

THE SKYLINE REPORT

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Second Half of 2020 February

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Center for Business and Economic Research
479.575.4151
<http://cber.uark.edu/>



UNIVERSITY OF
ARKANSAS

Sam M. Walton
College of Business
Center for Business & Economic Research

Commercial Real Estate Summary For Benton and Washington Counties

This report is the forty-third 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 2020

In the second half of 2020, there were 444,103 square feet of positive absorption, while 495,676 new square feet were added, leading to net negative absorption of 51,573 square feet in the Northwest Arkansas market. The overall vacancy rate was 10.8 percent, the same as the first half of 2020.

325,188 new square feet were added in the office submarket, while 312,494 square feet were absorbed, leading to net negative absorption of 12,694 square feet in the second half of 2020. The office vacancy rate increased to 10.0 percent from 9.8 percent in the first half of 2020.

Within the retail submarket, there was overall positive absorption of 40,068 square feet, while 87,735 new square feet entered the market, leading to net negative absorption of 47,667 square feet. The retail vacancy rate increased to 11.4 percent in the second half of 2020 from 10.6 percent in the first half of 2020.

The warehouse submarket had overall negative absorption of 126,895 square feet, while no new square feet were added in the second half of 2020. The Northwest Arkansas warehouse vacancy rate increased from 8.3 percent in the first half of 2020 to 9.3 percent in the second half of 2020.

In the office/retail submarket, there was positive absorption of 24,760 square feet, while 24,288 new square feet of office/retail space entered the market in the second half of 2020, leading to net positive absorption of 472 square feet. The vacancy rate decreased from 11.6 percent in the first half of 2020 to 10.9 percent in the second half of 2020.

From July 1 to December 31, 2020, there were \$188,810,166 in commercial building permits issued in Northwest Arkansas. In comparison, there were \$196,171,877 in permits issued in the first half of 2020.

Commercial Market Trends

Report Overview

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 thirteen 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. Additionally, the city of Johnson, and the Tontitown office/warehouse, retail/warehouse, and warehouse were added to the Northwest Arkansas database.

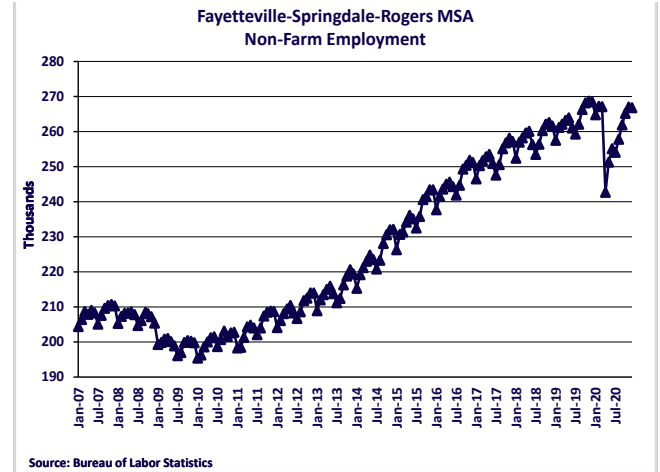
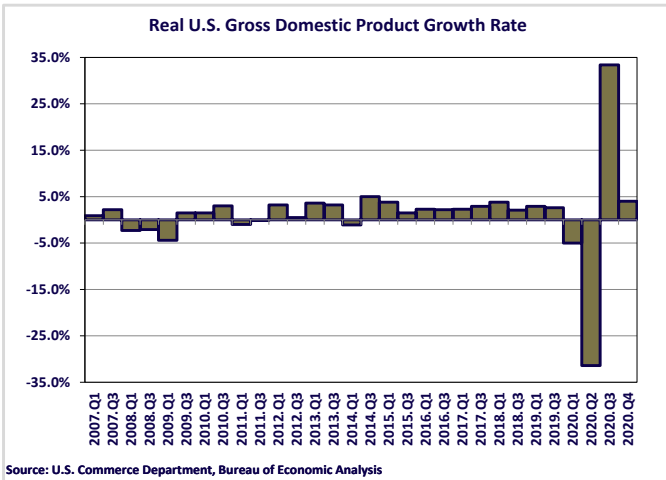
Available office square footage in Northwest Arkansas increased from 1,078,245 square feet in the second half of 2019 to 1,318,037 square feet in the second half of 2020. In the past year, 483,010 new square feet of office space were added, with Rogers having the most with 136,000 square feet, while Springdale and Bentonville added another 125,000 and 108,000 square feet, respectively. There was net negative absorption of 152,122 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net negative absorption with 108,835 square feet, while Fayetteville accounted for another 62,804 square feet. Bentonville had net positive absorption at 22,572 square feet and Springdale accounted for another 20,155 square feet. The overall Northwest Arkansas office vacancy rate increased by 1.5 percentage points from 8.5 percent to 10.0 percent from the second half of 2019 to the second half of 2020.

In Northwest Arkansas, 504,030 square feet of office/retail space were available in the second half of 2020, down from 509,622 square feet in the second half of 2019. The office/retail market experienced net positive absorption of 26,558 square feet in the past year. Rogers accounted for 26,612 square feet, closely followed by Springdale with 25,718 square feet of net positive absorption. Bentonville had net negative absorption of 27,702 square feet during this period. There were 54,819 new square feet of office/retail space added within the past year. Almost half, 26,547 square feet was in Bentonville. The overall Northwest Arkansas office/retail vacancy rate decreased 0.8 percentage points from 11.7 percent in the second half of 2019 to 10.9 percent in the second half of 2020.

In the second half of 2020, 1,196,511 square feet of retail space were available in Northwest Arkansas, up from 954,904 square feet in the second half of 2019. The retail market had net negative absorption of 102,852 square feet in the past twelve months. Rogers accounted for 180,954 square feet and Bentonville added another 32,366 square feet of net negative absorption. Fayetteville and Siloam Springs had 12,101 and 10,501 square feet of net positive absorption during this period. There were 119,451 new square feet of retail space added to the Northwest Arkansas market during the past year, with Rogers accounting for over two thirds with 88,882 square feet. The overall Northwest Arkansas retail vacancy rate increased by 2.0 percentage point from 9.4 percent in the second half of 2019 to 11.4 percent in the second half of 2020.

In the Northwest Arkansas warehouse market, available square footage increased from 978,815 in the second half of 2019 to 989,582 in the second half of 2020. The warehouse market experienced net negative absorption of 31,179 square feet during the past year. Springdale accounted for 30,219 square feet of the net negative warehouse absorption, with Fayetteville and Bentonville adding another 18,745 and 18,583 square feet of net negative absorption. Lowell had 25,792 square feet of net positive absorption during this period in the warehouse market. No new warehouse space was added to the Northwest Arkansas market during the past year. However, 136,720 square feet of new office/warehouse space and 21,630 square feet of new retail/warehouse space were added during this period. Warehouse vacancy rates decreased by 0.1 percentage points from 9.4 percent to 9.3 percent, from the second half of 2019 to the second half of 2020.

Economic Overview



Economic Overview

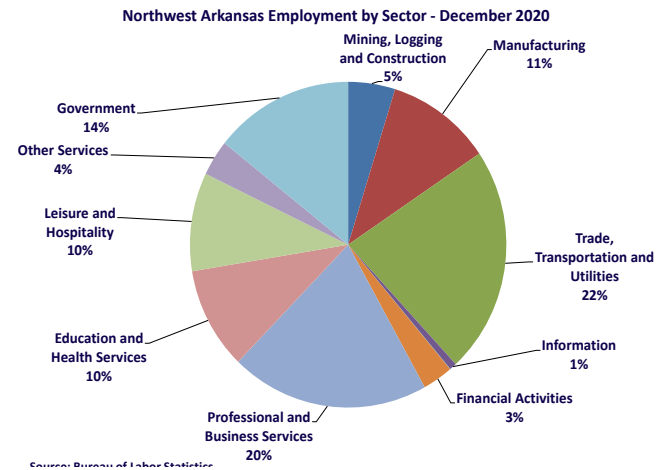
It is helpful to look at some key macroeconomic statistics in order to get a sense of the Northwest Arkansas commercial real estate market. The rate of activity in the Northwest Arkansas commercial real estate market is dependent upon two general factors: those that are specific to the region and those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

Gross Domestic Product

In the fourth quarter of 2020, real GDP increased 4.0 percent according to advance estimates released by U.S. Department of Commerce's Bureau of Economic Analysis (BEA). Real GDP increased by 33.4 percent in the third quarter of 2020. The increase in real GDP reflected increases in exports, nonresidential fixed investment, personal consumption expenditures (PCE), residential fixed investment and private inventory investment that were partly offset by decreases in state and local government spending and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. Real GDP inclined in the fourth quarter at a rate slower than the third quarter. In the third quarter, increases in consumer spending, business investment, exports, and inventory investment that were partially offset by decreases in government spending.

Employment

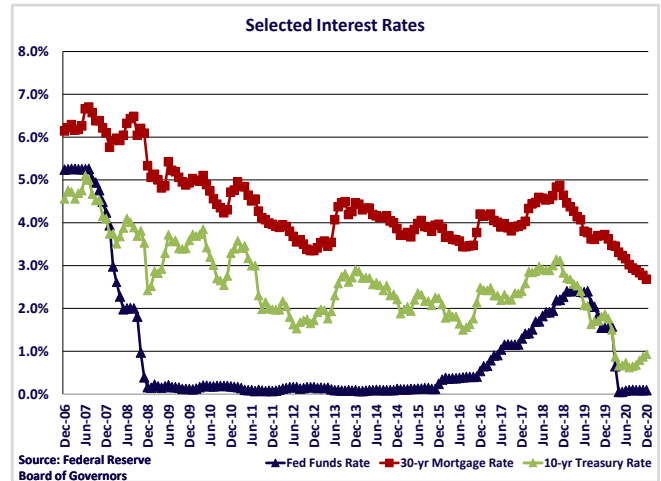
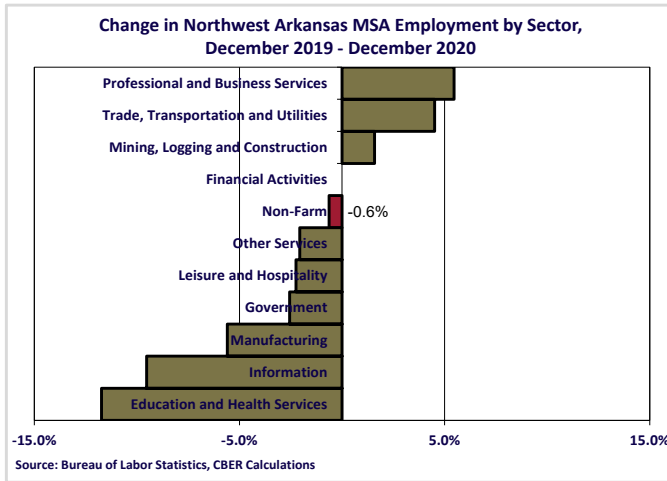
The Northwest Arkansas employment situation is extremely important to the health of the real estate market. The most



recent data show that employment in the Northwest Arkansas region was at 264,826 in November 2020, down 4.4 percent from November 2019. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at 4.3 percent in November 2020, higher than the 2.2 percent unemployment rate in November 2019. The unemployment rate has been above 4.0 percent since April 2020. The unemployment rate in Northwest Arkansas continues to be lower than both the state (5.8 percent) and national (6.4 percent) unadjusted rates.

With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures are provided. The first shows the December 2020 Fayetteville-Springdale-Rogers MSA employment breakdown by sector. As the pie chart shows, trade, transportation, and utilities had the largest share of employment (22 percent) in Northwest Arkansas followed

Economic Overview



by professional and business services (20 percent), government (14 percent), manufacturing (11 percent), education and health services (10 percent), and leisure and hospitality (10 percent). The other figure shows the annual percentage change in the metro area's employment by sector from December 2019 to December 2020. Total nonfarm employment decreased by 0.6 percent during that time. Employment in professional and business services trade, transportation and utilities, and the construction sectors experienced growth of 5.5 percent, 4.5 percent and 1.6 percent, respectively. The financial activities sector was unchanged in employment. All other sectors experienced employment declines due to COVID. The most impacted sectors were manufacturing, information, and education and health services as they experienced declines of 5.6 percent, 9.5 percent and 11.7 percent, respectively.

Interest Rates

The Federal Funds rate averaged 0.09 percent in December 2020. The ten-year constant maturity Treasury bill had an interest rate of 0.93 percent in December 2020, down from 1.86 percent in December 2019. The spread remained positive and increased between the ten-year rate and the federal funds rate from a year ago, as both rates have decreased. The Federal Reserve Open Market Committee decided to maintain the target range for the federal funds rate at 0 to 0.25 percent. The Committee expects to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time. The accompanying figure shows the Federal Funds rate and the thirty-year mortgage rate since December 2008. The 30-year mortgage rate was 2.68 percent in December 2020.



Local Perceptions

In each reporting period, Center for Business and Economic Research staff members discuss market conditions with a panel of commercial developers and property managers to gain insights into the current commercial real estate market in Benton and Washington Counties. Over the course of these conversations, held from October to December, the pandemic's impacts on the commercial, multifamily and single family markets continued to be the leading subject of discussions.

Respondents noted a lot of uncertainty regarding the impact the pandemic on trends in the office, retail, and the different warehouse submarkets. In the short term, respondents stated that there were a limited number of lease deferrals, or other assistance needed by office tenants. Over the longer term, panelists were unsure about how significant the impact of remote work and flex work will be on the demand for office space. On the one hand, respondents feel it could lead to firms saving money by leasing significantly less office space but on the other hand, panelists believe the demand for space will be balanced out by increasing demand for higher tech collaboration space, less crowded offices, and the need for "landing spaces" for workers to collaborate, build teams, and maintain office culture and productivity. Most respondents believe there will be a significant increase in flex schedules for office workers, as they divide work time between formal offices and home offices. Overall, the consensus now is for a small drop in demand for office space, that will be offset as more firms enter the market. However, many respondents feel older Class B and C office space will see significant vacancies in 2022 and beyond, while new Class A will continue to have strong absorption. Parking garages were discussed as a significant amenity to help attract tenants to Class A office buildings. Some respondents did suggest it will take a couple years for the Pinnacle area to fully absorb the new space that is currently under construction, and waiting until 2023 to build new space was a sound business decision. Additionally, several panelists thought that the increasing numbers of out of state investors buying existing office space and looking for opportunities to build new office space will maintain and grow the supply of office space. Rising construction and land costs, including short-term pandemic supply chain issues, were mentioned as an issue that is leading to an acceleration of lease rates, and causing some concern if an oversupply of commercial spaces leads to downward pressure on lease rates.

Retail tenants, except for restaurants, asked for far less assistance than when the pandemic began. Panelists reported very few cases of lease terminations and indicated that longer-term business issues for those tenants might have been accelerated by the pandemic. Future demand for retail space was a big concern for respondents, citing the rise in online shopping, ordering online for pick up, and take out and delivery dining. However, some respondents made the point that services are still done in person, consumers still like to touch merchandise, and as the pandemic recedes the desire to eat out will be stronger. Panelists with more retail expertise said that firms will do better with a multichannel presence: brick and mortar and online. Additionally, several respondents said opportunistic restaurant operators are lining up to lease restaurant space that goes dark, as long as it is not too large. New spaces are being built with drive thrus and outdoor eating areas.

Distribution warehouse and flex warehouse spaces are anticipated to see strong increases in demand over the next several years. The growth of online shopping, delivery services, and demand for showroom space for consumers who want to see and touch products before purchasing will contribute to the future demand according to respondents. Also, as the Northwest Arkansas population grows, large distribution warehouses makes economic sense as well. Many respondents have strong feelings Amazon is going to be part of a large facility bordering Springdale and Lowell in the near future. However, one factor slowing the construction of warehouse space, particularly flex warehouse space (office/warehouse, retail/warehouse, showroom), is lease rate expectations. Several respondents said that with higher construction costs, lease rates for flex space need to increase to close to \$8.00 a square foot but NWA leasees have an expectation of much lower prices, even though they will pay that amount in Kansas City or Dallas. NWA price expectations need to change for more flex to be built.

The multifamily vacancy rates were generally higher as a result of the addition of new units to the market, but some Bentonville respondents reported weakness in renewals and an uptick in vacancy rates due to tenants moving out of apartments since they did not need to be in Bentonville for office work. Respondents discussed the opportunities presented by the development of 'live work play' or walkable communities that tend to be to the highly paid professionals who want to live and work in downtown Bentonville or Pinnacle Hills or remote workers who could move to the area. Few panelists expressed concern that both areas might become overbuilt due to supply exceeding demand in the short term and that they were going to wait to begin new developments. Also, some concern was voiced about competing with Walton projects in downtown Bentonville, and that was another reason to wait to build.

According to panelists, delivering workforce housing in Northwest Arkansas was fraught with issues. Construction costs were rising prior to the pandemic which accelerated that trend. Land costs continue to rise and without zoning changes allowing increased density in more locations, especially within city cores, building median income workforce housing is difficult. Regionally, there are very few builders with experience developing large, affordable developments. Panelists also discussed how investors from larger metros are investing significant dollars buying existing Northwest Arkansas multifamily

Local Perceptions

complexes, as well as looking for development opportunities for new projects, driving both supply and prices higher. Some respondents expressed concerns about overbuilding with this trend, in particular, if the investors didn't understand the dynamics of the Northwest Arkansas market. Panelists reported the student housing market actually benefitted this report period from the pandemic as freshman were allowed off campus. However, as three new complexes are under construction at this time, panelists are very concerned there will be some losers in this market.

Rapid sales and construction continue to drive the residential market according to respondents. Historically low interest rates was the preeminent reason for high sales levels. Demand was also said to be strong from local residents moving out of apartments, parents' homes, or other shared housing. Some of this is thought to be a response to the pandemic and the desire for less shared space, as well as the need for dedicated space for home offices. However, increasing construction and land costs continue to make it harder to build workforce housing, although some builders such as Rausch Coleman and Riverwood Homes were highlighted as having a business model that continues to deliver price points under \$250,000. Again, panelists feel changing zoning to allow for more density can help keep the land cost component of new houses (usually 15-20 percent) under control. In general, respondents feel there is no oversupply yet in residential.

Uncertainty and concern for the short term (6 to 12 months now rather than 1 to 2 years) remained but respondents were even stronger in their belief in the very bright future for Northwest Arkansas. Universally they continue to feel the rate of growth will accelerate beyond the rapid prepandemic levels by the end of 2021 or in 2022. One concern across the commercial, multifamily, and residential markets was the timing of any increase in the interest rates. Panelists point to the broad regional investments in amenities and education made by Walmart and the Waltons, the growth of Tyson and JB Hunt during the pandemic, as well as the perception that the Tyson and Hunt families are increasing their investments in regional amenities. The medical sector continues to be a sector respondents feel is driving current growth, but will also lead to accelerated growth into the future.

Positive Factors:

- Continued population growth in the MSA
- Construction of the new Walmart Home Office
- Growth of existing businesses creating demand for new Class A office space
- Demand for Class A office space to attract talent to Northwest Arkansas
- Growth in the healthcare sector creating demand for new Medical Office space
- Development of mixed use live-work-play communities
- High income families moving to downtown Bentonville and Pinnacle Hills
- Leveraging the trail system as a selling point for commercial space
- Continuing creation of amenities for various age groups in Northwest Arkansas
- Increasing attention to the MSA by national investors
- Continuing media coverage of Northwest Arkansas as a good place to work and live

Negative Factors:

- Increased construction costs and skilled labor shortage
- Supply Chain issues
- Impact of Walmart Home Office on construction costs
- Lease rate increases outpacing small firm's ability to pay
- Shift to flexible work-stations and remote work leading to less office demand
- Future increase in Class B office space vacancy rates
- Future increase in retail vacancy rates
- Over building in the Pinnacle Hills office and multifamily markets
- Over building the Bentonville multifamily market
- Overbuilding of the student housing market around the University of Arkansas
- Increased regulations on development
- Infrastructure costs
- Over building the Bentonville multifamily market
- Overbuilding of the student housing market around the University of Arkansas
- Increased regulations on development
- Infrastructure costs

Report Structure

Commercial Market Analysis

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 3) 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 2020 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 234 panelists provide information is broken down by city and the percentage of coverage of the competitive market is calculated. A table containing publicly announced new commercial real estate projects is presented after the summary of building permit data. This table is meant to provide an indication of the future direction of the Northwest Arkansas commercial property market. As many of these projects are still in the conceptual phase, hard data is incomplete and subject to change. This period, the announced data was examined particularly closely. Project locations were checked and developers were contacted regarding the projects from the previous Skyline report.

Following the tables of announced commercial projects, hotels, and restaurants is a trend summary that includes information about vacancy rate and available space trends. There are also three tables summarizing the results from the most recent time periods. The first table presents vacancy rates by submarket for both the second half of 2019 and the first half of 2020, in addition to the second half of 2020. The second table presents net absorption by submarket and the third table presents available square footage by submarket for the same time periods. These tables are the foundation for the performing trend analysis and for separating the seasonal effects from real effects. The results in the tables are referred to throughout the remainder of the Skyline Report.

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

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

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

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 2020, 234 panelists provided data on 2,245 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 2,245 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.

Interpretation Vacancy and Space

Classification

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 buildings.

Categories

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;

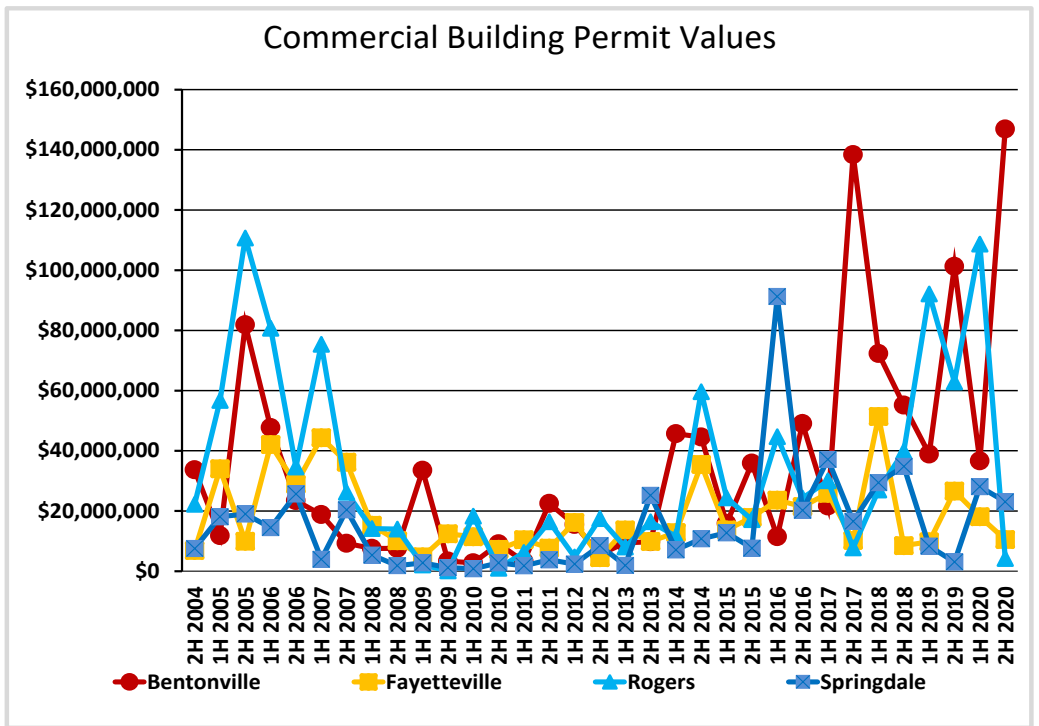
Retail/Warehouse-space where goods and services can be offered, sold, and stored;

Warehouse-space where goods can be stored until distributed. Further, analysts at the Center for Business and Economic Research have classified individual office, office/retail, retail buildings, and warehouse into three categories: Class A, Class B, and Class C. A description of the methodology used to classify buildings is included at the end of this report. Class A space is the highest quality space available in the Northwest Arkansas market. Class B properties encompass a wide range of spaces, which have lease rates that cluster around the market average. Finally, Class C space describes properties that have sub-average lease rates and amenities.

