

# THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

## Residential Highlights Second Half 2020

Highlights.....1  
Residential Market Trends.....2

Prepared Exclusively under  
Contract Agreement for  
ARVEST BANK

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

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



## Residential Real Estate Summary Benton Madison and Washington Counties

*The forty-ninth edition of the Skyline Report for Benton and Washington Counties—Residential 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 residential real estate market. As the population of Northwest Arkansas increases, it is imperative that housing markets work efficiently in order to meet the demand of new and existing residents. The Skyline Report includes the information that is necessary to help market participants make good decisions.*

### Highlights from the Second Half of 2020

2,074 building permits were issued in Benton, Madison and Washington Counties from July 1 through December 31, 2020. Benton County accounted for 1,514, Madison accounted for 44, and Washington County accounted for 516.

23,799 lots were in the 420 active subdivisions identified by Skyline Report researchers in the second half of 2020. Regional data includes Benton and Washington Counties, and for the first time, Madison County.

During the second half of 2020, 2,205 new houses in 420 active subdivisions became occupied, up 50.6 percent from 1,465 in the second half of 2019. Benton and Washington counties had the most absorbed lots since the inception of the Skyline Report with 1,265 and 903, respectively, leaving the smallest number of available empty lots for the two counties.

Using the absorption rate from the past twelve months implies that there were 17.6 months supply of remaining lots in active subdivisions in Northwest Arkansas at the end of the second half of 2020.

An additional 12,756 residential lots have received either preliminary or final approval in Northwest Arkansas. Adding these proposed lots to those in active subdivisions yields 58.8 months of remaining lot inventory.

According to the Assessors' databases, 64.5 percent of houses in Benton County and 61.7 percent of houses in Washington County were owner-occupied. Madison County data reflect 100 percent occupancy, but some rentals may not be included.

