



# STUDENT HOUSING NATIONAL OUTLOOK

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FALL 2022

# PRESENTERS

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**JEFF ADLER**

-  
Vice President  
Yardi Matrix



**RON BROCK, JR**

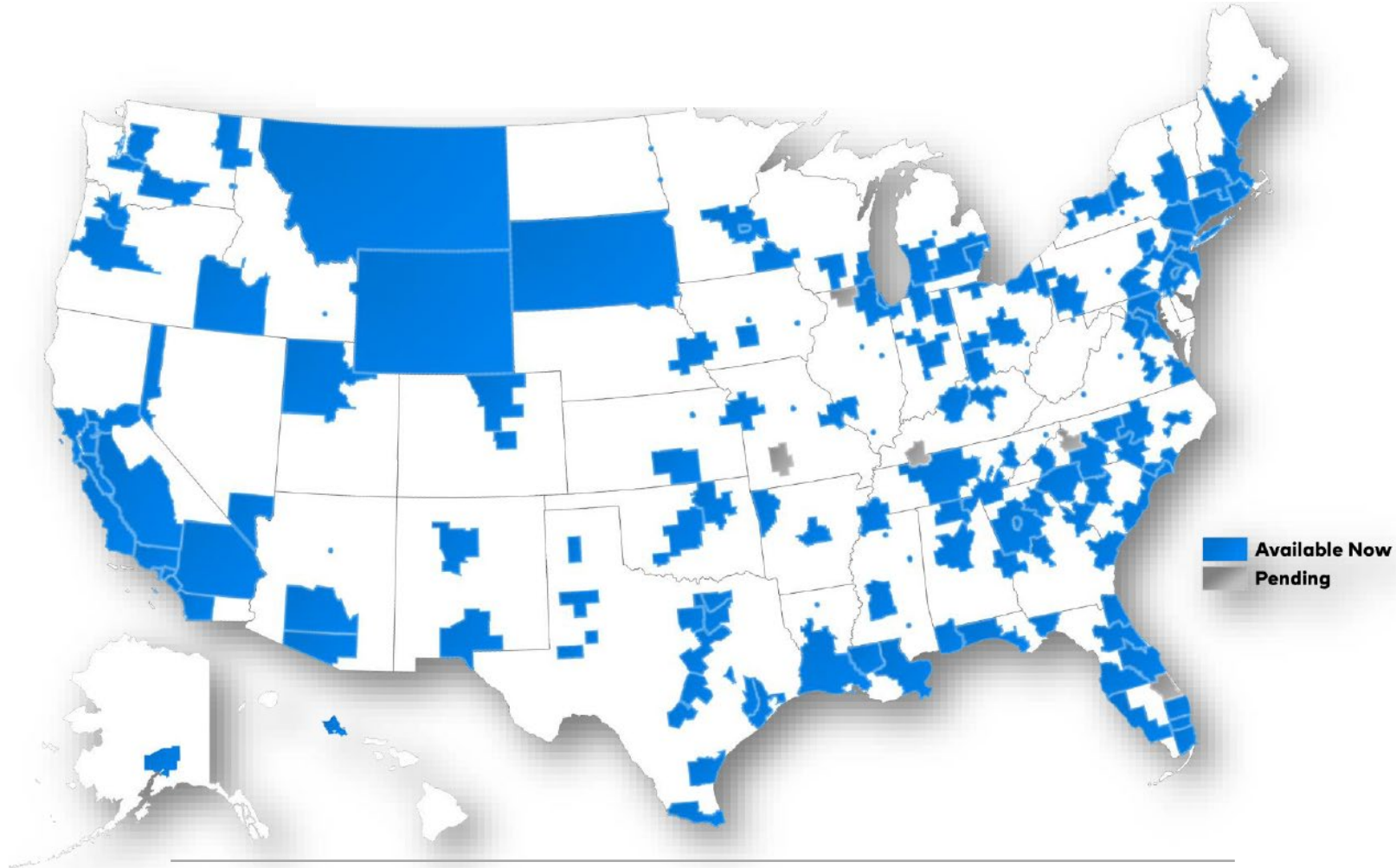
-  
Industry Principal  
Yardi Matrix



# AGENDA

- Opening Remarks
- Macroeconomic Update
- Early Insights From Fall 2022 Enrollment Announcements
- Student Housing and the Shadow Market
- Fundamentals: Preleasing, Rent Growth, Supply and Transactions
- Yardi Matrix Forecasts

# Yardi Matrix Student Housing Coverage



## Yardi Matrix Student Housing Coverage

|  |           |
|--|-----------|
| Total Dedicated Off-Campus Bed Count Coverage      | 1,171,004 |
| Total Dedicated Off-Campus Property Count Coverage | 2,065     |
| Number of Schools Covered                          | 2,521     |

# OPENING REMARKS

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# Yardi Matrix House View – October 2022

## **ENROLLMENT**

- Fall 2022 enrollment appears to be following a similar trend to 2021
- Highly selective, top tier universities received a surge in applications
- Less selective universities and community colleges are struggling with enrollment
- Consolidation of the higher education system is a result of the contrast in enrollment across school types

## **FUNDAMENTALS**

- The fall 2022 preleasing period ended in September at a record 96.6%, 2.3% higher than last year
- The average rent per bedroom at Yardi 200 universities for the fall 2022 school year was \$789 as of September, a record high and 4.1% over the same time last year
- The great disparity between multifamily and student housing rents indicate the possibility for additional room to grow student housing rents, particularly in urban markets with a prominent shadow market
- As we expected, preleasing and rent growth are highest for bigger, more selective universities
- Student housing deliveries surged in 2022, but are expected to moderate, and housing shortages at universities are becoming more widespread than just California
- Transaction volume has potential to surpass record 2021 levels as the industry continues to garner investor interest

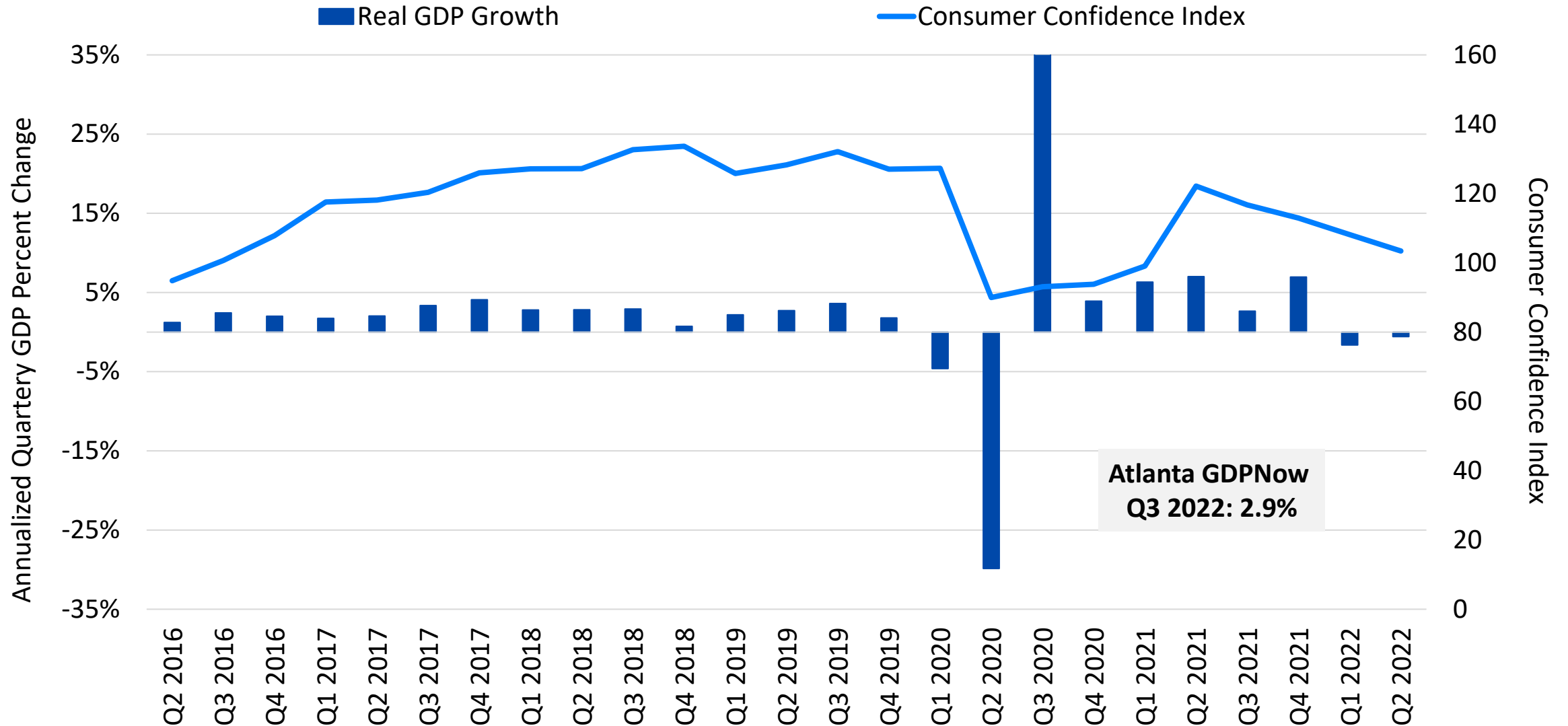
## **OUTLOOK**

- Yardi Matrix forecasts predict the student industry to stabilize over the next few years, with strong but steady rent and occupancy growth, enrollment growth and supply growth
- Overall, we still have a very positive outlook for the student housing industry, particularly at first tier institutions

# MACROECONOMIC UPDATE

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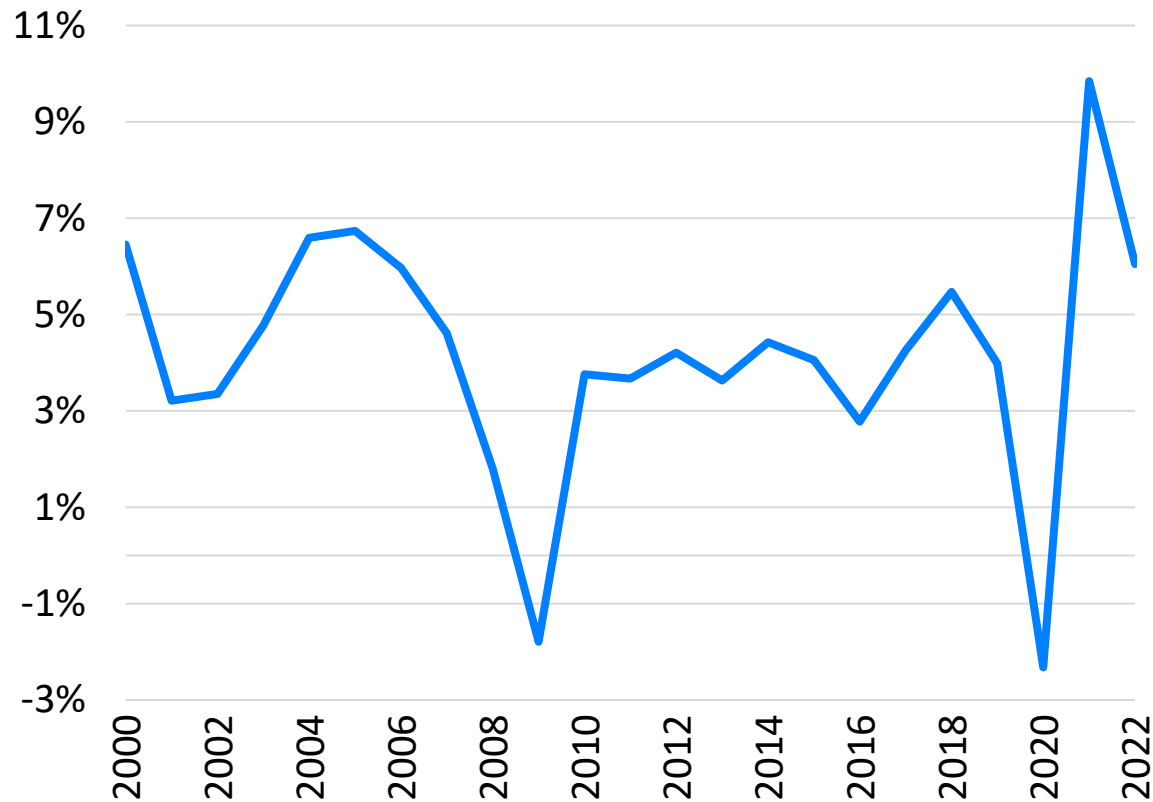
# The Fed is Tightening, Inflation Has Been High and Growth is Cooling





# The Recovery Out of COVID Has Been Rapid, but Now Comes the Inflationary Hangover, With a Late 2023/Q1 2024 Recession

**Nominal Annual GDP: YoY % Change**

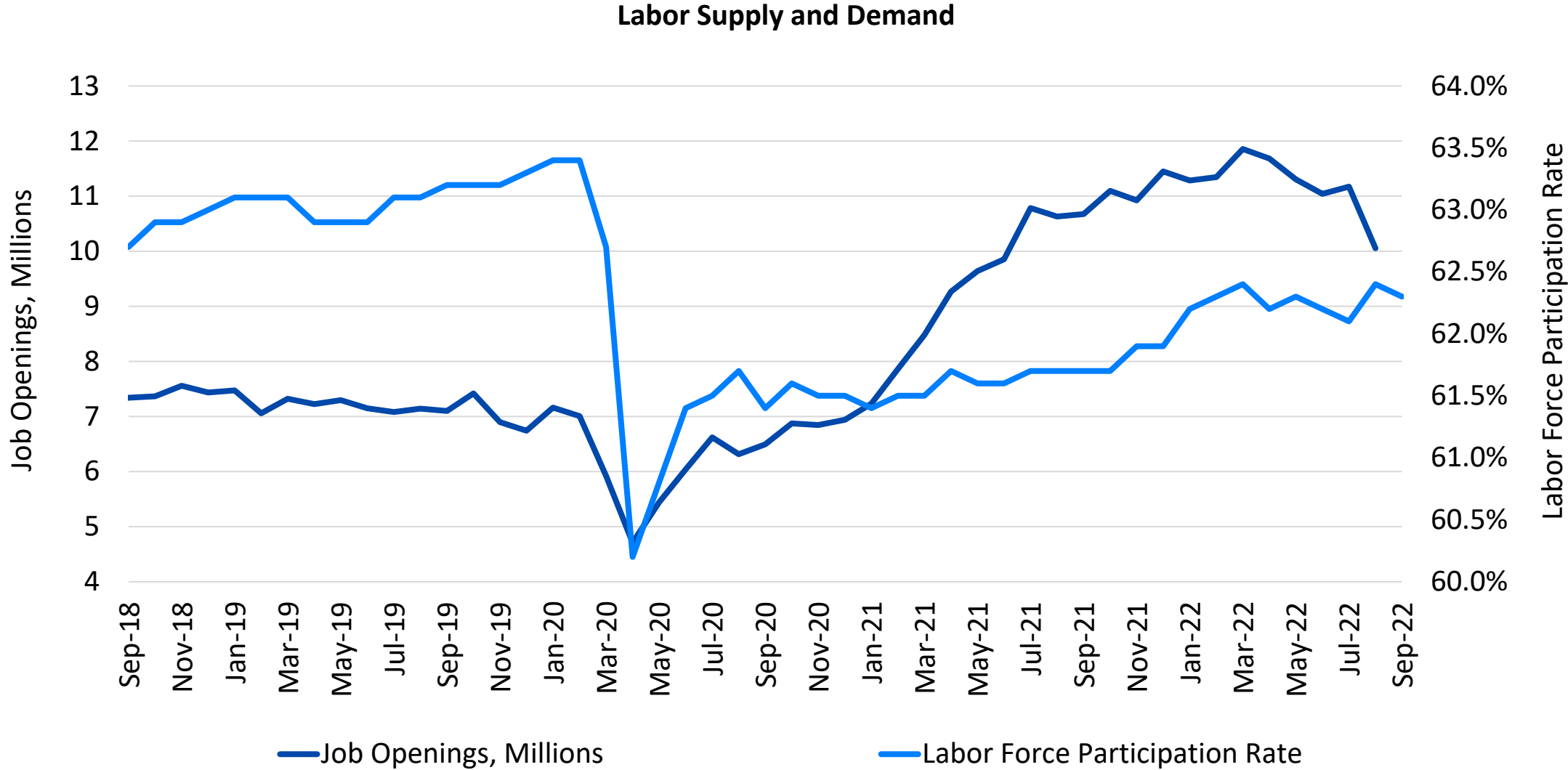


**Evercore ISI / Yardi Matrix Economic Forecasts**

|  | 2021  | 2022 Forecast | 2023 Forecast |
|--|-------|---------------|---------------|
| <b>Real GDP:</b><br>YoY % Change           | 5.5%  | 0.4%          | 0.0%          |
| <b>Nominal GDP:</b><br>YoY % Change        | 11.8% | 6.4%          | 3.0%          |
| <b>GDP Price Deflator:</b><br>YoY % Change | 5.9%  | 6.0%          | 3.0%          |
| <b>Fed Funds:</b><br>End of Year           | 0.25% | 4.75%         | 4.50%         |
| <b>10 Yr Bond Yields:</b><br>End of Year   | 1.50% | 4.25%         | 4.25%         |



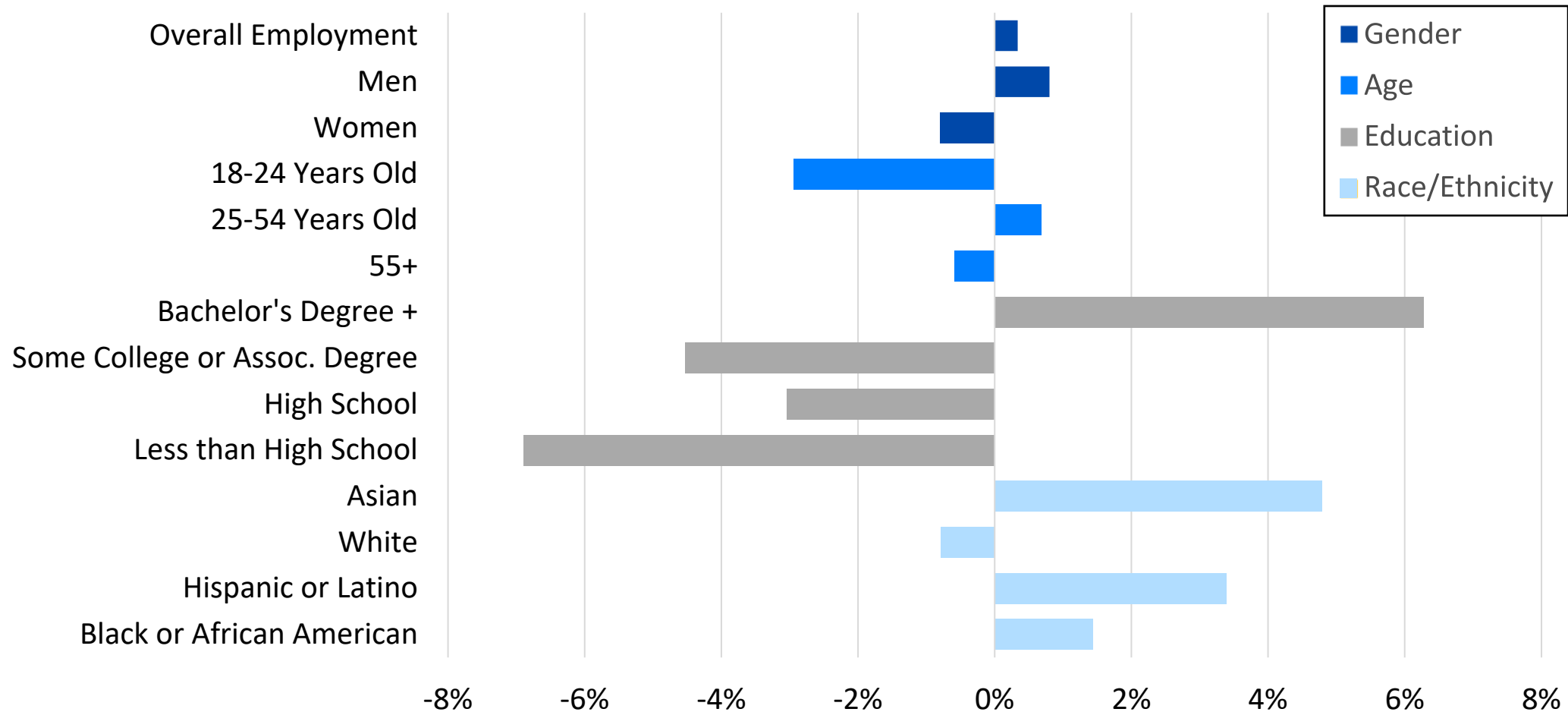
# The Gap Between Labor Supply and Demand is Decreasing Quickly



Source: Yardi Matrix; Federal Reserve Bank of St. Louis; U.S. Bureau of Labor Statistics

