

THE SKYLINE REPORT

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Second Half of 2022

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Commercial Real Estate Summary For Benton Madison and Washington Counties

This report is the forty-seventh 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 2022

The overall vacancy rate for commercial property decreased to 5.6 percent in the second half of 2022, driven by strong leasing in the office and office/retail submarkets.

The office vacancy rate dropped to 8.4 percent in the second half of 2022 from 9.1 in the first half of 2022. There was strong leasing activity in both Class A and medical office submarkets. 274,414 square feet of new office space was added in the second half of 2022.

In the retail submarket, the vacancy rate remained 7.9 percent in the second half of 2022 as 47,845 square feet of new space, all Class A, entered the market.

The office/retail vacancy rate decreased from 7.3 percent in the first half of 2022 to 5.0 percent in the second half of 2022 with strong leasing in the Class B office/retail submarket. 11,198 square feet of new Class B office/retail space entered the market.

The warehouse vacancy rate increased from 0.8 percent in the first half of 2022 to 1.6 percent in the second half of 2022 due to one vacancy. 50,171 square feet of new office/warehouse space was added as respondents continued to report increasing demand for new warehouse and flex warehouse space.

\$240.9 million in commercial building permits were issued in the second half of 2022. The \$218.0 million without Walmart's permits is the highest non-Walmart total since the second half of 2005. In comparison there were \$293.7 million in commercial building permits issued in the first half of 2022.

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 2022 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 253 panelists provide information is broken down by city and the percentage of coverage of the competitive market is calculated. A table containing publicly announced new commercial real estate projects is presented after the summary of building permit data. This table is meant to provide an indication of the future direction of the Northwest Arkansas commercial property market. As many of these projects are still in the conceptual phase, hard data is incomplete and subject to change. This period, the announced data was examined particularly closely. Project locations were checked and developers were contacted regarding the projects from the previous Skyline report.

Following the tables of announced commercial projects, hotels, and restaurants is a trend summary that includes information about vacancy rate and available space trends. There are also three tables summarizing the results from the most recent time periods. The first table presents vacancy rates by submarket for the second half of 2021, the first half of 2022, in addition to the second half 2022. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

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

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

Local Perceptions

In each reporting period, Center for Business and Economic Research staff members discuss market conditions with a panel of commercial developers and property managers to gain insights into the current commercial real estate market in Benton and Washington Counties. Over the course of these conversations, held from August through December, respondents discussed the commercial, multifamily, and residential property markets. Strong demand, supply issues caused by rising costs and shortages of labor and materials, and positive expectations for the future were key topics of the conversations.

In each segment of the commercial property market, respondents talked about the continuing strength of demand for space. The office market is seeing demand from firms entering Northwest Arkansas for the first time, expansion of firms operating successfully in the area, and the growth of start-ups. Some of the demand for new space is still being offset by consolidation and the continuing 'flight to quality' with firms taking less Class A space than the amount of previously occupied Class B space. However, well maintained Class B demand remains strong due to the increasing price difference, now in the \$15 to \$20 a square foot range. Medical office space demand is very strong as the Northwest Arkansas population continues to grow with healthy demand for more hospital space, new walk-in clinics, dental offices, physical therapy services, and mental health services. Panelists felt end-user space, especially medical space remained a safe investment to build. The hottest area for new office space remains the Rogers' I-49 corridor while downtown Bentonville, west Springdale, Fayetteville's Mall/Joyce Corridor also show significant activity. Developers are hesitant to do develop spec building with the higher interest rates, continued higher construction costs, labor force shortages, and supply chain issues (transformers, concrete, iron pipes, pvc pipes, cabinetry, flooring). The high cost of T.I. (tenant improvement allowance) is slowing down leasing activity and contributing to the spec building hesitancy. Respondents reported the average cost of T.I. is well over \$100 a square foot but typical allowances have just gone up into the \$50-\$70 range. Panelists expect a lull in the market in the next 6 to 18 months with fewer new office developments, fewer sales of existing office space, and a slowdown in leasing activity. The lull will hopefully lead to flattening land, labor, and materials costs that will help future growth. Overwhelmingly, respondents feel the Northwest Arkansas office market will be ready for another round of growth after the national economy stabilizes. Medical, professional services, logistics, and tech were among those mentioned as being drivers for future office space demand. Some respondents believe once the Walmart Home Office is complete it will stimulate another round of national interest in Northwest Arkansas as a place to do business.

Respondents reported solid retail space demand, particularly with respect to restaurant and service retail space. Since new space is expensive to build, any vacant second-generation restaurant space is quickly leased or purchased. The 'convenience retail mentality' is still a significant factor explaining the continuing growth in the number of carwashes, oil change businesses, restaurants, and other service retail establishments. Growth in population is also helping drive demand for new retail such as Whole Foods and perhaps Trader Joes, the Blue Zoo Aquarium, an indoor go-kart racing, and upscale restaurants such as Wellingtons and Loma, for example. Rogers' I-49 Corridor continues to see most of the new retail development while other areas with current or expected significant retail development include Downtown Bentonville, Frisco Station Mall area in Rogers, Downtown Rogers, Downtown Springdale, Fayetteville's Mall/Joyce Corridor, and the Fayetteville South/MLK Corridor. T.I. costs impact new restaurant construction and are a contributing factor in the high demand for second-generation restaurant space. Panelists expect that retail demand will continue as Northwest Arkansas continues to have a growing population and higher disposable income.

Warehouse demand continues to outstrip supply. One respondent expressing the feelings of many others said "its just not good" regarding the historically low vacancy rates in the warehouse market. As the population continues to grow so does the need for warehouse, flex-warehouse, and mini-storage warehouse space to serve the region. These developments need flat land and access to good roads. There are several proposed projects being discussed but the current cost environment is causing spec building hesitancy in this market as there is concern about tenants' willingness to pay the \$12 to \$16 needed by the developer to make projects pencil out. Another issue raised by a few respondents was that in the flex-warehouse market there might be a second mover advantage, developers who start building later have a good chance of a lower cost environment, particularly with interest rates and land costs, and will be able to demand lower lease rates than developers who build now. Panelists expect that the warehouse and flex markets will see supply grow more rapidly in 2024 as costs stabilize, the population continues to grow, and tenants will be willing to pay the lease rates needed for profitable developments.

Panelists were amazed by the strong demand for multifamily housing. They discussed the main demand driver being the continued growth in NWA's population, including the growing student population at the University of Arkansas. They also pointed out that higher interest rates and other costs of construction in the single-family residential market was leading to more demand for multifamily housing. The panelists discussed multifamily projects being built across NWA, including two

Local Perceptions

cities not studied by the Multifamily Skyline Report: Lowell and Pea Ridge. While there is no immediate concern about overbuilding multifamily builders did express concern that some builders might not be paying as close attention to their proformas as they should and that increases the possibility of a property going back to the bank. Panelists cautioned that developers should build to hold instead of to flip. Other issues that panelists highlighted included: the inability to refinance down within two years; not being able to have high lease rate escalators for the next two years, understanding where competing multifamily projects are being built and when completion is scheduled, and not being able to depend on a fast lease up in case several properties come on line in the same quarter. Some respondents look on foreclosed properties as an opportunity to acquire a project at a lower cost than having to build it, and strongly believe those opportunities will be there in the next couple of years. As in the commercial market, cost concerns are strong, but panelists expressed the idea that if overall construction slows down it will be possible to hire better talent for their own construction crews and sub-contractors.

Panelists were most concerned about the single-family residential market. They said demand may be easing impacted by higher interest rates and continued high costs of construction. There were differing opinions on DR Hortons purchase of Riggins Construction, with some panelists feeling this will lead to more housing built at lower price points, but others feel it will put additional upward pressure on land and resource costs. If there is an area that has an overbuilding problem a few panelists still feel it will happen in Centerton as they feel some builders overpaid for land prices and will have to build high price point housing.

While many respondents feel 2023 is going to have many challenges, they firmly believe in 2024 and beyond Northwest Arkansas will again experience accelerating growth. Panelists continue to point to the broad regional investments in amenities, education, the medical sector, and now technology made by Walmart, Tyson and JB Hunt, and the Walton, Tyson, and Hunt families over the past year. Also, they reported on continuing growth in people moving here just because of the quality of life and opportunities the region offers.



Local Perceptions

Positive Factors:

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

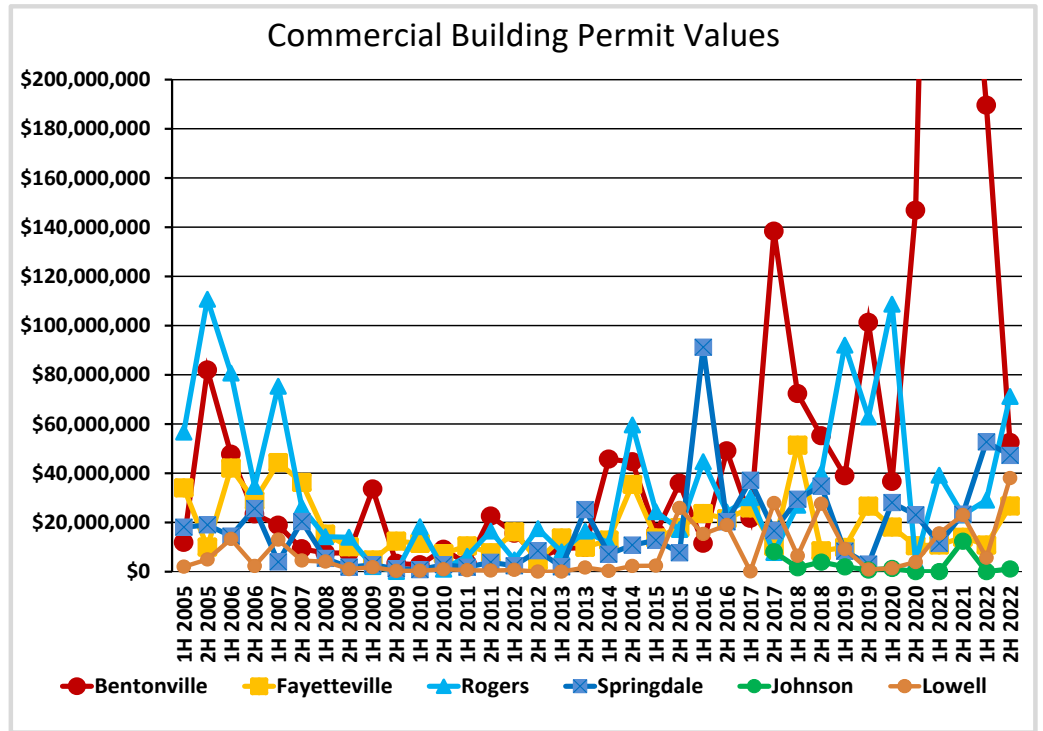
Negative Factors:

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



Building Permits

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



From July 1 to December 31, 2022, \$240.9 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 2022, over \$88.7 million in commercial building permits were issued. In the fourth quarter, over \$152.3 million in building permits were issued. In the second half of 2022, Rogers had the greatest share of building permit value with 29.6 percent. Bentonville followed with 21.8 percent, then Springdale with 19.6 percent, Lowell with 15.8 percent, Fayetteville with 11.8 percent and Siloam Springs and Johnson with 1.7 percent and 0.5 percent, respectively.

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Oct - Dec 2022	\$24,279,180	\$24,906,249	\$0	\$34,104,213	\$35,136,108	\$1,390,000	\$32,442,364	\$152,258,114
July - Sept. 2022	\$28,167,383	\$1,800,000	\$1,104,704	\$3,901,806	\$36,087,348	\$2,790,000	\$14,820,147	\$88,671,388
April - June 2022	\$123,599,792	\$2,690,000	\$0	\$5,294,435	\$11,170,162	\$3,808,850	\$26,606,028	\$173,169,267
Jan - March 2022	\$65,951,134	\$8,174,711	\$0	\$339,009	\$17,857,600	\$2,105,000	\$26,127,980	\$120,555,433
Oct - Dec 2021	\$234,058,815	\$3,613,127	\$6,500,000	\$9,104,241	\$5,158,428	\$0	\$8,346,278	\$266,780,889
July - Sept. 2021	\$68,057,621	\$10,347,530	\$5,904,000	\$13,909,667	\$17,863,859	\$0	\$15,029,738	\$131,112,415
April - June 2021	\$474,818,460	\$9,926,517	\$0	\$12,051,829	\$17,584,075	\$36,250,000	\$8,059,007	\$558,689,888
Jan - March 2021	\$57,868,237	\$923,840	\$0	\$3,466,762	\$21,584,948	\$1,150,000	\$3,369,449	\$88,363,236
Oct - Dec 2020	\$93,718,136	\$8,781,903	\$0	\$2,161,011	\$3,320,307	\$200,000	\$23,070,264	\$131,251,621
July - Sept. 2020	\$53,146,422	\$1,733,000	\$0	\$1,710,273	\$871,350	\$97,500	\$0	\$57,558,545
April - June 2020	\$7,872,202	\$4,539,226	\$0	\$1,384,169	\$16,407,953	\$500,000	\$11,376,474	\$42,080,023
Jan - March 2020	\$28,760,325	\$13,563,927	\$1,309,680	\$0	\$92,262,020	\$1,500,000	\$16,695,901	\$154,091,853
Oct - Dec 2019	\$74,410,564	\$21,261,745	\$678,435	\$0	\$44,905,617	\$850,000	\$744,962	\$142,851,323
July - Sept. 2019	\$26,866,194	\$5,359,405	\$0	\$862,000	\$17,941,362	\$1,311,274	\$2,319,131	\$54,659,366
April - June 2019	\$24,734,606	\$7,848,461	\$1,956,100	\$1,596,716	\$34,523,248	\$3,435,272	\$2,632,279	\$76,726,682
Jan - March 2019	\$14,177,844	\$1,950,000	\$0	\$7,630,590	\$57,561,131	\$2,639,336	\$5,713,932	\$89,672,833
Oct - Dec 2018	\$2,781,412	\$1,925,538	\$0	\$24,547,504	\$29,223,531	\$0	\$28,908,633	\$87,386,618
July - Sept. 2018	\$52,379,644	\$6,582,444	\$3,873,492	\$3,033,251	\$10,590,898	\$39,080	\$5,909,232	\$82,408,041
April - June 2018	\$29,647,741	\$36,503,927	\$672,332	\$6,430,700	\$14,852,917	\$1,752,620	\$27,596,786	\$117,457,022
Jan - March 2018	\$42,659,355	\$14,896,335	\$933,120	\$0	\$12,128,964	\$181,446	\$1,853,013	\$72,652,233
Oct. - Dec. 2017	\$15,703,722	\$1,088,272	\$2,965,620	\$24,474,140	\$1,927,690	\$1,928,435	\$8,808,035	\$56,895,914
July - Sept. 2017	\$122,656,773	\$9,140,191	\$5,107,550	\$3,396,926	\$5,846,637	\$1,347,500	\$7,793,380	\$155,288,957
April - June 2017	\$14,303,886	\$11,372,807	\$0	\$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

Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
April - June 2013	\$9,413,479	\$3,035,704		\$0	\$3,930,130	\$2,165,090	\$1,572,774	\$20,117,177
Jan. -March 2013	\$0	\$10,686,133		\$0	\$4,122,942	\$0	\$359,328	\$15,168,403
Oct - Dec. 2012	\$4,327,940	\$3,953,149		\$0	\$8,474,647	\$1,795,000	\$5,378,894	\$23,929,630
July - Sept. 2012	\$1,221,000	\$537,447		\$0	\$9,026,238	\$2,083,115	\$3,121,673	\$15,989,473
April - June 2012	\$13,126,525	\$15,157,427		\$0	\$3,702,000	\$0	\$0	\$31,985,952
Jan. -March 2012	\$2,386,772	\$1,015,056		\$709,949	\$1,027,000	\$0	\$2,373,879	\$7,512,656
Sept. - Dec. 2011	\$21,094,402	\$5,907,082		\$0	\$16,450,594	\$0	\$1,455,757	\$44,907,875
June - August 2011	\$1,445,222	\$1,763,872		\$404,493	\$0	\$500,000	\$2,328,979	\$6,442,566
March - May 2011	\$1,773,228	\$9,552,146		\$150,000	\$1,614,000	\$0	\$0	\$13,089,374
Dec. 2010 - Feb. 2011	\$1,469,162	\$915,280		\$438,289	\$4,616,536	\$22,997,000	\$1,803,778	\$32,240,045
Sept. - Nov. 2010	\$7,214,903	\$2,623,509		\$941,017	\$958,000	\$6,005,000	\$1,898,944	\$19,641,373
June - August 2010	\$1,846,518	\$4,679,537		\$0	\$0	\$0	\$892,252	\$7,418,307
March - May 2010	\$2,661,860	\$11,450,334		\$100,000	\$6,055,000	\$1,296,000	\$798,774	\$22,361,968
Dec. 2009 - Feb. 2010	\$105,030	\$0		\$255,505	\$12,224,147	\$0	\$0	\$12,584,682
Sept. - Nov. 2009	\$0	\$10,005,337		\$330,803	\$7,000	\$379,711	\$1,139,928	\$11,862,779
June - August 2009	\$3,336,498	\$2,403,905		\$0	\$70,000	\$215,000	\$37,460	\$6,062,863
March - May 2009	\$33,171,420	\$1,368,907		\$50,112	\$1,500,000	\$400,000	\$1,194,175	\$37,684,614
Dec. 2008 - Feb. 2009	\$344,325	\$3,403,704		\$1,766,386	\$545,000	\$0	\$1,596,349	\$7,655,764
Sept. - Nov. 2008	\$3,908,853	\$3,588,389		\$0	\$6,411,775	\$0	\$0	\$13,909,017
June - August 2008	\$3,689,476	\$6,548,894		\$1,019,000	\$7,579,500	\$1,006,596	\$1,861,390	\$21,704,856
March - May 2008	\$153,000	\$3,152,132		\$4,075,075	\$4,179,000	\$0	\$1,395,524	\$12,954,731
Dec. 2007 - Feb. 2008	\$7,400,153	\$12,125,756		\$0	\$9,995,030	\$3,200,000	\$3,970,299	\$36,691,238
Sept. - Nov. 2007	\$8,075,766	\$27,923,695		\$4,455,275	\$533,200	\$0	\$0	\$40,987,936
June - August 2007	\$1,194,440	\$8,309,014		\$48,927	\$25,668,347	\$2,575,178	\$20,375,131	\$58,171,037
March - May 2007	\$10,082,817	\$20,962,887		\$8,277,328	\$15,727,729	\$3,019,500	\$3,960,747	\$62,031,008
Dec. 2006 - Feb. 2007	\$8,725,598	\$23,406,927		\$4,709,086	\$59,642,734	\$25,000	\$0	\$96,509,345
Sept. - Nov. 2006	\$2,404,840	\$22,721,389		\$1,840,722	\$11,146,805	\$538,000	\$0	\$38,651,756
June - August 2006	\$21,014,259	\$6,147,723		\$462,712	\$23,479,198	\$5,890,000	\$25,663,800	\$82,657,692
March - May 2006	\$10,575,639	\$21,780,317		\$10,924,435	\$36,046,864	\$3,650,000	\$12,322,984	\$95,300,239
Dec. 2005 - Feb. 2006	\$37,121,720	\$20,330,697		\$2,359,019	\$44,672,800	\$165,000	\$2,151,476	\$106,800,712
Sept. - Nov. 2005	\$9,674,394	\$3,519,150		\$3,275,717	\$85,896,765	\$150,000	\$15,999,816	\$118,515,842
June - August 2005	\$72,205,699	\$6,434,833		\$1,666,851	\$24,782,039	\$200,000	\$2,982,618	\$108,272,040
March - May 2005	\$3,061,870	\$15,491,806		\$1,590,789	\$30,534,466	\$1,059,000	\$15,468,833	\$67,206,764
Dec. 2004 - Feb. 2005	\$8,753,636	\$18,560,094		\$390,000	\$26,172,000	\$254,700	\$2,614,524	\$56,744,954
Sept. - Nov. 2004	\$17,242,269	\$2,750,867		\$402,891	\$489,240	\$188,000	\$1,174,999	\$22,248,266
June - August 2004	\$16,446,488	\$4,145,124		\$10,035,248	\$21,734,534	\$1,993,393	\$6,390,478	\$60,745,265
March - May 2004	\$14,640,091	\$7,839,529		\$203,680	\$8,804,700	\$1,721,585	\$2,371,888	\$35,581,473

New Announced Projects

A table of announcements of new commercial projects is included as an indication of the future direction of the Northwest Arkansas commercial market. The list is not exhaustive but represents an effort to gather data at a step before the official permitting process. The managers and owners of many of these properties have provided the Center for Business and Economic Research with information about these buildings, but until construction is complete, they do not appear in the aggregated total square footage and available square footage calculations. Some of the properties listed are actually under construction, while others are only in the concept phase. The Center researchers examined the announced data closely this reporting period and project locations were checked and developers were contacted regarding the projects from the last Skyline report. The conceptual category means that the developer still feels the project is viable, but there are many uncertainties regarding funding, leasing, timing, 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 2022, there were 6,874 standard rooms and 2,471 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,958, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Respondents continue to feel that the region can absorb more 100 - 200 bed hotels, in the proper locations, but the market is still not ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of December 31, 2022. For the second half of 2022, the Skyline Report covered 100.3 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others and some cities have longer delays reporting new construction to the respective counties.