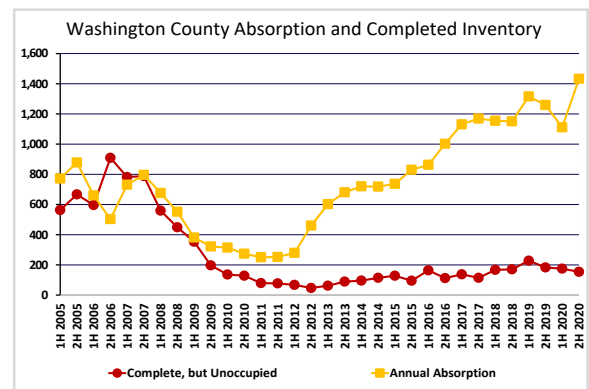
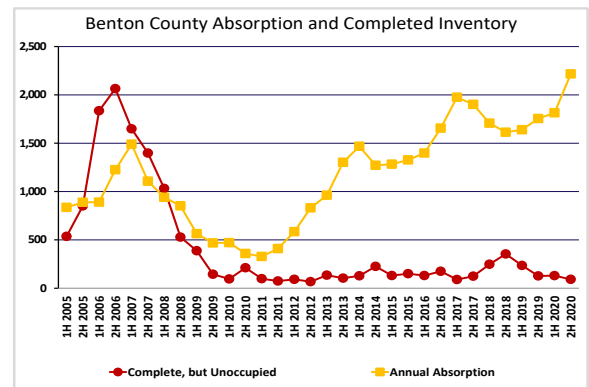
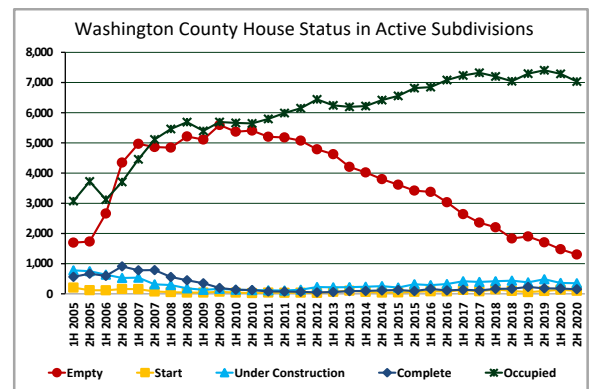
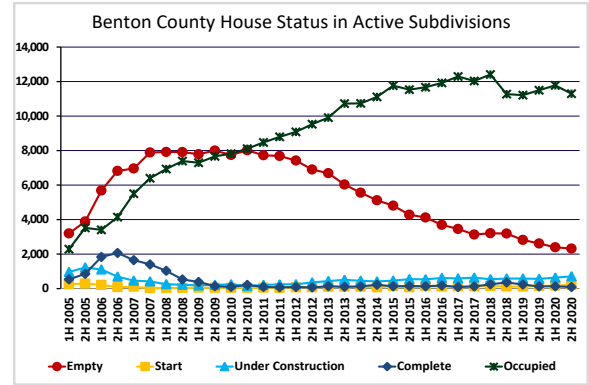
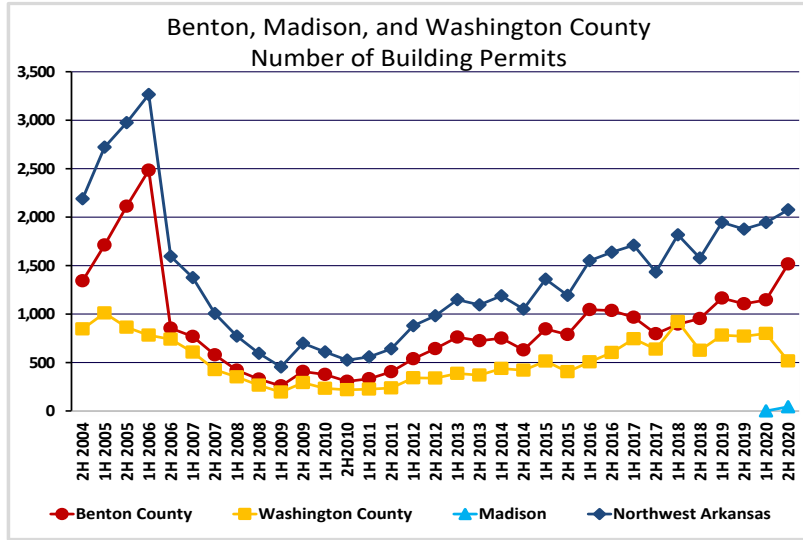
From July 1 through December 31, 2020, 5,803 houses sold in Benton, Madison, and Washington Counties. This is an increase of 18.2 percent from the 4,910 sold during the same time period in the previous year.

The average sales price of a house in Benton County was \$293,403, in Washington County \$268,987 and in Madison County \$208,285, in the second half of 2020. Both counties had an average of less than 90 days on the market, the lowest average since the inception of the Skyline Report. Madison County had an average of 77 days on the market.

There were 731 houses listed for sale in the MLS database as of December 31, 2020, at an average list price of \$386,108.