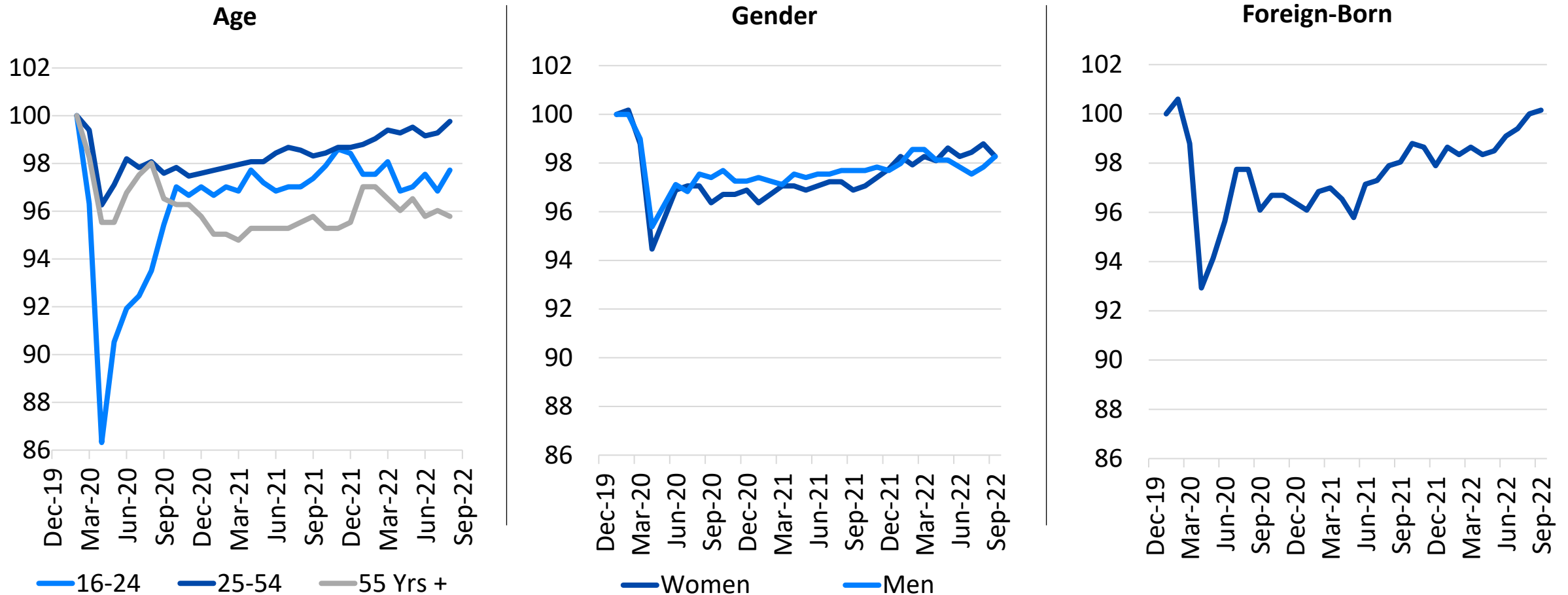
# Many Demographic Classes Have Left the Workforce

Change in Employment Level (February 2020 – September 2022)



# Foreign-Born Workers and Ages 25-54 Have Completely Returned to the Workforce; Workers Ages 16-24 and 55+ Are Taking Time to Return

LABOR FORCE PARTICIPATION RATE, INDEXED JAN 2020 = 100



# Student Loan Relief Program: Minimal Impact on Economy and Housing Markets

## **Student Loan Relief Program – Announced August 2022**

- Cancellation of up to \$20k in federal student debt for borrowers
- Creation of a new income-driven repayment plan
- Extension of the moratorium on student loan repayments through the end of 2022

## **Implications on the Economy and Housing**

- According to Moody's Analytics, student loan forbearance and debt forgiveness will be a wash on the economy
  - Forbearance Impact 2023: Reduce real GDP growth 18 bps, increase unemployment rate 8 bps, reduce inflation 11 bps
  - Forgiveness Impact 2023: Increase real GDP growth 13 bps, reduce unemployment rate 6 bps, increase inflation 8 bps
- The student loan forbearance and debt forgiveness could each impact renters' ability to pay rents in the short-term
  - Some states may tax student loan forgiveness (Arkansas, Hawaii, Idaho, Kentucky, Massachusetts, Minnesota, Mississippi, New York, Pennsylvania, South Carolina, Virginia, West Virginia and Wisconsin)
  - Payments resuming in January may affect discretionary income of those who have not been making payments
- Could help increase homeownership for buyers previously burdened with debt
  - Just over half of all non-homeowners surveyed last year by the National Association of Realtors said student loan debt was delaying their purchase of a home

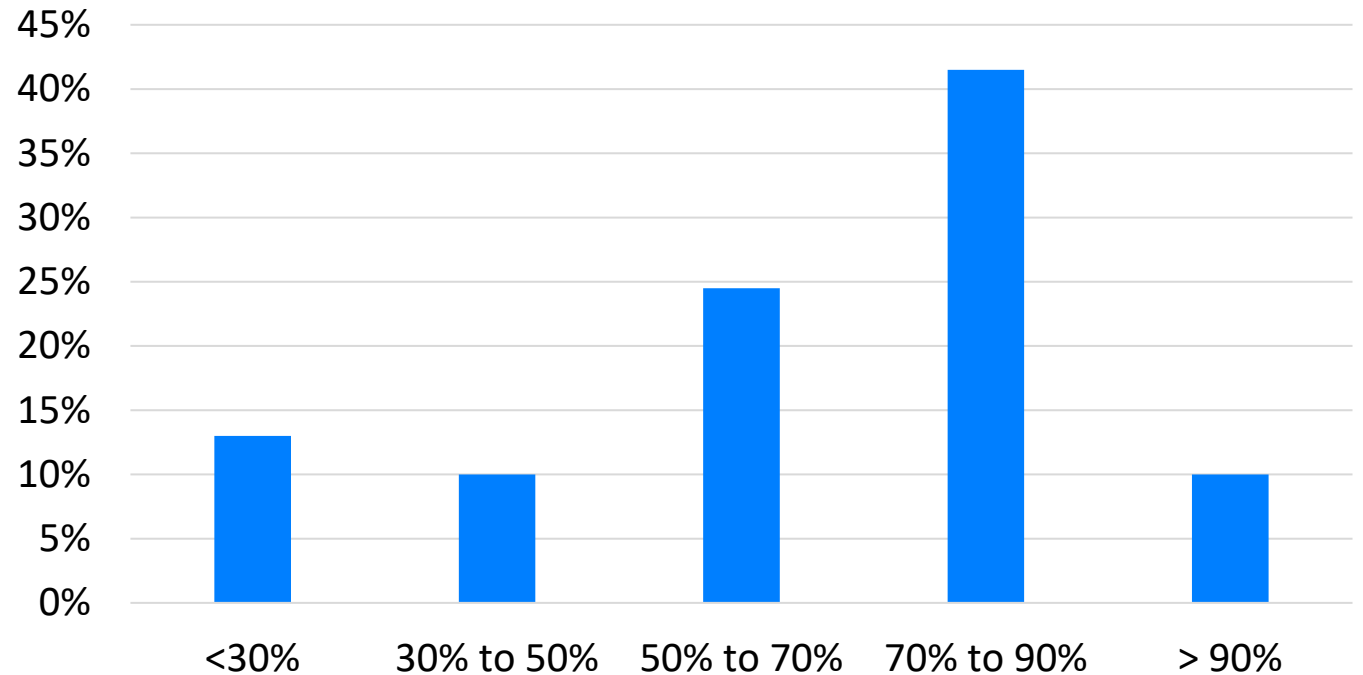
# EARLY INSIGHTS FROM FALL 2022 ENROLLMENT ANNOUNCEMENTS

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# Schools With Lower Acceptance Rates Have the Ability to Boost Enrollment by Decreasing Admission Criteria

- A school's acceptance rate can be an indicator of how vulnerable a school is to future enrollment declines
- A school with a low acceptance rate can adjust admission criteria to boost enrollment, whereas a school with an already high admission rate does not have that ability

**% of Schools by Acceptance Rate - Yardi 200**



# The Great Disparity in College Enrollment Continues in Fall 2022

- The enrollment situation in higher education remains one of haves and have-nots
- Universities with surging applications:
  - Highly selective
  - Great name recognition
  - Prominent sports teams (Power Five football conference)
  - Migration favorites/Sunbelt states
  - Examples:
    - Arizona State University system sets new records with fall 2022 enrollment
    - University of Alabama sets record enrollment with 38,645 students
    - Berkeley had a record-high number of student applicants for the fall 2022 year
    - Purdue University sets all-time student enrollment record
    - Oklahoma State University freshman enrollment hits all-time high
- Universities struggling with enrollment include less selective universities and community colleges
  - However, some community colleges have seen enrollment growth after a rough 2021
  - Examples:
    - Enrollment at Northwest Iowa Community College (IA) is up 5.5% from last year
    - Heartland Community College (IL) enrollment up 2% in fall 2022
    - Enrollment at Pima Community College (AZ) increased by nearly 10 percent for the 2022 fall term
    - Bossier Parish Community College (LA) saw a 12% increase in enrollment for the fall 2022 semester



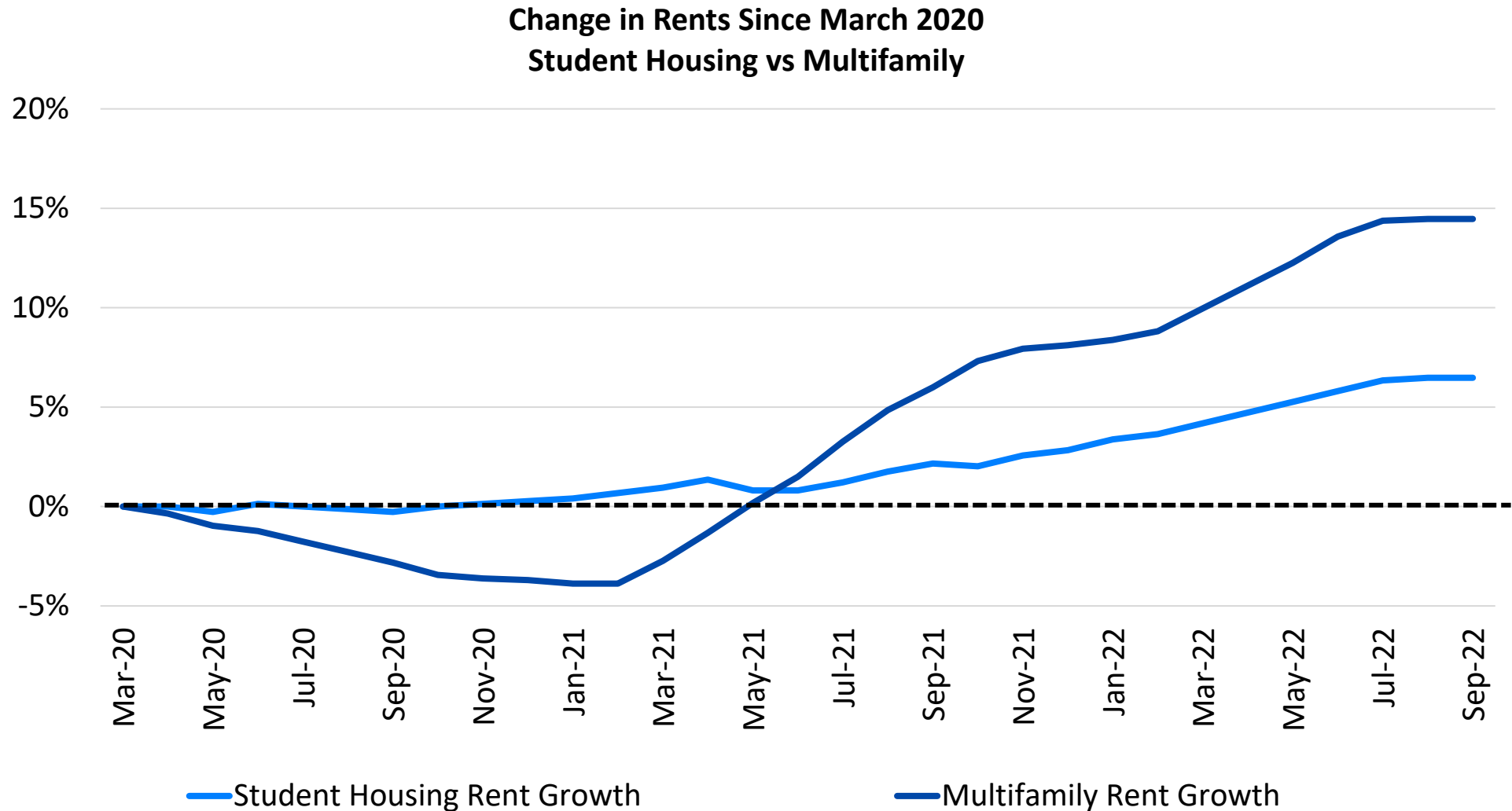
# Consolidation of the Higher Education System Benefits the Most Competitive Universities

- Total postsecondary enrollment is declining
  - Spring 2021 – Spring 2022: 4.1% decline, 685,000 students
  - Spring 2020 – Spring 2022: 7.4% decline, 1,300,000 students
- Declining enrollment and revenue are causing consolidation among the higher education system
  - Over the past four years, there have been 95 college mergers, compared with 78 over the prior 18 years, according to EY Parthenon
  - The WSJ reports that 40% of mergers involve private, nonprofit schools, and the majority involve schools within the same state and with fewer than 5,000 students
  - In June, Saint Joseph's University in Philadelphia absorbed the University of the Sciences, making the crosstown universities one institution under Saint Joseph's name
  - In Pennsylvania, three state schools – Bloomsburg, Lock Haven and Mansfield universities – merged into the Commonwealth University
  - Three financially-challenged public institutions in Vermont will merge into one university, Vermont State University. The unified university will welcome its inaugural class in the fall of 2023
- **Schools that will win during a prolonged consolidation are the most competitive public and private universities**

# STUDENT HOUSING AND THE SHADOW MARKET

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# Multifamily Rents Dipped Then Skyrocketed Coming Out of the Pandemic, While Student Housing Rents Still Have Room to Play Catch Up



# The Spread Between Multifamily and Student Housing Rents is Largest in Urban Markets

| University                                 | Average Rental Rate by Bedroom |             |         |
|--|--------------------------------|-------------|---------|
|  | Student Housing                | Multifamily | Spread  |
| University of California-Irvine            | \$1,133                        | \$2,624     | \$1,491 |
| The University of Texas at Austin          | \$1,034                        | \$1,867     | \$833   |
| University of Washington-Seattle Campus    | \$1,507                        | \$2,321     | \$814   |
| Portland State University                  | \$934                          | \$1,676     | \$742   |
| University of Pennsylvania (Phila)         | \$1,278                        | \$1,957     | \$679   |
| Indiana University-IUPUI (Indianapolis)    | \$770                          | \$1,409     | \$639   |
| University of Pittsburgh-Pittsburgh Campus | \$1,057                        | \$1,683     | \$626   |
| Florida International University (Miami)   | \$1,005                        | \$1,624     | \$619   |
| University of North Carolina at Greensboro | \$619                          | \$1,201     | \$582   |
| Georgia Institute of Technology (Atlanta)  | \$1,152                        | \$1,721     | \$569   |
| University of Nevada-Reno                  | \$827                          | \$1,359     | \$532   |
| University of California-Riverside         | \$1,037                        | \$1,558     | \$521   |
| North Carolina State University at Raleigh | \$756                          | \$1,254     | \$498   |
| University of Minnesota-Twin Cities        | \$999                          | \$1,490     | \$491   |
| Boise State University                     | \$821                          | \$1,311     | \$490   |



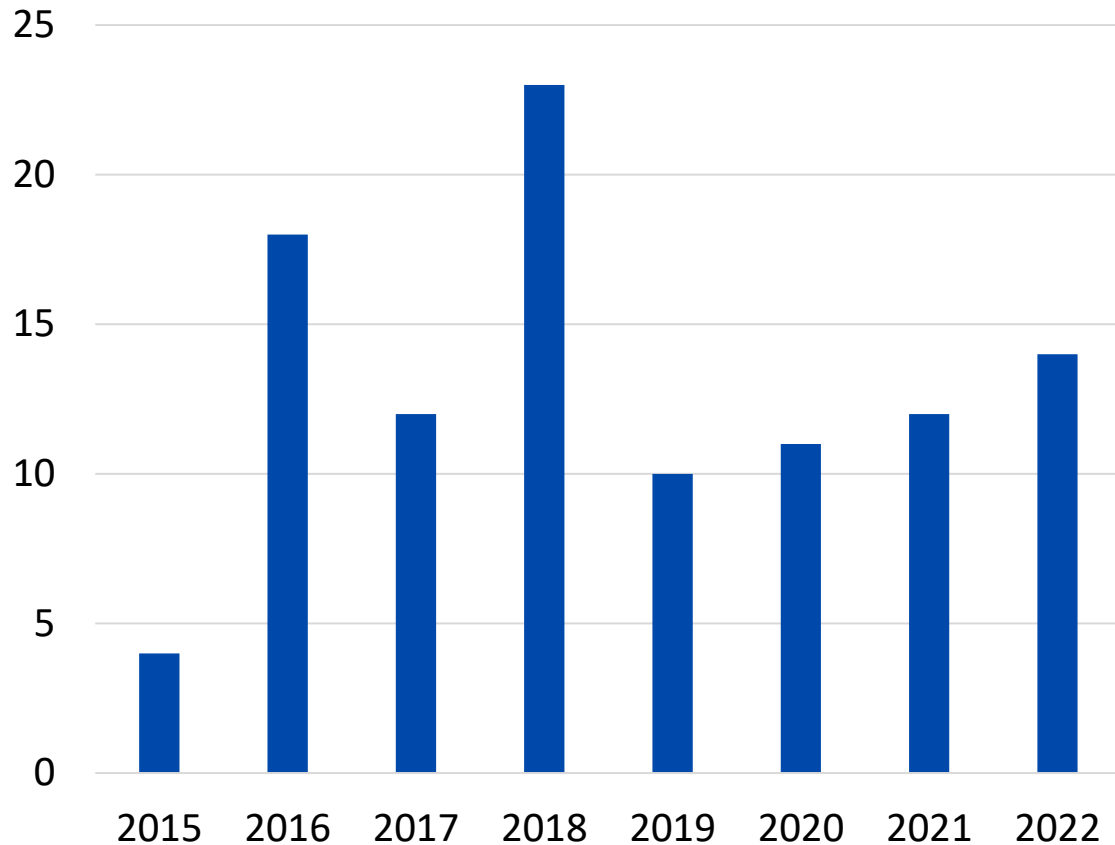
Note: Rental rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. Student housing and multifamily rents are for properties within the same 3-mile radius of a university | Source: Yardi Matrix

# Operating Expenses are Increasing Across the Nation, Cutting into Revenues Despite Rent Growth

| Universities                              | Shadow Market       | Growth in Operating Expenses Over the 12 Months Ending September'22 |
|---|---------------------|---|
| Portland State University                 | Portland            | 9.8%  |
| University of South Florida               | Tampa               | 9.5%  |
| University of Nevada-Reno                 | Reno                | 8.0%  |
| University of Houston                     | Houston - East      | 7.9%  |
| University of North Carolina at Charlotte | Charlotte           | 7.7%  |
| University of Minnesota-Twin Cities       | Minneapolis - Urban | 7.3%  |
| Georgia Institute of Technology           | Atlanta - Urban     | 7.0%  |
| The University of Texas at Austin         | Austin              | 5.9%  |
| Saint Louis University                    | St Louis            | 5.9%  |
| Ohio State University                     | Columbus            | 5.8%  |
| University of Pittsburgh                  | Pittsburgh          | 5.6%  |
| Johns Hopkins University                  | Baltimore           | 5.5%  |
| DePaul University                         | Chicago - Urban     | 5.3%  |
| University of Southern California         | Los Angeles - Metro | 4.5%  |

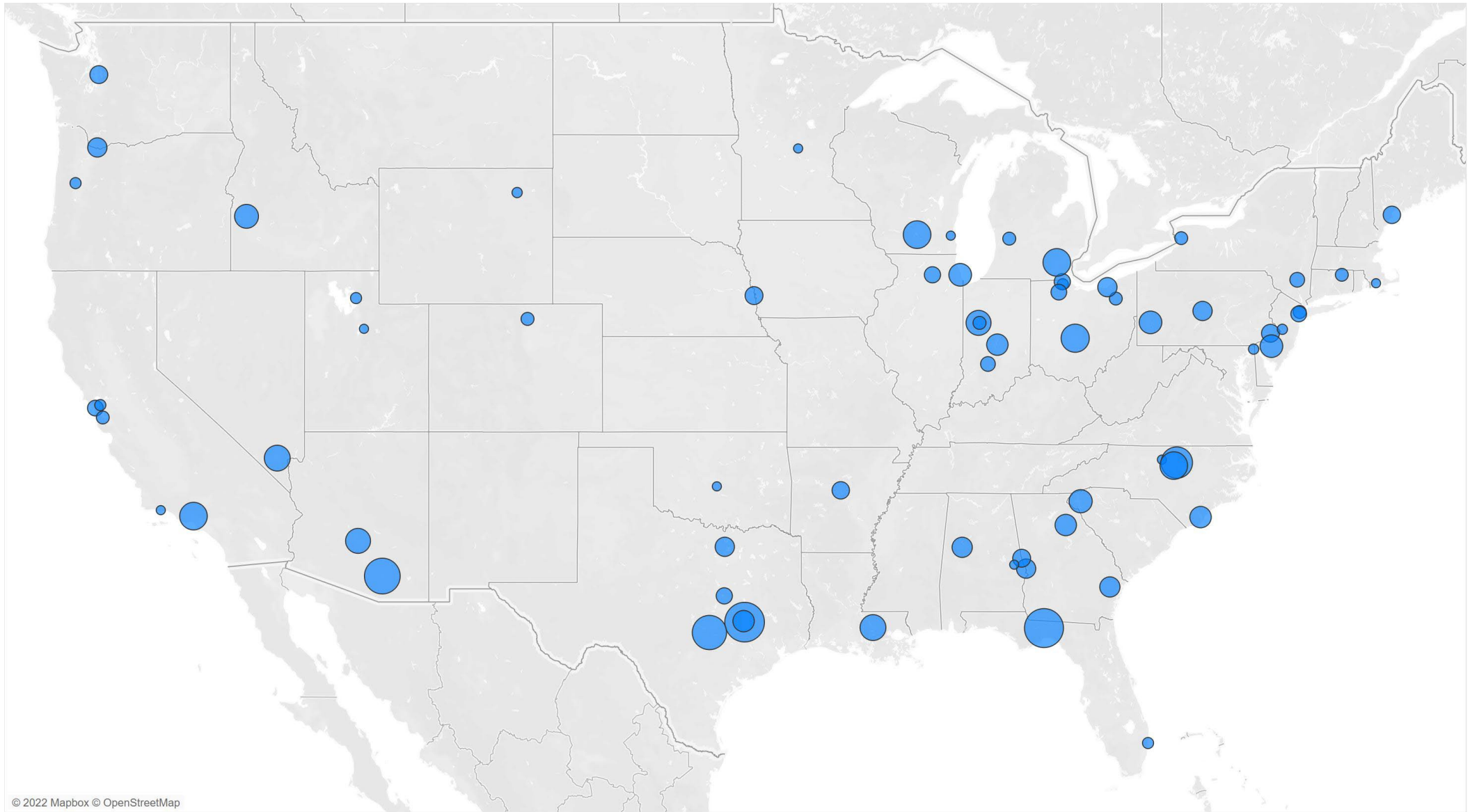
# Conversions from Student Housing to Multifamily Picking Up in Overflow Markets to Accommodate Population Growth