Commercial Market Trends

Inventory and 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, 2020, \$188.8 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 2020, over \$57.5 million in commercial building permits were issued. In the fourth quarter, over \$131.2 million in building permits were issued. In the second half of 2020, Bentonville had the greatest share of building permit value with 77.8 percent. Springdale followed with 12.2 percent, then Fayetteville with 5.6 percent. Rogers, Lowell, Siloam Springs, and Johnson accounted for 2.2, 2.1, 0.2 and 0.0 percent, respectively.

City	Industrial ¹	Office ¹	Retail ¹	Warehouse ¹	Total ¹	Total Square Feet ¹ (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	144,924	242,600	90,964	453,243	427,415	94.3%
Bentonville	41,700	4,565,361	1,193,345	2,513,352	8,313,758	8,343,419	100.4%
Fayetteville	1,100,829	3,489,134	4,392,240	2,305,170	11,287,373	11,287,813	100.0%
Johnson	--	337,790	115,189	112,664	565,643	535,698	94.7%
Lowell	143,950	383,318	197,808	1,490,378	2,215,454	2,204,151	99.5%
Rogers	1,124,192	3,342,676	4,565,563	2,985,016	12,017,447	12,152,573	101.1%
Siloam Springs	353,242	277,983	855,146	616,300	2,102,671	1,842,929	87.6%
Springdale	1,902,597	1,575,366	2,411,549	4,605,835	10,495,347	10,236,167	97.5%
Rogers	1,088,888	3,169,587	4,504,045	2,940,016	11,702,536	11,892,944	101.6%
Northwest Arkansas	4,666,510	14,116,552	13,973,440	14,719,679	47,450,936	47,030,165	99.1%

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 page 34 of this report.

²Source: Panel of 234 large Northwest Arkansas commercial property owners and managers.

Commercial Market Trends

Inventory and Building Permits

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Oct-Dec 2020	\$93,718,136	\$8,781,903	\$0	\$2,161,011	\$3,320,307	\$200,000	\$23,070,264	\$131,251,621
July-Sept. 2020	\$53,146,422	\$1,733,000	\$0	\$1,710,273	\$871,350	\$97,500	\$0	\$57,558,545
April-June 2020	\$7,872,202	\$4,539,226	\$0	\$1,384,169	\$16,407,953	\$500,000	\$11,376,474	\$42,080,023
Jan-March 2020	\$28,760,325	\$13,563,927	\$1,309,680	\$0	\$92,262,020	\$1,500,000	\$16,695,901	\$154,091,853
Oct-Dec 2019	\$74,410,564	\$21,261,745	\$678,435	\$0	\$44,905,617	\$850,000	\$744,962	\$142,851,323
July-Sept. 2019	\$26,866,194	\$5,359,405	\$0	\$862,000	\$17,941,362	\$1,311,274	\$2,319,131	\$54,659,366
April-June 2019	\$24,734,606	\$7,848,461	\$1,956,100	\$1,596,716	\$34,523,248	\$3,435,272	\$2,632,279	\$76,726,682
Jan-March 2019	\$14,177,844	\$1,950,000	\$0	\$7,630,590	\$57,561,131	\$2,639,336	\$5,713,932	\$89,672,833
Oct-Dec 2018	\$2,781,412	\$1,925,538	\$0	\$24,547,504	\$29,223,531	\$0	\$28,908,633	\$87,386,618
July-Sept. 2018	\$52,379,644	\$6,582,444	\$3,873,492	\$3,033,251	\$10,590,898	\$39,080	\$5,909,232	\$82,408,041
April-June 2018	\$29,647,741	\$36,503,927	\$672,332	\$6,430,700	\$14,852,917	\$1,752,620	\$27,596,786	\$117,457,022
Jan-March 2018	\$42,659,355	\$14,896,335	\$933,120	\$0	\$12,128,964	\$181,446	\$1,853,013	\$72,652,233
Oct.-Dec. 2017	\$15,703,722	\$1,088,272	\$2,965,620	\$24,474,140	\$1,927,690	\$1,928,435	\$8,808,035	\$56,895,914
July-Sept. 2017	\$122,656,773	\$9,140,191	\$5,107,550	\$3,396,926	\$5,846,637	\$1,347,500	\$7,793,380	\$155,288,957
April-June 2017	\$14,303,886	\$11,372,807		\$0	\$24,408,936	\$1,412,000	\$14,033,069	\$65,530,698
Jan-March 2017	\$7,336,615	\$14,513,326		\$84,000	\$5,648,091	\$576,141	\$23,123,353	\$51,281,526
Oct.-Dec. 2016	\$15,844,261	\$9,443,954		\$4,445,138	\$8,574,715	\$0	\$3,813,727	\$42,121,795
July-Sept. 2016	\$33,180,166	\$12,004,863		\$14,474,766	\$15,710,115	\$3,339,470	\$16,415,992	\$95,125,372
April-June 2016	\$3,186,128	\$21,574,412		\$4,617,536	\$9,205,408	\$20,222,189	\$87,682,358	\$146,488,031
Jan-March 2016	\$8,282,426	\$2,018,785		\$10,653,719	\$35,473,387	\$0	\$3,569,037	\$59,997,354
Oct.-Dec 2015	\$29,243,802	\$10,076,938		\$23,090,780	\$7,179,197	\$1,030,000	\$6,980,305	\$77,601,022
July-Sept. 2015	\$6,656,778	\$7,819,300		\$2,772,080	\$9,939,946	\$7,303,878	\$707,070	\$35,199,052
April-June 2015	\$8,520,763	\$9,878,384		\$2,437,861	\$20,234,817	\$6,095,000	\$4,157,720	\$51,324,545
Jan-March 2015	\$7,316,156	\$3,829,883		\$0	\$4,115,779	\$0	\$8,617,653	\$23,879,471
Oct.-Dec 2014	\$15,077,940	\$23,716,086		\$942,443	\$41,437,354	\$298,450	\$5,456,402	\$86,928,675
July-Sept. 2014	\$29,512,908	\$11,744,678		\$1,375,887	\$18,199,323	\$420,000	\$5,311,744	\$66,564,540
April-June 2014	\$14,880,491	\$6,352,097		\$299,768	\$8,944,856	\$700,000	\$6,286,894	\$37,464,106
Jan.-March 2014	\$30,816,399	\$6,462,060		\$0	\$2,620,482	\$0	\$807,905	\$40,706,846
Oct.-Dec. 2013	\$5,614,108	\$5,227,632		\$1,662,604	\$4,322,282	\$0	\$18,725,840	\$35,552,466
July-Sept 2013	\$4,147,738	\$4,642,389		\$0	\$12,137,965	\$0	\$6,472,554	\$27,400,646
April-June 2013	\$9,413,479	\$3,035,704		\$0	\$3,930,130	\$2,165,090	\$1,572,774	\$20,117,177
Jan. -March 2013	\$0	\$10,686,133		\$0	\$4,122,942	\$0	\$359,328	\$15,168,403
Oct-Dec. 2012	\$4,327,940	\$3,953,149		\$0	\$8,474,647	\$1,795,000	\$5,378,894	\$23,929,630
July-Sept. 2012	\$1,221,000	\$537,447		\$0	\$9,026,238	\$2,083,115	\$3,121,673	\$15,989,473
April-June 2012	\$13,126,525	\$15,157,427		\$0	\$3,702,000	\$0	\$0	\$31,985,952

Commercial Market Trends

Building Permits By City

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
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

Commercial Market Trends

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 2020, there were 6,569 standard rooms and 2,453 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,952, while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Even with the pandemic, respondents continue to feel that the region can absorb more 100-200 bed hotels, in the proper locations, but the market is still not quite ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of December 31, 2020. For the second half of 2020, the Skyline Report covered 99.8 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others.

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
Boat Storage Buildings	Benton County	Robert and Travis Pennington	Warehouse	8,400	Conceptual
Tufco Warehouse	Benton County	Tufco	Warehouse	20,000	Done
14th Street Commercial Building	Bentonville	Kelley CP	Commercial	4,500	Conceptual
305 Main Street	Bentonville	Chip Chambers	Office	15,000	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
3rd and G	Bentonville	Jake Newell	Commercial	3,000	January 2022
8777 Airport Road Retail	Bentonville	Kelley CP	Retail	13,322	Conceptual
Ankle & Foot Center of Mid-America	Bentonville	Ankle & Foot Centers of Mid-America	Medical Office	4,000	Done
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	2021
Arvest Bank-SW Regional Airport	Bentonville	Arvest Bank	Bank	3,000	Spring 2021
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Delayed
Bart Baur Project	Bentonville	Bart Baur	Commercial	5,100	Conceptual
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual
Benton County Courthouse	Bentonville	Benton County	Court House	30,000-39,000	Conceptual

Commercial Market Trends

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	Summer 2022
Bentonville Flight Center	Bentonville	Municipal Airport	Commercial		Done
Bentonville Merchant North-Central	Bentonville		Office		Conceptual
Bentonville Merchant South-Central	Bentonville		Office		Conceptual
Best Joy Office on J	Bentonville	Best Joy LLC	Office	7,000	Conceptual
BOS Park Self Storage	Bentonville	Daniel Duncan, John Lykins, Charles Palmer	Commercial	104,200	Done
Brick Avenue Commercial	Bentonville	SREG	Commercial	100,000	Delayed
Cadence Group-Central	Bentonville	Cadence Group	Office		Conceptual
Center City Parking Garage	Bentonville	Josh Kyles	Parking Garage		Spring 2022
Circle K Convenience Store	Bentonville	Bluefin Development, Jared Coleman	Retail	3,500	2021
City U	Bentonville	Blue Crane	Commercial	5,000	Conceptual
Convention Center	Bentonville	Brian Bahr	Convention Center	75,000	Conceptual
Crossmar Supplier Park IV	Bentonville	Cross Mar and Glass Investments	Warehouse	260,000	2021
Crossmar Supplier Park V	Bentonville	Cross Mar and Glass Investments	Warehouse	200,000	Conceptual
Crossmar Supplier Park VI	Bentonville	Cross Mar and Glass Investments	Warehouse	200,000	Conceptual
Crystal Bridges Parking Deck	Bentonville	Walton Family Foundation	Parking Garage	309,000	Fall 2022
Crystal Flats, Phase I	Bentonville	Blue Crane	Commercial	15,382	August 2021
Discount Tire	Bentonville		Retail	8,192	Conceptual
Discovery Storage	Bentonville		Mini Storage		Spring 2021
District at SW 4th and C	Bentonville		Commercial		Conceptual
Early Learning Academy	Bentonville	Gary R Stearman Trust	School	13,934	Spring 2021
Elevator Building on 3rd Street	Bentonville	Kelley CP	Office	12,000	Conceptual
Elliot Electric Building	Bentonville	Elliot Electric	Office/Warehouse	11,495	Done
EMC Building	Bentonville	Emergent Property Management	Office/Retail	4,932	Done
Fellowship Bible Church	Bentonville	Fellowship Bible Church	Church	73,000	Summer 2021
Firestone Auto	Bentonville	Firestone Auto	Retail	6,000	Done
Fountain Plaza	Bentonville	Fleeman Family, David Erstine	Office	65,000	Conceptual
Generations Bank	Bentonville	Jon Harrell	Bank	12,000	Done
Goddard School	Bentonville	The Goddard School	School	9,500	Summer 2021
Hwy 72 Warehouse	Bentonville	Matt Ahart, NAI Capstone	Office/Warehouse	30,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
I Street Landing	Bentonville	Bill Burckart	Office		Done
Intuitive Clinic	Bentonville	Seavest Healthcare	Medical Office	11,000	2021
JTK Development I	Bentonville	JTK Development	Commercial	12,000	Conceptual
JTK Development II	Bentonville	JTK Development	Office/ Warehouse	9,000	Conceptual
Junk Brands	Bentonville	Beau Barrett and Paul Mahan	Office/ Manufacturing	34,000	Conceptual
KCG BV Veterinary Clinic	Bentonville	KCG BV LLC, Kelsey Kreher	Medical Office		Conceptual
Lampighter Development-The Hancock	Bentonville	Todd Renfrew and Patrick Sbarra	Commercial		Conceptual
Ledger, The	Bentonville	Josh Kyles	Mixed Use	228,000	Spring 2022
Link I, II, III, The	Bentonville	Walton Family Foundation; U of A	Office	15,000	December 2021
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Living Tree Pediatric Care	Bentonville	Drs Jeffrey Savage and Julie Tate	Medical Office	10,200	Conceptual
Macdoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Main Street Office	Bentonville	Sage Partners	Office	18,000	Conceptual
Momentary Parking Garage	Bentonville	Momentary	Parking Garage	71,272	2021
North Walton Development	Bentonville	Rich Grubbs	Retail	3,420	Delayed
North Walton Development II	Bentonville	Rich Grubbs	Retail	2,697	Delayed
North Walton Development III	Bentonville	Rich Grubbs	Retail	3,489	Delayed
Northwest Counseling Inc Expansion	Bentonville	NCI	Office	3,500	Done
Old Walmart Home Office	Bentonville	Walmart	Commercial		Conceptual
Pain Treatment Center Clinic	Bentonville	PTCOA	Medical Office	12,000	Done
Parachuting Penguins	Bentonville		Commercial		Conceptual
Park Central Commercial	Bentonville	Jake Newell	Office/Retail	4,000	Spring 2021
Peleton Garage	Bentonville	Walton Enterprises	Commercial	8,385	2021
Peleton Office Building	Bentonville	Walton Enterprises	Office	175,000	Conceptual
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Public Works Maintenance Annex	Bentonville	City of Bentonville	Office/ Warehouse	12,789	2021
RedBird Office Facility	Bentonville	Ramsay Ball	Office	90,000	Done
Redbud 1-Sterling Bank	Bentonville	Alan Cole, Bradford Gaines	Bank	16,000	Conceptual
Redbud 2- Restaurant	Bentonville	Alan Cole, Bradford Gaines	Retail		Conceptual
Redbud 3	Bentonville	Alan Cole, Bradford Gaines			Conceptual
Redbud 4-Strip Center	Bentonville	Alan Cole, Bradford Gaines	Retail	11,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Redbud 5	Bentonville	Alan Cole, Bradford Gaines			Conceptual
ROC Offices, Building III	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building IV	Bentonville	Crossmar Investments	Office	70,000	Conceptual
ROC Offices, Building V	Bentonville	Crossmar Investments	Office	70,000	Conceptual
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville		Office	6,500	Conceptual
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Stagecoach Rose Strip Center	Bentonville	Rose Properties	Office/Retail	9,000	Spring 2021
Strategy Systems Art Warehouse	Bentonville	Ed and Faith Cooley	Retail/ Warehouse	6,213	2021
Suite Spaces Development	Bentonville	William Oldham	Commercial	10,000	Conceptual
Superior Auto Group Dealership	Bentonville	David Slone	Commercial		Conceptual
SW Elm Tree Road Development	Bentonville				Conceptual
Tar & DOK	Bentonville		Commercial		Conceptual
The Incubator Phase I	Bentonville	Terry Carson	Commercial	94,250	Conceptual
The Incubator Phase II	Bentonville	Terry Carson	Commercial	51,550	Conceptual
Tigerdogs Commercial	Bentonville	Mark Chambers	Office	12,500	Summer 2021
Verneti Law Group Office-Central	Bentonville	Verneti Law Group	Office		Conceptual
Versalab Offices	Bentonville		Office		Conceptual
Vogel Commercial Development	Bentonville	Ross and Steve Vogel	Commercial	38,000	Conceptual
Walmart Expansion	Bentonville	Walmart	Retail	45,000	Conceptual
Walmart Home Office Campus	Bentonville	Walmart	Office		2024-26
Walmart HQ Layout Center	Bentonville	Walmart	Showroom	400,000	Done
Walmart Utility Plant	Bentonville	Walmart	Industrial	27,000	2021
Westwood Development	Bentonville	Paul Esterer	Commercial		Conceptual
Elite Project	Centerton	Susan Gleghorn	Commercial	9,000	Spring 2021
Seavest Medical	Centerton	Seavest Healthcare Properties	Medical		Conceptual
Willow Crossing I	Centerton	Tim, Dusty, Beverly Graham	Retail	9,750	Done
Willow Crossing II	Centerton	Tim, Dusty, Beverly Graham	Retail	8,295	Done
Anthony Timberlands Center for Design and Materials Innovation	Fayetteville	University of Arkansas	School	50,000	December 2022
Ar-Canna Complex	Fayetteville	Brian Faught	Commercial	35,000	Conceptual
Bellafont Office Building	Fayetteville	Alan Cole, Matt Brown	Office	16,000	Done
Benedict Plaza	Fayetteville	Dale Benedict	Commercial	160,000	2023
Black Forest Retail	Fayetteville	Clinton Bennett	Retail	17,301	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Blackhive Office	Fayetteville	Ryan Efurd, Kyle Naples	Office		Conceptual
Bolder Coffee Retail Development	Fayetteville	Tom Smith	Retail	5,075	Spring 2021
Climb Fayetteville	Fayetteville	Lance Brock, Dennis Nelms, Drew Sloss	Retail	19,000	Delayed
Cosmic Cowboy Studio	Fayetteville	Benjamin Meade	Commercial		Conceptual
Crossover Cottage Commercial	Fayetteville	Richie Lamb	Office	3,000	Conceptual
Crossover Veterinary Clinic	Fayetteville	Dr. Laurel Hynes	Medical	11,300	Done
Depot Parking Deck	Fayetteville	Greg House/Ted Belden	Parking Garage	40,000	2022
Dickson Street Liner Building	Fayetteville	Greg House/Ted Belden	Commercial	14,000	2022
Drake Farms	Fayetteville	Highstreet	Commercial	20,000	Conceptual
Drake Mixed Use Development	Fayetteville	Neal Pendergraft, Highstreet	Commercial	410,000	Conceptual
Drake Office I	Fayetteville	Neal Pendergraft, Highstreet	Office	19,000	Spring 2021
Drake Office II	Fayetteville	Neal Pendergraft, Highstreet	Office	20,000	Conceptual
Flake-Kelley Office Building	Fayetteville	Matt Dearnley	Office	60,000	Conceptual
FNB of NWA	Fayetteville	Rob Husong	Bank	10,000	Done
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
Investment Plaza III	Fayetteville	Eric Boen and Jeff Kemp	Office	8,000	Done
JBHT Cancer Support Home	Fayetteville	WRMC	Medical	9,000	Spring 2021
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Kum and Go	Fayetteville	Kum and Go	Retail	5,000	Conceptual
Live/Work Artist Space	Fayetteville	Walton Family Foundation	Commercial		Conceptual
Markham Hill	Fayetteville	Specialized Real Estate Group	Commercial	17,000	Conceptual
Material Testing Facility	Fayetteville	University of Arkansas	School	30,000	2021
Mathias on Mission I	Fayetteville	Mathias Properties	Commercial	5,050	Done
Mathias on Mission II	Fayetteville	Mathias Properties	Commercial	5,100	Done
Pacific Vet Group Industrial	Fayetteville	Pacific Vet Group	Manufacturing		Conceptual
Peter Smyth House Office	Fayetteville	Baxter Smith	Office	3,000	Conceptual
Planet Storage	Fayetteville	Kasper Huber	Mini Storage		Conceptual
Poplar and Leverett Development	Fayetteville	Taite Coates and Tommy Kilbride	Commercial		Conceptual
Presidential Conversions Office	Fayetteville	John Wilson	Office	12,000	Conceptual
Prism Education Center Expansion	Fayetteville	Misty Newcomb	School	5,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Razorback Golf Course Development	Fayetteville	Craig and Laura Underwood	Commercial		Conceptual
Sanctuary at SoFay	Fayetteville	Andy Davis, Garrison Roddey, Eric Greer	Mixed Use	32,000	Summer 2022
Shoppes at Salem	Fayetteville	Melissa Sims	Office/Retail	15,120	Spring 2021
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
Sterling Bank	Fayetteville	Sterling Bankshares Inc.	Bank	16,000	November 2021
Student Success Center	Fayetteville	University of Arkansas	School	71,000	Early 2022
Valvoline	Fayetteville	Valvoline	Retail	5,000	Done
Vantage Drive Office Park Building I	Fayetteville	David Erstine, Kyle Naples	Office	39,278	Done
Vantage Drive Office Park Building II	Fayetteville	David Erstine, Kyle Naples	Office	14,226	Done
Vantage Drive Office Park Building III	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Vantage Drive Office Park Buildings IV	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Victory Commons	Fayetteville	Tracy Hoskins and Allied Bank	Commercial		Conceptual
Village Creek Medical	Fayetteville	Eric Boen and Jeff Kemp	Medical	7,800	Conceptual
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
West Van Asche Development	Fayetteville	Tom Terminella	Commercial		Conceptual
Whiterock Financial	Fayetteville	Clay Morton	Office	6,225	Spring 2021
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
Windgate Studio and Design Center	Fayetteville	University of Arkansas	School	154,600	Summer 2022
World Domination Building	Fayetteville	Sammie Stephenson	Commercial	9,000	Conceptual
Merchant Brands Warehouse	Gravette	Jackson Bird	Warehouse	30,000	Conceptual
XNA Expansion	Highfill	XNA	Concourse	75,000	Conceptual
Hawks Landing	Johnson	Mission Plaza	Commercial	9,300	Done
Johnson Square	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Commercial	50,000	Conceptual
Johnson Square Bld 2	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Office/Retail	9,500	Done
Johnson Square Medical Office	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Medical Office	21,000	Late 2021
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Centergate, Building II	Lowell	IDO Arkansas, Robert Stephens; Sage Partners	Retail/Warehouse	100,000	Conceptual
Indendence Plaza-CRI	Lowell	Scott Dillard, David Erstine	Office	50,000	Fall 2021
Independence Plaza Office	Lowell	Scott Dillard, David Erstine	Office	75,000	Fall 2022
Independence Plaza Retail	Lowell	Scott Dillard, David Erstine	Retail	14,000	Fall 2023
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Lowell Historical Museum Expansion	Lowell	City of Lowell	Museum	10,000	Delayed
Matrix Racquet Club	Lowell	Barbara Hudson, Sharon Hudson, Johan Den Toom	Recreation	1,200	Done
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
TZZ Event Center	Lowell	TZZ Event Center	Commercial		Conceptual
Planetarium	NWA	Katherine Auld	Museum	120,000	Conceptual
Solve For Food Innovation Lab	NWA	Keith Larson, Greg Spragg	Lab	20,000	Conceptual
Dye Hard Commercial	Pea Ridge	John Dye, John Bryant, John Carney	Commercial		Conceptual
8th Street Market	Rogers	David Mancina	Retail	8,000	Spring 2021
AMP Expansion	Rogers	Walton Arts Center	Event Space	16,800	Done
Arkansas Swim Academy	Rogers	Harley & Oliver Holdings	Swim Gym	4,000	Done
Beaty Office Park II	Rogers	Lance Beaty	Office	15,000	Conceptual
Beaty Office Park III	Rogers	Lance Beaty	Office	7,500	Conceptual
Beaty Office Park IV	Rogers	Lance Beaty	Office	5,000	Conceptual
Bellview Urban Center O/R	Rogers	Alex Blass	Office/Retail	30,000	Spring 2021
Bellview Urban Center O/W	Rogers	Alex Blass	Office/Warehouse	12,750	Done
Bost Expansion	Rogers	Bost Inc., Katie Raines	Mixed Use	9,260	Spring 2021
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
Culver's Retail Center	Rogers	Alan Cole	Retail	7,810	Spring 2021
District at Pinnacle Hills IV	Rogers	Whisinvest	Office	44,900	Conceptual
District at Pinnacle Hills Office III	Rogers	Whisinvest	Office	41,396	Summer 2021
District at Pinnacle Hills Retail III	Rogers	Whisinvest	Retail	25,000	Conceptual
Dixie Warehouse	Rogers	Mathias Properties	Warehouse	15,000	Done
Dolle Redevelopment	Rogers	Dolle	Office/Warehouse	7,500	Conceptual
Eight and Willow Commercial Development	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Equity Storage	Rogers	Chris Wyrick	Mini Storage	73,000	Done
Family Mini Storage	Rogers		Mini Storage	32,030	Conceptual
First Baptist Church Expansion	Rogers	First Baptist Church	Church	18,000	Conceptual
Founders Plaza	Rogers	Hunt Ventures	Office	117,773	Spring 2021
Founders Plaza Garage	Rogers	Hunt Ventures	Parking Garage	469,200	Spring 2021

