

# THE SKYLINE REPORT

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## First Half of 2020 August

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## Commercial Real Estate Summary For Benton and Washington Counties

*This report is the forty-second 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 First Half of 2020

In the first half of 2020, there were 101,751 square feet of positive absorption, while 323,789 new square feet were added, leading to net negative absorption of 222,038 square feet in the Northwest Arkansas market. An overall vacancy rate of 10.8 percent, increased from 10.0 percent in the second half of 2019.

157,822 new square feet were added in the office submarket, while 18,394 square feet were absorbed, leading to net negative absorption of 139,428 square feet in the first half of 2020. The office vacancy rate increased to 9.8 percent from 8.5 percent in the second half of 2019.

Within the retail submarket, there was overall negative absorption of 23,469 square feet, while 31,716 new square feet entered the market, leading to net negative absorption of 55,185 square feet. The retail vacancy rate increased to 10.6 percent in the first half of 2020 from 9.4 percent in the second half of 2019.

The warehouse submarket had overall positive absorption of 95,716 square feet, while no new square feet were added in the first half of 2020. The Northwest Arkansas warehouse vacancy rate decreased from 9.4 percent in the second half of 2019 to 8.3 percent in the first half of 2020.

In the office/retail submarket, there was positive absorption of 24,790 square feet, while 30,531 new square feet of office/retail space entered the market in the first half of 2020, leading to net negative absorption of 5,741 square feet. The vacancy rate decreased from 11.7 percent in the second half of 2019 to 11.6 percent in the first half of 2020.

From January 1 to June 30, 2020, there were \$196,171,877 in commercial building permits issued in Northwest Arkansas. In comparison, there were \$197,510,689 in permits issued in the second half of 2019.

# Commercial Market Trends

## Report Overview

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 56) 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 first 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 232 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 first half of 2019 and the second half of 2019, in addition to the first 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 first half of 2020, 232 panelists provided data on 2,202 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 2,202 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 Classification

## 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.

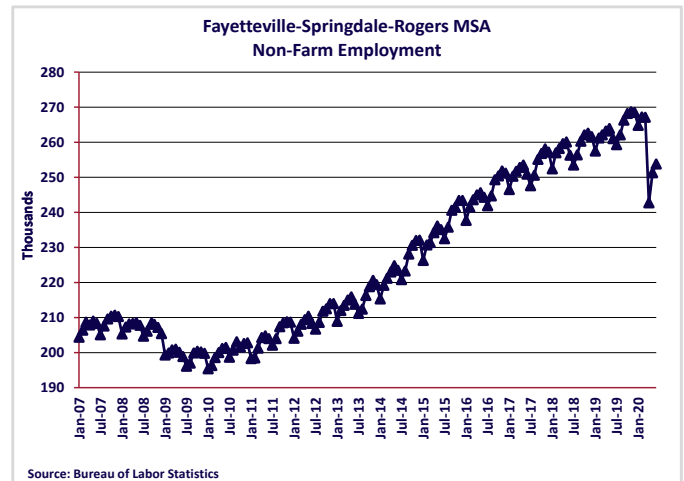
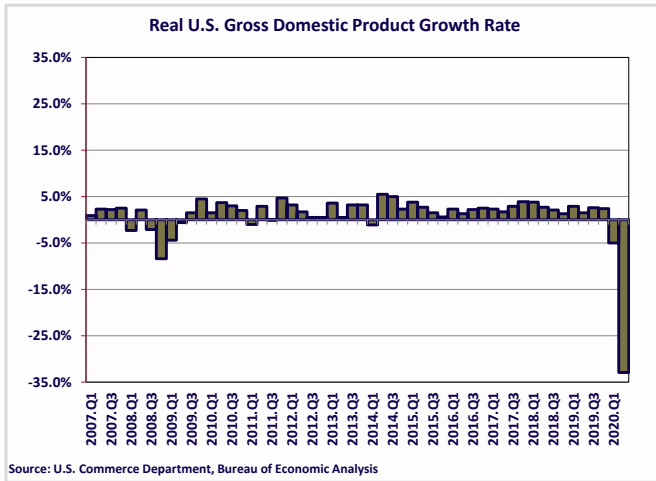
Class A space represents the most prestigious buildings available in the Northwest Arkansas market. These spaces are new or newly renovated, made of the best quality materials, with brick, masonry, or glass exteriors. Class A buildings are located in highly accessible locations with easy access to major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

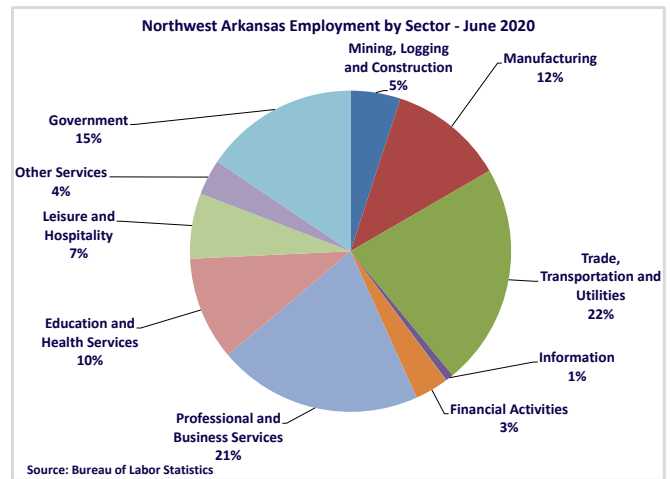


# Economic Overview



## Gross Domestic Product

In the second quarter of 2020, real GDP decreased by 32.9 percent according to advance estimates released by U.S. Department of Commerce’s Bureau of Economic Analysis (BEA). Real GDP decreased by 5.0 percent in the first quarter of 2020. The decrease in real GDP reflected decreases in personal consumption expenditures (PCE), exports, private inventory investment, nonresidential fixed investment, residential fixed investment, and state and local government spending that were partly offset by an increase in federal government spending. Imports, which are a subtraction in the calculation of GDP, decreased. Real GDP declined in the second quarter at a rate faster than the first quarter. In the first quarter, decreases in consumer spending, business investment, exports, and inventory investment that were partially offset by increases in housing investment and government spending.



been above 4.0 percent since April 2020. The unemployment rate in Northwest Arkansas continues to be lower than both the state (8.2 percent) and national (11.2 percent) unadjusted rates.

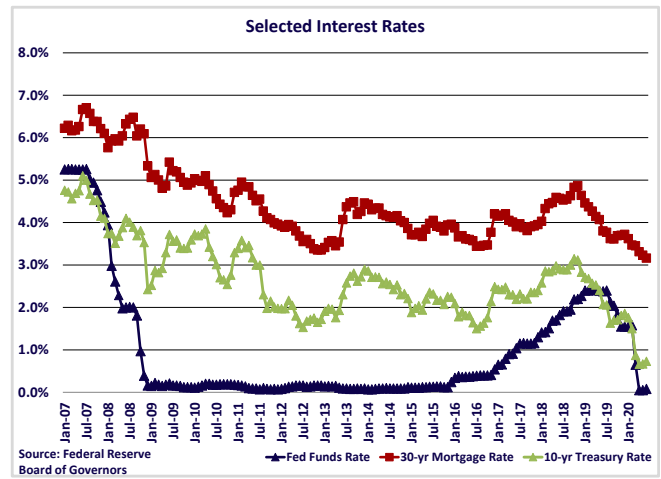
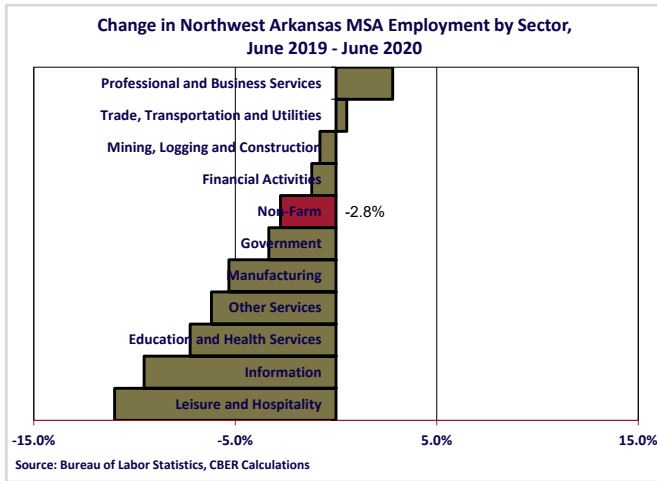
## Employment

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 256,159 in June 2020, down 6.1 percent from June 2019. According to the U.S. Bureau of Labor Statistics (BLS), the unemployment rate in Northwest Arkansas was at 6.4 percent in June 2020, higher than the 2.7 percent unemployment rate in June 2019. The unemployment rate has

With the purpose of exploring more closely the composition of job growth in Northwest Arkansas, two additional figures (on the previous page) are provided. The first shows the June 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 by professional and business services (21 percent), government (15 percent), manufacturing (12 percent), education and health services (10 percent), and leisure and hospitality (7 percent). The other figure shows the annual percentage change in the metro area’s employment by sector from June 2019 to June 2020. Total nonfarm employment decreased by



# Economic Overview



2.8 percent during that time. Employment in professional and business services, and the trade, transportation and utilities sectors experienced growth of 2.8 percent and 0.5 percent, respectively. The construction and financial activities sectors experienced employment declines which were less than 2.8 percent. All other sectors experienced employment declines which were greater than 2.8 percent.

## Interest Rates

The Federal Funds rate averaged 0.08 percent in June 2020. The ten-year constant maturity Treasury bill had an interest rate of 0.73 percent in June 2020, down from 2.07 percent in June 2019. The spread inverted from negative to positive 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 it is confident that the economy has weathered recent events and is on track to achieve its maximum employment and price stability goals. The accompanying figure shows the Federal Funds rate and the thirty-year mortgage rate since December 2008. The 30-year mortgage rate was 3.16 percent in June 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. As expected, in the first half of 2020, the COVID-19 pandemic dominated the conversations. Over the course of the conversations, from May to July, the tenor changed as reopening began but the pandemic continued to increase in severity. The conversations revolved around demand and supply in the office, retail (including restaurants), warehouse markets, the multifamily housing market, as well as the single-family housing market.

When conversations began in May, over a month into the shutdown, respondents were very bullish on the future of Northwest Arkansas. Most felt Northwest Arkansas would emerge from the pandemic as an even stronger magnet for growth than before. Most respondents felt office market demand was stable as there was still interest in new space and office tenants were not having problems making lease payments at that time. The few that asked for and received assistance had their lease payment deferrals amortized back into the lease agreement. Some respondents thought that the CARES Act helped tenants who initially asked for assistance. No respondent reported outright nonpayment of leases. Some firms were still making the 'flight to quality' from Class B to Class A office space but other firms were in a "pandemic pause" before making decisions about changing space. The "pandemic pause" was also affecting the decisions of investors interested in purchasing existing buildings as there was continued interest from regional and national investors but the prospect of lower future values has delayed potential purchases. Demand continues to be spurred on by new businesses, including supply chain and logistics firms and other professional service firms, which are looking to establish themselves in Northwest Arkansas. Existing professional service firms and vendors are considering expansions despite the pandemic to take advantage of the future growth from Walmart and its new headquarters that is under construction.

The impact of working at home was the subject of much discussion although respondents were also reporting some interest from tenants returning to their office space for several reasons including collaboration, technology, and general productivity. While working from home might reduce demand for office space, those working from the offices would offset that as more space is needed to meet social distancing guidelines. Respondents felt it was too soon to make any firm plans with regards to office space as there was so much uncertainty.

Respondents said the increase in office supply due to new construction was continuing and that the Pinnacle area is considered the epicenter of new office construction. The Bentonville exits on I-49 and downtown Bentonville are also important growth areas. In Washington County, the western I-49 exits in Springdale (Highlands Oncology, Blue Cross Blue Shield, George's Medical Center) were discussed as vibrant growth areas. The growth in supply was due to projected increases in demand for Class A, higher-quality Class B, and new medical office space. In May, there was a lot of confidence that the pandemic would not last into the long term, but by late June and early July more respondents were worried about the possible negative impact on demand for space in the long run and that new projects might take longer to lease than anticipated. The one consolation respondents mentioned is that most of the projects were being built by investors with deep pockets who can withstand a long recession.

In the retail market respondents said that food and beverage establishments received the most lease payment assistance. This assistance also took the form of deferrals amortized over the remaining lease term. Respondents stated they were trying to be as consistent as possible with all tenants under one ownership group while also working with the tenants' unique situations. In the beginning, respondents predicted a 15-30% loss of local restaurants in the next 6 to 12 months. Several panelists said that many of the restaurants that were going out of business were poorly run and the pandemic just accelerated their demise. Other restaurants moved too slowly to develop alternate business plans such as an online presence with easy pick-up and delivery. In addition, several respondents reported that both local and national operators are looking at potential dark space and a few are even in the process of moving forward with constructing new stand-alone restaurants. However, during the conversations in late June and early July, respondents expressed much greater concern about how long it actually will take the food and beverage sector to rebound.

Respondents said that only some of the other strip-retail tenants, like salons, beauty supply shops, and other small stores run by local operators asked for assistance and that those requests declined substantially as federal money was distributed. Respondents reported that there were not a significant number of tenants exiting space and that in fact, there was strong demand for well-situated Class B and even Class C retail space. They also discussed how even these small scale brick and mortar strip-retail establishments need to develop omni-channel communication and delivery systems to reach their customers and stay viable after the pandemic. Respondents felt that department store retail and mall retail was still in a lot of trouble. Nevertheless, consistent with the past few reports, panelists talked about how discount retailers, like Harbor Freight Tools which opened up in Siloam Springs in a space that had been dark for an extended time, are a retail bright spot.

# Local Perceptions

Discussions about the warehouse market remained positive with panelists reporting strong demand throughout the conversations from May to early July. Final mile needs, light manufacturing and assembly needs were cited as reasons for the strong demand. The biggest concern about the warehouse market was the high construction costs and the associated high lease rates needed for financial feasibility.

Multiple respondents reported a very strong multifamily housing market with only a few instances of assistance needed by tenants (which mostly took the form of allowing installment payments on rent and forgiving late fees). Some respondents reported that after the stimulus funds began to reach tenants, some tenants paid multiple months of rent upfront. Additionally, respondents reported their monthly collections remained at the same high levels as pre-crisis. Early on, several panelists were anticipating that Northwest Arkansas might benefit from an even greater rate of population growth as people move here from major metros that were hit harder by the crisis but that seems unlikely as small metros like Northwest Arkansas are facing increasing Covid-19 cases. In the last conversations, respondents did express more uncertainty about the multifamily market, worrying that nonpayment of leases might increase with another shutdown and stimulus money running out.

The student housing market was a subject of great concern, even as new projects are under construction. Respondents reported that preleasing for the 2020-2021 school year was significantly behind the previous year, although several mentioned they felt preleasing would accelerate once the University of Arkansas outlined its plans for in-person classes in the fall. Even without the crisis, some respondents were concerned that a few of the existing student housing projects were in serious trouble, and that concern was exacerbated by the crisis.

The single-family housing market was mentioned as one of the strongest segments of the Northwest Arkansas real estate market.

Low interest rates, the desire of some renters to social distance, and the continued growth of the Northwest Arkansas population were driving the demand for single-family housing. Respondents were pleased that there is still no oversupply of housing and were not expecting one through 2021. The biggest concern facing single-family housing builders, in addition to high construction costs, was the high price of lots with lower-priced lots ranging between \$55,000-\$60,000 in the four major cities and prices reaching as much as \$250,000 for lots in downtown Bentonville.

Even though the level of uncertainty and concern for the short term (one to two years) increased, respondents universally believe that Northwest Arkansas will continue growing, probably even faster than before the pandemic relative to comparable metros. The continued strength and leadership of Walmart and the essential nature of Tyson and JB Hunt were cited. Additionally, panelists think the medical sector, which is already growing, will be even more important to future growth that will spur even more development around the new medical facilities.

## 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
- Growth in the healthcare sector creating demand for new Medical Office space
- Development of mixed use live-work-play communities
- Leveraging the trail system as a selling point for commercial space
- Continuing creation of amenities 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.
- Impact of Walmart Home Office on construction costs.
- Lease rate increases outpacing small firm's ability to pay.
- Shift to work-stations leading to less office demand.
- Future increase in Class B office space vacancy rates.
- Overbuilding of the student housing market around the University of Arkansas.
- Infrastructure costs.



# Commercial Market Trends

## Building Permits and Inventory

### 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;

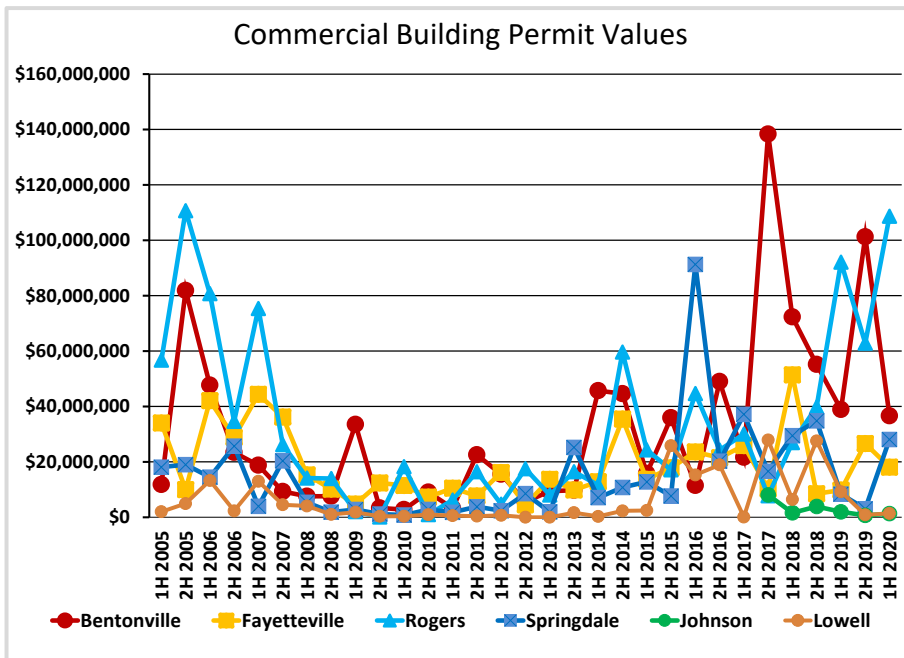
**Office/Retail**-space that can be configured as either office or retail space or both;

**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.



### Local Commercial Property Inventory and Building Permit Data

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 January 1 through June 30, 2020, \$196.2 million commercial building permits were issued in seven major cities in Northwest Arkansas, Bentonville, Fayetteville, Johnson, Lowell, Rogers, Siloam Springs, and Springdale. In the first quarter of 2020, over \$154.0 million in commercial building permits were issued. In the second quarter, over \$42.0 million in building permits were issued. In the first half of 2020, Rogers had the greatest share of building permit value with 55.4 percent. Bentonville followed with 18.7 percent, then Springdale with 14.3 percent. Fayetteville, Siloam Springs, Lowell and Johnson accounted for 9.2, 1.0, 0.7 and 0.7 percent, respectively.

# Commercial Market Trends

## Building Permits and Inventory

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 first half of 2020, there were 6,482 standard rooms and 2,453 suites in Northwest Arkansas. Bentonville had the most standard rooms with 1,865 while Rogers had the most suites with 974. Additionally, graphs that describe the development of hotels in Northwest Arkansas over time are provided below the hotels list. Announced new hotel properties are detailed in a table following the existing hotel properties. Respondents continue to feel that the region can slowly absorb a few more 100 - 200 bed hotels, in the proper locations, but the market is still not ready for another large hotel. Respondents indicated that hotels are lagging and not leading developments. As many hotels are being discussed, other amenities need to be built first before hotels can be realized. Finally, lists of announced new and closed restaurant properties follow the hotel information.

The table on the following page presents the total competitive commercial property inventory in Northwest Arkansas that meets minimum square footage requirements as of June 30, 2020. For the first half of 2020, the Skyline Report covered 99.1 percent of the total competitive commercial property population in Northwest Arkansas. Some cities had more complete coverage than others.

### Commercial Property Inventory

City	Industrial <sup>1</sup>	Office <sup>1</sup>	Retail <sup>1</sup>	Warehouse <sup>1</sup>	Total <sup>1</sup>	Total Square Feet <sup>1</sup> (Panel Responses)	Percent Coverage (Panel)
Bella Vista	--	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%
<b>Northwest Arkansas</b>	<b>4,666,510</b>	<b>14,116,552</b>	<b>13,973,440</b>	<b>14,719,679</b>	<b>47,450,936</b>	<b>47,030,165</b>	<b>99.1%</b>

<sup>1</sup>Source: Benton and Washington County offices of the Assessor. The total square feet represent the population of competitive commercial properties that meet the baseline criteria set out on page 56 of this report.

<sup>2</sup>Source: Panel of 232 large Northwest Arkansas commercial property owners and managers.