**Student Housing Property Conversions to Conventional Multifamily**



- Over 100 properties converted from student housing to multifamily since 2015
- Conversions tend to do best in major markets or secondary markets where there is a lack of conventional multifamily
- As the population spread to the outskirts of bigger cities, smaller cities were left with an undersupply of multifamily to meet this new demand
  - EX: Murfreesboro, TN had a lot of population spillover from Nashville, and had an increase in conversions from student to multifamily to meet this new demand
- In some oversaturated student housing markets, these conversions to multifamily has tended to improve the overall student housing market
- Student housing tends to have more bedrooms and less communal space, and walls are typically removed to create more common space when converting to conventional multifamily

# Student Housing Conversions to Conventional Multifamily Since 2015



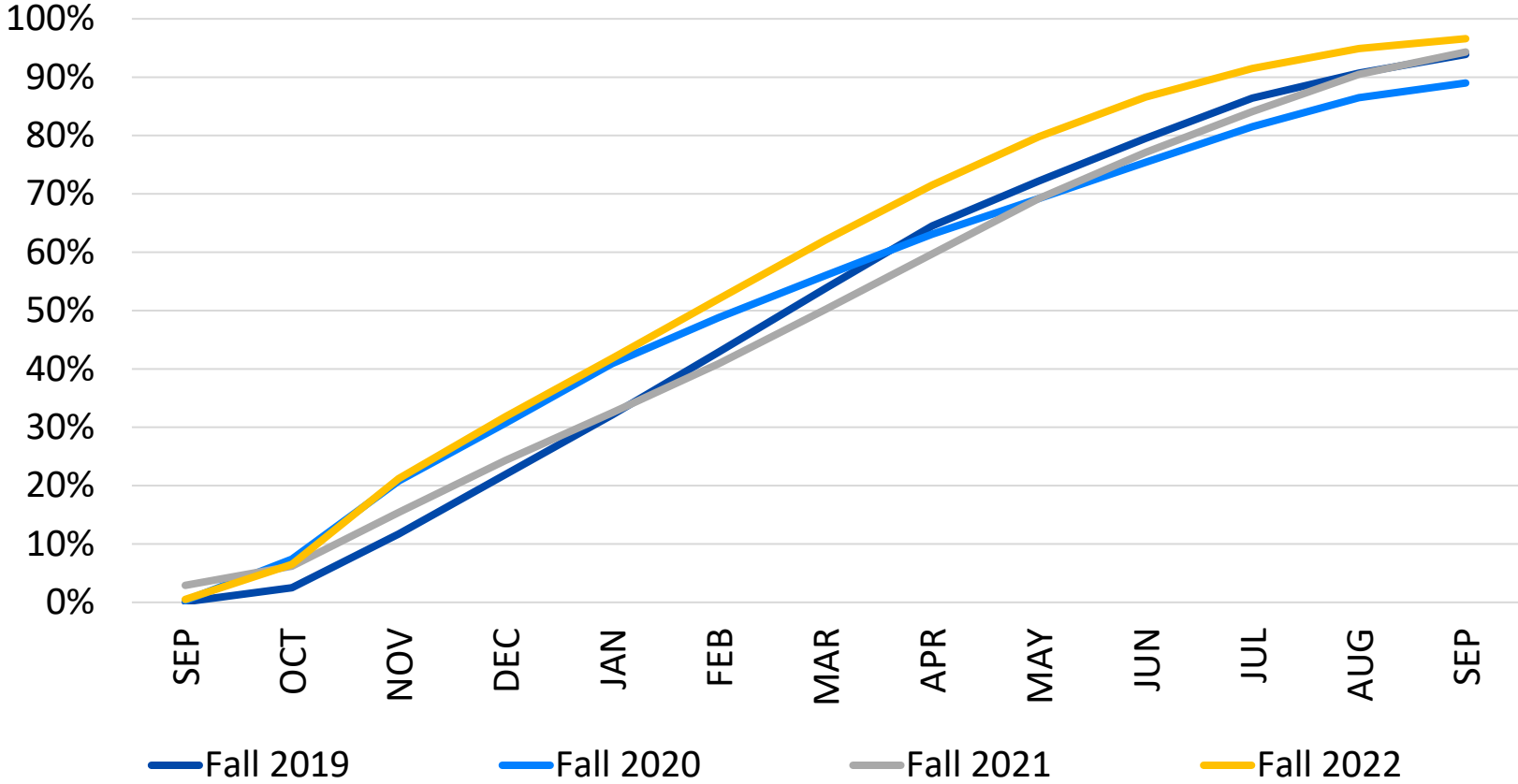
# STUDENT HOUSING FUNDAMENTALS: PRELEASING AND RENT GROWTH

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# The Fall 2022 Preleasing Period Ended at a Record High of 96.6%

Yardi 200 Prelease Curves



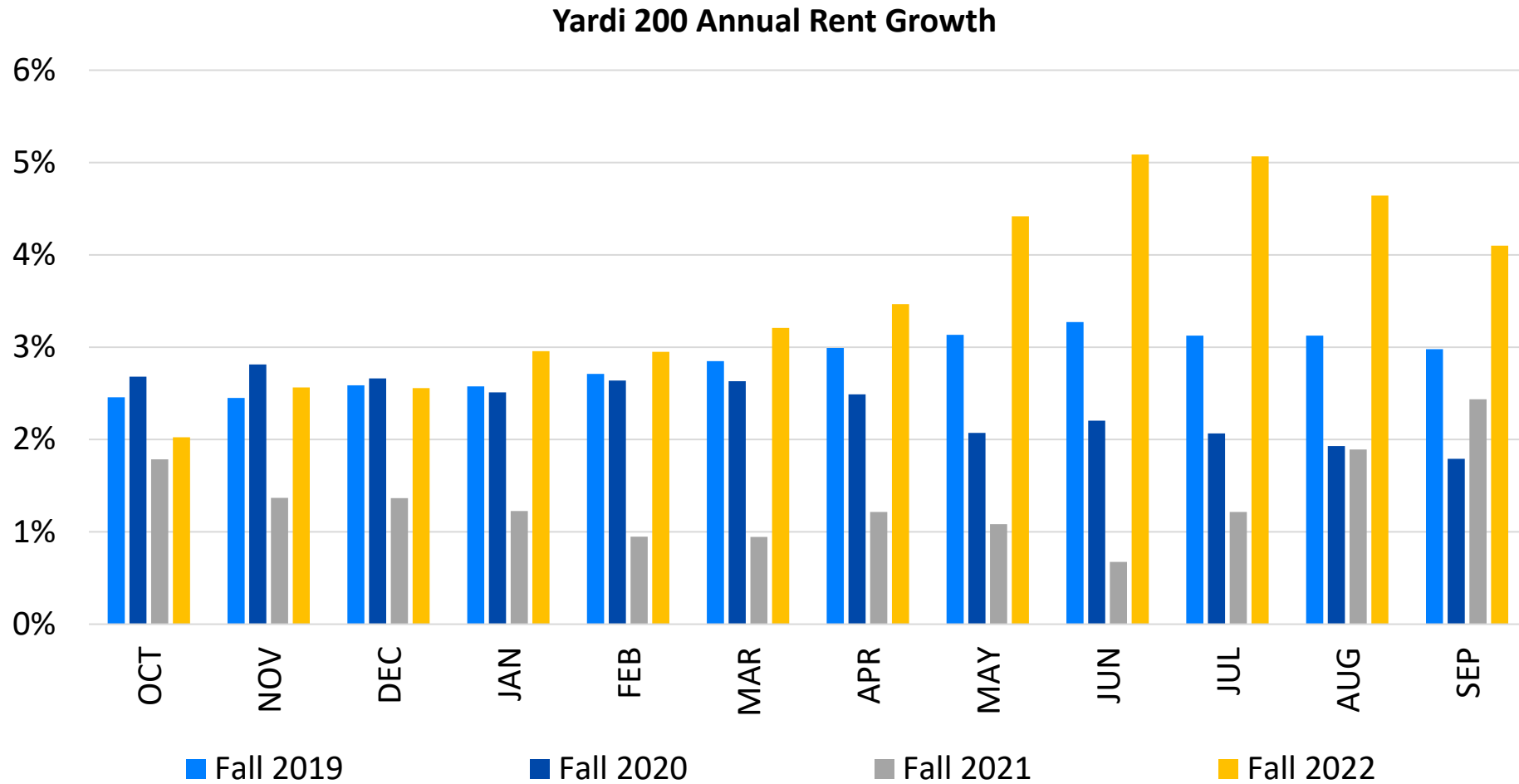
% Released as of September

|           |       |
|-----------|-------|
| Fall 2019 | 93.9% |
| Fall 2020 | 89.0% |
| Fall 2021 | 94.3% |
| Fall 2022 | 96.6% |



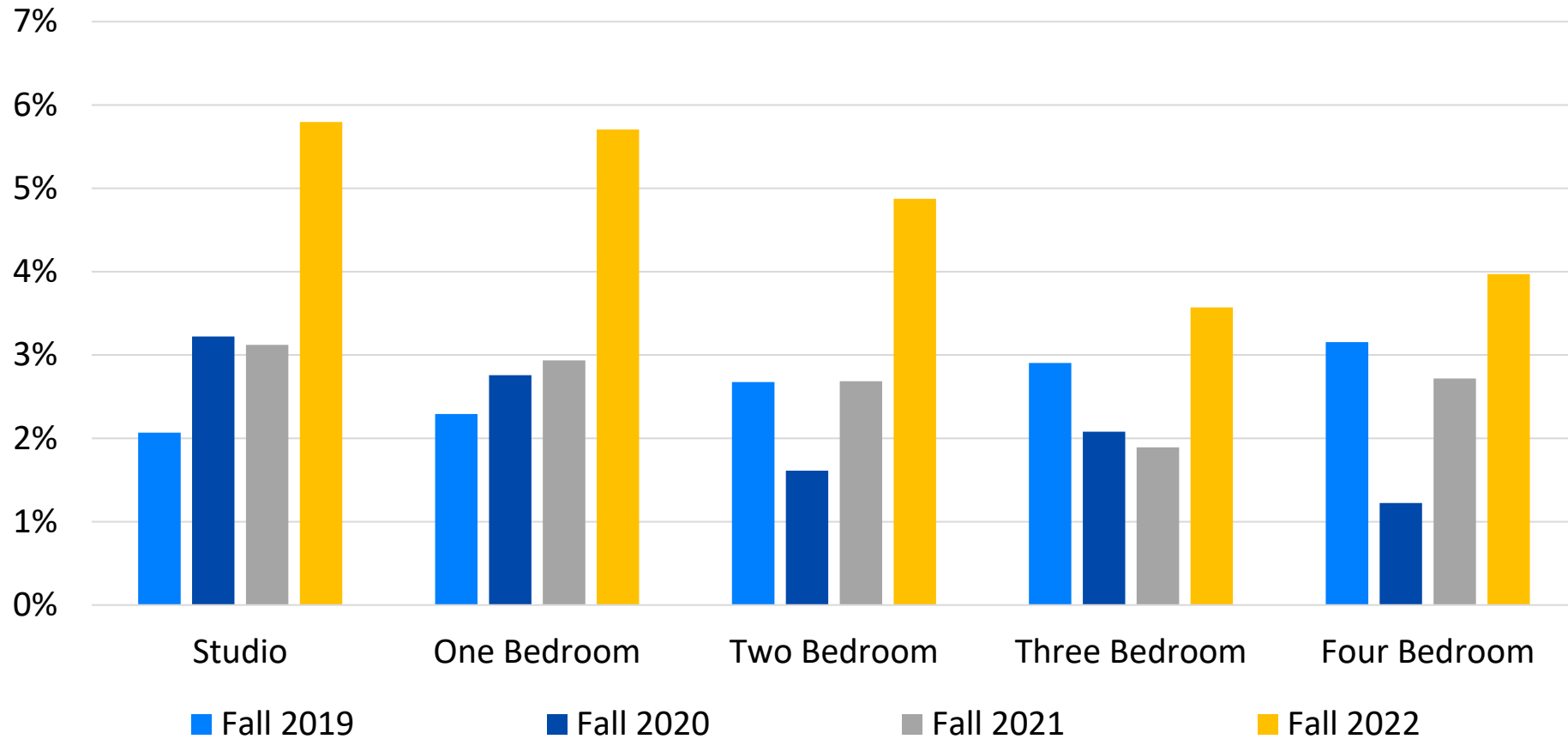
Source: Yardi Matrix

# Meanwhile, Rent Growth at Yardi 200 Universities Is Strong, but Decelerated at the School Year Close-out

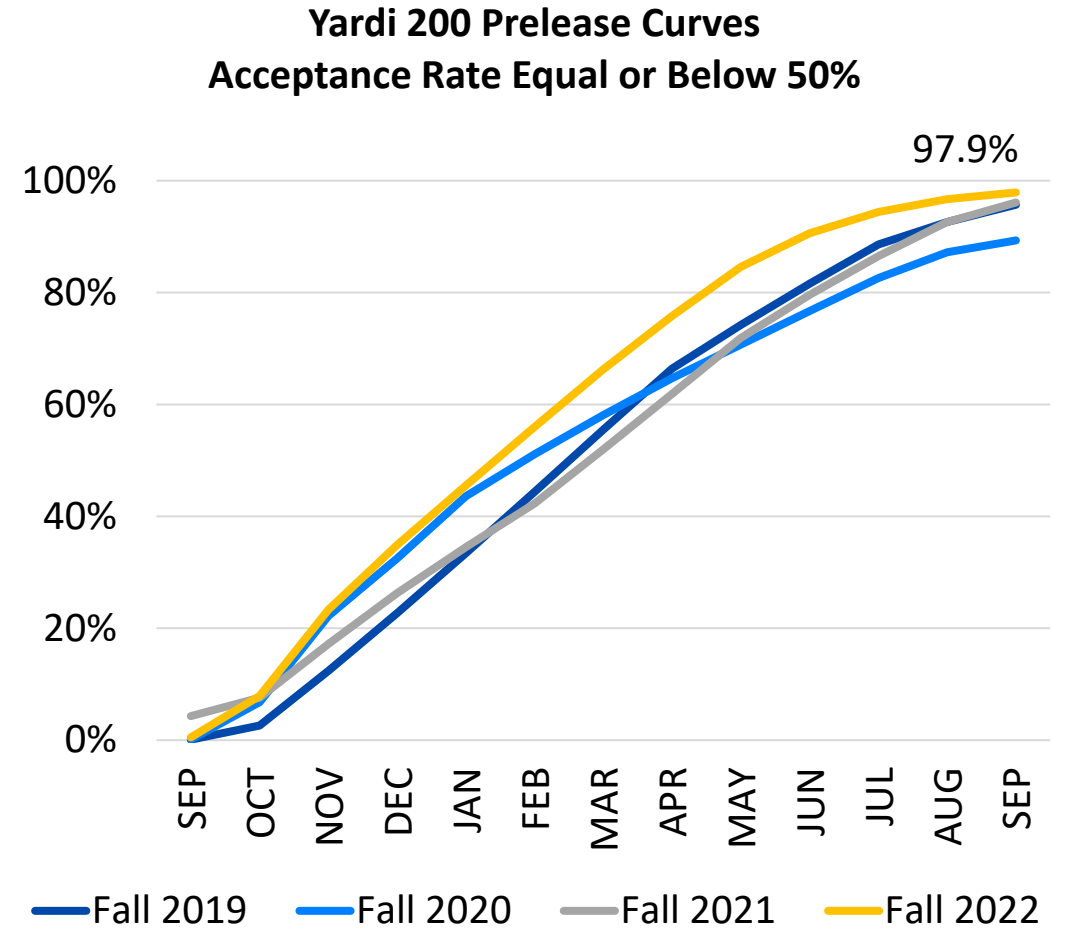
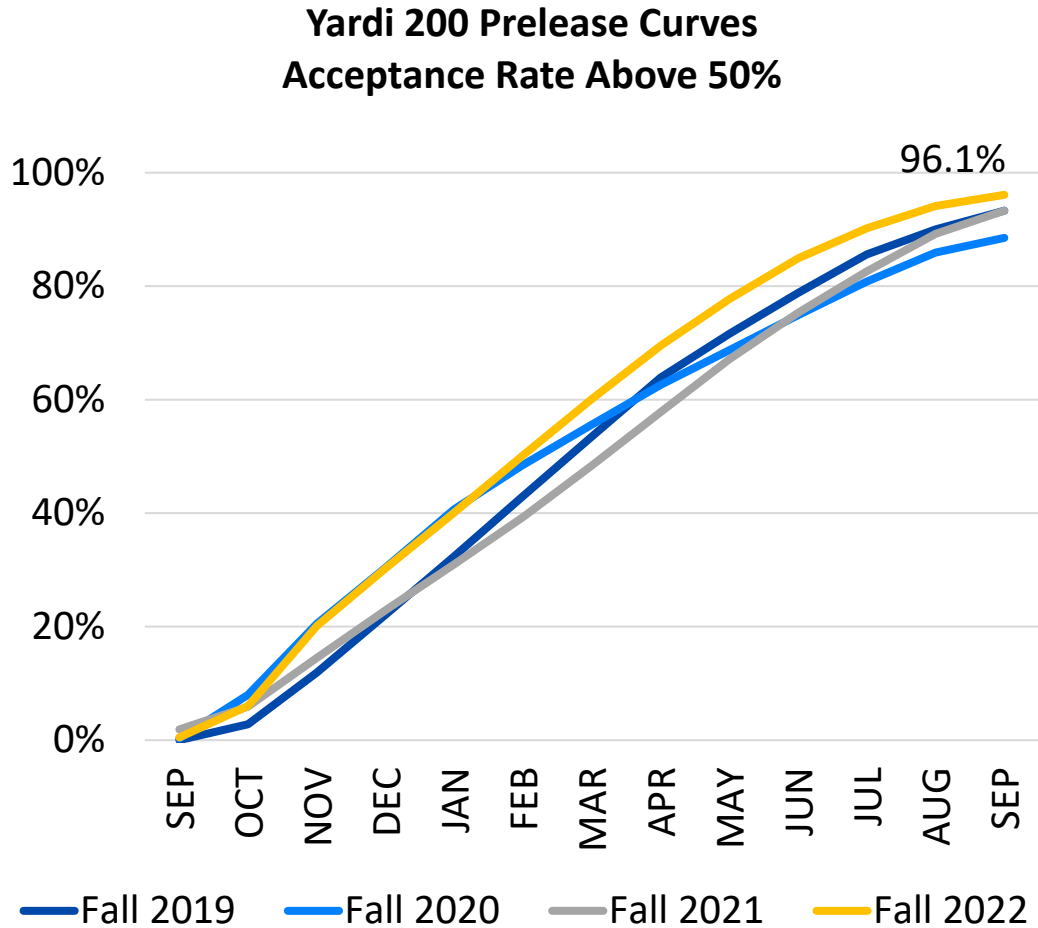