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Gateway Plaza	Rogers	Flake-Kelley	Commercial	39,600	Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Hi-Tea	Rogers		Commercial	4,500	Conceptual
Hudson Station	Rogers	Matt Ahart, NAI Capstone	Office/ Warehouse	28,000	Conceptual
Hunt Ventures Medical Office	Rogers	Hunt Ventures	Medical Office	47,700	2021
J Conrad Business Center	Rogers	Chris Wyrick	Commercial	16,000	Done
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail		Done
Legends Soccer Field	Rogers	John Westling	Commercial	27,720	Done
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
LISA Academy	Rogers	Kathy L Smith	School		Conceptual
Live/Work Artist Space	Rogers	Walton Family Foundation	Commercial		Conceptual
Luther Auto Dealership	Rogers	Luther Auto Group	Commercial		Conceptual
Magnolia Dog Grooming	Rogers	Magnolia Dog Grooming	Commercial	8,500	Conceptual
Magnolia Farms Building I	Rogers	Margaret Molleston and Hunter Haynes	Office	85,000	Delayed
Magnolia Farms Campus	Rogers	Margaret Molleston and Hunter Haynes	Commercial	400,000	Conceptual
Magnolia Place Alzheimers Care	Rogers	JEA Senior Living	Medical Office	34,556	Conceptual
Master's Circle Office Building	Rogers	Jonathan Coker and Kevin Wilson	Office	7,600	Done
Mathias Warehouse	Rogers	Mathias Properties	Warehouse	15,000	Done
Med Express	Rogers		Medical		Conceptual
Metal Roofing Sales	Rogers	Metal Roofing Sales	Industrial	30,400	Conceptual
Metropark Office Building III	Rogers	Hunter Haynes & Sage Partners	Commercial	25,000	Conceptual
Metropark Office Building IV	Rogers	Hunter Haynes & Sage Partners	Commercial	60,000	Conceptual
Mill Creek Manor Office	Rogers	Mill Creek Manor	Medical	4,300	Conceptual
Mills Farm Development	Rogers	Lance Beaty	Commercial		Conceptual
Mobius Learning Academy	Rogers	Katie and Nick Bartlett	School	8,815	Done
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	43,000	Conceptual
Northwest Medical Systems Clinic	Rogers	Greg Taylor	Medical	5-10,000	Conceptual
NWA Regional Animal Hospital	Rogers	NWA Regional Animal Hospital	Office	21,432	Conceptual
Olrich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Mixed Use	Rogers	Laurice Hachem and Bobby Ehardt	Commercial	69,000	Done

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Delayed
One Uptown Parking Deck	Rogers	Laurice Hachem and Bobby Ehardt	Parking Garage	51,290	Conceptual
Pinnacle Grove	Rogers	Abby Development	Medical	74,000	Spring 2021
Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Retail	30,500	Spring 2021
Pinnacle Heights Tech Office	Rogers	Hunt Ventures	Office	41,000	Conceptual
Pinnacle Point Office Complex	Rogers	David Erstine	Office	40,000	Conceptual
Pinnacle Village I, Office	Rogers	Sam Alley, Alex Blass	Office	138,333	Conceptual
Pinnacle Village I, Retail	Rogers	Sam Alley, Alex Blass	Retail	27,667	Conceptual
Pinnacle Village II Office	Rogers	Sam Alley, Alex Blass	Office	160,000	Conceptual
Pinnacle Village II Retail	Rogers	Sam Alley, Alex Blass	Retail	75,000	Conceptual
Pleasant Crossing Commercial	Rogers	Whisinvest	Commercial	20,047	Conceptual
Pleasant Crossing Retail Building	Rogers	Whisinvest	Retail	10,000	Conceptual
Police Dispatch Center	Rogers	City of Rogers	Office	10,400	2021
Potato Chip Factory	Rogers	Steven Straters	Commercial		Conceptual
Price Lane Office	Rogers		Office	10,200	Conceptual
Rainbow Road Self Storage, Ph II	Rogers		Mini Storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Rent N Roll Tire Express	Rogers	Rent N Roll Tire Express	Retail/Warehouse	7,800	Conceptual
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street	Rogers	David Mancia	Office/Retail	7,600	Spring 2021
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	Conceptual
Skyline 2	Rogers	Ed Belto	Office	54,000	Conceptual
Southern Storage mini-warehouses	Rogers	Southern Storage	Commercial		Delayed
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Sterling Bank	Rogers	Sterling Bankshares Inc.	Bank	16,000	Conceptual
Stoney Brook Development	Rogers	Clinton Bennett	Commercial		Conceptual
Storage World	Rogers	Gurneet Josan	Warehouse/mini-warehouse	103,305	Done
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
The Source	Rogers	Aaron Crawley	Retail	20,000	Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Transplace	Rogers	Steve Cawley	Office	148,200	May 2021
Tribe Soccer	Rogers	John Westling; Fadil Bayyari	Commercial	10,560	Done
Tri-State Optical	Rogers	Daniel Landis	Medical		Conceptual
Trulove Construction Vehicle Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Unnamed Medical Office	Rogers	Flake Co	Medical	100,000	Conceptual
Uptown Square Retail	Rogers	S.C. Bodner	Retail	20,000	Spring 2021
U-Storage	Rogers	U-Storage	Commercial	94,795	Conceptual
Venture Park I	Rogers	Todd Fleeman and David Erstine	Office	21,585	Conceptual
Venture Park II	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park III	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park IV	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Venture Park V	Rogers	Todd Fleeman and David Erstine	Office	20,000	Conceptual
Village on the Creeks Office	Rogers	Dewitt Smith	Office	4,900	Conceptual
Wilson-Coker Office Building	Rogers	Wilson-Coker Wealth Management	Office	3,000	Done
Arkansas Early Learning Center	Sil Springs		School	8,324	Conceptual
Barnett Warehouse	Sil Springs	Jonathan Barnett	Warehouse	67,950	Conceptual
Black Hills Operation Center	Sil Springs	Black Hills Energy	Warehouse	10,000	Done
Crye-Leike Office	Sil Springs	Crye-Leike Realtors	Office	6,500	Conceptual
Holly Street Crossing	Sil Springs	Ted Viala	Commercial		Conceptual
New Life Church	Sil Springs	Tim Estes	School and Offices	24,635	Conceptual
Pharmacy and Medical Office	Sil Springs	Lykins Leasing	Medical Office	18,480	Conceptual
Plaza Tire Service	Sil Springs	McClain Group	Retail	6,000	Done
Progress Plaza Phase II	Sil Springs	Brown Cow LLC	Medical Office	11,250	Conceptual
Speedy Car Wash	Sil Springs	McClain Group	Retail		Done
Airport Hanger 1	Springdale	Bill Adams	Commercial	10,000	Conceptual
Airport Hanger 2-4	Springdale	City of Springdale	Commercial	30,000	Conceptual
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	Conceptual
Apple Blossom Logistics	Springdale	Crossland Construction, Dean Eisma, Bill McClard	Warehouse	1,300,000	Conceptual
Arkansas Blue Cross/Blue Shield	Springdale	Arkansas Blue Cross/Blue Shield	Medical Office	76,000	Summer 2021
Arkansas Childrens Phase II	Springdale	Arkansas Children's Hospital	Medical		Conceptual
Bulldog Commercial	Springdale	Rick Oliver	Commercial		Conceptual
Career Academy	Springdale	Edwards Properties	Office/Warehouse	16,800	Spring 2021
Caseys General Store	Springdale	Casey's	Retail		Conceptual

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Caseys General Store	Springdale	Casey's	Retail	6,172	March 2021
Center for Childrens Health and Wellness	Springdale	C.L. George and Sons, Matt Brown	Medical Office	80,000	Fall 2021
Cottages at Clear Creek Commercial	Springdale	Johnelle Hunt, Hunter Haynes	Commercial		Conceptual
Criminal Justice Facility	Springdale	City of Springdale	Office		Spring 2021
Diesel Downs, Lots 4, 5	Springdale	Raymond Merrill	Commercial		Conceptual
Diesel Downs, Lots 6, 7	Springdale	Murphy-Hoffman Co.	Commercial		Conceptual
Edwards Warehouse I	Springdale	Edwards Properties	Warehouse	40,000	Conceptual
Edwards Warehouse II	Springdale	Edwards Properties	Warehouse	21,000	Conceptual
Fire Training Center	Springdale	City of Springdale	Training Center	9,200	Summer 2021
First State Bank	Springdale	First State Bank	Bank		Conceptual
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
H.C. Schmieding Office	Springdale	Chris Cryskiewicz	Office		Conceptual
Hall Crossing Retail Building 2	Springdale	Clinton Bennett, Jason Pullman	Retail	1,750	Done
Health and Speech Clinic	Springdale		Medical		Conceptual
Heritage Funeral Home	Springdale	John Harris	Commercial		Conceptual
Highlands Oncology-Park Plaza	Springdale	Kathey Rhoads	Medical Office	125,000	Done
J.B. and Johnelle Hunt Family Ozark Highlands Nature Center	Springdale	Arkansas Game and Fish Department	Nature Center	32,000	Done
Little Emma	Springdale	Tom Lundstrom	Commercial		Done
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Margarita Place Phase 2	Springdale	David Mancina	Office/Retail	10-12,000	Spring 2021
Mercy Clinic East	Springdale	Mercy Health Systems	Medical Office		Conceptual
Mercy NWA Campus, Phase II	Springdale	Mercy Health Systems	Medical Office		Conceptual
Monitor Warehouse	Springdale	RPH	Warehouse		Conceptual
Northwest Technical Institute-Ammonia	Springdale	NWTI	School	19,800	Done
Northwest Technical Institute-Welding	Springdale	NWTI	School	13,000	Done
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
ORT Office	Springdale	Ozark Regional Transportation	Office	8,800	Done
Parkway Plaza I	Springdale	Sage Partners and Griffen Company	Office	46,000	Conceptual
Piney Ridge Treatment Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Sam's Furniture	Springdale	Mathias Properties	Warehouse	40,050	Spring 2021

Commercial Market Trends

New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Speedy Splash Car Wash-Butterfield Coach	Springdale	The McLain Group	Retail		Conceptual
Speedy Splash Car Wash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Springdale Animal Shelter	Springdale	City of Springdale	Animal Shelter	5,000	Done
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
The Boxmaker	Springdale	The Boxmaker	Commercial		Conceptual
The Crossing	Springdale	Alan Cole, Matt Brown	Commercial		Conceptual
The Landing-renovation	Springdale	Black Bear Real Estate	Office	5,322	Done
Traveling Public	Springdale	Blue Crane	Commercial	68,575	Summer 2021
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Delayed
UAMS	Springdale	Sage Partners	Medical Office	185,000	Conceptual
Williams Tractor Freedom Power Sports	Springdale	Doug Williams	Retail	33,200	Fall 2021
Williams Tractor NHA and Bobcat	Springdale	Doug Williams	Retail	63,856	Fall 2021
MH Backhoe Services	Tontitown	Michael Hathorn	Commercial	5,000	Done
Ozark Self Storage	Tontitown		Mini Storage		Done
Timmons Oil	Tontitown	Timmons Oil	Commercial	7,000	Done
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Commercial Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Washington County	Patrick Tobin	Commercial		Conceptual
Ball Metal Fabrication & Hot Rods	Washington County	Ball Metal Fabrication & Hot Rods	Office/Shop	8,000	Conceptual
Dollar General	Washington County	Dollar General	Retail	9,100	Conceptual
James Royal Storage Facility	West Washington County		Mini Storage	8,700	Conceptual
Local Ghost Distillery	West Washington County		Commercial		Conceptual

Commercial Market Trends

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
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
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
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
Courtyard by Marriot	Fayetteville	110	4
Dickson Street Inn	Fayetteville	8	2
Fairfield Inn and Suites	Fayetteville	50	44

Commercial Market Trends

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
Hampton Inn	Fayetteville	87	8
Hilton Garden Inn	Fayetteville	90	25
Holiday Inn Express	Fayetteville	77	33
Homewood Suites	Fayetteville	0	96
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
Ranch-O-Tel Motel	Rogers	21	0
Regency 7 Motel	Rogers	31	0

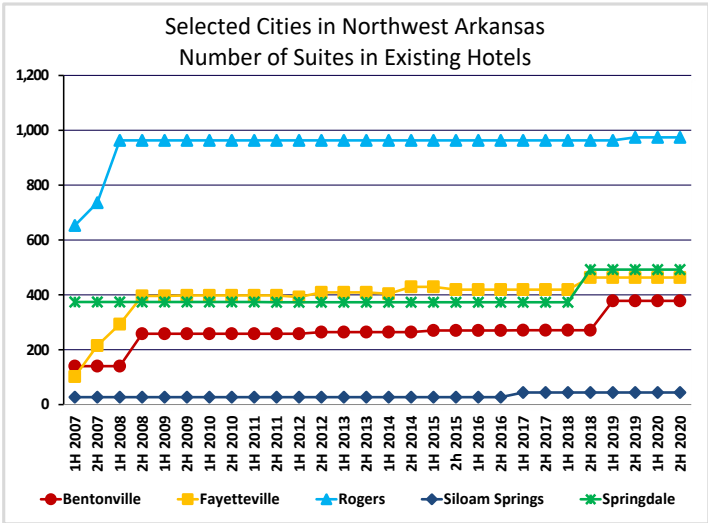
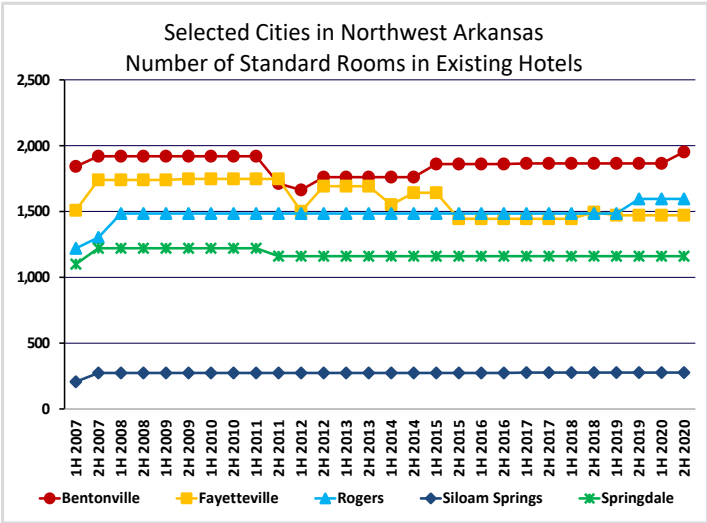
Commercial Market Trends

Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
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
Springdale Inn	Springdale	50	0
Super 8 Motel	Springdale	59	1
Value Place Hotel	Springdale	121	0
Northwest Arkansas Total		6,569	2,453

Commercial Market Trends

Existing Hotels



Commercial Market Trends

New and Announced Hotels

Property Name	City	Owner	Number of Rooms	Expected Completion
At Wells Suites	Bentonville	Larry Rose, IHG, Ed Belto		Conceptual
Avid Hotel	Bentonville	IHG	87	Done
Motto By Hilton	Bentonville	Windsor Aughtry	100	2022
Home 2 Suites by Hilton	Bentonville	Narry Krushiker	124	Underconstruction
Kasita Boutique Hotel	Bentonville	Ecological Design Group of Rogers	40	Conceptual
Old Home Office Property	Bentonville	Walmart		Conceptual
Tuckers Corner Hotel	Bentonville	Blue Crane	100-200	2022
Avid Hotel	Fayetteville	IHG	82	Underconstruction
Depot on Dickson Hyatt	Fayetteville	Greg House/Sage Partners	100	Conceptual
Hyatt Place-Steele Crossing	Fayetteville	B&T Hospitality Management	107	Underconstruction
Markham Hill	Fayetteville	SREG	80	Conceptual
Marriot-Springhill Suites	Fayetteville	Narry Krushiker	200	Conceptual
Exit 69 Hotel	Johnson	Matt Dearnley		Conceptual
Independence Plaza	Lowell	Scott Dillard, IHG		Conceptual
District at Pinnacle	Rogers	Whisenest		Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Tru Hotel	Rogers	Shailesh Gopal		Conceptual
Magnolia Farms Hotel	Rogers	Hunter Haynes		Conceptual
Pinnacle Boutique Hotel	Rogers	John Schmelzle		Conceptual
Pinnacle Village	Rogers	Sam Alley, Alex Blass	115	Conceptual
Tapestry Boutique Hotel	Rogers	Jonelle Hunt, Andrew and David Burnett	120-140	2021
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual
Holiday Inn Express	Springdale	Vipulkumar Patel		Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual
Railyard Overlook	Rogers		7	Conceptual

Commercial Market Trends

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Firehouse Subs	Bella Vista	Clinton Bennett	Conceptual
JJ's Grill	Bella Vista	Jody Thornton	Done
Angus Jack	Benton County	Ian and Jean Cairns	Conceptual
Unnamed Restaurant and Winery in Benton County	Benton County	CEI Engineering	Conceptual
7Brew-14th	Bentonville		2021
Airship Coffee	Bentonville	Erin Rushing	Done
Bentonville Taco and Tamales	Bentonville	Yellow Rocket	Spring 2021
Butcher and Pint	Bentonville	Rob Nelson	Delayed
Capriottis	Bentonville		Done
Crystal Flats Restaurant	Bentonville	Cindy Springs, LLC	Conceptual
Dairy Queen-Walton Blvd	Bentonville	Aimee and Terry Sims	Done
Dickey's Barbecue Pit	Bentonville	Jared Thompson	Delayed
Exit 86 Restaurant	Bentonville		Summer 2021
Frida's California Grill	Bentonville		Delayed
Gigi's Cupcake	Bentonville	Gigi Butler	Done
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
Old Home Office Property	Bentonville	Walmart	Conceptual
Scooters Coffee	Bentonville	A. & C Stall, J & J Wintur	Done
Starbucks	Bentonville	Haag Brown	Done
Trash Creamery	Bentonville		Done
U.S. Pizza	Bentonville	Esther and Hunter McClellan and Don Henderson	Delayed
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Wright's Barbecue	Bentonville	Jordan Wright	Done
KFC	Centerton	Plaza Street Partners, Alan Cole	Early 2021
Popeyes	Centerton		Done
Sam's Family Diner	Centerton		Done
TCBY	Centerton		Done
Wendys	Centerton		Done
Starbucks	Farmington	Jordan Jeter and Hank Kelley	Early 2021
Wendy's	Farmington	Jordan Jeter and Hank Kelley	Early 2021
7 Brew-College	Fayetteville	John Davidson	Spring 2021
Apple Blossom Brewing	Fayetteville	Apple Blossom Brewing	Spring 2021
Arsaga's Mill District	Fayetteville	Cary Arsaga	Done
Base Camp Coffee Shop	Fayetteville	Jeff Pederson	Conceptual
Big Whiskey-Evelyn Hills	Fayetteville	Alan Cole	Done
Black Bear Diner	Fayetteville	Black Bear Diner Co	Done
Bolder Coffee-College	Fayetteville		Delayed

Commercial Market Trends

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Bolder Coffee-Crossover	Fayetteville	Tom Smith	Delayed
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Cheba Hut 1	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Spring 2021
Cheba Hut 2	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	Spring 2021
Chick'n Headz-MLK	Fayetteville	Mathias	Done
Chuy's	Fayetteville	Mike Young and John Zapp	Conceptual
Citizen, The	Fayetteville	Lane Coleman, Knox McCorquodale, Wilson Wood	Delayed
Former Hog Haus Building	Fayetteville	Mark King	Conceptual
Girls Gone BBQ	Fayetteville	Dana Neely	Done
Green Submarine	Fayetteville	Nathan Jendeski	Done
King Burrito-College	Fayetteville	Manny Fernandez	February 2021
LongHorn Steakhouse	Fayetteville	Darden Restaurants	Conceptual
Mi Mexico-MLK	Fayetteville	Mathias	Done
MJ's Bistro	Fayetteville	Miles James	Delayed
Mojo's Pints and Pies	Fayetteville	Cley McCoy	Spring 2021
Mr Taco Loco-MLK	Fayetteville	Mr Taco Loco	Delayed
Peter Smyth House Deli/Bakery	Fayetteville	Baxter Smith	Conceptual
Taproom	Fayetteville	Ozark Natural Foods	Done
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Unnamed Restaurant on Crossover	Fayetteville	The McClain Group	Conceptual
Wendy's	Fayetteville	Mathias	Done
McDonalds	Gravette	K-Mac Inc	Conceptual
Confident Coffee Roasters	Johnson		Done
Onyx Johnson Square	Johnson	Highstreet	Conceptual
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Lowell Historical Museum Café	Lowell	City of Lowell	Delayed
Starbucks	Lowell	Haag Brown	Late 2021
Wendy's	Lowell	Wendy's	Conceptual
Yellow Rocket Concepts BBQ	Northwest Arkansas	Scott McGehee	Conceptual
Dye Hard Restaurant	Pea Ridge	John Dye, John Bryant, John Carney	Conceptual
8th Street Restaurant	Rogers	David Mancina	Conceptual
China Café	Rogers		Done
Comida Artesenal Tapas	Rogers	Ashley and Bob Hiller	Done
Cronuts-Walnut	Rogers		Done
Culver's Restaurant	Rogers	Culver's; Alan Cole	Spring 2021
Curry Restaurant	Rogers		Conceptual

Commercial Market Trends

New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
El Jicaro Salvadorean	Rogers		Done
Eros Coffeeshop	Rogers	Burke Larkin	Conceptual
Heros Coffee	Rogers	Laurice Hashem	Done
One Uptown Restaurants	Rogers	Hachem Investments	Conceptual
Pinnacle Heights Restaurants	Rogers	Hunt Ventures, Sage Partners, Urban5	2021
Pinnacle Village Restaurants	Rogers	Alex Blass	Conceptual
Shake's Frozen Custard	Rogers	Shake's Frozen Custard	Done
Texas Roadhouse	Rogers	Texas Roadhouse	Conceptual
U.S. Pizza	Rogers	Esther and Hunter McClellan and Don Henderson	Delayed
7 Brew	Siloam Springs	Ron Crume	March 2021
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Doomsday Café	Siloam Springs	Jason Collins	Done
Eat My Catfish	Siloam Springs	Scott Hill	Spring 2021
Flying Burger and Seafood	Siloam Springs	McClain Group	Delayed
Pho N Rolls	Siloam Springs		Done
So Chill Eat	Siloam Springs	Jonathan Barnett	Done
Boardwalk Food Truck Court	Springdale		2021
Fuel and Supply Coffee Shop	Springdale	Tom Lundstrom	Conceptual
Margarita Place Restaurant	Springdale	David Mancia	Conceptual
MJ Pizzeria-Downtown	Springdale	Miles James	Conceptual
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
The Crossings Restaurant	Springdale	Alan Cole	Conceptual
Traveling Public Restaurant 1	Springdale	Blue Crane	Summer 2021
Traveling Public Restaurant 2	Springdale	Blue Crane	Summer 2021
Dairy Queen	Tontitown	Aimee and Terry Sims	Conceptual
Taco Bell	Tontitown	TMG	Done
Locals Drive Thru Coffee	Fayetteville	Daniel Keene	Spring 2021
Shipleys Elm Springs	Springdale	Shipleys	Conceptual
The Crossings Restaurant	Springdale	Alan Cole	Conceptual
Traveling Public Restaurant 1	Springdale	Blue Crane	Summer 2021
Traveling Public Restaurant 2	Springdale	Blue Crane	Summer 2021
Dairy Queen	Tontitown	Aimee and Terry Sims	Conceptual
Pie Five Pizza	Unkn. Locations	Rob Byford	Conceptual
Smoothie Kings-2 more	Unkn. Locations	Thuc Tran	Conceptual