# Commercial Market Trends

## Building Permits By City

Commercial Building Permit Data by City	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
April - June 2020	\$7,872,202	\$4,539,226	\$0	\$1,384,169	\$16,407,953	\$500,000	\$11,376,474	\$42,080,023
Jan - March 2020	\$28,760,325	\$13,563,927	\$1,309,680	\$0	\$92,262,020	\$1,500,000	\$16,695,901	\$154,091,853
Oct - Dec 2019	\$74,410,564	\$21,261,745	\$678,435	\$0	\$44,905,617	\$850,000	\$744,962	\$142,851,323
July - Sept. 2019	\$26,866,194	\$5,359,405	\$0	\$862,000	\$17,941,362	\$1,311,274	\$2,319,131	\$54,659,366
April - June 2019	\$24,734,606	\$7,848,461	\$1,956,100	\$1,596,716	\$34,523,248	\$3,435,272	\$2,632,279	\$76,726,682
Jan - March 2019	\$14,177,844	\$1,950,000	\$0	\$7,630,590	\$57,561,131	\$2,639,336	\$5,713,932	\$89,672,833
Oct - Dec 2018	\$2,781,412	\$1,925,538	\$0	\$24,547,504	\$29,223,531	\$0	\$28,908,633	\$87,386,618
July - Sept. 2018	\$52,379,644	\$6,582,444	\$3,873,492	\$3,033,251	\$10,590,898	\$39,080	\$5,909,232	\$82,408,041
April - June 2018	\$29,647,741	\$36,503,927	\$672,332	\$6,430,700	\$14,852,917	\$1,752,620	\$27,596,786	\$117,457,022
Jan - March 2018	\$42,659,355	\$14,896,335	\$933,120	\$0	\$12,128,964	\$181,446	\$1,853,013	\$72,652,233
Oct. - Dec. 2017	\$15,703,722	\$1,088,272	\$2,965,620	\$24,474,140	\$1,927,690	\$1,928,435	\$8,808,035	\$56,895,914
July - Sept. 2017	\$122,656,773	\$9,140,191	\$5,107,550	\$3,396,926	\$5,846,637	\$1,347,500	\$7,793,380	\$155,288,957
April - June 2017	\$14,303,886	\$11,372,807	\$0	\$0	\$24,408,936	\$1,412,000	\$14,033,069	\$65,530,698
Jan - March 2017	\$7,336,615	\$14,513,326	\$0	\$84,000	\$5,648,091	\$576,141	\$23,123,353	\$51,281,526
Oct. - Dec. 2016	\$15,844,261	\$9,443,954	\$0	\$4,445,138	\$8,574,715	\$0	\$3,813,727	\$42,121,795
July - Sept. 2016	\$33,180,166	\$12,004,863	\$0	\$14,474,766	\$15,710,115	\$3,339,470	\$16,415,992	\$95,125,372
April - June 2016	\$3,186,128	\$21,574,412	\$0	\$4,617,536	\$9,205,408	\$20,222,189	\$87,682,358	\$146,488,031
Jan - March 2016	\$8,282,426	\$2,018,785	\$0	\$10,653,719	\$35,473,387	\$0	\$3,569,037	\$59,997,354
Oct. - Dec 2015	\$29,243,802	\$10,076,938	\$0	\$23,090,780	\$7,179,197	\$1,030,000	\$6,980,305	\$77,601,022
July - Sept. 2015	\$6,656,778	\$7,819,300	\$0	\$2,772,080	\$9,939,946	\$7,303,878	\$707,070	\$35,199,052
April - June 2015	\$8,520,763	\$9,878,384	\$0	\$2,437,861	\$20,234,817	\$6,095,000	\$4,157,720	\$51,324,545
Jan - March 2015	\$7,316,156	\$3,829,883	\$0	\$0	\$4,115,779	\$0	\$8,617,653	\$23,879,471
Oct. - Dec 2014	\$15,077,940	\$23,716,086	\$0	\$942,443	\$41,437,354	\$298,450	\$5,456,402	\$86,928,675
July - Sept. 2014	\$29,512,908	\$11,744,678	\$0	\$1,375,887	\$18,199,323	\$420,000	\$5,311,744	\$66,564,540
April - June 2014	\$14,880,491	\$6,352,097	\$0	\$299,768	\$8,944,856	\$700,000	\$6,286,894	\$37,464,106
Jan. - March 2014	\$30,816,399	\$6,462,060	\$0	\$0	\$2,620,482	\$0	\$807,905	\$40,706,846
Oct. - Dec. 2013	\$5,614,108	\$5,227,632	\$0	\$1,662,604	\$4,322,282	\$0	\$18,725,840	\$35,552,466
July - Sept 2013	\$4,147,738	\$4,642,389	\$0	\$0	\$12,137,965	\$0	\$6,472,554	\$27,400,646
April - June 2013	\$9,413,479	\$3,035,704	\$0	\$0	\$3,930,130	\$2,165,090	\$1,572,774	\$20,117,177
Jan. -March 2013	\$0	\$10,686,133	\$0	\$0	\$4,122,942	\$0	\$359,328	\$15,168,403
Oct - Dec. 2012	\$4,327,940	\$3,953,149	\$0	\$0	\$8,474,647	\$1,795,000	\$5,378,894	\$23,929,630
July - Sept. 2012	\$1,221,000	\$537,447	\$0	\$0	\$9,026,238	\$2,083,115	\$3,121,673	\$15,989,473
April - June 2012	\$13,126,525	\$15,157,427	\$0	\$0	\$3,702,000	\$0	\$0	\$31,985,952
Jan. -March 2012	\$2,386,772	\$1,015,056	\$0	\$709,949	\$1,027,000	\$0	\$2,373,879	\$7,512,656
Sept. - Dec. 2011	\$21,094,402	\$5,907,082	\$0	\$0	\$16,450,594	\$0	\$1,455,757	\$44,907,875
June - August 2011	\$1,445,222	\$1,763,872	\$0	\$404,493	\$0	\$500,000	\$2,328,979	\$6,442,566
March - May 2011	\$1,773,228	\$9,552,146	\$0	\$150,000	\$1,614,000	\$0	\$0	\$13,089,374
Dec. 2010 - Feb. 2011	\$1,469,162	\$915,280	\$0	\$438,289	\$4,616,536	\$22,997,000	\$1,803,778	\$32,240,045



# Commercial Market Trends

## Building Permits by City

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

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Hull Dermatology	Bella Vista	Hull Dermatology	Office	15,000	Done
Mercy Clinic	Bella Vista	Mercy Health Systems	Medical	4-6,000	Conceptual
Shoppes on the Trail	Bella Vista	Jason Pullman;David Erstine	Retail	10,828	Done
Sisters of Mercy Speciality Clinic	Bella Vista	Sisters Of Mercy Health Systems	Medical		Conceptual
Boat Storage Buildings	Benton Cty	Robert and Travis Pennington	Warehouse	8,400	Conceptual
Tufco Warehouse	Benton Cty	Tufco	Warehouse	20,000	Conceptual
14th Street Commercial Building	Bentonville	Flake-Kelley	Commercial	4,500	Conceptual
305 Main Street	Bentonville	Chip Chambers	Office	15,000	Conceptual
319 S Walton	Bentonville	Randy Crossno	Office	15,115	Conceptual
8777 Airport Road Retail	Bentonville	Flake-Kelley	Retail	13,322	Conceptual
Ankle & Foot Center of Mid-America	Bentonville	Ankle & Foot Centers of Mid-America	Medical Office	4,000	Summer 2020
Annoor Academy of Bentonville	Bentonville	Parvez Musani	School	20,090	2021
Arvest Bank-SW Regional Airport	Bentonville	Arvest Bank	Bank	3,000	2021
Aspen Park	Bentonville		Commercial	87,893	Conceptual
Aspire Gymnastics Academy	Bentonville	Karen and Steve Cherry	School	34,000	Summer 2020
Beau Chene Crossing	Bentonville	Sage Partners	Office	54,000	Conceptual
Benton County Courthouse	Bentonville	Benton County	Court House	30-39,000	Conceptual
Bentonville Brewing Co	Bentonville	Ropeswing Group; Katie Boykin	Commercial	21,600	Done
Bentonville Flight Center	Bentonville	Municipal Airport	Commercial		Conceptual
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	Dan Duncan, John Lykins, Charl Palmer	Commercial	104,200	Conceptual
Cadence Group-Central	Bentonville	Cadence Group	Office		Conceptual
Center City Parking Garage	Bentonville	Josh Kyles	Parking Garage		late 2020
City U	Bentonville	Bentonville Housing, LLC	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 Flats, Phase I	Bentonville	Cindy Springs, LLC	Commercial	15,382	Fall 2020
Discount Tire	Bentonville		Retail	8,192	Conceptual
Discovery Storage	Bentonville		mini storage		late 2020
District at SW 4th and C	Bentonville		Commercial		Conceptual
Downtown Bentonville Project	Bentonville	Walton Family Foundation	Commercial		Conceptual
Elevator Building on 3rd Street	Bentonville	Flake-Kelley	Office	12,000	Conceptual
Elliot Electric Building	Bentonville	Elliot Electric	Office/Warehouse	11,495	2021
EMC Building	Bentonville	Emergent Prop Mgmt; David Erstine	Office/Retail	4,932	Summer 2020

# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Firestone Auto	Bentonville	Firestone Auto	Retail	6,000	Fall 2020
Fountain Plaza	Bentonville	Fleeman Family, David Erstine	Office	65,000	Conceptual
Fountain Plaza Office II	Bentonville	Jeannie Fleeman	Office	12,500	Done
Generations Bank	Bentonville	Jon Harrell	Bank	12,000	Summer 2020
Hwy 72 Warehouse	Bentonville	Matt Ahart, NAI Capstone	Office/Warehouse	30,000	Conceptual
I Street Landing	Bentonville	Bill Burckart	Office		2021
Intuitive Clinic	Bentonville		Medical Office	11,000	2021
J3 Phase II	Bentonville	SREG	Commercial	100,000	Conceptual
Jiffy Lube	Bentonville	Matt Sitton	Retail		Done
KCG BV Veterinary Clinic	Bentonville	KCG BV LLC, Kelsey Kreher	Medical Office		Conceptual
Lamplighter -The Hancock	Bentonville	Todd Renfrew and Patrick Sbarra	Commercial		Conceptual
Little Life Lessons Academy	Bentonville		Daycare		Conceptual
Live/Work Artist Space	Bentonville	Walton Family Foundation	Commercial		Conceptual
Macadoodles Plaza II	Bentonville	Roger Gilhaus	Office	16,500	Conceptual
Main Street Office	Bentonville	Sage Partners	Office	18,000	Conceptual
Modern Storage	Bentonville	Modern Storage	Mini storage		Done
Momentary Parking Garage	Bentonville	Momentary	Parking Garage	71,272	2021
Municipal Drive Warehouse	Bentonville	Matt Ahart, NAI Capstone	Office/Warehouse	36,046	Done
Mustard Seed Childcare	Bentonville	Gary R Stearman Trust	School	13,934	January 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 Expansion	Bentonville	NCI	Office	3,500	Fall 2020
Old Walmart Home Office	Bentonville	Walmart	Commercial		Conceptual
Pain Treatment Center Clinic	Bentonville	PTCOA	Medical Office	12,000	October 2020
Parachuting Penguins	Bentonville		Commercial		Conceptual
Park Central Commercial	Bentonville	Jake Newell	Office/Retail	4,000	Spring 2021
Peleton Garage	Bentonville	Walton Enterprises	Commercial	8,300	Conceptual
Pioneer Woman Office	Bentonville	Dean Eisma	Commercial	8,000	Delayed
Public Works Maintenance Annex	Bentonville	City of Bentonville	Office/Warehouse	12,789	2021
Rapid Prototype Expansion	Bentonville	Kyle Jack	Manufacturing	8,000	Done
RedBird Office Facility	Bentonville	Ramsay Ball	Office	90,000	Summer 2020
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
Rose Animal Clinic	Bentonville	Larry Rose	Medical		Done
SDI Realty Retail Development	Bentonville	SDI Realty	Retail	6,500	Conceptual
Shelley Parson Insurance	Bentonville		Office	6,500	Conceptual



# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Simpson Office building	Bentonville	Chance Simpson	Office	21,000	Conceptual
Stagecoach Rose Strip Center	Bentonville	Rose Properties	Office/Retail	9,000	Summer 2020
Strategy Systems Art Warehouse	Bentonville	Strategy Systems	Warehouse	5,700	2020
StrongPoint Self Storage	Bentonville		mini storage		Done
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
The Link	Bentonville		Office	8,600	Conceptual
Tower Self Storage	Bentonville	Chris Holyfield	mini storage	104,000	Done
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 Headquarters	Bentonville	Walmart	Office		2024-26
Walmart HQ Layout Center	Bentonville	Walmart	Showroom	400,000	2021
Weworks Office Building	Bentonville	Josh Kyles	Mixed Use	200,000	Late 2020
Willow Crossing I	Centerton	Tim, Dusty, Beverly Graham	Retail	10,000	Conceptual
Willow Crossing II	Centerton	Tim, Dusty, Beverly Graham	Retail	10,000	Conceptual
Elevate Elite Sports Academy	Farmington	Clarice and Manuel Whitmore	Gym		Conceptual
Anthony Timberlands Center	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	Summer 2020
Black Forest Retail	Fayetteville	Clinton Bennett	Retail	17,301	Conceptual
Bolder Coffee Retail Development	Fayetteville	Tom Smith	Retail	5,075	Summer 2020
Climb Fayetteville	Fayetteville	Lance Brock, Dennis Nelms, Drew Sloss	Retail	19,000	Delayed
Cosmic Cowboy Studio	Fayetteville	Benjamin Meade	Commercial		Conceptual
Crossover Veterinary Clinic	Fayetteville	Dr. Laurel Hynes	Medical	11,300	Fall 2020
Depot Parking Deck	Fayetteville	Greg House/Sage Partners	Commercial	20,000	Conceptual
Dickson Street Liner Building	Fayetteville	Greg House/Sage Partners	Commercial	9,600	Conceptual
Drake Farms	Fayetteville	Highstreet	Commercial	20,000	Conceptual
Flake-Kelley Office Building	Fayetteville	Matt Dearnley	Office	60,000	Conceptual
FNB of NWA	Fayetteville	Rob Husong	Bank	10,000	Summer 2020
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
Investment Plaza III	Fayetteville	Eric Boen and Jeff Kemp	Office	8,000	Fall 2020

# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
JBHT Cancer Support Home	Fayetteville	WRMC	Medical	9,000	Late 2020
Joyce Retail	Fayetteville	David Erstine	Retail	5,000	Conceptual
Kum and Go	Fayetteville	Kum and Go	Retail		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
Northwest Health Systems ER	Fayetteville	Tyler Wilson	Medical	10,372	Done
OurPharma	Fayetteville	Dr. Peter Kohler	Manufacturing	10,000	Done
Pacific Vet Group Industrial	Fayetteville	Pacific Vet Group	Manufacturing		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
Razorback Golf Course Development	Fayetteville	Craig and Laura Underwood	Commercial		Conceptual
Shoppes at Salem	Fayetteville	Melissa Sims	Office/Retail	15,120	August 2020
Shoppes at the Bluffs	Fayetteville	Mathias Properties	Retail	46,519	Conceptual
Sims-Renner Office-Waterside	Fayetteville	Sims-Renner Insurance	Office		Conceptual
Student Success Center	Fayetteville	University of Arkansas	School	71,000	Early 2022
Unnamed Mathias Project Mission	Fayetteville	Mathias Properties	Commercial		Conceptual
Unnamed Mixed Use Development	Fayetteville	Neal Pendergraft	Commercial	450,000	Conceptual
Valvoline	Fayetteville	Valvoline	Retail	5,000	Fall 2020
Vantage Dr Office Park Building II	Fayetteville	David Erstine, Kyle Naples	Office	14,226	Summer 2020
Vantage Dr Office Park Building III	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Vantage Dr Office Park Buildings IV	Fayetteville	David Erstine, Kyle Naples	Office	16,000	Conceptual
Vantage Dr Office Park Building I	Fayetteville	David Erstine, Kyle Naples	Office	39,278	Summer 2020
Victory Commons	Fayetteville	Tracy Hoskins and Allied Bank	Commercial		Conceptual
WRMC Cancer Support Home	Fayetteville	WRMC	Commercial	12,000	Conceptual
Washington Regional Expansion	Fayetteville	WRMC	Medical Office	40,900	Done
West Street Liner Building	Fayetteville	Greg House	Commercial	6,000	Conceptual
West Van Asche Development	Fayetteville	Tom Terminella	Commercial		Conceptual
Willow Bend at Clear Creek	Fayetteville	Trey Jackson and McCrary Lowe	Assisted Living	120,000	Conceptual
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
Ark Real Estate Group Building	Johnson	Kyle Atkins	Office	4,377	Done
Hawks Landing	Johnson	Mission Plaza	Commercial	9,300	Fall 2020
Johnson Square	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Commercial	80,000	Conceptual
Johnson Square Bld 2	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Office/Retail	9,500	Summer 2020

# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Johnson Square Medical Office	Johnson	Ward Davis, Bob Hill, Morgan Hooker	Medical Office	21,000	Late 2020
Teague Project	Johnson	Max Teague	Commercial	12,000	Conceptual
Centergate, Building II	Lowell	IDO AR, Robert Stephens; Sage Partners	Retail/Warehouse	100,000	Conceptual
Central Research Inc	Lowell	Scott Dillard	Office	50,000	Conceptual
Goad Springs Office Development	Lowell	David Erstine	Office	75,000	Conceptual
Goad Springs Retail Development	Lowell	David Erstine	Retail	30,000	Conceptual
J.B. Hunt Office Tower IV	Lowell	J.B. Hunt	Office	40,000	Conceptual
Lowell Historical Museum	Lowell	City of Lowell	Museum	10,000	Conceptual
NWA Science Center	Lowell	NWA Space, Katherine Auld	Science Center	35,000	Conceptual
Regional Sports Complex	Lowell	Life Wellness USA	Recreation	230,000	Conceptual
Source Gas	Lowell	Source Gas	Commercial		Done
Sunbelt Rentals	Lowell	HGJ Properties	Commercial		Conceptual
TZZ Event Center	Lowell	TZZ Event Center	Commercial		Conceptual
Planetarium	NWA	Katherine Auld	Museum	120,000	2020
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
AMP Expansion	Rogers	Walton Arts Center	Event Space	16,800	Summer 2020
Animal Medical Center	Rogers	Drs. D. Dickey, K Fugett; Hunter Haynes	Animal Hospital	6,000	Done
Arabella of Rogers	Rogers	Abby Development	Medical	295,000	Late 2020
Arkansas Athletics Sports Complex	Rogers	Arkansas Athletics Outreach	Sports Complex	51,600	Done
Arkansas Swim Academy	Rogers	Harley & Oliver Holdings	Swim Gym	4,000	Fall 2020
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	Fall 2020
Bellview Urban Center O/W	Rogers	Alex Blass	Office/Warehouse	12,750	Fall 2020
Center Point Lot 12	Rogers	David Boener	Retail	18,385	Delayed
District at Pinnacle Hills III	Rogers	Whisenvest	Retail	25,000	Conceptual
District at Pinnacle Hills IV	Rogers	Whisenvest	Office	44,900	Conceptual
District at Pinnacle Hills Office III	Rogers	Whisenvest	Office	41,300	Spring 2021
Dixie Warehouse	Rogers	Mathias Properties	Warehouse	15,000	Fall 2020
Eight and Willow Commercial Dev.	Rogers	Karen Burks and Carl Russell	Commercial		Conceptual
Eight Centre, Phase II, Bldg 1	Rogers	Dan Dykema	Commercial	10,000	Done
Eight Centre, Phase II, Bldg 2	Rogers	Dan Dykema	Commercial	10,000	Done
Eight Centre, Phase II, Bldg 3	Rogers	Dan Dykema	Commercial	12,000	Done
Equity Storage	Rogers	Chris Wyrick	mini storage	73,000	Summer 2020
Everest Rehabilitation Hospital	Rogers	Everest Rehab LLC	Medical Office	40,868	Done
Family Mini Storage	Rogers		mini storage	32,030	Conceptual



# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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
Fresh Roots Family Counseling	Rogers	Brad Franklin	Office	5,760	Done
Gateway Plaza	Rogers	Flake-Kelley	Commercial	39,600	Conceptual
Gilbert Building	Rogers		Office	8,900	Conceptual
Glide Xpress Carwash	Rogers		Commercial		Conceptual
Harbor Frieght Tools	Rogers		Retail		Conceptual
Hi-Tea	Rogers		Commercial	4,500	Conceptual
Hudson Warehouse	Rogers	Matt Ahart, NAI Capstone	Office/Warehouse	30,600	Conceptual
Hunt Ventures Medical Office	Rogers	Hunt Ventures	Medical Office	47,700	2021
J Conrad Business Center	Rogers	Chris Wyrick	Commercial	16,000	Summer 2020
Janacek Development	Rogers	Jeanette and Tim Janacek	Commercial		Conceptual
KD3	Rogers		Office	4,800	Conceptual
Kum and Go	Rogers	Kum and Go	Retail		Summer 2020
Legends Soccer Field	Rogers	John Westling	Commercial	27,720	Summer 2020
Lewis & Clark-Pinnacle	Rogers	Sage Partners	Retail		Conceptual
Lighthouse Office Building	Rogers	Masters Circle, Kevin Wilson	Office	7,500	Fall 2020
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 Farms Building I	Rogers	Margaret Molleston and Hunter Haynes	Office	85,000	2020
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	Fall 2020
Mathias Warehouse	Rogers	Mathias Properties	Warehouse	15,000	Fall 2020
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
Miami Cabinet Shop	Rogers	Mathias Properties	Retail/Warehouse	12,000	Done
Mills Farm Development	Rogers	Lance Beaty	Commercial		Conceptual
Mobius Learning Academy	Rogers	Katie and Nick Bartlett	School	7,800	2020
Nabholz Expansion	Rogers	Nabholz	Office	7,500	Done
New Hope Plaza	Rogers	Tim Salmonson	Retail	23,000	Conceptual
Nolan Caddell Reynolds Office	Rogers	Nolan Caddell Reynolds	Office		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

# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Olrich Auto Plaza	Rogers		Retail	2,222	Conceptual
One Uptown Mixed Use	Rogers	Laurice Hachem and Bobby Ehardt	Commercial	69,000	Summer 2020
One Uptown Office	Rogers	Laurice Hachem and Bobby Ehardt	Office	150,000	Conceptual
Pinnacle Heights	Rogers	Hunt Ventures, Sage Partners, Urban5	Retail	30,500	November 2020
Pinnacle Point Office Complex	Rogers	David Erstine	Office	40,000	Conceptual
Pinnacle Village Office	Rogers	Alex Blass	Office	300,000	Conceptual
Pinnacle Village Retail	Rogers	Alex Blass	Retail	80-100,000	Conceptual
Plaza Tire	Rogers	Flake-Kelley	Commercial	8,734	Done
Pleasant Crossing Commercial	Rogers	Whisinvest	Commercial	20,047	Conceptual
Pleasant Crossing , Phase VI	Rogers	Matt Sitton	Retail	22,000	Done
Pleasant Crossing Retail Building	Rogers	Whisinvest	Retail	10,000	Conceptual
Police Dispatch Center	Rogers	City of Rogers	Office	10,400	2021
Rainbow Road Self Storage, Ph II	Rogers		Mini storage		Conceptual
Redi-Mix Concrete 8th St Plant	Rogers	Redi-Mix Concrete	Industrial		Conceptual
Ryzabuv	Rogers	Case Lawrence	Retail	30,000	Conceptual
Shoppes at 8th Street	Rogers	David Mancia	Office/Retail	12,000	Late 2020
Sisters of Mercy Primary Care Office	Rogers	Sisters Of Mercy Health Systems	Medical		Conceptual
Sitton Development on Hudson	Rogers	Matt Sitton	Commercial	8,000	2020
Skyline 2	Rogers	Ed Belto	Office	54,000	Conceptual
Southern Storage mini-warehouses	Rogers	Southern Storage	Commercial		Late 2020
Stabil-Loc Headquarters	Rogers	Lynn and Steven Patton	Office		Conceptual
Stoney Brook Development	Rogers	Clinton Bennett	Commercial		Conceptual
Storage World	Rogers	Gurneet Josan	Mini storage	103,305	Fall 2020
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 Soccer Box	Rogers	John Westling; Fadil Bayyari	Commercial	10,560	Summer 2020
Topgolf	Rogers	Hunt Ventures	Retail	47,424	Done
Transplace	Rogers	Steve Cawley	Office	148,200	May 2021
Tri-State Optical	Rogers	Daniel Landis	Medical		Conceptual
Trulove Construction Storage	Rogers	Trulove Construction	Warehouse		Conceptual
Uptown Square Retail	Rogers	S.C. Bodner	Retail	20,000	Fall 2020
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

# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
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		Conceptual
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	Summer 2020
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	24,635	Conceptual
Pharmacy and Medical Office	Sil Springs	Lykins Leasing	Medical Office	18,480	Conceptual
Plaza Tire Service	Sil Springs	McClain Group	Retail		2020
Progress Plaza Phase II	Sil Springs	Brown Cow LLC	Medical Office	11,250	Conceptual
Speedy Car Wash	Sil Springs	McClain Group	Retail		2020
Anders Office Building	Springdale	Sterling Park Anders	Office	16,000	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
Caseys General Store	Springdale	Casey's	Retail	5,300	Fall 2020
Center for Child Health Wellness	Springdale	C.L. George and Sons	Medical Office	80,000	Fall 2021
Criminal Justice Facility	Springdale	City of Springdale	Office		Fall 2020
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
Fish and Game Center	Springdale	Arkansas Game and Fish Department	Government	27,000	Summer 2020
Freddy's Retail Center	Springdale	Michael O'Shaunessy	Retail		Conceptual
George's Office Building	Springdale	Matt Brown	Office	87,000	June 2021
H.C. Schmieding Office	Springdale	Chris Cryskiewicz	Office		Conceptual
Hall Crossing Retail Building 2	Springdale	Jason Pullman	Retail	3,000	Conceptual
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	Summer 2020
Jiffy Lube-Elm Springs	Springdale	Jiffy Lube	Retail		Done
Kum and Go	Springdale	Kum and Go	Retail	5,975	Done



# Commercial Market Trends

## New Announced Projects

Project/Property Name	City	Owner/Developer/Property Manager	Use	Square Feet	Expected Completion
Kum and Go-Hwy 264	Springdale	Kum and Go	Retail		Done
Little Emma	Springdale	Tom Lundstrom	Commercial		Late 2020
Live/Work Artist Space	Springdale	Walton Family Foundation	Commercial		Conceptual
Margarita Place Phase 2	Springdale	David Mancia	Office/Retail	10-12,000	Fall 2020
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
NTI-Ammonia	Springdale	NWTI	School	19,000	Fall 2020
Northwest Technical Institute-Welding	Springdale	NWTI	School	14,000	Fall 2020
NWACC- Integrated Design Lab	Springdale	NWACC	School	24,000	Done
Old Missouri Office Warehouse	Springdale	Phil Taldo	Office/Warehouse	9,600	Conceptual
ORT Office	Springdale	Ozark Regional Transportation	Office	8,800	October 2020
Parkway Plaza I	Springdale	Sage Partners and Griffen Company	Office	46,000	Conceptual
Piney Ridge Facility	Springdale	Acadia Health	Medical	110,000	Conceptual
Pro-Fab	Springdale	Dave Beavert	Industrial	15,000	Conceptual
Shoppes at Elm Springs	Springdale	JP Companies	Retail	11,000	Done
Speedy Splash-Butterfield	Springdale	The McLain Group	Retail		Conceptual
Speedy Splash-Elm Springs	Springdale	The McLain Group	Retail		Conceptual
Storm Orthodontics	Springdale	Darrin Storm	Medical Office	5,670	Conceptual
The Crossing	Springdale	Alan Cole, Matt Brown	Commercial		Conceptual
The Landing-renovation	Springdale	Black Bear Real Estate	Office	5,322	Summer 2020
Tommys Express Carwash	Springdale		Commercial	6,194	Done
Traveling Public	Springdale	Blue Crane	Commercial	69,000	Summer 2021
TruTrak	Springdale	Andrew Barker	Warehouse	12-16,000	Summer 2020
One Con Building	Tontitown	OneCon Construction	Commercial	7,000	Summer 2020
Ozark Self Storage	Tontitown		mini storage		Summer 2020
Venezia Plaza Phase II	Tontitown	Melissa Sims	Commercial		Conceptual
West Point Development	Tontitown	3E Development, Tom Joseph	Warehouse	300,000	Conceptual
4012 Old Wire	Wash. Cty	Patrick Tobin	Commercial		Conceptual
James Royal Storage Facility	Wash. Cty		Mini Storage	8,700	Conceptual
Local Ghost Distillery	Wash. Cty		Commercial		Conceptual

# Commercial Market Trends

## Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
21c Hotel	Bentonville	98	6
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
Hampton Inn	Fayetteville	87	8

# Commercial Market Trends

## Existing Hotels

Property Name	City	Number of Standard Rooms	Number of Suites
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

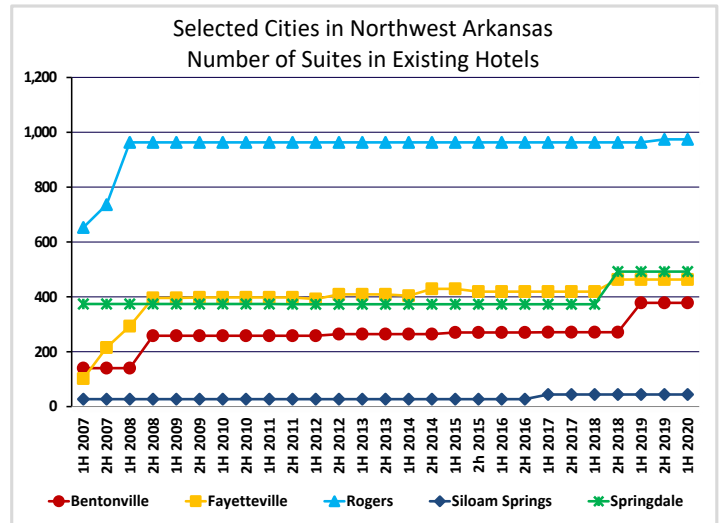
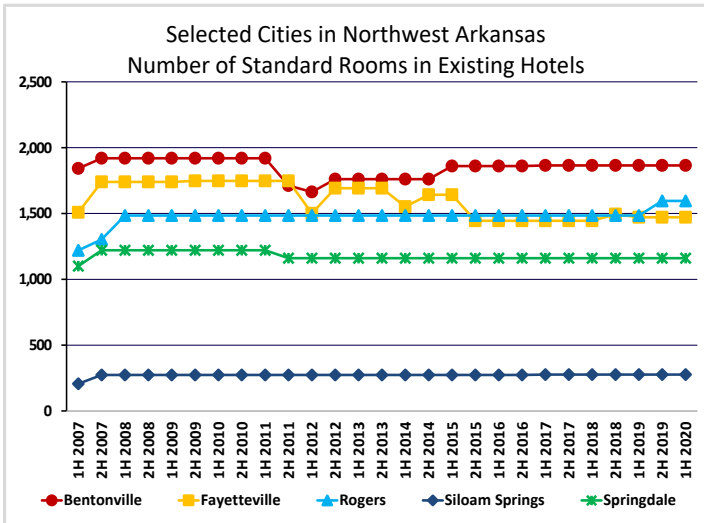
## Existing Hotels

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
<b>Northwest Arkansas Total</b>		<b>6,482</b>	<b>2,453</b>



# 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	Underconstruction
C Street Hotel	Bentonville	Osage Hospitality	150-200	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	2022
Depot on Dickson Hotel	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	2020
Exit 69 Hotel	Johnson	Matt Dearnley		Conceptual
Exit 78 Hotel	Lowell	Scott Dillard, IHG		Conceptual
District at Pinnacle	Rogers	Whisenvest		Conceptual
Downtown Boutique Hotel	Rogers	Blue Crane		Conceptual
Exit 85 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, Andy and Dave Burnett	120-140	2021
Parkway Plaza Hotel	Springdale	Sage Partners and Griffin Co		Conceptual
Springdale Hotels LLC	Springdale	Vipulkumar Patel		Conceptual
Farmer Co-op Hotel	Fayetteville	SREG		Conceptual

# Commercial Market Trends

## New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Jimmy's Egg	Bella Vista	Clinton Bennett	Fall 2020
Veggie Table	Bella Vista		Done
Angus Jack	Benton County	Ian and Jean Cairns	Conceptual
Unnamed Restaurant and Winery in Benton County	Benton County	CEI Engineering	Conceptual
Airship at the Homestead	Bentonville	Erin Rushing	Summer 2020
Bentonville Brewing Co	Bentonville	Beau and Katie Boykin	Done
Bentonville Taco and Tamales	Bentonville	Yellow Rocket	Fall 2020
Breakroom at the Momentary	Bentonville	Runway Group	Done
Burg Der Gastropub	Bentonville	Rob Nelson	Done
Butcher and Pint	Bentonville	Rob Nelson	2020
Crystal Flats Restaurant	Bentonville	Cindy Springs, LLC	Conceptual
Dickey's Barbecue Pit	Bentonville	Jared Thompson	Delayed
Exit 86 Restaurant	Bentonville		Summer 2020
First Watch	Bentonville	Joseph Hulston and James Tillman	Done
Frida's California Grill	Bentonville		2020
JJ's Grill Downtown Bentonville	Bentonville	Jody Thornton	Conceptual
Old Home Office Property	Bentonville	Walmart	Conceptual
Onyx Coffee Lab at the Momentary	Bentonville	Runway Group	Done
Pandiy's Indian Restaurant	Bentonville		Done
Rush Bowls	Bentonville	Jeff Pederson	Done
Scooters Coffee	Bentonville	A. & C Stall, J & J Wintur	Late 2020
Starbucks	Bentonville	Haag Brown	Summer 2020
U.S. Pizza	Bentonville	Esther and Hunter McClellan; Don Henderson	Conceptual
Urban Edge Development Restaurant	Bentonville	Richard Grubbs	Conceptual
Wright's Barbecue	Bentonville	Jordan Wright	August 2020
YW Poke	Bentonville	Alan Cole	Done
Pastafina Italian	Cave Springs		Done
Starbucks	Farmington	Farmington JK LLC	Conceptual
Unnamed Restaurant	Farmington	Farmington JK LLC	Conceptual
Arsagas in Greenhouse Grille	Fayetteville	Cary Arsaga	Fall 2020
Arsagas on MLK	Fayetteville	Cary Arsaga	Done
Big Whiskey-Evelyn Hills	Fayetteville	Alan Cole	2020
Black Bear Diner	Fayetteville	Black Bear Diner Co	Summer 2020
Bolder Coffee-College	Fayetteville		2020
Bolder Coffee-Crossover	Fayetteville	Tom Smith	Summer 2020
Carrera Coffee Company	Fayetteville	Miles James	Conceptual
Cheba Hut 1	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	2020

# Commercial Market Trends

## New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Cheba Hut 2	Fayetteville	Hunter and Darcie Fletcher, Scott Jennings	2020
Chuy's	Fayetteville	Mike Young and John Zapp	Conceptual
Citizen, The	Fayetteville	L. Coleman, K. McCorquodale, W. Wood	Delayed
Dairy Queen-Crossover	Fayetteville	Tom Smith	Done
Eureka Pizza on Mission relocation	Fayetteville	Rolf Wilkins	Done
Feed and Folly	Fayetteville	Chase Lewis, Matt and Mike Sutton	Done
Flying Burger and Seafood	Fayetteville	Cindy McLain	Done
Former Hog Haus Building	Fayetteville	Mark King	Conceptual
Janes Place	Fayetteville		Done
King Burrito-Joyce	Fayetteville		Done
La Nueva Luna	Fayetteville		Done
LongHorn Steakhouse	Fayetteville	Darden Restaurants	Conceptual
MJ's Bistro	Fayetteville	Miles James	Delayed
Mojo's Pints and Pies	Fayetteville	Cley McCoy	Summer 2020
New Roots Juice Co	Fayetteville		Done
NWA Gyros	Fayetteville		Done
Old Pine Coffe Roasters	Fayetteville		Done
Onyx Café-ONF	Fayetteville	Mike Anzalone	2020
Thai Spice	Fayetteville		Done
Tokyo House	Fayetteville	Tokyo House	Done
Twin Creeks Village Restaurant	Fayetteville	Eric Boen and Jeff Kemp	Conceptual
Unnamed Restaurant on Crossover	Fayetteville	The McClain Group	Conceptual
La Media Luna	Johnson		Done
Bloomington Ave Food Truck Court	Lowell	Joe Rheingans	Conceptual
Koi Express	Lowell		Done
Lowell Historical Museum Café	Lowell	City of Lowell	2020
Wendy's	Lowell	Wendy's	Conceptual
Yellow Rocket Concepts BBQ	NW Arkansas	Scott McGehee	Conceptual
Dye Hard Restaurant	Pea Ridge	John Dye, John Bryant, John Carney	Conceptual
7 Brew -2nd St	Rogers		Done
7 Brew Coffee-Walnut	Rogers		Done
8th Street Restaurant	Rogers	David Mancia	Conceptual
Angus Grill and Cantina	Rogers		Done
Burger King-Shops at Center Point	Rogers		Done
Canes Chicken	Rogers	Canes	Done
Culver's Restaurant	Rogers	Culver's; Alan Cole	2020
Curry Restaurant	Rogers		Conceptual



# Commercial Market Trends

## New and Announced Restaurants

Restaurant	City	Owner	Expected Completion
Dairy Queen	Rogers	Aimee and Terry Sims	Conceptual
I Heart Pupusas	Rogers		Done
Krystal Burger	Rogers	Smitco Eateries	Delayed
Levis Gastrolounge and Bar	Rogers		Done
Moonbroch	Rogers		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
Saltgrass	Rogers	Hunt Ventures and Landry's Inc	Done
Texas Roadhouse	Rogers	Texas Roadhouse	Conceptual
Top Golf	Rogers	Hunt Ventures	Done
U.S. Pizza	Rogers	Esther and Hunter McClellan; Don Henderson	2020
Walk-On's	Rogers	Chris and Jodie McJunkins	Done
Apple Bee's	Siloam Springs	Apple Bee's Inc	Conceptual
Big Whiskey-Shoppes at Siloam	Siloam Springs	Colliers	Done
Flying Burger and Seafood	Siloam Springs	McClain Group	Summer 2020
Freddy's Frozen Custard	Siloam Springs		Done
Happy Donuts	Siloam Springs		Done
Jimmy Johns	Siloam Springs	Jeff Kemp	Done
Popeyes	Siloam Springs		Done
7 Brews-Sunset	Springdale		Done
Big Sexy Food	Springdale		Done
Boba Café	Springdale	Sosa Properties	Done
Domino's Pizza	Springdale		Done
Grove Restaurant	Springdale		Done
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
Pie Five Pizza	Unkn. Locations	Rob Byford	Conceptual
Smoothie Kings-2 more	Unkn. Locations	Thuc Tran	Conceptual
Smoothie Kings-2 more	Unkn. Locations	Thuc Tran	Conceptual

# Commercial Market Trends

## Closed Restaurants

Restaurant	City	Date Closed
Natural State Sandwichs	Springdale	January 2019
Core Pub	Bentonville	Februray 2019
Core Pub	Fayetteville	Februray 2019
Core Pub	Rogers	Februray 2019
Core Pub	Springdale	March 2019
Core Pub	Fayetteville	April 2019
Fuzzy's Taco Shop	Fayetteville	April 2019
Red Curry	Rogers	April 2019
Houlihans	Rogers	May 2019
New American	Fayetteville	June 2019
Hardee's	Rogers	June 2019
Subway	Rogers	June 2019
Wasabi	Rogers	June 2019
Long John Silvers	Springdale	July 2019
Columbia Mex/Burrito Loco	Fayetteville	August 2019
East Buffet	Fayetteville	August 2019
Butcher and Pint	Bentonville	September 2019
Foster's Pint and Plate	Rogers	September 2019
Juice Palm-Uptown	Fayetteville	October 2019
Betty's Chicken Kitchen	Rogers	October 2019
Egg & I	Rogers	October 2019
Doomsday Coffee-Evelyn Hills	Fayetteville	November 2019
Madam Wu's	Fayetteville	November 2019
Smudgies	Fayetteville	November 2019
Newks	Siloam Springs	November 2019
Indian Restaurant	Tontitown	November 2019
Taco Bueno	Bentonville	December 2019
Taco Bueno -Joyce	Fayetteville	December 2019
Taco Bueno-MLK	Fayetteville	December 2019
Taco Bueno	Rogers	December 2019
Smudgies	Springdale	December 2019
Taco Bueno	Springdale	December 2019
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

# Commercial Market Trends

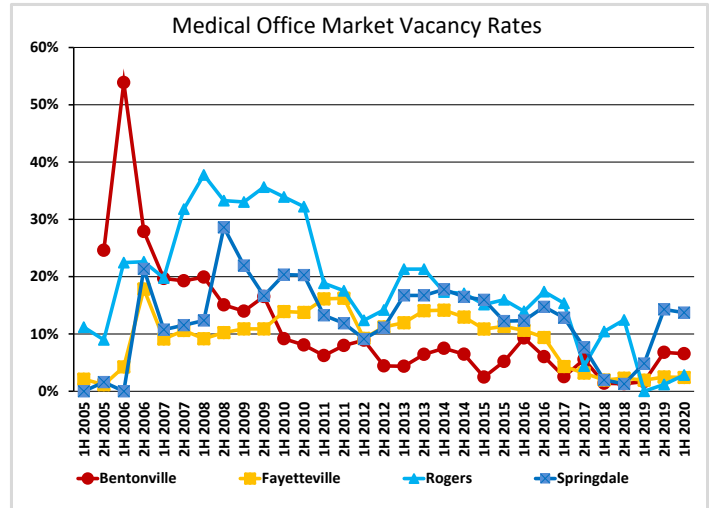
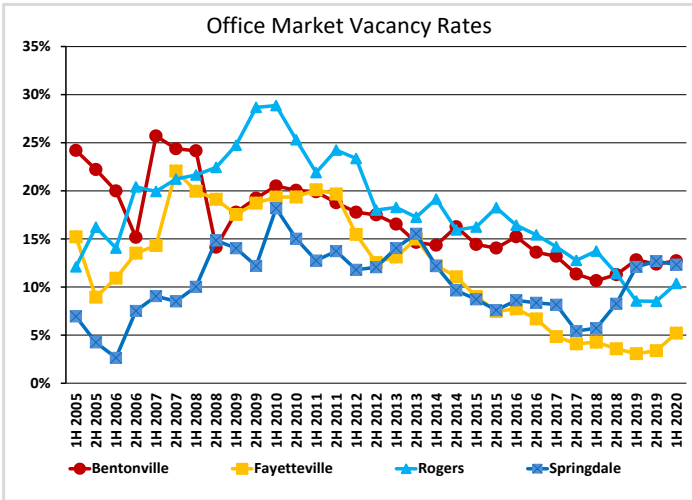
## Closed Restaurants

Restaurant	City	Date Closed
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

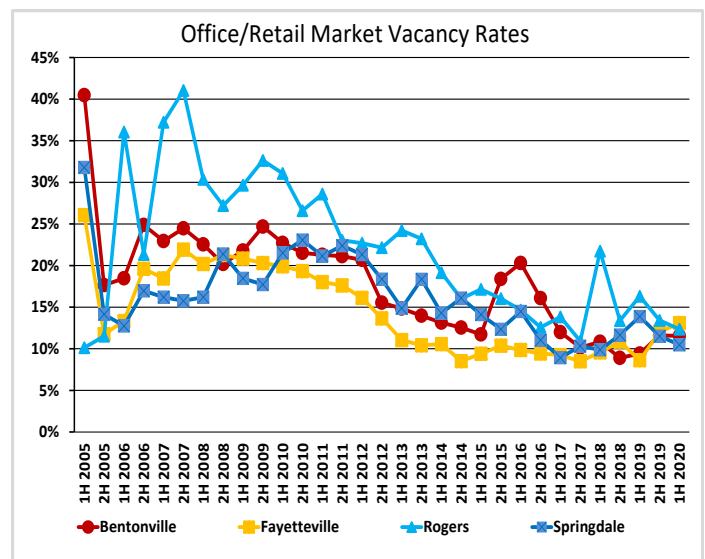


# Commercial Market Trends

## Market Vacancy Rates



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 1,057,122 square feet in the first half of 2019 to 1,244,240 square feet in the first half of 2020. In the past year, 388,204 new square feet of office space were added, with Bentonville having the most with 143,166 square feet and Rogers adding another 108,000 square feet. There was net negative absorption of 70,919 square feet of office space in Northwest Arkansas during the past year. Rogers accounted for the greatest amount of net negative absorption with 60,928 square feet, while Bella Vista accounted for another 18,700 square feet. Bentonville had the most net positive absorption at 12,767 square feet. The overall Northwest Arkansas office vacancy rate increased by 1.2 percent from 8.6 percent to 9.8 percent, from the first half of 2019 to the first half of 2020.