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Mercy Clinic	Bella Vista	Mercy Health Systems	Medical	4-6,000	Conceptual
Phat Tire	Bella Vista	Tim Robinson	Retail	14,900	Done
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	Lund Co	Commercial	3,000	Done
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Alice Walton School of Medicine	Bentonville	Alice Walton	Medical Office	154,000	Fall 2025
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	Delayed
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Battlefield and Central	Bentonville	Dalton and Linda Lott	Office/Retail	45,000	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Bentonville Animal Services	Bentonville	City of Bentonville	Animal Shelter	6,500	Done
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	Done
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
Canoo	Bentonville	Tony Aquila	Office		Conceptual
Central Parking Deck	Bentonville	Off Street Parking Development	Parking Garage	167,806	Conceptual
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	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	October 2025
Crystal Bridges Parking Deck	Bentonville	Walton Family Foundation	Parking Garage	309,000	2023
Dollar General	Bentonville	Dollar General	Retail		Done
Dollar Tree-14th	Bentonville	Dollar Tree	Retail	10,000	Done
Downtown Activity Center	Bentonville	Bentonville City	Recreation	36,000	Conceptual
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Fountain Plaza Dental Office	Bentonville	David Erstine, Gubler Properties	Medical		Conceptual
Haven, The	Bentonville		Mixed Use		Conceptual
Heartland Park Mixed Use	Bentonville	Zachary Wood	Mixed Use		Conceptual
Homes by Roth	Bentonville	Roth Homes	Commercial		Conceptual
Hwy 72 Warehouse	Bentonville	Matt Ahart	Office/ Warehouse	30,000	Conceptual
JTK Development I	Bentonville	JTK Development	Commercial	12,000	Conceptual
JTK Development II	Bentonville	JTK Development	Office/ Warehouse	9,000	Conceptual
Ledger, The	Bentonville	Josh Kyles	Office	228,000	Done
Link I, II, III, The	Bentonville	Newell Development	Office	15,000	Done
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Moberly Office	Bentonville	David Erstine	Office	13,000	Conceptual
Momentary Parking Garage	Bentonville	Momentary	Parking Garage	71,272	Done
Old Walmart Home Office	Bentonville	Blue Crane	Commercial		Conceptual
Parachuting Penguins	Bentonville	Parachuting Penguins	Commercial		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Peleton Garage	Bentonville	Walton Enterprises	Commercial	8,385	Done
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	2023
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Early 2023
Redbud 2- Restaurant	Bentonville	Alan Cole, Bradford Gaines	Retail		2023
Redbud 3	Bentonville	Alan Cole, Bradford Gaines			2023
Redbud 4-Strip Center	Bentonville	Alan Cole, Bradford Gaines	Retail	11,000	2023
Redbud 5	Bentonville	Alan Cole, Bradford Gaines			2023
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
Sam's Club Innovation Building	Bentonville	Walmart	Office	34,000	2024
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville	Shelly Parson	Office	6,500	2023
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Splash Carwash	Bentonville	Splash Carwash	Retail		Conceptual
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
Tigerdogs Commercial	Bentonville	Mark Chambers	Office	12,500	Done
Town Branch Commercial	Bentonville	Blue Crane	Commercial	5,000	Early 2023
United Bank	Bentonville	Sage Partners	Bank	12,000	Done
United Bank Retail	Bentonville	Matthew Allen	Retail	2,000	Conceptual
Upland Stacks	Bentonville	Ross Construction, TJ Lefler	Office/Retail	51,000	Early 2023
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
Westwood Development	Bentonville	Paul Esterer	Commercial		2023
Whole Health Institute	Bentonville	Alice Walton	Office	77,000	2023
Diamond Carwash	Centerton		Retail	3,700	Done
Coyle Law Office	Farmington	Jerry Coyle	Office		Conceptual
Holland House Storage Facility	Farmington	Holland House Holdings	Mini Storage	60,000	Conceptual
Legacy Bank	Farmington	Patrick Swope	Bank		Conceptual
112 Drive-in	Fayetteville	Steve Brooks, C.L. Partners	Retail	10,000	Conceptual
Adventure Subaru	Fayetteville	Dennis Nelms	Commercial	35,321	Done

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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	Early 2023
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Black Forest Retail	Fayetteville	Kelley CP	Retail	17,301	Conceptual
Buffington Homes Office	Fayetteville	Elizabeth Phillips, Juheon Song	Office	5,000	Conceptual
B-Unlimited	Fayetteville	B-Unlimited, Ben Clark	Manufacturing		Conceptual
Canoo	Fayetteville	Tony Aquila	Commercial		Conceptual
Chandler Crossing Commercial	Fayetteville	Brian Moore, Darin Riggins	Commercial		Conceptual
City Center North Mixed Use	Fayetteville	Sage Partners	Commercial	61,200	Conceptual
Collier & Associates	Fayetteville	Stuart Collier	Office	8,000	Early 2023
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Dance Studio	Fayetteville	ESI	Commercial	7,800	Conceptual
DCM Commercial	Fayetteville	Robert Goltermann	Retail	6,500	Early 2023
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	Early 2023
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	Early 2023
Drake Farms Medical	Fayetteville	Highstreet	Commercial	20,000	2023
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Elite Project	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Fiesta Retail 1, 2, 3	Fayetteville	Mathias Properties	Retail	20,000	Conceptual
Firestation	Fayetteville	City of Fayetteville	Firestation	7,322	Done
First State Bank	Fayetteville	Charles Blanchard, FSB	Bank	6,200	Early 2023
Fossil Cove Building	Fayetteville	Ben Mills	Commercial	7,500	Conceptual
Hillcrest Towers Commercial	Fayetteville	Fayetteville Housing Authority	Commercial		Conceptual
Huntsville Road Retail Development	Fayetteville	Clint McDonald	Retail		Conceptual
Industrial Park Fabrication	Fayetteville		Manufacturing	14,400	Conceptual
Industrial Park Multitenant	Fayetteville		Warehouse	10,500	Conceptual
Institute for Integrative and Innovative Research (I3R)	Fayetteville	University of Arkansas	School	125-130,000	January 2024
JMP	Fayetteville	JMP Solutions, Ray English	Warehouse	60,000	Conceptual
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Joyce Street Office	Fayetteville	Kyle Naples	Office	39,852	Early 2023
Kum and Go - MLK	Fayetteville	Kum and Go	Retail	3,973	Early 2023
Lewis Brothers Auto I-49	Fayetteville	Lewis Brothers	Commercial		Conceptual
Lisa Academy	Fayetteville	Boen Kemp	School		2023

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Marshalltown Expansion	Fayetteville	Marshalltown	Manufacturing	51,000	November 2023
North Point Circle Office	Fayetteville	Kelley CP	Office	6,500	Conceptual
Olsson Office	Fayetteville	Brian Shaw, Sage Partners	Office	36,000	September 2023
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual
Police Headquarters	Fayetteville	City of Fayetteville	Police HQ	82,630	2023
Poplar and Leverett Development	Fayetteville	Taite Coates and Tommy Kilbride	Commercial		Conceptual
Presidential Conversions Office	Fayetteville	John Wilson	Office	12,000	Conceptual
Prism Education Center Expansion	Fayetteville	Misty Newcomb	School	5,000	Conceptual
Randal Place Commercial	Fayetteville	Jesus Rodriguez	Commercial		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	Done
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Silicon Carbide Research and Fabrication	Fayetteville	University of Arkansas, Dr Alan Mantooth	Lab	15,000	2023
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
Splash Carwash	Fayetteville	Colliers	Retail		Conceptual
Stage Station	Fayetteville	Phil Crabtree, Clay Morton	Commercial		Conceptual
Steele Blvd Retail I, II	Fayetteville		Retail		Conceptual
Vantage Office Park V	Fayetteville	David Erstine, Kyle Naples	Office	36,000	2023
Wedington Storage	Fayetteville		Mini Storage		Conceptual
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
Windgate Studio and Design Center	Fayetteville	University of Arkansas	School	154,600	2023
Windgate Studio and Design Center, Phase II	Fayetteville	University of Arkansas	School	58,000	Conceptual
WRMC Drake Farms	Fayetteville	WRMC, High Street	Medical		Conceptual
Crye-Leike Office	Gentry	Crye-Leike Realtors	Office		Conceptual
Crossmar Warehouse	Gravette	Crossmar Investments	Warehouse		Conceptual
XNA Expansion	Highfill	XNA	Concourse	75,000	
Circle K	Johnson	Bluefin Development	Retail		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	21,783	Early 2023

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Legacy Bank	Lincoln	Patrick Swope	Bank	4,000	Done
Custom Electronics Expansion	Lowell	Matched Pair LLC	Commercial		Conceptual
Grant Parkway Flex	Lowell	Kelley CP	Commercial	25,000	Done
Indendence Plaza-CRI	Lowell	David Erstine	Office	63,000	Conceptual
Independence Plaza Office	Lowell	David Erstine	Office	75,000	Conceptual
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
Metro Builders Warehouse	Lowell	Metro Builders	Warehouse	12,000	Done
Monroe Mini Storage	Lowell	Greenhouse LLC and Monroe LLC	Mini Storage	100,000	Conceptual
NWA Food Bank	Lowell	NWA Food Bank	Office/ Warehouse	82,425	Early 2024
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Old Wire Mini Storage I, II	Lowell	Mark Marquess	Mini Storage	90,000	Conceptual
Planetarium	Lowell	Katherine Auld	Museum	120,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
TZZ Event Center	Lowell	Brandon Hash	Commercial		Conceptual
Auto Zone	Pea Ridge	Auto Zone	Retail		Conceptual
D & D	Pea Ridge	D&D Investments	Commercial		Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
Mixed Use Pea Ridge	Pea Ridge	Matt Sitton	Mixed Use		Conceptual
Plaza Tire Center	Pea Ridge	Barry Williams	Retail		Conceptual
Smith Street Warehouse	Pea Ridge		Warehouse		Conceptual
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
10th Street Commercial Project	Rogers	Bates and Associates	Commercial	113,000	Conceptual
45th Street Storage	Rogers		Mini Storage	39,660	Conceptual
American Water Sports	Rogers	Boen Kemp	Retail	15,196	Done
Armor Bank	Rogers	Big Creek Bancshares	Bank	5,619	Conceptual
Beaty Office Park III	Rogers	Lance Beaty	Office	15,000	Spring 2023
Bellview Urban Center II	Rogers	Alex Blass	Office/ Warehouse	29,710	2023

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Caliber Collision	Rogers	Caliber Collision, Bill Watkins	Commercial		Early 2023
Caseys General Store	Rogers	Casey's	Retail		Conceptual
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Centric	Rogers	Nick Dozier	Commercial		Conceptual
Creekside Office 2	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Early 2023
Creekside Office 3	Rogers	Alan Cole, Wade Smith	Medical Office	7,600	Early 2023
Creekside Plaza	Rogers	Alan Cole, Wade Smith	Medical Office	9,325	2023
Culver's Retail Center	Rogers	Alan Cole	Retail	7,810	Done
District at Pinnacle Hills IV	Rogers	Whisinvest	Office	61,683	Early 2023
District at Pinnacle Hills Retail III	Rogers	Whisinvest	Retail	40,539	2023
District at Pinnacle Hills V	Rogers	Whisinvest	Office	100,000	Conceptual
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	Early 2023
Farms, The Medical	Rogers	WHA Properties LLC, Hunter Haynes	Medical	10,000	Conceptual
First Western Bank Expansion	Rogers	First Western Bank	Bank	6,857	Summer 2023
Founders Plaza II	Rogers	Hunt Ventures	Office	80,000	Conceptual
Garage Suites Storage	Rogers	Garage Suites of Arkansas LLC	Mini Storage		Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Goad Springs Office/Warehouse	Rogers	Simmons Foods	Commercial		Conceptual
Highlands Oncology II-Park Plaza	Rogers	Kathey Rhoads	Medical Office		Conceptual
Hi-Tea Retail	Rogers	Qing Qing Luo, Kelley CP	Retail	6,000	2023
Hounds Lounge Pet Resort and Spa.	Rogers	Hounds Lounge	Commercial		Conceptual
Hudson Station	Rogers	Matt Ahart	Office/Warehouse	28,000	Conceptual
Hunt Ventures Medical Office	Rogers	Hunt Ventures	Medical Office	47,700	Done
Industrial Drive	Rogers	Mathias Properties	Warehouse	14,667	Done
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
Jiffy Trip	Rogers	Jiffy Trip	Retail		Conceptual
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail		Conceptual
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
LISA Academy	Rogers	Kathy L Smith	School	45,000	Done
Live/Work Artist Space	Rogers	Walton Family Foundation	Commercial		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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
Mathias Warehouse	Rogers	Mathias Properties	Warehouse	10,000	Done
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Retail	250,000	Early 2024
Mathis Brothers Furniture	Rogers	Mathis Brothers Furniture	Warehouse	250,000	Early 2024
Med Express	Rogers		Medical		Conceptual
Metal Roofing Sales	Rogers	Metal Roofing Sales	Industrial	30,400	Conceptual
Metro Business Center	Rogers	Bennett CRE	Warehouse	100,000	Conceptual
Mill Creek Manor Office	Rogers	Mill Creek Manor	Medical	4,300	Conceptual
Mills Farm Development	Rogers	Lance Beaty	Commercial		Conceptual
Modern Storage	Rogers	Brian Dale	Mini Storage		Conceptual
Nelson Berna Crematorium	Rogers	Nelson Berna	Commercial		Conceptual
New Hope Plaza	Rogers	Tim Salmonson	Retail	23,000	Conceptual
Nolan Caddell Reynolds Office	Rogers	Nolan Caddell Reynolds	Office		Conceptual
Northgate II	Rogers	Hunt Ventures	Office	57,000	Done
Northwest Arkansas Classical Academy	Rogers	Responsive Education Solutions	School	78,000	Done
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Industrial Partners I, II, III	Rogers	Alex Blass	Office/Warehouse	60,000	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
Pel-Freeze	Rogers	Pel-Freeze	Lab		Done
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Delayed
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	31,000	Conceptual
Pleasant Crossing Commercial	Rogers	Whisinvest	Commercial	20,047	Conceptual
Potato Chip Factory	Rogers	Steven Straters	Commercial		Conceptual
Preformed Line Products Expansion	Rogers	PLP Co	Industrial	82,884	Done
Price Lane Flex	Rogers	Kelley CP	Office/Warehouse	10,000	Conceptual
Price Lane Office	Rogers	Kelley CP	Office	10,200	Conceptual
Promenade and Oak Office I	Rogers	Hunter Haynes	Office	29,700	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Promenade and Oak Office II	Rogers	Hunter Haynes	Office	30,800	Conceptual
Rainbow Road Self Storage, Ph II	Rogers		Mini Storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street II	Rogers	David Mancia	Office/Retail	24,000	Conceptual
Shops at the Forum	Rogers	Mathias Properties	Commercial		Conceptual
Signature Bank-East	Rogers	Gary Head	Bank		Done
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Sixteen Ninety Nine C Store	Rogers	Sixteen Ninety Nine	Retail		Conceptual
SJC Pinnacle Springs	Rogers	SJC	Office/Retail	80,000	Conceptual
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Sterling Bank	Rogers	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Strasters	Rogers		Office	6,350	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
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
Tidal Wave Auto Spa	Rogers	Rhodes Properties	Retail		Conceptual
Tri-State Optical	Rogers	Daniel Landis	Medical	6,031	Conceptual
True-Self Recovery	Rogers	Tru-Self Recovery	Office	2,500	2023
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Twenty-second Street Business Park	Rogers	Louis and Shannon Froud	Office	20,312	Conceptual
UAMS Medical School	Rogers	UAMS	Medical School		Conceptual
Unnamed Medical Office	Rogers	Flake Co	Medical	100,000	Conceptual
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
412 Mini Storage	Sil Springs		Mini Storage		Done
America's Car Mart	Sil Springs	Car Mart	Retail		Conceptual
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Atwoods	Sil Springs	Atwoods, Billy Barry	Retail	63,170	Done
Barnett Warehouse	Sil Springs	Jonathan Barnett	Warehouse	67,950	Conceptual
Behive Industrial	Sil Springs	Behive Enterprises	Industrial	15,000	Conceptual
Brick Oven	Sil Springs		Retail	3,500	Early 2023
Crye-Leike Office	Sil Springs	Crye-Leike Realtors	Office	6,500	Conceptual
East Cornerstone Plaza	Sil Springs		Office/Retail		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Holly Street Crossing	Sil Springs	Ted Viala	Commercial		Conceptual
Jiffy Trip	Sil Springs	Jiffy Trip	Retail	65,455	Done
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	2023
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	Done
Siloam Warehouse Park	Sil Springs	Josh Isabell	Warehouse		Conceptual
Southpointe 1	Sil Springs	Dan and Jeanine Mallory	Commercial	2,880	2023
Southpointe 2	Sil Springs	Christy and Rex Osborn	Commercial	2,880	2023
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
BiLD Architecture Mixed Use	Springdale	BiLD Architecture	Mixed Use	37,000	Conceptual
Brian Clark Flex Project	Springdale	Brian Clark	Flex Warehouse	20,000	Conceptual
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Carpet One Expansion	Springdale	Carpet One	Retail/Warehouse	25,000	Done
Chad Reed Storage	Springdale	Chad Reed	Mini Storage	32,720	Conceptual
Chandler Equipment Expansion	Springdale	Chris and Morgan Chandler	Warehouse	30,000	Done
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
Dandy Carwash	Springdale	Dandy Oil	Retail	4,800	Conceptual
Diesel Downs, Lots 4, 5	Springdale	Raymond Merrill	Commercial		Conceptual
Diesel Downs, Lots 6, 7	Springdale	Murphy-Hoffman Co.	Commercial		Conceptual
Dollar General	Springdale	Dollar General	Retail	10,640	Done
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
First State Bank	Springdale	First State Bank	Bank		Conceptual
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
Frito-Lay Warehouse	Springdale	Nelson Family Enterprises	Warehouse	19,000	Conceptual
Greystone Storage	Springdale	John Hendricks	Mini Storage	71,100	2023
H.C. Schmieding Office	Springdale	Chris Crysiewicz	Office		Conceptual
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Heyer Park	Springdale	Daniel and Wade Smith	Office	20,000	2023
I 49 Logistics Park, Phase I	Springdale	Crossland Construction, Sage Partners	Warehouse	300,000	Summer 2023
I 49 Logistics Park, Phase II+	Springdale	Crossland Construction	Warehouse	800,000	Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
KAL Freight	Springdale	Josh Adams	Commercial		Conceptual
Las Margarita Plaza	Springdale	David Mancia	Office/Retail	10-12,000	2023
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Marchant Rd Complex	Springdale	Arnold Hollingsworth	Commercial		Conceptual
Market Center of the Ozarks	Springdale	Walton Family Foundation	Commercial	40,000	2024
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Modern Storage	Springdale	Modern Storage	Mini Storage	154,000	2023
NTI Health Facility	Springdale	Northwest Technical Institute	School	50,000	Conceptual
NWA Food Hub	Springdale	Walton Family Foundation	Commercial	45,000	Early 2024
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
Pacific GeneTech	Springdale	Louis Bowen, Ed Fryar	Commercial	25,000	Conceptual
Parkway Plaza I	Springdale	Sage Partners and Griffin Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
PM Industries Facility	Springdale	PM Industries	Industrial		Conceptual
Powers of Arkansas	Springdale	Alan Hope	Office/Warehouse	15-20,000	2023
Premier Sports Center	Springdale	Andy Chen	Sports Complex	45,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Reiff Warehouses	Springdale	David Erstine, Lee Ward	Warehouse	80,000	Conceptual
Southwest DTP Office Building	Springdale	Travis Ruff, SW DTP	Office	36,000	Conceptual
Speedy Splash Car Wash-Butterfield Coach	Springdale	The McLain Group	Retail		Conceptual
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Star Mechanical	Springdale	Star Mechanical	Warehouse	20,000	2023
Starbucks Retail Center	Springdale	Haag-Brown	Retail		2023
Steel Yard Warehouse	Springdale	Buddy Hatch	Warehouse	38,400	Done
Storage World	Springdale	Storage World	Mini Storage		2023
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
Take 5 Oil	Springdale	Take 5	Retail		Done
The Crossings	Springdale	George Family, Matt Brown, Alan Cole	Commercial		Conceptual
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS Orthopedic and Sports Medicine Facility	Springdale	UAMS	Medical Office	185,000	Conceptual
Wagon Wheel Storage	Springdale	Crossland Construction	Warehouse;Mini-storage	80,000	Done
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Agnes 10	Tontitown	Mathias Properties	Warehouse	13,440	Done
Agnes 8	Tontitown	Mathias Properties	Warehouse	19,220	Done
Agnes 9	Tontitown	Mathias Properties	Warehouse	19,220	Done
Gerber Collision and Glass	Tontitown	Gerber Collision and Glass	Retail/Warehouse		Conceptual
Paramount Metal	Tontitown	Paramount Metal	Industrial	3,650	Early 2023
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
Williams Tractor NHA and Bobcat	Springdale	Doug Williams	Retail	63,856	Done
Dollar General	Sulpher Springs	Angela Petkovic	Retail		Conceptual
Agnes 10	Tontitown	Mathias Properties	Warehouse	13,440	Fall 2022
Agnes 8	Tontitown	Mathias Properties	Warehouse	19,220	Fall 2022
Agnes 9	Tontitown	Mathias Properties	Warehouse	19,220	Fall 2022
Gerber Collision and Glass	Tontitown	Gerber Collision and Glass	Retail/Warehouse		Conceptual
Hancock Animal Clinic	Tontitown	Carevet	Animal Medical		Done
Paramount Metal	Tontitown	Paramount Metal	Industrial	3,650	Early 2023
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	0	119
La Quinta Inn & Suites	Bentonville	107	0
Laughlin Bed & Breakfast	Bentonville	5	1
Merchant Flats on 8th	Bentonville	10	0
Microtel	Bentonville	78	0
Pines Motel	Bentonville	9	0
Red Roof Inns	Bentonville	103	0
South Walton Suites	Bentonville	56	0
Springhill Suites By Marriott	Bentonville	67	0
Suburban Extended Stay	Bentonville	0	118
Super 8 Motel-Bentonville/Rogers	Bentonville	52	0
The Links at Bentonville Apts.	Bentonville	41	0
Towneplace Suites by Marriott	Bentonville	78	0
Value Place Extended Stay	Bentonville	121	0
Wingate Inn Bentonville	Bentonville	102	0
Avid Hotel	Fayetteville	82	0
Best Western Windsor Suites	Fayetteville	66	0
Candlewood Suites	Fayetteville	0	78
Chief Motel	Fayetteville	31	1
Comfort Inn-Fayetteville	Fayetteville	60	0
Country Inn & Suites By Carlson	Fayetteville	40	25