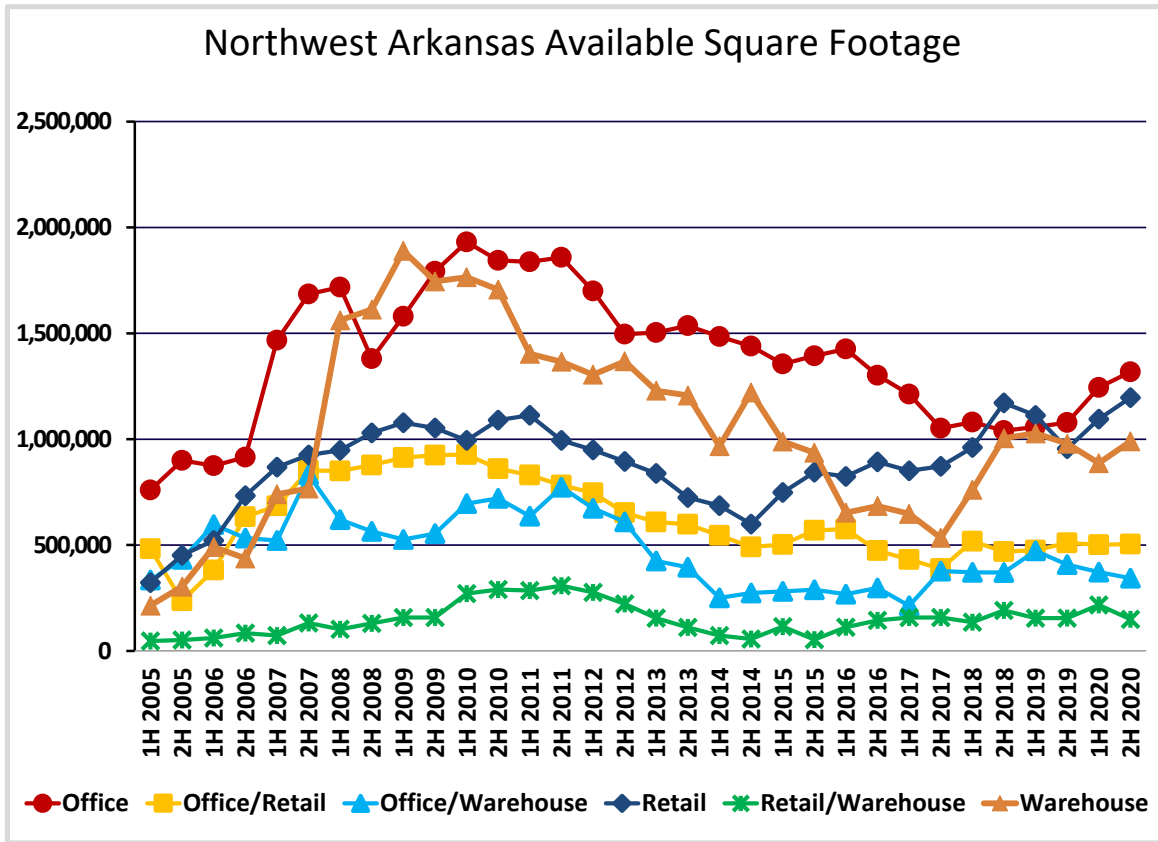
Commercial Market Trends

Closed Restaurants

Restaurant	City	Date Closed
Puritan Coffee & Beer	Fayetteville	January 2020
Burton's Creamery	Fayetteville	January 2020
Hurts Donuts	Fayetteville	January 2020
Smudgies	Springdale	April 2020
Mess Hall 45	Fayetteville	May 2020
Lemon Grass	Siloam Springs	May 2020
Cotton Patch	Siloam Springs	May 2020
Back Door Club and Grill	Decatur	June 2020
Apple Blossom Brewing	Fayetteville	June 2020
Flying Burrito-Wedington	Fayetteville	June 2020
Fresco Restaurant and Cocktails	Fayetteville	June 2020
King Pizza	Fayetteville	June 2020
Knock out Breakfast & Grill	Fayetteville	June 2020
Little Caesars-Garland	Fayetteville	June 2020
Atlanta Bread Company	Fayetteville	July 2020
Carrabas Italian Grill	Rogers	July 2020
Fork and Crust	Fayetteville	July 2020
Meez and Kini	Fayetteville	July 2020
Mickey Finn's	Fayetteville	July 2020
Sauced	Fayetteville	July 2020
Zoes Kitchen	Fayetteville	July 2020
Eureka Pizza-MLK	Fayetteville	August 2020
Penguin Ed's Wedington	Fayetteville	August 2020
Thai Wok	Fayetteville	August 2020
Pizza Hut-College	Fayetteville	September 2020
Chik-fil-A Mall	Fayetteville	October 2020
Green Submarine-Wedington	Fayetteville	October 2020
Wendys-College	Fayetteville	October 2020
Hammtree's	Rogers	October 2020
KFC-College	Fayetteville	November 2020
Mama Carmen's	Fayetteville	November 2020
Miss Saigon Pho	Bentonville	December 2020
Shakes Frozen Custard	Rogers	December 2020

Commercial Market Trends

Space and Absorption by Submarket



Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	-15,400	-5,936	-3,400	0
Bentonville	22,572	-27,702	-32,366	-18,583
Fayetteville	-62,804	13,338	12,101	-18,745
Johnson	-1,411	-2,000	0	0
Lowell	1,178	1,280	9,300	25,792
Rogers	-108,835	26,612	-180,954	10,576
Siloam Springs	-7,577	-4,752	10,501	0
Springdale	20,155	25,718	81,966	-30,219
Northwest Arkansas	-152,122	26,558	-102,852	-31,179

Commercial Market Trends

Office Vacancy and Space

In the second half of 2020, the office properties included in the Skyline Report panel had a vacancy rate of 10.0 percent, an increase from 9.8 percent in the first half of 2020. Of the 13,200,766 square feet of Northwest Arkansas properties examined, 1,318,037 square feet were available. In the second half of 2020, 325,494 square feet of new space entered the market, while 312,494 square feet became occupied, netting negative absorption of 12,694 square feet for the Northwest Arkansas office market.

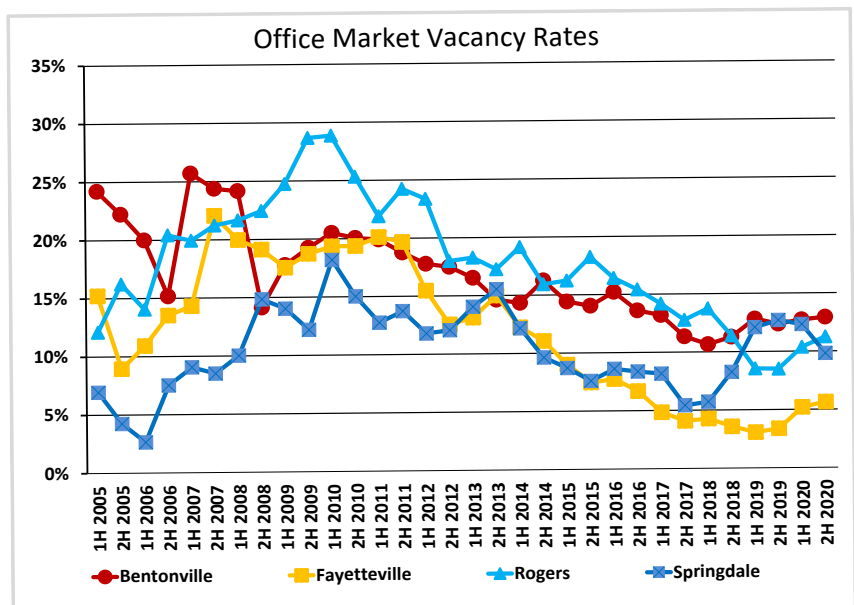
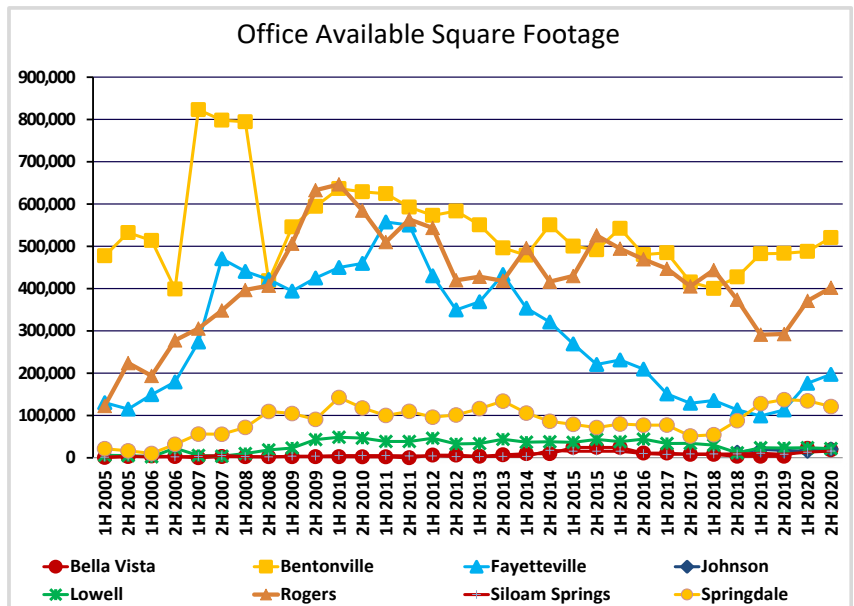
Bentonville had the most available square feet of office space at 520,649, out of its total office space of 4,024,564 square feet in the second half of 2020. 66.6 percent of the available office space was Class B. There were 93,286 new square feet, 90,344 Class A, added during this time. The Bentonville office market had net positive absorption of 19,207 square feet with net positive absorption of 24,694 in the Class B submarket. Class A office space had 2,337 square feet of net negative absorption.

Rogers had 3,574,036 square feet of total office space, with available square feet at 402,026 in the second half of 2020. 50.9 percent of the available space was in the Class A submarket. 28,000 new square feet of office space, of which 24,000 was Class A, was added during this time. The Rogers office market had a net negative absorption of 31,018 square feet in the second half of 2020. The Class B submarket accounting for 34,029 square feet and the Class A submarket for 14,287 square feet of the net negative absorption, while the Class c submarket had net positive absorption of 12,224 square feet.

Fayetteville had 197,281 square feet of available space, out of its total office space of 3,493,003 square feet in the second half of 2020. 55.8 percent of the available space was in the Class B submarket. There were 78,902 new square feet of office space, all Class B, added in the second half of 2020.

The Fayetteville office market had net negative absorption of 17,744 square feet, with 21,101 square feet in the Class B office submarket and another 10,002 in the Class C office submarket. The Class A submarket had 11,739 square feet of net positive absorption during the same period.

Springdale had 1,233,613 total square feet of office space, with 121,236 square feet of it available in the second half of 2020. 52.8



Commercial Market Trends

Office Lease Rates by City

percent was Class B office space. There were 125,000 new square feet of office space, all medical, added during the second half of 2020. There was net positive absorption of 17,510 square feet in the Springdale office market, with 9,699 square feet in the Class C office submarket, in the second half of 2020.

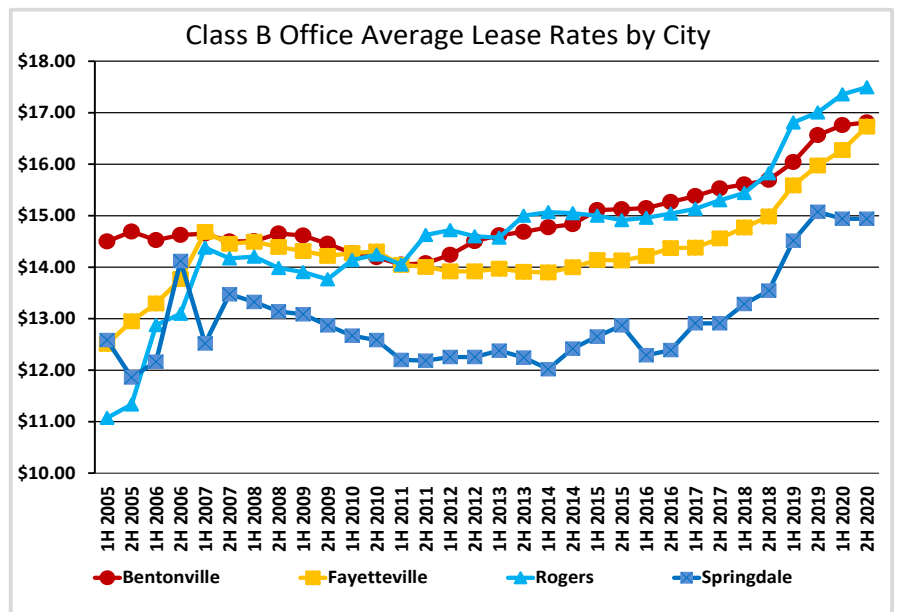
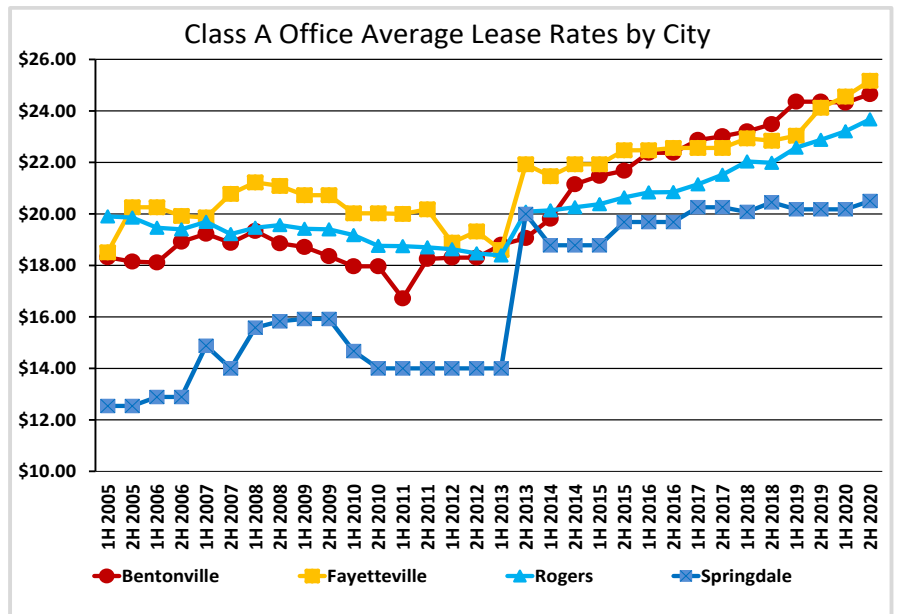
In the second half of 2020, average reported lease rates for Class A office space was highest in Fayetteville at \$25.71, after an increase of \$0.61. Bentonville increased by \$0.33 to \$24.65, Rogers increased \$0.46 to \$23.21, and Springdale increased by \$0.32 to \$20.50.

Average reported lease rates for Class B office space was highest in Rogers, increasing to \$17.50. Bentonville increased to \$16.81, Fayetteville with the biggest increase of \$0.46 was at \$16.73, and Springdale remained with the lowest reported average lease rates staying at \$14.94.

Reported average lease rates for Class C office increased in each city, and were highest in Bentonville at \$14.14. Fayetteville was at \$13.04, Rogers was at \$11.13, and Springdale remained the lowest at \$9.97.

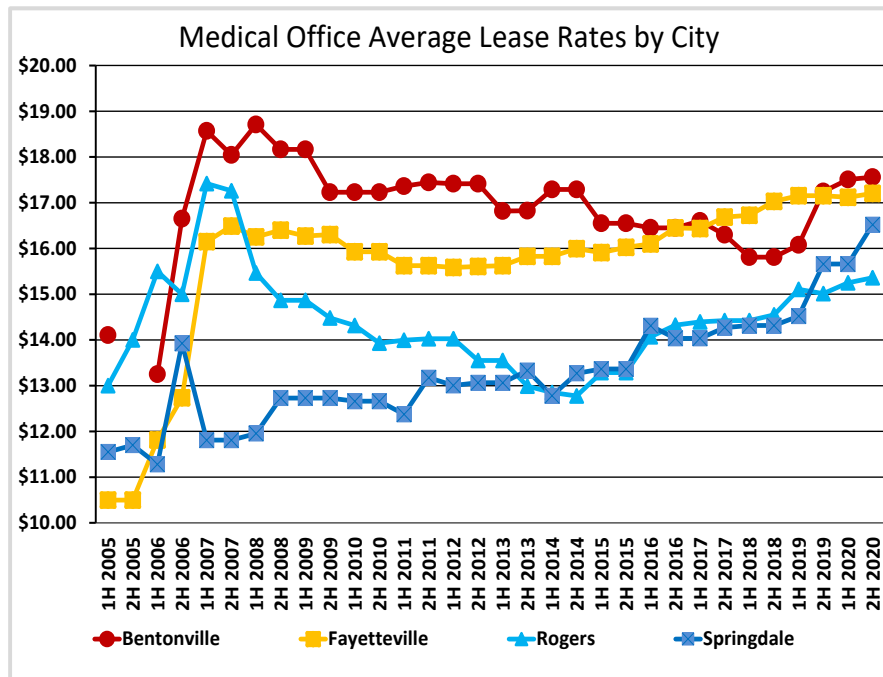
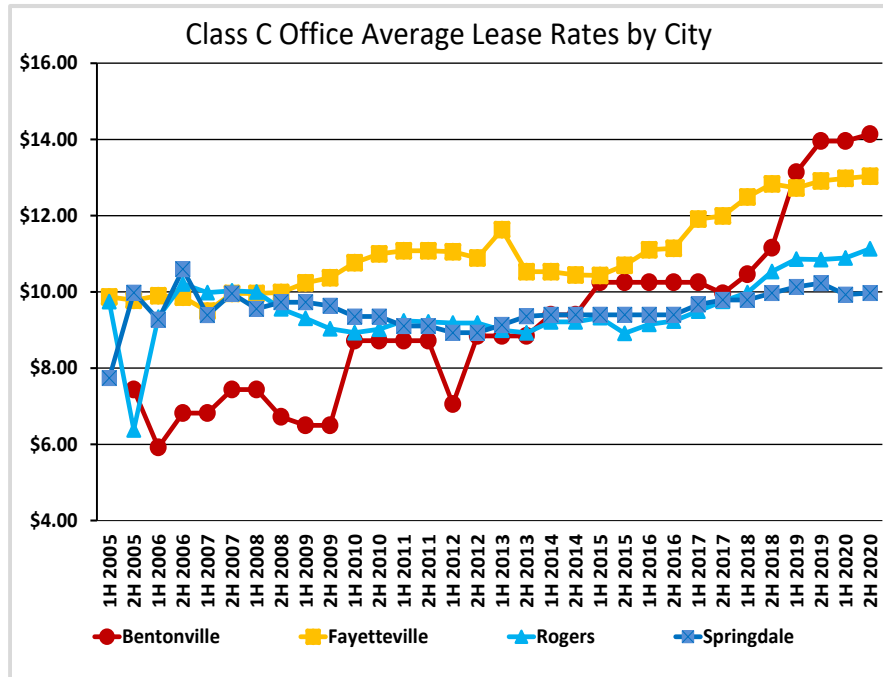
Reported average medical office space lease rates were highest in Bentonville after an increase to \$17.56. Fayetteville increased to \$17.21, Springdale had the greatest increase of \$0.86 to reach \$16.52, and Rogers increased to \$15.36.

City	Class A	Class B	Class C	Medical
Bentonville	\$23.81-\$25.49	\$16.60-\$17.02	\$14.09-\$14.19	\$17.31-\$17.81
Fayetteville	\$23.09-\$27.25	\$16.45-\$17.01	\$12.72-\$13.35	\$16.31-\$18.10
Rogers	\$23.28-\$24.06	\$17.19-\$17.80	\$10.95-\$11.31	\$15.28-\$15.44
Springdale	\$20.00-\$21.00	\$14.43-\$15.45	\$9.43-\$10.51	\$16.52-\$16.52



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	847,975	138,347	16.3%	88,007	90,344	-2,337	--
Fayetteville	456,037	17,374	3.8%	11,739	0	11,739	8.9
Rogers	1,851,747	204,577	11.0%	9,713	24,000	-14,287	--
Springdale	95,501	0	0.0%	217	0	217	0
Class B Office							
Bentonville	2,517,058	346,802	13.8%	27,636	2,942	24,694	84.3
Fayetteville	1,293,095	110,026	8.5%	57,701	78,902	-21,201	--
Rogers	996,867	149,697	15.0%	-30,029	4,000	-34,029	--
Springdale	505,148	64,046	12.7%	7,594	0	7,594	50.6
Class C Office							
Bentonville	341,151	14,723	4.3%	-3,150	0	-3,150	--
Fayetteville	456,748	40,769	8.9%	-10,002	0	-10,002	--
Rogers	294,846	39,638	13.4%	12,224	0	12,224	19.5
Springdale	205,625	15,698	7.6%	9,699	0	9,699	9.7
Medical Office							
Bentonville	318,380	20,777	6.5%	0	0	0	--
Fayetteville	1,287,123	29,112	2.3%	1,720	0	1,720	101.6
Rogers	430,576	8,114	1.9%	5,074	0	5,074	9.6
Springdale	427,339	41,492	9.7%	125,000	125,000	0	--

Commercial Market Trends

Office/Retail Vacancy and Space

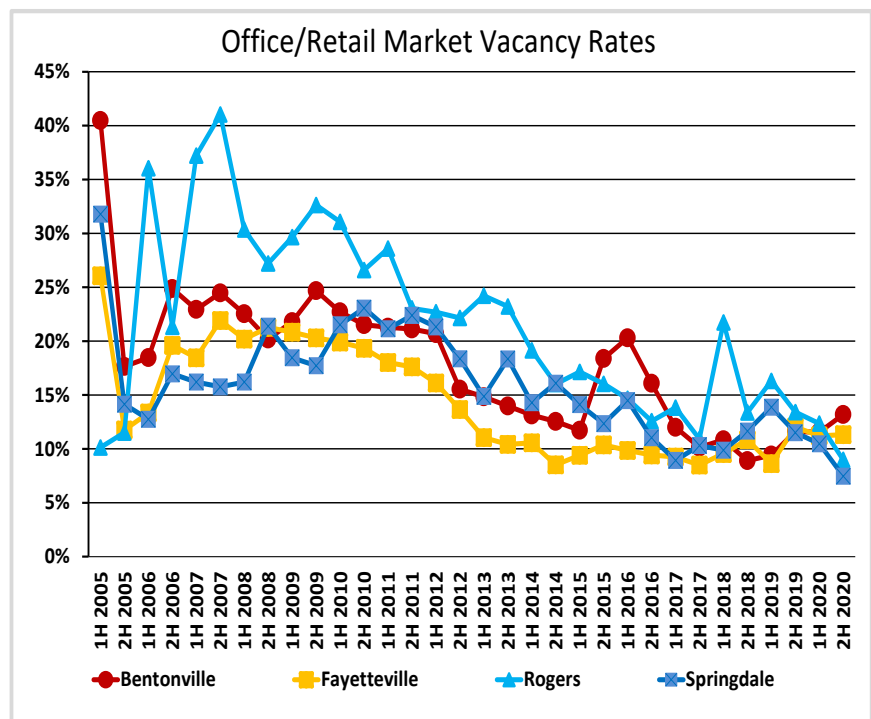
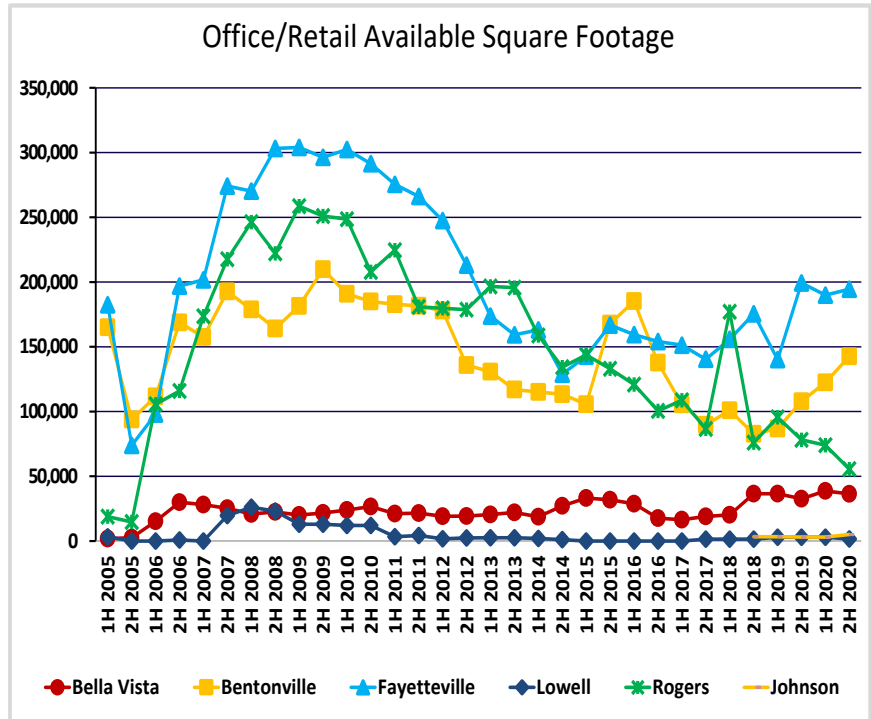
In the second half of 2020, the office/retail properties included in the Skyline Report sample had a vacancy rate of 10.9 percent, a decrease from 11.6 percent in the first half of 2020. Of the 4,612,534 square feet of Northwest Arkansas properties examined, 504,030 square feet were available.