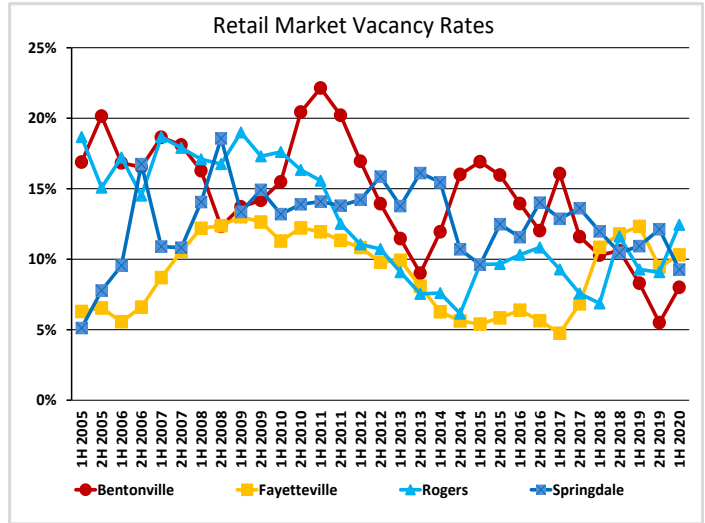
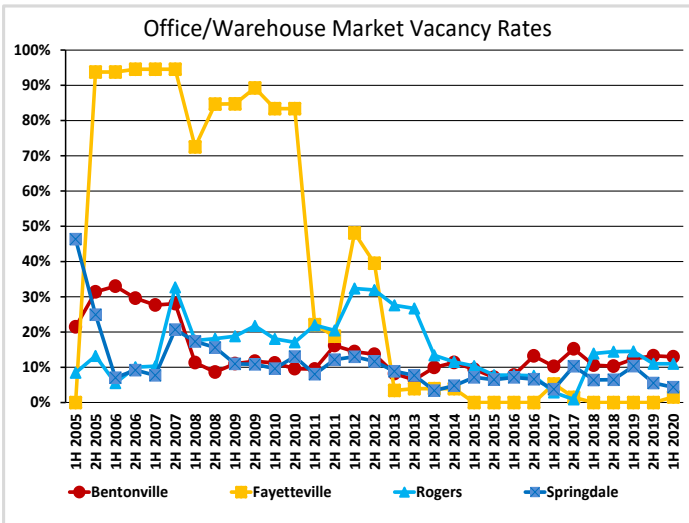
In Northwest Arkansas, 533,104 square feet of office/retail space were available in the first half of 2020, up from 475,116 square feet in the first half of 2019. The office/retail market experienced net positive absorption of 32,128 square feet in the past year. Siloam Springs accounted for the most with 23,419 square feet of net positive absorption over the past year, while Rogers had an additional 20,106 square feet of net positive absorption. Bentonville had net negative absorption of 26,806 square feet during this period. There was 30,531 new square feet of office/retail space added within the past year, 21,819 in Bentonville and 8,712 in Fayetteville. The overall Northwest Arkansas office/retail vacancy rate increased 0.7 percentage points from 10.9 percent in the first half of 2019 to 11.6 percent in the first half of 2020.

In the first half of 2020, 1,095,075 square feet of retail space were available in Northwest Arkansas, up from 1,111,719 square feet in the first half of 2019. The retail market had net negative absorption of 26,976 square feet in the past twelve

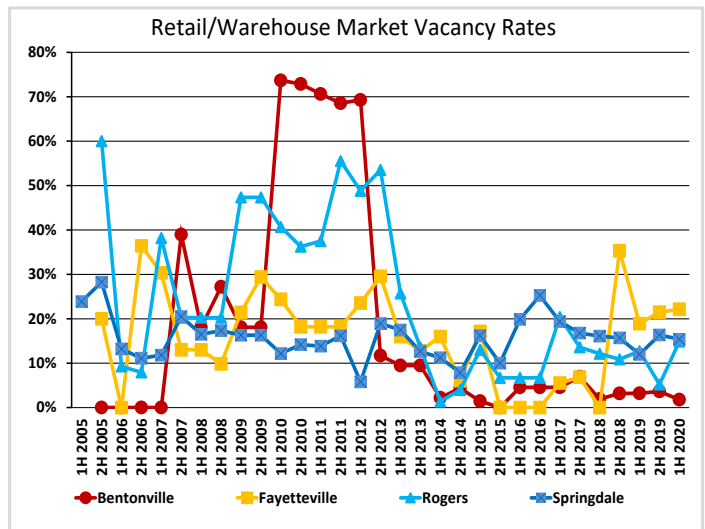


# Commercial Market Trends

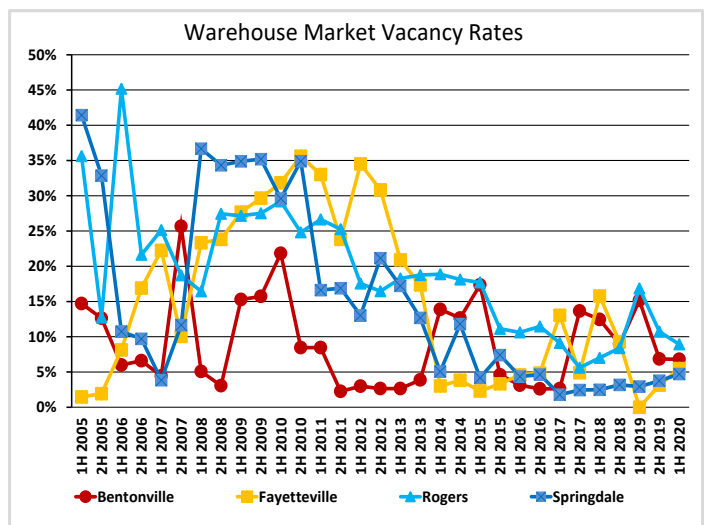
## Market Vacancy Rates



months. Rogers accounted for 94,015 square feet and Fayetteville added another 19,286 square feet of net negative absorption. Bentonville and Siloam Springs had 16,859 and 16,419 square feet of net positive absorption during this time period. There were 51,676 new square feet of retail space added to the Northwest Arkansas market during the past year, with Rogers accounting for over half with 28,400 square feet, while Bella Vista added 10,828 square feet. The overall Northwest Arkansas retail vacancy rate decreased 0.2 percentage point from 10.8 percent in the first half of 2019 to 10.6 percent in the first half of 2020.



In the Northwest Arkansas warehouse market, available square footage decreased from 1,027,460 in the first half of 2019 to 886,727 in the first half of 2020.<sup>1</sup> The warehouse market experienced net positive absorption of 33,043 square feet during the past year. Rogers accounted for 115,286 square feet of the net positive warehouse absorption, Bentonville added another 56,000 square feet of net positive absorption, while Fayetteville, Siloam Springs, and Springdale accounted for 64,745, 48,750, and 42,193 square feet, respectively, of net negative absorption in the last year in the warehouse market. 355,405 square feet of new warehouse space were added to the Northwest Arkansas market during the past year, with Bentonville accounting for 259,265 square feet, while Lowell and Springdale accounted for 85,500 square feet and 10,640 square feet, respectively. Warehouse vacancy rates decreased by 2.0 percentage points from 10.3 percent to 8.3 percent, from the first half of 2019 to the first half of 2020.

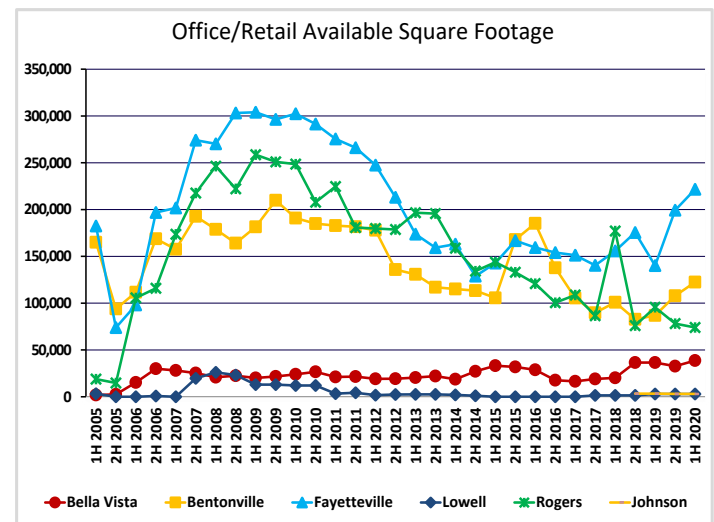
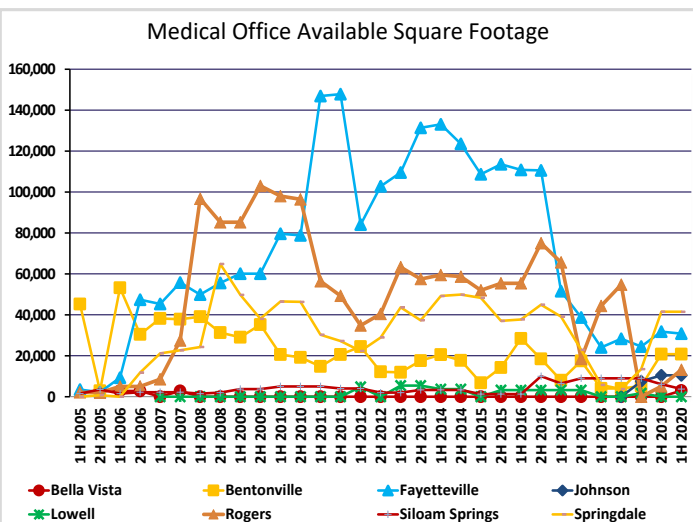
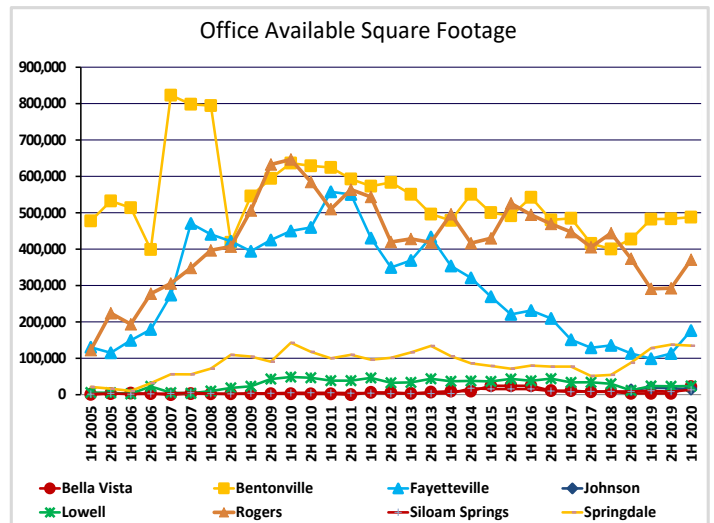
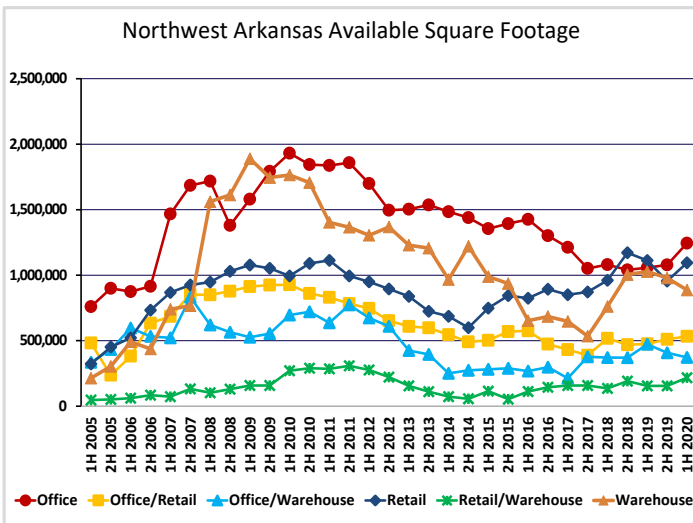


<sup>1</sup> Respondents indicated that over 100,000 square feet of quality, leased warehouse space was available for sublease in both Fayetteville and Rogers.

# Commercial Market Trends

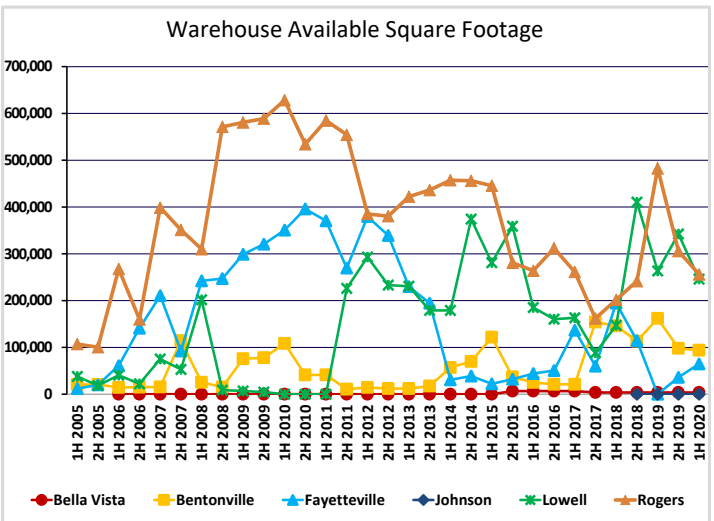
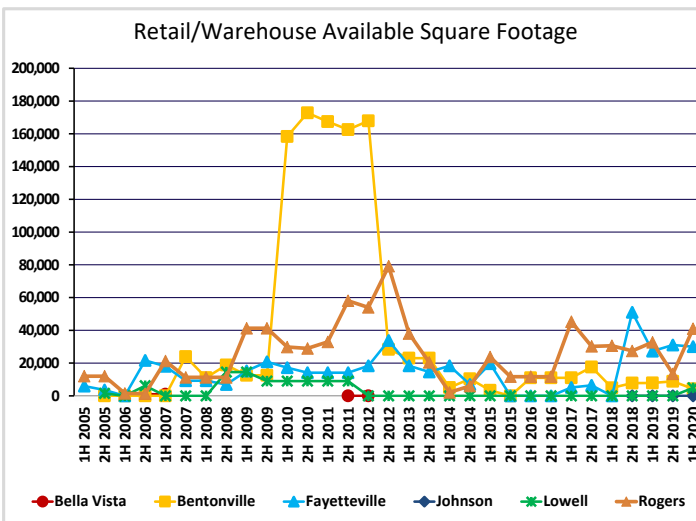
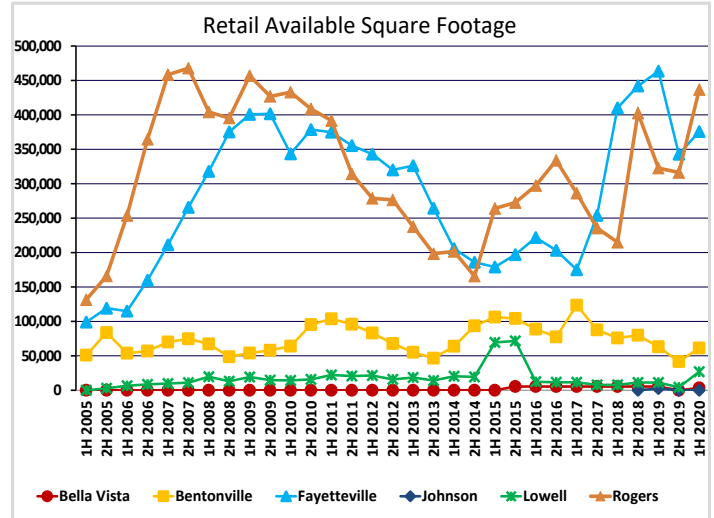
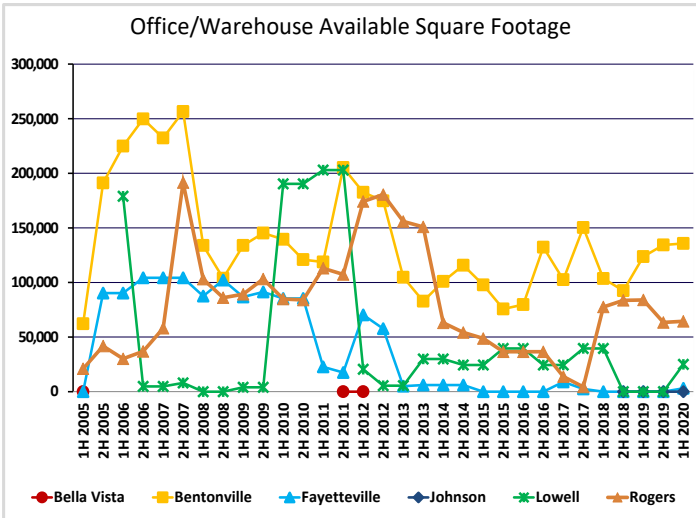
## Absorption by Submarket

Yearly Absorption by City	Office	Office/Retail	Retail	Warehouse
Bella Vista	-18,700	-2,066	1,920	0
Bentonville	12,767	-26,806	16,859	56,000
Fayetteville	-2,372	2,276	-19,286	-64,745
Johnson	3,942	332	2,400	0
Lowell	37	0	9,825	17,445
Rogers	-60,928	20,106	-94,015	115,286
Siloam Springs	-2,611	23,419	16,419	-48,750
Springdale	-3,054	14,867	38,902	-42,193
<b>Northwest Arkansas</b>	<b>-70,919</b>	<b>32,128</b>	<b>-26,976</b>	<b>33,043</b>



# Commercial Market Trends

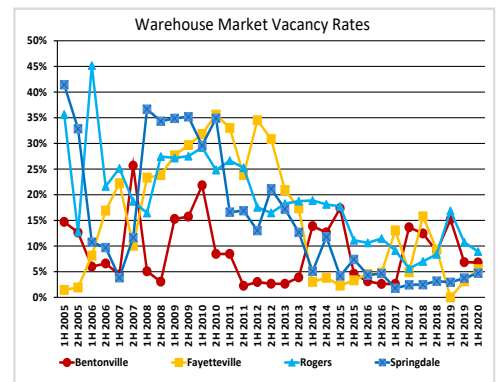
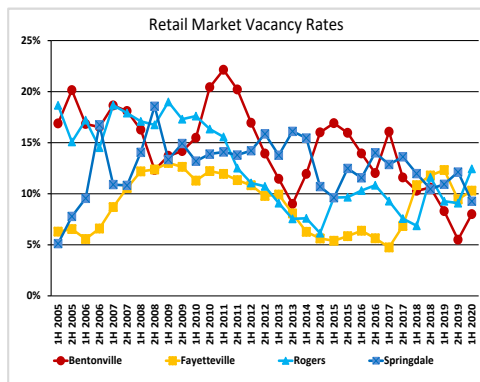
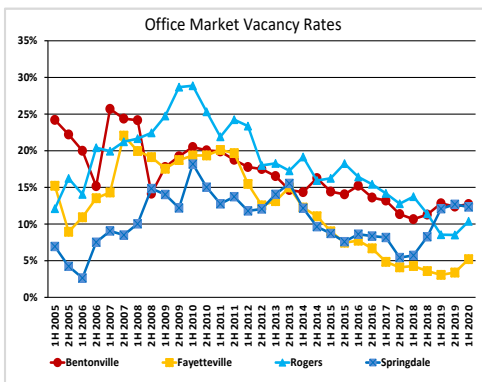
## Available Square Footage



# Commercial Market Trends

## Vacancy Rates by Submarket

Vacancy Rates by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
<b>Office</b>	1H 2019	4.4%	12.8%	3.1%	6.6%	7.0%	8.5%	7.0%	12.1%	8.6%
	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%
<b>Medical Office</b>	1H 2019	0.0%	1.7%	1.9%	4.3%	2.1%	0.0%	7.9%	4.8%	2.3%
	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%
<b>Office/Retail</b>	1H 2019	12.4%	9.4%	8.6%	5.1%	3.0%	16.3%	16.1%	13.9%	10.9%
	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%	13.1%	4.6%	4.0%	12.3%	2.8%	10.5%	11.6%
<b>Office/Warehouse</b>	1H 2019		12.4%	0.0%	0.0%	0.0%	14.5%	51.5%	10.3%	11.8%
	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%
<b>Retail</b>	1H 2019	14.1%	8.3%	12.3%	4.5%	12.8%	9.3%	13.1%	10.9%	10.8%
	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%
<b>Retail/Warehouse</b>	1H 2019		3.2%	18.9%	0.0%	0.0%	12.7%	13.1%	12.0%	11.0%
	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%
<b>Warehouse</b>	1H 2019	19.5%	15.1%	0.0%	0.0%	20.0%	16.9%	7.4%	2.9%	10.3%
	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%



