

# THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

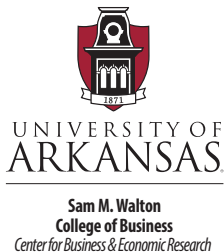
## Multifamily Highlights Second Half 2020

Highlights.....	1
Multifamily Market Trends.....	2

**Prepared Exclusively under  
Contract Agreement for  
ARVEST BANK**

The information contained herein has been obtained from reasonably reliable sources. The Center for Business and Economic Research makes no guarantee, either expressed or implied, as to the accuracy of such information. All data contained herein is subject to errors, omissions and changes. Reproduction in whole or in part without prior written consent is prohibited.

**Sam M. Walton College of  
Business  
University of Arkansas  
Fayetteville, AR 72701  
Telephone: 479.575.4151  
<http://cber.uark.edu>**



## Real Estate Summary For Benton and Washington Counties

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

### Highlights from the Second Half of 2020

The vacancy rate for all multifamily properties in Northwest Arkansas increased to 5.0 percent in the second half of 2020 from 4.8 percent in the first half of 2020. The rate was 4.9 percent in the second half of 2019.

The Fayetteville vacancy rate decreased to 4.8 percent in the second half of 2020 from 5.9 percent in the first half of 2020. More than 4,100 additional rental units (19.0 percent of current inventory) have been announced or are under construction in new multifamily projects in Fayetteville.

In Bentonville, vacancy rates increased to 7.4 percent in the second half of 2020 from 5.0 percent in the first half of 2020. There are also more than 3,400 rental units (43.8 percent of current inventory) that have been announced or are under construction in new multifamily projects in the Bentonville and Centerton area.

Vacancy rates in Rogers increased to 6.4 percent in the second half of 2020 from 3.7 percent in the first half of 2020. More than 4,200 additional rental units (67.9 percent of current inventory) have been announced or are under construction in the Rogers submarket.

Siloam Springs vacancy rates decreased to 0.6 percent in the second half of 2020 from 1.4 percent in the first half of 2020, the lowest in Northwest Arkansas. Approximately 77 additional rental units (7.0 percent of current inventory) have been announced or are under construction in the Siloam Springs submarket.

