$17.09 - \$17.21	326,998	69,397	21.2%	-51,135	0	-51,135	--
Class A	\$20.50 - \$20.50	109,330	17,809	16.3%	-10,367	0	-10,367	--
Class B	\$14.58 - \$14.92	106,753	0	0.0%	0	0	0	--
Class C	\$15.38 - \$15.38	28,316	11,588	40.9%	-768	0	-768	--
Medical	\$20.00 - \$20.00	82,599	40,000	48.4%	-40,000	0	-40,000	--
Office/Retail	\$10.50 - \$12.50	72,076	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.50 - \$12.50	43,100	0	0.0%	0	0	0	--
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$7.25 - \$7.46	161,438	10,400	6.4%	12,000	0	12,000	5.2
Retail	\$13.14 - \$15.47	112,628	1,875	1.7%	18,735	0	18,735	0.6
Class A	--	--	--	--	--	--	--	--
Class B	\$13.70 - \$16.96	97,572	1,875	1.9%	18,735	0	18,735	0.6
Class C	\$11.75 - \$11.75	15,056	0	0.0%	0	0	0	--
Retail/Warehouse	\$8.14 - \$8.14	31,032	9,800	31.6%	-4,900	0	-4,900	--
Warehouse	\$4.52 - \$4.61	1,366,407	92,000	6.7%	98,208	0	98,208	5.6
Class A	\$5.19 - \$5.19	483,332	0	0.0%	0	0	0	--
Class B	\$4.48 - \$4.63	696,165	12,000	1.7%	98,208	0	98,208	0.7
Class C	\$3.38 - \$3.38	186,910	80,000	42.8%	0	0	0	--

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

# Rogers

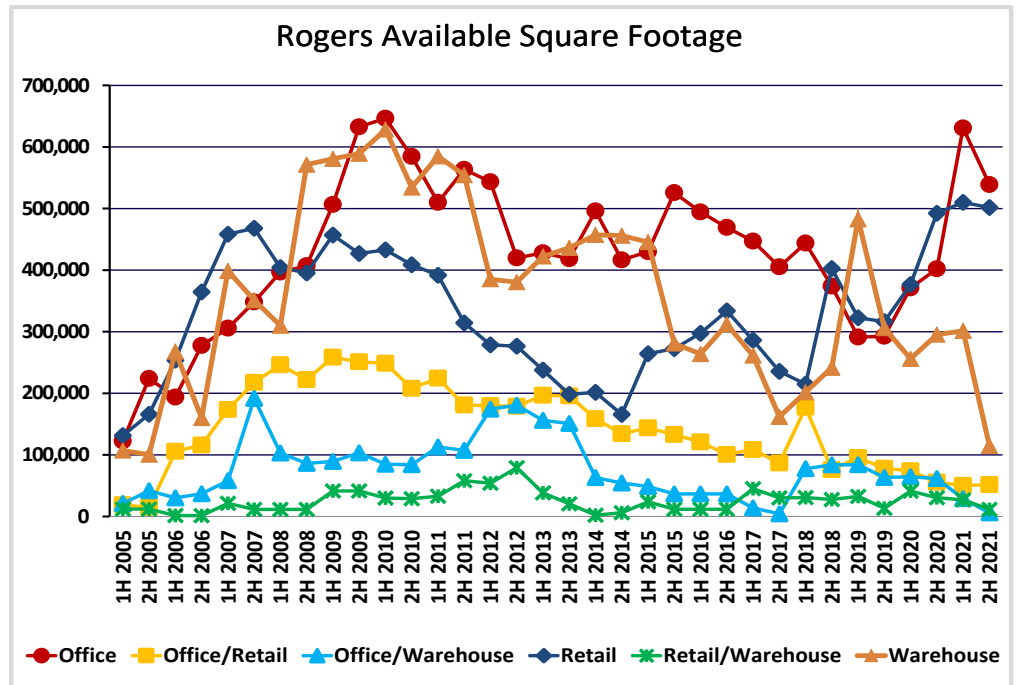
## Commercial Market Trends

From July 1 to December 31, 2021, Rogers issued building permits for \$23,022,287 worth of new commercial space.