# Regional Market Trends

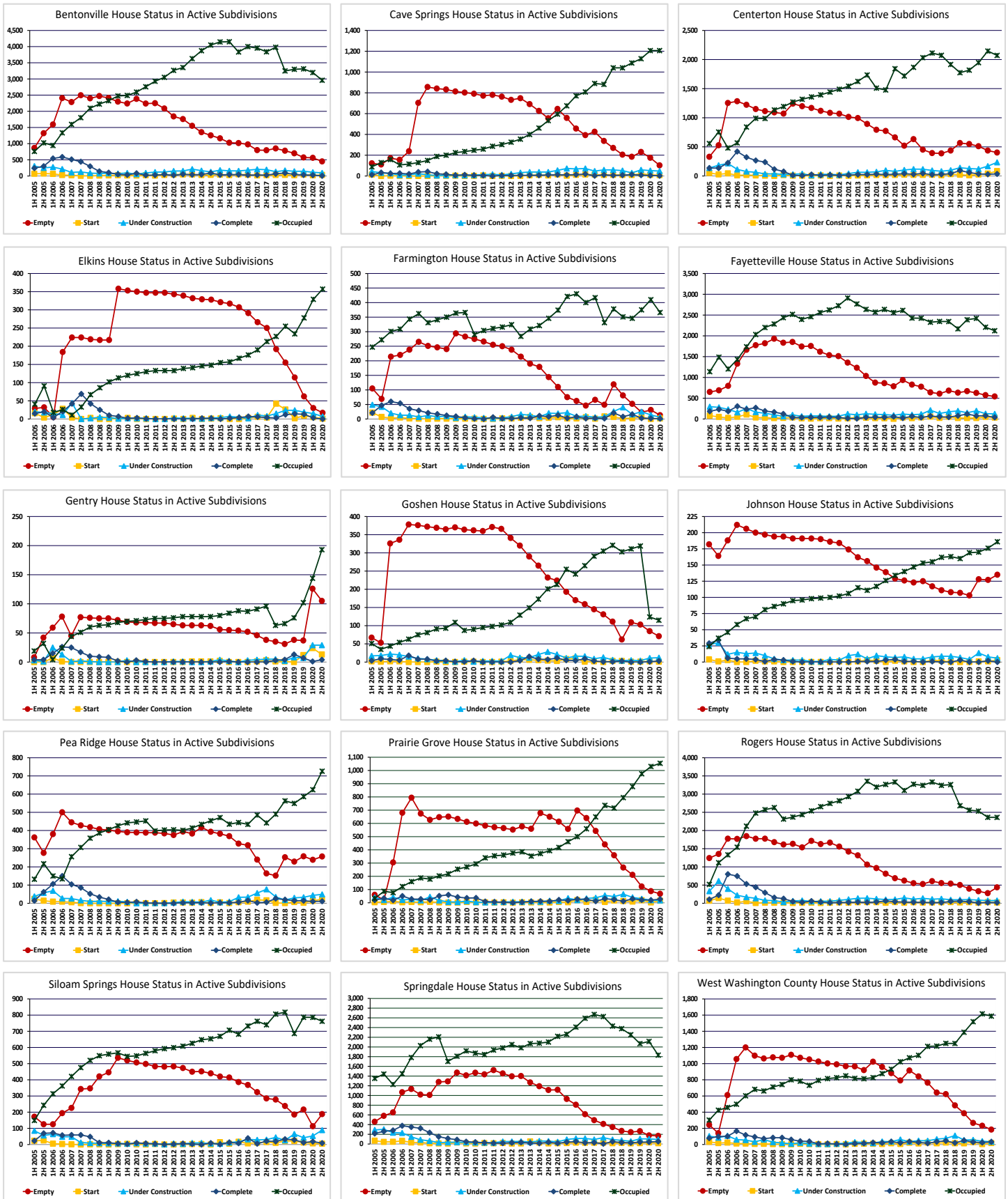
## Building Permits and Subdivision Status



Benton and Washington Yearly Average Building Permits	2H 2020 Number	1H 2020 Number	2H 2020 Average Value	1H 2020 Average Value
Bella Vista	229	187	\$264,200	\$253,198
Bentonville	235	145	\$303,987	\$359,944
Cave Springs	49	61	\$269,910	\$272,580
Centerton	436	230	\$254,397	\$294,360
Decatur	0	3	\$0	\$143,746
Elkins	13	26	\$241,238	\$159,500
Elm Springs	31	35	\$324,402	\$244,396
Farmington	89	73	\$290,483	\$285,260
Fayetteville	146	291	\$288,911	\$305,264
Gentry	57	61	\$128,257	\$124,287
Goshen	15	7	\$349,793	\$335,000
Gravette	12	36	\$213,308	\$196,863
Greenland	1	0	\$325,000	\$0
Highfill	61	50	\$259,333	\$245,031
Huntsville	44	7	\$150,275	\$165,833
Johnson	3	4	\$769,047	\$651,267
Lincoln	2	3	\$110,000	\$231,170
Little Flock	5	7	\$508,110	\$501,187
Lowell	57	74	\$239,822	\$276,861
Pea Ridge	121	62	\$243,259	\$242,562
Prairie Grove	37	78	\$182,742	\$147,268
Rogers	189	141	\$290,082	\$288,840
Siloam Springs	63	89	\$140,346	\$155,690
Springdale	117	142	\$248,195	\$258,456
Tontitown	59	140	\$286,114	\$250,224
West Fork	3	0	\$198,667	\$0
<b>NWA</b>	<b>2,074</b>	<b>1,989</b>	<b>\$260,510</b>	<b>\$262,327</b>