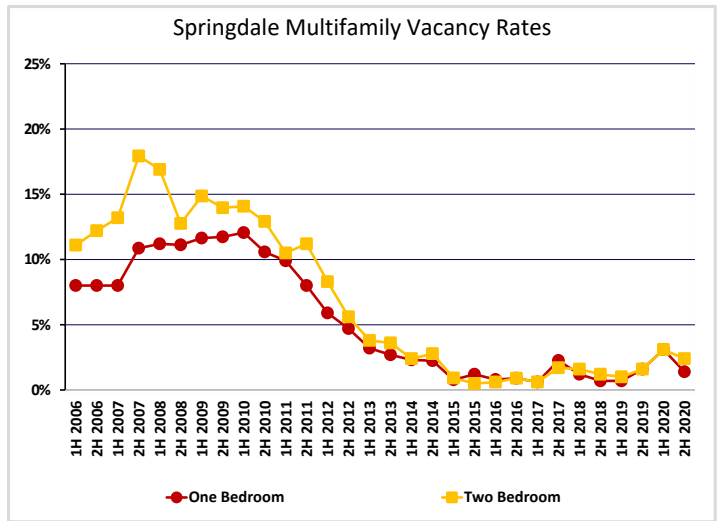
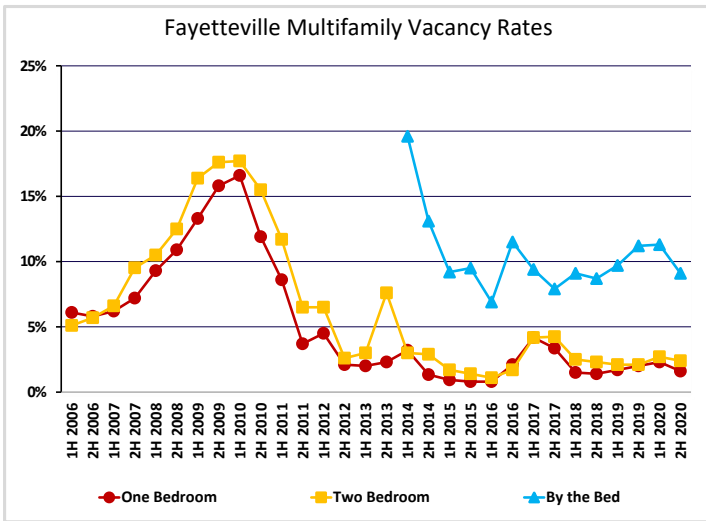
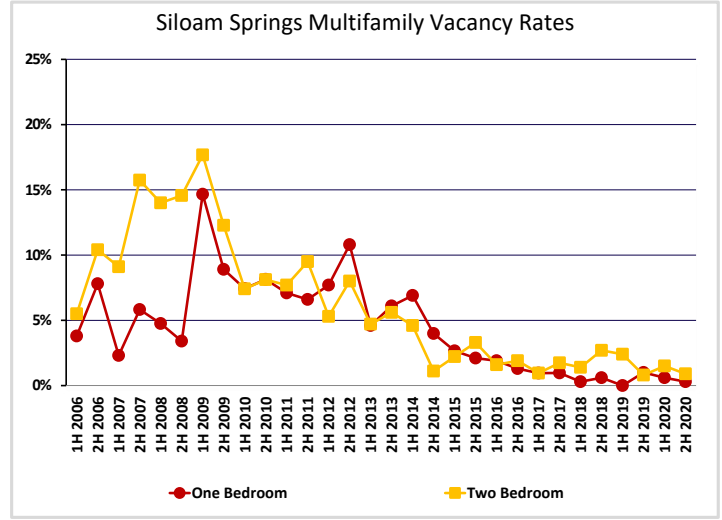
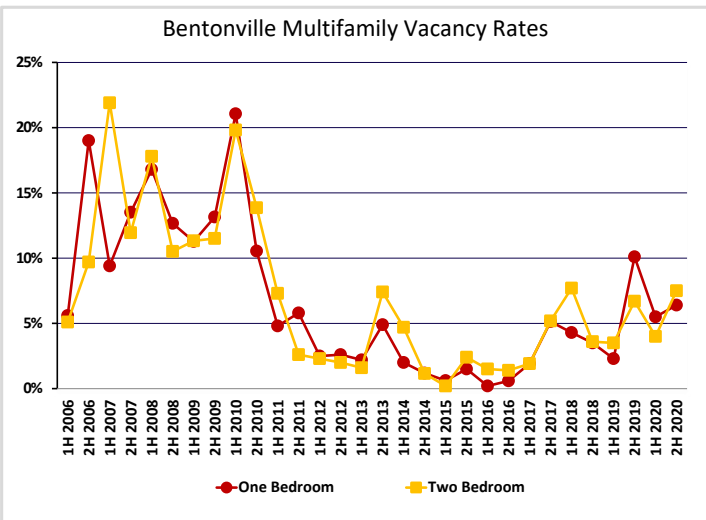
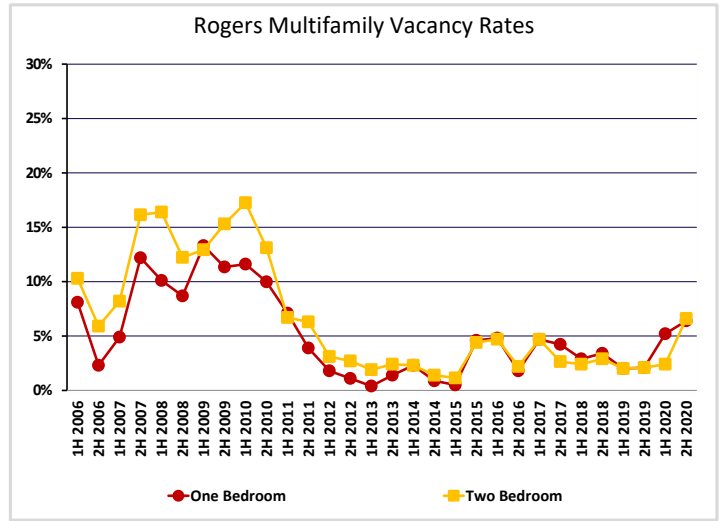
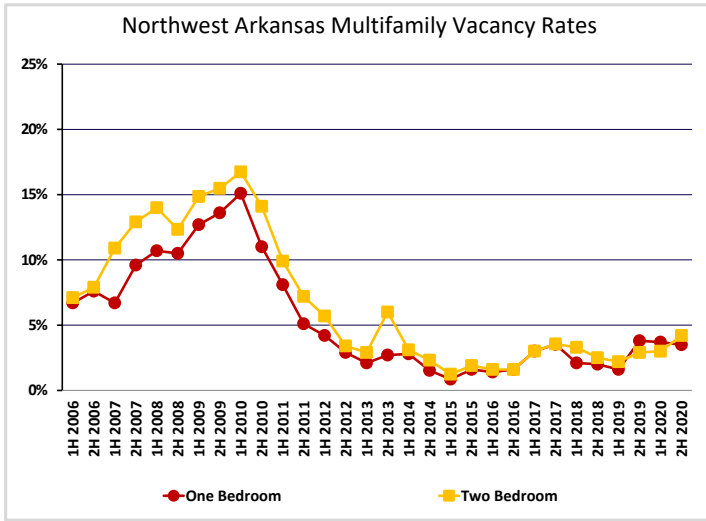
In Springdale, the vacancy rate decreased to 2.1 percent in the second half of 2020 from 2.9 percent in the first half of 2020. More than 2,200 new rental units (30.4 percent of current inventory) have been announced or are under construction in multifamily projects in the Springdale and Tontitown area.