The second half of 2021 value was 41.2 percent lower than the first half of 2021 value of \$39,169,023.

Rogers accounted for 5.8 percent of the commercial permits issued in Northwest Arkansas during the second half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 12,899,680 square feet of commercial space in the second half of 2021.



In the second half of 2021, Rogers had overall net positive absorption of 359,500 square feet. The warehouse submarket had the greatest amount of net positive absorption with 186,762 square feet and the office submarket contributed 92,009 square feet. The office/retail submarket had net negative absorption of 1,329 square feet. In the second half of 2021, no new commercial space was added to the Rogers market.



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

From the first half of 2021 to the second half of 2021, modest increases were reported in the Medical office, Class B and Class C office/retail, and the warehouse submarkets of \$0.24, \$0.31, \$0.55, and \$0.20. All other lease rates remained relatively unchanged.

# Rogers

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	\$11.00 - \$11.00	9,482	0	0.0%	0	0	0	--
Industrial	\$4.02 - \$4.02	725,469	0	0.0%	35,304	0	35,304	0.0
Office	\$17. - \$17.	3,822,272	538,863	14.1%	92,009	0	92,009	35.1
Class A	\$23.64 - \$24.74	2,044,302	359,123	17.6%	61,284	0	61,284	35.2
Class B	\$17.74 - \$18.22	988,875	145,032	14.7%	19,062	0	19,062	45.7
Class C	\$11.07 - \$11.37	316,359	26,198	8.3%	8,639	0	8,639	18.2
Medical	\$15.55 - \$15.71	472,736	8,510	1.8%	3,024	0	3,024	16.9
Office/Retail	\$12.77 - \$13.97	609,139	51,698	8.5%	-1,329	0	-1,329	--
Class A	\$21.83 - \$21.83	110,382	5,593	5.1%	-3,125	0	-3,125	--
Class B	\$14.78 - \$16.10	212,813	29,683	13.9%	-3,500	0	-3,500	--
Class C	\$9.76 - \$11.05	285,944	16,422	5.7%	5,296	0	5,296	18.6
Office/Warehouse	\$7.64 - \$7.89	647,431	5,900	0.9%	22,830	0	22,830	1.6
Retail	\$14.34 - \$15.27	3,708,368	501,612	13.5%	8,304	0	8,304	362.4
Class A	\$21.61 - \$22.98	1,665,715	169,498	10.2%	3,601	0	3,601	282.4
Class B	\$14.61 - \$16.21	1,462,220	313,900	21.5%	-21,968	0	-21,968	--
Class C	\$9.90 - \$10.14	580,433	18,214	3.1%	26,671	0	26,671	4.1
Retail/Warehouse	\$8.17 - \$8.43	273,605	11,333	4.1%	15,620	0	15,620	4.4
Warehouse	\$4.28 - \$4.36	3,103,914	114,750	3.7%	186,762	0	186,762	3.7
Class A	\$4.00 - \$4.00	937,500	0	0.0%	0	0	0	--
Class B	\$4.51 - \$4.66	1,029,424	0	0.0%	0	0	0	--
Class C	\$4.21 - \$4.66	1,136,990	114,750	10.1%	186,762	0	186,762	3.7

<sup>1</sup>From all 2H 2019 respondents.

<sup>2</sup>From 2H 2019 respondents who were also 1H 2019 respondents.

### Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 543,922 square feet of office, office/retail, and retail space in Downtown Rogers in the second half of 2021.

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

Office space in Downtown Rogers had a net negative absorption of 656 square feet and had a vacancy rate of 8.6 percent in the second half of 2021 a decrease from 8.4 in the first half of 2021. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, which was 14.1 percent during the same period.

The office/retail submarket had a net negative absorption of 300 square feet. The vacancy rate increased to 3.7 percent from the first half of 2021 rate of 3.5 percent in the downtown area. This compares to a vacancy rate of 8.5 percent for all of Rogers.