# Regional Market Trends

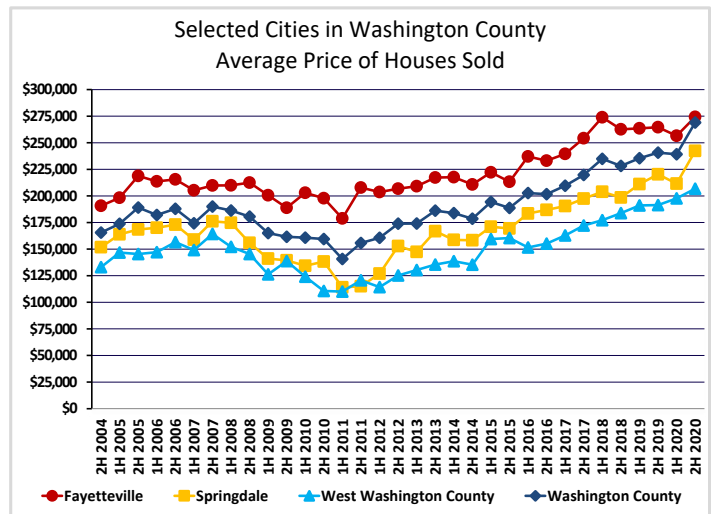
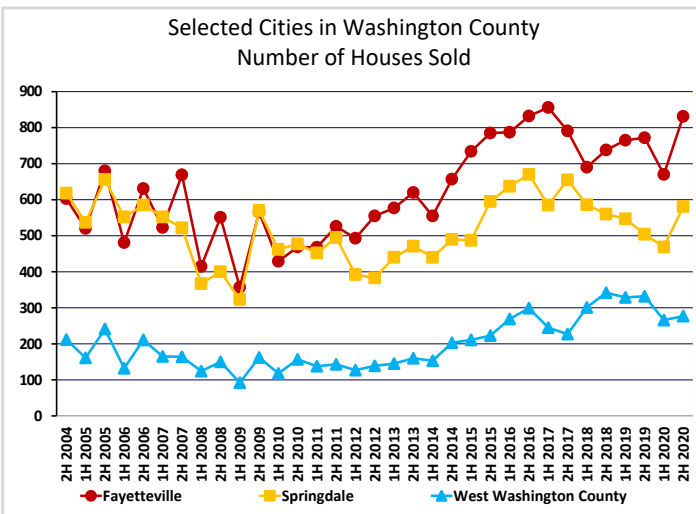
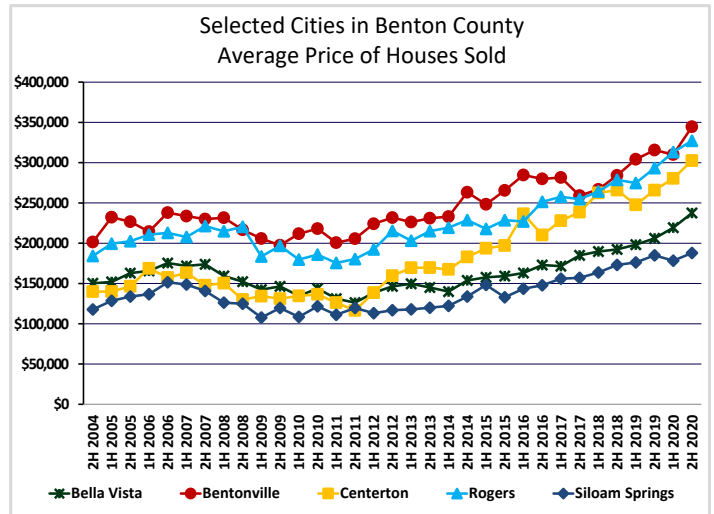
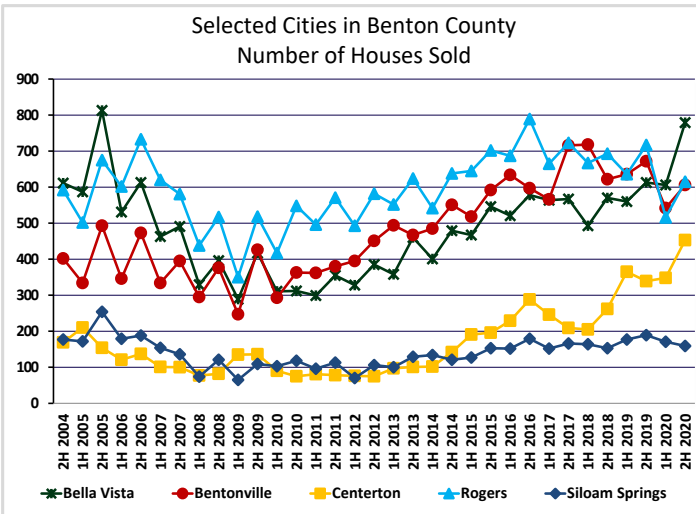
## Active Subdivisions