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Courtyard by Marriot	Fayetteville	110	4
Dickson Street Inn	Fayetteville	8	2
Fairfield Inn and Suites	Fayetteville	50	44
Hampton Inn	Fayetteville	87	8
Hilton Garden Inn	Fayetteville	90	25
Holiday Inn Express	Fayetteville	77	33
Homewood Suites	Fayetteville	0	96
Hyatt Place-Steele	Fayetteville	106	1
Inn at Carnall Hall	Fayetteville	49	0
La Quinta Inn & Suites	Fayetteville	61	0
Motel 6	Fayetteville	98	0
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

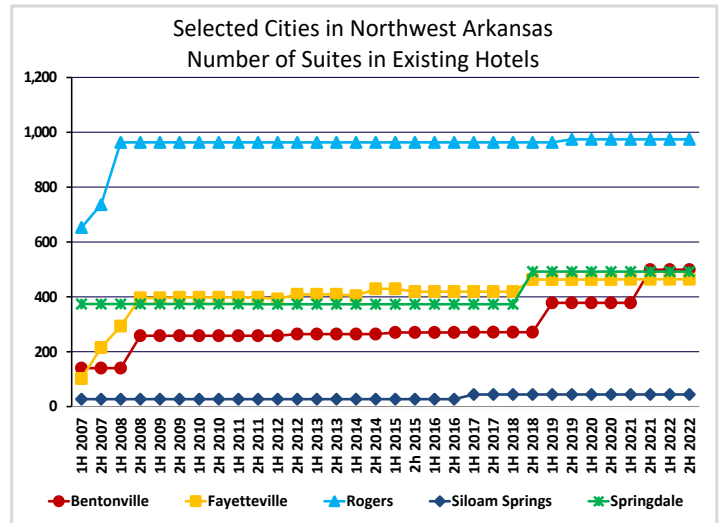
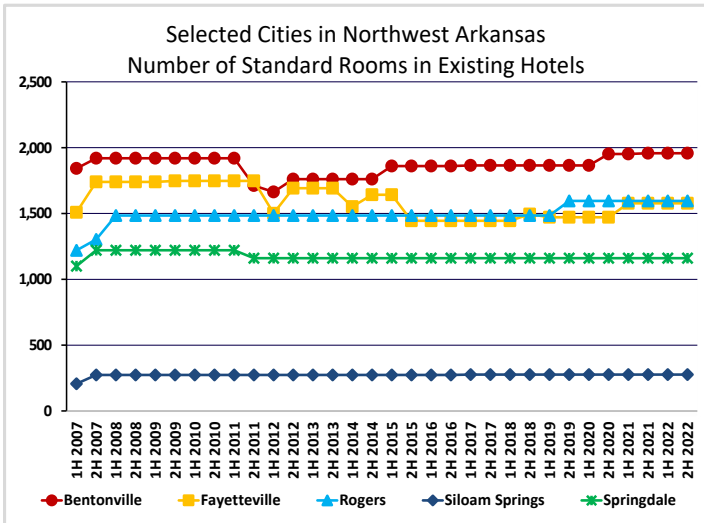
Property Name	City	Number of Standard Rooms	Number of Suites
Ranch-O-Tel Motel	Rogers	21	0
Regency 7 Motel	Rogers	31	0
Residence Inn by Marriott	Rogers	88	0
Rocky Branch Resort	Rogers	14	0
Simmons Suites	Rogers	0	115
Staybridge Suites	Rogers	83	83
Super 8 Motel	Rogers	34	0
Tanglewood Lodge	Rogers	30	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
Northwest Arkansas Total		6,763	2,577



Existing Hotels



New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
AC Hotel by Marriot	Bentonville	Walmart, Marriot	153	Summer 2024
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Conceptual
Detrola Motel	Bentonville	I-14 LLC	162	Conceptual
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Motto By Hilton	Bentonville	Windsor Aughtry; Osage Hospitality	175	Early 2023
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	142	Summer 2024
City Center North Hotel	Fayetteville	City Center North LLC, Sage Partners		Conceptual
Clementine on College	Fayetteville	AMR Architects	8	Conceptual
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Metro District Hotel	Fayetteville	Brian Reindl	134	Conceptual
Pratt Place Inn Expansion	Fayetteville	SREG	76	Conceptual
Southyard Hotel	Fayetteville	SREG	130	Conceptual
XNA Hotel	Highfill	XNA	100-120	Conceptual
Independence Plaza	Lowell	IHG		Conceptual
Boutique Hotel	Rogers	Jonelle Hunt, Andrew and David Burnett	120-140	Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Marriot Tribute Portfolio	Rogers	Whisenest, LRC2 Properties	150	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
Emma Hotel	Springdale	Blue Crane		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
Airship Coffee Ledger	Bentonville	Blue Crane	Done
Airship Coffee West	Bentonville	Blue Crane	Early 2023
Andy's Custard	Bentonville	Andys Custard	Conceptual
Beacon Beer Bar	Bentonville	Hawk Moth	Done
Connifer in The Howard	Bentonville	Newell Development, Matt Cooper	Done
Culver's Restaurant	Bentonville	Stephen Herbst	2023
Hellion Restaurant, Bar and Taproom	Bentonville	Michael LaSalata	Conceptual
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
JP Specialty Restaurant	Bentonville	JP Specialty LLC, G. Josan, S. Butler	Conceptual
Lady Slipper	Bentonville	Ropeswing	Done
Motto Hilton Restaurant	Bentonville	Osage Hospitality	2023
Muse Restaurant	Bentonville	Rose	Early 2023
Old Home Office Property	Bentonville	Walmart	Conceptual
Pop-up Drink	Bentonville		Conceptual
Red Kite Crystal Flats	Bentonville	Cindy Springs, LLC	Done
Rope Hounds Taproom	Bentonville		Done
Schlotzkys	Bentonville	Schlotzkys	Conceptual
The Bend NWA	Bentonville	Nickie Humphrey	Done
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Walmart Home Office Coffee Shop	Bentonville	Walmart	Conceptual
Whataburger	Bentonville	Whataburger	2023
Beach BBQ	Centerton	Beach BBQ	Done
Domino's	Centerton	A&M Pizza Real Estate	Conceptual
Punjabi Kitchen	Centerton		Done
Cronuts	Farmington	Cronuts	Done
112 Drive-in Restaurant	Fayetteville	Dave Anderson, C.L. Partners	Conceptual
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Boulder and Brews	Fayetteville	T Jennings, J Lam, F Cardoza, P Randall	2023
Calle Latin Cuisine	Fayetteville	Fredi Valle and Fernando Castillo	Done
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
CAVA	Fayetteville	Morgan Foley	Done
Central BBQ	Fayetteville	Brian Wyatt, SREG	Early 2023
Cheba Hut	Fayetteville	Cheba Hut	2023
Chi's Baohouse	Fayetteville	Jacob Chi	Early 2023
Chuy's	Fayetteville	Mike Young and John Zapp	Fall 2023
City Park Outdoor	Fayetteville	Lewis Chase, Matt and Mike Sutton	Spring 2023
Crumb Cookies	Fayetteville	Nicole Trudo	Conceptual
Domino's Pizza Theatre Store	Fayetteville	Domino's	Early 2023
Dunkin Donuts	Fayetteville	Dunkin Donuts	2023

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Fayetteville Taco and Tamale	Fayetteville	Yellow Rocket	Spring 2023
Fossil Cove	Fayetteville	Ben Mills	Conceptual
Girls Gone BBQ	Fayetteville	Dana Neely	Done
Hills Hideaway	Fayetteville	Lindsey Slifer	Done
Icescreams	Fayetteville	Icescreams	Done
Jersey Mikes-Joyce	Fayetteville	Jersey Mike's	Done
Meteor Café	Fayetteville	Chris St Peter, Doug Zell	2023
Mullins Library Café	Fayetteville	U of A	Conceptual
Nautical Bowls	Fayetteville	Cheryl Hatfield	February 2023
Noble Graze	Fayetteville	Suzanne Billings	Done
Old School Grill	Fayetteville	Shawn Willis	Conceptual
Parkers Sports Grill	Fayetteville	Brandon Parker	Done
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Plomo's	Fayetteville	Omar Kasim	Done
Queen's Mexican Restaurant	Fayetteville	Manny Fernandez	Done
Sa Wrap-NWA Mall	Fayetteville		Done
Siam Cuisine	Fayetteville		Done
Smokin Oak Pizza and Tap Room	Fayetteville	Specialized Real Estate Group	Done
Stuff Your Spud-NWA Mall	Fayetteville		Done
Sugar Daddys-NWA Mall	Fayetteville		Done
Summer Moon Coffee Shop	Fayetteville	Summer Moon	Done
Taco and Tamale	Fayetteville	Yellow Rocket	2023
Taste of Hawaii-NWA Mall	Fayetteville		Done
Tin Roof	Fayetteville	Bob Franklin, Mark King	Done
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Velvet Taco	Fayetteville	Atwell Group	Early 2023
Walk On's	Fayetteville	Chris McJunkin	Done
Orthodox Farmhouse Brewery	Goshen	Ashlyn and Jesse Gagnon	Done
McDonalds	Gravette	K-Mac Inc	Conceptual
Einsteins Bagels-XNA	Highfill	Heather and Mike Phillip, Aaron Nickell	Done
Ozark Mountain Bagels	Johnson	OMB	Done
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Monroe Fast Food	Lowell	Greenhouse LLC	Conceptual
Wendy's	Lowell	Wendy's	2023
Bread Zepplin	Northwest Arkansas	Vincent Ginatta	Conceptual
Der Weinerschnitzel 3 Locations	Northwest Arkansas	Tejas Dogs, LLC	Conceptual
Duck Donuts	Northwest Arkansas	Betsy Hamm	Conceptual

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Vito Vera	Northwest Arkansas	Alica Watson	Conceptual
Yellow Rocket Concepts BBQ	Northwest Arkansas	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
Taco Bell	Pea Ridge	K-Mac Inc	2023
Bellview Urban Center Restaurant	Rogers	Alex Blass	2023
Blu DTR	Rogers	Blue Fish Sushi Market	Done
Chi's Baohouse	Rogers	Jacob Chi	2023
Crepe Restaurant-Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Conceptual
Culver's Restaurant	Rogers	Culver's; Alan Cole	Done
Curry Restaurant	Rogers		Conceptual
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
Danger Dogs	Rogers		Done
District at Pinnacle Restaurant	Rogers	Burke Larkin	Conceptual
Duck Donuts	Rogers	Duck Donuts	Done
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Loma	Rogers	Hachem Investments	Done
Marsouls	Rogers		2023
Napolis	Rogers	Napolis	Done
Olive Street Townhomes Ice Cream Shop	Rogers		Conceptual
Panda Express	Rogers	Panda Express	2023
Pho Kitchen and Grill	Rogers		Done
Pinnacle Village Restaurants	Rogers	Alex Blass	Conceptual
Rendezvous Junction Restaurant	Rogers	Alex Blass	Conceptual
Shake's Frozen Custard	Rogers	Shake's Frozen Custard	Done
Shire Gastropub	Rogers		Done
Starbucks-8th Street	Rogers	Gateway Plaza LLC	2023
The District Casa Alejo	Rogers	Sean Dibble	Spring 2023
The District House 1830	Rogers	Sean Dibble	Spring 2023
The District Pub on the Bricks	Rogers	Sean Dibble	Spring 2023
The Piano Bar and Grill	Rogers	The Piano Bar and Grill	2023
Txar House	Rogers	Txar House	Done
Wellington's	Rogers	Hachem Investments	Done
Wrights BBQ	Rogers	Jordan Wright	Done
Zaxby's	Rogers	Matt Sitton	Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
King Burrito	Siloam Springs	Manny Fernandez	Done
La Torcia Brick Oven Pizza restaurant	Siloam Springs	Scott Stevens	Done

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Schlotzkys	Siloam Springs	Schlotzkys	2023
Whataburger	Siloam Springs	Whataburger	2023
202 Railside Restaurant 1	Springdale	Blue Crane	2023
202 Railside Restaurant 2	Springdale	Blue Crane	2023
7Brew-E Robinson	Springdale	7Brew	Done
Andy's Custard	Springdale	Andys Custard	Done
Bauhaus Beirgarten-Downtown	Springdale	Daniel Hintz, Jennifer Hill Booker	Done
Burger King-The Crossings	Springdale	L.W. Clark, Inc	Done
Carmelitas	Springdale		Done
Casa Alejo	Springdale		2023
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Hawaian Bros Island Grill	Springdale		April 2023
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Red Kite-Downtown	Springdale	Danny Hamilton	Conceptual
Revival-Downtown	Springdale		Conceptual
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
Slim Chickens Thompson	Springdale	Slim Chickens	Done
Social Brewing Co	Springdale		Done
Starbucks-Elm Springs	Springdale	Haag Brown	Done
Via Emma Ice Cream Shop	Springdale	Blue Crane	Conceptual
Wienerschnitzel Elm Springs	Springdale	Wienerschnitzel	2023
Dairy Queen	Tontitown	Aimee and Terry Sims	Done

Closed Restaurants

Restaurant	City	Date Closed
Mango's East	Fayetteville	January 2022
Comida Artesanal	Rogers	January 2022
Lift Coffee Bar	Fayetteville	March 2022
Coltons Steakhouse	Fayetteville	May 2022
Simple Simon's	Springdale	May 2022
Z's Brick Oven Pizza	Fayetteville	June 2022
Wasabi's	Rogers	June 2022
McClards	Rogers	July 2022
Moonbroch	Rogers	July 2022
DQ Grill and Chill	Fayetteville	July 2022
Joes Italian	Fayetteville	July 2022
Icescreams	Fayetteville	September 2022
Con Queso	Fayetteville	October 2022
Shakes Frozen Custard	Rogers	November 2022



The pictures above show how some businesses have changed to accomodate changing business strategies in the Northwest Arkansas area.

Inventory Classification and Coverage

Categories of Commercial Properties

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

Lab-a workplace for conducting scientific research;

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

Office-space-where business professionals work;

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

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

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

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

Warehouse-space where goods can be stored until distributed.

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

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

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

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

City	Industrial ¹	Office ¹	Retail ¹	Warehouse ¹	Total ¹	Total Square Feet ¹ (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	140,888	242,600	90,964	453,243	469,383	103.6%
Bentonville	41,700	4,687,827	1,220,956	3,074,506	9,024,989	9,390,798	104.1%
Fayetteville	1,100,829	3,624,348	4,458,807	2,321,662	11,505,646	11,080,258	96.3%
Johnson	--	363,502	124,973	127,964	616,439	564,076	91.5%
Lowell	143,950	394,538	214,578	1,779,376	2,532,442	2,459,727	97.1%
Rogers	1,124,192	3,773,887	4,785,687	3,061,507	12,745,273	13,145,064	103.1%
Siloam Springs	353,242	277,983	865,000	619,372	2,115,597	1,832,918	86.6%
Springdale	1,902,597	1,775,033	2,508,208	4,754,505	10,940,343	11,125,946	101.7%
Northwest Arkansas	4,666,510	15,038,006	14,420,809	15,829,856	49,933,972	50,068,170	100.3%

¹Source: 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.

²Source: Panel of 253 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 decreased from 1,362,516 square feet in the second half of 2021 to 1,173,103 square feet in the second half of 2022. In the past year, 325,234 new square feet of office space were added, with Bentonville having the most with 208,892 square feet, while Rogers added another 65,460. There was net positive absorption of 207,831 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net positive absorption with 201,439 square feet. Bentonville had net negative absorption of 69,383 square feet. The overall Northwest Arkansas office vacancy rate decreased from 10.0 percent in the second half of 2021 to 8.4 percent in the second half of 2022.

In Northwest Arkansas, 236,455 square feet of office/retail space were available in the second half of 2022, down from 409,699 square feet in the second half of 2021. The office/retail market experienced net positive absorption of 173,687 square feet in the past year. Fayetteville accounted for 89,115 square feet, followed by Bentonville with 53,425 square feet of net positive absorption. Rogers had net negative absorption of 6,633 square feet during this period. There were 40,373 new square feet of office/retail space added within the past year. The most, 15,503 square feet, was in Lowell. The overall Northwest Arkansas office/retail vacancy rate decreased from 9.6 percent in the second half of 2021 to 5.0 percent the second half of 2022.

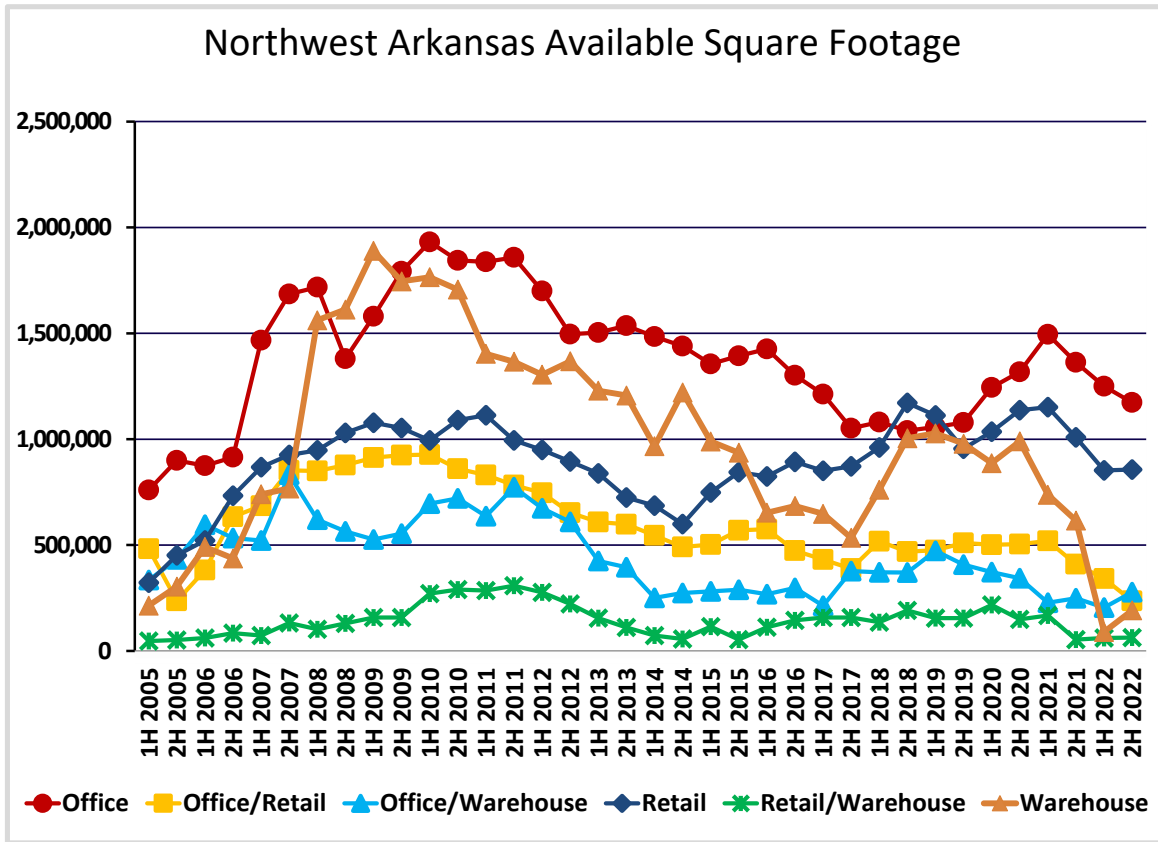
In the second half of 2022, 856,889 square feet of retail space were available in Northwest Arkansas, down from 1,009,031 square feet in the second half of 2021. The retail market had net positive absorption of 143,997 square feet in the past twelve months. Rogers accounted for 128,620 square feet of net positive absorption. Siloam Springs had 29,059 square feet of net negative absorption during this period. There were 67,845 new square feet of retail space added to the Northwest Arkansas market during the past year, with Bentonville accounting for the most, with 47,845 square feet. The overall Northwest Arkansas retail vacancy rate decreased from 19.5 percent in the second half of 2021 to 7.9 percent in the second half of 2022.

In the Northwest Arkansas warehouse market, available square footage decreased from 616,204 in the second half of 2021 to 191,579 in the second half of 2022. The warehouse market experienced net positive absorption of 440,225 square feet during the past year. (Some industrial was reclassified into warehouse). Bentonville accounted for 245,500 square feet of the net positive warehouse absorption, with Lowell adding another 92,000 square feet. Fayetteville had net negative absorption of 5,400 square feet during this period. 229,000 new square feet of warehouse space, 130,000 in Lowell, was added to the Northwest Arkansas market during the past year. Additionally, 184,426 square feet (100,000 in Lowell) of new office/warehouse space were added during this period. Warehouse vacancy rates decreased from 5.3 percent to 1.6 percent, from the second half of 2021 to the second half of 2022.