# Annual Rent Growth for Smaller Unit Types (Studios and One Bedrooms) Outperformed All Other Unit Sizes

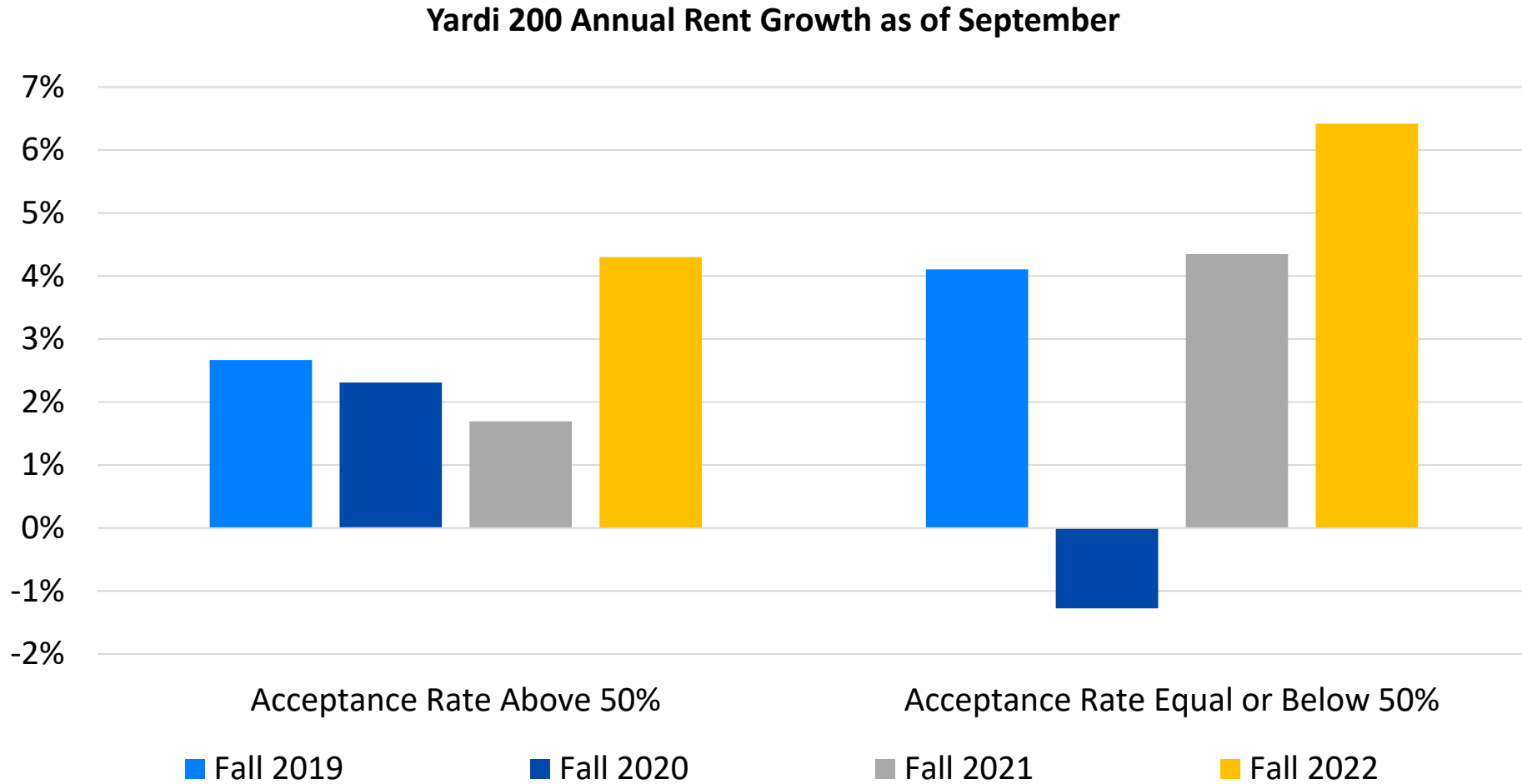
Yardi 200 Annual Rent Growth as of September



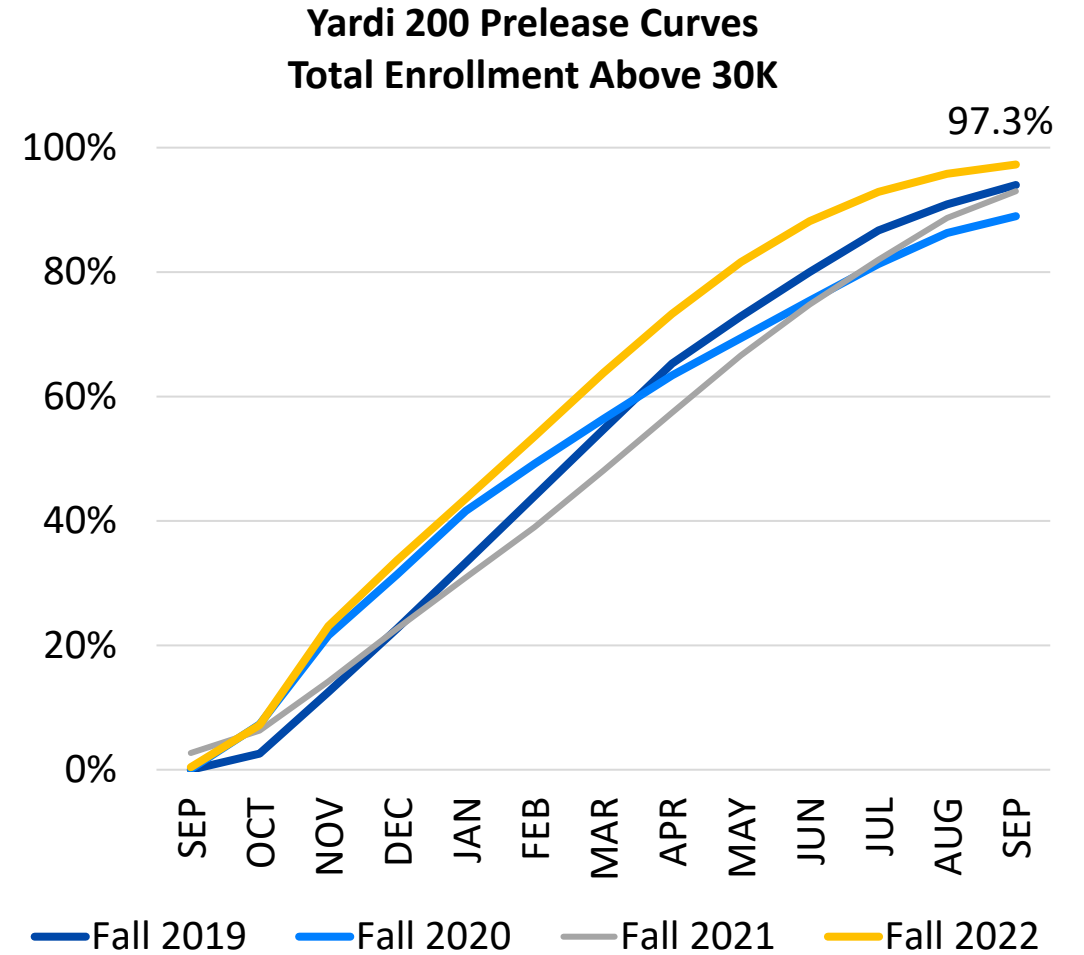
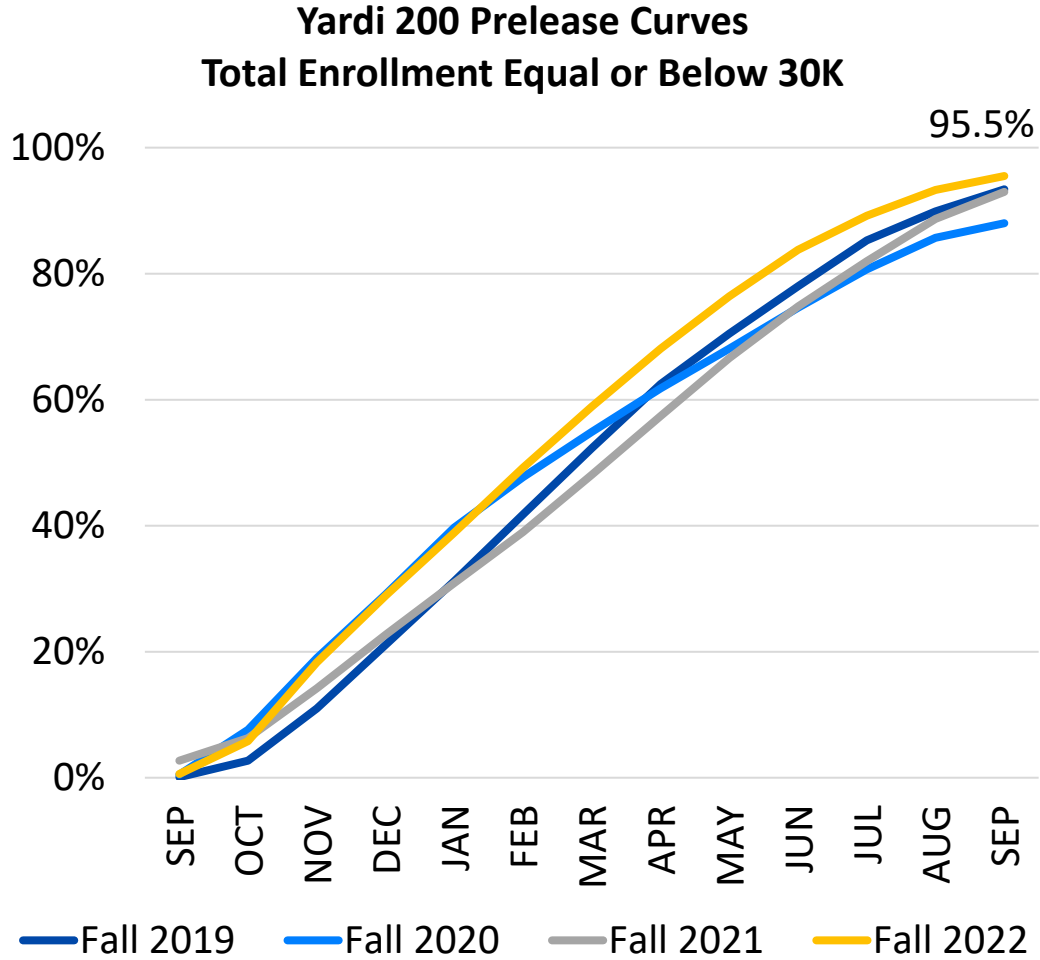
# Preleasing for Selective Schools Slightly Outpaced Less Selective Schools



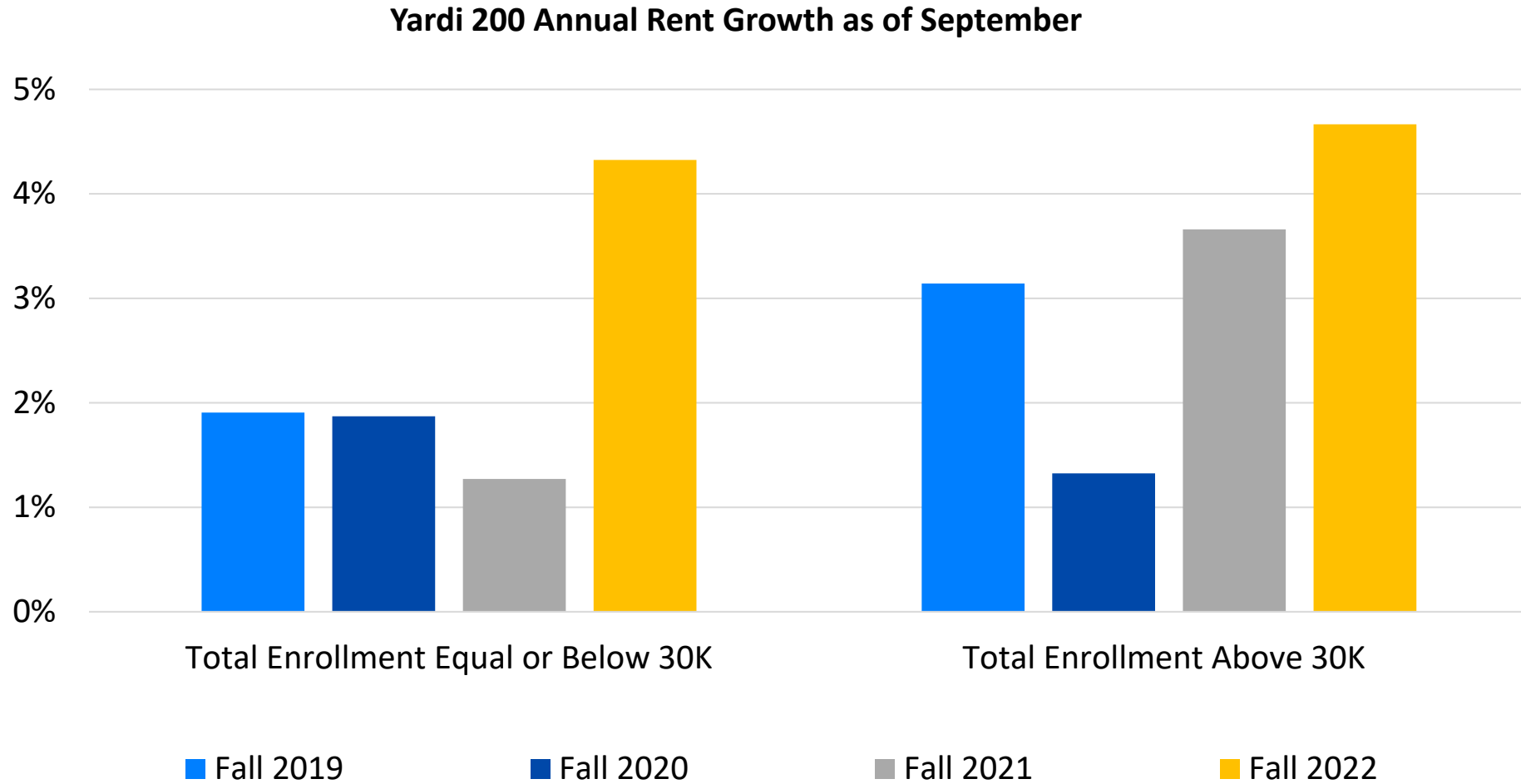
# Schools With Lower Acceptance Rates Have Higher Rent Growth, as Expected



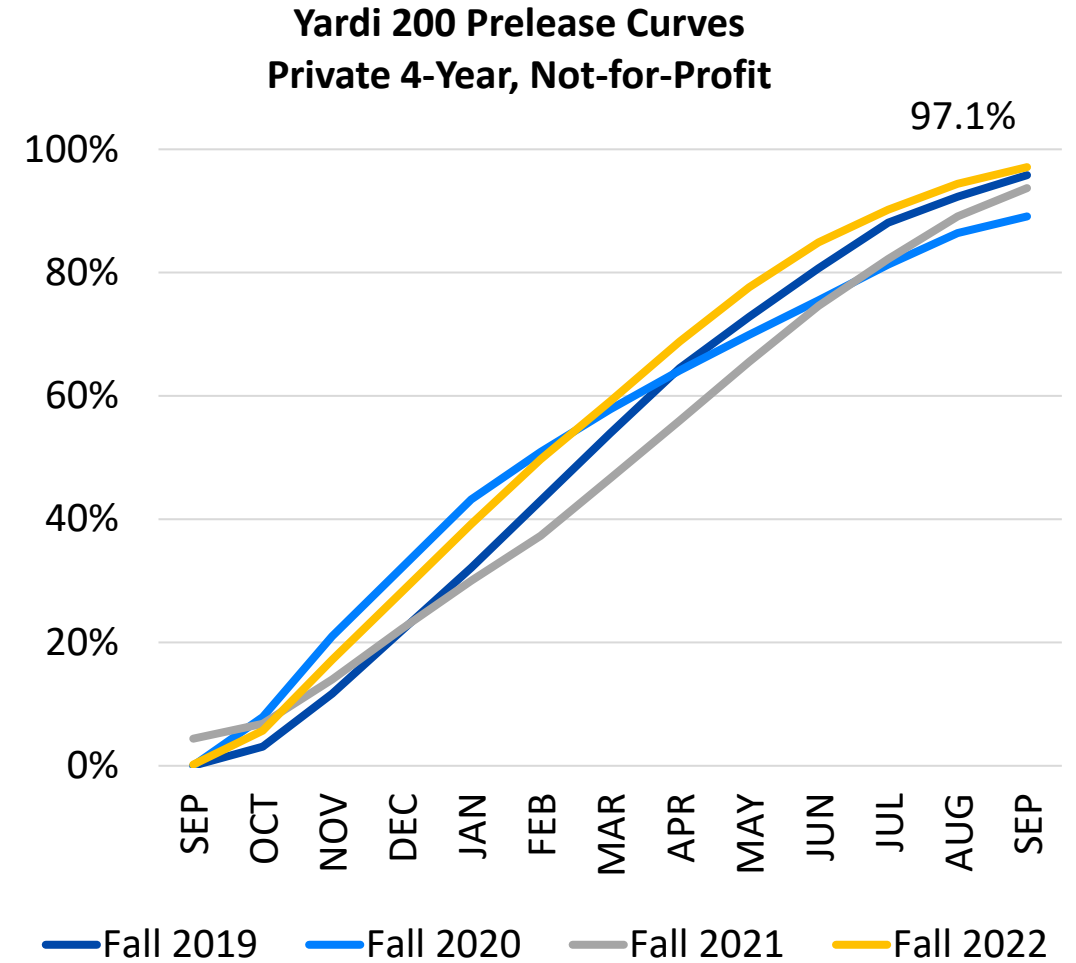
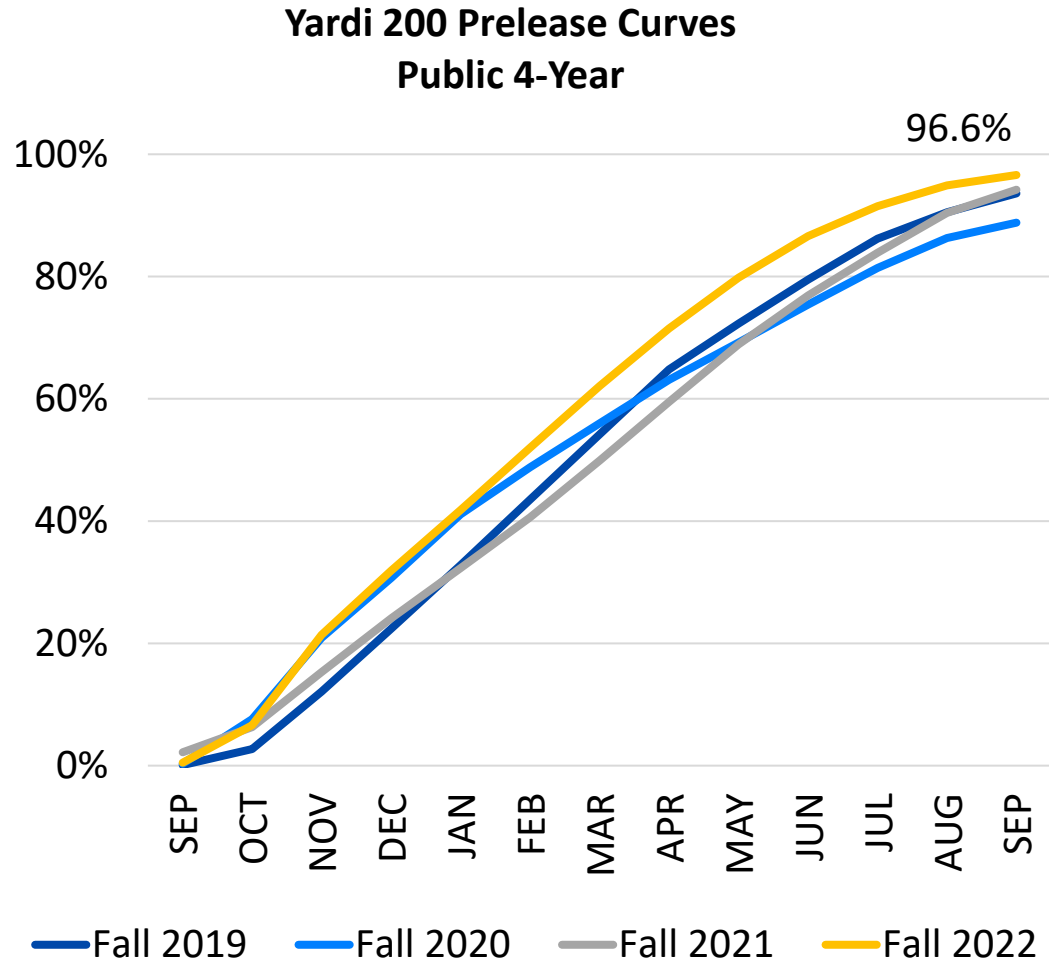
# Larger Schools Have Leased Up a Bit Quicker Than Smaller Schools for the Fall