Downtown Rogers experienced a net positive absorption of 20,144 square feet of retail space during the second half of 2021. The reported retail vacancy rate for downtown Rogers properties for the second half of 2021 decreased to 2.2 percent from 10.8 percent in the first half of 2021 and was lower than the 13.5 percent average rate for all of Rogers.

Average reported lease rates for downtown Rogers remained the same in the office and office/retail submarkets, and increased by \$0.17 in the retail submarket in the second half of 2021.

# Rogers

## Commercial Market Summary

### Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$12.44 - 12.60	156,632	13,525	8.6%	-656	0	-656	--
Office/Retail	\$11.06 - \$13.41	149,144	5,500	3.7%	-300	0	-300	--
Retail	\$11.24 - \$11.97	238,146	5,296	2.2%	20,144	0	20,144	1.6

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

### Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,400,009 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the second half of 2021.

No new commercial space was added to the Rogers I-49 corridor submarket in the second half of 2021.

Office space along the Rogers I-49 corridor experienced net positive absorption of 69,046 square feet during the second half of 2021. The reported average vacancy rate of office space was 17.4 percent in the second half of 2021, a decrease from the 20.2 percent rate in the first half of 2021. This was higher than the overall office vacancy rate for all of Rogers at 14.1 percent.

Office/retail space along the Rogers I-49 corridor experienced net negative absorption of 325 square feet in the second half of 2021. The office/retail submarket had a 7.5 percent vacancy rate, an increase from the 7.2 percent reported in the first half of 2021. This compares to a vacancy rate of 8.5 percent for all of Rogers.

There were 22,767 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 2021 was 10.2 percent, a decrease from 11.2 percent in the first half of 2021, and lower than the 13.5 percent average rate for all of Rogers.

Average reported lease rates increased \$0.02 in the office submarket, increased \$0.10 in the office/retail, and decreased \$0.05 in the retail submarket in the Rogers I-49 area in the second half of 2021.

### Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$21.17 - \$22.00	2,860,540	499,155	17.4%	69,046	0	69,046	43.4
Office/Retail	\$21.01 - \$21.21	145,458	10,847	7.5%	-325	0	-325	--
Retail	\$20.09 - \$21.63	2,394,011	244,503	10.2%	22,767	0	22,767	64.4

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.



# Siloam Springs Commercial Market Summary

From July 1 to December 31, 2021, Siloam Springs issued no new commercial building permits.

The second half of 2021 value was 100.0 percent lower than the first half of 2021 value of \$37,400,000.

Siloam Springs accounted for 0.0 percent of the commercial permits issued in Northwest Arkansas during the second half of 2021.

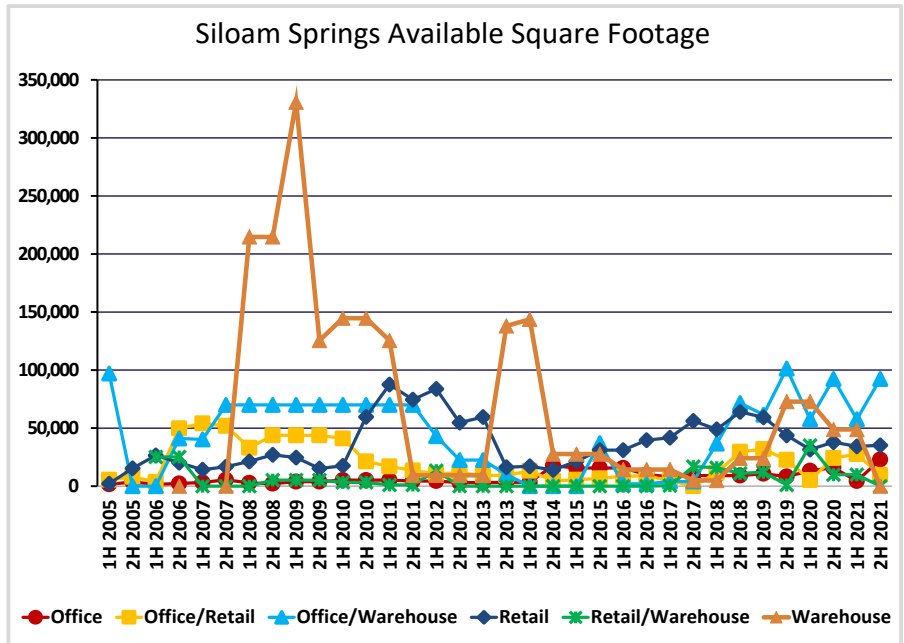
In the second half of 2021, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,832,818 square feet of commercial space for Siloam Springs.