Commercial Market Trends

Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	-3,000	14,310	1,859	0
Bentonville	-69,383	53,425	23,628	245,500
Fayetteville	-18,436	89,115	21,279	-5,400
Johnson	-6,145	2,000	0	0
Lowell	65,277	-6,487	1,875	92,000
Rogers	201,439	-6,633	128,620	85,000
Siloam Springs	12,251	6,805	-29,059	0
Springdale	25,827	21,152	-4,205	23,125
Northwest Arkansas	207,831	173,687	143,997	440,225

Commercial Market Trends

Available Square Footage by Submarket

Available Space by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	2H 2021	19,296	430,058	148,243	19,124	69,397	538,863	22,841	114,694	1,362,516
	1H 2022	22,296	431,984	127,720	25,734	62,267	433,610	14,351	132,022	1,249,984
	2H 2022	22,296	493,314	181,019	25,269	4,120	322,108	10,590	114,387	1,173,103
Medical Office	2H 2021	0	19,577	39,814	9,524	40,000	8,510	22,841	59,078	199,344
	1H 2022	3,000	19,577	29,883	17,399	41,870	20,614	14,351	60,927	207,621
	2H 2022	3,000	11,552	30,361	16,934	1,870	31,600	10,590	56,866	162,773
Office/Retail	2H 2021	22,910	119,971	173,392	2,000	0	51,698	9,586	30,142	409,699
	1H 2022	20,846	103,199	157,669	0	8,209	41,040	2,781	7,490	341,234
	2H 2022	5,336	66,546	85,367	0	6,487	58,331	2,781	11,607	236,455
Office/Warehouse	2H 2021		64,900	0	0	10,400	5,900	92,274	75,534	249,008
	1H 2022		65,200	0	0	0	5,900	57,667	75,534	204,301
	2H 2022		40,200	0	0	0	67,867	57,667	111,738	277,472
Retail	2H 2021	3,299	104,393	229,364	0	1,875	501,612	35,173	133,315	1,009,031
	1H 2022	7,455	56,412	228,219	0	1,875	405,409	19,477	133,968	852,815
	2H 2022	1,440	65,391	215,314	0	0	372,992	64,232	137,520	856,889
Retail/Warehouse	2H 2021		2,928	14,974	9,630	9,800	11,333	0	5,200	53,865
	1H 2022		2,928	19,774	9,630	9,800	8,933	0	9,956	61,021
	2H 2022		2,928	16,104	0	9,800	8,933	0	24,956	62,721
Warehouse	2H 2021	0	325,000	0	0	92,000	114,750	0	84,454	616,204
	1H 2022	0	0	15,600	0	0	29,750	0	44,454	89,804
	2H 2022	0	79,500	21,000	0	0	29,750	0	61,329	191,579



Commercial Market Trends

Vacancy Rates by Submarket

Vacancy Rates by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	2H 2021	16.1%	10.6%	4.3%	6.3%	21.2%	14.1%	13.3%	9.1%	10.0%
	1H 2022	18.1%	10.6%	3.6%	8.4%	18.5%	10.9%	8.3%	11.1%	9.1%
	2H 2022	18.1%	11.5%	5.1%	8.3%	1.2%	8.0%	6.2%	9.4%	8.4%
Medical Office	2H 2021	0.0%	5.5%	3.1%	5.3%	48.4%	1.8%	13.3%	11.2%	6.4%
	1H 2022	5.1%	5.5%	2.3%	9.7%	45.3%	4.2%	10.8%	11.8%	6.6%
	2H 2022	5.1%	3.2%	2.3%	9.4%	2.0%	5.9%	8.0%	11.0%	5.1%
Office/Retail	2H 2021	8.5%	11.3%	9.9%	2.7%	0.0%	8.5%	5.2%	4.3%	8.7%
	1H 2022	8.8%	9.7%	8.9%	0.0%	9.4%	7.1%	1.5%	1.1%	7.3%
	2H 2022	2.2%	6.2%	4.8%	0.0%	7.4%	10.1%	1.5%	1.6%	5.0%
Office/Warehouse	2H 2021		7.1%	0.0%	0.0%	6.4%	0.9%	83.6%	3.7%	6.0%
	1H 2022		6.9%	0.0%	0.0%	0.0%	0.9%	52.2%	3.7%	4.8%
	2H 2022		4.2%	0.0%	0.0%	0.0%	9.5%	52.2%	5.2%	6.3%
Retail	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%
	1H 2022	8.3%	6.5%	6.2%	0.0%	1.7%	10.9%	4.1%	7.6%	7.9%
Retail/Warehouse	2H 2021		1.2%	13.3%	53.4%	31.6%	4.1%	0.0%	0.7%	3.5%
	1H 2022		1.2%	16.8%	53.4%	31.6%	3.3%	0.0%	1.4%	4.0%
	2H 2022		1.2%	13.7%	0.0%	31.6%	3.2%	0.0%	3.3%	3.9%
Warehouse	2H 2021	0.0%	17.5%	0.0%	0.0%	6.7%	3.7%	0.0%	2.6%	5.3%
	1H 2022	0.0%	0.0%	1.2%	0.0%	0.0%	1.0%	0.0%	1.4%	0.8%
	2H 2022	0.0%	4.3%	1.6%	0.0%	0.0%	1.0%	0.0%	1.9%	1.6%



Commercial Market Trends

Net Absorption by Submarket

Net Absorption by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	2H 2021	3,000	59,154	43,677	2,167	-51,135	92,009	-18,480	-11,640	118,752
	1H 2022	-3,000	-8,053	23,463	-6,610	7,130	107,253	8,490	-17,328	111,346
	2H 2022	0	-61,330	-41,899	465	58,147	94,186	3,761	43,155	96,485
Medical Office	2H 2021	3,000	1,200	-13,198	-233	-40,000	3,024	-18,480	-9,176	-73,863
	1H 2022	-3,000	0	9,931	-7,875	-1,870	-12,104	7,890	-1,849	-8,877
	2H 2022	0	8,025	4,222	465	40,000	-10,986	3,761	6,561	52,048
Office/Retail	2H 2021	21,893	-26,156	21,441	1,500	0	-1,329	18,000	24,980	60,329
	1H 2022	-1,200	16,772	15,723	2,000	-8,209	10,658	6,805	22,652	65,201
	2H 2022	15,510	36,653	73,392	0	1,722	-17,291	0	-1,500	108,486
Office/Warehouse	2H 2021		-3,000	0	0	12,000	22,830	-34,607	7,284	4,507
	1H 2022		-300	0	0	10,400	0	34,607	0	44,707
	2H 2022		25,000	0	0	0	-37,000	0	-33,774	-45,774
Retail	2H 2021	0	1,556	76,786	0	18,735	8,304	-980	-2,817	101,584
	1H 2022	-4,156	32,607	23,745	0	0	96,203	15,696	-653	163,442
	2H 2022	6,015	-8,979	-2,466	0	1,875	32,417	-44,755	-3,552	-19,445
Retail/Warehouse	2H 2021		918	0	-4,650	-4,900	15,620	9,860	90,387	107,235
	1H 2022		0	0	0	0	2,400	0	-4,756	-2,356
	2H 2022		0	3,670	9,630	0	0	0	-15,000	-1,700
Warehouse	2H 2021	0	-275,000	54,745	4,000	98,208	186,762	48,750	15,714	133,179
	1H 2022	0	325,000	0	0	92,000	85,000	0	40,000	542,000
	2H 2022	0	-79,500	-5,400	0	0	0	0	-16,875	-101,775



Commercial Market Trends

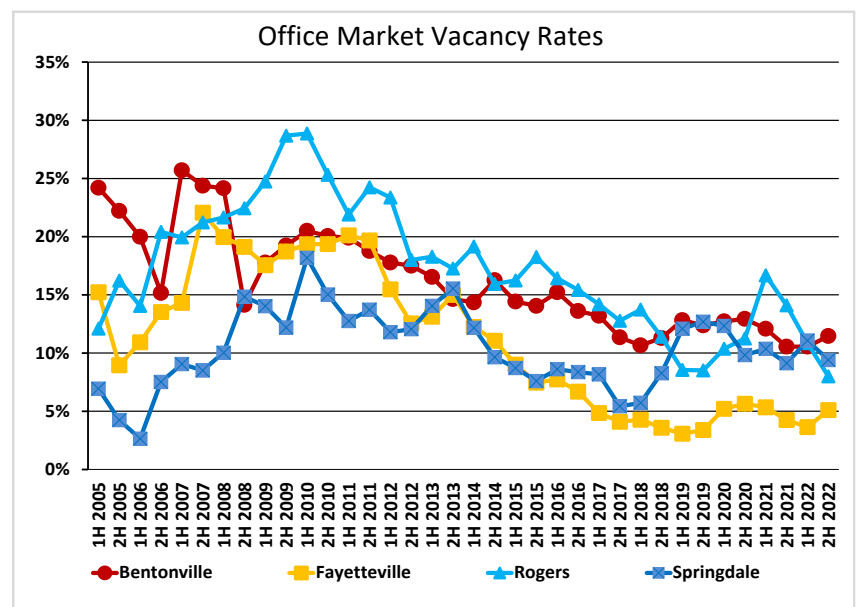
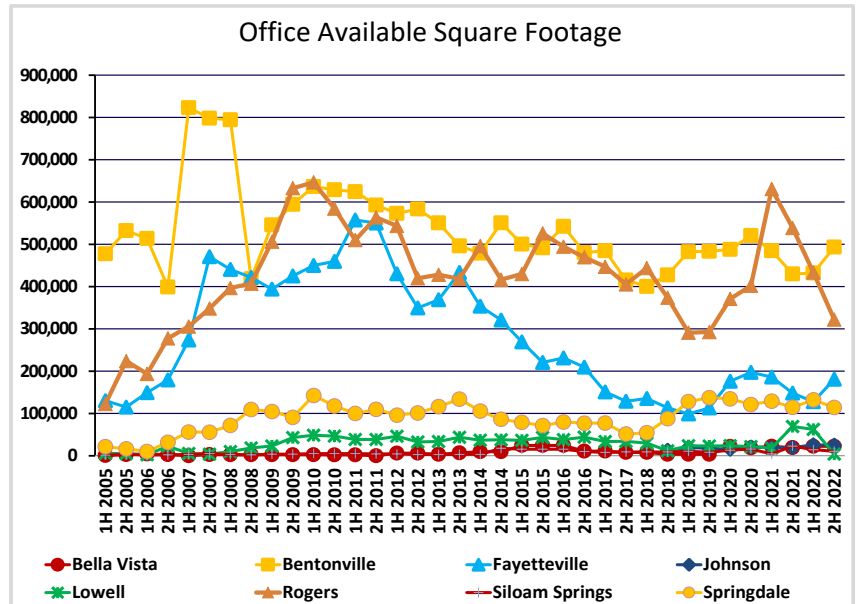
Office Vacancy and Space

In the second half of 2022, the office properties included in the Skyline Report panel had a vacancy rate of 8.4 percent, a decrease from 9.1 percent in the first half of 2022. Of the 14,036,116 square feet of Northwest Arkansas properties examined, 1,173,103 square feet were available. In the second half of 2022, 274,414 square feet of new space entered the market, while 370,899 square feet became occupied, netting positive absorption of 96,485 square feet for the Northwest Arkansas office market.

Bentonville had 493,314 available square feet of office space out of its total office space of 4,305,634 square feet in the second half of 2022. 60.9 percent of the available office space was Class B. There were 208,892 new square feet, including 188,313 of Class A, added during this time. The Bentonville office market had overall net negative absorption of 61,330 square feet, 41,704 square feet of it in the Class B submarket and another 30,857 square feet in the Class A submarket, while the Medical and Class C submarkets had 8,025 and 2,736 square feet of net positive absorption, respectively.

Rogers had 4,024,867 square feet of total office space, with available square feet of 322,108 in the second half of 2022. 58.0 percent of the available space was in the Class A submarket. 45,780 square feet of Medical office space was added during this period. The Rogers office market had a net positive absorption of 94,186 square feet in the second half of 2022. The Class A submarket accounted for 70,517 square feet, the Class B submarket for 31,962 square feet, and the Class C submarket for 2,593 square feet of the net positive absorption. The Medical office submarket had 10,986 square feet of net negative absorption during this time.

Fayetteville had 181,019 square feet of available space, out of its total office space of 3,552,327 square feet in the second half of 2022. 67.6 percent of the available space was in the Class B submarket. There were 19,742 new square feet of Class A office space added in the second half of 2022. The Fayetteville office market had overall net negative absorption of 41,899 square feet. The Class B office submarket had 45,731 square feet of net negative absorption with another 4,390 square feet in the Class A



Commercial Market Trends

Office Lease Rates by City

submarket, while the Medical office and Class C submarkets had 4,222 and 4,000 square feet of net positive absorption, respectively, during the same period.

Springdale had 1,215,512 total square feet of office space, with 114,387 square feet of it available in the second half of 2022. 49.7 percent was Medical office space. There was no new office space added during this period. There was net positive absorption of 43,155 square feet in the Springdale office market in the second half of 2022. Class C office had the most with 32,032 square feet. Medical office added 6,561 square feet, Class B 2,847 square feet, and Class A 1,715 square feet of net positive absorption during this period.

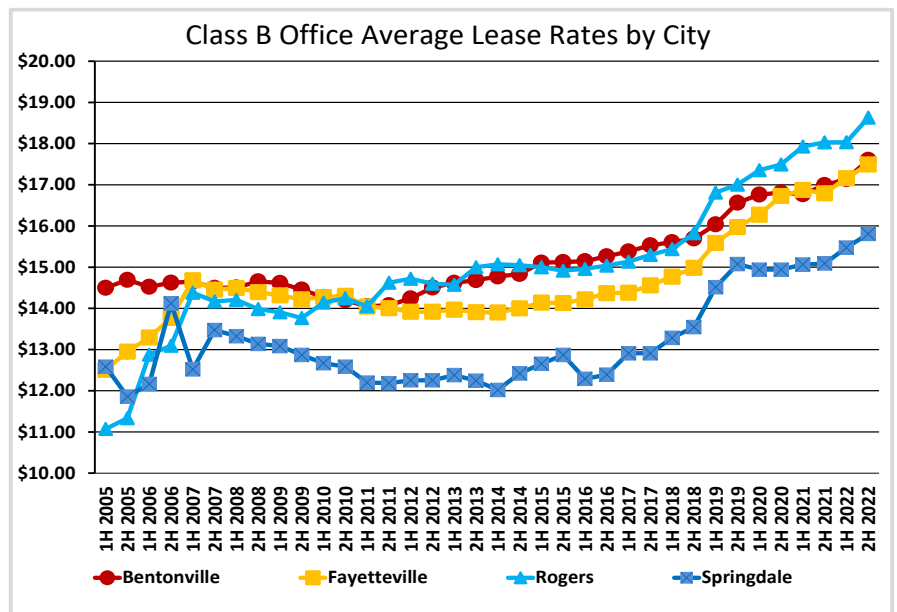
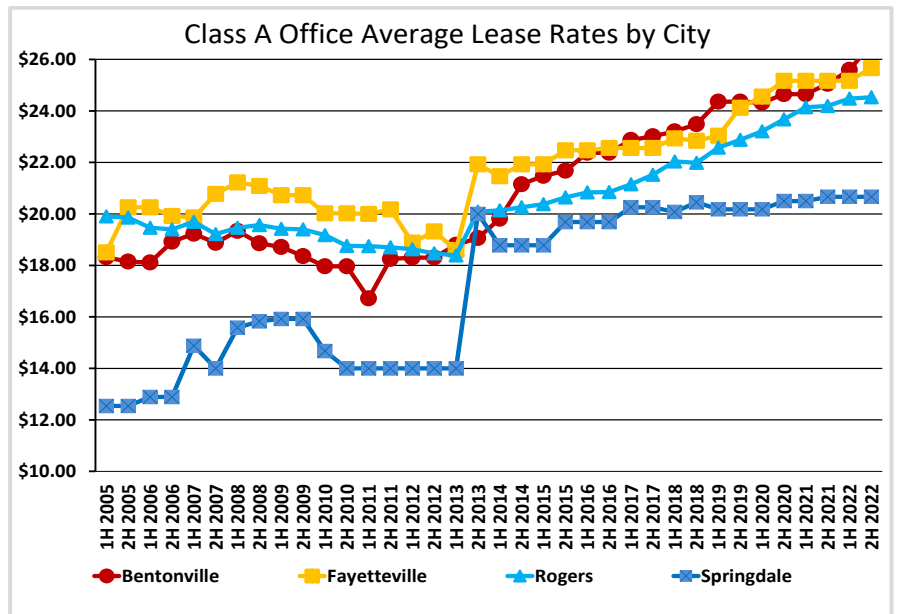
In the second half of 2022, average reported lease rates for Class A office space were highest in Bentonville, increasing \$1.01 to \$26.61 Fayetteville increased to \$25.66, Rogers increased to \$24.53, and Springdale remained at \$20.67.

Average reported lease rates for Class B office space was highest in Rogers, increasing \$0.59 to \$18.63. Bentonville increased to \$17.61, Fayetteville increased to \$17.50, and Springdale remained with the lowest reported average lease rates increasing to \$15.81.

Reported average lease rates for Class C office were highest in Bentonville remaining \$14.36. Fayetteville remained \$12.94, Rogers decreased to \$11.10, and Springdale remained the lowest, but increased to \$10.75.

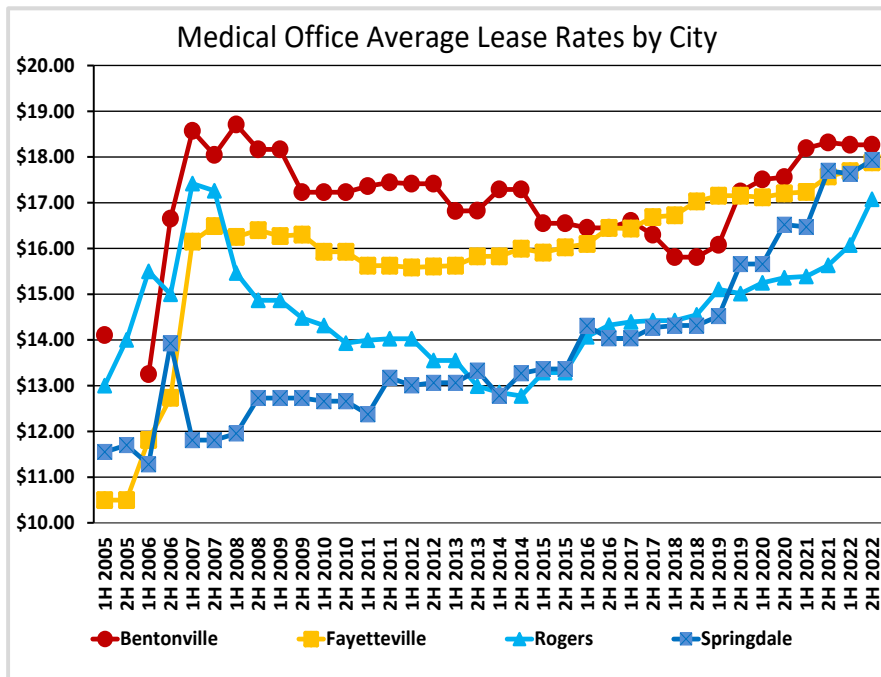
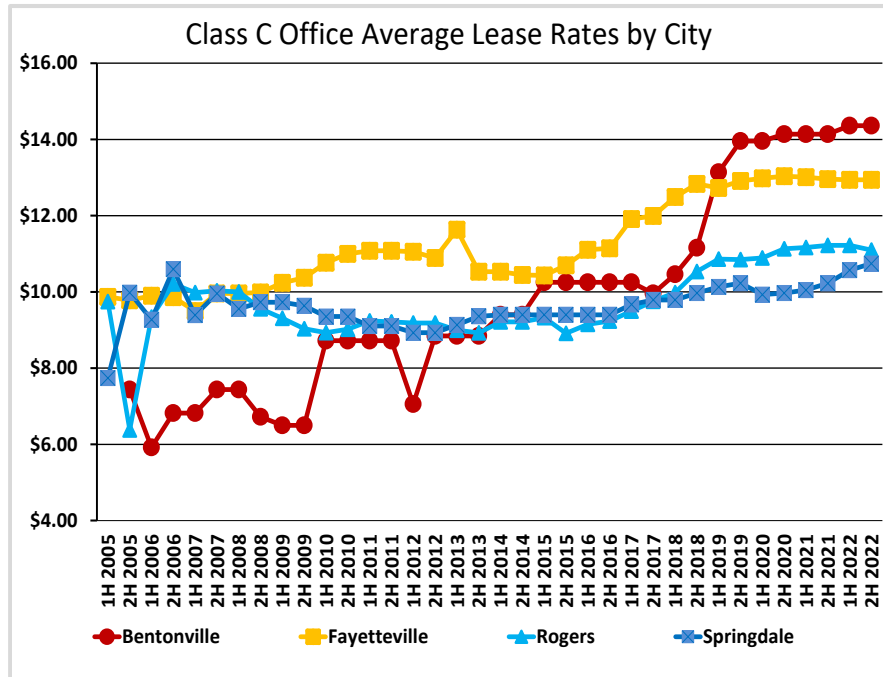
Reported average medical office space lease rates were highest in Bentonville remaining \$18.27. Springdale increased to \$17.94, Fayetteville increased to \$17.89, and Rogers remained the lowest average reported lease rate increasing \$1.00 to \$17.08.