# Larger Schools Also Experienced Higher Rent Growth

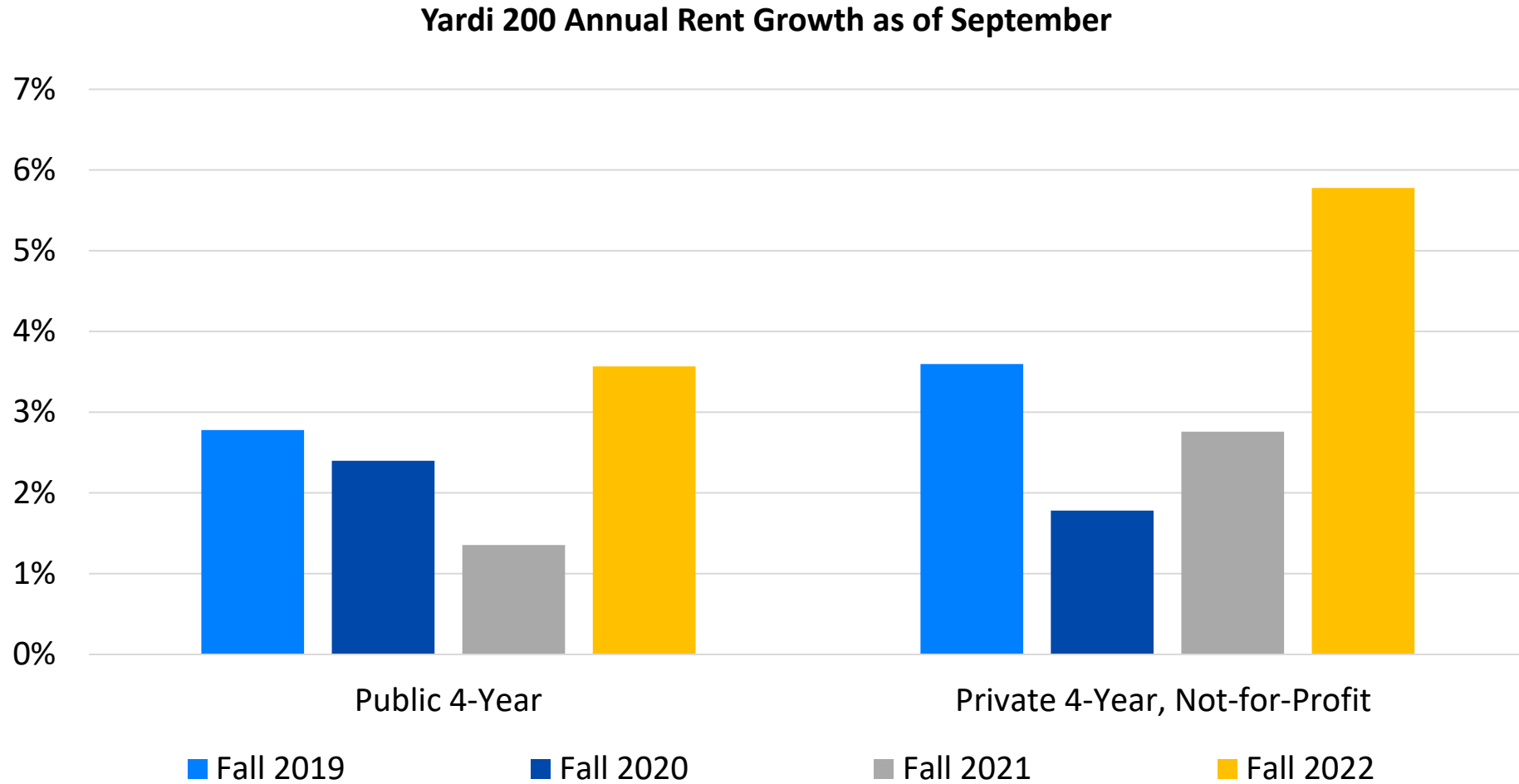


# Preleasing Activity Was Strong for Both Public and Private 4-Year Institutions

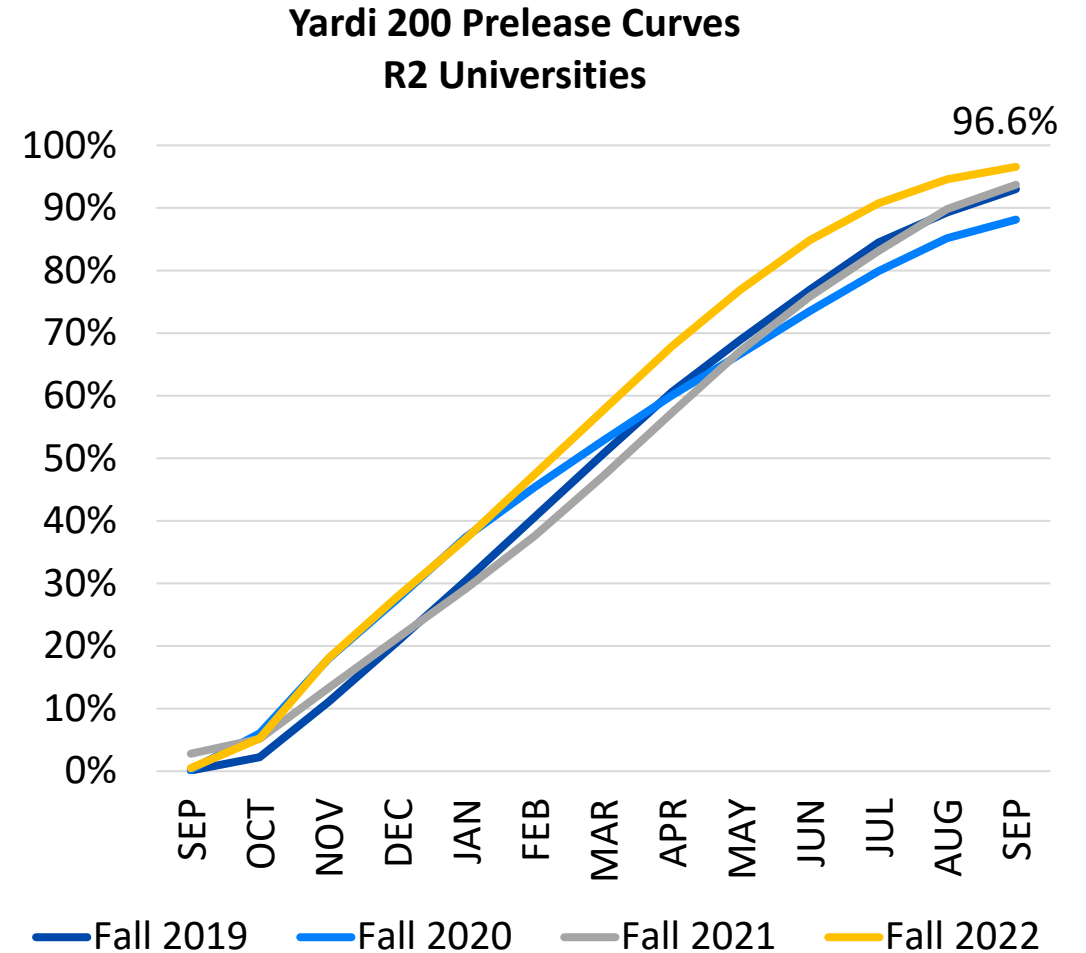
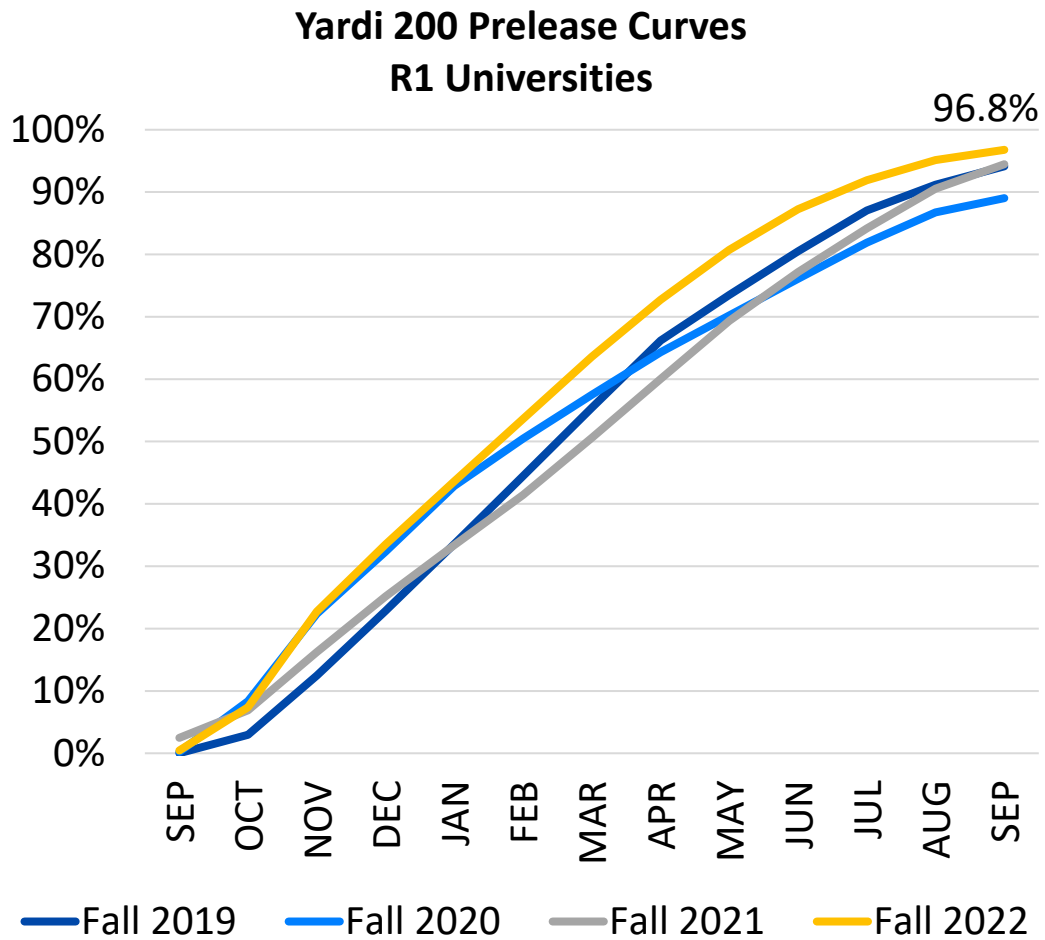




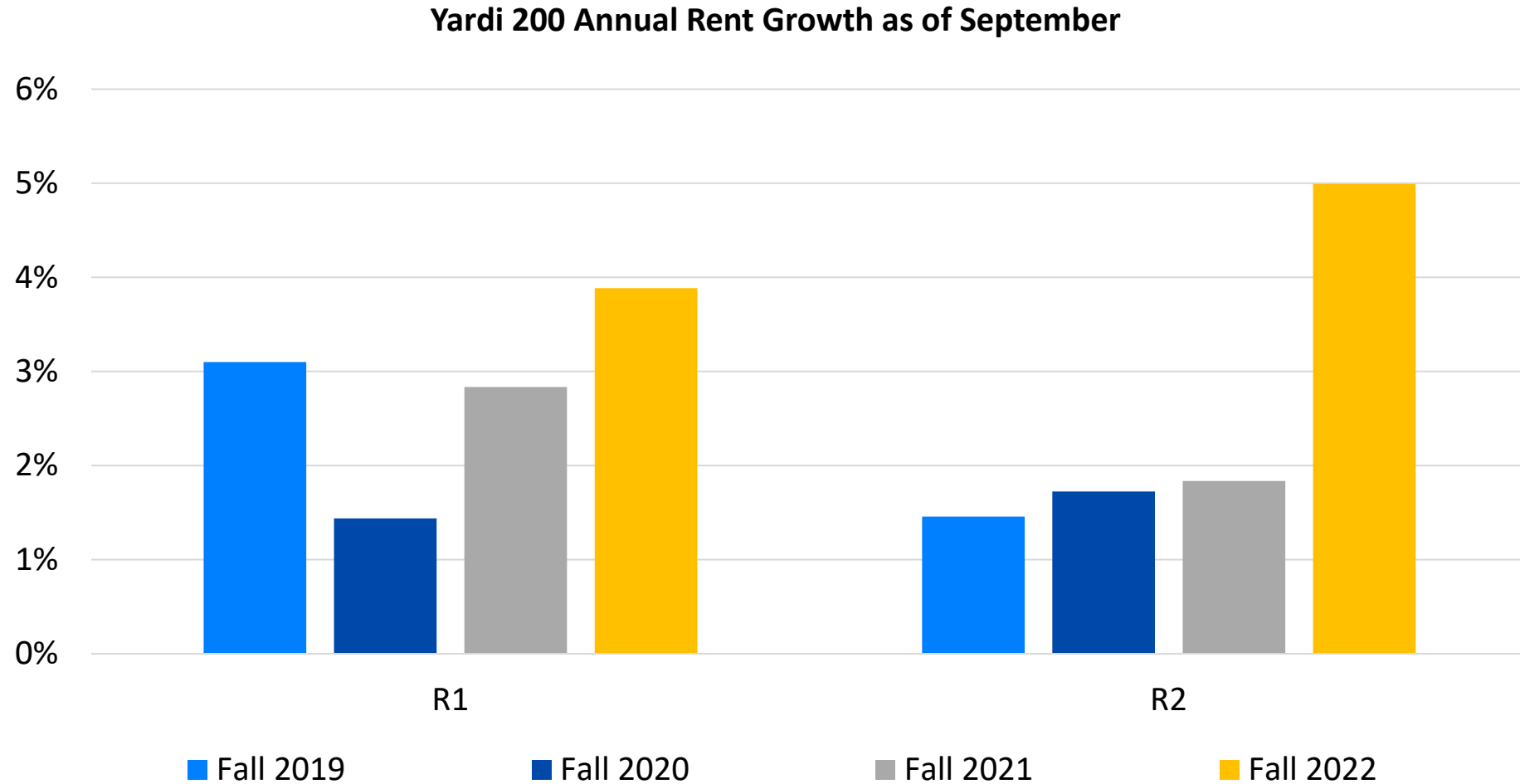
# Private 4-Year Universities Are Also Seeing the Highest Rent Growth



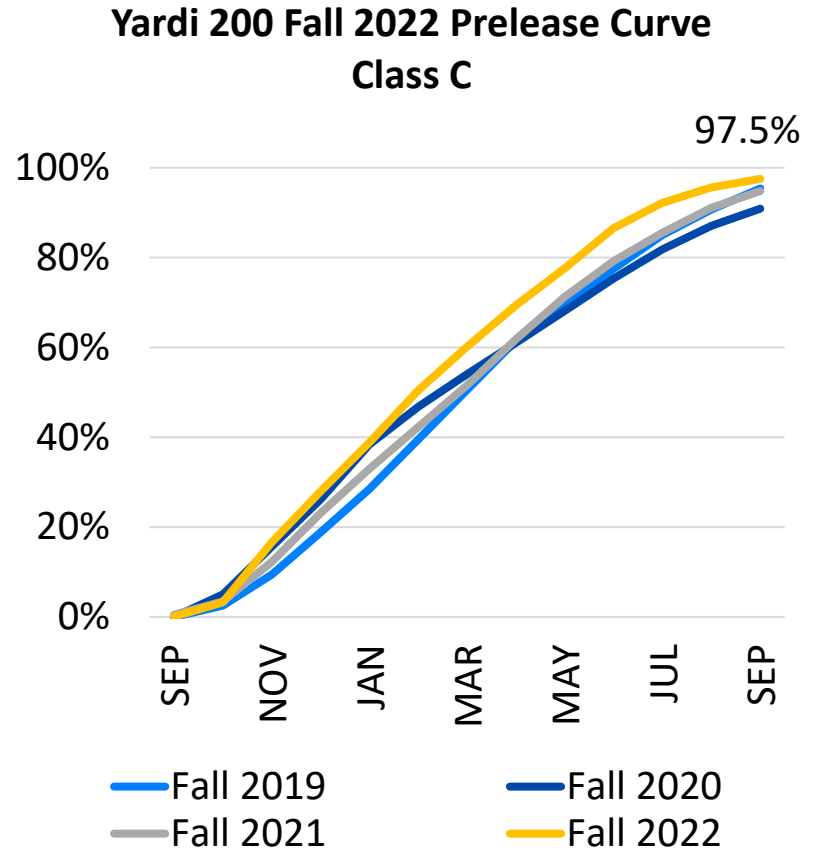
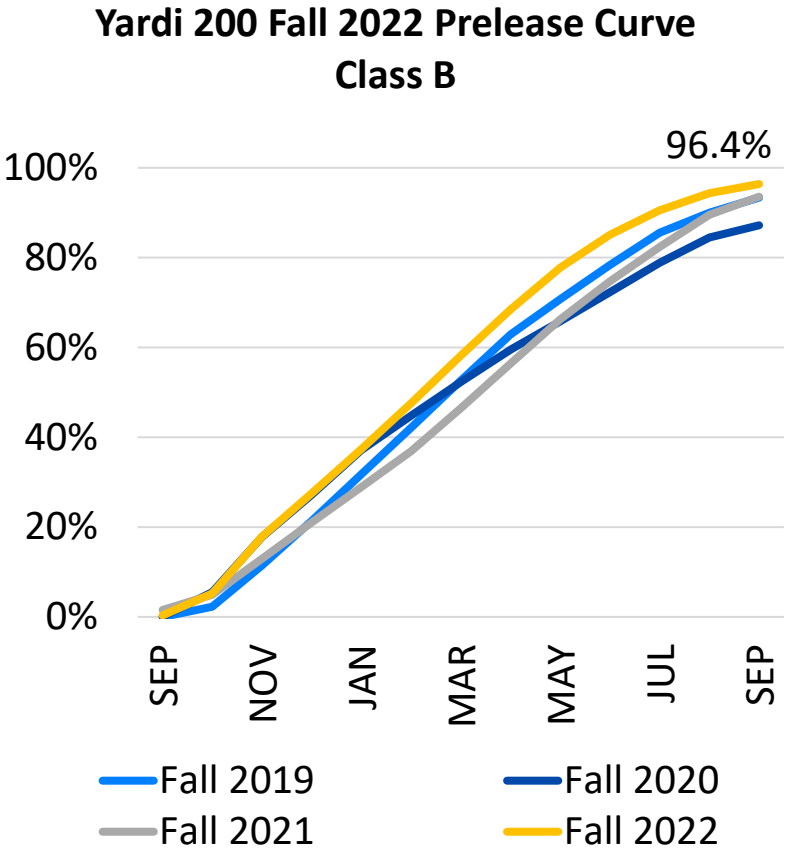
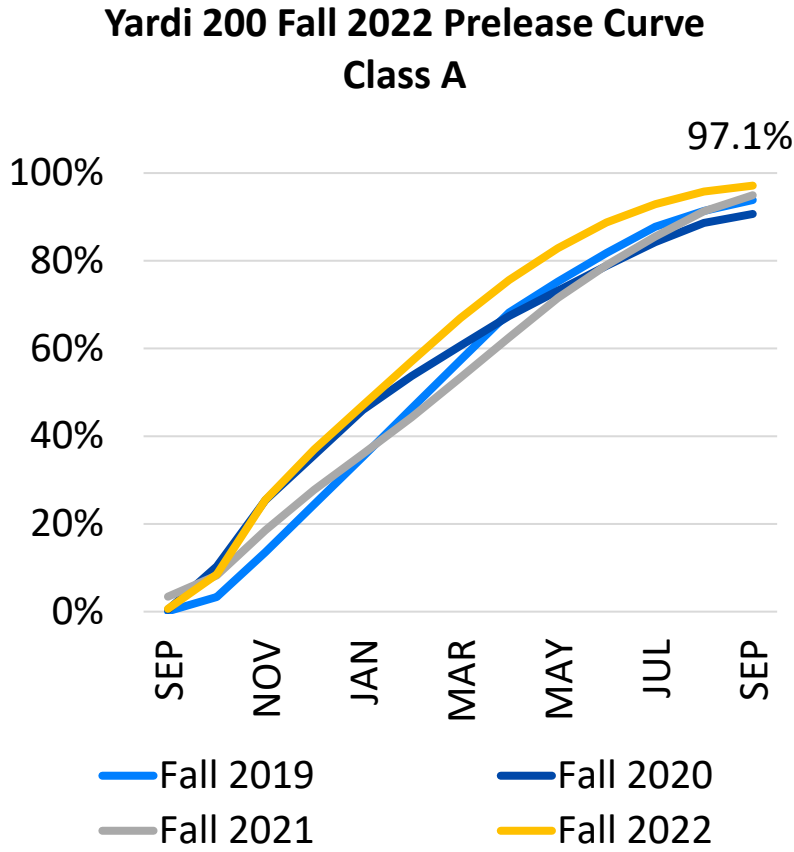
# The Fall 2022 Preleasing Period Ended Strong for Both R1 and R2 Universities