In the second half of 2020, the average lease rate per month for a multifamily property unit in Northwest Arkansas increased to \$741.36, from \$729.82 in the first half of 2020.

\$324.1 million of multifamily building permits were issued in the second half of 2020, down from the \$481.5 million, record high for the Skyline Report, in the first half of 2020.

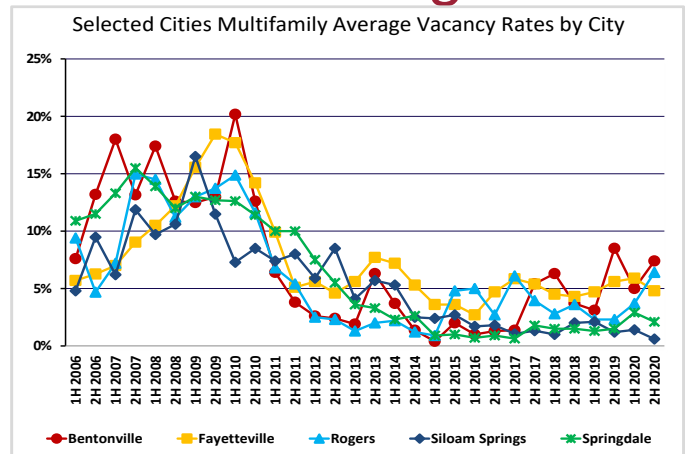
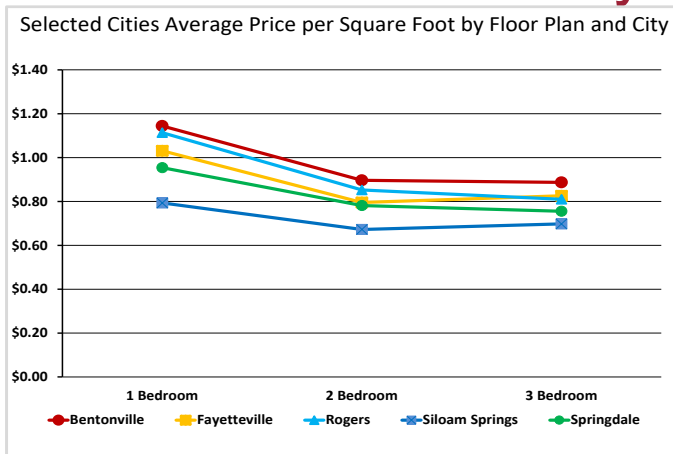
# Regional Market Trends

## Multifamily Vacancy Rates



# Regional Market Trends

## Multifamily Rates and Building Permits



The associated table details the building permits issued for multifamily housing purposes. Eight of the projects are located in Bentonville/Centerton, Seven are in Fayetteville, seven are in Rogers, one is in Siloam Springs, and two are in Springdale/Tontitown. These 26 projects had 429 building permits issued worth \$324,160,448. The largest project was in Bentonville with City U which had 25 permits valued at \$54,322,389. Three other projects were valued at over \$20 million in the cities Fayetteville, Rogers, and Springdale/Tontitown.