City	Class A	Class B	Class C	Medical
Bentonville	\$25.82 - \$27.39	\$17.33 - \$17.88	\$14.36 - \$14.36	\$17.95 - \$18.58
Fayetteville	\$24.00 - \$27.32	\$17.23 - \$17.76	\$12.63 - \$13.25	\$17.12 - \$18.65
Rogers	\$24.09 - \$24.97	\$18.32 - \$18.94	\$10.94 - \$11.25	\$17.00 - \$17.15
Springdale	\$20.33 - \$21.00	\$15.25 - \$16.37	\$10.31 - \$11.18	\$17.68 - \$18.19



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
Class A Office							
Bentonville	1,054,723	171,354	16.2%	157,456	188,313	-30,857	--
Fayetteville	475,779	9,390	2.0%	15,352	19,742	-4,390	--
Rogers	2,182,917	186,681	8.6%	70,517	0	70,517	15.9
Springdale	95,501	0	0.0%	1,715	0	1,715	0
Class B Office							
Bentonville	2,532,296	300,474	11.9%	-21,125	20,579	-41,704	--
Fayetteville	1,305,790	122,320	9.4%	-45,731	0	-45,731	--
Rogers	994,845	80,729	8.1%	31,962	0	31,962	15.2
Springdale	364,727	19,553	5.4%	2,847	0	2,847	41.2
Class C Office							
Bentonville	360,651	9,934	2.8%	3,206	0	3,206	18.6
Fayetteville	462,349	18,948	4.1%	4,000	0	4,000	28.4
Rogers	244,110	16,962	6.9%	3,042	0	3,042	33.5
Springdale	237,035	37,968	16.0%	32,032	0	32,032	7.1
Medical Office							
Bentonville	357,964	11,552	3.2%	8,025	0	8,025	8.6
Fayetteville	1,308,409	30,361	2.3%	4,222	0	4,222	43.1
Rogers	534,275	31,600	5.9%	34,794	45,780	-10,986	--
Springdale	518,249	56,866	11.0%	6,561	0	6,561	52.0

Commercial Market Trends

Office/Retail Vacancy and Space

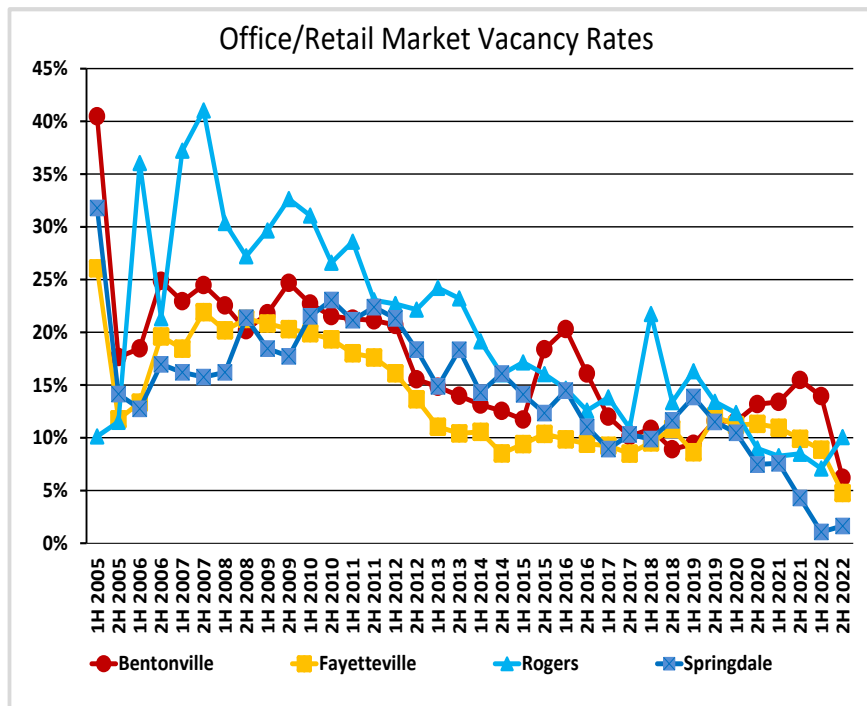
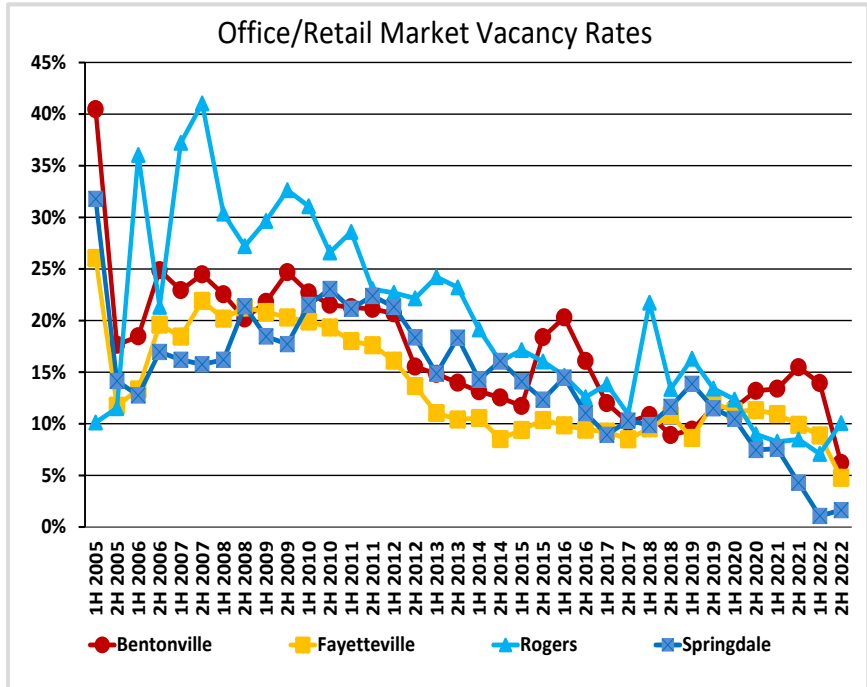
In the second half of 2022, the office/retail properties included in the Skyline Report sample had a vacancy rate of 5.0 percent, down from 7.3 percent in the first half of 2022. Of the 4,733,883 square feet of Northwest Arkansas properties examined, 236,455 square feet were available.

From the first half of 2022 to the second half of 2022, 11,198 square feet of new office/retail space, all in Bentonville, were added to the market. There was net positive absorption of 108,486 square feet in the second half of 2022. Fayetteville had the most net positive absorption with 73,392 square feet, with Bentonville contributing 36,653 square feet. Meanwhile Rogers had the most net negative absorption at 17,291 square feet.

Fayetteville had the largest amount of available square feet in the office/retail submarket with 85,367 square feet in the second half of 2022, with Bentonville adding 66,546 square feet of available space. The vacancy rate was highest in Rogers at 10.0 percent.

The office/retail space reported average lease rates in the second half of 2022 were highest in the Fayetteville Class A submarket remaining \$27.50. The Bentonville Class A average lease rate remained at \$26.13, and the average Class A lease rate in Rogers increased \$1.84 to \$23.67.

In the Class B submarket, Fayetteville stayed the most expensive increasing to \$17.30, followed by Bentonville increasing to \$16.96, then Springdale remaining \$16.53, and Rogers remained the lowest at \$15.65.



Commercial Market Trends

Office/Retail Available Space by City



City	Class A	Class B	Class C
Bentonville	\$26.00 - \$26.25	\$15.91 - \$17.30	\$12.51 - \$13.14
Fayetteville	\$27.50 - \$27.50	\$16.64 - \$17.88	\$12.31 - \$13.97
Rogers	\$21.83 - \$21.83	\$15.04 - \$16.25	\$10.62 - \$11.39
Springdale	--	\$15.75 - \$17.30	\$9.61 - \$10.61

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
Class A Office/Retail							
Bentonville	140,683	0	--	2,750	0	2,750	0.0
Fayetteville	42,000	7,475	17.8%	0	0	0	--
Rogers	110,382	24,301	22.0%	-21,833	0	-21,833	--
Springdale	--	--	--	--	--	--	--
Class B Office/Retail							
Bentonville	786,175	63,796	8.1%	41,836	11,198	30,638	12.5
Fayetteville	1,214,559	61,001	5.0%	58,160	0	58,160	6.3
Rogers	225,173	17,068	7.6%	1,500	0	1,500	68.3
Springdale	255,475	1,250	0.5%	0	0	0	--
Class C Office/Retail							
Bentonville	147,702	2,750	1.9%	3,265	0	3,265	5.1
Fayetteville	531,668	16,891	3.2%	15,232	0	15,232	6.7
Rogers	244,110	16,962	6.9%	3,042	0	3,042	33.5
Springdale	452,120	10,357	2.3%	-1,500	0	-1,500	--



Commercial Market Trends

Retail Vacancy and Space

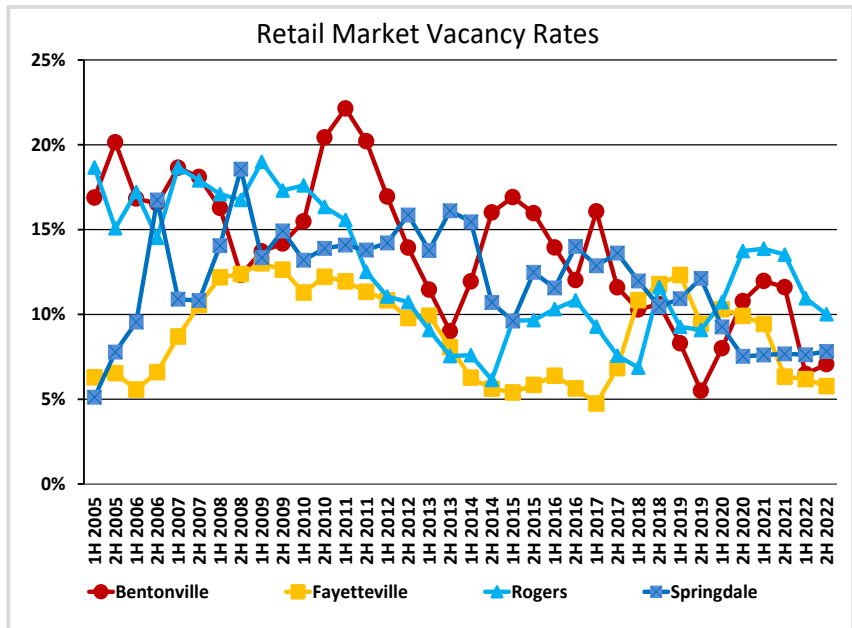
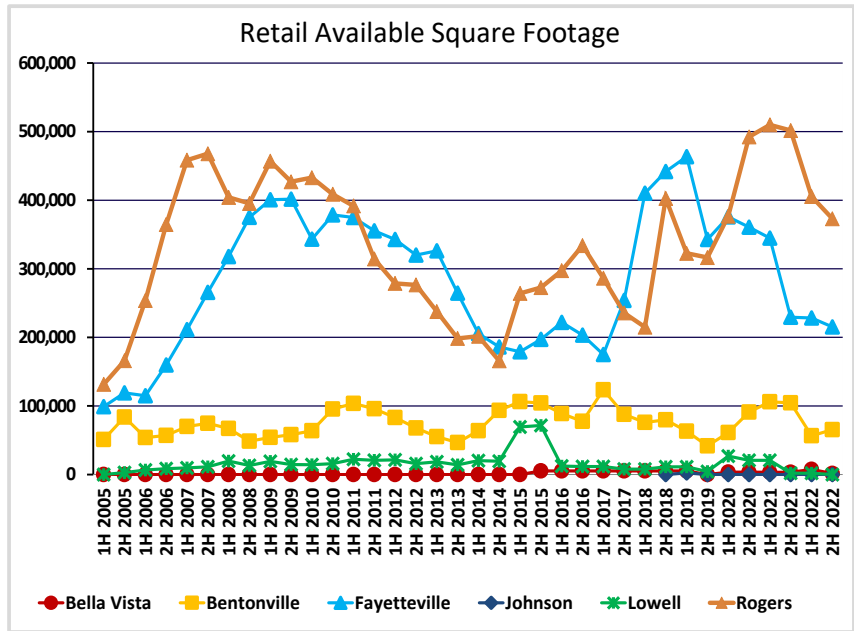
In the second half of 2022, the retail properties included in the Skyline Report panel had a vacancy rate of 7.9 percent, the same as in the first half of 2022. Of the 10,864,165 total retail square feet examined in Northwest Arkansas, 856,889 square feet were available. 47,845 square feet of new retail space, all in Bentonville, were added in Northwest Arkansas. There was net negative absorption of 19,445 square feet in the second half of 2022.

The Rogers market had 322,108 square feet of available retail space out of a total of 4,024,867 square feet, for a vacancy rate of 10.0 percent in the second half of 2022. This was a decrease from the 10.9 percent rate in the first half of 2022. No new retail space were added in Rogers, and there was net positive absorption of 32,417 square feet, of which 16,937 square feet were Class C.

In the second half of 2022, Fayetteville had a retail vacancy rate of 5.8 percent, down from 6.2 percent in the first half of 2022, with 215,314 available square feet out of a total of 3,728,259. No new square feet were added and there was net negative absorption of 2,466 square feet in the Fayetteville retail market, of which 28,624 square feet was Class B. However, Class A had net positive absorption of 26,158 square feet.

Bentonville had 926,109 total square feet with 65,391 available square feet of retail space in the second half of 2022, resulting in a vacancy rate of 7.1 percent. This represented an increase from 6.5 percent in the first half of 2022. 47,845 new square feet of Class A retail space were added to the Bentonville market which had net negative absorption of 8,979 square feet, led by Class B with 8,240 square feet.

There were 137,520 square feet of available retail space out of a total of 1,759,131 square feet in Springdale in the second half of 2022. The vacancy rate of 7.8 percent was up from 7.6 percent in the first half of 2022. No new square feet of retail space were added during the second half of 2022, and there was net negative absorption of 3,552 square feet.



Commercial Market Trends

Retail Available Space



City	Class A	Class B	Class C
Bentonville	\$23.08 - \$25.08	\$17.47 - \$19.25	\$11.23 - \$12.52
Fayetteville	\$26.20 - \$28.90	\$18.72 - \$19.28	\$11.99 - \$12.61
Rogers	\$21.64 - \$22.88	\$15.01 - \$16.64	\$10.40 - \$10.67
Springdale	--	\$16.07 - \$16.69	\$10.25 - \$11.02

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
Class A Retail							
Bentonville	214,401	7,009	3.3%	47,106	47,845	-739	--
Fayetteville	1,130,393	15,123	1.3%	26,158	0	26,158	--
Rogers	1,686,932	64,600	3.8%	11,221	0	11,221	34.5
Springdale	--	--	--	--	--	--	--
Class B Retail							
Bentonville	549,670	58,382	10.6%	-8,240	0	-8,240	--
Fayetteville	2,081,853	161,657	7.8%	-28,624	0	-28,624	--
Rogers	1,453,797	304,496	20.9%	4,259	0	4,259	429.0
Springdale	1,041,939	106,122	10.2%	2,652	0	2,652	240.1
Class C Retail							
Bentonville	162,038	0	0.0%	0	0	0	--
Fayetteville	516,013	38,534	7.5%	0	0	0	--
Rogers	584,588	3,896	0.7%	16,937	0	16,937	1.4
Springdale	717,192	31,398	4.4%	-6,204	0	-6,204	--

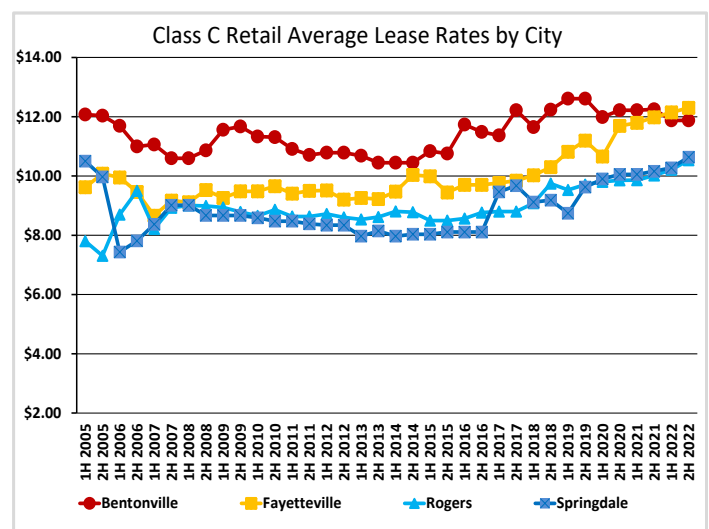
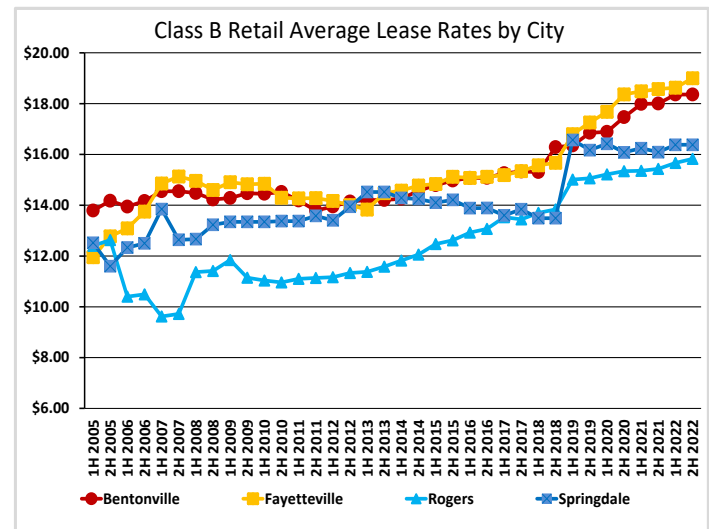
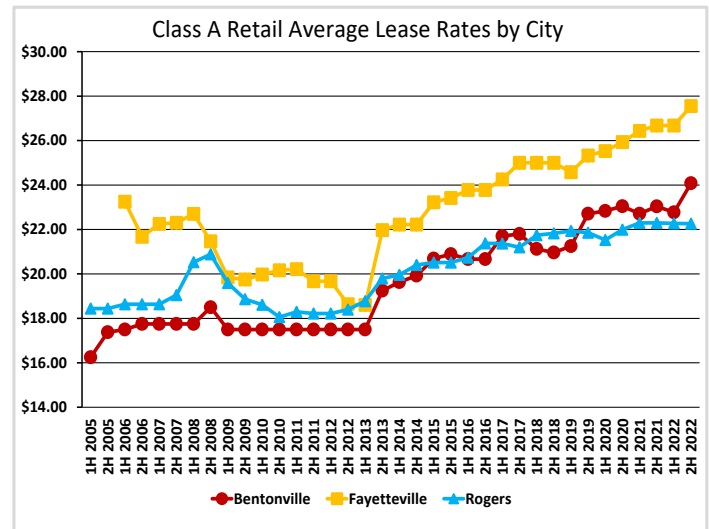
Commercial Market Trends

Retail Lease Rates By Class A, B or C

In the Class A retail submarket Fayetteville remained the highest average reported lease rate increasing \$0.87 to \$27.55. Bentonville had an average reported lease rate of \$24.08, after an increase of \$0.131. The average rate in Rogers decreased to \$22.26.

After an increase of \$0.37, Class B average reported retail lease rates were highest in Fayetteville at \$19.00. Bentonville and Springdale remained at \$18.36 and \$16.38, respectively, and Rogers was the lowest after increasing to \$15.83.

Class C average reported lease rates were the highest in Fayetteville after increasing \$0.15 to \$12.30. Bentonville remained \$11.88, Springdale increased to \$10.64, leaving Rogers the lowest after increasing to \$10.54 in the second half of 2022.



Commercial Market Trends

Warehouse Vacancy and Space

In the second half of 2022, the warehouse properties included in the Skyline Report panel had a 1.6 percent vacancy rate, down from 0.8 percent in the first half of 2022. Of the 11,809,439 square feet of warehouse space examined, 191,579 square feet were available. There were no new square feet of warehouse space added in the second half of 2022, and there was net negative absorption of 101,775 square feet.

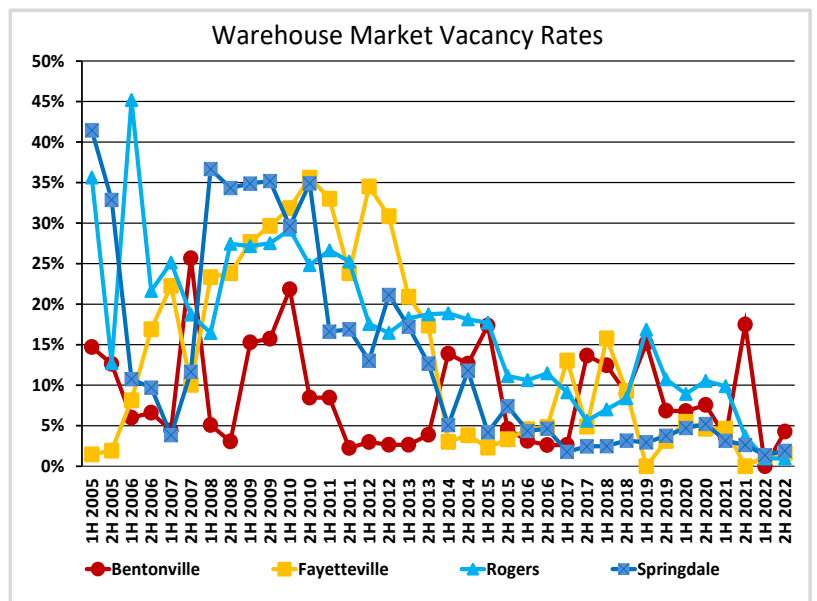
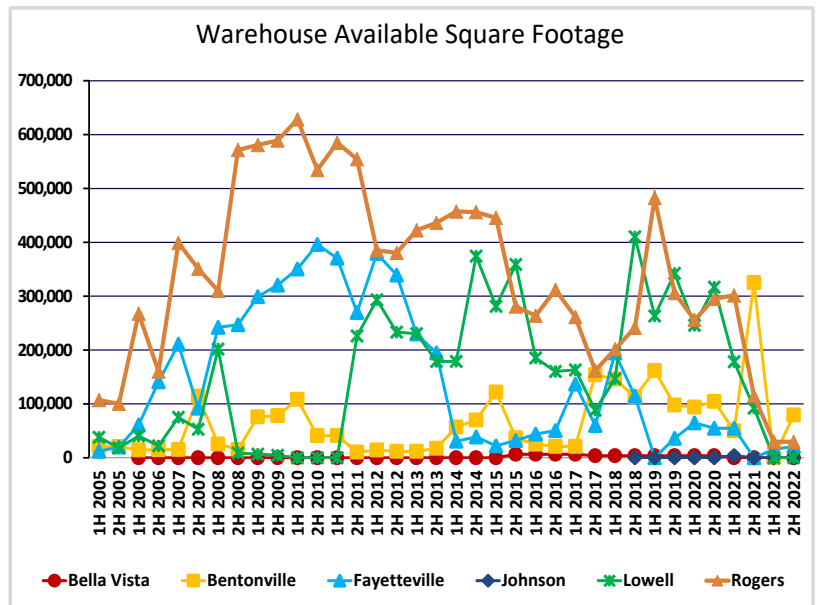
Springdale, including Tontitown warehouse space, in the second half of 2022 had 3,215,447 square feet of warehouse space, of which 60.7 percent is Class B space. 61,329 square feet was available, including 53,829 of square feet Class C space. There was net negative absorption of 16,875 square feet, 9,375 from the Class C submarket in the second half of 2022, leading to an overall vacancy rate of 1.9 percent, up from 1.4 percent in the first half of 2022. There were no new square feet added to the Springdale warehouse submarket.