There was 18,480 of new medical office space added to the Siloam Springs market in the second half of 2021.

In the second half of 2021, Siloam Springs experienced overall net positive absorption of 22,543 square feet. There was net positive absorption of 48,750 square feet in the Class C warehouse submarket and 18,000 square feet in the Class C retail submarket. There was net negative absorption of 34,607 in the office/warehouse submarket and 18,000 square feet in the medical office submarket during this period.

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

Average lease rates increased significantly by \$1.26 in the Class B office/retail submarket and \$0.77 in the Class C retail submarket. The other submarkets were relatively stable in the second half of 2021 in Siloam Springs.



# Siloam Springs Commercial Market Summary

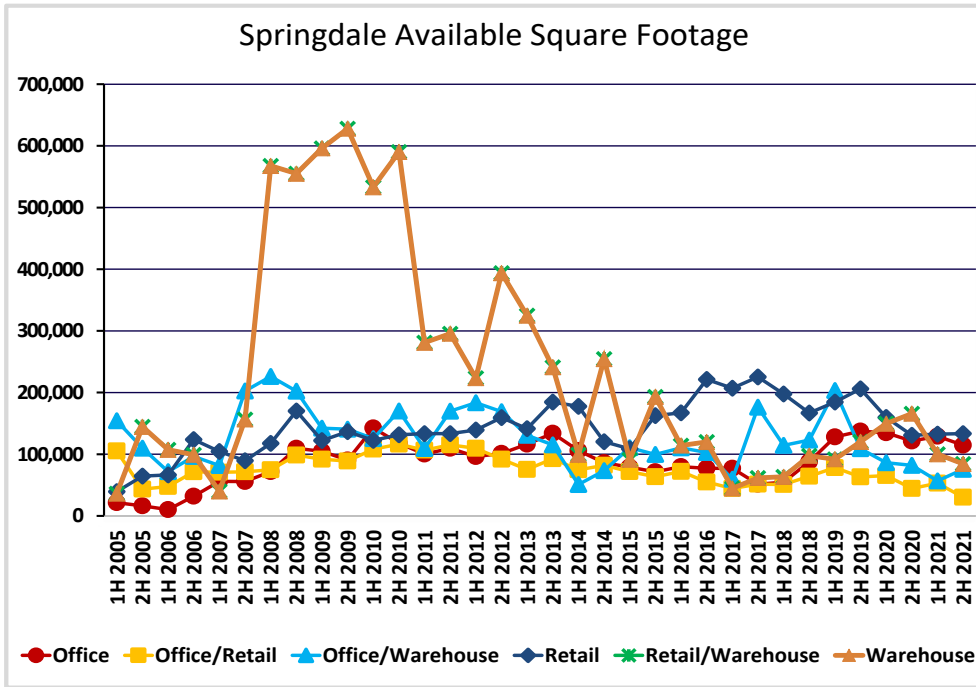
Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$2.95 - \$2.95	23,300	0	0.0%	0	0	0	--
Office	\$12.25 - \$13.90	172,139	22,841	13.3%	0	18,480	-18,480	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.33 - \$11.00	27,734	0	0.0%	0	0	0	--
Class C	\$7.76 - \$11.28	11,421	600	5.3%	0	0	0	--
Medical	\$16.11 - \$17.21	172,139	22,841	13.3%	0	18,480	-18,480	--
Office/Retail	\$8.62 - \$10.86	183,724	9,586	5.2%	18,000	0	18,000	3.2
Class A	--	--	--	--	--	--	--	--
Class B	\$14.17 - \$14.50	94,298	2,781	2.9%	0	0	0	--
Class C	\$6.55 - \$9.49	89,426	6,805	7.6%	18,000	0	18,000	2.3
Office/Warehouse	\$3.64 - \$3.89	110,415	92,274	83.6%	-34,607	0	-34,607	--
Retail	\$13.81 - \$14.63	469,950	35,173	7.5%	-980	0	-980	--
Class A	--	--	--	--	--	--	--	--
Class B	\$19.86 - \$20.86	120,663	13,977	11.6%	4,541	0	4,541	18.5
Class C	\$9.58 - \$10.28	349,287	21,196	6.1%	-5,521	0	-5,521	--
Retail/Warehouse	\$5.26 - \$6.49	133,759	0	0.0%	9,860	0	9,860	0.0
Warehouse	\$3.34 - \$3.63	739,531	0	0.0%	48,750	0	48,750	0.0
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63 - \$3.63	321,269	0	0.0%	0	0	0	--
Class C	\$3.34 - \$3.63	418,262	0	0.0%	48,750	0	48,750	0.0