# Rent Growth at R2 Universities in SY22 Far Outpaced Historical Rent Growth



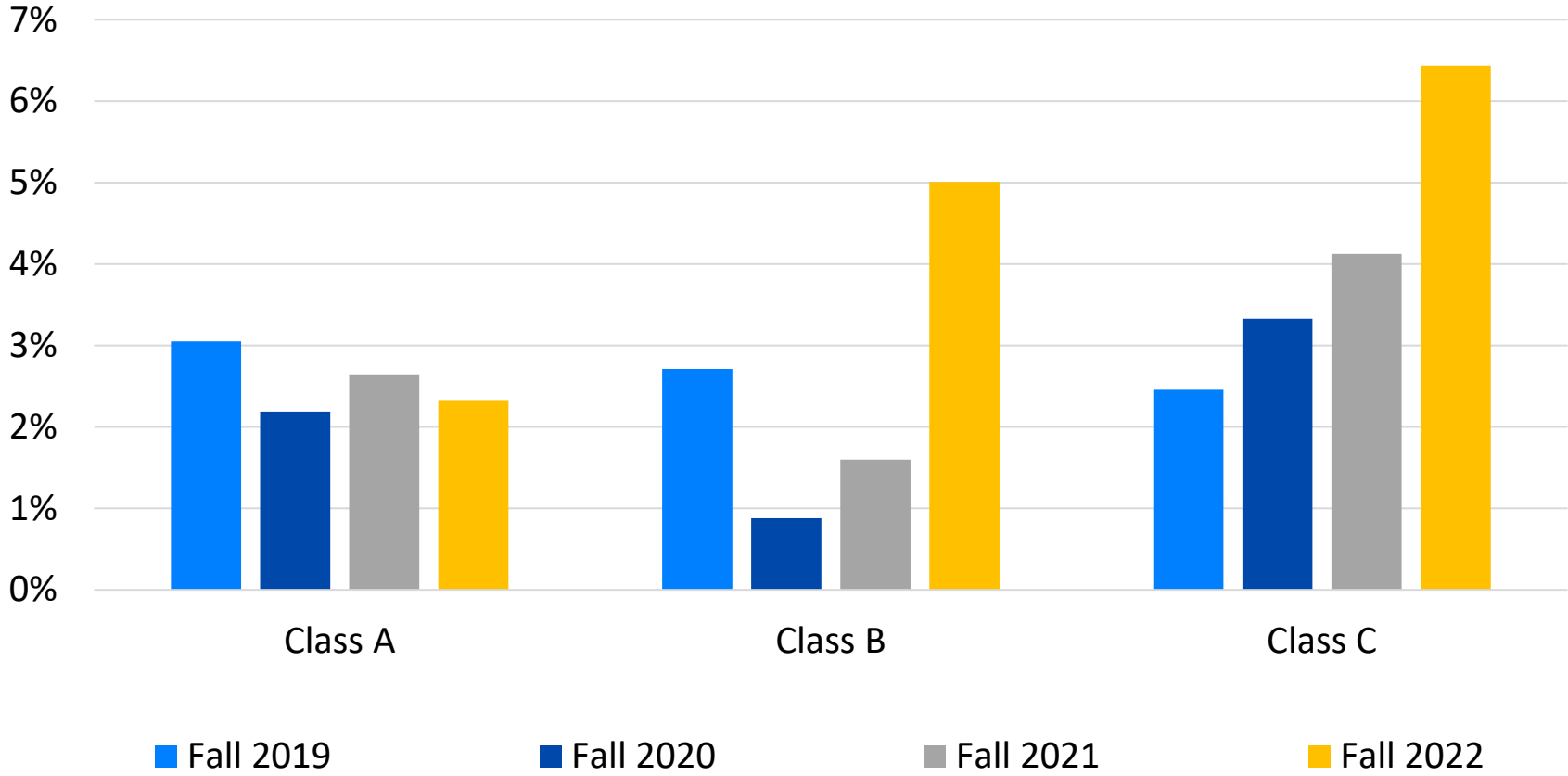
# Preleasing for Class C Properties Slightly Outpaced A & B Properties



Source: Yardi Matrix

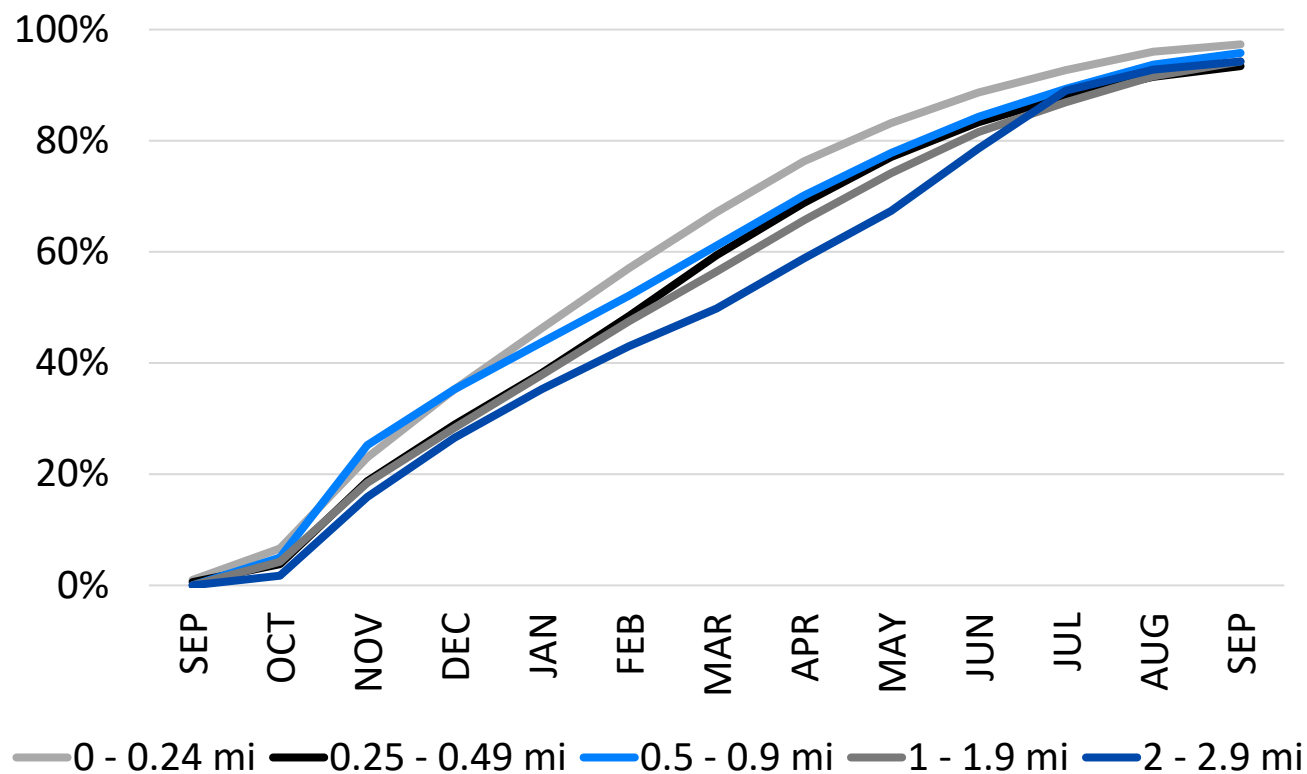
# Class B & C Properties Leased Up Without Sacrificing Rent Growth

Yardi 200 Annual Rent Growth as of September



# Preleasing Performance Was Better Closer to Campus, As Expected

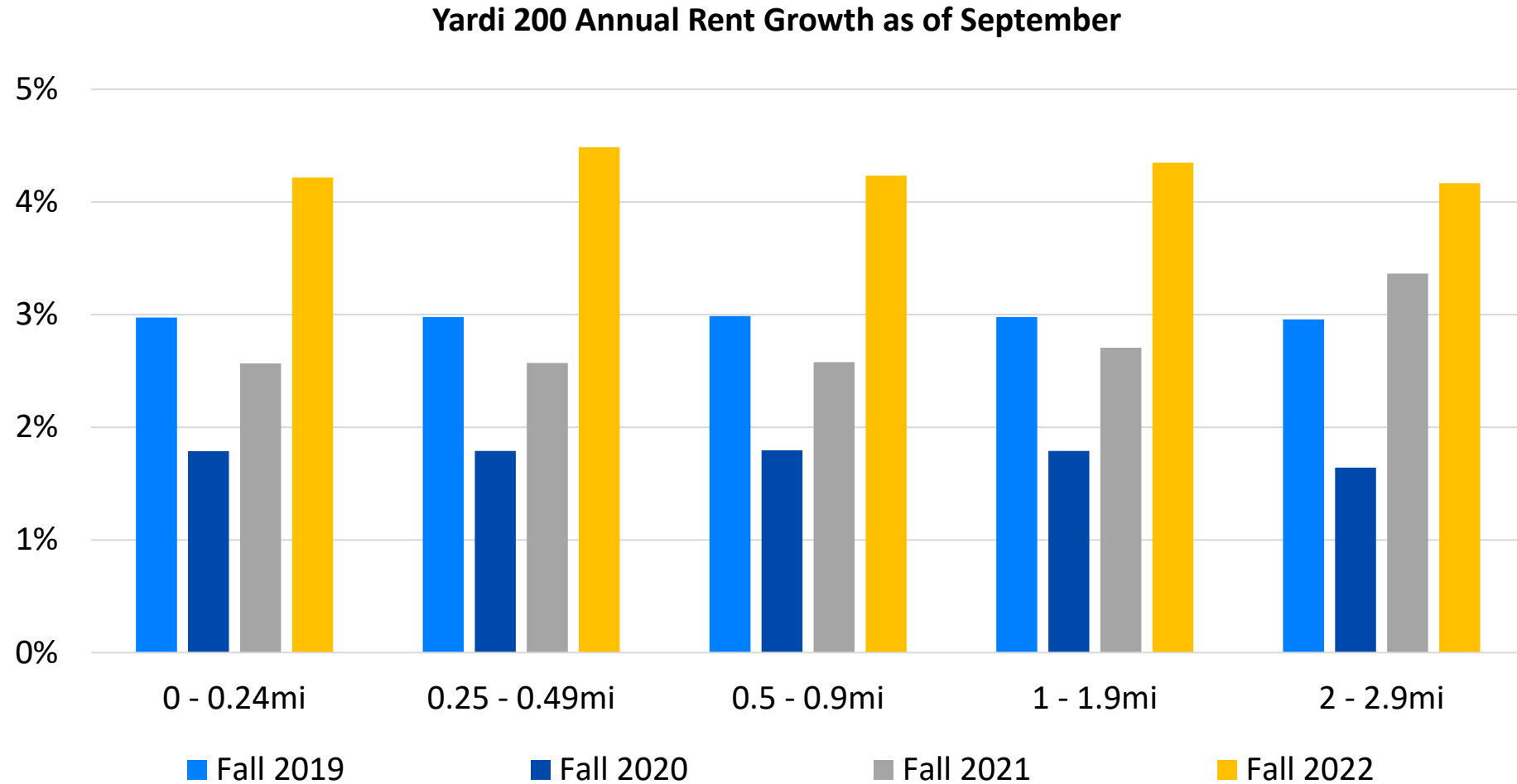
**Yardi 200 Fall 2022 Prelease Curves**  
**Distance From Campus**



| Distance       | % Preleased as of September |           |           |           |
|----------------|-----------------------------|-----------|-----------|-----------|
|                | Fall 2019                   | Fall 2020 | Fall 2021 | Fall 2022 |
| 0.00 - 0.24 mi | 94.1%                       | 89.3%     | 94.2%     | 97.3%     |
| 0.25 - 0.49 mi | 85.8%                       | 90.0%     | 95.5%     | 93.4%     |
| 0.5 - 0.9 mi   | 94.8%                       | 90.4%     | 89.3%     | 95.8%     |
| 1.0 - 1.9 mi   | 73.8%                       | 90.5%     | 90.0%     | 94.3%     |
| 2.0 - 2.9 mi   | 94.7%                       | 82.3%     | 92.5%     | 94.3%     |



# Rent Growth Was Strong in September Regardless of Distance From Campus



# Universities With the Most Growth in Preleasing – Fall 2022

## Preleasing Improved at a Range of Universities of Different Geographies and Sizes

| University                              | Prelease September 2022 | Annual Prelease Growth | School Type                    | Enrollment | Acceptance Rate | Bedrooms Delivered Sept 2021-2022 |
|---|-------------------------|------------------------|--------------------------------|------------|-----------------|-----------------------------------|
| Washington State University             | 97.3%                   | 18.9%                  | Public, 4-year                 | High       | High            | -                                 |
| University of Houston                   | 98.9%                   | 16.4%                  | Public, 4-year                 | High       | High            | -                                 |
| University of South Alabama             | 80.5%                   | 13.4%                  | Public, 4-year                 | Low        | High            | -                                 |
| Ball State University                   | 97.2%                   | 13.1%                  | Public, 4-year                 | Low        | High            | -                                 |
| Portland State University               | 86.7%                   | 13.0%                  | Public, 4-year                 | Low        | High            | -                                 |
| University of California-Berkeley       | 93.7%                   | 12.0%                  | Public, 4-year                 | High       | Low             | 746                               |
| University of North Carolina Wilmington | 99.0%                   | 11.7%                  | Public, 4-year                 | Low        | High            | 408                               |
| Saint Louis University                  | 99.0%                   | 10.6%                  | Private not-for-profit, 4-year | Low        | High            | -                                 |
| The University of Alabama               | 94.8%                   | 10.5%                  | Public, 4-year                 | High       | High            | -                                 |
| University of Arizona                   | 100.0%                  | 10.1%                  | Public, 4-year                 | High       | High            | -                                 |
| University of Mississippi               | 92.9%                   | 10.0%                  | Public, 4-year                 | Low        | High            | -                                 |
| University of Cincinnati                | 100.0%                  | 9.4%                   | Public, 4-year                 | High       | High            | -                                 |
| Wichita State University                | 96.3%                   | 9.3%                   | Public, 4-year                 | Low        | High            | 247                               |
| Oklahoma State University               | 98.3%                   | 8.2%                   | Public, 4-year                 | Low        | High            | -                                 |
| University of Notre Dame                | 100.0%                  | 8.2%                   | Private not-for-profit, 4-year | Low        | Low             | -                                 |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix





# Universities With the Most Annual Rent Growth – Fall 2022

## A Wide Range of Universities Had Strong Annual Rent Growth in September

| University                              | Rent September 2022 | Annual Rent Growth | School Type                    | Enrollment | Acceptance Rate | Bedrooms Delivered Sept 2021-2022 |
|---|---------------------|--------------------|--------------------------------|------------|-----------------|-----------------------------------|
| Northern Arizona University             | \$978               | 17.7%              | Public, 4-year                 | Low        | High            | -                                 |
| University of California-Santa Barbara  | \$2,019             | 17.3%              | Public, 4-year                 | Low        | Low             | -                                 |
| Ohio State University                   | \$928               | 16.9%              | Public, 4-year                 | High       | High            | -                                 |
| Rochester Institute of Technology       | \$925               | 14.3%              | Private not-for-profit, 4-year | Low        | High            | -                                 |
| University of Oregon                    | \$902               | 12.8%              | Public, 4-year                 | Low        | High            | -                                 |
| University of California-Berkeley       | \$3,182             | 12.6%              | Public, 4-year                 | High       | Low             | 746                               |
| Baylor University                       | \$723               | 11.9%              | Private not-for-profit, 4-year | Low        | High            | -                                 |
| The University of Tennessee-Knoxville   | \$811               | 11.6%              | Public, 4-year                 | High       | High            | -                                 |
| Kent State University at Kent           | \$808               | 11.4%              | Public, 4-year                 | Low        | High            | -                                 |
| University of Wisconsin-Madison         | \$1,119             | 11.2%              | Public, 4-year                 | High       | High            | -                                 |
| Western Michigan University             | \$562               | 10.8%              | Public, 4-year                 | Low        | High            | -                                 |
| University of Colorado Colorado Springs | \$761               | 10.3%              | Public, 4-year                 | Low        | High            | -                                 |
| University of Georgia                   | \$753               | 9.4%               | Public, 4-year                 | High       | Low             | 905                               |
| Brigham Young University-Provo          | \$627               | 9.2%               | Private not-for-profit, 4-year | High       | High            | 1,305                             |
| Kansas State University                 | \$489               | 9.2%               | Public, 4-year                 | Low        | High            | -                                 |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

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# Universities With the Least Growth in Preleasing – Fall 2022

Universities That Have Slower Preleasing Are Primarily Low Enrollment Schools With High Acceptance Rates

| University                              | Prelease September 2022 | Annual Prelease Growth | School Type                    | Enrollment | Acceptance Rate | Bedrooms Delivered Sept 2021-2022 |
|---|-------------------------|------------------------|--------------------------------|------------|-----------------|-----------------------------------|
| University of California-Riverside      | 87.3%                   | -12.4%                 | Public, 4-year                 | Low        | High            | -                                 |
| Bowling Green State University          | 88.6%                   | -11.5%                 | Public, 4-year                 | Low        | High            | -                                 |
| University of Alabama at Birmingham     | 85.0%                   | -8.8%                  | Public, 4-year                 | Low        | High            | -                                 |
| University of Washington-Seattle Campus | 88.2%                   | -7.6%                  | Public, 4-year                 | High       | High            | 1,425                             |
| Johns Hopkins University                | 92.3%                   | -6.0%                  | Private not-for-profit, 4-year | Low        | Low             | 1,146                             |
| University of Michigan-Ann Arbor        | 94.6%                   | -4.9%                  | Public, 4-year                 | High       | Low             | -                                 |
| University at Buffalo                   | 92.9%                   | -4.8%                  | Public, 4-year                 | High       | High            | -                                 |
| Indiana University-IUPUI                | 88.3%                   | -4.2%                  | Public, 4-year                 | Low        | High            | -                                 |
| University of Oregon                    | 95.7%                   | -3.8%                  | Public, 4-year                 | Low        | High            | -                                 |
| Louisiana Tech University               | 83.7%                   | -3.1%                  | Public, 4-year                 | Low        | High            | 588                               |
| University of Maryland-College Park     | 96.5%                   | -3.1%                  | Public, 4-year                 | High       | High            | 859                               |
| University of Southern California       | 97.3%                   | -2.7%                  | Private not-for-profit, 4-year | High       | Low             | 230                               |
| University of Toledo                    | 98.0%                   | -1.7%                  | Public, 4-year                 | Low        | High            | -                                 |
| Western Michigan University             | 94.3%                   | -1.1%                  | Public, 4-year                 | Low        | High            | -                                 |
| Indiana University-Bloomington          | 97.8%                   | -1.1%                  | Public, 4-year                 | High       | High            | -                                 |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Universities With the Least Annual Rent Growth – Fall 2022

## Only Four Universities Had Negative Annual Rent Growth in September

| University                                | Rent September 2022 | Annual Rent Growth | School Type    | Enrollment | Acceptance Rate | Bedrooms Delivered Sept 2021-2022 |
|---|---------------------|--------------------|----------------|------------|-----------------|-----------------------------------|
| University of South Alabama               | \$563               | -3.3%              | Public, 4-year | Low        | High            | -                                 |
| University of California-Irvine           | \$1,133             | -1.8%              | Public, 4-year | High       | Low             | 279                               |
| Oklahoma State University                 | \$512               | -0.8%              | Public, 4-year | Low        | High            | -                                 |
| Wichita State University                  | \$510               | -0.2%              | Public, 4-year | Low        | High            | 247                               |
| Central Michigan University               | \$402               | 0.5%               | Public, 4-year | Low        | High            | -                                 |
| Iowa State University                     | \$551               | 0.5%               | Public, 4-year | High       | High            | -                                 |
| University of Nevada-Reno                 | \$827               | 0.7%               | Public, 4-year | Low        | High            | 762                               |
| Michigan State University                 | \$641               | 0.8%               | Public, 4-year | High       | High            | -                                 |
| Indiana University-IUPUI                  | \$770               | 0.9%               | Public, 4-year | Low        | High            | -                                 |
| University of North Carolina at Charlotte | \$735               | 1.1%               | Public, 4-year | High       | High            | 730                               |
| University of Minnesota-Twin Cities       | \$999               | 1.2%               | Public, 4-year | High       | High            | -                                 |
| University of Arkansas                    | \$639               | 1.8%               | Public, 4-year | Low        | High            | 656                               |
| Ohio University                           | \$670               | 2.1%               | Public, 4-year | Low        | High            | -                                 |
| Oregon State University                   | \$831               | 2.2%               | Public, 4-year | Low        | High            | -                                 |
| Louisiana State University                | \$620               | 2.3%               | Public, 4-year | High       | High            | -                                 |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Rental rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Absolute Preleasing: Winners & Losers – Fall 2022

Twenty-Seven Universities Scattered Across the Country Were 100% Leased at the Start of the Fall 2022 Term

| Universities with the <u>Highest</u> Absolute Prelease | Prelease<br>September<br>2022 | School Type                    | Enrollment | Acceptance Rate |
|--|-------------------------------|--------------------------------|------------|-----------------|
| University of Arizona                                  | 100.0%                        | Public, 4-year                 | High       | High            |
| University of Colorado Boulder                         | 100.0%                        | Public, 4-year                 | High       | High            |
| University of Delaware                                 | 100.0%                        | Public, 4-year                 | Low        | High            |
| Florida International University                       | 100.0%                        | Public, 4-year                 | High       | High            |
| University of Central Florida                          | 100.0%                        | Public, 4-year                 | High       | Low             |
| Boise State University                                 | 100.0%                        | Public, 4-year                 | Low        | High            |
| University of Notre Dame                               | 100.0%                        | Private not-for-profit, 4-year | Low        | Low             |
| Rochester Institute of Technology                      | 100.0%                        | Private not-for-profit, 4-year | Low        | High            |
| University of North Carolina at Chapel Hill            | 100.0%                        | Public, 4-year                 | High       | Low             |
| University of Nevada-Las Vegas                         | 100.0%                        | Public, 4-year                 | High       | High            |
| University of Cincinnati                               | 100.0%                        | Public, 4-year                 | High       | High            |
| Kent State University at Kent                          | 100.0%                        | Public, 4-year                 | Low        | High            |
| Oregon State University                                | 100.0%                        | Public, 4-year                 | High       | High            |
| University of Pittsburgh-Pittsburgh Campus             | 100.0%                        | Public, 4-year                 | High       | High            |
| The University of Tennessee-Knoxville                  | 100.0%                        | Public, 4-year                 | High       | High            |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Absolute Preleasing: Winners & Losers – Fall 2022