Rogers had 3,103,482 square feet of warehouse space, of which 36.6 percent was Class C. 29,750 square feet was available, all of it Class C space. There was no absorption of warehouse in the second half of 2022 and the vacancy rate remained 1.0 percent. 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. 79,500 square feet of warehouse space was available after net negative absorption of 79,500 square feet of Class B space in the second half of 2022. No new square feet of warehouse space were added to the Bentonville warehouse submarket in during this half. The vacancy rate was 4.3 percent, down from 0.0 in the first half of 2022.

No warehouse space was available in Lowell out of 1,496,407 total square feet of warehouse space. 49.8 percent of the total warehouse space was Class A. No new square feet of warehouse were added in the Lowell submarket in the second half of 2022. The vacancy rate remained 0.0 percent.

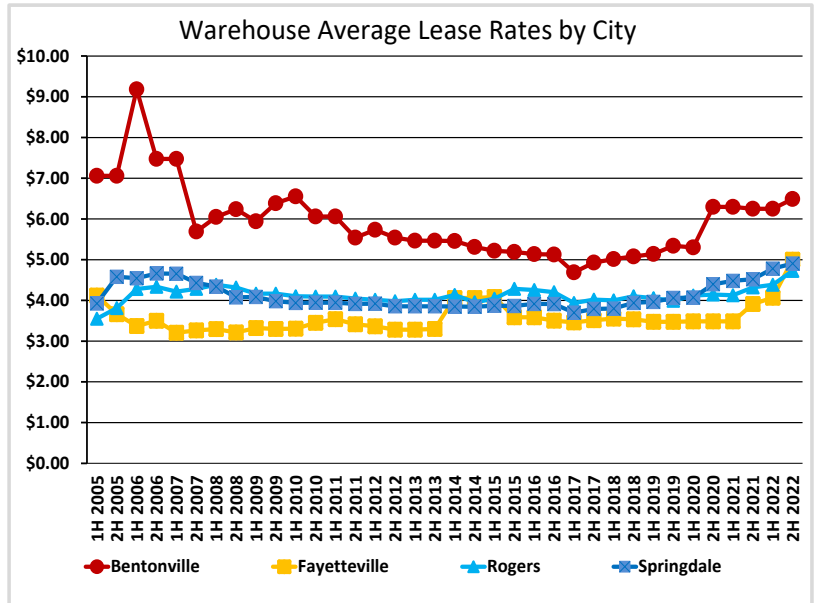
There was 1,294,590 total square feet of warehouse space in Fayetteville in the second half of 2022 and 65.1 percent of it was Class B warehouse space. No new square feet of warehouse space were added to in the Fayetteville warehouse submarket in the second half of 2022. The vacancy rate for all warehouse space was 1.6 percent, up from 1.2 in the first half of 2022 in accordance with net negative absorption of 5,400 square feet.



Commercial Market Trends

Warehouse Lease Rates

The average reported warehouse lease rates were increased in all cities in the second half of 2022. Bentonville continued to have the highest reported lease rate at \$6.49, followed by Fayetteville at \$5.00, Springdale at \$4.73, and Rogers at \$4.73. 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	\$5.56 - \$5.81	--
Fayetteville	--	\$4.17 - \$4.90	\$5.56 - \$5.71
Rogers	\$4.00 - \$4.00	\$4.51 - \$4.66	\$4.83 - \$4.88
Springdale	\$3.25 - \$3.25	\$4.90 - \$5.51	\$4.47 - \$4.88

Warehouse Space Class and City	Total Square Feet	Available Square Feet ¹	Percent Available ²	Absorption ² from 1H to 2H	New Available Square Feet ¹	Net Absorption	Months of Inventory
Class A Warehouse							
Bentonville	1,639,391	0	0.0%	0	0	0	--
Fayetteville	--	--	--	--	--	--	--
Rogers	937,500	0	0.0%	0	0	0	--
Springdale	96,200	0	0.0%	0	0	0	--
Class B Warehouse							
Bentonville	220,500	79,500	36.1%	-79,500	0	-79,500	--
Fayetteville	842,564	0	0.0%	0	0	0	--
Rogers	1,029,424	0	0.0%	0	0	0	--
Springdale	1,950,293	7,500	0.4%	-7,500	0	-7,500	--
Class C Warehouse							
Bentonville	--	--	--	--	--	--	--
Fayetteville	452,026	21,000	4.6%	-5,400	0	-5,400	--
Rogers	1,136,558	29,750	2.6%	0	0	0	--
Springdale	1,168,954	53,829	4.6%	-9,375	0	-9,375	--

Commercial Market Trends

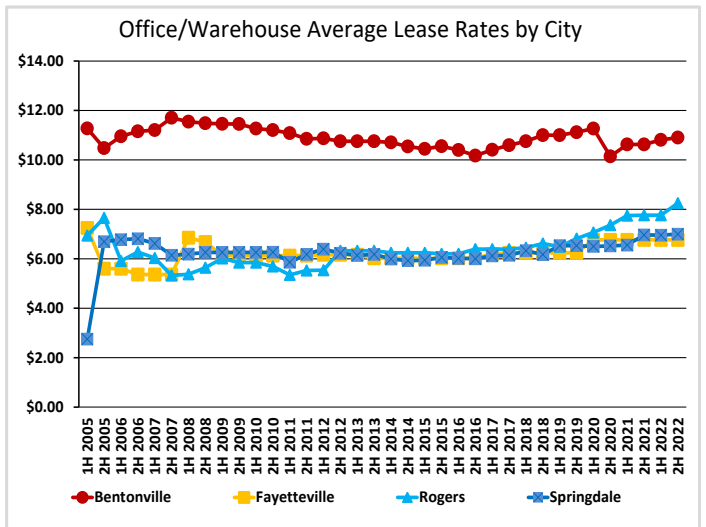
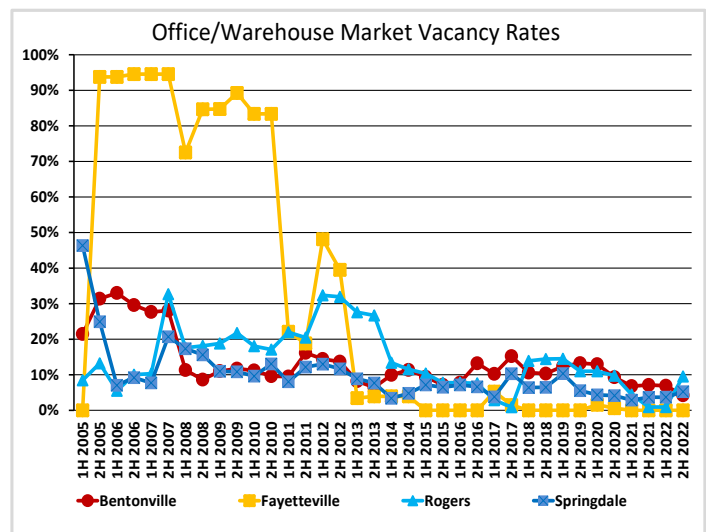
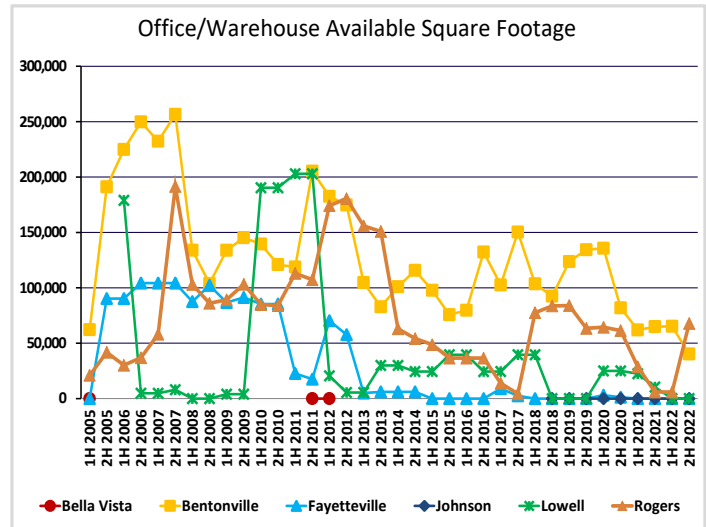
Office/Warehouse Vacancy, Space, and Lease

Office/Warehouse

The Skyline Report panelists reported on 4,424,540 total square feet of office/warehouse space with 277,472 square feet available in the second half of 2022. Springdale, Rogers, and Siloam Springs with 111,607 square feet, 67,867 square feet, and 57,667 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

The vacancy rate in the office/warehouse submarket increased from 4.8 percent in the second half of 2021 to 6.3 percent in the second half of 2022. 50,171 square feet of office/warehouse space entered the market in Northwest Arkansas during this period, with Springdale accounting for 25,704 square feet and Rogers added another 24,467 square feet. The office/warehouse submarket in Northwest Arkansas experienced net negative absorption of 45,774 square feet during the second half of 2022. Rogers and Springdale accounted for 37,000 and 33,774 square feet of net negative absorption, while Bentonville had 25,000 square feet of net positive absorption.

Bentonville continued to have the highest reported average lease rates increasing to \$10.91. Reported office/warehouse average lease rates increased to \$8.25 in Rogers, increased to \$7.00 in Springdale, while they remained the same in Fayetteville at \$6.77 in the second half of 2022.



Commercial Market Trends

Retail/Warehouse Vacancy, Space and Lease

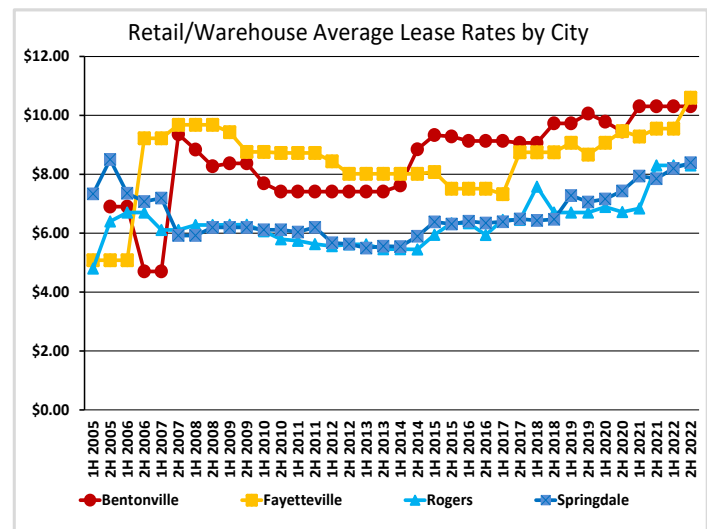
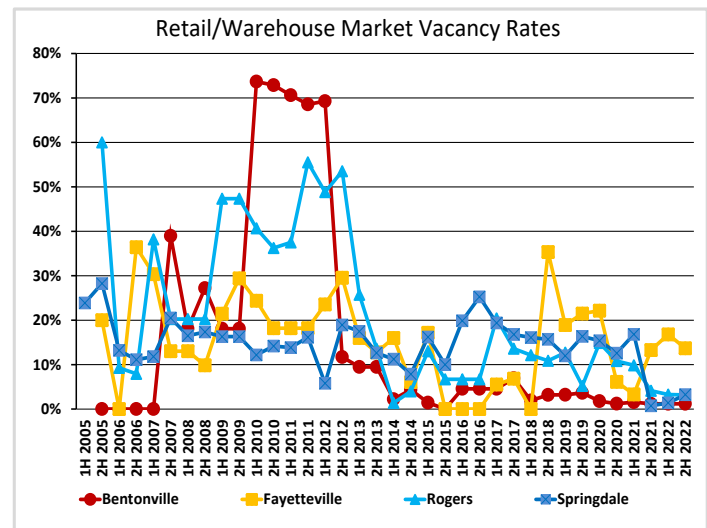
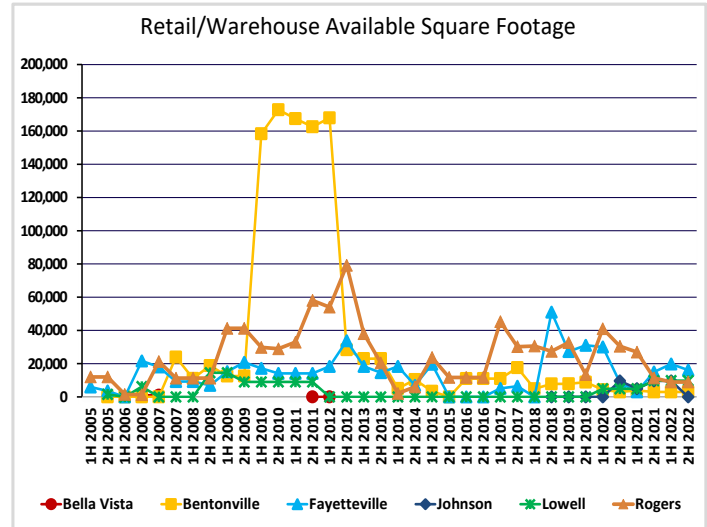
Retail/Warehouse

The Skyline Report panelists reported on 1,595,804 square feet of retail/warehouse space in the second half of 2022. A total of 62,721 square feet was available in Northwest Arkansas. Springdale had the most available retail/warehouse space with 24,956 square feet followed by Fayetteville with 16,104 square feet.

There were no new square feet of retail/warehouse added to the market during the second half of 2022. The vacancy rate in the retail/warehouse submarket decreased from 4.0 percent in the first half of 2022 to 3.9 percent in the second half of 2022.

From the first half of 2022 to the second half of 2022, there was net negative absorption of 1,700 square feet of retail/warehouse space in Northwest Arkansas. Springdale contributed negative absorption of 15,000 square feet while Johnson had 9,630 square feet of the net positive absorption in the second half of 2022.

In the second half of 2022, Fayetteville had the highest average lease rate in this market increasing \$1.05 to \$10.60. Reported retail/warehouse average lease rates remained the same in Bentonville at \$10.31 increased in Springdale to \$8.40. Rogers was the lowest average lease rate remaining at \$8.30.



Commercial Market Trends

Other Categories Lease Rates

Other Space Class and City	Total Square Feet	Available Square Feet ¹	Percent Available ²	Absorption ² from 1H to 2H	New Available Square Feet ¹	Net Absorption	Months of Inventory
Office/Warehouse							
Bentonville	953,798	40,200	4.2%	25,000	0	25,000	9.6
Fayetteville	222,610	0	0.0%	0	0	0	--
Rogers	713,545	67,867	9.5%	-12,533	24,467	-37,000	--
Springdale	2,131,394	111,738	5.2%	-8,070	25,704	-33,774	--
Retail/Warehouse							
Bentonville	248,466	2,928	1.2%	0	0	0	--
Fayetteville	117,642	16,104	13.7%	3,670	0	3,670	26.3
Rogers	279,205	8,933	3.2%	0	0	0	--
Springdale	767,650	24,956	3.3%	-15,000	0	-15,000	--

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$9.88 - \$11.93	\$9.65 - \$10.96
Fayetteville	\$6.37 - \$7.16	\$9.90 - \$11.30
Rogers	\$8.14 - \$8.36	\$8.17 - \$8.43
Springdale	\$6.53 - \$7.46	\$8.06 - \$8.73



Bella Vista

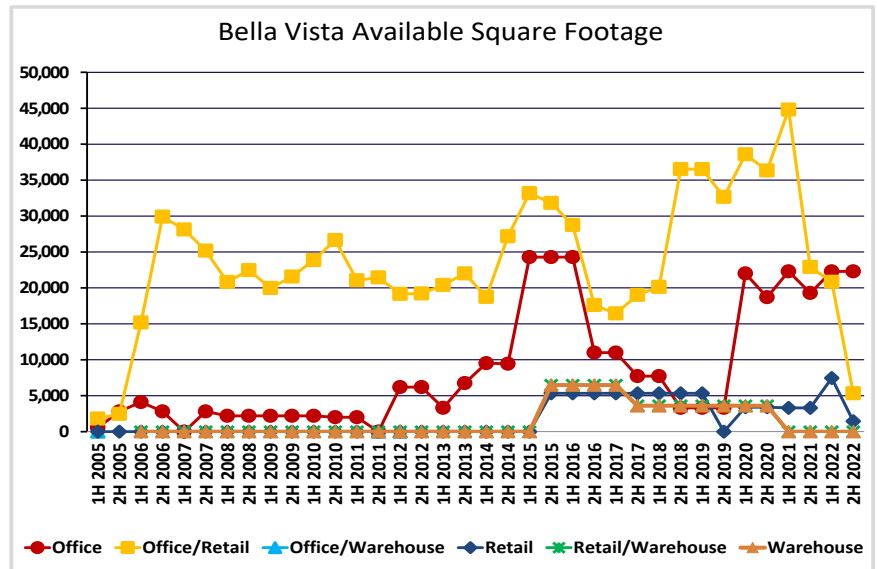
Commercial Market Summary

From July 1 to December 31, 2022, Bella Vista issued no new building permits for commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 469,383 square feet of commercial space in Bella Vista in the second half of 2022.

In the second half of 2022, Bella Vista experienced net positive absorption of 21,525 square feet. Class B office/retail had 15,510 square feet of this total, while Class B retail space had 6,015 square feet, while no submarket had net negative absorption in this period.

All reported average lease rates in Bella Vista in the second half of 2022 remained stable.



No new commercial square feet were added to Bella Vista in the first half of 2022.

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	--	--	--	--	--	--	--	--
Office	\$13.12 - \$13.78	123,479	22,296	18.1%	0	0	0	#DIV/0!
Class A	--	--	--	--	--	--	--	--
Class B	\$13.68 - \$13.68	60,725	15,700	25.9%	0	0	0	--
Class C	--	3,596	3,596	100.0%	0	0	0	--
Medical	\$12.00 - \$14.00	59,158	3,000	5.1%	0	0	0	--
Office/Retail	\$10.98 - \$13.34	238,082	5,336	2.2%	15,510	0	15,510	2.1
Class A	--	--	--	--	--	--	--	--
Class B	\$10.98 - \$13.34	226,706	3,200	1.4%	15,510	0	15,510	1.2
Class C	--	11,376	2,136	18.8%	0	0	0	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$18.75 - \$18.75	89,336	1,440	1.6%	6,015	0	6,015	1.4
Class A	--	--	--	--	--	--	--	--
Class B	\$18.75 - \$18.75	89,336	1,440	1.6%	6,015	0	6,015	1.4
Class C	--	--	--	--	--	--	--	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	\$1.00 - \$2.70	18,486	0	0.0%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

Bentonville Commercial Market Summary

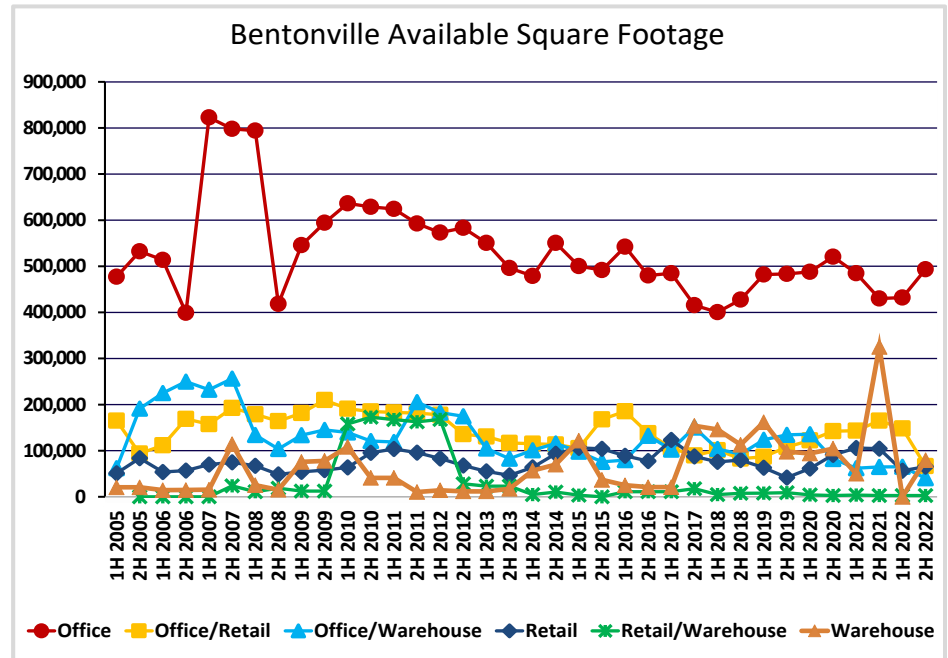
From July 1 to December 31, 2022, Bentonville issued \$52,446,563 worth of building permits for new commercial space. \$22,885,016 of the building permits were issued for the new Walmart Campus.

The second half of 2022 building permit value was 72.3 percent lower than the first half of 2022 value of \$189,550,926.

Bentonville accounted for 21.8 percent of the commercial permits issued in Northwest Arkansas during the second half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 9,390,798 square feet of commercial space in Bentonville in the second half of 2022.

In the second half of 2022, Bentonville



experienced net negative absorption of 366,027 square feet, while 267,935 new square feet of commercial space were added, including 208,892 of office space.