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.



# Springdale Commercial Market Trends



From July 1 to December 31, 2021, Springdale issued \$23,376,016 worth of building permits for new commercial space.

This was an increase of 104.5 percent from the \$11,428,456 issued in the first half of 2021.

Springdale accounted for 5.9 percent of the commercial permits issued in Northwest Arkansas for the second half of 2021.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,011,983 square feet of commercial space in Springdale in the second half of 2021.

There were 130,000 new square feet of commercial space, 90,000 medical office and 40,000 retail/

warehouse, added to the Springdale market.

Springdale experienced net negative absorption of 195,516 square feet in the second half of 2021. The industrial submarket had the most net negative absorption with 338,050 square feet. The retail/warehouse submarket with 90,387 square feet had the most net positive absorption with the office/retail and warehouse submarkets contributing 24,980 square feet and 15,714 square feet, respectively, in the same time period.

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

Average reported lease rates in Springdale increased significantly by \$1.23 in the medical office and \$0.41 in the office/warehouse submarkets. All other lease rates remained relatively stable from the first half of 2021 to the second half of 2021.



# Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$4.76 - \$5.35	1,323,993	338,050	25.5%	-338,050	0	-338,050	--
Office	\$13.77 - \$14.51	1,256,693	114,694	9.1%	78,360	90,000	-11,640	--
Class A	\$20.33 - \$21.00	95,501	2,420	2.5%	-2,420	0	-2,420	--
Class B	\$14.65 - \$15.53	423,048	28,158	6.7%	9,296	0	9,296	18.2
Class C	\$9.72 - \$10.73	212,395	25,038	11.8%	-9,340	0	-9,340	--
Medical	\$17.70 - \$17.70	525,749	59,078	11.2%	80,824	90,000	-9,176	--
Office/Retail	\$10.44 - \$11.75	703,101	30,142	4.3%	24,980	0	24,980	7.2
Class A	--	--	--	--	--	--	--	--
Class B	\$14.95 - \$17.10	255,475	13,492	5.3%	9,700	0	9,700	8.3
Class C	\$9.19 - \$10.26	447,626	16,650	3.7%	15,280	0	15,280	6.5
Office/Warehouse	\$6.50 - \$7.43	2,052,053	75,534	3.7%	7,284	0	7,284	62.2
Retail	\$12.36 - \$13.07	1,735,902	133,315	7.7%	-2,817	0	-2,817	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.78 - \$16.40	1,033,009	106,379	10.3%	-5,497	0	-5,497	--
Class C	\$9.77 - \$10.55	702,893	26,936	3.8%	2,680	0	2,680	60.3
Retail/Warehouse	\$7.57 - \$8.13	699,570	5,200	0.7%	130,387	40,000	90,387	0.3
Warehouse	\$4.31 - \$4.73	3,235,447	84,454	2.6%	15,714	0	15,714	32.2
Class A	\$3.25 - \$3.25	96,200	0	0.0%	0	0	0	--
Class B	\$4.29 - \$4.85	1,970,293	40,000	2.0%	12,090	0	12,090	19.9
Class C	\$4.31 - \$4.65	1,168,954	44,454	3.8%	3,624	0	3,624	73.6