Twenty-Seven Universities Scattered Across the Country Were 100% Leased at the Start of the Fall 2022 Term

| Universities with the <u>Highest</u> Absolute Prelease | Prelease<br>September<br>2022 | School Type                    | Enrollment | Acceptance Rate |
|--|-------------------------------|--------------------------------|------------|-----------------|
| Baylor University                                      | 100.0%                        | Private not-for-profit, 4-year | Low        | High            |
| The University of Texas at Arlington                   | 100.0%                        | Public, 4-year                 | High       | High            |
| Texas Christian University                             | 100.0%                        | Private not-for-profit, 4-year | Low        | Low             |
| University of Wisconsin-Madison                        | 100.0%                        | Public, 4-year                 | High       | High            |
| Purdue University                                      | 100.0%                        | Public, 4-year                 | High       | High            |
| Kennesaw State University                              | 100.0%                        | Public, 4-year                 | High       | High            |
| University of California-Irvine                        | 100.0%                        | Public, 4-year                 | High       | Low             |
| University of California-Santa Barbara                 | 100.0%                        | Public, 4-year                 | Low        | Low             |
| Illinois State University                              | 100.0%                        | Public, 4-year                 | Low        | High            |
| Kansas State University                                | 100.0%                        | Public, 4-year                 | Low        | High            |
| University of Virginia                                 | 100.0%                        | Public, 4-year                 | Low        | Low             |
| Pennsylvania State University                          | 100.0%                        | Public, 4-year                 | High       | Low             |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Absolute Rents: Winners & Losers – Fall 2022

Universities With the Highest Absolute Rents Were in Traditionally Expensive Multifamily Markets

| Universities with the <u>Highest</u> Absolute Rent | Rent<br>September<br>2022 | School Type                    | Enrollment | Acceptance Rate |
|--|---------------------------|--------------------------------|------------|-----------------|
| University of California-Berkeley                  | \$3,182                   | Public, 4-year                 | High       | Low             |
| University of Southern California                  | \$2,647                   | Private not-for-profit, 4-year | High       | Low             |
| University of California-Santa Barbara             | \$2,019                   | Public, 4-year                 | Low        | Low             |
| University of Washington-Seattle Campus            | \$1,507                   | Public, 4-year                 | High       | High            |
| University of Colorado Boulder                     | \$1,478                   | Public, 4-year                 | High       | High            |
| University of Michigan-Ann Arbor                   | \$1,385                   | Public, 4-year                 | High       | Low             |
| University of Pennsylvania                         | \$1,278                   | Private not-for-profit, 4-year | Low        | Low             |
| University of California-Davis                     | \$1,265                   | Public, 4-year                 | High       | Low             |
| Texas Christian University                         | \$1,203                   | Private not-for-profit, 4-year | Low        | Low             |
| University of Maryland-College Park                | \$1,203                   | Public, 4-year                 | High       | High            |
| Syracuse University                                | \$1,159                   | Private not-for-profit, 4-year | Low        | High            |
| Georgia Institute of Technology                    | \$1,152                   | Public, 4-year                 | High       | Low             |
| Johns Hopkins University                           | \$1,144                   | Private not-for-profit, 4-year | Low        | Low             |
| University of California-Irvine                    | \$1,133                   | Public, 4-year                 | High       | Low             |
| University of Wisconsin-Madison                    | \$1,119                   | Public, 4-year                 | High       | High            |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Rental rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Absolute Preleasing: Winners & Losers – Fall 2022

Universities With the Lowest Absolute Preleasing Were Primarily Public 4-Year Schools With High Acceptance Rates

| Universities with the <u>Lowest</u> Absolute Prelease | Prelease September 2022 | School Type                    | Enrollment | Acceptance Rate |
|---|-------------------------|--------------------------------|------------|-----------------|
| University of South Alabama                           | 80.5%                   | Public, 4-year                 | Low        | High            |
| Louisiana Tech University                             | 83.7%                   | Public, 4-year                 | Low        | High            |
| University of Louisville                              | 84.8%                   | Public, 4-year                 | Low        | High            |
| University of Alabama at Birmingham                   | 85.0%                   | Public, 4-year                 | Low        | High            |
| Portland State University                             | 86.7%                   | Public, 4-year                 | Low        | High            |
| Southern Illinois University-Carbondale               | 87.2%                   | Public, 4-year                 | Low        | High            |
| University of California-Riverside                    | 87.3%                   | Public, 4-year                 | Low        | High            |
| University of Washington-Seattle Campus               | 88.2%                   | Public, 4-year                 | High       | High            |
| Indiana University-IUPUI                              | 88.3%                   | Public, 4-year                 | Low        | High            |
| Bowling Green State University                        | 88.6%                   | Public, 4-year                 | Low        | High            |
| University of Louisiana at Lafayette                  | 88.8%                   | Public, 4-year                 | Low        | High            |
| University of Pennsylvania                            | 89.0%                   | Private not-for-profit, 4-year | Low        | Low             |
| University of Missouri-Columbia                       | 89.2%                   | Public, 4-year                 | High       | High            |
| Ohio University                                       | 89.3%                   | Public, 4-year                 | Low        | High            |
| West Virginia University                              | 89.6%                   | Public, 4-year                 | Low        | High            |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



# Absolute Rents: Winners & Losers – Fall 2022

Universities With the Lowest Absolute Rents Were Public Schools With Low Enrollment and High Acceptance Rates

| Universities with the <u>Lowest</u> Absolute Rent | Rent<br>September<br>2022 | School Type    | Enrollment | Acceptance Rate |
|---|---------------------------|----------------|------------|-----------------|
| Central Michigan University                       | \$402                     | Public, 4-year | Low        | High            |
| Kansas State University                           | \$489                     | Public, 4-year | Low        | High            |
| Southern Illinois University-Carbondale           | \$495                     | Public, 4-year | Low        | High            |
| Bowling Green State University                    | \$495                     | Public, 4-year | Low        | High            |
| Wichita State University                          | \$510                     | Public, 4-year | Low        | High            |
| Oklahoma State University                         | \$512                     | Public, 4-year | Low        | High            |
| Ball State University                             | \$536                     | Public, 4-year | Low        | High            |
| University of Louisiana at Lafayette              | \$542                     | Public, 4-year | Low        | High            |
| University of Oklahoma-Norman Campus              | \$546                     | Public, 4-year | Low        | High            |
| Georgia Southern University                       | \$547                     | Public, 4-year | Low        | High            |
| Iowa State University                             | \$551                     | Public, 4-year | High       | High            |
| University of Mississippi                         | \$552                     | Public, 4-year | Low        | High            |
| University of Southern Mississippi                | \$560                     | Public, 4-year | Low        | High            |
| Western Michigan University                       | \$562                     | Public, 4-year | Low        | High            |
| University of South Alabama                       | \$563                     | Public, 4-year | Low        | High            |

\*Enrollment: High = Above 30k, Low = Below 30k. Acceptance Rates: High = Above 50%, Low = Below 50%

Note: Rental rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix



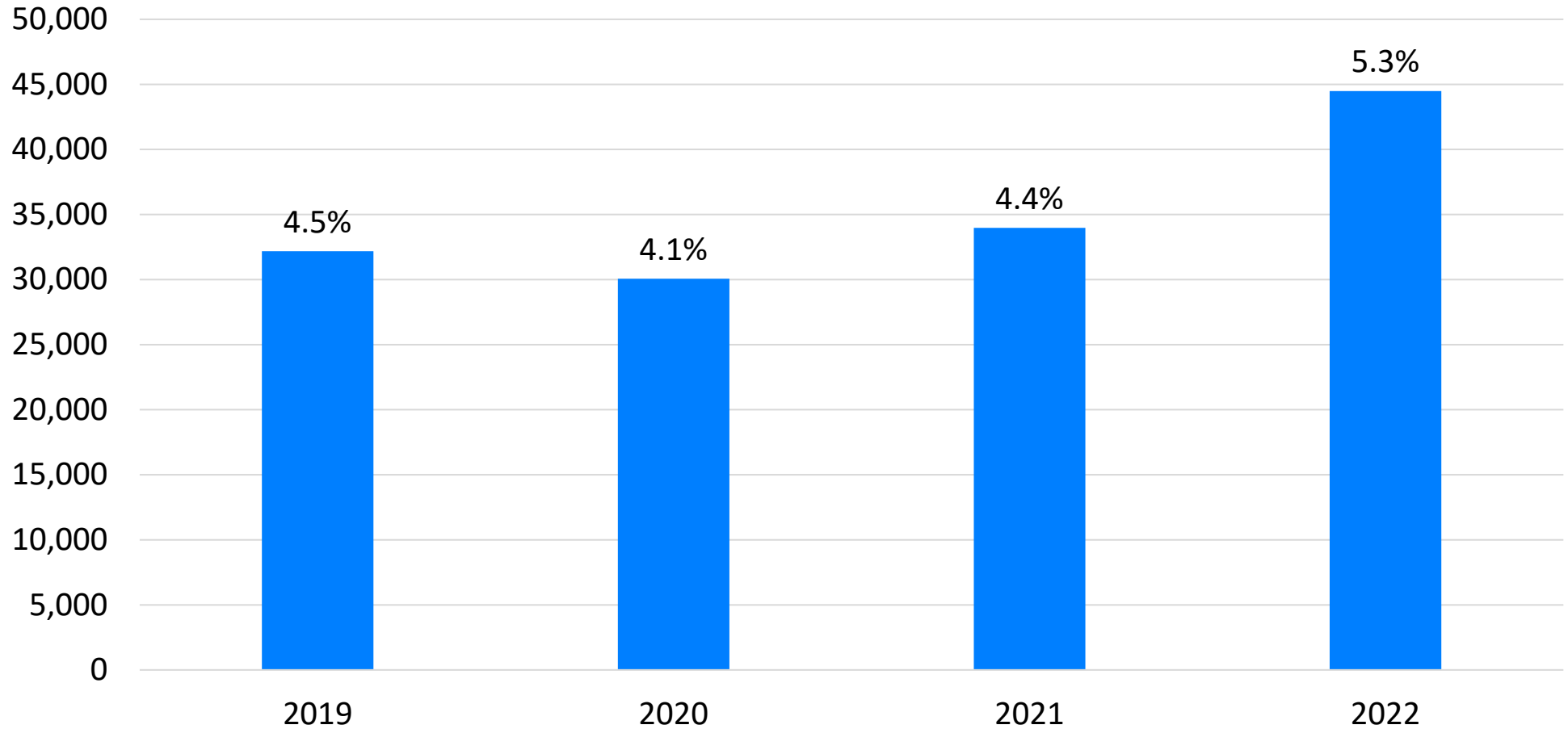


# STUDENT HOUSING FUNDAMENTALS: SUPPLY

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# Student Housing Deliveries Have Increased in 2022

**Yardi 200 Bedroom Deliveries by Year  
Overall Count and % of Stock**



# A Diverse Set of Universities Have a Lot of New Supply in the Pipeline and Should Be Able to Absorb it Given Their High Capture Opportunities

| Universities With the Most Bedrooms Under Construction – September 2022 | Bedrooms Under Construction | Bedrooms Under Construction as a % of Enrollment | Capture Opportunity |
|---|-----------------------------|--|---------------------|
| The University of Texas at Austin                                       | 5,315                       | 10.5%  | 47.7%               |
| Indiana University-Bloomington  | 3,979                       | 9.2%   | 57.0%               |
| University of Michigan-Ann Arbor  | 3,714                       | 7.8%   | 61.6%               |
| Florida International University  | 3,553                       | 6.0%   | 90.9%               |
| Georgia Institute of Technology   | 3,163                       | 8.0%   | 58.0%               |
| University of Maryland-College Park                                     | 2,922                       | 7.2%   | 53.3%               |
| University of Washington-Seattle Campus                                 | 2,820                       | 5.9%   | 76.6%               |
| University of South Florida   | 2,107                       | 4.2%   | 57.5%               |
| Washington State University   | 2,101                       | 6.7%   | 65.1%               |
| University of Florida   | 1,971                       | 3.7%   | 35.1%               |
| University of Nebraska-Lincoln  | 1,878                       | 7.5%   | 57.6%               |
| University of California-Davis  | 1,778                       | 4.6%   | 67.0%               |
| Florida State University  | 1,355                       | 3.1%   | 20.1%               |
| Clemson University  | 1,343                       | 5.1%   | 42.8%               |
| University of Oregon  | 1,252                       | 5.8%   | 42.3%               |

Capture Opportunity = (Total Enrollment – On-Campus Dorm Capacity – Off-Campus Dedicated Student Housing) / Total Enrollment

Source: Yardi Matrix

# Student Housing Shortages are More Widespread Than Just California

## **University of Tennessee**

- Taking over hotels in the area like the Holiday Inn Express

## **Florida A&M**

- 500+ freshmen and transfers told they would not have housing, university spending \$4k per student to help with apartment space

## **University of Arkansas**

- First-time enrollment jumped nearly 1,000 students over the year and capacity on campus has been reached

## **University of North Carolina at Charlotte**

- Offering temporary accommodations at a hotel for over 300 students and hoping to get them into housing throughout the year

## **University of Iowa**

- Temporarily converting resident hall lounges in several buildings into dorms and reopening a residence hall that it closed five years ago

## **University of Utah**

- Forged a five-year sublease agreement with Westminster College for an apartment complex that features more than 160 units

## **Utah State University**

- Some students in line for campus apartment spaces are being told their complex will not be done in time

## **Florida Atlantic University**

- Housing students off campus at nearby hotels

# Array of Universities Have Strong Development Prospects Based on 3-Yr Forecasts

| University                                     | 3-Year Forecasts 2023-2025 |                                  |                          |                             |
|--|----------------------------|----------------------------------|--------------------------|-----------------------------|
|  | 2025 Enrollment            | New Bedroom Deliveries 2023-2025 | 2025 Capture Opportunity | Rent Growth YE 2022-YE 2025 |
| University of Georgia                          | 41,501                     | 1,477                            | 43.6%                    | 23.2%                       |
| Ohio State University                          | 65,156                     | 3,813                            | 63.3%                    | 19.2%                       |
| University of Pittsburgh-Pittsburgh Campus     | 32,193                     | 0                                | 64.8%                    | 18.9%                       |
| University of California-Santa Barbara         | 28,078                     | 0                                | 63.2%                    | 16.4%                       |
| Syracuse University                            | 22,839                     | 0                                | 51.0%                    | 14.5%                       |
| <b>University of Washington-Seattle Campus</b> | <b>51,184</b>              | <b>1,166</b>                     | <b>71.0%</b>             | <b>12.5%</b>                |
| University of California-Berkeley              | 45,817                     | 529                              | 73.3%                    | 12.1%                       |
| University of California-Irvine                | 39,891                     | 0                                | 55.3%                    | 11.9%                       |
| Brigham Young University-Provo                 | 37,748                     | 0                                | 60.8%                    | 11.6%                       |
| San Diego State University                     | 39,390                     | 301                              | 76.9%                    | 11.2%                       |
| University of Delaware                         | 25,502                     | 112                              | 65.8%                    | 11.0%                       |
| University of Louisville                       | 23,344                     | 2,525                            | 54.9%                    | 10.5%                       |
| University of Connecticut                      | 29,213                     | 1,672                            | 48.5%                    | 10.3%                       |
| Wayne State University                         | 26,730                     | 0                                | 87.2%                    | 9.7%                        |
| Purdue University                              | 48,640                     | 1,002                            | 48.8%                    | 9.6%                        |
| <b>University of California-Davis</b>          | <b>42,291</b>              | <b>2,658</b>                     | <b>61.8%</b>             | <b>9.3%</b>                 |
| University of Wisconsin-Madison                | 46,658                     | 1,538                            | 63.9%                    | 8.7%                        |
| <b>University of South Florida</b>             | <b>53,669</b>              | <b>1,665</b>                     | <b>54.5%</b>             | <b>8.6%</b>                 |

Bold universities are also on the top 15 list for most bedrooms under construction | Yardi 200 universities with rent growth  $\geq 0\%$ ; enrollment  $\geq 22k$ ; acceptance rate  $\leq 70\%$ ; capture opportunity  $\geq 40\%$  | Data sorted by rent growth forecast | Source: Yardi Matrix

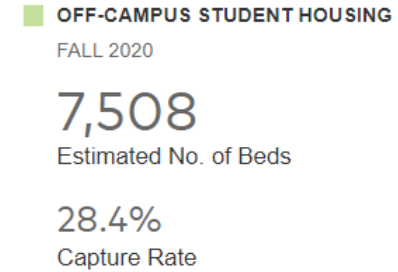
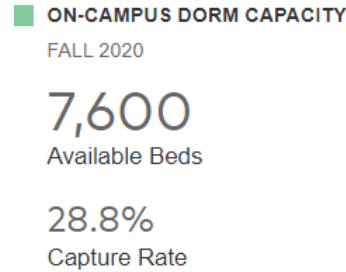
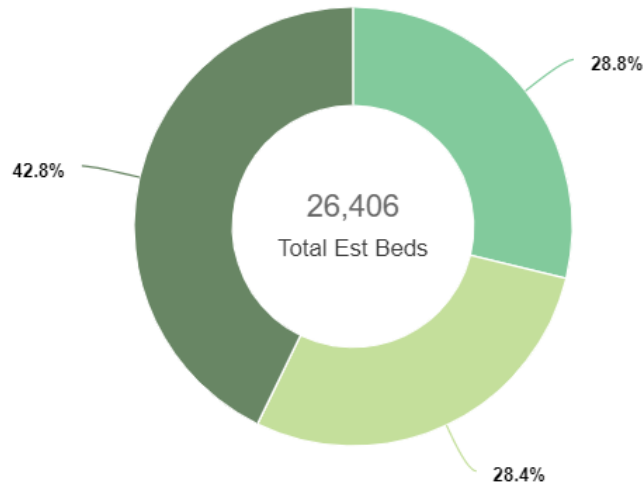


# Array of Universities Have Strong Development Prospects Based on 3-Yr Forecasts

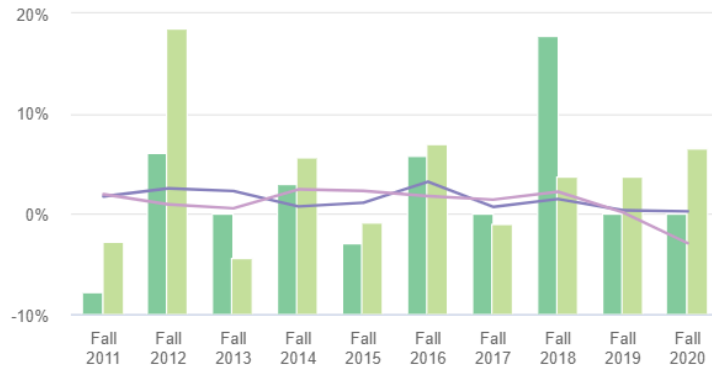
| University                                  | 3-Year Forecasts 2023-2025 |                                  |                          |                             |
|---|----------------------------|----------------------------------|--------------------------|-----------------------------|
|   | 2025 Enrollment            | New Bedroom Deliveries 2023-2025 | 2025 Capture Opportunity | Rent Growth YE 2022-YE 2025 |
| University of North Carolina at Chapel Hill | 31,824                     | 1,204                            | 51.7%                    | 8.5%                        |
| Johns Hopkins University                    | 30,737                     | 0                                | 81.4%                    | 8.3%                        |
| University of California-Los Angeles        | 48,388                     | 0                                | 59.9%                    | 8.0%                        |
| <b>University of Michigan-Ann Arbor</b>     | <b>50,632</b>              | <b>369</b>                       | <b>56.3%</b>             | <b>8.0%</b>                 |
| University of Southern California           | 50,034                     | 1,275                            | 72.6%                    | 7.4%                        |
| <b>Georgia Institute of Technology</b>      | <b>41,798</b>              | <b>1,677</b>                     | <b>44.9%</b>             | <b>7.3%</b>                 |
| University of Central Florida               | 76,630                     | 2,289                            | 58.0%                    | 7.1%                        |
| <b>University of Maryland-College Park</b>  | <b>43,744</b>              | <b>3,272</b>                     | <b>48.2%</b>             | <b>7.0%</b>                 |
| University of Minnesota-Twin Cities         | 54,381                     | 795                              | 65.3%                    | 5.5%                        |
| University of Pennsylvania                  | 27,599                     | 812                              | 42.6%                    | 4.8%                        |
| University of California-Riverside          | 27,779                     | 0                                | 63.2%                    | 4.5%                        |
| <b>Florida International University</b>     | <b>65,280</b>              | <b>3,553</b>                     | <b>82.4%</b>             | <b>0.0%</b>                 |
| Oklahoma State University                   | 26,329                     | 0                                | 62.6%                    | 0.0%                        |
| George Washington University                | 29,207                     | 0                                | 74.5%                    | 0.0%                        |
| University at Buffalo                       | 34,161                     | 1,979                            | 60.2%                    | 0.0%                        |
| Texas Tech University                       | 43,237                     | 224                              | 44.5%                    | 0.0%                        |
| University of Illinois at Urbana-Champaign  | 55,315                     | 1,178                            | 41.7%                    | 0.0%                        |

Bold universities are also on the top 15 list for most bedrooms under construction | Yardi 200 universities with rent growth  $\geq 0\%$ ; enrollment  $\geq 22k$ ; acceptance rate  $\leq 70\%$ ; capture opportunity  $\geq 40\%$  | Data sorted by rent growth forecast | Source: Yardi Matrix