The warehouse submarket had the greatest amount of net negative absorption with 79,500 square feet, all Class B warehouse. The Class B office submarket added 41,704 square feet of net negative absorption. The Class B office/retail submarket had the most net positive absorption with 30,638 square feet.

Reported vacancy rates from the first half of 2022 to the second half of 2022 decreased in the medical office, office/retail, office/warehouse, and retail submarkets, increased in the office and the warehouse submarkets, and remained relatively stable in the retail/warehouse submarket.

Average reported lease rates increased noticeably by \$1.31 in the Class A retail, by \$1.01 in the Class A office, and by \$0.88 in the Class B warehouse submarkets. Lease rates remained relatively stable in the other submarkets during this period.

Bentonville

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$5.33 - \$9.67	22,340	0	0.0%	0	0	0	--
Office	\$17.92 - \$18.53	4,305,634	493,314	11.5%	147,562	208,892	-61,330	--
Class A	\$25.82 - \$27.39	1,054,723	171,354	16.2%	157,456	188,313	-30,857	--
Class B	\$17.33 - \$17.88	2,532,296	300,474	11.9%	-21,125	20,579	-41,704	--
Class C	\$14.36 - \$14.36	360,651	9,934	2.8%	3,206	0	3,206	18.6
Medical	\$17.95 - \$18.58	357,964	11,552	3.2%	8,025	0	8,025	8.6
Office/Retail	\$15.99 - \$17.15	1,074,560	66,546	6.2%	47,851	11,198	36,653	10.9
Class A	\$26.00 - \$26.25	140,683	0	--	2,750	0	2,750	0.0
Class B	\$16.25 - \$17.66	786,175	63,796	8.1%	41,836	11,198	30,638	12.5
Class C	\$12.51 - \$13.14	147,702	2,750	1.9%	3,265	0	3,265	5.1
Office/Warehouse	\$9.88 - \$11.93	953,798	40,200	4.2%	25,000	0	25,000	9.6
Retail	\$17.15 - \$18.87	926,109	65,391	7.1%	38,866	47,845	-8,979	--
Class A	\$23.08 - \$25.08	214,401	7,009	3.3%	47,106	47,845	-739	--
Class B	\$17.47 - \$19.25	549,670	58,382	10.6%	-8,240	0	-8,240	--
Class C	\$11.23 - \$12.52	162,038	0	0.0%	0	0	0	--
Retail/Warehouse	\$9.65 - \$10.96	248,466	2,928	1.2%	0	0	0	--
Warehouse	\$6.43 - \$6.55	1,859,891	79,500	4.3%	-79,500	0	-79,500	--
Class A	\$6.75 - \$6.81	1,639,391	0	0.0%	0	0	0	--
Class B	\$5.56 - \$5.81	220,500	79,500	36.1%	-79,500	0	-79,500	--
Class C	--	--	--	--	--	--	--	--
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	--	--	--	--	--	--	--	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.



Bentonville

Commercial Market Summary

Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,169,697 square feet of office, office/retail, and retail space in Downtown Bentonville in the second half of 2022. 245,670 square feet of new space was added during this period.

There was net negative absorption of 42,645 square feet in Downtown Bentonville during the second half of 2022. Office space in Downtown Bentonville had a reported vacancy rate of 12.4 percent in the second half of 2022, up from 9.4 percent in the first half of 2022, with net negative absorption of 44,656 square feet. This was lower than the overall Bentonville office vacancy rate of 11.5 percent.

The office/retail vacancy rate in Downtown Bentonville increased from 3.1 percent in the first half of 2022 to 1.2 percent in the second half of 2022 in accordance with net positive absorption of 2,750 square feet. This was lower than the overall Bentonville office/retail vacancy rate of 6.2 percent.

The retail vacancy rate in Downtown Bentonville increased from 0.0 percent in the first half of 2022 to 0.5 percent in the second half of 2022 in accordance with net negative absorption of 739 square feet. This was lower than the overall Bentonville retail vacancy rate of 7.1 percent.

Average reported lease rates increased by \$0.81 in the office submarket, remained the same in the office/retail submarket, and increased by \$1.38 in the retail submarket in Downtown Bentonville in the second half of 2022.

Downtown Bentonville Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$22.78 - \$24.73	880,292	109,006	12.4%	153,169	197,825	-44,656	--
Office/Retail	\$20.28 - \$21.82	143,328	1,734	1.2%	2,750	0	2,750	3.8
Retail	\$17.76 - \$20.25	146,077	739	0.5%	47,106	47,845	-739	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.



Fayetteville Commercial Market Summary

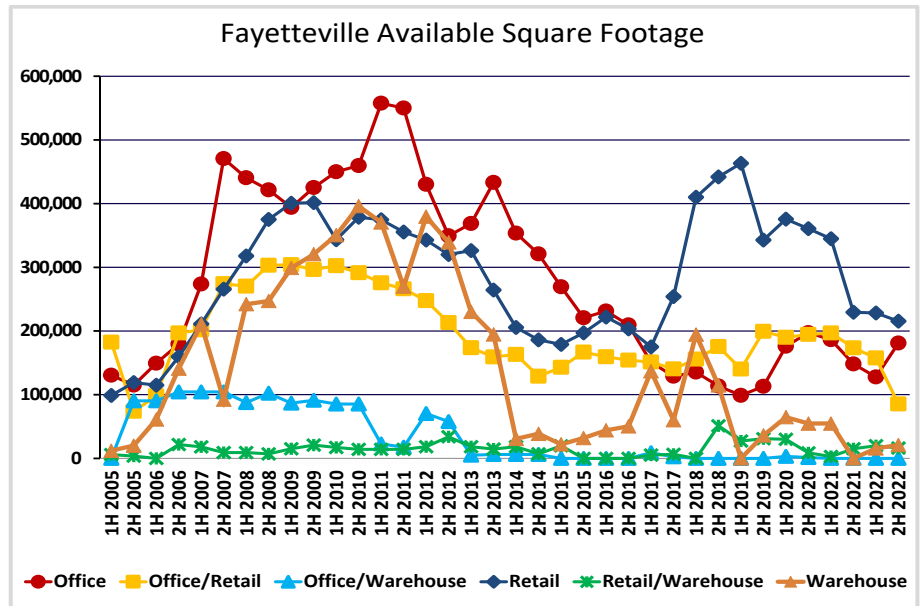
From July 1 to December 31, 2022, Fayetteville issued building permits for \$26,706,249 worth of new commercial space. The second half of 2022 value was 145.8 percent higher than the first half of 2022 value of \$10,864,711.

During the first half of 2022, Fayetteville accounted for 3.7 percent of the commercial building permits issued in Northwest Arkansas.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,080,258 square feet of commercial space in Fayetteville in the second half of 2022.

In the second half of 2022, Fayetteville experienced positive absorption of 47,039 square feet with 19,742 new square feet of Class A office space entering the market. This resulted in net positive absorption of 27,297 square feet during this time.

The Class B office/retail submarket had the greatest amount of net positive absorption with 58,160 square feet, followed by the Class A retail submarket with 26,158 square feet. The Class B office submarket had the most net negative absorption with 45,731 square feet in the second half of 2022.



Observed vacancy rates in Fayetteville from the first half of 2022 to the second half of 2022 decreased for medical office, office/retail, and retail space. They increased for office, retail/warehouse, and warehouse space. Vacancy rates remained the same for lab, industrial and office/warehouse space during this time.

The Fayetteville Class C warehouse and Class A retail submarkets had significant average lease rate increases of \$1.47 and \$0.87, respectively in the second half of 2022. All other lease rates were relatively stable from the first half of 2022 to the second half of 2022.



Fayetteville

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	\$21.32 - \$23.35	75,603	3,000	4.0%	0	0	0	--
Industrial	\$3.73 - \$4.50	301,000	0	0.0%	0	0	0	--
Office	\$16.48 - \$17.46	3,552,327	181,019	5.1%	-22,157	19,742	-41,899	--
Class A	\$24.00 - \$27.32	475,779	9,390	2.0%	15,352	19,742	-4,390	--
Class B	\$17.23 - \$17.76	1,305,790	122,320	9.4%	-45,731	0	-45,731	--
Class C	\$12.63 - \$13.25	462,349	18,948	4.1%	4,000	0	4,000	28.4
Medical	\$17.12 - \$18.65	1,308,409	30,361	2.3%	4,222	0	4,222	43.1
Office/Retail	\$15.21 - \$16.62	1,788,227	85,367	4.8%	73,392	0	73,392	7.0
Class A	\$27.50 - \$27.50	42,000	7,475	17.8%	0	0	0	--
Class B	\$16.66 - \$17.94	1,214,559	61,001	5.0%	58,160	0	58,160	6.3
Class C	\$12.55 - \$14.21	531,668	16,891	3.2%	15,232	0	15,232	6.7
Office/Warehouse	\$6.37 - \$7.16	222,610	0	0.0%	0	0	0	--
Retail	\$16.87 - \$17.61	3,728,259	215,314	5.8%	-2,466	0	-2,466	--
Class A	\$26.20 - \$28.90	1,130,393	15,123	1.3%	26,158	0	26,158	3.5
Class B	\$18.72 - \$19.28	2,081,853	161,657	7.8%	-28,624	0	-28,624	--
Class C	\$11.99 - \$12.61	516,013	38,534	7.5%	0	0	0	--
Retail/Warehouse	\$9.90 - \$11.30	117,642	16,104	13.7%	3,670	0	3,670	26.3
Warehouse	\$4.76 - \$5.24	1,294,590	21,000	1.6%	-5,400	0	-5,400	--
Class A	--	--	--	--	--	--	--	--
Class B	\$4.17 - \$4.90	842,564	0	0.0%	0	0	0	--
Class C	\$5.56 - \$5.71	452,026	21,000	4.6%	-5,400	0	-5,400	--

¹From all 2H 2021 respondents

²From 2H 2022 respondents who were also 1H 2022 respondents.

Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,145,960 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the second half of 2022.

There was net positive absorption of 4,900 square feet in the downtown Fayetteville area in the second half of 2022.

There was no new space added in downtown Fayetteville during the second half of 2022.

The office space in downtown Fayetteville had a reported vacancy rate of 2.8 percent in the second half of 2022, up from 2.5 percent in the first half of 2022 even with net positive absorption of 4,900 square feet as some previously owner-occupied space entered the market. This was lower than the overall Fayetteville office vacancy rate of 5.8 percent.

The office/retail vacancy rate for downtown Fayetteville properties remained 2.1 percent in the second half of 2022. This submarket had no absorption. This was lower than the overall Fayetteville office/retail vacancy rate of 4.8 percent in the second half of 2022.

Fayetteville

Commercial Market Summary

The downtown Fayetteville retail vacancy rate increased from 9.5 percent in the first half of 2022 to 13.8 percent as previously owner-occupied space entered the market in the second half of 2022. This was higher than the overall Fayetteville retail vacancy rate of 5.8 percent in the second half of 2022.

Average reported lease rates in downtown Fayetteville increased \$0.18 in the office submarket, remained the same in the office/retail submarket, and increased \$1.08 in the retail submarket from the first half of 2022 to the second half of 2022.

Downtown Fayetteville/Dickson Street Area Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$15.15 - \$17.29	523,220	14,700	2.8%	4,900	0	4,900	18.0
Office/Retail	\$16.58 - \$17.92	444,838	9,455	2.1%	0	0	0	--
Retail	\$18.80 - \$19.73	177,902	24,552	13.8%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

Uptown Fayetteville/Joyce Street Corridor/Mall

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,204,917 square feet of office, office/retail, and retail space in Uptown Fayetteville in the second half of 2022.

There was overall net negative absorption of 37,262 square feet of space during the second half of 2022 in Uptown Fayetteville.

There were no new square feet of office space added to Uptown Fayetteville in the second half of 2022.

Office space in Uptown Fayetteville had net negative absorption of 44,123 square feet in the second half of 2022 leading to a reported vacancy rate of 6.1 percent in the second half of 2022. This was higher than the first half of 2022 vacancy rate of 3.6 percent and was higher than the 5.1 percent vacancy rate for all of Fayetteville.

In the second half of 2022, the office/retail vacancy rate in Uptown Fayetteville decreased to 0.0 percent from 5.6 percent in the first half of 2022, with 2,700 square feet of net positive absorption. The vacancy rate was below the city average office/retail vacancy rate of 4.8 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 4.9 percent in the second half of 2022, a decrease from 6.1 percent in the first half of 2022, in accordance with net positive absorption of 4,161 square feet during the second half of 2022. This was lower than the overall Fayetteville rate of 4.8 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.33 in the office, decreased \$0.41 in the office/retail, and increased \$0.34 in the retail submarkets in the second half of 2022.

Fayetteville

Commercial Market Summary

Uptown Fayetteville/Joyce Street Corridor/Mall Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$18.08 - \$18.95	1,931,548	118,708	6.1%	-44,123	0	-44,123	--
Office/Retail	\$16.10 - \$17.08	48,515	0	0.0%	2,700	0	2,700	0.0
Retail	\$18.73 - \$19.77	2,224,854	108,618	4.9%	4,161	0	4,161	156.6

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

Martin Luther King, Jr. Boulevard Corridor

In the second half of 2022, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 502,112 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 11,140 square feet of space in the second half of 2022.

In the second half of 2022 there was no 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 2022, the same as in the first half of 2022. This was lower than the overall office vacancy rate of 5.1 percent for all of Fayetteville.

From the first half of 2022 to the second half of 2022, with 8,386 square feet of net positive absorption the office/retail vacancy rate decreased from 11.5 percent to 7.9 percent in the MLK Boulevard Corridor of Fayetteville and was higher than the overall city average rate of 4.8 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 4.5 percent in the second half of 2022, a decrease from 5.9 percent in the first half of 2022 due to net positive absorption of 2,754 square feet. The retail vacancy rate for all of Fayetteville was higher at 5.8 percent.

Average reported lease rates in the MLK Boulevard Corridor were stable in the office submarket, increased \$0.15 in the office/retail submarket, and increased \$0.20 in the retail submarket in the second half of 2022.

Martin Luther King, Jr. Boulevard Corridor Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$15.88 - \$15.88	40,281	1,916	4.8%	0	0	0	--
Office/Retail	\$14.61 - \$17.41	267,511	21,188	7.9%	8,386	0	8,386	15.2
Retail	\$18.11 - \$18.42	194,550	8,740	4.5%	2,754	0	2,754	19.0

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

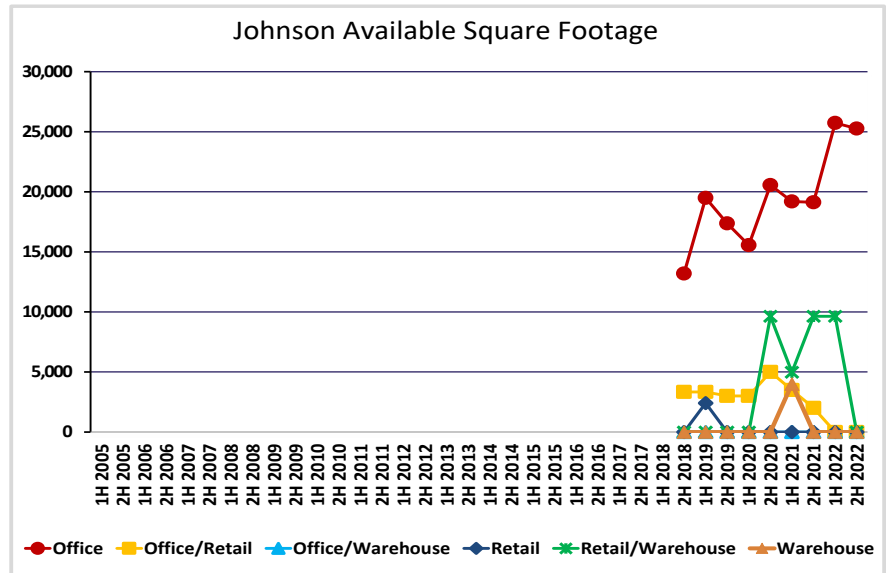
Johnson Commercial Market Summary

From July 1 to December 31, 2022, Johnson issued \$1,104,704 worth of building permits for new commercial space.

Johnson issued no commercial building permits in the first half of 2022.

Johnson accounted for 0.5 percent of the total commercial permits issued in Northwest Arkansas in the second half of 2022.

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 2022.



In the second half of 2022, Johnson had net positive absorption of 10,095 square feet. The retail/warehouse submarket had the most net positive absorption with 9,630 square feet.

There were no new square feet of commercial space added in Johnson in the second half of 2022.

The office submarket in Johnson had a vacancy rate of 8.3 percent in the second half of 2022, an decrease from 8.4 percent in the first half of 2022 in accordance with net positive absorption of 465 square feet.

Average reported lease rates in Johnson remained relatively stable in all submarkets in the second half of 2022.



Johnson

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	--	--	--	--	--	--	--	--
Office	\$21.59 - \$22.21	305,295	25,269	8.3%	465	0	465	326.1
Class A	\$24.25 - \$24.25	72,373	6,235	8.6%	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%	0	0	0	--
Medical	\$21.93 - \$23.17	179,789	16,934	9.4%	465	0	465	218.5
Office/Retail	\$15.22 - \$18.52	74,451	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.03 - \$17.90	41,369	0	0.0%	0	0	0	--
Class C	\$12.00 - \$21.00	33,082	0	--	0	0	0	--
Office/Warehouse	\$5.50 - \$5.50	31,340	0	0.0%	0	0	0	--
Retail	\$14.25 - \$16.88	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.00 - \$18.50	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	0	0.0%	9,630	0	9,630	0.0
Warehouse	\$3.81 - \$4.86	81,605	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.89 - \$4.95	61,870	0	0.0%	0	0	0	--
Class C	\$3.50 - \$4.50	19,735	0	0.0%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

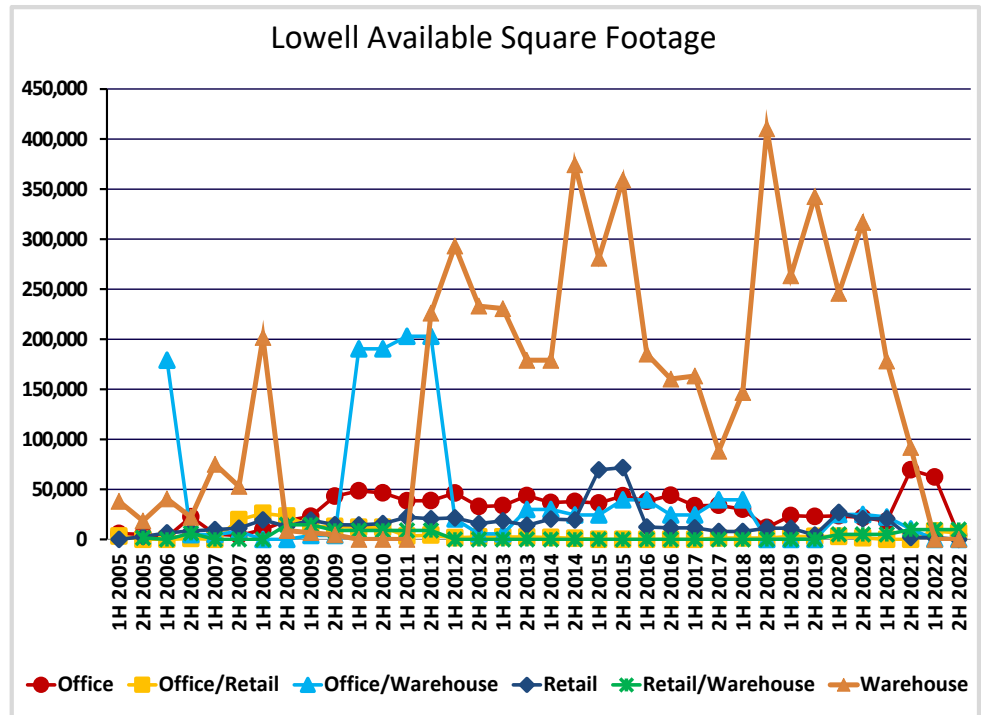
Lowell Commercial Market Summary

From July 1 to December 31, 2022, Lowell issued building permits for \$38,006,019 worth of new commercial space.

The second half of 2022 value was 574.6 percent higher than the first half of 2022 value of \$5,633,444.

Lowell accounted for 15.8 percent of building permits issued in Northwest Arkansas in the second half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,459,727 square feet of Lowell commercial space in the second half of 2022.



In the second half of 2022, Lowell had overall net positive absorption of 61,744 square feet while no new square feet of commercial space were added in the second half of 2022.

The medical office submarket had the greatest amount of net positive absorption with 40,000 square feet, while the Class A office submarket added another 17,809 square feet of net positive absorption.

Reported vacancy rates decreased in the office, medical office, office/retail, and retail submarkets, and stayed the same in the remaining submarkets from the first half of 2022 to the second half of 2022.

Average reported lease rates in Lowell remained relatively stable in all submarkets in the second half of 2022.

Lowell Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$6.50 - \$6.50	133,780	0	0.0%	0	0	0	--
Office	\$17.47 - \$17.58	336,863	4,120	1.2%	58,147	0	58,147	0.4
Class A	\$20.50 - \$20.50	109,330	0	0.0%	17,809	0	17,809	0.0
Class B	\$14.58 - \$14.92	106,753	0	0.0%	0	0	0	--
Class C	\$15.13 - \$15.13	28,316	2,250	7.9%	338	0	338	39.9
Medical	\$21.00 - \$21.00	92,464	1,870	2.0%	40,000	0	40,000	0.3
Office/Retail	\$15.67 - \$17.00	87,579	6,487	7.4%	1,722	0	1,722	22.6
Class A	--	--	--	--	--	--	--	--
Class B	\$15.76 - \$17.00	58,603	6,487	11.1%	1,722	0	1,722	22.6
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$7.28 - \$7.46	261,438	0	0.0%	0	0	0	--
Retail	\$13.14 - \$15.47	112,628	0	0.0%	1,875	0	1,875	0.0
Class A	--	--	--	--	--	--	--	--
Class B	\$13.70 - \$16.96	97,572	0	0.0%	1,875	0	1,875	0.0
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%	0	0	0	--
Warehouse	\$4.76 - \$4.83	1,496,407	0	0.0%	0	0	0	--
Class A	\$4.78 - \$4.96	744,748	0	0.0%	0	0	0	--
Class B	\$5.05 - \$5.07	564,749	0	0.0%	0	0	0	--
Class C	\$3.38 - \$3.38	186,910	0	0.0%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.