# Commercial Market Trends

## Net Absorption by Submarket

Net Absorption by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
<b>Office</b>	1H 2019	0	-46,175	27,572	-6,307	-11,857	76,458	-400	-36,439	2,852
	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
<b>Medical Office</b>	1H 2019	0	-1,200	18,773	-7,519	-1,707	44,748	0	-9,750	43,345
	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
<b>Office/Retail</b>	1H 2019	0	-4,144	39,118	0	-1,440	2,373	-1,068	-7,869	26,970
	2H 2019	3,870	-17,182	17,260	332	0	11,894	9,136	12,559	37,869
	1H 2020	-5,936	-9,624	-14,984	0	0	8,212	14,283	2,308	-5,741
<b>Office/Warehouse</b>	1H 2019		-31,213	0	0	0	-322	10,080	-18,913	-40,368
	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
<b>Retail</b>	1H 2019	0	18,417	-7,827	0	0	85,834	5,958	-3,752	98,630
	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
<b>Retail/Warehouse</b>	1H 2019		-48	23,696	0	0	216	-1,100	25,268	48,032
	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
<b>Warehouse</b>	1H 2019	0	-48,800	114,465	0	147,015	-241,055	0	5,528	-22,847
	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



# Commercial Market Trends

## Available Square Footage by Submarket

Available Space by Submarket	Time Period	Bella Vista	Bentonville	Fayetteville	Johnson	Lowell	Rogers	Siloam Springs	Springdale	Northwest Arkansas
<b>Office</b>	1H 2019	3,300	482,211	98,764	19,497	23,645	291,115	10,650	127,940	1,057,122
	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
<b>Medical Office</b>	1H 2019	0	5,200	24,500	7,519	1,707	0	9,000	13,500	61,426
	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
<b>Office/Retail</b>	1H 2019	36,521	86,864	140,081	3,332	2,880	95,475	31,746	78,217	475,116
	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	221,719	3,000	2,880	73,935	5,177	65,412	533,104
<b>Office/Warehouse</b>	1H 2019		123,697	0	0	0	83,959	61,493	203,349	472,498
	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
<b>Retail</b>	1H 2019	5,320	63,097	463,380	2,400	11,125	322,647	59,281	184,469	1,111,719
	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
<b>Retail/Warehouse</b>	1H 2019		7,816	27,304	0	0	32,692	11,960	75,604	155,376
	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
<b>Warehouse</b>	1H 2019	3,600	161,834	0	0	263,345	482,622	24,040	92,019	1,027,460
	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

# Commercial Market Trends

## Office Lease Rates by City

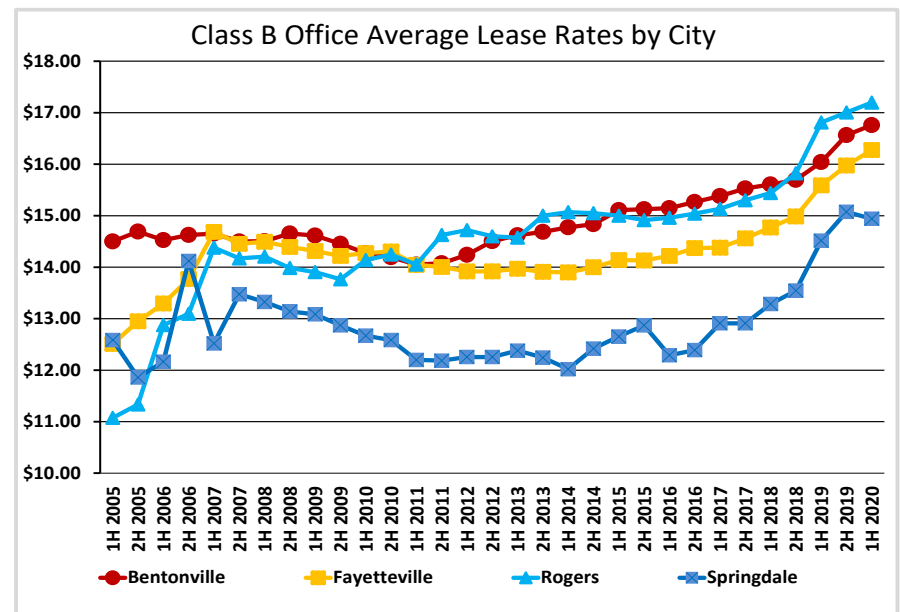
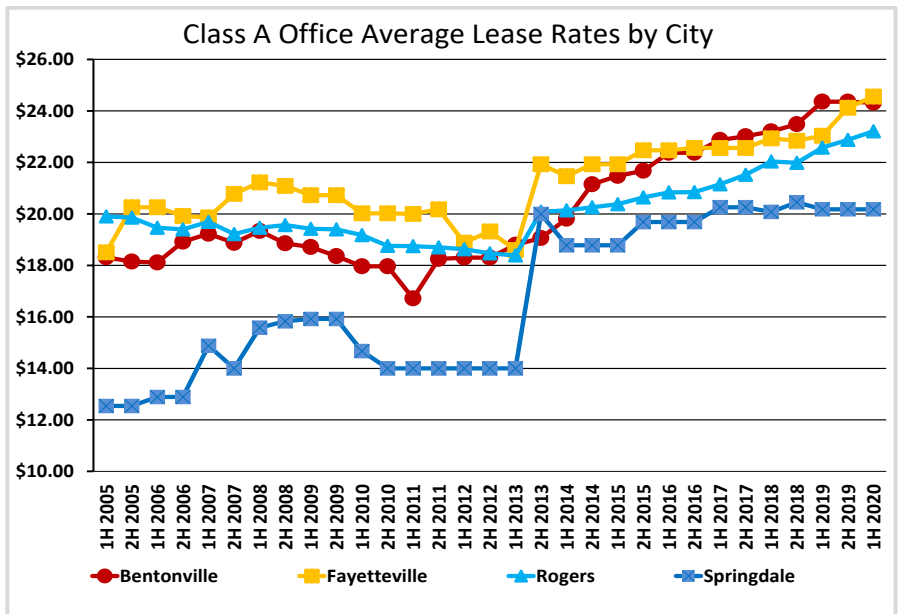
In the first half of 2020, the office properties included in the Skyline Report panel had a vacancy rate of 9.8 percent, an increase from 8.5 percent in the second half of 2019. Of the 12,749,353 square feet of Northwest Arkansas properties examined, 1,244,240 square feet were available. In the first half of 2020, 157,822 square feet of new space entered the market, while 18,394 square feet became occupied, netting negative absorption of 139,428 square feet for the Northwest Arkansas office market.

Bentonville had the most available square feet of office space at 488,005, out of its total office space of 3,833,765 square feet in the first half of 2020. 65.5 percent of the available office space was Class B. There were 12,000 new square feet, all medical office, added during this time. The Bentonville office market had net positive absorption of 3,365 square feet with net positive absorption of 29,458 and 1,630 in the Class B and Class C submarkets, respectively. Class A office space had 27,723 square feet of net negative absorption.

Rogers had 3,576,720 square feet of total office space, with available square feet at 371,008 in the first half of 2020. 51.3 percent of the available space was in the Class A submarket. 108,000 new square feet of office space was added during this time. The Rogers office market had a net negative absorption of 77,817 square feet in the first half of 2020. The Class A submarket accounting for 67,790 square feet and the Class C submarket for 10,944 square feet of the net negative absorption, while the Class B submarket had net positive absorption of 917 square feet.

Fayetteville had 176,057 square feet of available space, out of its total office

City	Class A	Class B	Class C	Medical
Bentonville	\$23.57-\$25.07	\$16.50-\$17.02	\$13.91-\$14.01	\$16.93-\$17.49
Fayetteville	\$22.81-\$26.31	\$15.92-\$16.63	\$12.62-\$13.34	\$16.23-\$18.01
Rogers	\$22.81-\$23.61	\$16.70-\$17.31	\$10.73-\$11.05	\$15.17-\$15.33
Springdale	\$19.68-\$20.68	\$14.43-\$15.45	\$9.39-\$10.47	\$15.66-\$15.66



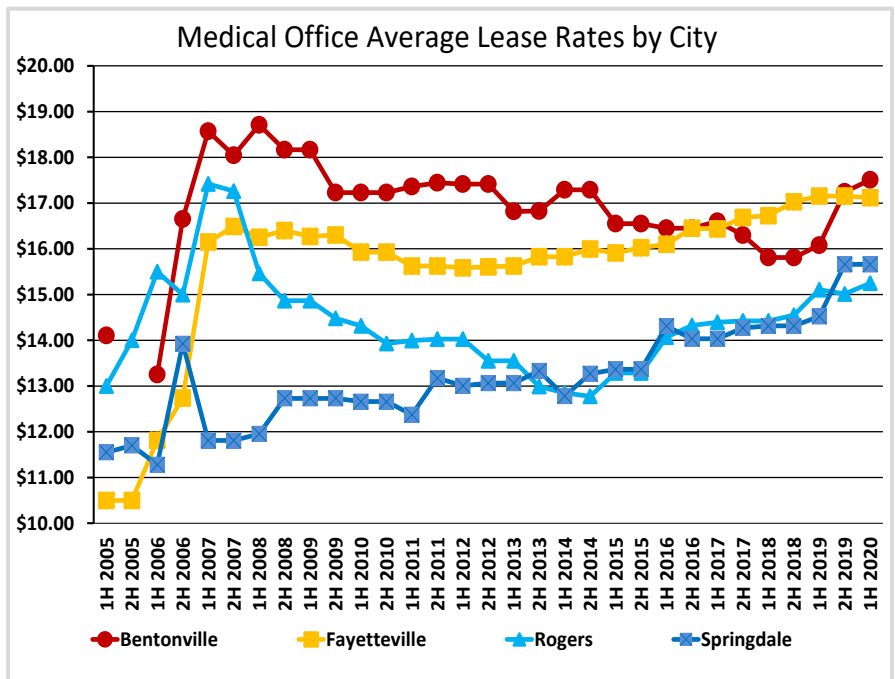
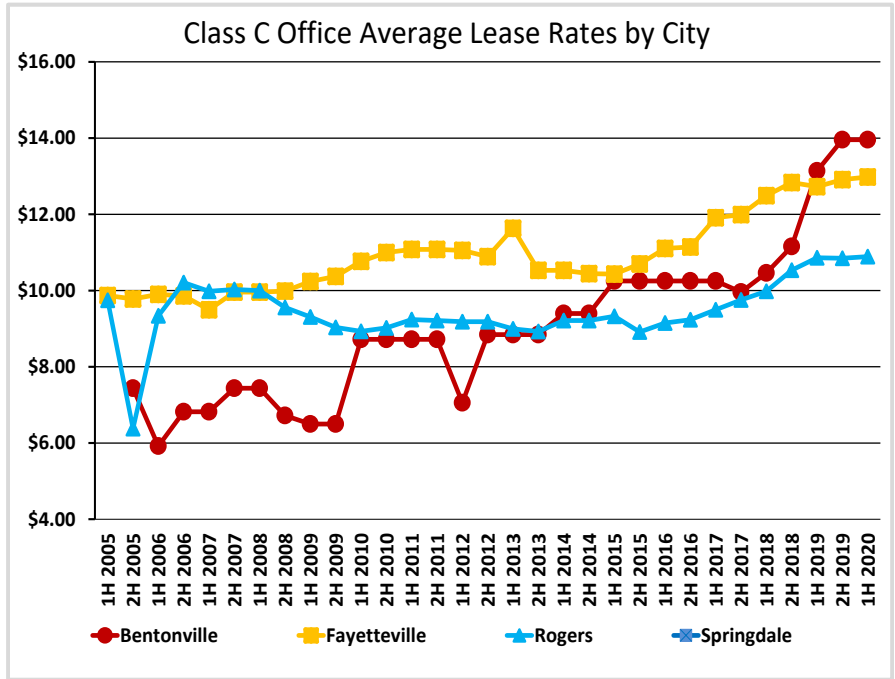
# Commercial Market Trends

## Office Lease Rates by City

space of 3,375,393 square feet in the first half of 2020, 48.2 percent of the available space was in the Class B submarket. There were 22,822 new square feet of office space, in the Class B and Medical submarkets, added in the first half of 2020. The Fayetteville office market had net negative absorption of 45,060 square feet, with 21,254 square feet of that total coming in the Class A office submarket and another 15,071 in the Class C office submarket.

Springdale had 1,093,296 total square feet of office space, with 134,746 square feet of it available in the first half of 2020. 53.2 percent was Class B office space. There were no new square feet of office space added during the first half of 2020. There was net positive absorption of 2,645 square feet in the Springdale office market in the first half of 2020.

In the first half of 2020, average reported lease rates for Class A office space was highest in Bentonville at \$24.32, Fayetteville increased by \$0.43 to \$24.56, Rogers increased \$0.34 to \$23.21, and Springdale remained at \$20.18. Average reported lease rates for Class B office space, increased in each city and was highest in Rogers, increasing to \$17.20. Bentonville was at \$16.76, Fayetteville was at \$16.28, and Springdale remained with the lowest reported average lease rates decreasing to \$14.94. Reported average lease rates for Class C office were highest in Bentonville at \$13.96. Fayetteville increased to \$12.98, Rogers decreased to \$10.89, and Springdale decreased to \$9.93. Reported average medical office space lease rates were highest in Bentonville after an increase to \$17.51. Fayetteville was at \$17.12, Springdale remained \$15.66, and Rogers increased to \$15.25.



# Commercial Market Trends

## Available Office Space by Category

Office Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 1H to 2 H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office</b>							
Bentonville	757,436	136,010	18.0%	-27,723	0	-27,723	--
Fayetteville	454,529	29,113	6.4%	-21,254	0	-21,254	--
Rogers	1,822,355	190,290	10.4%	40,210	108,000	-67,790	--
Springdale	95,501	217	0.2%	0	0	0	--
<b>Class B Office</b>							
Bentonville	2,393,898	319,645	13.4%	29,458	0	29,458	65.1
Fayetteville	1,177,641	84,925	7.2%	2,758	12,450	-9,692	--
Rogers	993,487	115,668	11.6%	917	0	917	756.8
Springdale	495,386	71,640	14.5%	9,635	0	9,635	44.6
<b>Class C Office</b>							
Bentonville	364,651	11,573	3.2%	1,630	0	1,630	42.6
Fayetteville	459,787	31,187	6.8%	-15,071	0	-15,071	--
Rogers	294,846	51,862	17.6%	-10,944	0	-10,944	--
Springdale	200,070	21,397	10.7%	-6,990	0	-6,990	--
<b>Medical Office</b>							
Bentonville	317,780	20,777	6.5%	12,000	12,000	0	--
Fayetteville	1,283,436	30,832	2.4%	11,329	10,372	957	193.3
Rogers	466,032	13,188	2.8%	0	0	0	--
Springdale	302,339	41,492	13.7%	0	0	0	--

# Commercial Market Trends

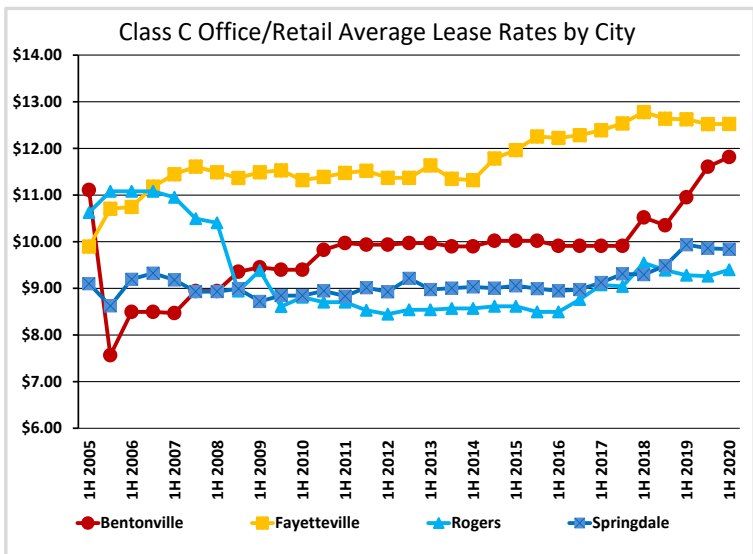
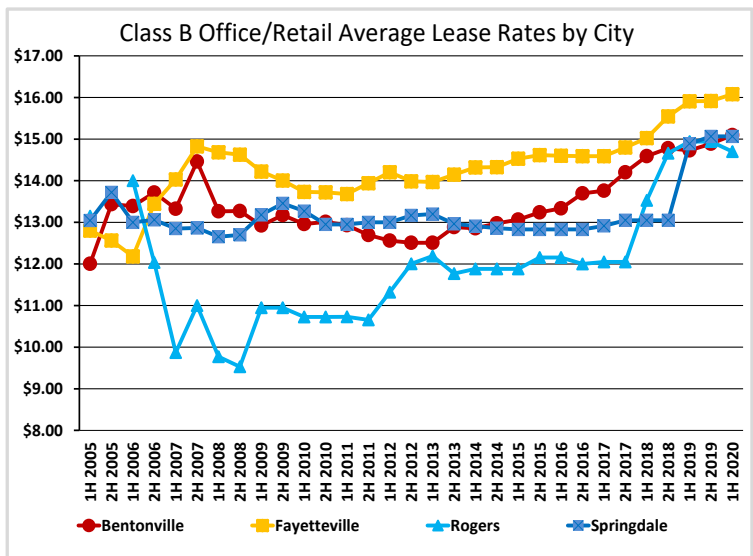
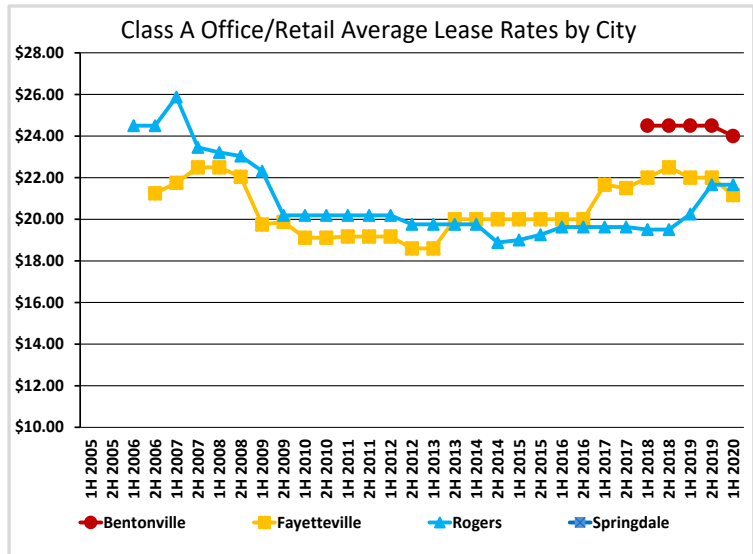
## Office/Retail Lease Rates by City

In the first half of 2020, the office/retail properties included in the Skyline Report sample had a vacancy rate of 11.6 percent, a decrease from 11.7 percent in the second half of 2019. Of the 4,593,250 square feet of Northwest Arkansas properties examined, 533,104 square feet were available.

From the second half of 2019 to the first half of 2020, 30,531 square feet of new office/retail space were added in Northwest Arkansas, with Bentonville accounting for 21,819 square feet. There was a net negative absorption of 5,741 square feet in the first half of 2020. Fayetteville had the most net negative absorption with 14,984 square feet, while Rogers had the most net positive absorption at 8,212 square feet.

Fayetteville had the largest amount of available square feet in the office/retail submarket with 221,719 square feet in the first half of 2020, with Bentonville adding 122,394 square feet available space. The vacancy rate was highest in Fayetteville at 13.1 percent.

The office/retail space reported average lease rates in the first half of 2020 were highest in the Bentonville Class A submarket which decreased \$0.50 to \$24.00. The average Class A lease rate in Rogers remained at \$21.67 while in Fayetteville they decreased \$0.84 to \$21.17. In the Class B submarket, Fayetteville was still the most expensive at \$16.08 after a \$0.17 increase, followed by Bentonville at \$15.10, after an increase of \$0.21, Springdale at a constant \$15.07, and Rogers at \$14.70, after a \$0.24 decrease. In the Class C submarket, the average lease rate was highest in Fayetteville at \$12.53. In Bentonville, the average was \$11.82, in Springdale the rate was \$9.84, and Rogers was the least expensive at \$9.40.





# Commercial Market Trends

## Office/Retail Available Space by City

City	Class A	Class B	Class C
Bentonville	\$22.25-\$25.75	\$14.56-\$15.63	\$11.53-\$12.10
Fayetteville	\$20.50-\$23.50	\$15.49-\$16.77	\$11.85-\$13.20
Rogers	\$21.50-\$21.83	\$13.80-\$15.60	\$8.67-\$10.13
Springdale	--	\$14.63-\$15.50	\$9.40-\$10.28

Available Office/Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 2H to 1H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Office</b>							
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	--	--	--	--	--	--	--
<b>Class B Office</b>							
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	--
<b>Class C Office</b>							
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

## Available Retail Space

In the Class A retail submarket Fayetteville had the highest average reported lease rate at \$25.53 after an increase of \$0.20. Bentonville had an average reported lease rate of \$22.84, after an increase of \$0.14. The average rate in Rogers was \$21.53, after a decrease of \$0.33. After a decrease of \$0.42, Class B retail average lease rates were highest in Fayetteville at \$17.68. Bentonville increased \$0.04 to \$16.89, Springdale increased \$0.25 to \$16.42, and Rogers was the lowest at \$15.22. Class C average reported lease rates remained the highest in Bentonville at \$11.99, a decrease of \$0.62. Fayetteville was at \$10.66, Rogers was at \$9.81, leaving Springdale the lowest at \$9.90 in the first half of 2020.