<sup>1</sup>From all 2 H 2020 Respondents.

<sup>2</sup>From 1H 2020 who were 2H 2019 respondents-

## Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 347,053 square feet of office, office/retail, and retail space in downtown Springdale in the second half of 2021.

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

There was net positive absorption of 9,885 square feet in the office submarket in downtown Springdale in the second half of 2021. The office space in downtown Springdale had an average vacancy rate of 11.1 percent, lower than the 15.4 percent in the first half of 2021. The rate was higher than the overall Springdale average office vacancy rate of 9.1 percent.

Office/retail space in downtown Springdale had positive net absorption of 2,000 square feet of space, reclassified from retail, in the second half of 2021. The vacancy rate remained 0.0 percent in the second half of 2021 and was lower than the average office/retail vacancy rate for all of Springdale at 4.3 percent in the second half of 2021. This is a very small sample size of only 19,449 square feet.

# Springdale

## Commercial Market Summary

There was net positive absorption of 4,191 in the retail submarket in downtown Springdale in the second half of 2021. 9.4 percent of all reported retail space was available in downtown Springdale, down from 15.1 percent in the first half of 2021. This compares to the 7.7 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale decreased by \$0.18 in the office submarket, increased by \$1.23 in the office/retail submarket, and decreased \$0.67 in the retail submarket in the second half of 2021.

### Downtown Springdale Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$13.10 - \$14.37	223,812	24,750	11.1%	9,885	0	9,885	15.0
Office/Retail	\$10.15 - \$12.50	19,449	0	0.0%	2,000	0	2,000	0.0
Retail	\$12.24 - \$13.64	103,792	9,772	9.4%	4,191	0	4,191	14.0

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 respondents.

### West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,271,612 square feet of office, office/retail, and retail space in West Springdale in the second half of 2021. There were 90,000 new square feet of medical office space added to West Springdale during this time.

The office space in West Springdale had net negative absorption of 20,921 square feet in the second half of 2021. The vacancy rate increased from 7.3 percent in the first half of 2021 to 11.0 percent in the second half of 2021. The rate was higher than the overall city average office vacancy rate of 9.1 percent.

The office/retail submarket had net positive absorption of 3,700 square feet in the second half of 2021. The second half of 2021 vacancy rate of 5.5 percent in West Springdale was lower than the 7.3 percent in the first half of 2021. The rate was below the overall city average office/retail vacancy rate of 4.3 percent.

The retail vacancy rate for West Springdale properties increased from 3.2 percent in the first half of 2021 to 6.1 percent in the second half of 2021, in accordance with net negative absorption of 20,205 square feet. The vacancy rate was below the city average retail vacancy rate of 7.7 percent.

Average reported lease rates for West Springdale increased \$1.44 in the office submarket, remained the same in the office/retail submarket, and decreased \$0.23 in the retail submarket in the second half of 2021.

### West Springdale Summary

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	\$16.32 - \$16.86	380,828	42,163	11.1%	69,079	90,000	-20,921	--
Office/Retail	\$16.00 - \$18.40	214,872	11,900	5.5%	3,700	0	3,700	19.3
Retail	\$18.32 - \$18.82	675,912	41,270	6.1%	-20,205	0	-20,205	--

<sup>1</sup>From all 2H 2021 respondents.

<sup>2</sup>From 2H 2021 respondents who were also 1H 2021 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 2021, 252 panelists provided data on 2,281 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 2,281 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.