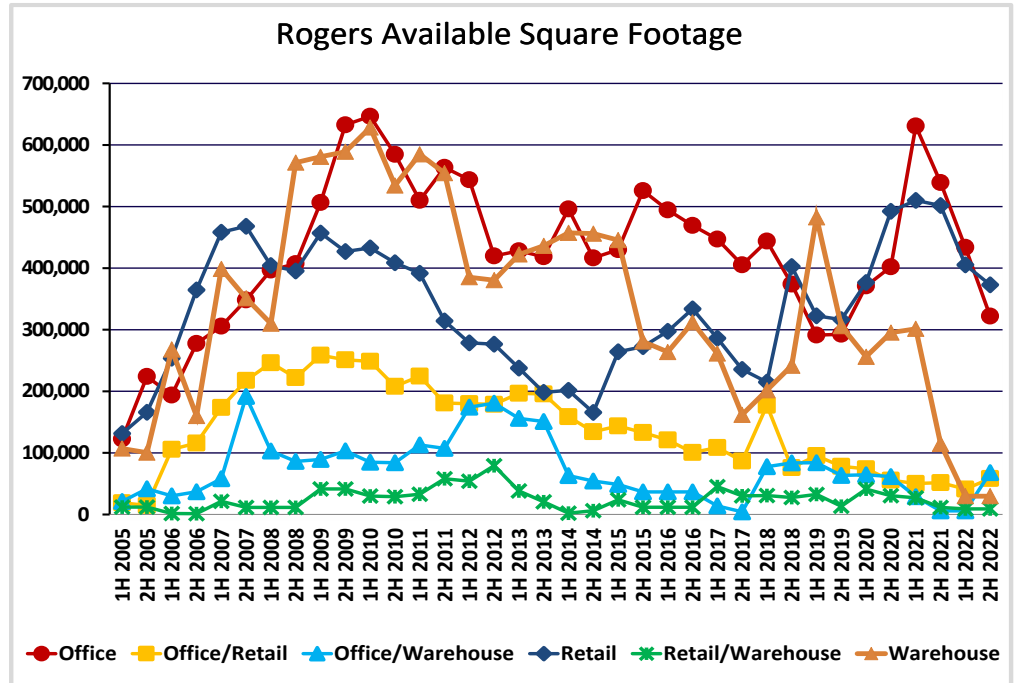
Rogers Commercial Market Trends

From July 1 to December 31, 2022, Rogers issued building permits for \$71,223,456 worth of new commercial space.

The second half of 2022 value was 145.4 percent higher than the first half of 2022 value of \$29,027,762.

Rogers accounted for 29.6 percent of the commercial permits issued in Northwest Arkansas during the second half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 13,145,064 square feet of commercial space in the second half of 2022.



In the second half of 2022, Rogers had overall net positive absorption of 72,312 square feet. The Class A office submarket had the greatest amount of net positive absorption with 70,517 square feet and the Class B office submarket contributed 31,962 square feet. The office/warehouse submarket had net negative absorption of 37,000 square feet.

In the second half of 2022, 70,247 square feet of new commercial space was added to the Rogers market. 45,780 was medical office space.



Reported vacancy rates in the second half of 2022 decreased in the office, retail, retail/warehouse, and the warehouse submarkets. Vacancy rates increased for the medical office, office/retail, and the office/warehouse submarkets.

From the first half of 2022 to the second half of 2022, significant increases were reported in the Class A office/retail and medical office submarkets of \$1.84 and \$1.00. All other lease rates remained relatively unchanged.

Rogers

Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	\$11.00 - \$11.00	9,482	0	0.0%	0	0	0	--
Industrial	\$4.37 - \$4.37	709,501	0	0.0%	0	0	0	--
Office	\$17.71 - \$18.22	4,024,867	322,108	8.0%	139,966	45,780	94,186	20.5
Class A	\$24.09 - \$24.97	2,182,917	186,681	8.6%	70,517	0	70,517	15.9
Class B	\$18.32 - \$18.94	994,845	80,729	8.1%	31,962	0	31,962	15.2
Class C	\$10.94 - \$11.25	244,110	16,962	6.9%	3,042	0	3,042	33.5
Medical	\$17.00 - \$17.15	534,275	31,600	5.9%	34,794	45,780	-10,986	--
Office/Retail	\$13.59 - \$14.52	579,665	58,331	10.1%	-17,291	0	-17,291	--
Class A	\$23.67 - \$23.67	110,382	24,301	22.0%	-21,833	0	-21,833	--
Class B	\$15.04 - \$16.25	225,173	17,068	7.6%	1,500	0	1,500	68.3
Class C	\$10.62 - \$11.45	244,110	16,962	6.9%	3,042	0	3,042	33.5
Office/Warehouse	\$8.14 - \$8.36	713,545	67,867	9.5%	-12,533	24,467	-37,000	--
Retail	\$14.61 - \$15.52	3,725,317	372,992	10.0%	32,417	0	32,417	69.0
Class A	\$21.64 - \$22.88	1,686,932	64,600	3.8%	11,221	0	11,221	34.5
Class B	\$15.01 - \$16.64	1,453,797	304,496	20.9%	4,259	0	4,259	429.0
Class C	\$10.40 - \$10.67	584,588	3,896	0.7%	16,937	0	16,937	1.4
Retail/Warehouse	\$8.17 - \$8.43	279,205	8,933	3.2%	0	0	0	--
Warehouse	\$4.69 - \$4.76	3,103,482	29,750	1.0%	0	0	0	--
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	\$4.83 - \$4.88	1,136,558	29,750	2.6%	0	0	0	--

¹From all 2H 2019 respondents.

²From 2H 2019 respondents who were also 1H 2019 respondents.

Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 505,112 square feet of office, office/retail, and retail space in Downtown Rogers in the second half of 2022.

No new commercial space was added to downtown Rogers in the second half of 2022.

Office space in Downtown Rogers had net positive absorption of 618 square feet and had a vacancy rate of 8.0 percent in the second half of 2022 a decrease from 10.3 in the first half of 2022. The downtown vacancy rate was lower than the overall average office vacancy rate for Rogers, which was 8.0 percent during the same period.

The office/retail submarket had net positive absorption of 2,982 square feet. The vacancy rate decreased to 2.1 percent from the first half of 2022 rate of 4.9 percent in the downtown area as some space became owner occupied. This compares to a vacancy rate of 10.1 percent for all of Rogers.

Downtown Rogers experienced net negative absorption of 4,019 square feet of retail space during the second half of 2022. The reported retail vacancy rate for downtown Rogers properties for the second half of 2022 increased to 1.2 percent from 2.9 percent in the first half of 2022 and was lower than the 10.0 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 \$0.54 in the retail submarket in the second half of 2022.

Rogers

Commercial Market Summary

Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$12.48 - 12.65	155,501	12,500	8.0%	618	0	618	121.4
Office/Retail	\$12.35 - \$14.07	107,310	2,300	2.1%	2,982	0	2,982	4.6
Retail	\$12.27 - \$13.02	242,301	2,896	1.2%	4,019	0	4,019	4.3

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,470,283 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the second half of 2022.

45,780 square feet of new office space was added to the Rogers I-49 corridor submarket in the second half of 2022.

Office space along the Rogers I-49 corridor experienced net positive absorption of 88,077 square feet during the second half of 2022. The reported average vacancy rate of office space was 9.9 percent in the second half of 2022, a decrease from the 12.9 percent rate in the first half of 2022. This was higher than the overall office vacancy rate for all of Rogers at 8.0 percent.

Office/retail space along the Rogers I-49 corridor experienced net negative absorption of 21,833 square feet in the second half of 2022. The office/retail submarket had an 18.8 percent vacancy rate, an increase from the 3.8 percent reported in the first half of 2022. This compares to a vacancy rate of 10.1 percent for all of Rogers.

There were 13,905 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 2022 was 5.6 percent, a decrease from 6.2 percent in the first half of 2022, and lower than the 10.0 percent average rate for all of Rogers.

Average reported lease rates increased \$0.50 in the office submarket, increased \$1.10 in the office/retail, and increased \$0.10 in the retail submarket in the Rogers I-49 area in the second half of 2022.



Summary: Rogers Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$21.90 - \$22.63	2,917,660	288,916	9.9%	133,857	45,780	88,077	19.7
Office/Retail	\$21.31 - \$21.31	145,458	27,340	18.8%	-21,833	0	-21,833	--
Retail	\$20.23 - \$21.66	2,407,165	135,580	5.6%	13,905	0	13,905	58.5

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

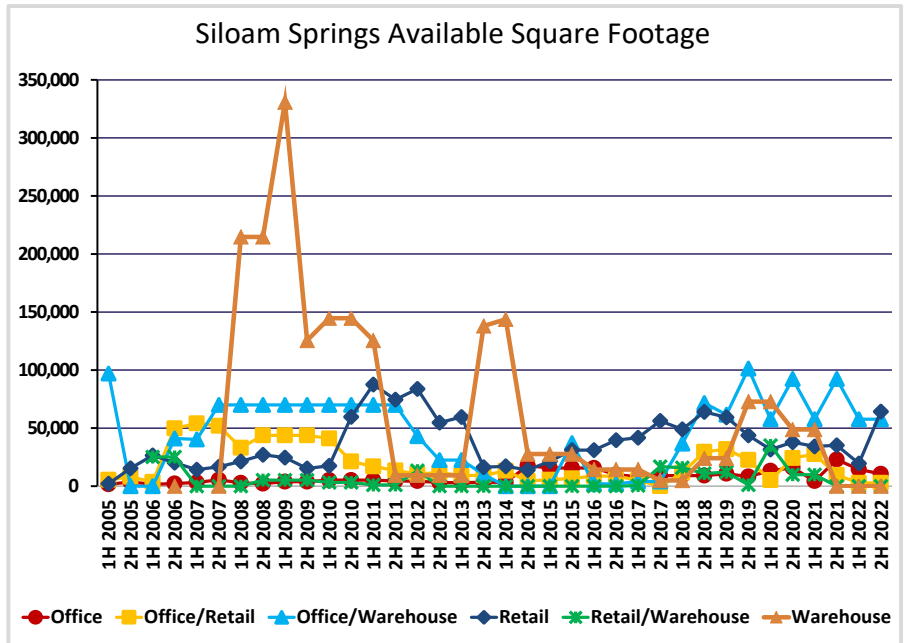
Siloam Springs Commercial Market Summary

From July 1 to December 31, 2022, Siloam Springs issued new commercial building permits valued at \$4,180,000.

The second half of 2022 value was 29.3 percent lower than the first half of 2022 value of \$5,913,850.

Siloam Springs accounted for 1.7 percent of the commercial permits issued in Northwest Arkansas during the second half of 2022.

In the second half of 2022, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,832,918 square feet of commercial space for Siloam Springs.



There was no new commercial space added to the Siloam Springs market in the second half of 2022.

In the second half of 2022, Siloam Springs experienced overall net negative absorption of 40,994 square feet. There was net negative absorption of 48,218 square feet in the Class C retail submarket as Atwoods moved to a new owner-occupied building. There was net positive absorption of 3,761 in the medical office submarket during this period.



Vacancy rates from the first half of 2022 to the second half of 2022 decreased in the office and medical office submarkets, increased in the retail submarket, and remained the same in the other submarkets.

Average lease rates increased by \$1.66 in the Class B submarket and \$0.50 in the Class B retail submarket. All other submarkets were relatively stable in the second half of 2022 in Siloam Springs.

Siloam Springs Commercial Market Summary

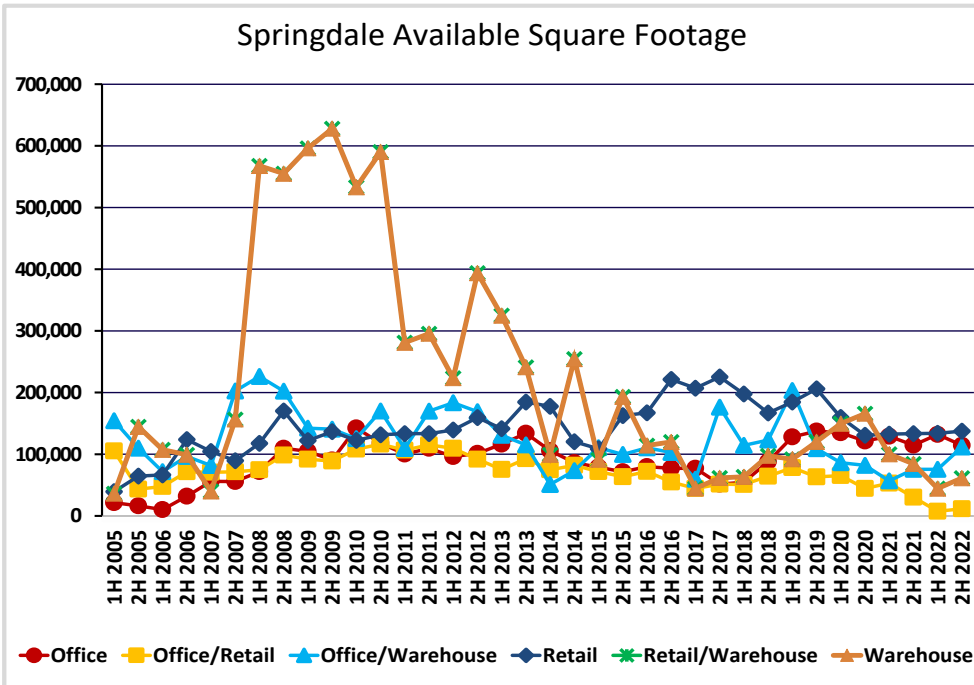
Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$2.95 - \$2.95	23,300	0	0.0%	0	0	0	--
Office	\$12.25 - \$13.90	172,139	10,590	6.2%	3,761	0	3,761	16.9
Class A	--	--	--	--	--	--	--	--
Class B	\$10.33 - \$11.00	27,734	0	0.0%	0	0	0	--
Class C	\$7.76 - \$11.28	11,421	0	0.0%	0	0	0	--
Medical	\$16.11 - \$17.21	132,984	10,590	8.0%	3,761	0	3,761	16.9
Office/Retail	\$9.08 - \$11.31	183,724	2,781	1.5%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.83 - \$16.17	94,298	2,781	2.9%	0	0	0	--
Class C	\$6.55 - \$9.49	89,426	0	0.0%	0	0	0	--
Office/Warehouse	\$3.64 - \$3.89	110,415	57,667	52.2%	0	0	0	--
Retail	\$14.02 - \$14.84	470,050	64,232	13.7%	-44,755	0	-44,755	--
Class A	--	--	--	--	--	--	--	--
Class B	\$20.36 - \$21.36	120,763	8,014	6.6%	3,463	0	3,463	13.9
Class C	\$9.58 - \$10.28	349,287	56,218	16.1%	-48,218	0	-48,218	--
Retail/Warehouse	\$5.26 - \$6.49	133,759	0	0.0%	0	0	0	--
Warehouse	\$3.34 - \$3.63	739,531	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63 - \$3.63	321,269	0	0.0%	0	0	0	--
Class C	\$3.23 - \$3.63	418,262	0	0.0%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.



Springdale Commercial Market Trends



From July 1 to December 31, 2022, Springdale issued \$47,262,511 worth of building permits for new commercial space.

This was a decrease of 10.4 percent from the \$52,734,008 issued in the first half of 2022.

Springdale accounted for 19.6 percent of the commercial permits issued in Northwest Arkansas for the second half of 2022.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,125,946 square feet of commercial space in Springdale in the second half of 2022.

There were 25,704 new square feet of office/warehouse space

added to the Springdale market during this time period.

Springdale experienced net negative absorption of 46 square feet in the second half of 2022. The Class C office submarket had the most net positive absorption with 32,032 square feet while the industrial submarket submarket added 27,000 square feet. The office/warehouse submarket with 33,774 square feet had the most net negative absorption in this time period.

Reported vacancy rates decreased in the industrial, office, and medical officesubmarkets. Vacancy rates increased in the office/retail, office/warehouse, retail, retail/warehouse, and warehouse submarkets, while remaining the same in the lab submarket in the second half of 2022.

Average reported lease rates in Springdale increased significantly by \$0.49 in the Class B warehouse submarket. There were modest lease rate increases between \$0.29 and \$0.50 in the Class B and C office, Class B and C office/retail, Class B retail, and retail/warehouse submarkets. All other lease rates remained relatively stable from the first half of 2022 to the second half of 2022.



Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$4.88 - \$5.48	1,323,993	0	0.0%	27,500	0	27,500	0.0
Office	\$14.03 - \$14.91	1,215,512	114,387	9.4%	43,155	0	43,155	15.9
Class A	\$20.33 - \$21.00	95,501	0	0.0%	1,715	0	1,715	0.0
Class B	\$15.25 - \$16.37	364,727	19,553	5.4%	2,847	0	2,847	41.2
Class C	\$10.31 - \$11.18	237,035	37,968	16.0%	32,032	0	32,032	7.1
Medical	\$17.68 - \$18.19	518,249	56,866	11.0%	6,561	0	6,561	52.0
Office/Retail	\$11.01 - \$12.13	707,595	11,607	1.6%	-1,500	0	-1,500	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.75 - \$17.30	255,475	1,250	0.5%	0	0	0	--
Class C	\$9.69 - \$10.70	452,120	10,357	2.3%	-1,500	0	-1,500	--
Office/ Warehouse	\$6.53 - \$7.46	2,131,394	111,738	5.2%	-8,070	25,704	-33,774	--
Retail	\$12.72 - \$13.42	1,759,131	137,520	7.8%	-3,552	0	-3,552	--
Class A	--	--	--	--	--	--	--	--
Class B	\$16.07 - \$16.69	1,041,939	106,122	10.2%	2,652	0	2,652	240.1
Class C	\$10.25 - \$11.02	717,192	31,398	4.4%	-6,204	0	-6,204	--
Retail/ Warehouse	\$8.06 - \$8.73	767,650	24,956	3.3%	-15,000	0	-15,000	--
Warehouse	\$4.66 - \$5.15	3,215,447	61,329	1.9%	-16,875	0	-16,875	--
Class A	\$3.25 - \$3.25	96,200	0	0.0%	0	0	0	--
Class B	\$4.90 - \$5.51	1,950,293	7,500	0.4%	-7,500	0	-7,500	--
Class C	\$4.47 - \$4.88	1,168,954	53,829	4.6%	-9,375	0	-9,375	--

¹From all 2H 2022 Respondents.

²From 2H 2022 who were 1H 2022 respondents-

Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 394,760 square feet of office, office/retail, and retail space in downtown Springdale in the second half of 2022.

No new square feet of retail property was added to downtown Springdale in the second half of 2022.

There was net negative absorption of 502 square feet in the office submarket in downtown Springdale in the second half of 2022. The office space in downtown Springdale had an average vacancy rate of 20.2 percent, higher than the 11.4 percent in the first half of 2022. The rate was higher than the overall Springdale average office vacancy rate of 9.4 percent.

Office/retail space in downtown Springdale had no net absorption in the second half of 2022. The vacancy rate increased to 10.9 percent in the second half of 2022 as previously owner-occupied space entered the market and was higher than the average office/retail vacancy rate for all of Springdale at 1.6 percent in the second half of 2022. This is a very small sample size of only 23,943 square feet.

Springdale

Commercial Market Summary

There was no net absorption in the retail submarket in downtown Springdale in the second half of 2022. 21.5 percent of all reported retail space was available in downtown Springdale, down from 21.8 percent in the first half of 2022. This compares to the 7.8 percent vacancy rate for all of Springdale.

Average reported lease rates for downtown Springdale increased by \$1.01 in the office submarket, and remained stable in the office/retail and retail submarkets in the second half of 2022.

Downtown Springdale Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Office	\$13.72 - \$15.37	243,796	49,311	20.2%	-502	0	-502	--
Office/Retail	\$13.40 - \$16.10	23,943	2,617	10.9%	0	0	0	--
Retail	\$12.64 - \$13.84	127,021	27,270	21.5%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 respondents.

West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,261,612 square feet of office, office/retail, and retail space in West Springdale in the second half of 2022. There were no new square feet of commercial space added to West Springdale during this time.

The office space in West Springdale had net positive absorption of 1,500 square feet in the second half of 2022. The vacancy rate decreased from 11.4 percent in the first half of 2022 to 11.0 percent in the second half of 2022. The rate was higher than the overall city average office vacancy rate of 7.8 percent.

The office/retail submarket had no net absorption in the second half of 2022. The second half of 2022 vacancy rate of 0.6 percent in West Springdale remained the same from the first half of 2022. The rate was below the overall city average office/retail vacancy rate of 1.6 percent.

The retail vacancy rate for West Springdale properties remained the same from the 3.6 percent in the first half of 2022 to the second half of 2022. The vacancy rate was below the city average retail vacancy rate of 7.8 percent.

Average reported lease rates for West Springdale remained relatively stable in the second half of 2022.

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	\$17.80 - \$18.26	370,828	40,663	11.0%	1,500	0	1,500	162.7
Office/Retail	\$17.60 - \$18.80	214,872	1,250	0.6%	0	0	0	--
Retail	\$17.86 - \$18.82	675,912	24,617	3.6%	0	0	0	--

¹From all 2H 2022 respondents.

²From 2H 2022 respondents who were also 1H 2022 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 2022, 253 panelists provided data on 2,317 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 2,317 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.