City	Class A	Class B	Class C
Bentonville	\$22.38-\$23.29	\$16.17-\$17.60	\$11.26-\$12.72
Fayetteville	\$24.45-\$26.60	\$17.27-\$18.09	\$10.49-\$10.83
Rogers	\$20.83-\$22.23	\$14.60-\$15.83	\$9.65-\$9.96
Springdale	--	\$16.23-\$16.61	\$9.48-\$10.32

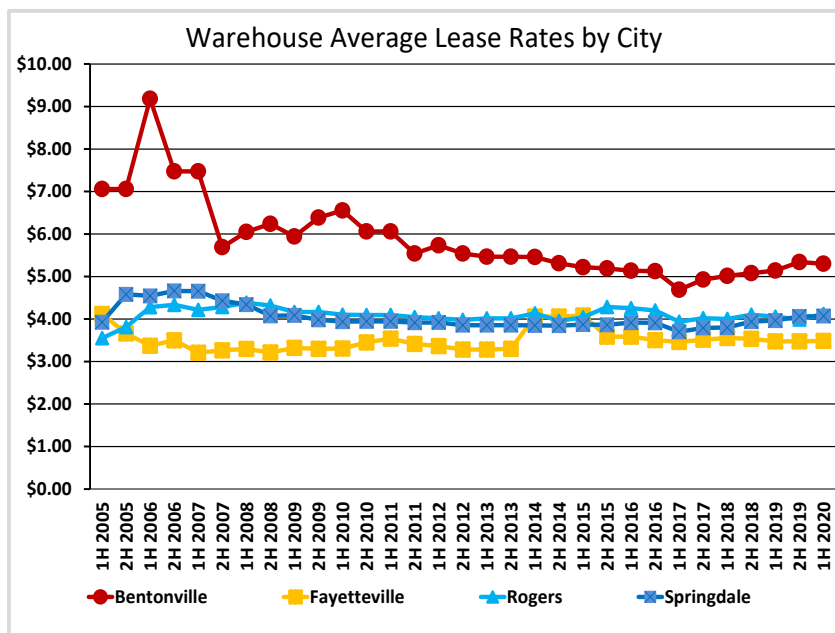
Available Retail Space	Total Square Feet	Available Square Feet	Percent Available	Absorption from 2H to 1H	New Available Square Feet	Net Absorption	Months of Inventory
<b>Class A Retail</b>							
Bentonville	175,709	15,966	9.1%	3,589	0	3,589	26.7
Fayetteville	1,130,393	61,747	5.5%	-16,000	0	-16,000	--
Rogers	1,539,598	57,072	3.7%	15,854	14,400	1,454	--
Springdale	--	--	--	--	--	--	--
<b>Class B Retail</b>							
Bentonville	447,004	42,872	9.6%	-7,466	0	-7,466	--
Fayetteville	2,040,319	242,793	11.9%	-30,484	2,988	-33,472	--
Rogers	1,399,711	350,013	25.0%	-108,818	0	-108,818	--
Springdale	965,543	134,986	14.0%	2,325	3,500	-1,175	--
<b>Class C Retail</b>							
Bentonville	142,724	2,400	1.7%	-1,210	0	-1,210	--
Fayetteville	475,821	71,189	15.0%	38,047	0	38,047	11.2
Rogers	571,417	29,654	5.2%	5,130	0	5,130	34.7
Springdale	755,780	24,580	3.3%	52,876	0	52,876	2.8

# Commercial Market Trends

## Average Warehouse Lease Rates

In the first half of 2020, the warehouse properties included in the Skyline Report panel had an 8.3 vacancy rate percent, down from 9.4 percent in the second half of 2019. Of the 10,703,257 square feet of warehouse space examined, 886,727 square feet were available. There was no new square feet of warehouse space added in the first half of 2020, and there was net positive absorption of 95,716 square feet.

Bentonville had 1,383,297 total square feet of warehouse space and 83.5 percent of it was Class A warehouse space. 94,000 square feet of warehouse space, of which 86,000 square feet was Class A, was available in the first half of 2020. No new square feet of warehouse space was added to the Bentonville warehouse submarket in the first half of 2020. The vacancy rate was 6.8 percent, down from 6.9 in the second half of 2019. There was net negative absorption of 8,000 square feet in this report period.



There was 1,180,839 total square feet of warehouse space in Fayetteville in the first half of 2020 and 63.1 percent of it was Class B warehouse space. No new square feet of warehouse space was added to the Fayetteville warehouse submarket in the first half of 2020. The vacancy rate for all warehouse space was 5.5 percent, an increase from 3.1 percent in the second half of 2019, as 64,745 square feet of warehouse space, all Class B, was available after net negative absorption of 28,745 square feet. In addition, Fayetteville each over 100,000 square feet of quality sublease space available.

245,900 square feet of warehouse space was available in Lowell out of 1,421,873 total square feet of warehouse space. 52.2 percent of the total warehouse space was Class B. No new square feet of warehouse were added to the Lowell submarket in the first half of 2020. After net positive absorption of 96,600 square feet, the resulting vacancy rate was 17.3 percent, down from 24.4 percent in the second half of 2019. 57,000 square feet of the net positive absorption was in the Class A warehouse market, 49,600 square feet was in the Class B warehouse market, while there was 10,000 square feet of net negative absorption in the Class C warehouse market in the first half of 2020.

Rogers had 2,869,651 square feet of warehouse space, of which 34.6 percent is Class C. 256,018 square feet was available and a majority of it, 245,978 square feet, was Class C space, leading to a vacancy rate of 8.9 percent, down from 10.7 percent in the second half of 2019. No new square feet of warehouse space was added to the Rogers warehouse submarket this half. There was net positive absorption of 49,886 square feet, with 28,564 square feet from the Class B submarket and 21,322, in the first half of 2020. In addition, Rogers had over 100,000 square feet of quality sublease space available.

Springdale, including Tontitown warehouse space, in the first half of 2020 had 3,180,667 square feet of warehouse space which included 59.8 percent is Class B space. 149,674 square feet was available, over half of it, 80,934 square feet, was Class B space, leading to an overall vacancy rate of 4.7 percent, down from 5.3 percent in the second half of 2019. There were no square feet of new available space added to the Springdale warehouse submarket in the first half of 2020. There was net negative absorption of 14,025 square feet, 10,000 square feet from the Class C submarket, in the first half of 2020.

# Commercial Market Trends

## Average Warehouse Lease Rates

The average reported warehouse lease rates increased by \$0.13 in Rogers, and were relatively stable in other cities. Bentonville continued to have the highest reported lease rate at \$5.30, in the first 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	\$5.48-\$5.57	\$4.68-\$4.93	--
Fayetteville	--	\$3.68-\$3.71	\$3.14-\$3.31
Rogers	\$3.63-\$3.63	\$4.51-\$4.66	\$3.93-\$3.97
Springdale	\$3.25-\$3.25	\$3.86-\$4.45	\$3.88-\$4.15

Warehouse Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 1H to 2 H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Class A</b>							
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	--
<b>Class B</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	--
<b>Class C</b>							
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

## Other Categories Lease Rates

### Office/Warehouse

The Skyline Report panelists reported on 4,113,051 square feet of office/warehouse space with 372,152 total square feet available in the first half of 2020. Bentonville and Springdale, with 135,660 square feet and 86,325 square feet, respectively, had the bulk of the available office/warehouse space in Northwest Arkansas.

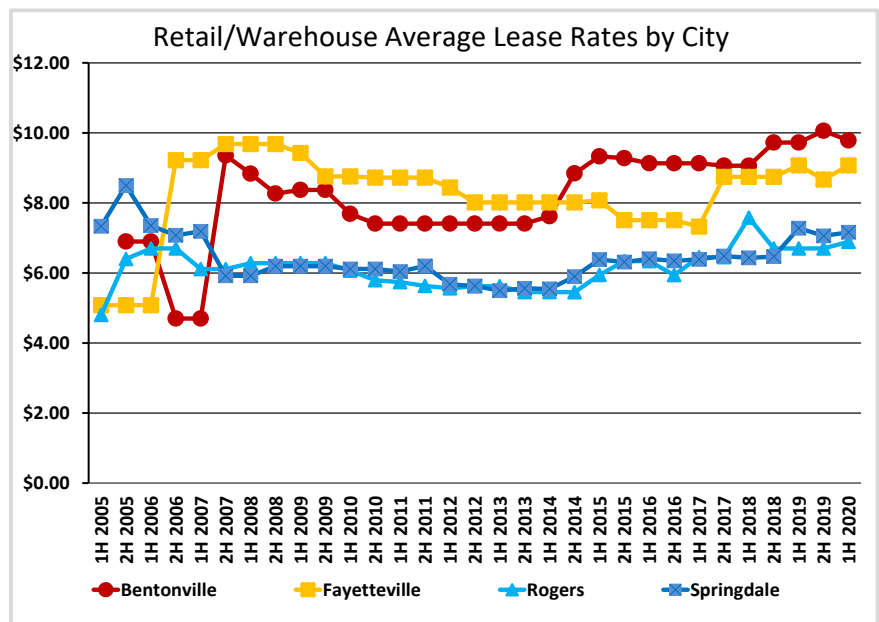
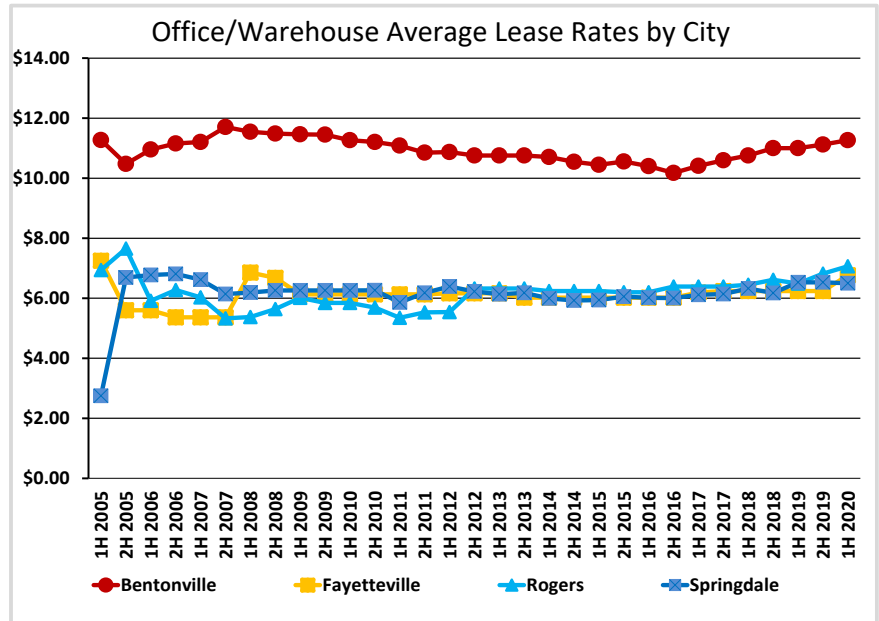
The vacancy rate in the office/warehouse submarket decreased from 10.2 percent in the second half of 2019 to 9.0 percent in the first half of 2020. 91,720 new square feet of office/warehouse space entered the market in Northwest Arkansas during the first half of 2020. The office/warehouse submarket in Northwest Arkansas experienced net positive absorption of 35,949 square feet during the first half of 2020.

Bentonville continued to have the highest reported average lease rates at \$11.27 after an increase of \$0.15. Reported office/warehouse average lease rates increased to \$7.07 in Rogers and \$6.77 in Fayetteville, while they decreased to \$6.50 in Springdale in the first half of 2020.

### Retail/Warehouse

The Skyline Report panelists reported on 1,468,601 square feet of retail/warehouse space in the first half of 2020. A total of 217,264 square feet was available in Northwest Arkansas. Springdale had the most available retail/warehouse space with 102,124 square feet, while Rogers added 41,022 square feet to that total.

12,000 square feet, all in Rogers, was added to the market during this time. The vacancy rate in the retail/warehouse submarket increased from 11.1 percent in the second half of 2019 to 14.8 percent in the first half of 2020.



# Commercial Market Trends

## Other Categories Lease Rates

From the second half of 2019 to the first half of 2020, there was net negative absorption of 17,111 square feet of retail/warehouse space in Northwest Arkansas. Rogers accounted for 21,569 square feet of net negative absorption, while Springdale accounted for 12,600 square feet of net positive absorption.

In the first half of 2020, Bentonville continued to have the highest average lease rate in this market at \$9.79, after a decrease of \$0.27. Reported retail/warehouse average lease rates increased by \$0.40 in Fayetteville to \$9.07, by \$0.10 in Springdale to \$7.16, and by \$0.19 to \$6.89 in Rogers.

City	Office/Warehouse	Retail/Warehouse
Bentonville	\$10.62-\$11.91	\$9.50-\$10.07
Fayetteville	\$6.37-\$7.16	\$8.11-\$10.03
Rogers	\$6.95-\$7.18	\$6.70-\$7.08
Springdale	\$6.08-\$6.92	\$6.85-\$7.47

Other Space Class and City	Total Square Feet	Available Square Feet <sup>1</sup>	Percent Available <sup>2</sup>	Absorption <sup>2</sup> from 2H to 1H	New Available Square Feet <sup>1</sup>	Net Absorption	Months of Inventory
<b>Warehouse</b>							
Bentonville	1,383,297	94,000	6.8%	-8,000	0	-8,000	--
Fayetteville	1,180,839	64,745	5.5%	-28,745	0	-28,745	--
Rogers	2,869,651	256,018	8.9%	49,886	0	49,886	30.8
Springdale	3,180,667	149,674	4.7%	-14,025	0	-14,025	--
<b>Office/Warehouse</b>							
Bentonville	1,045,885	135,660	13.0%	33,722	35,000	-1,278	--
Fayetteville	198,392	3,100	1.6%	7,040	10,140	-3,100	--
Rogers	586,411	64,400	11.0%	9,000	10,000	-1,000	--
Springdale	1,986,430	86,325	4.3%	22,760	0	22,760	22.8
<b>Retail/Warehouse</b>							
Bentonville	238,766	4,248	1.8%	-282	0	-282	--
Fayetteville	135,444	30,000	22.1%	1,000	0	1,000	180.0
Rogers	275,395	41,022	14.9%	-9,569	12,000	-21,569	--
Springdale	663,325	102,124	15.4%	12,600	0	12,600	48.6

# Bella Vista

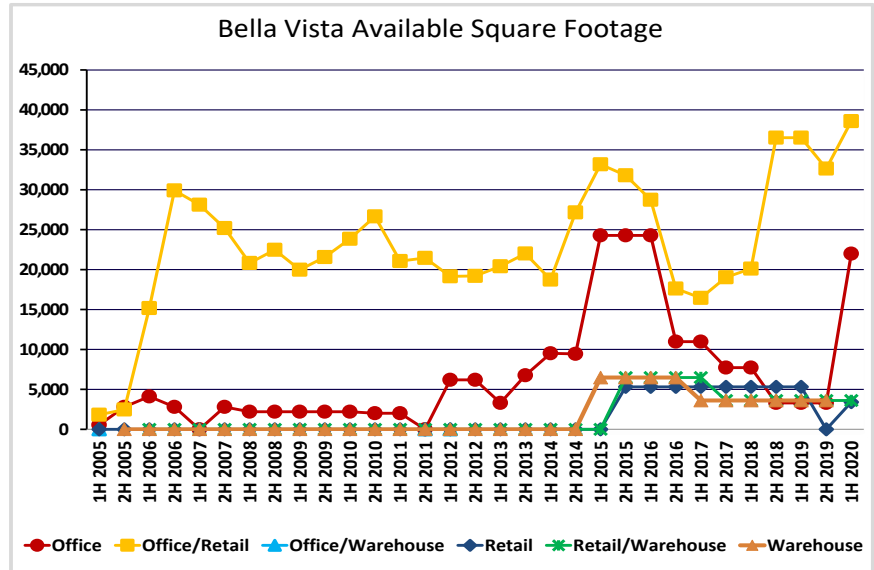
## Commercial Market Summary

From January 1 to June 30, 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 453,243 square feet of commercial space in Bella Vista in the first half of 2020.

In the first half of 2020, Bella Vista experienced net negative absorption 28,036 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 first half of 2020 remained stable. Class B retail had the biggest increase \$5.30. This increase is explained by the addition of a new property to a relatively small sample.



25,828 square feet of commercial square feet added to Bella Vista in the first half of 2020 of which 15,000 feet was medical and 10,828 feet was Class B retail.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$12.59 - \$13.09	90,389	22,000	24.3%	-3,700	15,000	-18,700	--
Class A	--	--	--	--	--	--	--	--
Class B	\$13.68 - \$13.68	64,025	19,000	29.7%	-15,700	0	-15,700	--
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%	12,000	15,000	-3,000	--
Office/Retail	\$10.37 - \$13.41	295,720	38,587	13.0%	-5,936	0	-5,936	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.37 - \$13.41	284,344	35,451	12.5%	-2,800	0	-2,800	--
Class C	--	11,376	3,136	27.6%	-3,136	0	-3,136	--
Office/Warehouse	--	--	--	--	--	--	--	--
Retail	\$14.87 - \$15.37	48,648	3,400	7.0%	7,428	10,828	-3,400	--
Class A	--	--	--	--	--	--	--	--
Class B	\$14.87 - \$15.37	48,648	3,400	7.0%	7,428	10,828	-3,400	--
Class C	--	--	--	--	--	--	--	--
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	--

<sup>1</sup>From all 1H 2020 respondents.

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

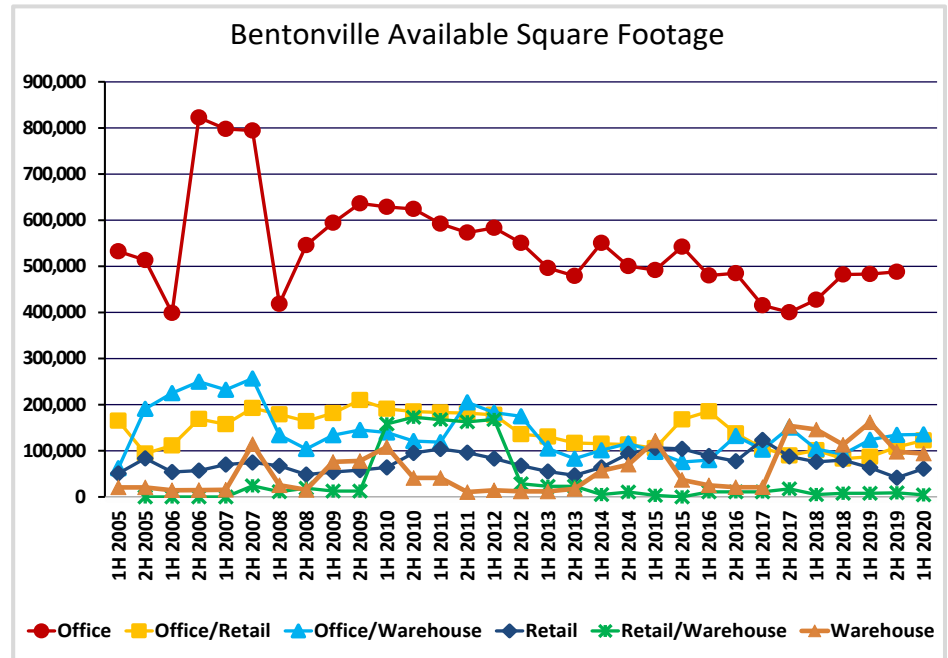
# Bentonville Commercial Market Summary

From January 1 to June 30, 2020, Bentonville issued \$36,632,527 worth of building permits for new commercial space.

The first half of 2020 building permit value was 63.8 percent lower than the second half of 2019 value of \$101,276,758.

Bentonville accounted for 18.7 percent of the commercial permits issued in Northwest Arkansas during the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 8,343,419 square feet of commercial space in Bentonville in the first half of 2020.



In the first half of 2020, Bentonville experienced absorption of 47,913 square feet, while 68,819 new square feet of space, including 35,000 square feet of office/warehouse space, were added. Thus, there was net negative absorption of 20,906 square feet.

The Class A office submarket had the greatest amount of net negative absorption with 27,723 square feet, with the Class A office/retail submarket adding an additional 13,112 square feet of net negative absorption. The Class B office submarket had net positive absorption of 29,458 square feet.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$4.50 - \$4.50	16,340	0	0.0%	0	0	0	--
Office	\$16.93-\$17.21	3,833,765	488,005	12.7%	15,365	12,000	3,365	870.1
Class A	\$23.57-\$25.07	757,436	136,010	18.0%	-27,723	0	-27,723	--
Class B	\$16.50-\$17.02	2,393,898	319,645	13.4%	29,458	0	29,458	65.1
Class C	\$13.91-\$14.01	364,651	11,573	3.2%	1,630	0	1,630	42.6
Medical	\$16.93-\$17.49	317,780	20,777	6.5%	12,000	12,000	0	--
Office/Retail	\$14.37-\$15.49	1,059,929	122,394	11.5%	12,195	21,819	-9,624	--
Class A	\$22.25-\$25.75	140,683	18,000	--	8,707	21,819	-13,112	--
Class B	\$14.56-\$15.63	769,316	91,388	11.9%	7,653	0	7,653	71.6
Class C	\$11.53-\$12.10	149,930	13,006	8.7%	-4,165	0	-4,165	--
Office/Warehouse	\$10.62-\$11.91	1,045,885	135,660	13.0%	33,722	35,000	-1,278	--

# Bentonville

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Retail	\$16.36-\$17.69	765,437	61,238	8.0%	-5,087	0	-5,087	--
Class A	\$22.38-\$23.29	175,709	15,966	9.1%	3,589	0	3,589	26.7
Class B	\$16.17-\$17.60	447,004	42,872	9.6%	-7,466	0	-7,466	--
Class C	\$11.26-\$12.72	142,724	2,400	1.7%	-1,210	0	-1,210	--
Retail/Warehouse	\$9.50-\$10.07	238,766	4,248	1.8%	-282	0	-282	--
Warehouse	\$5.23-\$5.57	1,383,297	94,000	6.8%	-8,000	0	-8,000	--
Class A	\$5.48-\$5.57	1,154,672	86,000	7.4%	0	0	0	--
Class B	\$4.68 - \$4.93	220,500	8,000	3.6%	-8,000	0	-8,000	--
Class C	--	8,125	0	0.0%	0	0	0	--

<sup>1</sup>From all 1H 2020 respondents.