# Regional Market Trends

## Subdivision Status and Home Sales

Active Subdivision Status by City	Empty	Start	Under Construction	Completed	Occupied	Total Lots	Absorbed Lots	Coming Lots, Not Yet Active
Bentonville	449	31	94	6	2,960	3,540	268	1,511
Centerton	402	83	234	35	2,070	2,824	268	2,039
Fayetteville	542	33	123	40	2,123	2,861	385	1,612
Rogers	438	21	76	17	2,361	2,913	129	488
Siloam Springs	188	5	89	9	762	1,053	147	988
Springdale	168	16	93	51	1,832	2,160	229	992
West Washington County	184	18	34	33	1,588	1,857	78	1,218
<b>Northwest Arkansas</b>	<b>2,371</b>	<b>207</b>	<b>743</b>	<b>191</b>	<b>13,696</b>	<b>17,208</b>	<b>1,504</b>	<b>8,848</b>



# THE SKYLINE REPORT

SPONSORED BY ARVEST BANK

## Multifamily Highlights Second Half 2020

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

### Prepared Exclusively under Contract Agreement for ARVEST BANK

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

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



## Real Estate Summary For Benton and Washington Counties

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

### Highlights from the Second Half of 2020

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

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

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

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

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

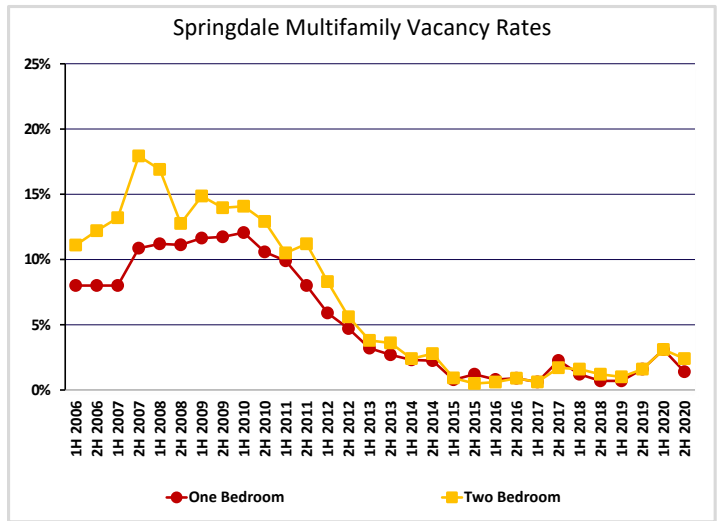
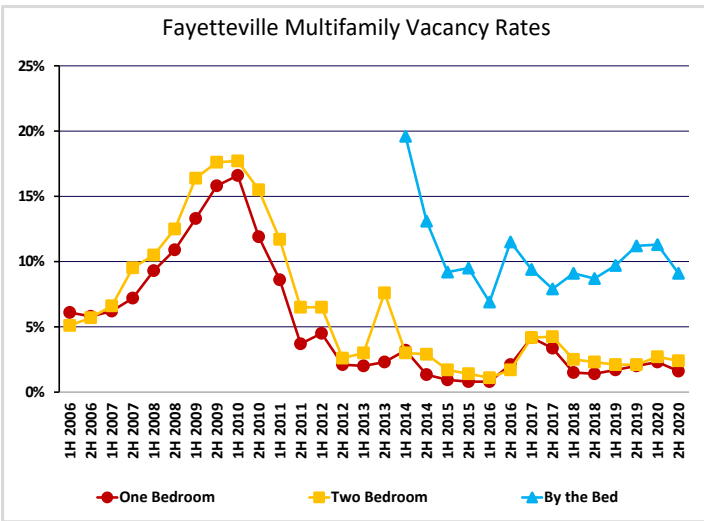
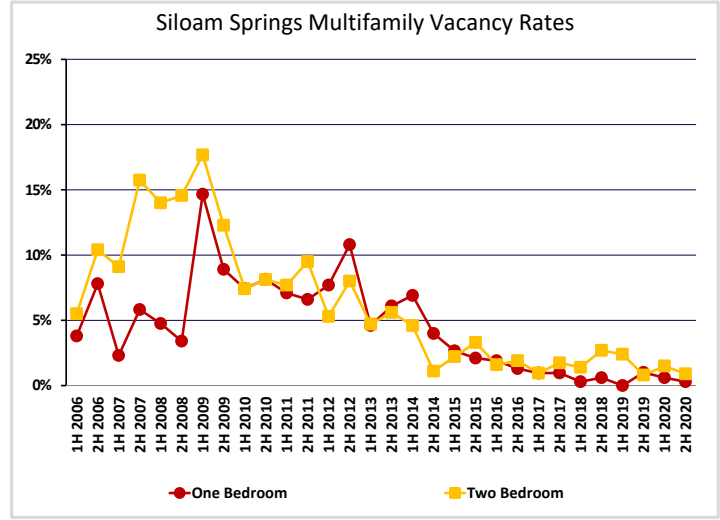
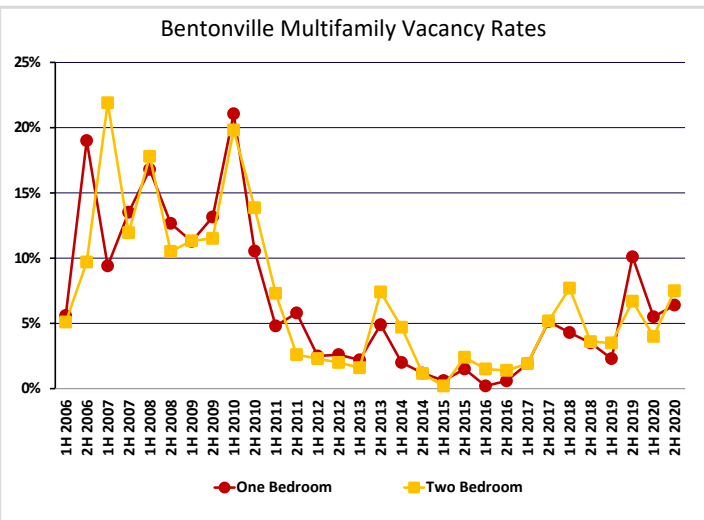
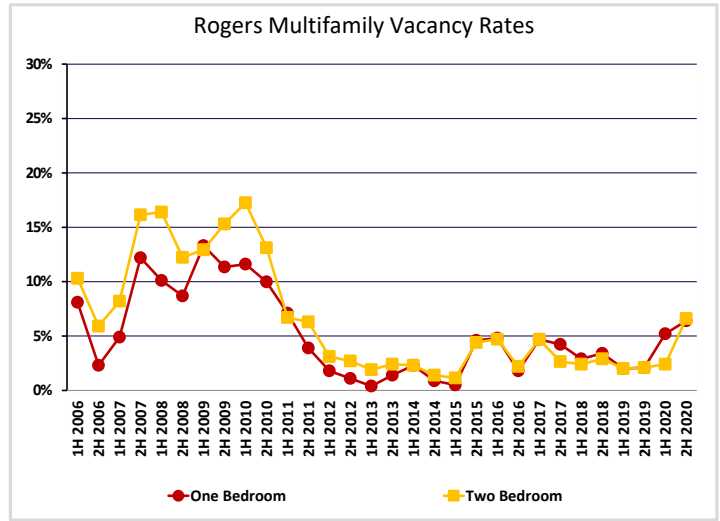
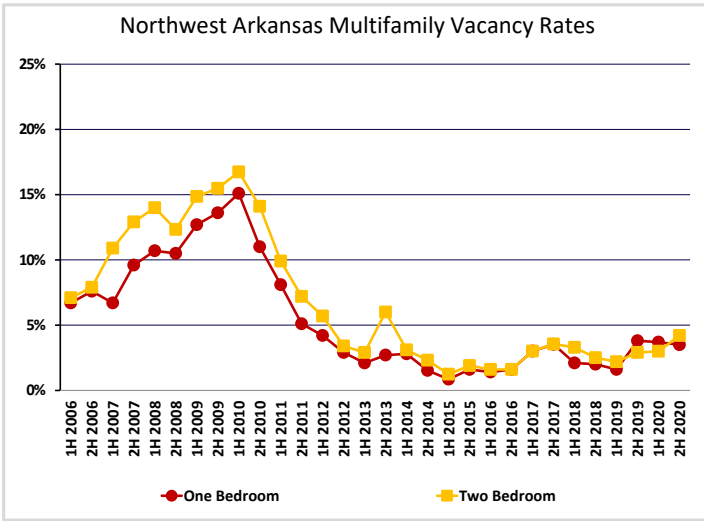
In Springdale, the vacancy rate decreased to 2.1 percent in the second half of 2020 from 2.9 percent in the first half of 2020. More than 2,200 new rental units (30.4 percent of current inventory) have been announced or are under construction in multifamily projects in the Springdale and Tontitown area.