From the first half of 2020 to the second half of 2020, 24,288 square feet of new office/retail space were added in Northwest Arkansas, with Rogers accounting for 10,560 square feet.

There was a net positive absorption of 472 square feet in the second half of 2020.

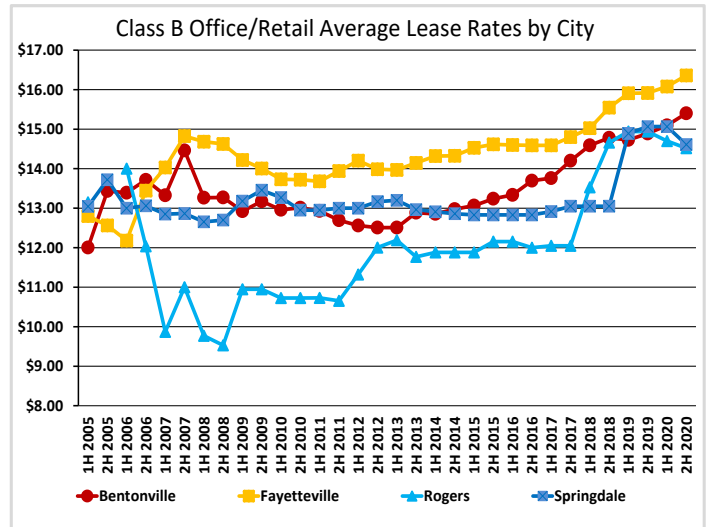
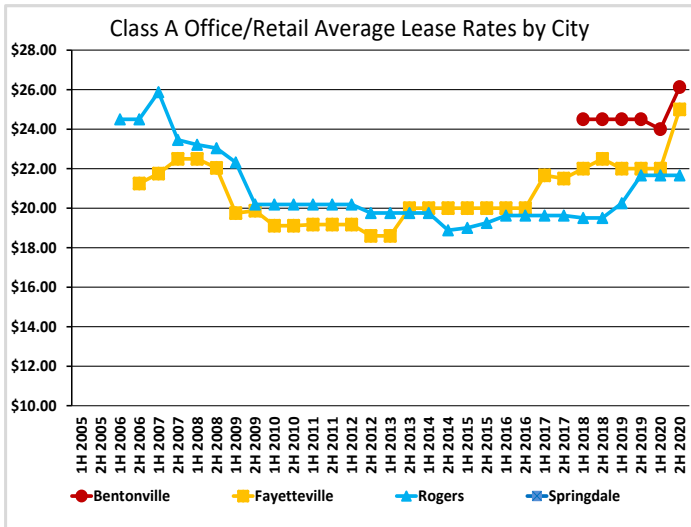
Springdale had the most net positive absorption with 23,410 square feet, with Rogers contributing 9,624 square feet, while Siloam Springs had the most net negative absorption at 19,035 square feet and Bentonville had an additional 18,078 square feet of net negative absorption.

Fayetteville had the largest amount of available square feet in the office/retail submarket with 194,463 square feet in the second half of 2020, with Bentonville adding 142,481 square feet of available space. The vacancy rate was highest in Bella Vista at 13.5 percent.



Commercial Market Trends

Office/Retail Classes Lease Rates by City

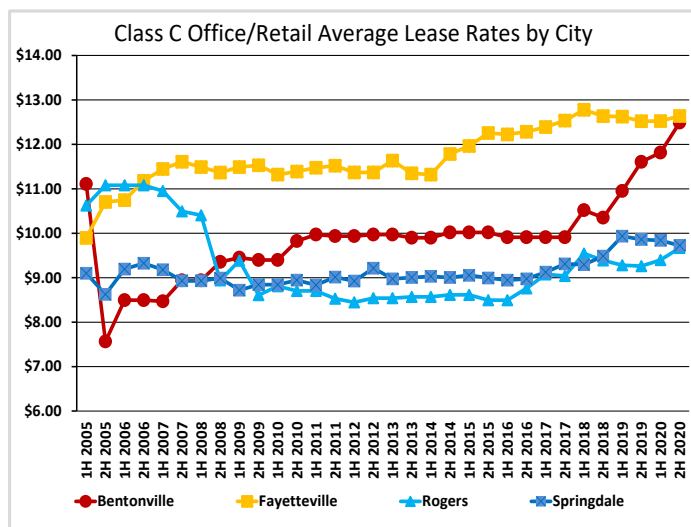


The office/retail space reported average lease rates in the second half of 2020 were highest in the Bentonville Class A submarket, increasing \$2.13 to \$26.13. After a \$3.00 increase, the Fayetteville

Class A average lease rate was \$25.00, while the average Class A lease rate in Rogers remained at \$21.67. In the

Class B submarket, Fayetteville stayed the most expensive at \$16.36 after a \$0.28 increase, followed by Bentonville at \$15.40, after an increase of \$0.31, Springdale decreased \$0.46 to \$14.61, and Rogers at \$14.52, after a \$0.18 decrease.

In the Class C submarket, the average lease rate was highest in Fayetteville at \$12.64. In Bentonville, the average was \$12.49, in Springdale the rate was \$9.73, and Rogers was the least expensive at \$9.67.



Commercial Market Trends

Office/Retail Available Space by City

City	Class A	Class B	Class C
Bentonville	\$26.00-\$26.25	\$14.73-\$16.07	\$12.13-\$12.85
Fayetteville	\$23.50-\$26.50	\$15.79-\$16.93	\$11.91-\$13.37
Rogers	\$21.50-\$21.83	\$13.65-\$15.39	\$8.89-\$10.45
Springdale	--	\$14.11-\$15.11	\$9.27-\$10.18

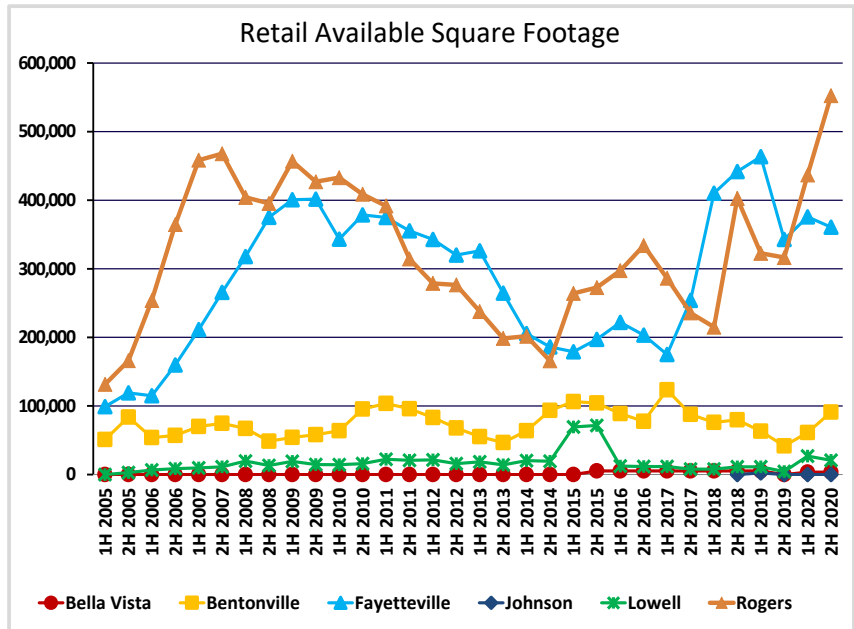
Available Office/Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Office							
Bentonville	140,683	18,000	--	8,707	21,819	-13,112	--
Fayetteville	42,000	7,475	17.8%	0	0	0	--
Rogers	110,651	5,968	5.4%	3,125	0	3,125	--
Springdale	--	--	--	--	--	--	--
Class B Office							
Bentonville	769,316	91,388	11.9%	7,653	0	7,653	71.6
Fayetteville	1,209,626	197,364	16.3%	-22,429	0	-22,429	--
Rogers	194,623	35,433	18.2%	1,487	0	1,487	143.0
Springdale	166,389	15,555	9.3%	-3,750	0	-3,750	--
Class C Office							
Bentonville	149,930	13,006	8.7%	-4,165	0	-4,165	--
Fayetteville	441,883	16,880	3.8%	16,157	8,712	7,445	13.6
Rogers	293,444	32,534	11.1%	3,600	0	3,600	--
Springdale	457,734	49,857	10.9%	6,058	0	6,058	49.4

Commercial Market Trends

Retail Vacancy and Space

In the second half of 2020, the retail properties included in the Skyline Report panel had a vacancy rate of 11.4 percent, up from 10.6 percent in the first half of 2020. Of the 10,480,042 total retail square feet examined in Northwest Arkansas, 1,196,511 square feet were available. 87,735 square feet of new retail space were added in Northwest Arkansas. There was net negative absorption of 47,667 square feet in the second half of 2020.

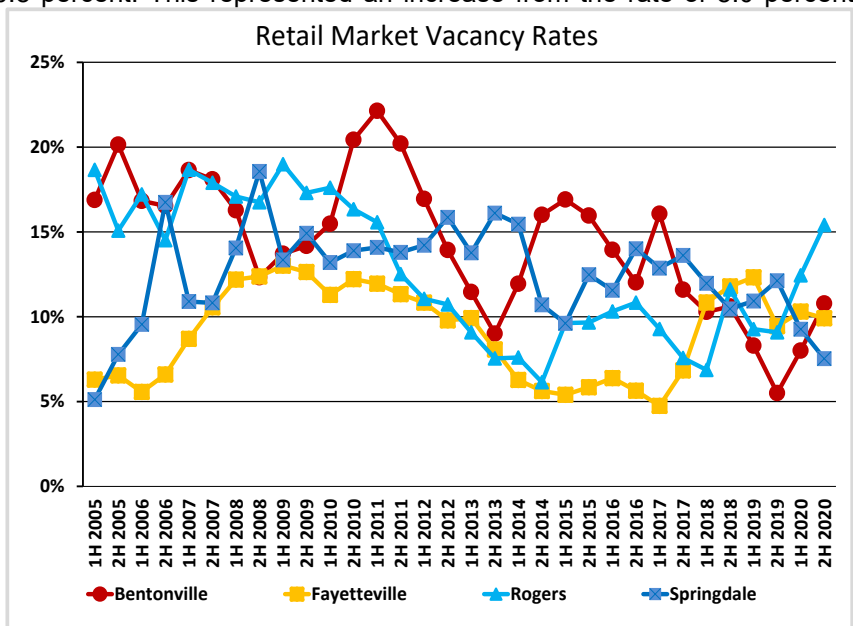
In the second half of 2020, Fayetteville had a retail vacancy rate of 9.9 percent, down from 10.3 percent in the first half of 2020, with 360,603 available square feet out of a total of 3,637,373. No new square feet were added and there was net positive absorption of 23,526 square feet in the Fayetteville retail market in the second half of 2020.



The Rogers market had 552,349 square feet of available retail space out of a total of 3,584,314 square feet, for a vacancy rate of 15.4 percent in the second half of 2020. This was an increase from the 12.4 percent rate in the first half of 2020. 74,482 square feet of new retail space were added in Rogers, contributing to a net negative absorption of 78,419 square feet.

Bentonville had 843,355 total square feet with 90,937 available square feet of retail space in the second half of 2020, resulting in a vacancy rate of 10.8 percent. This represented an increase from the rate of 8.0 percent in the first half of 2020. 11,253 square feet of new retail space was added to the Bentonville market which had net negative absorption of 27,279 square feet.

There were 130,819 square feet of available retail space out of a total of 1,737,163 square feet in Springdale in the second half of 2020. This implied a vacancy rate of 7.5 percent, down from 9.3 percent in the first half of 2020. 2,000 new square feet of retail space were added during the second half of 2020, and there was net positive absorption of 30,265 square feet.



Commercial Market Trends

Retail Available Space

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

Available Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2H	New Available Square Feet	Net Absorption	Months of Inventory
Class A Retail							
Bentonville	175,709	19,260	11.0%	-3,294	0	-3,294	--
Fayetteville	1,130,393	64,716	5.7%	-2,969	0	-2,969	--
Rogers	1,574,380	135,491	8.6%	-36,243	42,176	-78,419	--
Springdale	--	--	--	--	--	--	--
Class B Retail							
Bentonville	499,382	71,677	14.4%	-15,132	11,253	-26,385	--
Fayetteville	2,026,208	217,606	10.7%	30,787	0	30,787	42.4
Rogers	1,432,249	372,577	26.0%	43,332	32,306	11,026	202.7
Springdale	1,026,703	104,535	10.2%	32,451	2,000	30,451	20.6
Class C Retail							
Bentonville	168,264	0	0.0%	2,400	0	2,400	0.0
Fayetteville	480,772	78,281	16.3%	-4,292	0	-4,292	--
Rogers	577,685	44,281	7.7%	-11,327	0	-11,327	--
Springdale	710,460	26,284	3.7%	-186	0	-186	--

Commercial Market Trends

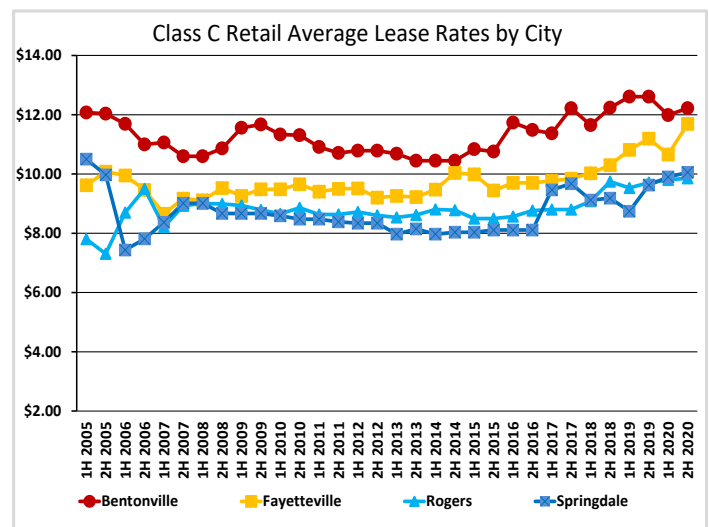
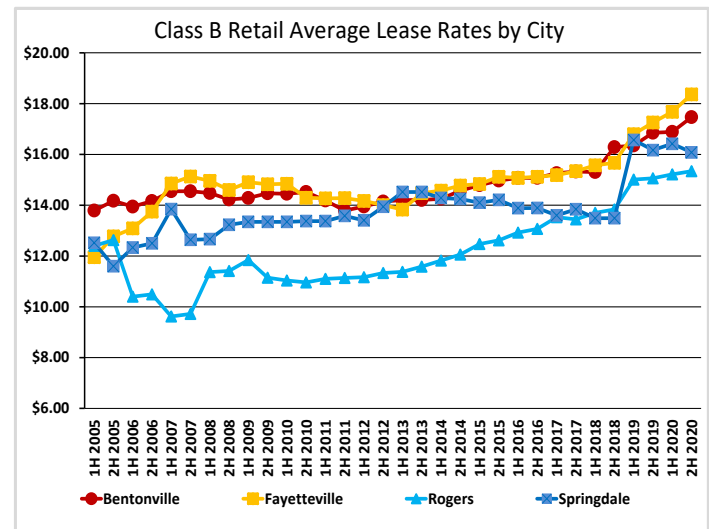
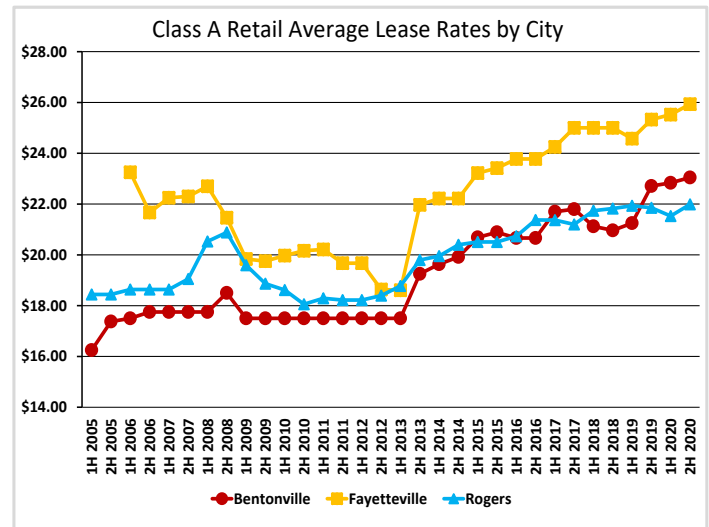
Retail Lease Rates By Class A, B or C

In the Class A retail submarket Fayetteville had the highest average reported lease rate at \$25.94 after an increase of \$0.41.

Bentonville had an average reported lease rate of \$23.05, after an increase of \$0.21. The average rate in Rogers was \$21.99, after an increase of \$0.46.

After an increase of \$0.69, Class B average reported retail lease rates were highest in Fayetteville at \$18.37. Bentonville increased \$0.58 to \$17.47, Springdale decreased \$0.34 to \$16.08, and Rogers was the lowest at \$15.34 after an increase of \$0.13.

Class C average reported lease rates remained the highest in Bentonville at \$12.22, after an increase of \$0.23. Fayetteville increased \$1.03 to \$11.69, Springdale was at \$10.06, leaving Rogers the lowest at \$9.86 in the second half of 2020.



Commercial Market Trends

Warehouse Vacancy and Space

In the second half of 2020, the warehouse properties included in the Skyline Report panel had a 9.3 vacancy rate percent, up from 8.3 percent in the first half of 2020. Of the 10,602,533 square feet of warehouse space examined, 989,582 square feet were available. There were no new square feet of warehouse space added in the second half of 2020, and there was net negative absorption of 126,895 square feet.¹

Bentonville had 1,383,297 total square feet of warehouse space and 83.5 percent of it was Class A warehouse space. 104,583 square feet of warehouse space, of which 88,458 square feet was Class A, was available in the second half of 2020. No new square feet of warehouse space were added to the Bentonville warehouse submarket in the second half of 2020. The vacancy rate was 7.7 percent, up from 6.8 in the first half of 2020. There was net negative absorption of 10,583 square feet in this report period.

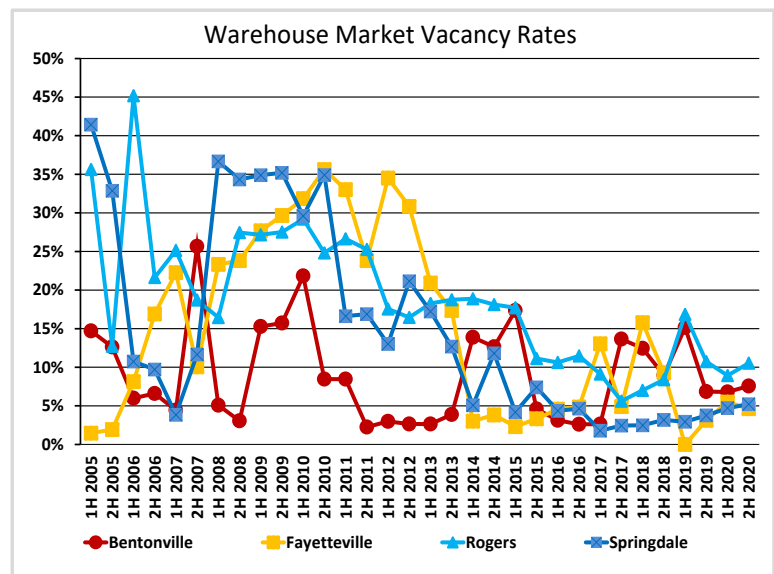
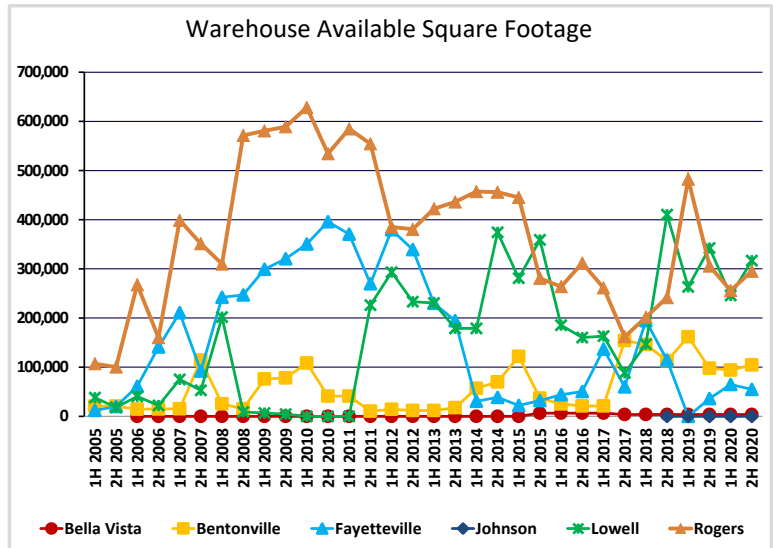
There was 1,180,839 total square feet of warehouse space in Fayetteville in the second half of 2020 and 63.1 percent of it was Class B warehouse space. No new square feet of warehouse space were added to the Fayetteville warehouse submarket in the second half of 2020. The vacancy rate for all warehouse space was 4.6 percent, a decrease from 5.5 percent in the first half of 2020, as 54,745 square feet of warehouse space, all Class B, was available after net positive absorption of 10,000 square feet.

316,708 square feet of warehouse space was available in Lowell out of 1,414,415 total square feet of warehouse space. 52.6 percent of the total warehouse space was Class B. No new square feet of warehouse were added to the Lowell submarket in the second half of 2020. After net negative absorption of 70,808 square feet, the resulting vacancy rate was 22.4 percent, down from 17.3 percent in the first half of 2020. 13,400 square feet of the net positive absorption was in the Class A warehouse market, but the Class B warehouse market had net negative absorption of 84,208 square feet in the second half of 2020.

Rogers had 2,803,542 square feet of warehouse space, of which 35.4 percent was Class C. 295,328 square feet was available and a majority of it, 275,728 square feet, was Class C space, leading to a vacancy rate of 10.5 percent, up from 8.9 percent in the first half of 2020. No new square feet of warehouse space were added to the Rogers warehouse submarket this half. There was net negative absorption of 39,310 square feet, with 29,750 square feet of it from the Class C submarket in the second half of 2020.

Springdale, including Tontitown warehouse space, in the second half of 2020 had 3,177,550 square feet of warehouse space, of which 59.8 percent is Class B space. 165,868 square feet was available, over half

¹ "300,000 square feet of quality warehouse space is no longer available for sublease".