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

Reported vacancy rates from the second half of 2019 to the first half of 2020 decreased in the medical office, office/retail, office/warehouse, retail/warehouse, and warehouse submarkets, and increased in the office and retail submarkets of Bentonville.

Average reported lease rates increased noticeably by \$0.21 in the Class A warehouse submarket. There were significant decreases of \$0.50, \$0.62, and \$0.27 in the Class A office/retail, Class C retail, and the retail/warehouse submarkets, respectively. Lease rates remained relatively stable in the other submarkets during this period.

### Downtown Bentonville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 892,537 square feet of office, office/retail, and retail space in Downtown Bentonville in the first half of 2020. No new space was added during this period.

There was net negative absorption of 12,531 square feet in Downtown Bentonville during the first half of 2020.

Office space in Downtown Bentonville had a reported vacancy rate of 10.7 percent in the first half of 2020, up from 9.3 percent in the second half of 2019.

The office/retail vacancy rate in Downtown Bentonville increased from 6.5 percent in the second half of 2019 to 11.4 percent in the first half of 2020.

The retail vacancy rate in Downtown Bentonville increased from 7.4 percent in the second half of 2019 to 8.1 percent in the first half of 2020.

The 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 <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$21.56-\$22.71	649,601	69,582	10.7%	-8,540	0	-8,540	--
Office/Retail	\$18.03-\$20.57	140,944	16,131	11.4%	-2,791	0	-2,791	--
Retail	\$17.60-\$18.52	101,992	8,300	8.1%	-1,200	0	-1,200	--

<sup>1</sup>From all 1H 2020 respondents.

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

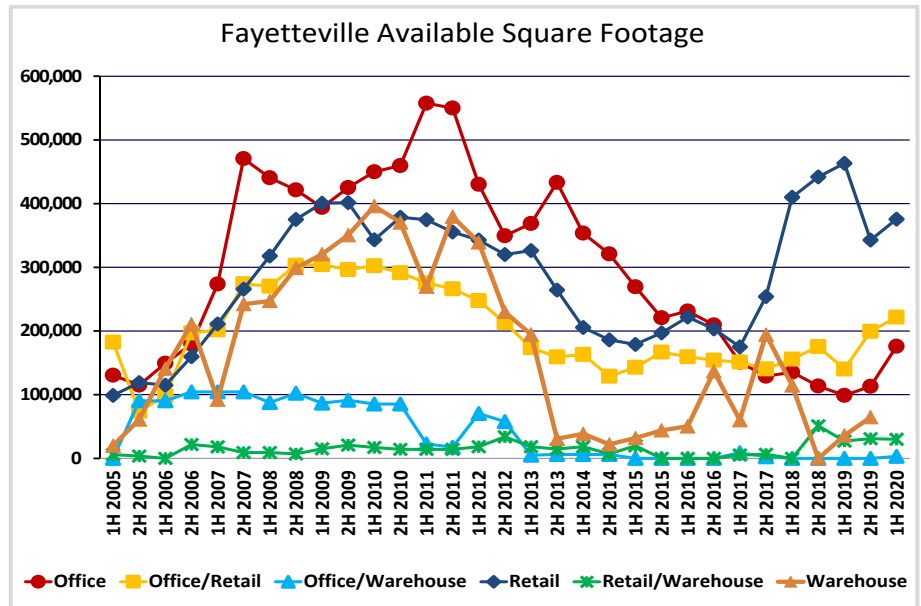


# Fayetteville Commercial Market Summary

From January 1 to June 30, 2020, Fayetteville issued building permits for \$18,103,153 worth of new commercial space. The first half of 2020 value was 32.0 percent lower than the second half of 2019 value of \$26,621,150.

Fayetteville accounted for 9.2 percent of the commercial building permits issued in Northwest Arkansas during the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 11,287,813 square feet of commercial space in Fayetteville in the first half of 2020.



In the first half of 2020, Fayetteville experienced net negative absorption of 99,419 square feet with 44,662 new square feet of space, 22,822 being office space, entering the market.

The Class B retail market had the greatest amount of net negative absorption with 33,472 square feet, followed by the Class B warehouse submarket with 28,745 square feet.

The Class C retail submarket had the most of net positive absorption with 38,047 square feet. Observed vacancy rates in Fayetteville from the second half of 2019 to the first half of 2020 decreased for medical office space. Vacancy rates increased for office, office/retail, office/warehouse, retail, retail/warehouse and warehouse space.

The Fayetteville office/warehouse and retail warehouse submarkets had significant average lease rate increases of \$0.53 and \$0.40. While Class A office, Class B office, Class B retail, and office/warehouse markets had modest average lease rate increases of \$0.43, \$0.30, and \$0.43, respectively. The Class A office/retail and Class C retail significant average lease rate decreases of \$0.84 and \$0.54. All other lease rates were relatively stable from the second half of 2019 to the first half of 2020.

# Fayetteville

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	\$21.32 - \$23.35	75,603	5,714	7.6%	-2,105	0	-2,105	--
Industrial	\$3.80 - \$3.88	982,100	24,600	2.5%	5,000	0	5,000	29.5
Office	\$15.46-\$16.60	3,375,393	176,057	5.2%	-22,238	22,822	-45,060	--
Class A	\$22.81-\$26.31	454,529	29,113	6.4%	-21,254	0	-21,254	--
Class B	\$15.92-\$16.63	1,177,641	84,925	7.2%	2,758	12,450	-9,692	--
Class C	\$12.62-\$13.34	459,787	31,187	6.8%	-15,071	0	-15,071	--
Medical	\$16.23-\$18.01	1,283,436	30,832	2.4%	11,329	10,372	957	193.3
Office/Retail	\$14.14-\$15.49	1,693,509	221,719	13.1%	-6,272	8,712	-14,984	--
Class A	\$20.50-\$23.50	42,000	7,475	17.8%	0	0	0	--
Class B	\$15.49-\$16.77	1,209,626	197,364	16.3%	-22,429	0	-22,429	--
Class C	\$11.85-\$13.20	441,883	16,880	3.8%	16,157	8,712	7,445	13.6
Office/Warehouse	\$6.37-\$7.16	198,392	3,100	1.6%	7,040	10,140	-3,100	--
Retail	\$15.51-\$16.29	3,646,533	375,729	10.3%	-8,437	2,988	-11,425	--
Class A	\$24.45-\$26.60	1,130,393	61,747	5.5%	-16,000	0	-16,000	--
Class B	\$17.27-\$18.09	2,040,319	242,793	11.9%	-30,484	2,988	-33,472	--
Class C	\$10.49-\$10.83	475,821	71,189	15.0%	38,047	0	38,047	11.2
Retail/Warehouse	\$8.11-\$10.03	135,444	30,000	22.1%	1,000	0	1,000	180.0
Warehouse	\$3.44-\$3.53	1,180,839	64,745	5.5%	-28,745	0	-28,745	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.68 - \$3.71	744,813	64,745	8.7%	-28,745	0	-28,745	--
Class C	\$3.14 - \$3.31	436,026	0	0.0%	0	0	0	--

<sup>1</sup>From all 1H 2020 respondents.

<sup>2</sup>From 1H 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 1,142,206 square feet of office, office/retail, and retail space in the Downtown Fayetteville/Dickson Street area in the first half of 2020.

There was net negative absorption of 499 square feet in the downtown Fayetteville area in the first half of 2020.

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

The office space in downtown Fayetteville had a reported vacancy rate of 5.7 percent in the first half of 2020, up from 2.0 percent in the second half of 2019 in accordance with net negative absorption of 1,066 square feet. This was higher than the overall Fayetteville office vacancy rate of 5.2 percent.

The office/retail vacancy rate for downtown Fayetteville properties went up from 1.8 percent in the second half of 2019 to 3.2 percent in the first half of 2020. This compares to 13.1 percent in the same submarket for all of Fayetteville during the first half of 2020. The downtown Fayetteville retail vacancy rate decreased from 10.1 percent to 9.8 percent, with no net absorption, but more space being tracked, and was lower than the overall Fayetteville retail vacancy rate of 10.3 percent in the first half of 2020.

# Fayetteville

## Commercial Market Summary

Average reported lease rates in downtown Fayetteville increased \$0.33 in the office/retail submarket and remained relatively unchanged in the office and retail submarkets from the second half of 2019 to the first half of 2020.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$15.28-\$17.85	508,147	28,736	5.7%	-1,066	0	-1,066	--
Office/Retail	\$15.43-\$17.12	445,488	14,338	3.2%	567	0	567	151.7
Retail	\$16.11-\$16.68	188,571	18,460	9.8%	0	0	0	--

<sup>1</sup>From all 1H 2020 respondents.

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

### Uptown Fayetteville

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,102,400 square feet of office, office/retail, and retail space in Uptown Fayetteville in the first half of 2020.

There was net negative absorption of 76,845 square feet of space during the first half of 2020 in Uptown Fayetteville with office space accounting for a negative absorption of 41,921 square feet and retail accounting for an additional negative 38,185 square feet of this total.

There was 8,450 square feet of new commercial space, all office space, added to the Uptown Fayetteville commercial market in the first half of 2020.

The office space in Uptown Fayetteville had a reported vacancy rate of 5.7 percent in the first half of 2020. This was higher than the second half of 2019 vacancy rate of 3.5 percent and was higher than the 5.2 percent vacancy rate for all of Fayetteville.

In the first half of 2020, the office/retail vacancy rate in Uptown Fayetteville decreased to 0.0 percent from 4.0 percent in the second half of 2019. The vacancy rate was below the city average office/retail vacancy rate of 13.1 percent.

Retail space in Uptown Fayetteville had a reported vacancy rate of 9.1 percent in the first half of 2020, an increase from 7.4 percent in the second half of 2019, and lower than the overall Fayetteville rate of 10.3 percent.

Average reported lease rates in Uptown Fayetteville increased \$0.53 in the office, increased \$0.54 in the office/retail, and remained relatively unchanged in the retail submarket in the first half of 2020.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$16.67-\$17.57	1,800,338	103,497	5.7%	-33,471	8,450	-41,921	--
Office/Retail	\$17.21-\$17.36	75,608	0	0.0%	3,261	0	3,261	0.0
Retail	\$18.19-\$18.84	2,226,454	202,832	9.1%	-38,185	0	-38,185	--

<sup>1</sup>From all 1H 2020 respondents.

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

# Fayetteville

## Commercial Market Summary

### Martin Luther King, Jr. Boulevard Corridor

In the first half of 2020, Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 524,050 square feet of office, office/retail, and retail space in the MLK Boulevard Corridor.

There were 10,372 square feet of new office space added to south Fayetteville in the first half of 2020.

The MLK Boulevard Corridor of Fayetteville experienced net positive absorption of 36,997 square feet of space, with retail space account for 38,997 square feet and office/retail space accounting for a loss of 2,000 square feet, in the first half of 2020.

Office space in the MLK Boulevard Corridor of Fayetteville had a reported vacancy rate of 7.2 percent in the first half of 2020. This was higher than the overall office vacancy rate of 5.2 percent for all of Fayetteville.

From the second half of 2019 to the first half of 2020, the office/retail vacancy rate increased from 14.3 to 15.1 percent in the MLK Boulevard Corridor of Fayetteville and was higher than the overall city average rate of 13.1 percent.

The vacancy rate for retail space in the MLK Boulevard Corridor was 33.8 percent in the first half of 2020, a decrease from the 44.0 percent in the second half of 2019. The retail vacancy rate for all of Fayetteville was much lower at 10.3 percent.

Average reported lease rates in the MLK Boulevard Corridor decreased \$1.50 in the office and remained relatively unchanged in the office/retail and retail submarkets in the first half of 2020.

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$15.88-\$15.88	40,281	2,916	7.2%	10,372	10,372	0	--
Office/Retail	\$13.77-\$15.45	252,746	38,107	15.1%	-2,000	0	-2,000	--
Retail	\$16.86-\$17.63	231,023	78,144	33.8%	38,997	0	38,997	12.0

<sup>1</sup>From all 1H 2020 respondents.

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

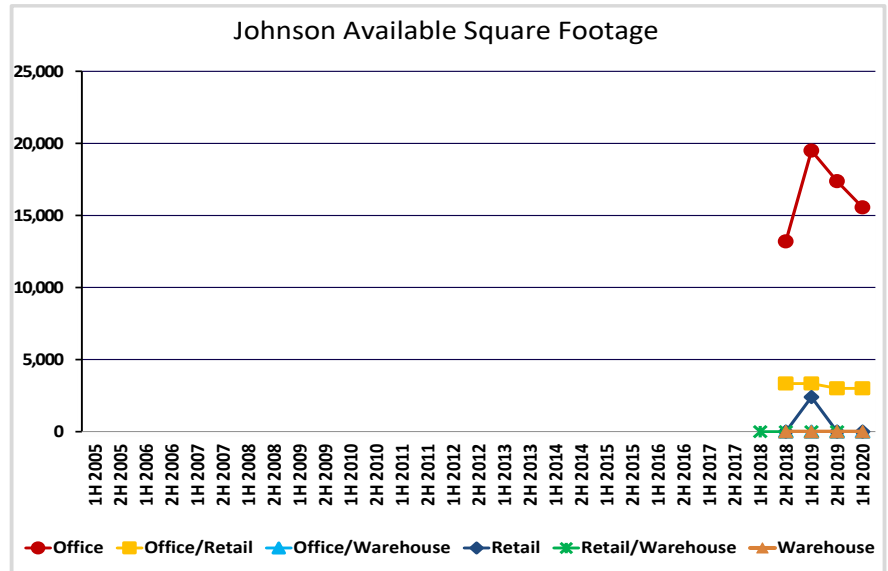
# Johnson Commercial Market Summary

From January 1 to June 30, 2020 Johnson issued building permits for \$1,309,680 worth of new commercial space. The first half of 2020 value was 93.0 percent higher than the second half of 2019 value of \$678,435. Johnson accounted for 0.7 percent of the building permits issued in Northwest Arkansas in the second half of 2019.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 535,698 square feet of Johnson commercial space in the first half of 2020.

In the first half of 2020, Johnson had net positive absorption of 1,820 square feet, all of it in the office market.

There was no new commercial space added in Johnson in the first half of 2020. The office submarket in Johnson had a vacancy rate of 5.3 percent in the first half of 2020, a decrease from 5.9 percent in the second half of 2019. Average reported lease rates in Johnson decreased by \$1.09 in the Class B retail submarket and remained relatively stable all other submarkets.



Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	--	--	--	--	--	--	--	--
Office	\$21.59 - \$21.59	295,547	15,555	5.3%	1,820	0	1,820	51.3
Class A	\$23.25 - \$23.25	72,373	5,119	7.1%	1,820	0	1,820	16.9
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	174,418	10,436	6.0%	0	0	0	--
Office/Retail	\$12.90-\$16.40	65,451	3,000	4.6%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$12.90-\$16.40	32,369	3,000	9.3%	0	0	0	--
Class C	--	33,082	0	--	0	0	0	--
Office/Warehouse	\$5.50 - \$5.50	31,340	0	0.0%	0	0	0	--
Retail	\$12.63 - \$15.00	53,335	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$12.83-\$16.00	50,335	0	0.0%	0	0	0	--
Class C	\$12.00-\$12.00	3,000	0	0.0%	0	0	0	--
Retail/Warehouse	--	8,420	0	0.0%	0	0	0	--
Warehouse	\$3.81 - \$4.86	81,605	0	0.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.89-\$4.95	61,870	0	0.0%	0	0	0	--
Class C	\$3.50 - \$4.50	19,735	0	0.0%	0	0	0	--

<sup>1</sup>From all 1H 2020 respondents.

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



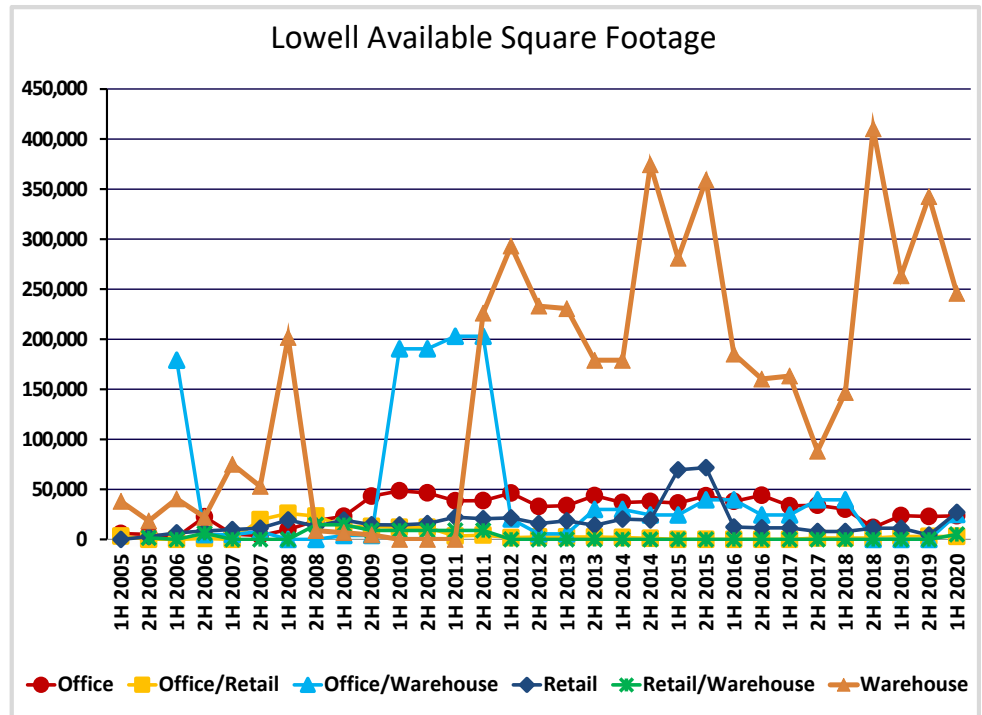
# Lowell Commercial Market Summary

From January 1 to June 30, 2020, Lowell issued building permits for \$1,384,169 worth of new commercial space. The first half of 2020 value was 60.6 percent higher than the second half of 2019 value of \$862,000.

Lowell accounted for 0.7 percent of building permits issued in Northwest Arkansas in the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 2,204,151 square feet of Lowell commercial space in the first half of 2020.

In the first half of 2020, Lowell had net positive absorption of 73,930 square feet overall.



The warehouse submarket had the greatest amount of net positive absorption with 96,600 square feet, while the office/warehouse submarket had 25,000 square feet of net negative absorption.

36,580 square feet of new office/warehouse space was added in Lowell in the first half of 2020.

Reported vacancy rates increased in the office, office/retail, office/warehouse, retail, retail/warehouse markets and decreased in the warehouse market from the second half of 2019 to the first half of 2020.

There was no change in the vacancy rate for medical office space from the second half of 2019 to the first half of 2020.

Average reported lease rates in Lowell from the second half of 2019 to the first half of 2020 remained relatively stable in all submarkets, except for an increase of \$1.37 in office/retail space.

# Lowell

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$6.50 - \$6.50	75,280	0	0.0%	0	0	0	--
Office	\$14.25 - \$14.31	330,584	23,608	7.1%	-670	0	-670	--
Class A	\$19.33 - \$19.33	109,330	5,788	5.3%	0	0	0	--
Class B	\$12.75 - \$12.92	108,700	7,000	6.4%	-300	0	-300	--
Class C	\$9.88 - \$9.88	29,955	10,820	36.1%	-370	0	-370	--
Medical	\$18.00 - \$18.00	82,599	0	0.0%	0	0	0	--
Office/Retail	\$10.50 - \$12.50	72,076	2,880	4.0%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$10.50 - \$12.50	43,100	2,880	6.7%	0	0	0	--
Class C	--	28,976	0	0.0%	0	0	0	--
Office/Warehouse	\$6.89 - \$7.15	154,178	25,000	16.2%	11,580	36,580	-25,000	--
Retail	\$13.14-\$15.57	112,628	26,910	23.9%	3,000	0	3,000	53.8
Class A	--	--	--	--	--	--	--	--
Class B	\$13.50 - \$16.90	97,572	20,610	21.1%	3,000	0	3,000	41.2
Class C	\$12.25-\$12.25	15,056	6,300	41.8%	0	0	0	--
Retail/Warehouse	\$10.19 - \$10.19	37,532	4,900	13.1%	0	0	0	--
Warehouse	\$4.03-\$4.05	1,421,873	245,900	17.3%	96,600	0	96,600	15.3
Class A	\$5.19-\$5.19	483,332	63,500	13.1%	57,000	0	57,000	6.7
Class B	\$3.70 - \$3.72	742,381	102,400	13.8%	49,600	0	49,600	12.4
Class C	\$3.38 - \$3.38	196,160	80,000	40.8%	-10,000	0	-10,000	--

<sup>1</sup>From all 1H 2020 respondents.