Multifamily Building Permits	Complex or Developer	Number of New Permits	Total Value of Permits	City
3/9/2020	The Pointe, Ph II	5	\$19,392,950	Bentonville
4/23/2020	Skyridge Estates, Ph II	9	\$10,649,582	Bentonville
8/11/2020	7th & B Townhomes	9	\$1,375,428	Bentonville
9/1/2020	The Howard	1	\$9,046,182	Bentonville
10/5/2020	Elm Tree Townhomes	32	\$6,645,374	Bentonville
11/25/2020	City U	25	\$54,322,389	Bentonville
11/30/2020	Harmon North Townhomes	54	\$8,946,828	Bentonville
10/13/2020	Copper Oaks Cottage Homes	12	\$930,564	Centerton
3/2/2020	Beechwood Apartments	6	\$32,263,868	Fayetteville
3/3/2020	Courtyards Act 1	10	\$1,368,685	Fayetteville
3/27/2020	Rubble Road Multifamily	64	\$9,716,174	Fayetteville
10/5/2020	The Marshall	1	\$9,560,291	Fayetteville
10/7/2020	South School Apartments	1	\$3,795,813	Fayetteville
11/11/2020	Garland Ave Apartments	1	\$1,769,655	Fayetteville
11/25/2020	Oakland 6 Plex	1	\$473,592	Fayetteville
12/2/2020	SouthYard	5	\$17,097,443	Fayetteville
12/23/2020	Mitchell Apartments	72	\$16,914,848	Fayetteville
2/3/2020	49West	1	\$2,907,272	Rogers
2/26/2020	Promenade Commons	1	\$16,916,283	Rogers
4/8/2020	Fitzroy Rogers	4	\$40,090,223	Rogers
5/19/2020	Shadowbrook, Ph III	54	\$9,341,016	Rogers
6/2/2020	Pinnacle Heights	22	\$4,172,212	Rogers
6/16/2020	Dodson Pointe	1	\$3,515,660	Rogers
8/31/2020	Dodson Pointe	2	\$7,939,879	Rogers
10/1/2020	Bost Apartments	3	\$940,701	Rogers
5/27/2020	College Multipex	1	\$533,050	Siloam Springs
1/6/2020	Aspen Heights	9	\$7,262,759	Tontitown
6/23/2020	Aspen Heights	23	\$26,271,727	Tontitown
<b>Northwest Arkansas</b>	<b>26</b>	<b>429</b>	<b>\$324,160,448</b>	

# Regional Market Trends

## Multifamily Sample Data

Sample Vacancy Rates	Number of Apartment Complexes	Number of Units	2H 2020 Vacancy Rates	1H 2020 Vacancy Rates	2H 2019 Vacancy Rates
Bentonville	146	7,933	7.4%	5.0%	8.5%
Fayetteville	366	21,845	4.8%	5.9%	5.6%
Rogers	111	6,198	6.4%	3.7%	2.3%
Siloam Springs	51	1,103	0.6%	1.4%	1.2%
Springdale	115	7,256	2.1%	2.9%	1.5%
<b>NWA</b>	<b>789</b>	<b>44,335</b>	<b>5.0%</b>	<b>4.8%</b>	<b>4.9%</b>

Average Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	532	\$656.96	\$1.23
By the Bed	424	\$687.65	\$1.62
1 Bedroom	641	\$676.55	\$1.06
2 Bedroom	939	\$771.42	\$0.82
3 Bedroom	1,265	\$1,010.94	\$0.80
4 Bedroom	1,521	\$1,508.42	\$0.99
<b>NWA</b>	<b>769</b>	<b>\$741.36</b>	<b>\$0.96</b>

Median Size and Price by Floor Plan	Square Feet	Price per Month	Price per Square Foot
Studio	450	\$537.50	\$1.19
By the Bed	414	\$653.50	\$1.58
1 Bedroom	600	\$550.00	\$0.92
2 Bedroom	900	\$675.00	\$0.75
3 Bedroom	1327	\$899.50	\$0.68
4 Bedroom	1500	\$1,275.00	\$0.85
<b>NWA</b>	<b>881</b>	<b>\$741.00</b>	<b>\$0.84</b>

Vacancy Rates by Floor Plan	By the Bedroom	One Bedroom	Two Bedroom	Three Bedroom
Bentonville		6.4%	7.5%	8.6%
Fayetteville	9.1%	1.6%	2.4%	6.1%
Rogers		6.4%	6.6%	4.8%
Siloam Springs		0.3%	0.9%	0.0%
Springdale		1.4%	2.4%	2.4%
<b>NWA</b>	<b>9.1%</b>	<b>3.5%</b>	<b>4.2%</b>	<b>4.8%</b>