Commercial Market Trends

Warehouse Lease Rates

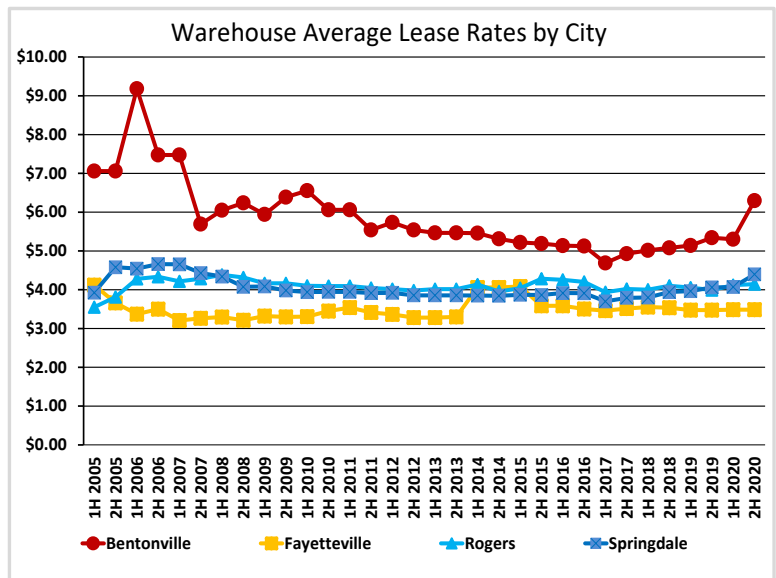
of it, 107,790 square feet, was Class B space, leading to an overall vacancy rate of 5.2 percent, up from 4.7 percent in the first half of 2020.

There were no square feet of new available space added to the Springdale warehouse submarket in the second half of 2020.

There was net negative absorption of 16,194 square feet, 26,856 square feet from the Class B submarket, but the Class C submarket had net positive absorption of 10,662 in the second half of 2020.

The average reported warehouse lease rates increased by \$0.99 in Bentonville and by \$0.32 in Springdale, and were relatively stable in other cities. Bentonville continued to have the highest reported lease rate at \$6.30, in the second half of 2020. 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.

City	Class A	Class B	Class C
Bentonville	\$6.92-\$7.00	\$4.68-\$4.93	--
Fayetteville	--	\$3.68-\$3.71	\$3.14-\$3.31
Rogers	\$4.00-\$4.00	\$4.51-\$4.66	\$3.93-\$3.97
Springdale	\$3.25-\$3.25	\$4.13-\$4.69	\$4.26-\$4.55



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							
Bentonville	1,154,672	86,000	7.4%	0	0	0	--
Fayetteville	--	--	--	--	--	--	--
Rogers	962,500	0	0.0%	0	0	0	--
Springdale	96,200	0	0.0%	0	0	0	--
Class B							
Bentonville	220,500	8,000	3.6%	-8,000	0	-8,000	--
Fayetteville	744,813	64,745	8.7%	-28,745	0	-28,745	--
Rogers	915,424	10,040	1.1%	28,564	0	28,564	2.1
Springdale	1,902,709	80,934	4.3%	-24,025	0	-24,025	--
Class C							
Bentonville	8,125	0	0.0%	0	0	0	--
Fayetteville	436,026	0	0.0%	0	0	0	--
Rogers	991,727	245,978	24.8%	21,322	0	21,322	69.2
Springdale	1,181,758	68,740	5.8%	10,000	0	10,000	41.2

Commercial Market Trends

Office/Warehouse Vacancy, Space, and Lease

Office/Warehouse

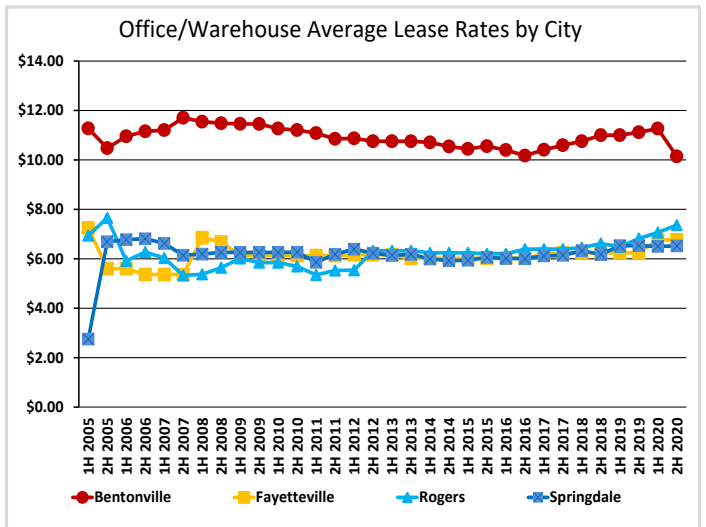
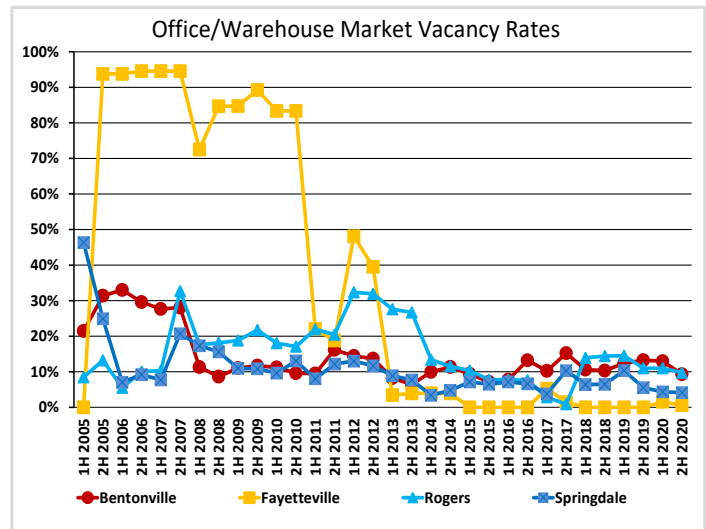
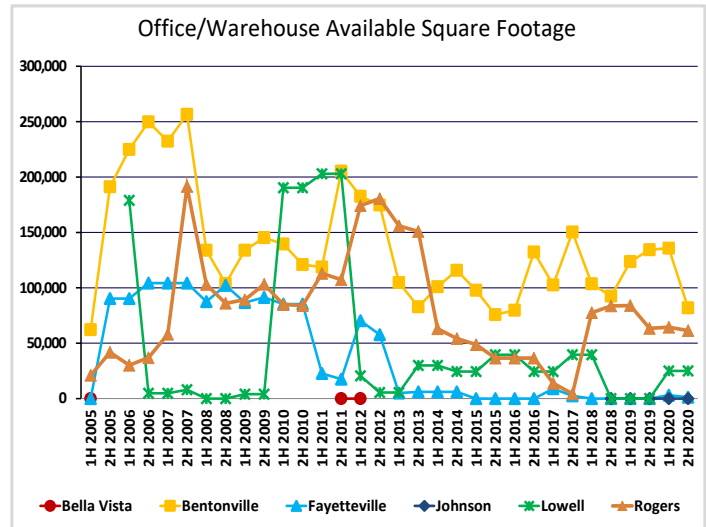
The Skyline Report panelists reported on 3,987,246 square feet of office/warehouse space with 343,710 total square feet available in the second half of 2020.

Siloam Springs, Springdale, and Bentonville with 92,274 square feet, 81,936 square feet and 81,900 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

The vacancy rate in the office/warehouse submarket decreased from 9.0 percent in the first half of 2020 to 8.6 percent in the second half of 2020.

45,000 new square feet of office/warehouse space, all in Rogers, entered the market in Northwest Arkansas during the second half of 2020. The office/warehouse submarket in Northwest Arkansas experienced net negative absorption of 25,418 square feet during the second half of 2020.

Bentonville continued to have the highest reported average lease rates at \$10.14 even after an decrease of \$1.13. Reported office/warehouse average lease rates increased to \$7.36 in Rogers stayed \$6.77 in Fayetteville, while they increased to \$6.52 in Springdale in the second half of 2020.



Commercial Market Trends

Retail/Warehouse Vacancy, Space and Lease

Retail/Warehouse

The Skyline Report panelists reported on 1,511,081 square feet of retail/warehouse space in the second half of 2020. A total of 149,199 square feet was available in Northwest Arkansas. Springdale had the most available retail/warehouse space with 82,712 square feet.

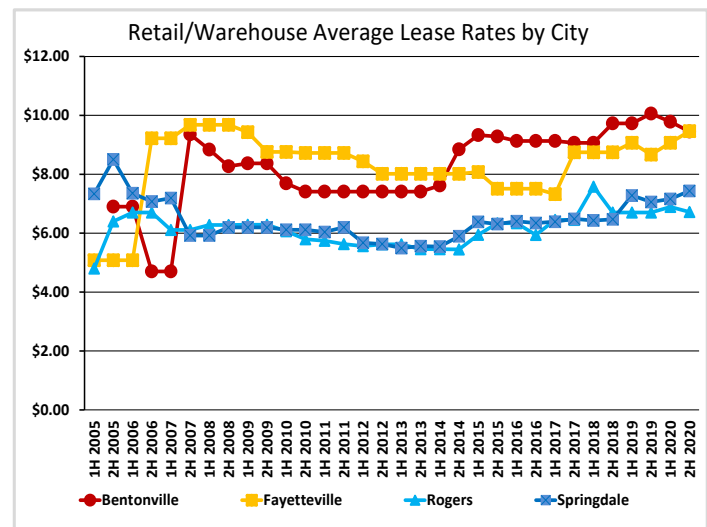
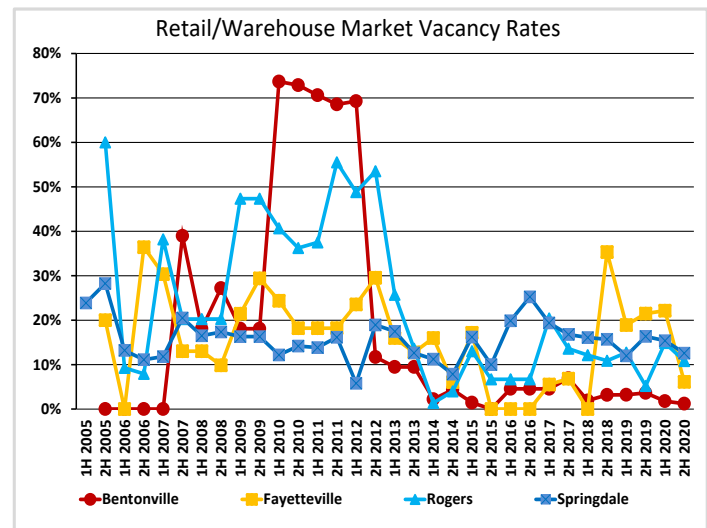
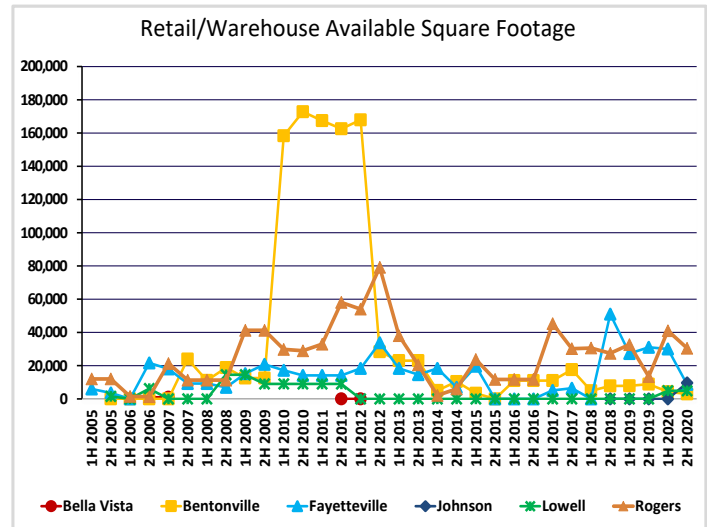
9,630 square feet, all in Johnson, was added to the market during this time. The vacancy rate in the retail/warehouse submarket decreased from 14.8 percent in the first half of 2020 to 9.9 percent in the second half of 2020.

From the first half of 2020 to the second half of 2020, there was net positive absorption of 103,285 square feet of retail/warehouse space in Northwest Arkansas.

Siloam Springs accounted for 49,150 square feet of net positive absorption, and Fayetteville and Springdale added 28,600 square feet and 24,612 square feet, respectively. Johnson had 9,630 square feet of net negative absorption during this period.

In the second half of 2020, Fayetteville had the highest average lease rate in this market at \$9.45, after an increase of \$0.40.

Reported retail/warehouse average lease rates decreased by \$0.34 in Bentonville to \$9.45, increased by \$0.28 in Springdale to \$7.44, and decreased by \$0.17 to \$6.72 in Rogers.



Commercial Market Trends

Other Categories Lease Rates

Office Warehouse

Retail/Warehouse

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$9.26-\$11.02	\$8.72-\$10.18
Fayetteville	\$6.37-\$7.16	\$8.50-\$10.43
Rogers	\$6.92-\$7.80	\$6.54-\$6.90
Springdale	\$6.10-\$6.94	\$7.17-\$7.70

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
Warehouse							
Bentonville	1,383,297	104,583	7.6%	-10,583	0	-10,583	--
Fayetteville	1,180,839	54,745	4.6%	10,000	0	10,000	32.8
Rogers	2,803,542	295,328	10.5%	-39,310	0	-39,310	--
Springdale	3,177,550	165,868	5.2%	-16,194	0	-16,194	--
Office/Warehouse							
Bentonville	880,023	81,900	9.3%	3,735	3,835	-100	--
Fayetteville	198,392	1,200	0.6%	1,900	0	1,900	3.8
Rogers	631,411	61,400	9.7%	48,000	45,000	3,000	122.8
Springdale	1,981,487	81,936	4.1%	4,389	0	4,389	112.0
Retail/Warehouse							
Bentonville	241,466	2,928	1.2%	0	0	0	--
Fayetteville	141,744	8,700	6.1%	28,600	0	28,600	1.8
Rogers	281,605	30,469	10.8%	10,553	0	10,553	17.3
Springdale	656,925	82,712	12.6%	24,612	0	24,612	20.2

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 2019	4.4%	12.4%	3.4%	5.9%	6.8%	8.5%	5.4%	12.7%	8.5%
	1H 2020	24.3%	12.7%	5.2%	5.3%	7.1%	10.4%	8.6%	12.3%	9.8%
	2H 2020	20.7%	12.9%	5.6%	6.8%	6.6%	11.2%	10.3%	9.8%	10.0%
Medical Office	2H 2019	0.0%	6.8%	2.5%	6.0%	0.0%	1.2%	5.3%	14.3%	4.3%
	1H 2020	13.0%	6.5%	2.4%	6.0%	0.0%	2.8%	3.3%	13.7%	4.5%
	2H 2020	13.0%	6.5%	2.3%	6.8%	0.0%	1.9%	6.1%	9.7%	4.4%
Office/Retail	2H 2019	11.0%	11.6%	12.0%	4.6%	3.0%	13.4%	11.5%	11.5%	11.7%
	1H 2020	13.0%	11.5%	11.2%	4.6%	4.0%	12.3%	2.8%	10.5%	10.9%
	2H 2020	13.5%	13.2%	11.3%	6.7%	2.2%	9.0%	13.2%	7.5%	10.9%
Office/Warehouse	2H 2019		13.2%	0.0%	0.0%	0.0%	11.0%	84.8%	5.5%	10.2%
	1H 2020		13.0%	1.6%	0.0%	16.2%	11.0%	52.2%	4.3%	9.0%
	2H 2020		9.3%	0.6%	0.0%	16.2%	9.7%	83.6%	4.1%	8.6%
Retail	2H 2019	0.0%	5.5%	9.5%	0.0%	4.9%	9.1%	9.8%	12.1%	9.4%
	1H 2020	7.0%	8.0%	10.3%	0.0%	23.9%	12.4%	6.9%	9.3%	10.6%
	2H 2020	7.0%	10.8%	9.9%	0.0%	18.3%	15.4%	8.2%	7.5%	11.4%
Retail/Warehouse	2H 2019		3.6%	21.5%	0.0%	0.0%	5.2%	1.1%	16.4%	11.1%
	1H 2020		1.8%	22.1%	0.0%	13.1%	14.9%	31.9%	15.4%	14.8%
	2H 2020		1.2%	6.1%	53.4%	13.1%	10.8%	7.4%	12.6%	9.9%
Warehouse	2H 2019	19.5%	6.9%	3.1%	0.0%	24.4%	10.7%	22.3%	3.8%	9.4%
	1H 2020	19.5%	6.8%	5.5%	0.0%	17.3%	8.9%	12.8%	4.7%	8.3%
	2H 2020	19.5%	7.6%	4.6%	0.0%	22.4%	10.5%	9.0%	5.2%	9.3%

Commercial Market Trends

Net Absorption by Submarket

Net Absorption by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
Office	2H 2019	0	9,402	42,688	2,122	707	16,889	2,400	-5,699	68,509
	1H 2020	-18,700	3,365	-45,060	1,820	-670	-77,817	-5,011	2,645	-139,428
	2H 2020	3,300	19,207	-17,744	-3,231	1,848	-31,018	-2,566	17,510	-12,694
Medical Office	2H 2019	0	-10,362	-7,289	-2,917	1,707	0	2,900	-24,240	-40,201
	1H 2020	-3,000	0	957	0	0	0	2,339	0	296
	2H 2020	0	0	1,720	-3,231	0	5,074	-3,266	0	297
Office/Retail	2H 2019	3,870	-17,182	17,260	332	0	11,894	9,136	12,559	37,869
	1H 2020	-5,936	-9,624	16,843	0	0	8,212	14,283	2,308	26,086
	2H 2020	0	-18,078	-3,505	-2,000	1,280	18,400	-19,035	23,410	472
Office/Warehouse	2H 2019		-10,685	0	0	0	15,137	-39,741	94,264	58,975
	1H 2020		-1,278	-3,100	0	-25,000	-1,000	43,567	22,760	35,949
	2H 2020		-100	1,900	0	0	3,000	-34,607	4,389	-25,418
Retail	2H 2019	5,320	21,946	-7,861	2,400	6,825	8,219	4,159	-12,799	28,209
	1H 2020	-3,400	-5,087	-11,425	0	3,000	-102,234	12,260	51,701	-55,185
	2H 2020	0	-27,279	23,526	0	6,300	-78,720	-1,759	30,265	-47,667
Retail/Warehouse	2H 2019		-1,038	-3,696	0	0	19,292	10,960	-31,680	-6,162
	1H 2020		-282	1,000	0	0	-21,569	-8,860	12,600	-17,111
	1H 2020		0	28,600	-9,630	0	10,553	49,150	24,612	103,285
Warehouse	2H 2019	0	64,000	-36,000	0	-79,155	65,400	-48,750	-28,168	-62,673
	1H 2020	0	-8,000	-28,745	0	96,600	49,886	0	-14,025	95,716
	2H 2020	0	-10,583	10,000	0	-70,808	-39,310	0	-16,194	-126,895

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 2019	3,300	483,343	113,053	17,375	22,938	292,595	8,250	137,391	1,078,245
	1H 2020	22,000	488,005	176,057	15,555	23,608	371,008	13,261	134,746	1,244,240
	2H 2020	18,700	520,649	197,281	20,558	21,760	402,026	15,827	121,236	1,318,037
Medical Office	2H 2019	0	20,777	31,789	10,436	0	5,074	6,100	41,492	115,668
	1H 2020	3,000	20,777	30,832	10,436	0	13,188	3,761	41,492	123,486
	2H 2020	3,000	20,777	29,112	20,558	0	8,114	7,027	41,492	130,080
Office/Retail	2H 2019	32,651	107,882	199,260	3,000	2,880	78,181	22,610	63,158	509,622
	1H 2020	38,587	122,394	189,892	3,000	2,880	73,935	5,177	65,412	501,277
	2H 2020	36,337	142,481	194,463	5,000	1,600	55,535	24,212	44,402	504,030
Office/Warehouse	2H 2019		134,382	0	0	0	63,400	101,234	109,085	408,101
	1H 2020		135,660	3,100	0	25,000	64,400	57,667	86,325	372,152
	2H 2020		81,900	1,200	0	25,000	61,400	92,274	81,936	343,710
Retail	2H 2019	0	41,651	342,710	0	4,300	316,392	43,753	206,098	954,904
	1H 2020	3,400	61,238	375,729	0	26,910	436,739	31,493	159,566	1,095,075
	2H 2020	3,400	90,937	360,603	0	20,610	552,349	37,793	130,819	1,196,511
Retail/Warehouse	2H 2019		8,854	31,000	0	0	13,400	1,000	100,414	154,668
	1H 2020		4,248	30,000	0	4,900	41,022	34,970	102,124	217,264
	2H 2020		2,928	8,700	9,630	4,900	30,469	9,860	82,712	149,199
Warehouse	2H 2019	3,600	97,834	36,000	0	342,500	305,904	72,790	120,187	978,815
	1H 2020	3,600	94,000	64,745	0	245,900	256,018	72,790	149,674	886,727
	2H 2020	3,600	104,583	54,745	0	316,708	295,328	48,750	165,868	989,582

Bella Vista

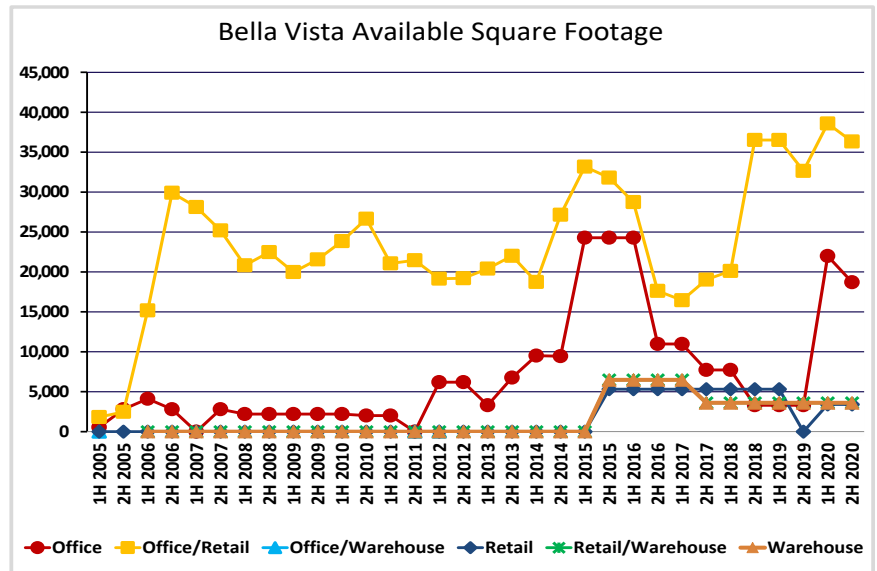
Commercial Market Summary

From July 1 to December 31, 2020, Bella Vista issued no new building permits for any commercial space.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 427,556 square feet of commercial space in Bella Vista in the second half of 2020.

In the second half of 2020, Bella Vista experienced net positive absorption 3,300 square feet. Class B office space had 15,700 square feet of this total, while Class B retail space had net negative absorption of 3,400 square feet.

Most reported average lease rates in Bella Vista in the second half of 2020 remained stable. However, due to updated lease rates for older properties, which were reclassified as Class C retail, the overall Retail lease rate increased by \$1.78 and the Class B retail increased by \$3.88. This increase is also explained by the relatively small sample size of retail in Bella Vista.



No new commercial square feet were added to Bella Vista in the second half of 2020.

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	--	--	--	--	--	--	--	--
Office	\$12.59-\$13.09	90,389	18,700	20.7%	3,300	0	3,300	34.0
Class A	--	--	--	--	--	--	--	--
Class B	\$13.68-\$13.68	64,025	15,700	24.5%	3,300	0	3,300	28.5
Class C	\$11.00-\$11.00	3,260	0	0.0%	0	0	0	--
Medical	\$12.00-\$14.00	23,104	3,000	13.0%	0	0	0	--
Office/Retail	\$10.48-\$13.48	270,033	36,337	13.5%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.48-\$13.48	258,657	33,201	12.8%	0	0	0	--
Class C	--	11,376	3,136	27.6%	0	0	0	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$16.65-\$17.15	48,648	3,400	7.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$18.67-\$19.33	27,648	3,400	12.3%	0	0	0	--
Class C	\$10.59-\$10.59	21,000	0	--	0	0	0	--
Retail/Warehouse	--	--	--	--	--	--	--	--
Warehouse	\$1.00-\$2.70	18,486	3,600	19.5%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	--	--	--	--	--	--	--	--
Class C	\$1.00-\$2.70	18,486	3,600	19.5%	0	0	0	--

¹From all 2H 2020 respondents.