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

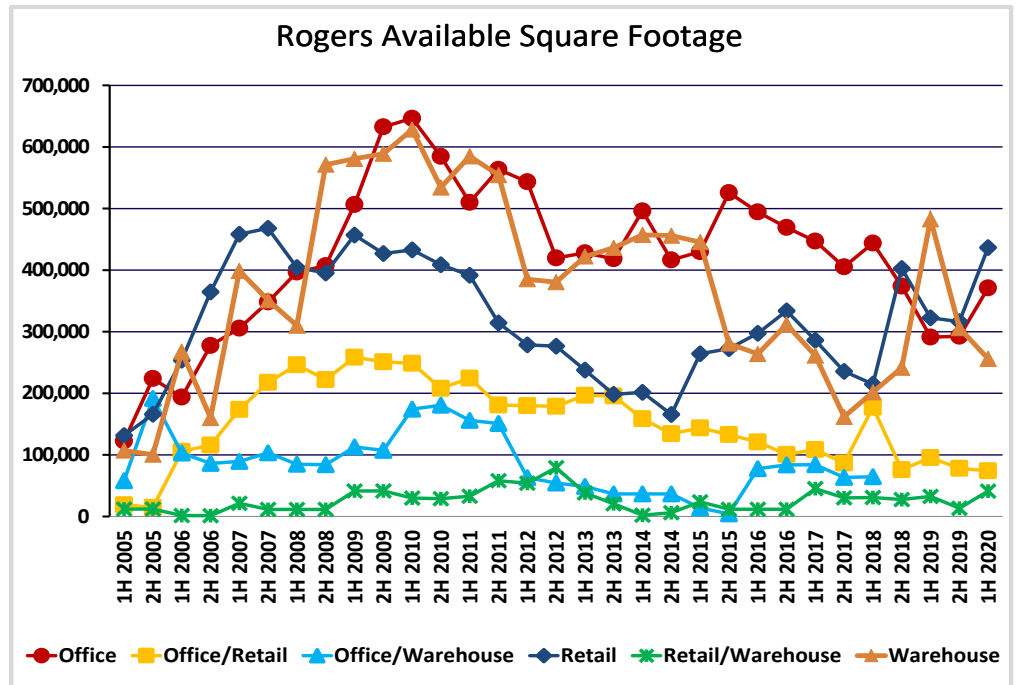
# Rogers

## Commercial Market Trends

From January 1 to June 30, 2020, Rogers issued building permits for \$108,669,973 worth of new commercial space.

The first half of 2020 value was 72.9 percent higher than the second half of 2019 value of \$62,846,979. Rogers accounted for 55.4 percent of the commercial permits issued in Northwest Arkansas during the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 12,152,573 square feet of commercial space in the first half of 2020.



In the first half of 2020, Rogers had overall net negative absorption of 138,554 square feet. The Class B retail submarket had the most net negative absorption with 108,818 square feet. The warehouse market had the greatest amount of net positive absorption with 49,886 square feet.

In the first half of 2020, 144,400 square feet of new commercial space was added to the Rogers market. 108,000 square feet was Class A office space.



Reported vacancy rates in the first half of 2020 decreased in the office/retail and warehouse submarkets. Vacancy rates increased for the office, medical office, retail, and retail/warehouse submarket. There was no change in vacancy rates for office/warehouse from the second half of 2019 to the first half of 2020.

From the second half of 2019 to the first half of 2020, modest increases were reported in the Class A, B, and medical office submarkets, while modest decreases were reported

in the Class B and C office/retail and Class A retail submarkets. All other lease rates remained relatively unchanged.

# Rogers

## Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	\$4.00 - \$4.00	9,482	0	0.0%	0	0	0	--
Industrial	\$3.95 - \$3.95	725,470	105,304	14.5%	5,968	0	5,968	--
Office	\$16.51-\$16.96	3,576,720	371,008	10.4%	30,183	108,000	-77,817	--
Class A	\$22.81-\$23.61	1,822,355	190,290	10.4%	40,210	108,000	-67,790	--
Class B	\$16.70-\$17.31	993,487	115,668	11.6%	917	0	917	756.8
Class C	\$10.73-\$11.05	294,846	51,862	17.6%	-10,944	0	-10,944	--
Medical	\$15.17-\$15.33	466,032	13,188	2.8%	0	0	0	--
Office/Retail	\$11.59-\$13.08	598,718	73,935	12.3%	8,212	0	8,212	54.0
Class A	\$21.50-\$21.83	110,651	5,968	5.4%	3,125	0	3,125	--
Class B	\$13.80 - \$15.60	194,623	35,433	18.2%	1,487	0	1,487	143.0
Class C	\$8.67-\$10.13	293,444	32,534	11.1%	3,600	0	3,600	--
Office/Warehouse	\$6.95-\$7.18	586,411	64,400	11.0%	9,000	10,000	-1,000	--
Retail	\$13.95-\$14.81	3,510,726	436,739	12.4%	-87,834	14,400	-102,234	--
Class A	\$20.83-\$22.23	1,539,598	57,072	3.7%	15,854	14,400	1,454	--
Class B	\$14.60-\$15.83	1,399,711	350,013	25.0%	-108,818	0	-108,818	--
Class C	\$9.65-\$9.96	571,417	29,654	5.2%	5,130	0	5,130	34.7
Retail/Warehouse	\$6.70 - \$7.08	275,395	41,022	14.9%	-9,569	12,000	-21,569	--
Warehouse	\$4.08-\$4.16	2,869,651	256,018	8.9%	49,886	0	49,886	30.8
Class A	\$3.63-\$3.63	962,500	0	0.0%	0	0	0	--
Class B	\$4.51-\$4.66	915,424	10,040	1.1%	28,564	0	28,564	2.1
Class C	\$3.93-\$3.97	991,727	245,978	24.8%	21,322	0	21,322	69.2

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

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

### Downtown Rogers

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 525,231 square feet of office, office/retail, and retail space in Downtown Rogers in the first half of 2020.

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

Office space in Downtown Rogers had a net negative absorption of 4,700 square feet and had a vacancy rate of 19.1 percent in the first half of 2020 and increase from 18.3 in the second half of 2019. The downtown vacancy rate was higher than the overall average office vacancy rate for Rogers, which was 10.4 percent during the same period.

The office/retail submarket had a net negative absorption of 84 square feet. The vacancy rate increased to 2.9 percent from the second half of 2019 rate of 0.0 percent in the downtown area. This compares to a vacancy rate of 12.3 percent for all of Rogers.

Downtown Rogers experienced a net positive absorption of 11,020 square feet of retail space during the first half of 2020.

# Rogers

## Commercial Market Summary

The average retail vacancy rate for downtown Rogers properties for the first half of 2020 decreased to 3.7 percent from 5.7 percent in the second half of 2019 and was lower than the 12.4 percent average rate for all of Rogers.

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 first half of 2020.

### Summary: Downtown Rogers

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$11.63-11.92	148,319	28,368	19.1%	-4,700	0	-4,700	--
Office/Retail	\$9.45-\$12.60	141,514	4,050	2.9%	-84	0	-84	--
Retail	\$11.10-\$11.36	235,398	8,679	3.7%	11,020	0	11,020	4.7

<sup>1</sup>From all 1H 2020 respondents.

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

### Interstate 49 Corridor

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 4,973,534 square feet of office, office/retail, and retail space along the Rogers I-49 corridor in the first half of 2020.

122,400 square feet of new commercial space, both office and retail space, was added to the Rogers I-49 corridor submarket in the first half of 2020.

Office space along the Rogers I-49 corridor experienced net negative absorption of 66,908 square feet during the first half of 2020. The reported average vacancy rate of office space was 11.4 percent in the first half of 2020, an increase from the 9.2 percent rate in the second half of 2019. This was higher than the overall office vacancy rate for all of Rogers at 10.4 percent.

Office/retail space along the Rogers I-49 corridor experienced net positive absorption of 5,085 square feet in the first half of 2020. The office/retail submarket had a 11.2 percent vacancy rate, a decrease from the 14.6 percent reported in the second half of 2019. This compares to a vacancy rate of 12.3 percent for all of Rogers.

There were 10,853 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 6.7 percent, an increase from 5.9 percent in the second half of 2019, and lower than the 12.4 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 first half of 2020.

### Summary: Interstate 49 Corridor

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$20.75-\$21.35	2,581,149	293,370	11.4%	41,092	108,000	-66,908	--
Office/Retail	\$21.01-\$21.21	145,727	16,262	11.2%	5,085	0	5,085	19.2
Retail	\$19.62-\$21.06	2,246,658	151,234	6.7%	3,547	14,400	-10,853	--

<sup>1</sup>From all 1H 2020 respondents.

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



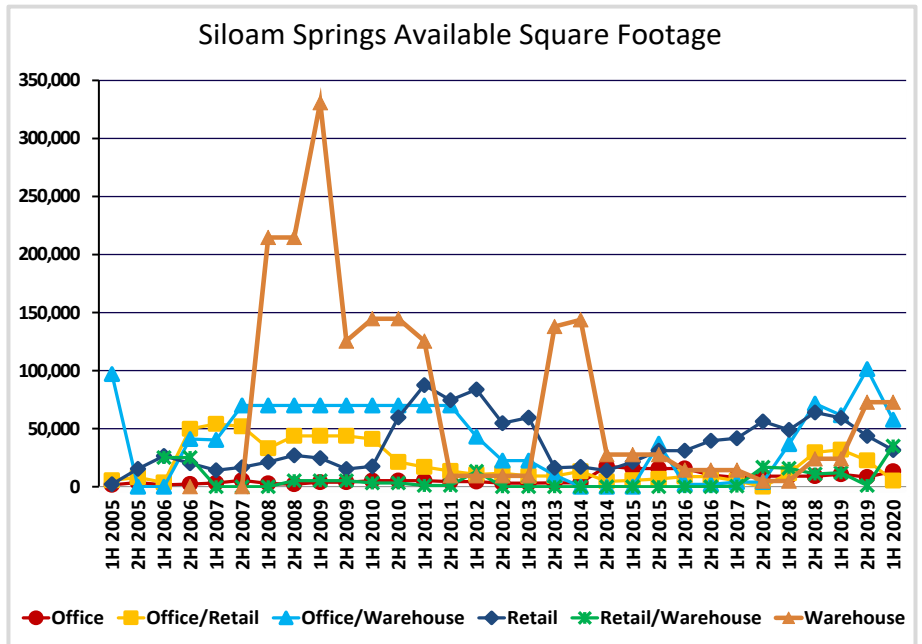
# Siloam Springs Commercial Market Summary

From January 1 to June 30, 2020, Siloam Springs issued commercial building permits worth \$2,000,000.

The first half of 2020 value was 7.5 percent lower than the second half of 2019 value of \$2,161,274.

Siloam Springs accounted for 1.0 percent of the commercial permits issued in Northwest Arkansas during the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 1,842,929 square feet of commercial space for Siloam Springs in the first half of 2020.



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

In the first half of 2020, Siloam Springs experienced overall net positive absorption of 56,239 square feet.

There was net positive absorption of 14,283, 43,567, 12,260 square feet in office/retail, office/warehouse, and retail submarkets, respectively. However, there was net negative absorption of 5,011 and 8,860 square feet in the office and retail/warehouse submarkets, respectively.

Vacancy rates from the second half of 2019 to the first 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 first half of 2020 in Siloam Springs.

# Siloam Springs Commercial Market Summary

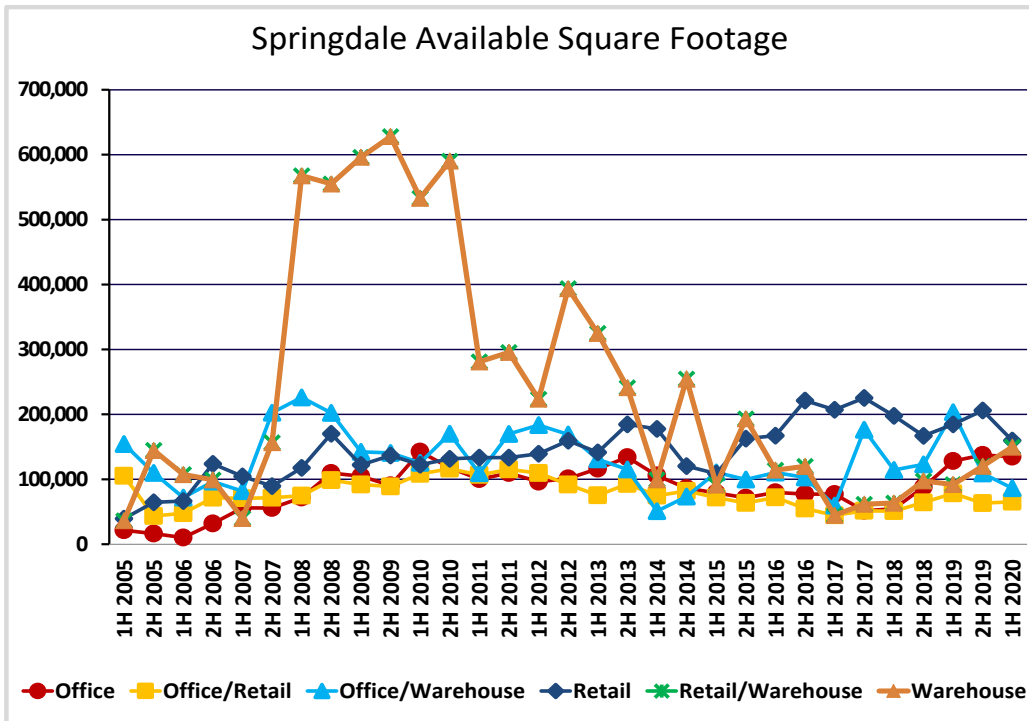
Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Industrial	\$2.95 - \$2.95	263,889	263,889	100.0%	0	0	0	--
Office	\$12.35-\$14.08	153,659	13,261	8.6%	-5,011	0	-5,011	--
Class A	--	--	--	--	--	--	--	--
Class B	\$11.00-\$11.67	27,734	9,500	34.3%	-8,000	0	-8,000	--
Class C	\$8.42 - \$11.28	11,421	0	0.0%	650	0	650	0.0
Medical	\$15.51 - \$17.21	114,504	3,761	3.3%	2,339	0	2,339	9.6
Office/Retail	\$8.17-\$11.13	183,724	5,177	2.8%	14,283	0	14,283	2.2
Class A	--	--	--	--	--	--	--	--
Class B	\$11.83-\$15.50	94,298	0	0.0%	0	0	0	--
Class C	\$6.80 - \$9.49	89,426	5,177	5.8%	14,283	0	14,283	2.2
Office/Warehouse	\$3.58 - \$3.89	110,415	57,667	52.2%	43,567	0	43,567	7.9
Retail	\$12.36-\$13.12	454,684	31,493	6.9%	12,260	0	12,260	15.4
Class A	--	--	--	--	--	--	--	--
Class B	\$19.08-\$19.75	123,710	21,818	17.6%	-2,822	0	-2,822	--
Class C	\$7.87 - \$8.70	330,974	9,675	2.9%	15,082	0	15,082	3.8
Retail/Warehouse	\$5.74 - \$9.42	109,719	34,970	31.9%	-8,860	0	-8,860	--
Warehouse	\$3.48 - \$3.63	566,839	72,790	12.8%	0	0	0	--
Class A	--	--	--	--	--	--	--	--
Class B	\$3.63-\$3.63	345,309	24,040	7.0%	0	0	0	--
Class C	\$3.43 - \$3.63	221,530	48,750	22.0%	0	0	0	--

<sup>1</sup>From all 1H 2020 respondents.

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



# Springdale Commercial Market Trends



From January 1 to June 30, 2020, Springdale issued \$28,072,375 worth of building permits for new commercial space.

This was an increase of 816.2 percent from the \$3,064,093 issued in the second half of 2019.

Springdale accounted for 14.3 percent of the commercial permits issued in Northwest Arkansas for the first half of 2020.

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 10,236,167 square feet of commercial space in Springdale in the first half of 2020.

In the first half of 2020, there were 3,500 new square feet of commercial space, all retail, added to the Springdale market.

Springdale experienced net negative absorption of 67,112 square feet in the first half of 2020. The industrial submarket had the greatest amount of net negative absorption with 145,101 square feet. The retail submarket had the most net positive absorption with 51,701 square feet, while the office/warehouse and retail/warehouse submarkets contributed 22,760 and 12,600 square feet of net positive absorption, respectively.

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 first 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 second half of 2019 to the first half of 2020.



# Springdale Commercial Market Summary

Category	Average Lease Rate Range	Total Square Feet <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Lab	--	5,224	0	0.0%	0	0	0	--
Industrial	\$4.90-\$5.47	961,779	316,900	32.9%	-145,101	0	-145,101	--
Office	\$13.16-\$14.02	1,093,296	134,746	12.3%	2,645	0	2,645	305.7
Class A	\$19.68-\$20.68	95,501	217	0.2%	0	0	0	--
Class B	\$14.43-\$15.45	495,386	71,640	14.5%	9,635	0	9,635	44.6
Class C	\$9.39-\$10.47	200,070	21,397	10.7%	-6,990	0	-6,990	--
Medical	\$15.66-\$15.66	302,339	41,492	13.7%	0	0	0	--
Office/Retail	\$10.44-\$11.33	624,123	65,412	10.5%	2,308	0	2,308	170.0
Class A	--	--	--	--	--	--	--	--
Class B	\$14.63-\$15.50	166,389	15,555	9.3%	-3,750	0	-3,750	--
Class C	\$9.40-\$10.28	457,734	49,857	10.9%	6,058	0	6,058	49.4
Office/Warehouse	\$6.08-\$6.92	1,986,430	86,325	4.3%	22,760	0	22,760	22.8
Retail	\$12.37-\$13.02	1,721,323	159,566	9.3%	55,201	3,500	51,701	18.5
Class A	--	--	--	--	--	--	--	--
Class B	\$16.23-\$16.61	965,543	134,986	14.0%	2,325	3,500	-1,175	--
Class C	\$9.48-\$10.32	755,780	24,580	3.3%	52,876	0	52,876	2.8
Retail/Warehouse	\$6.85-\$7.47	663,325	102,124	15.4%	12,600	0	12,600	48.6
Warehouse	\$3.86-\$4.28	3,180,667	149,674	4.7%	-14,025	0	-14,025	--
Class A	\$3.25-\$3.25	96,200	0	0.0%	0	0	0	--
Class B	\$3.86-\$4.45	1,902,709	80,934	4.3%	-24,025	0	-24,025	--
Class C	\$3.88-\$4.15	1,181,758	68,740	5.8%	10,000	0	10,000	41.2

<sup>1</sup>From all 1H 2020 respondents.

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

## Downtown Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 340,161 square feet of office, office/retail, and retail space in downtown Springdale in the first half of 2020.

No new square feet of commercial property was added to downtown Springdale in the first half of 2020.

There was net negative absorption of 2,345 square feet developed in the office market in downtown Springdale in the first half of 2020. The office space in downtown Springdale had an average vacancy rate of 17.7 percent, higher than the 16.7 percent in the second half of 2019. The rate was higher than the overall Springdale average office vacancy rate of 12.3 percent.

There was net positive absorption of 3,732 in the office/retail submarket in downtown Springdale in the first half of 2020. 48.4 percent of all reported office/retail space was available in downtown Springdale, down from the 76.9 percent in the second half of 2019. This compares to 10.5 percent vacancy rate for all of Springdale.



# Springdale Commercial Market Summary

Retail space in downtown Springdale had a net positive absorption of 10,576 in the first half of 2020. The vacancy rate decreased from 17.5 percent in the second half of 2019 to 11.0 percent in the first half of 2020 and was higher than the average retail vacancy rate for all of Springdale at 9.3 percent in the first 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 <sup>1</sup>	Available Square Feet <sup>1</sup>	Percent Available <sup>1</sup>	Absorption <sup>2</sup>	New Available Square Feet <sup>1</sup>	Net Absorption <sup>2</sup>	Months of Inventory <sup>2</sup>
Office	\$13.10-\$14.37	221,757	39,180	17.7%	-2,345	0	-2,345	--
Office/Retail	\$10.00-\$12.00	9,416	4,562	48.4%	3,732	0	3,732	7.3
Retail	\$11.60-\$12.93	108,988	12,039	11.0%	10,576	0	10,576	6.8

<sup>1</sup>From all 1H 2020 respondents.

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

## West Springdale

Skyline Report panelists reported vacancy statistics, lease rate ranges, and other characteristics for 948,791 square feet of office, office/retail, and retail space in West Springdale in the first half of 2020. There were 3,500 square feet of office space added to West Springdale in the first half of 2020.

The office space in West Springdale had a net negative absorption of 1,501 square feet in the first half of 2020. The vacancy rate increased from 10.8 percent in the second half of 2019 to 11.7 percent in the first half of 2020. The rate was lower than the overall city average office vacancy rate of 12.3 percent.

The office/retail submarket had a net positive absorption of 1,169 square feet in the first half of 2020. The vacancy rate in West Springdale was 11.9 percent in the first half of 2020, a decrease from the 15.3 percent from the second half of 2019. The rate was above the overall city average office/retail vacancy rate of 10.5 percent.

The retail vacancy rate for West Springdale properties decreased from 8.5 percent in the second half of 2019 to 7.3 percent in the first half of 2020, as there was net positive absorption of 7,209 square feet. The rate was below the city average retail vacancy rate of 9.3 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.

## West Springdale Summary

Category	Average Lease Rate Range	Total Square Feet	Available Square Feet	Percent Available	Absorption	New Available Square Feet	Net Absorption	Months of Inventory
Office	\$15.17-\$16.21	155,466	18,258	11.7%	-1,501	0	-1,501	--
Office/Retail	\$17.50-\$17.50	125,550	14,935	11.9%	1,169	0	1,169	76.7
Retail	\$18.36-\$18.64	667,775	49,073	7.3%	10,709	3,500	7,209	40.8

<sup>1</sup>From all 1H 2020 respondents.

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