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

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

# Regional Market Trends

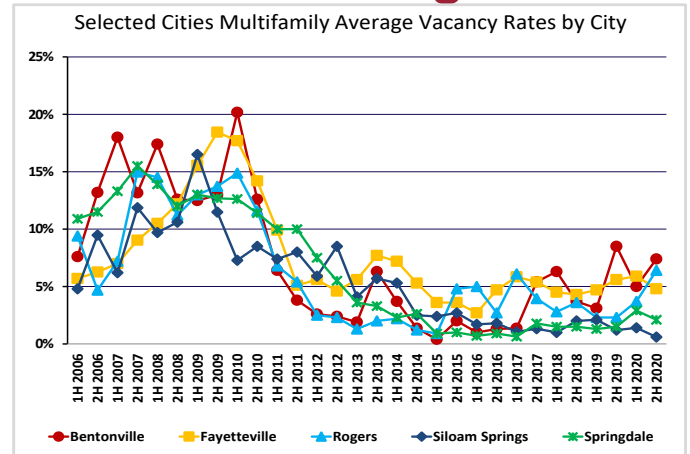
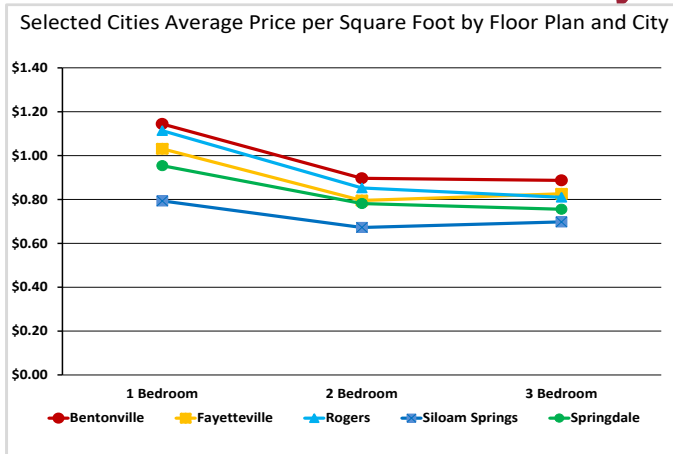
## Multifamily Vacancy Rates





# Regional Market Trends

## Multifamily Rates and Building Permits



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

Multifamily Building Permits	Complex or Developer	Number of New Permits	Total Value of Permits	City
3/9/2020	The Pointe, Ph II	5	\$19,392,950	Bentonville
4/23/2020	Skyridge Estates, Ph II	9	\$10,649,582	Bentonville
8/11/2020	7th & B Townhomes	9	\$1,375,428	Bentonville
9/1/2020	The Howard	1	\$9,046,182	Bentonville
10/5/2020	Elm Tree Townhomes	32	\$6,645,374	Bentonville
11/25/2020	City U	25	\$54,322,389	Bentonville
11/30/2020	Harmon North Townhomes	54	\$8,946,828	Bentonville
10/13/2020	Copper Oaks Cottage Homes	12	\$930,564	Centerton
3/2/2020	Beechwood Apartments	6	\$32,263,868	Fayetteville
3/3/2020	Courtyards Act 1	10	\$1,368,685	Fayetteville
3/27/2020	Ruppel Road Multifamily	64	\$9,716,174	Fayetteville
10/5/2020	The Marshall	1	\$9,560,291	Fayetteville
10/7/2020	South School Apartments	1	\$3,795,813	Fayetteville
11/11/2020	Garland Ave Apartments	1	\$1,769,655	Fayetteville
11/25/2020	Oakland 6 Plex	1	\$473,592	Fayetteville
12/2/2020	SouthYard	5	\$17,097,443	Fayetteville
12/23/2020	Mitchell Apartments	72	\$16,914,848	Fayetteville
2/3/2020	49West	1	\$2,907,272	Rogers
2/26/2020	Promenade Commons	1	\$16,916,283	Rogers
4/8/2020	Fitzroy Rogers	4	\$40,090,223	Rogers
5/19/2020	Shadowbrook, Ph III	54	\$9,341,016	Rogers
6/2/2020	Pinnacle Heights	22	\$4,172,212	Rogers
6/16/2020	Dodson Pointe	1	\$3,515,660	Rogers
8/31/2020	Dodson Pointe	2	\$7,939,879	Rogers
10/1/2020	Bost Apartments	3	\$940,701	Rogers
5/27/2020	College Multipex	1	\$533,050	Siloam Springs
1/6/2020	Aspen Heights	9	\$7,262,759	Tontitown
6/23/2020	Aspen Heights	23	\$26,271,727	Tontitown
<b>Northwest Arkansas</b>	<b>28</b>	<b>429</b>	<b>\$324,160,448</b>	

# Regional Market Trends

## Multifamily Sample Data

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

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

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

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