²From 2H 2020 respondents who were also 2H 2019 respondents.

Bentonville

Commercial Market Summary

From July 1 to December 31, 2020, Bentonville issued \$146,864,558 worth of building permits for new commercial space.

The second half of 2020 building permit value was 300.9 percent higher than the first half of 2020 value of \$36,632,527.

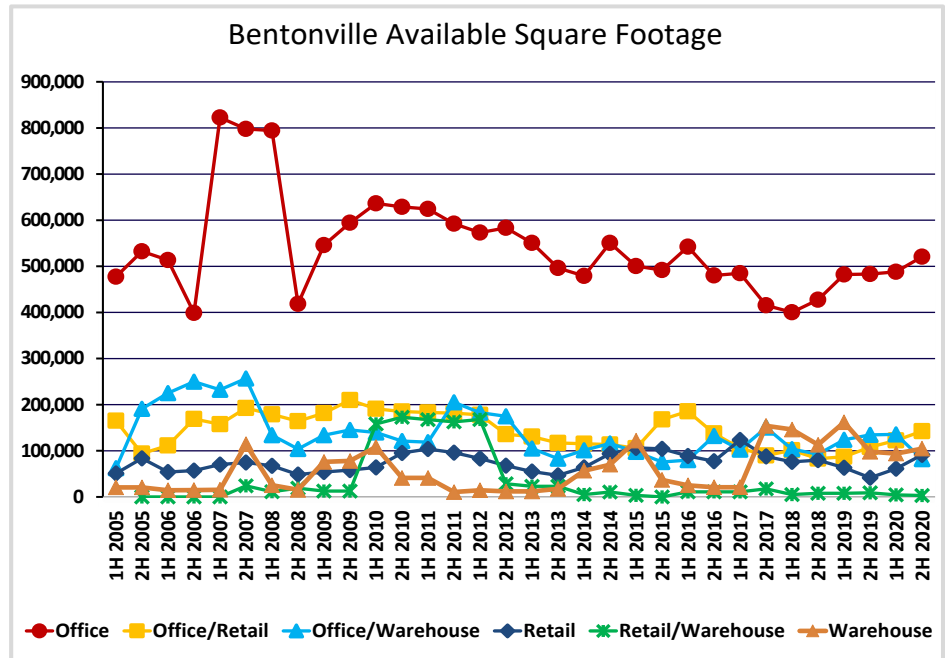
Bentonville accounted for 11.1 percent of the commercial permits issued in Northwest Arkansas during the second half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 8,469,496 square feet of commercial space in Bentonville in the second half of 2020.

In the second half of 2020, Bentonville experienced absorption of 76,269 square feet, while 113,102 new square feet of space, including 90,344 square feet of Class A office space, were added. Thus, there was net negative absorption of 36,833 square feet.

The Retail submarket had the greatest amount of net negative absorption with 27,279 square feet, with the Class B retail submarket having 26,385 square feet of net negative absorption, with 11,253 new square feet of space were added. The Class B office submarket had net positive absorption of 24,694 square feet, including adding 2,942 new square feet of space.

Reported vacancy rates from the first half of 2020 to the second half of 2020 decreased in the office/warehouse, retail/warehouse submarkets, increased in the office, office/retail, retail, and warehouse submarkets, and remained the same in the medical office submarket in Bentonville. Average reported lease rates increased noticeably by \$2.13 in the Class A office/retail, \$0.68 in the Class C office/retail, and by \$1.44 in the Class A warehouse submarkets. There was a significant decrease of \$1.13 in the office/warehouse submarket. Lease rates remained relatively stable in the other submarkets during this period.



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	\$4.50-\$4.50	16,340	0	0.0%	0	0	0	--
Office	\$17.07-\$17.21	4,024,564	520,649	12.9%	112,493	93,286	19,207	162.6
Class A	\$23.81-\$25.49	847,975	138,347	16.3%	88,007	90,344	-2,337	--
Class B	\$16.60-\$17.02	2,517,058	346,802	13.8%	27,636	2,942	24,694	84.3
Class C	\$14.09-\$14.19	341,151	14,723	4.3%	-3,150	0	-3,150	--
Medical	\$17.31-\$17.81	318,380	20,777	6.5%	0	0	0	--
Office/Retail	\$14.86-\$16.00	1,080,451	142,481	13.2%	-13,350	4,728	-18,078	--
Class A	\$26.00-\$26.25	140,683	13,810	--	4,190	0	4,190	--

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
Class B	\$14.73-\$16.07	792,066	110,456	13.9%	-12,331	4,728	-17,059	--
Class C	\$12.13-\$12.85	147,702	18,215	12.3%	-5,209	0	-5,209	--
Office/Warehouse	\$9.26-\$11.02	880,023	81,900	9.3%	3,735	3,835	-100	--
Retail	\$16.65-\$17.90	843,355	90,937	10.8%	-16,026	11,253	-27,279	--
Class A	\$22.92-\$23.17	175,709	19,260	11.0%	-3,294	0	-3,294	--
Class B	\$16.68-\$18.25	499,382	71,677	14.4%	-15,132	11,253	-26,385	--
Class C	\$11.59-\$12.85	168,264	0	0.0%	2,400	0	2,400	0.0
Retail/Warehouse	\$8.72-\$10.18	241,466	2,928	1.2%	0	0	0	--
Warehouse	\$6.23-\$6.36	1,383,297	104,583	7.6%	-10,583	0	-10,583	--
Class A	\$6.92-\$7.00	1,154,672	88,458	7.7%	-2,458	0	-2,458	--
Class B	\$4.68-\$4.93	220,500	8,000	3.6%	0	0	0	--
Class C	--	8,125	8,125	100.0%	-8,125	0	-8,125	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 892,861 square feet of office, office/retail, and retail space in Downtown Bentonville in the second half of 2020. No new space was added during this period.

There was net negative absorption of 723 square feet in Downtown Bentonville during the second half of 2020. The office and office/retail submarkets had 574 and 1,349 square feet of net negative absorption, respectively, while the retail submarket had 1,200 square feet of net positive absorption during this period.

Office space in Downtown Bentonville had a reported vacancy rate of 10.9 percent in the second half of 2020, up from 10.7 percent in the first half of 2020. This was lower than the overall Bentonville office vacancy rate of 12.9%.

The office/retail vacancy rate in Downtown increased from 11.4 percent in the first half of 2020 to 12.4 percent in the second half of 2020. This was lower than the overall Bentonville office/retail vacancy rate of 13.2%.

The retail vacancy rate in Downtown Bentonville decreased from 8.1 percent in the first half of 2020 to 6.6 percent in the second half of 2020. This was lower than the overall Bentonville retail vacancy rate of 10.8%.

Average reported office lease rates increased by \$0.19, office/retail increased by \$1.93 in the office/retail, and increased by \$0.68 in the retail submarket in Downtown Bentonville in the second half of 2020.

he reported retail vacancy in Downtown Bentonville increased from 7.4 percent in the second half of 2019 to 8.1 percent in the first half of 2020. Average reported office lease rates increased by \$1.66, remained relatively unchanged in the office/retail, and decreased by \$0.78 in the retail submarket in Downtown Bentonville in the first half of 2020.

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	\$21.63-\$23.01	644,532	70,156	10.9%	-574	0	-574	--
Office/Retail	\$20.46-\$22.00	140,944	17,480	12.4%	-1,349	0	-1,349	--
Retail	\$18.09-\$19.39	107,385	7,100	6.6%	1,200	0	1,200	--

¹From all 2 H 2020 Respondents.

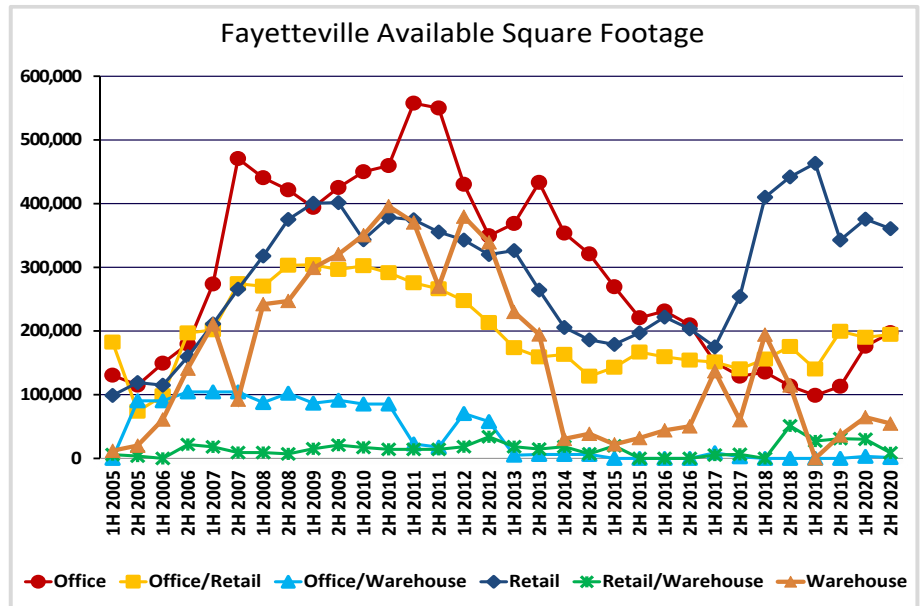
²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Fayetteville Commercial Market Summary

From July 1 to December 31, 2020, Fayetteville issued building permits for \$10,514,903 worth of new commercial space. The second half of 2020 value was 41.9 percent lower than the first half of 2020 value of \$18,103,153.

Fayetteville accounted for 5.6 percent of the commercial building permits issued in Northwest Arkansas during the second half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,427,947 square feet of commercial space in Fayetteville in the second half of 2020.



In the second half of 2020, Fayetteville experienced net positive absorption of 62,377 square feet with 78,902 new square feet of space all of it Class B office space, entering the market.

The Class B office market had the greatest amount of net negative absorption with 21,201 square feet, followed by the Office market with 17,744 square feet.

The Class B retail submarket had the most of net positive absorption with 30,787 square feet.

Observed vacancy rates in Fayetteville from the first half of 2020 to the second half of 2020 decreased for medical office, office/warehouse, and retail/warehouse space. Vacancy rates increased for office, office/retail, retail, and warehouse space.

The Fayetteville office/retail and Class C retail warehouse submarkets had significant average lease rate increases of \$3.00 and \$01.03. the Retail/warehouse markets had a modest average lease rate increases of \$0.40. All other lease rates were relatively stable from the first half of 2020 to the second half of 2020.

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	5,714	7.6%	0	0	0	--
Industrial	\$3.80-\$3.88	982,100	5,000	0.5%	19,600	0	19,600	1.5
Office	\$15.79-\$16.86	3,493,003	197,281	5.6%	61,158	78,902	-17,744	--
Class A	\$23.09-\$27.25	456,037	17,374	3.8%	11,739	0	11,739	8.9
Class B	\$16.45-\$17.01	1,293,095	110,026	8.5%	57,701	78,902	-21,201	--
Class C	\$12.72-\$13.35	456,748	40,769	8.9%	-10,002	0	-10,002	--
Medical	\$16.31-\$18.10	1,287,123	29,112	2.3%	1,720	0	1,720	101.6
Office/Retail	\$14.35-\$15.66	1,718,893	194,463	11.3%	-3,505	0	-3,505	--
Class A	\$23.50-\$26.50	42,000	9,770	23.3%	-2,295	0	-2,295	--
Class B	\$15.79-\$16.93	1,190,014	162,547	13.7%	2,990	0	2,990	326.2
Class C	\$11.91-\$13.37	486,879	22,146	4.5%	-4,200	0	-4,200	--
Office/Warehouse	\$6.37-\$7.16	198,392	1,200	0.6%	1,900	0	1,900	3.8
Retail	\$16.33-\$16.95	3,637,373	360,603	9.9%	23,526	0	23,526	92.0
Class A	\$25.26-\$26.61	1,130,393	64,716	5.7%	-2,969	0	-2,969	--
Class B	\$18.01-\$18.72	2,026,208	217,606	10.7%	30,787	0	30,787	42.4
Class C	\$11.53-\$11.85	480,772	78,281	16.3%	-4,292	0	-4,292	--
Retail/Warehouse	\$8.50-\$10.43	141,744	8,700	6.1%	28,600	0	28,600	1.8
Warehouse	\$3.44-\$3.53	1,180,839	54,745	4.6%	10,000	0	10,000	32.8
Class A	--	--	--	--	--	--	--	--
Class B	\$3.68-\$3.71	744,813	54,745	7.4%	10,000	0	10,000	32.8
Class C	\$3.14-\$3.31	436,026	0	0.0%	0	0	0	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Downtown Fayetteville/Dickson Street Area

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,109,513 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the second half of 2020.

There was net negative absorption of 14,480 square feet in the downtown Fayetteville area in the second half of 2020.

There was no new space added in downtown Fayetteville during the second half of 2020.

The office space in downtown Fayetteville had a reported vacancy rate of 7.4 percent in the second half of 2020, up from 5.7 percent in the first half of 2020 in accordance with net negative absorption of 8,456 square feet. This was higher than the overall Fayetteville office vacancy rate of 5.6 percent.

The office/retail vacancy rate for downtown Fayetteville properties went up from 1.8 percent in the first half of 2020 to 4.6 percent in the second half of 2020. This market had a net negative absorption of 6,024 square feet. This compares to 11.3 percent in the same submarket for all of Fayetteville during the second half of 2020.

Fayetteville

Commercial Market Summary

The downtown Fayetteville retail vacancy rate increased from 9.8 percent to 13.4 percent, with no net absorption, but more space being tracked, and was higher than the overall Fayetteville retail vacancy rate of 9.9 percent in the second half of 2020. Average reported lease rates in downtown Fayetteville increased \$1.16 and \$0.37 in the retail and office/retail submarkets and decreased \$0.63 in the office submarket from the first half of 2020 to the second half of 2020.

Downtown Fayetteville/Dickson Street 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	\$14.82-\$17.05	505,547	37,192	7.4%	-8,456	0	-8,456	--
Office/Retail	\$15.93-\$17.36	445,488	20,362	4.6%	-6,024	0	-6,024	--
Retail	\$17.29-\$17.82	158,478	21,260	13.4%	0	0	0	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Uptown Fayetteville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,198,092 square feet of office, office/retail, and retail space in Uptown Fayetteville in the second half of 2020.

There was net positive absorption of 22,044 square feet of space during the second half of 2020 in Uptown Fayetteville with office space accounting for a positive absorption of 215 square feet and retail accounting for an additional positive 21,829 square feet of this total.

There was 78,902 square feet of new office space, added to the Uptown Fayetteville commercial market in the second half of 2020.

The office space in Uptown Fayetteville had a reported vacancy rate of 5.4 percent in the second half of 2020. This was lower than the first half of 2020 vacancy rate of 5.7 percent and was lower than the 5.6 percent vacancy rate for all of Fayetteville.

In the second half of 2020, the office/retail vacancy rate in Uptown Fayetteville stayed at 0.0 percent, just as in the first half of 2020. The vacancy rate was below the city average office/retail vacancy rate of 11.3 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 8.1 percent in the second half of 2020, a decrease from 9.1 percent in the first half of 2020, and lower than the overall Fayetteville rate of 9.9 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.60 in the office, increased \$0.22 in the office/retail, and increased significantly by \$1.16 in the retail submarket in the second half of 2020.

Uptown Fayetteville 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	\$17.23-\$18.20	1,916,364	103,282	5.4%	79,117	78,902	215	2,882.3
Office/Retail	\$17.42-\$17.58	56,708	0	0.0%	0	0	0	--
Retail	\$18.36-\$19.08	2,225,020	181,003	8.1%	21,829	0	21,829	49.8

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Fayetteville

Commercial Market Summary

Martin Luther King, Jr. Boulevard Corridor

In the second half of 2020, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 582,387 square feet of office, office/retail, and retail space in the MLK Boulevard Corridor.

There was no new commercial space added to south Fayetteville in the second half of 2020.

The MLK Boulevard Corridor of Fayetteville experienced net positive absorption of 6,700 square feet of space, with retail space account for 5,800 square feet and office space accounting for a loss of 3,000 square feet, in the second half of 2020.

Office space in the MLK Boulevard Corridor of Fayetteville had a reported vacancy rate of 14.7 percent in the second half of 2020. This was higher than the overall office vacancy rate of 5.6 percent for all of Fayetteville.

From the first half of 2020 to the second half of 2020, the office/retail vacancy rate increased from 15.1 percent to 11.8 percent in the MLK Boulevard Corridor of Fayetteville and was higher than the overall city average rate of 11.3 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 31 percent in the second half of 2020, a decrease from 33.8 percent in the first half of 2020. The retail vacancy rate for all of Fayetteville was much lower at 9.9 percent.

Average reported lease rates in the MLK Boulevard Corridor increased \$0.18 in the office/retail submarket and remained relatively unchanged in the office and retail submarkets in the second half of 2020.

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	5,916	14.7%	-3,000	0	-3,000	--
Office/Retail	\$13.77-\$15.80	290,867	34,238	11.8%	3,900	0	3,900	52.7
Retail	\$16.96-\$17.53	251,239	77,944	31.0%	5,800	0	5,800	80.6

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Johnson Commercial Market Summary

From July 1 to December 31, 2020 Johnson issued no building permits for new commercial space. The second half of 2020 value was 100.0 percent lower than the first half of 2020 value of \$1,309,680.

Johnson accounted for 0.0 percent of the building permits issued in Northwest Arkansas in the second half of 2020.

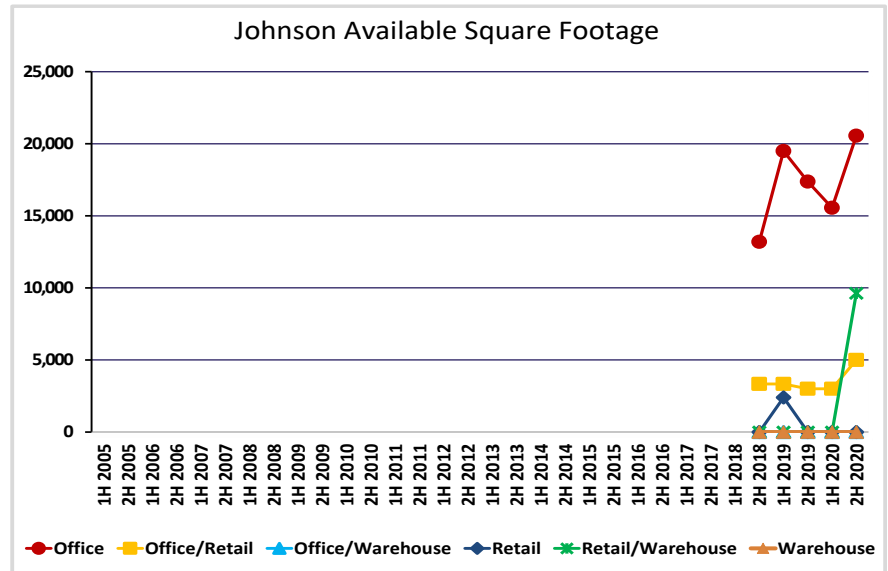
Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 559,699 square feet of Johnson commercial space in the second half of 2020.

In the second half of 2020, Johnson had net negative absorption of 14,861 square feet.

There was 18,630 square feet of new commercial space added in Johnson in the second half of 2020. 9,630 square feet was retail/warehouse space and 9,000 square feet was office/retail space.

The office submarket in Johnson had a vacancy rate of 6.8% percent in the second half of 2020, an increase from 5.3 percent in the first half of 2020.

Average reported lease rates in Johnson increased by \$2.17 in the Class B office/retail submarket as new space was added, and remained relatively stable in all other submarkets.



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-\$21.59	300,918	20,558	6.8%	-3,231	0	-3,231	--
Class A	\$23.25-\$23.25	72,373	8,350	11.5%	-3,231	0	-3,231	--
Class B	\$16.50-\$16.50	31,300	0	0.0%	0	0	0	--
Class C	--	17,456	0	0.0%	0	0	0	--
Medical	\$22.19-\$22.19	300,918	20,558	6.8%	-3,231	0	-3,231	--
Office/Retail	\$15.12-\$18.52	74,451	5,000	6.7%	7,000	9,000	-2,000	--
Class A	--	--	--	--	--	--	--	--
Class B	\$15.12-\$18.52	74,451	5,000	6.7%	7,000	9,000	-2,000	--
Class C	--	--	--	--	--	--	--	--
Office/Warehouse	\$5.50-\$5.50	31,340	0	0.0%	0	0	0	--
Retail	\$12.63-\$15.00	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$12.83-\$16.00	50,335	0	0.0%	0	0	0	--
Class C	\$12.00-\$12.00	3,000	0	0.0%	0	0	0	--
Retail/Warehouse	--	18,050	9,630	53.4%	0	9,630	-9,630	--
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 2020 Respondents.

²From 2H 2020 respondents who were also 2H 2019 respondents.

Lowell

Commercial Market Summary

From July 1 to December 31, 2020, Lowell issued building permits for \$3,871,284 worth of new commercial space. The second half of 2020 value was 179.7 percent higher than the first half of 2020 value of \$1,384,169.

Lowell accounted for 2.1 percent of building permits issued in Northwest Arkansas in the second half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,196,693 square feet of Lowell commercial space in the second half of 2020.

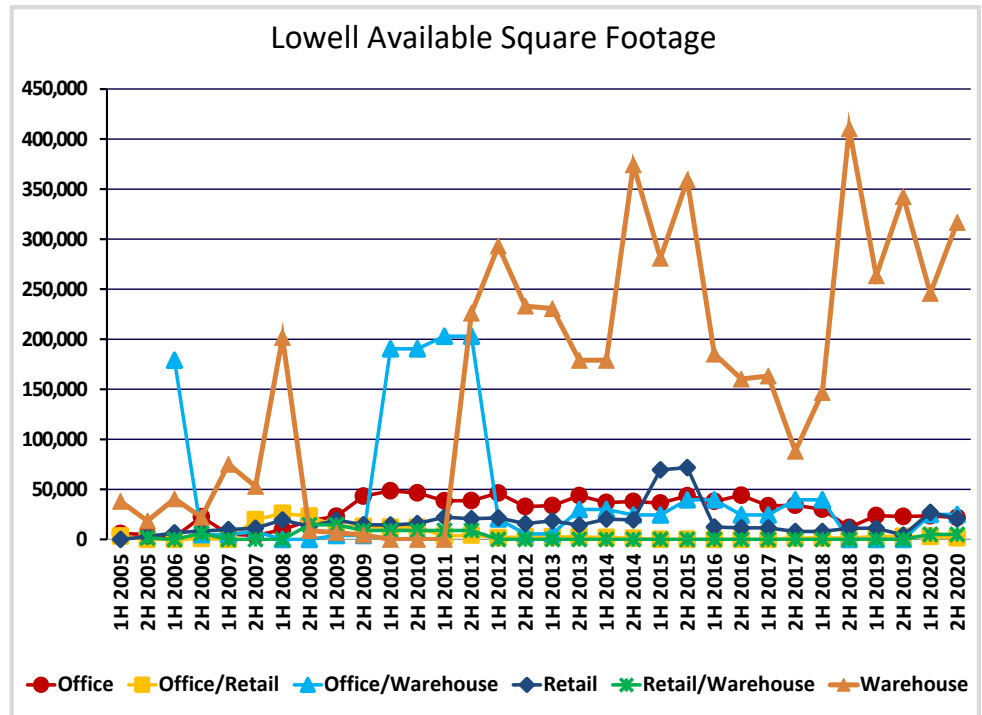
In the second half of 2020, Lowell had net negative absorption of 61,380 square feet overall.

The warehouse submarket had the greatest amount of net negative absorption with 70,808 square feet, while the retail submarket had 6,300 square feet of net positive absorption.

No new square feet of commercial space was added in Lowell in the second half of 2020.

Reported vacancy rates decreased in the office, office/retail, office/retail, and retail submarkets, increased in the warehouse market, and remained the same in the medical, office/warehouse, and retail/warehouse submarkets from the first half of 2020 to the second half of 2020.

Average reported lease rates in Lowell from the first half of 2020 to the second half of 2020 remained relatively stable in all submarkets.



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	75,280	0	0.0%	0	0	0	--
Office	\$14.25-\$14.38	330,584	21,760	6.6%	1,848	0	1,848	70.6
Class A	\$19.33-\$19.33	109,330	11,970	10.9%	-6,182	0	-6,182	--
Class B	\$12.75-\$13.08	108,700	7,970	7.3%	-970	0	-970	--
Class C	\$9.88-\$9.88	29,955	1,820	6.1%	9,000	0	9,000	1.2
Medical	\$18.00-\$18.00	82,599	0	0.0%	0	0	0	--
Office/Retail	\$10.50-\$12.50	72,076	1,600	2.2%	1,280	0	1,280	7.5
Class A	--	--	--	--	--	--	--	--
Class B	\$10.50-\$12.50	43,100	1,600	3.7%	1,280	0	1,280	7.5
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$6.45-\$7.15	154,178	25,000	16.2%	0	0	0	--
Retail	\$13.00-\$15.43	112,628	20,610	18.3%	6,300	0	6,300	19.6
Class A	--	--	--	--	--	--	--	--
Class B	\$13.50-\$16.90	97,572	20,610	21.1%	0	0	0	--
Class C	\$11.75-\$11.75	15,056	0	0.0%	6,300	0	6,300	0.0
Retail/Warehouse	\$10.19-\$10.19	37,532	4,900	13.1%	0	0	0	--
Warehouse	\$4.12-\$4.21	1,414,415	316,708	22.4%	-70,808	0	-70,808	--
Class A	\$5.19-\$5.19	483,332	50,100	10.4%	13,400	0	13,400	22.4
Class B	\$3.84-\$3.98	744,173	186,608	25.1%	-84,208	0	-84,208	--
Class C	\$3.38-\$3.38	186,910	80,000	42.8%	0	0	0	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

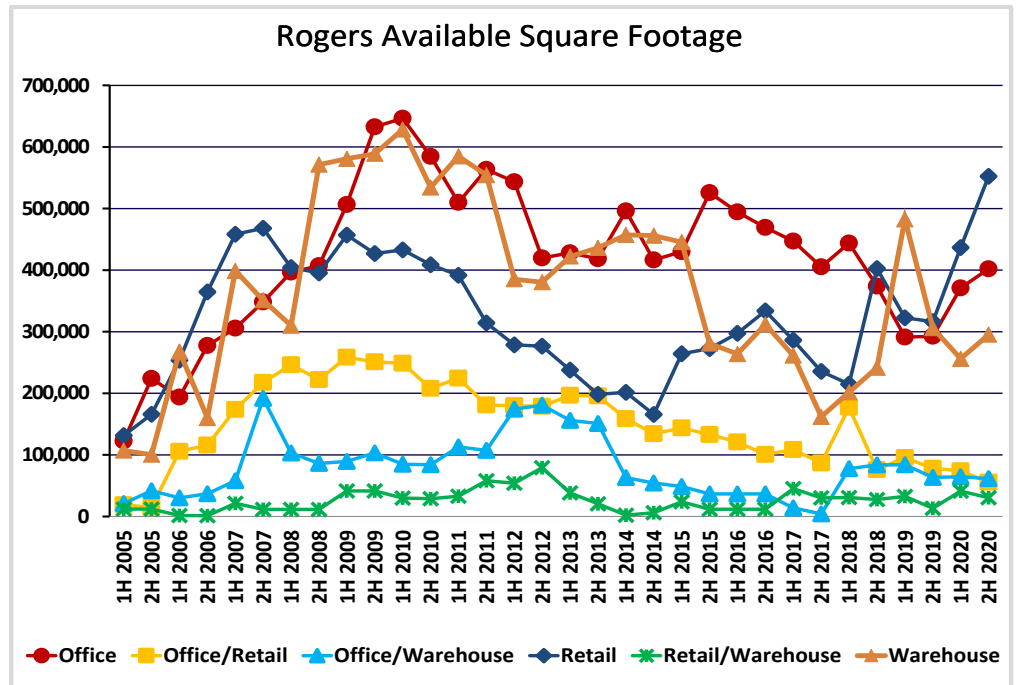
Rogers

Commercial Market Trends

From July 1 to December 31, 2020, Rogers issued building permits for \$4,191,657 worth of new commercial space.

The second half of 2020 value was 96.1 percent lower than the first half of 2020 value of \$108,669,973.

Rogers accounted for 2.2 percent of the commercial permits issued in Northwest Arkansas during the second half of 2020. Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 12,227,867 square feet of commercial space in the second half of 2020.



In the second half of 2020, Rogers had overall net negative absorption of 321,351 square feet. The Industrial market had the most net negative absorption with 204,256 square feet.

The office/retail market had the greatest amount of net positive absorption with 18,400 square feet.



In the second half of 2020, 158,042 square feet of new commercial space was added to the Rogers market. 74,482 square feet was retail space, 45,000 square feet was office/warehouse space, 28,000 square feet was office space, and 10,560 square feet was office/retail space.

Reported vacancy rates in the second half of 2020

decreased in the medical office, office/retail, office/warehouse, and retail/warehouse submarkets. Vacancy rates increased for the office, retail, and warehouse submarkets.

From the first half of 2020 to the second half of 2020, modest increases were reported in the Class A and C office, Class C office/retail, Class A retail, and office/warehouse submarkets, while modest decreases were reported in the retail/warehouse submarket. 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	\$4.00-\$4.00	9,482	0	0.0%	0	0	0	--
Industrial	\$4.02-\$4.02	725,469	309,560	42.7%	-204,256	0	-204,256	--
Office	\$16.78-\$17.29	3,574,036	402,026	11.2%	-3,018	28,000	-31,018	--
Class A	\$23.28-\$24.06	1,851,747	204,577	11.0%	9,713	24,000	-14,287	--
Class B	\$17.19-\$17.80	996,867	149,697	15.0%	-30,029	4,000	-34,029	--
Class C	\$10.95-\$11.31	294,846	39,638	13.4%	12,224	0	12,224	19.5
Medical	\$15.28-\$15.44	430,576	8,114	1.9%	5,074	0	5,074	9.6
Office/Retail	\$11.79-\$13.32	618,008	55,535	9.0%	28,960	10,560	18,400	18.1
Class A	\$21.50-\$21.83	110,651	3,500	3.2%	2,468	0	2,468	8.5
Class B	\$13.65-\$15.39	221,413	19,501	8.8%	26,492	10,560	15,932	7.3
Class C	\$8.89-\$10.45	285,944	32,534	11.4%	0	0	0	--
Office/Warehouse	\$6.92-\$7.80	631,411	61,400	9.7%	48,000	45,000	3,000	122.8
Retail	\$14.05-\$15.03	3,584,314	552,349	15.4%	-4,238	74,482	-78,720	--
Class A	\$21.28-\$22.70	1,574,380	135,491	8.6%	-36,243	42,176	-78,419	--
Class B	\$14.52-\$16.16	1,432,249	372,577	26.0%	43,332	32,306	11,026	202.7
Class C	\$9.71-\$10.00	577,685	44,281	7.7%	-11,327	0	-11,327	--
Retail/Warehouse	\$6.54-\$6.90	281,605	30,469	10.8%	10,553	0	10,553	17.3
Warehouse	\$4.11-\$4.18	2,803,542	295,328	10.5%	-39,310	0	-39,310	--
Class A	\$4.00-\$4.00	896,391	0	0.0%	0	0	0	--
Class B	\$4.51-\$4.66	915,424	19,600	2.1%	-9,560	0	-9,560	--
Class C	\$3.93-\$3.97	991,727	275,728	27.8%	-29,750	0	-29,750	--

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 582,387 square feet of office, office/retail, and retail space in Downtown Rogers in the second half of 2020.

No new commercial space was added to downtown Rogers in the second half of 2020.

Office space in Downtown Rogers had a net positive absorption of 10,032 square feet and had a vacancy rate of 12.4 percent in the second half of 2020 and decreased from 19.1 in the first half of 2020. The downtown vacancy rate was higher than the overall average office vacancy rate for Rogers, which was 11.2 percent during the same period.

The office/retail submarket had a net positive absorption of 4,050 square feet. The vacancy rate decreased to 0.0 percent from the first half of 2020 rate of 2.0 percent in the downtown area. This compares to a vacancy rate of 9.0 percent for all of Rogers.

Downtown Rogers experienced a net negative absorption of 15,989 square feet of retail space during the second half of 2020. The average retail vacancy rate for downtown Rogers properties for the second half of 2020 increased to 10.5 percent from 3.7 percent in the first half of 2020 and was lower than the 15.4 percent average rate for all of Rogers.

Rogers

Commercial Market Summary

Average reported lease rates for downtown Rogers decreased \$0.37 in the office submarket, increased by \$0.36 in the office/retail submarket, and increased by \$0.38 in the retail submarket in the second half of 2020.

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	\$12.11-\$12.40	148,319	18,336	12.4%	10,032	0	10,032	11.0
Office/Retail	\$9.87-\$12.79	157,744	0	0.0%	4,050	0	4,050	0.0
Retail	\$11.31-\$12.08	235,398	24,668	10.5%	-15,989	0	-15,989	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 5,051,848 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the second half of 2020.

80,482 square feet of new commercial space, both office and retail space, was added to the Rogers I-49 corridor submarket in the second half of 2020.

Office space along the Rogers I-49 corridor experienced net negative absorption of 54,844 square feet during the second half of 2020. The reported average vacancy rate of office space was 13.3 percent in the second half of 2020, an increase from the 11.4 percent rate in the first half of 2020. This was higher than the overall office vacancy rate for all of Rogers at 11.2 percent.

Office/retail space along the Rogers I-49 corridor experienced net positive absorption of 3,350 square feet in the second half of 2020. The office/retail submarket had a 8.9 percent vacancy rate, a decrease from the 11.2 percent reported in the first half of 2020. This compares to a vacancy rate of 9.0 percent for all of Rogers.

There were 66,388 square feet of net negative absorption in the retail submarket for the Rogers I-49 corridor properties. The average retail vacancy rate for the first half of 2020 was 9.5 percent, an increase from 6.7 percent in the first half of 2020, and lower than the 15.4 percent average rate for all of Rogers.

Average reported lease rates increased \$0.29 in the office submarket and remained relatively unchanged in the office/retail and retail submarkets in the Rogers I-49 area in the second half of 2020.

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	\$21.00-\$21.70	2,614,117	348,214	13.3%	-26,844	28,000	-54,844	--
Office/Retail	\$21.01-\$21.21	145,727	12,912	8.9%	3,350	0	3,350	23.1
Retail	\$19.77-\$21.38	2,292,004	217,622	9.5%	-13,906	52,482	-66,388	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

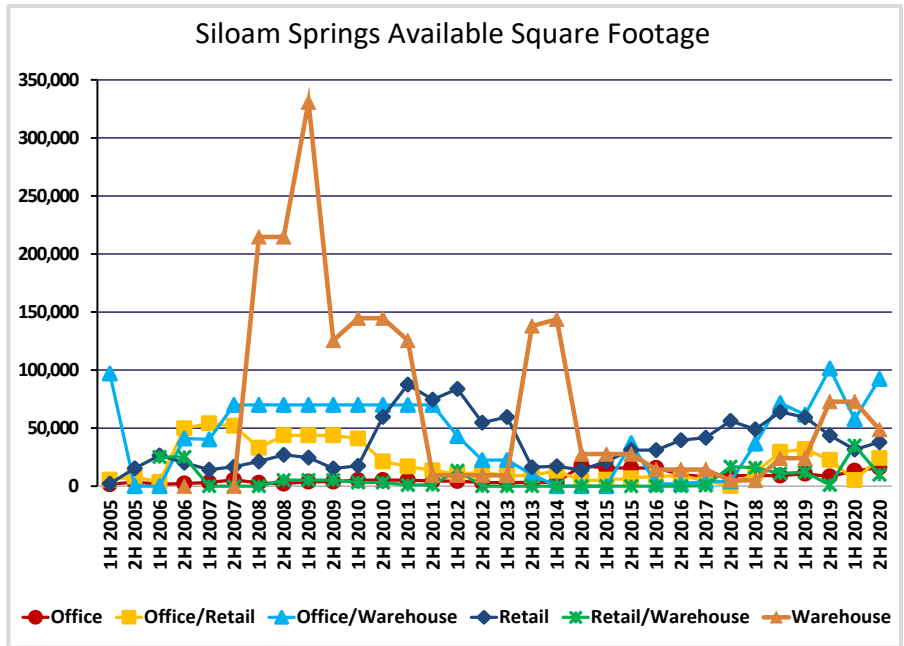
Siloam Springs Commercial Market Summary

From July 1 to December 31, 2020, Siloam Springs issued commercial building permits worth \$297,500.

The second half of 2020 value was 85.1 percent lower than the first half of 2020 value of \$2,000,000.

Siloam Springs accounted for 0.2 percent of the commercial permits issued in Northwest Arkansas during the second half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,851,471 square feet of commercial space for Siloam Springs in the second half of 2020.



There was no new commercial space added to the Siloam Springs market in the second half of 2020.

In the second half of 2020, Siloam Springs experienced overall net negative absorption of 8,817 square feet. There was net negative absorption of 34,607 square feet in the office/warehouse submarket and 19,035 square feet in the office/retail market. However, there was net positive absorption of 43,567 in the retail/warehouse submarket, in the second half of 2020.

Vacancy rates from the first half of 2020 to the second half of 2020 decreased in the medical office, office/retail, office/warehouse, retail, and warehouse submarkets. Vacancy rates increased in the office and retail/warehouse submarkets.

Average lease rates increased significantly by \$0.69 in the Class B office submarket and increased by \$1.71 in the Class B office/retail submarket as some older space was reclassified into Class C office/retail.

The other submarkets were relatively stable in the second half of 2020 in Siloam Springs.

Siloam Springs Commercial Market Summary

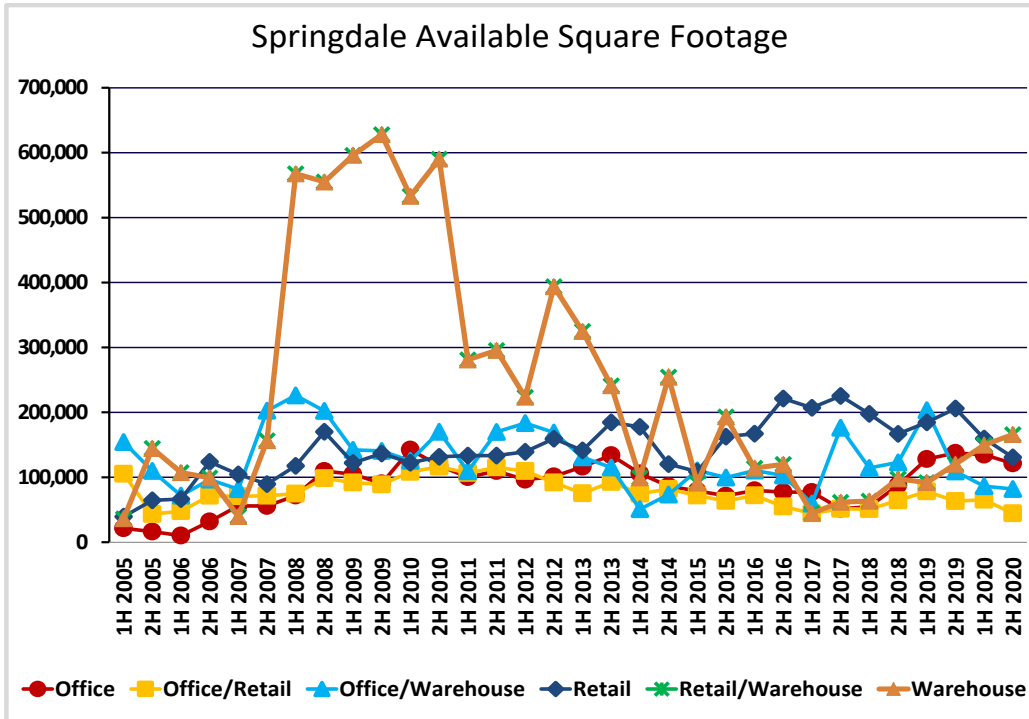
Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Industrial	\$2.95-\$2.95	263,889	263,889	100.0%	0	0	0	--
Office	\$12.16-\$13.90	153,659	15,827	10.3%	-2,566	0	-2,566	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.33-\$11.00	27,734	4,500	16.2%	5,000	0	5,000	5.4
Class C	\$8.42-\$11.28	11,421	4,300	37.6%	-4,300	0	-4,300	--
Medical	\$15.51-\$17.21	114,504	7,027	6.1%	-3,266	0	-3,266	--
Office/Retail	\$8.03-\$10.81	183,724	24,212	13.2%	-19,035	0	-19,035	--
Class A	--	--	--	--	--	--	--	--
Class B	\$11.33-\$14.33	94,298	20,495	21.7%	-20,495	0	-20,495	--
Class C	\$6.80-\$9.49	89,426	3,717	4.2%	1,460	0	1,460	15.3
Office/Warehouse	\$3.64-\$389	110,415	92,274	83.6%	-34,607	0	-34,607	--
Retail	\$14.36-\$14.89	463,226	37,793	8.2%	-1,759	0	-1,759	--
Class A	--	--	--	--	--	--	--	--
Class B	\$21.36-\$21.93	128,251	25,418	19.8%	941	0	941	162.1
Class C	\$8.93-\$9.42	334,975	12,375	3.7%	-2,700	0	-2,700	--
Retail/Warehouse	\$4.87-\$6.71	133,759	9,860	7.4%	49,150	0	49,150	1.2
Warehouse	\$3.48-\$3.63	542,799	48,750	9.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63-\$3.63	321,269	0	0.0%	0	0	0	--
Class C	\$3.43-\$3.63	221,530	48,750	22.0%	0	0	0	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.



Springdale Commercial Market Trends



From July 1 to December 31, 2020, Springdale issued \$23,070,264 worth of building permits for new commercial space.

This was a decrease of 17.8 percent from the \$28,072,375 issued in the first half of 2020.

Springdale accounted for 12.2 percent of the commercial permits issued in Northwest Arkansas for the second half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 10,628,151 square feet of commercial space in Springdale in the second half of 2020.

In the second half of 2020, there were 127,000 new square feet of commercial space, 125,000 of which was medical space, added to the Springdale market.

Springdale experienced net positive absorption of 325,992 square feet in the second half of 2020. The Industrial submarket had the most net positive absorption with 242,000 square feet. Class B retail and Class C office/retail contributed 30,451 square feet and 27,855 square feet of net positive absorption, respectively. The Class B Warehouse submarket had the greatest amount of net negative absorption with 26,856 square feet.

Reported vacancy rates decreased in the office, medical office, office/retail, office/warehouse, retail, and retail/warehouse submarkets. Vacancy rates increased in the industrial and warehouse submarkets in the second half of 2020.

Average reported lease rates in Springdale decreased significantly by \$0.30 in the Class C office submarket. All other lease rates remained relatively stable from the first half of 2020 to the second half of 2020.



Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet ¹	Available Square Feet ¹	Percent Available ¹	Absorption ²	New Available Square Feet ¹	Net Absorption ²	Months of Inventory ²
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$5.65-\$6.37	1,241,291	74,900	6.0%	242,000	0	242,000	1.9
Office	\$13.37-\$14.23	1,233,613	121,236	9.8%	142,510	125,000	17,510	41.5
Class A	\$20.00-\$21.00	95,501	0	0.0%	217	0	217	0.0
Class B	\$14.43-\$15.45	505,148	64,046	12.7%	7,594	0	7,594	50.6
Class C	\$9.43-\$10.51	205,625	15,698	7.6%	9,699	0	9,699	9.7
Medical	\$16.52-\$16.52	427,339	41,492	9.7%	125,000	125,000	0	--
Office/Retail	\$10.30-\$11.24	594,898	44,402	7.5%	23,410	0	23,410	11.4
Class A	--	--	--	--	--	--	--	--
Class B	\$14.11-\$15.11	171,797	20,000	11.6%	-4,445	0	-4,445	--
Class C	\$9.27-\$10.18	423,101	24,402	5.8%	27,855	0	27,855	5.3
Office/Warehouse	\$6.10-\$6.94	1,981,487	81,936	4.1%	4,389	0	4,389	112.0
Retail	\$12.37-\$13.02	1,737,163	130,819	7.5%	32,265	2,000	30,265	25.9
Class A	--	--	--	--	--	--	--	--
Class B	\$15.84-\$16.32	1,026,703	104,535	10.2%	32,451	2,000	30,451	20.6
Class C	\$9.66-\$10.45	710,460	26,284	3.7%	-186	0	-186	--
Retail/Warehouse	\$7.17-\$7.70	656,925	82,712	12.6%	24,612	0	24,612	20.2
Warehouse	\$4.19-\$4.60	3,177,550	165,868	5.2%	-16,194	0	-16,194	--
Class A	\$3.25-\$3.25	96,200	0	0.0%	0	0	0	--
Class B	\$4.13-\$4.69	1,899,592	107,790	5.7%	-26,856	0	-26,856	--
Class C	\$4.26-\$4.55	1,181,758	58,078	4.9%	10,662	0	10,662	32.7

¹From all 2 H 2020 Respondents.

²From 1H 2020 who were 2H 2019 respondents-

Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 344,470 square feet of office, office/retail, and retail space in downtown Springdale in the second half of 2020.

2,000 new square feet of commercial property was added to the Retail market of downtown Springdale in the second half of 2020.

There was net positive absorption of 2,845 square feet developed in the office submarket in downtown Springdale in the second half of 2020. The office space in downtown Springdale had an average vacancy rate of 17.8 percent, higher than the 16.7 percent in the first half of 2020. The rate was higher than the overall Springdale average office vacancy rate of 9.8 percent.

There was net negative absorption of 8,283 in the retail submarket in downtown Springdale in the second half of 2020. 18.9 percent of all reported retail space was available in downtown Springdale, down from the 48.4 percent in the first half of 2020. This compares to 6.6 percent vacancy rate for all of Springdale.

Springdale Commercial Market Summary

Office/retail space in downtown Springdale had a net absorption of 0 in the second half of 2020. The vacancy rate increased from 11.0 percent in the first half of 2020 to 30.8 percent in the second half of 2020 and was higher than the average office/retail vacancy rate for all of Springdale at 7.5 percent in the second half of 2020.

Average reported lease rates for downtown Springdale decreased \$0.49 in the office submarket, remained the same in the office/retail submarket, and increased \$0.15 in the retail submarket in the first half of 2020.

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	\$13.10-\$14.37	222,112	36,335	16.4%	2,845	0	2,845	76.6
Office/Retail	\$11.33-\$12.67	14,824	4,562	30.8%	0	0	0	--
Retail	\$12.24-\$13.64	107,534	20,322	18.9%	-6,283	2,000	-8,283	--

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.

West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,083,434 square feet of office, office/retail, and retail space in West Springdale in the second half of 2020. There were 125,000 square feet of office space added to West Springdale in the second half of 2020.

The office space in West Springdale had a net absorption of 0 square feet in the second half of 2020. The vacancy rate decreased from 11.7 percent in the first half of 2020 to 6.3 percent in the second half of 2020. The rate was lower than the overall city average office vacancy rate of 9.8 percent.

The office/retail submarket had a net negative absorption of 65 square feet in the first half of 2020. The second half of 2020 vacancy rate in West Springdale remained the same as the first half of 2020 as 11.9 percent. The rate was above the overall city average office/retail vacancy rate of 7.5 percent.

The retail vacancy rate for West Springdale properties decreased from 7.3 percent in the first half of 2020 to 2.5 percent in the second half of 2020, as there was net positive absorption of 32,550 square feet. The rate was below the city average retail vacancy rate of 7.5 percent.

Average reported lease rates for West Springdale decreased \$0.51 in the office submarket, remained the same in the office/retail submarket, and increased \$0.80 in the retail submarket.

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	\$16.24-\$17.20	290,228	18,258	6.3%	125,000	125,000	0	--
Office/Retail	\$17.00-\$17.50	125,550	15,000	11.9%	-65	0	-65	--
Retail	\$18.00-\$18.27	667,656	16,523	2.5%	32,550	0	32,550	3.0

¹From all 2 H 2020 Respondents.

²From 2 H 2020 Respondents who were also 2H 2019 respondents.