# The Yardi Matrix Platform Helps Find Targeted Opportunities – Clemson University

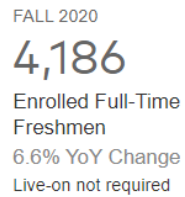


**Dorm Capacity vs. Full-Time Freshmen Enrollment**  
Year-over-Year Change (%) - Previous 10 Years

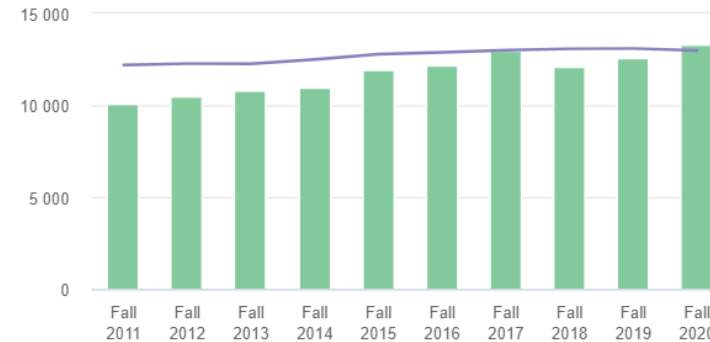


**Subject: Dorm Capacity**      **Yardi 200: Dorm Capacity**  
**Subject: Full-Time Freshmen**      **Yardi 200: Full-Time Freshmen**

Compare Yardi 200 ▾

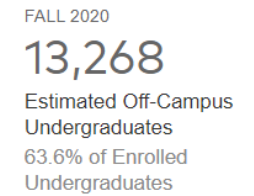


**Estimated Undergraduate Off-Campus Demand**  
Previous 10 Years

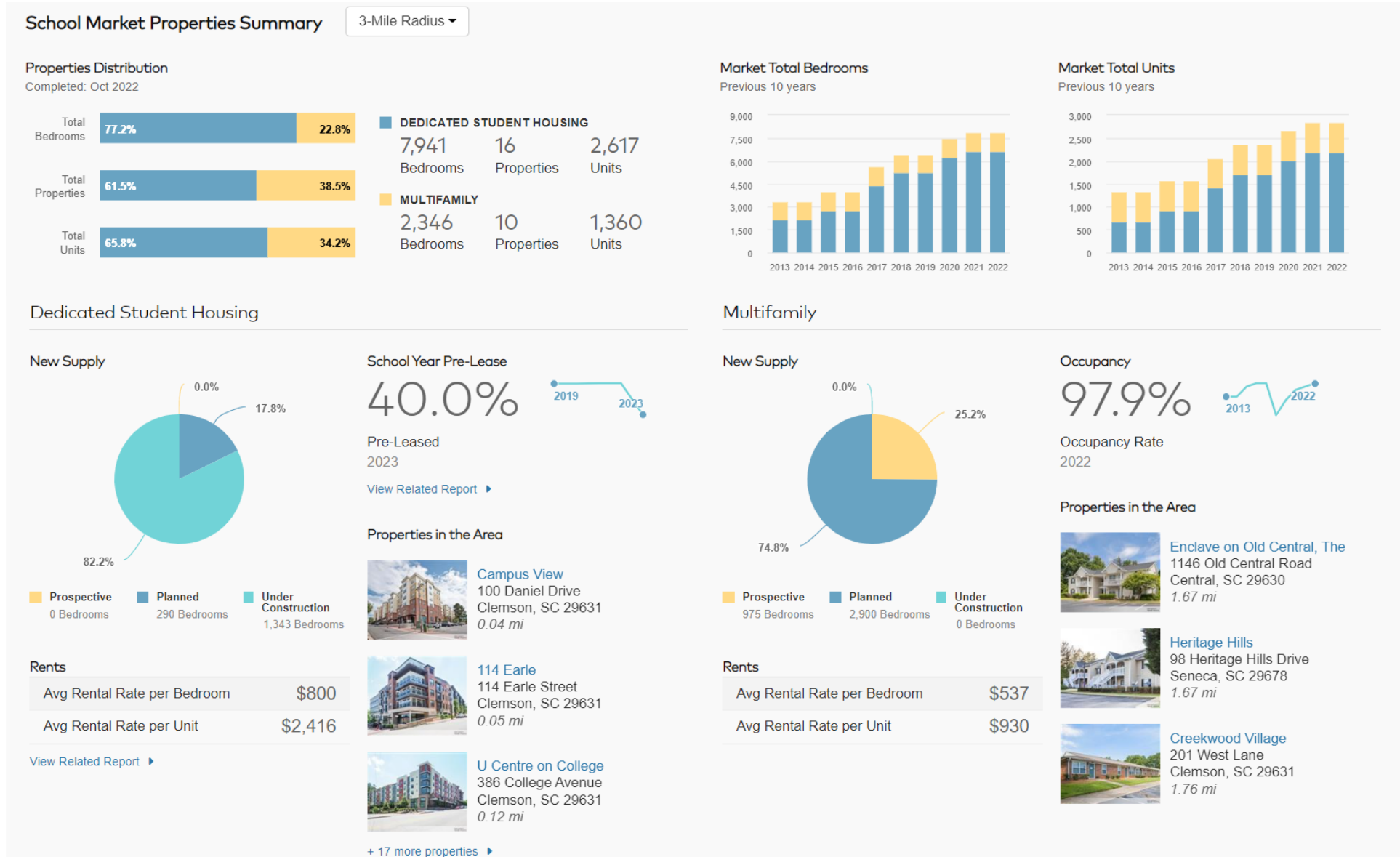


**Subject**      **Yardi 200**

Compare Yardi 200 ▾



# The Yardi Matrix Platform Helps Find Targeted Opportunities – Clemson University

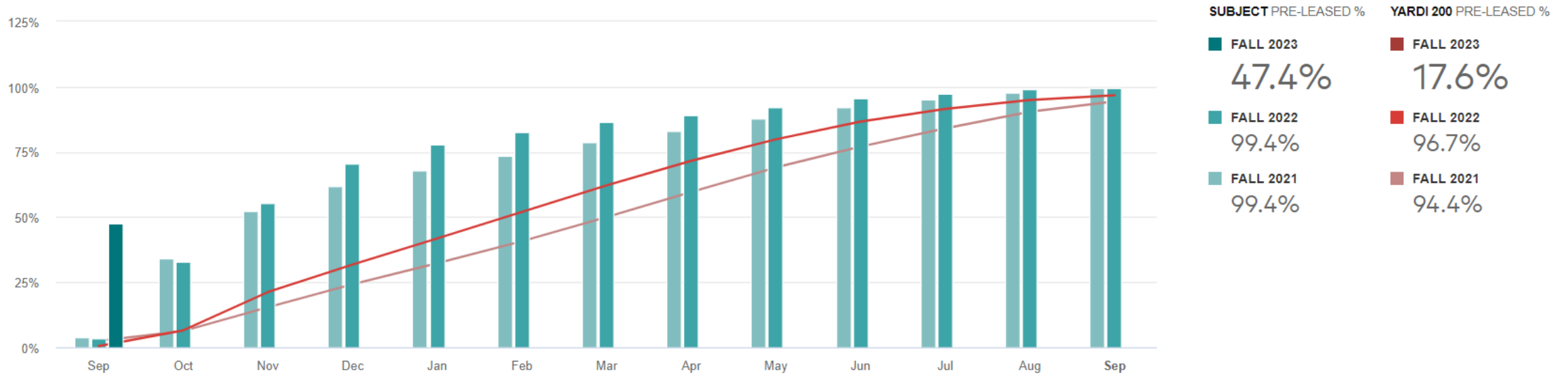




# The Yardi Matrix Platform Helps Find Targeted Opportunities – Clemson University

## Pre-Lease Comparison (%)

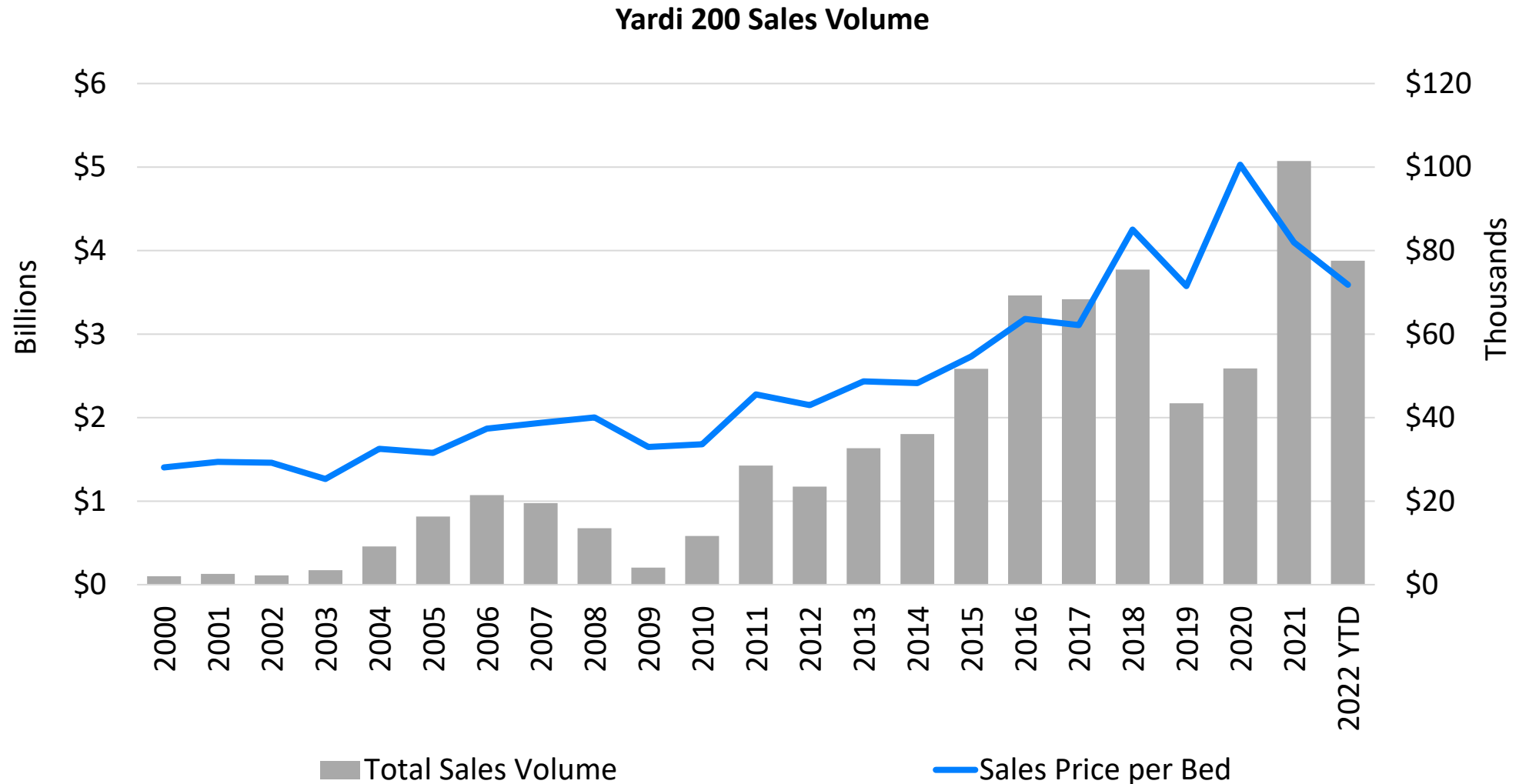
13-month period



# STUDENT HOUSING FUNDAMENTALS: TRANSACTIONS

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# 2022 Transaction Volume is Approaching Last Year's Record Levels as the Industry Continues to Gain Significant Investor Interest



# Universities in the South and West Have Had the Most Student Housing Transactions 2022 YTD

| University                                | Sales Price Per Bed (Thou.) | Sales Volume (Mil.) | University                                  | Sales Price Per Bed (Thou.) | Sales Volume (Mil.) |
|---|-----------------------------|---------------------|---|-----------------------------|---------------------|
| <b>Yardi 200</b>                          | <b>\$71.82</b>              | <b>\$3,878.66</b>   | Florida State University                    | \$59.03                     | \$129.04            |
| Arizona State University-Tempe            | \$143.66                    | \$335.58            | Arizona State University – Downtown Phoenix | \$193.76                    | \$118.00            |
| University of South Florida               | \$80.34                     | \$314.75            | University of Pennsylvania                  | \$163.99                    | \$105.78            |
| University of North Carolina at Charlotte | \$70.62                     | \$218.28            | University of Arizona                       | \$126.50                    | \$103.60            |
| The University of Tennessee-Knoxville     | \$110.44                    | \$181.89            | University of Mississippi                   | \$46.32                     | \$86.02             |
| Middle Tennessee State University         | \$53.43                     | \$151.95            | Louisiana State University                  | \$89.20                     | \$80.10             |
| Texas State University                    | \$76.93                     | \$137.56            | University of Florida                       | \$46.17                     | \$75.17             |
| University of South Carolina-Columbia     | \$96.27                     | \$136.71            | University of Georgia                       | \$90.60                     | \$71.31             |

# Student Housing Continues to Attract Significant Investment

## STUDENT HOUSING INVESTMENT ANNOUNCEMENTS IN 2022:

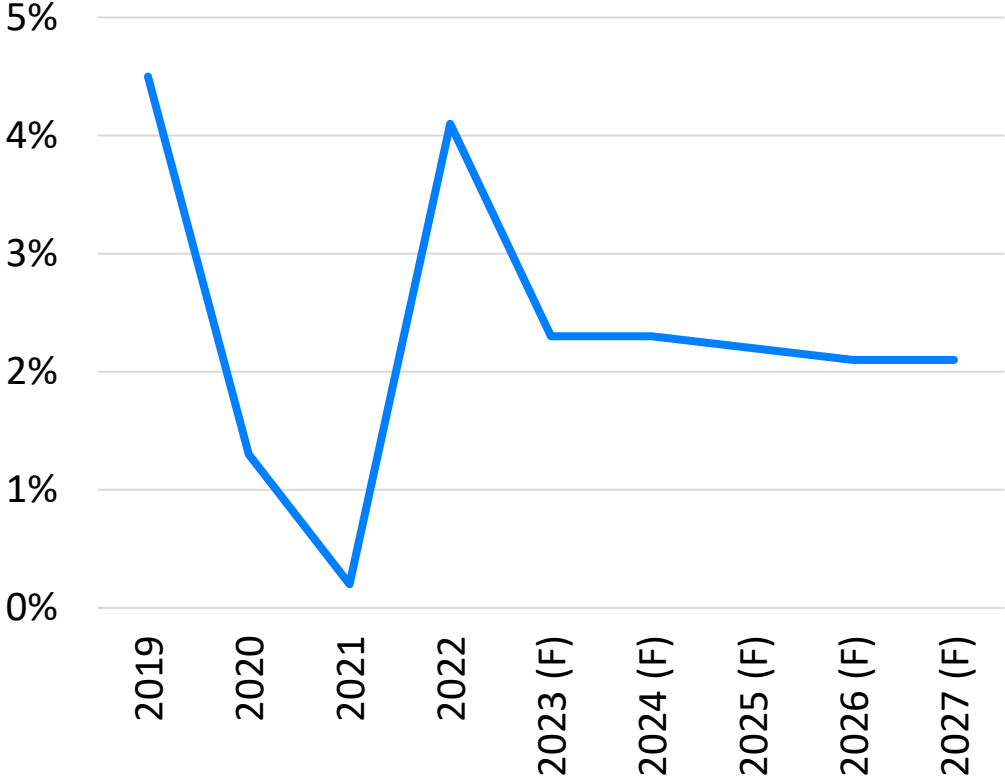
| Date   | Action                     | Companies   | Value            |
|--------|----------------------------|---|------------------|
| Jan-22 | Joint Venture              | Harrison Street, American Campus Communities                          | \$551,000,000    |
| Jan-22 | Joint Venture              | Adam America Real Estate, JW Capital Management, ARBS RE USA Holdings | \$147,000,000    |
| Feb-22 | Joint Venture              | CapitaLand Investment Limited, The Ascott Limited, Riyadh Capital     | \$150,000,000    |
| Mar-22 | Redevelopment              | Greystar, The University of Pennsylvania                              | \$94,500,000     |
| Mar-22 | Joint Venture              | Landmark, Abu Dhabi Investment Authority (ADIA)                       | \$1,000,000,000  |
| Apr-22 | Acquisition                | Blackstone, American Campus Communities                               | \$12,800,000,000 |
| May-22 | Joint Venture              | Core Spaces, Tom Winkopp Development                                  | \$200,000,000    |
| Jun-22 | Partnership                | Blue Vista, StepStone   | \$90,000,000     |
| Jun-22 | Acquisition                | Cardinal Group Cos., TPG Real Estate Partners                         | \$75,500,000     |
| Jun-22 | Acquisition                | IGIS Asset Management, Timberline Real Estate Ventures                | \$109,000,000    |
| Jul-22 | Public Private Partnership | Medistart Corp., GMH Communities, CBRE Investment Management          | \$204,000,000    |
| Aug-22 | Joint Venture              | Landmark, ADIA  | \$2,000,000,000  |
| Aug-22 | Joint Venture              | Trinitas Ventures, Crawford Hoying                                    | \$250,000,000    |

# YARDI MATRIX FORECASTS

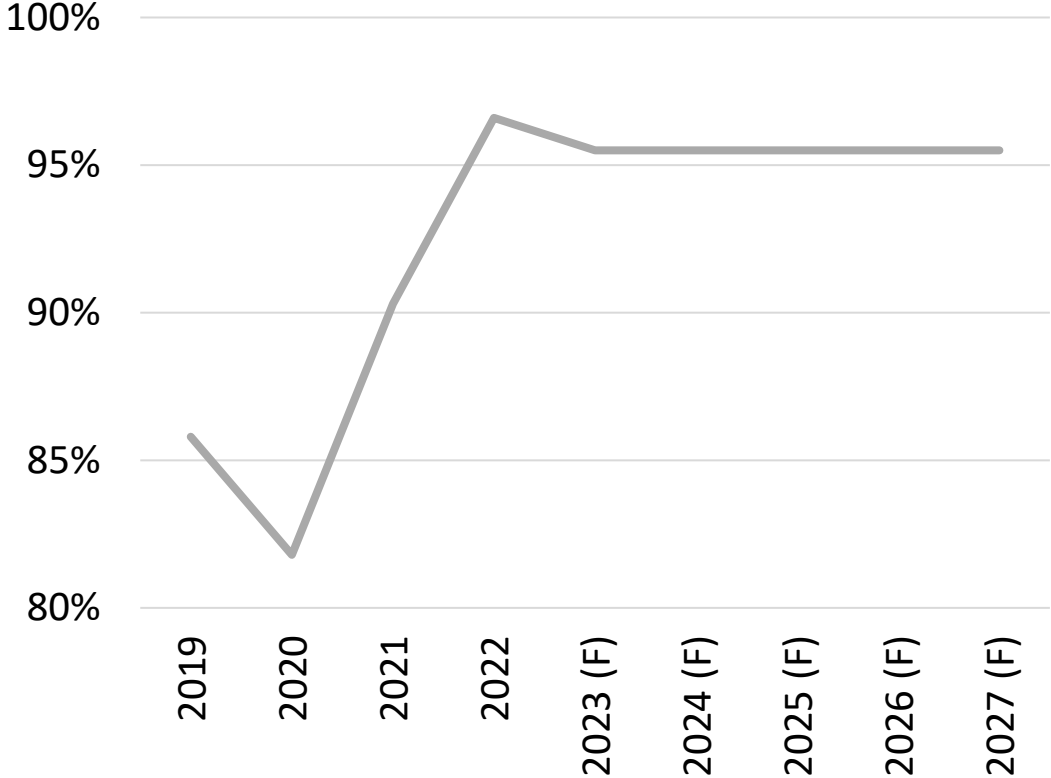
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# Rent Growth and Occupancy Are Expected to Stabilize Over The Next Few Years

### Yardi 200 Rent Forecast



### Yardi 200 Occupancy Forecast



# Universities With the Highest Forecasted Rent Growth in 2023

Universities That Topped the Historical Rent Growth List are Forecasted to Experience Continued Strong Rent Growth

| University                                 | Forecasted Rent Growth 2023 | Forecasted Occupancy 2023 | Forecasted Rent Growth 2024 | Forecasted Occupancy 2024 |
|--|-----------------------------|---------------------------|-----------------------------|---------------------------|
| Northern Arizona University                | 9.7%                        | 99.8%                     | 8.8%                        | 99.8%                     |
| University of Nevada-Las Vegas             | 9.2%                        | 100.0%                    | 7.3%                        | 100.0%                    |
| Pennsylvania State University              | 8.2%                        | 99.9%                     | 2.0%                        | 99.9%                     |
| Western Michigan University                | 8.2%                        | 94.3%                     | 7.6%                        | 94.3%                     |
| Montana State University                   | 7.9%                        | 100.0%                    | 7.3%                        | 100.0%                    |
| University of Georgia                      | 7.7%                        | 98.2%                     | 7.2%                        | 98.2%                     |
| University of Toledo                       | 6.5%                        | 98.1%                     | 6.1%                        | 98.1%                     |
| Ohio State University                      | 6.4%                        | 99.2%                     | 6.0%                        | 99.2%                     |
| University of Pittsburgh-Pittsburgh Campus | 6.3%                        | 100.0%                    | 5.9%                        | 100.0%                    |
| University of Mississippi                  | 5.8%                        | 93.0%                     | 5.5%                        | 92.9%                     |
| Baylor University                          | 5.8%                        | 99.7%                     | 5.5%                        | 99.7%                     |
| Utah State University                      | 5.8%                        | 100.0%                    | 5.5%                        | 100.0%                    |
| Miami University-Oxford                    | 5.5%                        | 92.1%                     | 5.0%                        | 92.1%                     |
| University of California-Santa Barbara     | 5.5%                        | 100.0%                    | 5.2%                        | 100.0%                    |
| The University of Tennessee-Knoxville      | 5.3%                        | 100.0%                    | 5.0%                        | 100.0%                    |





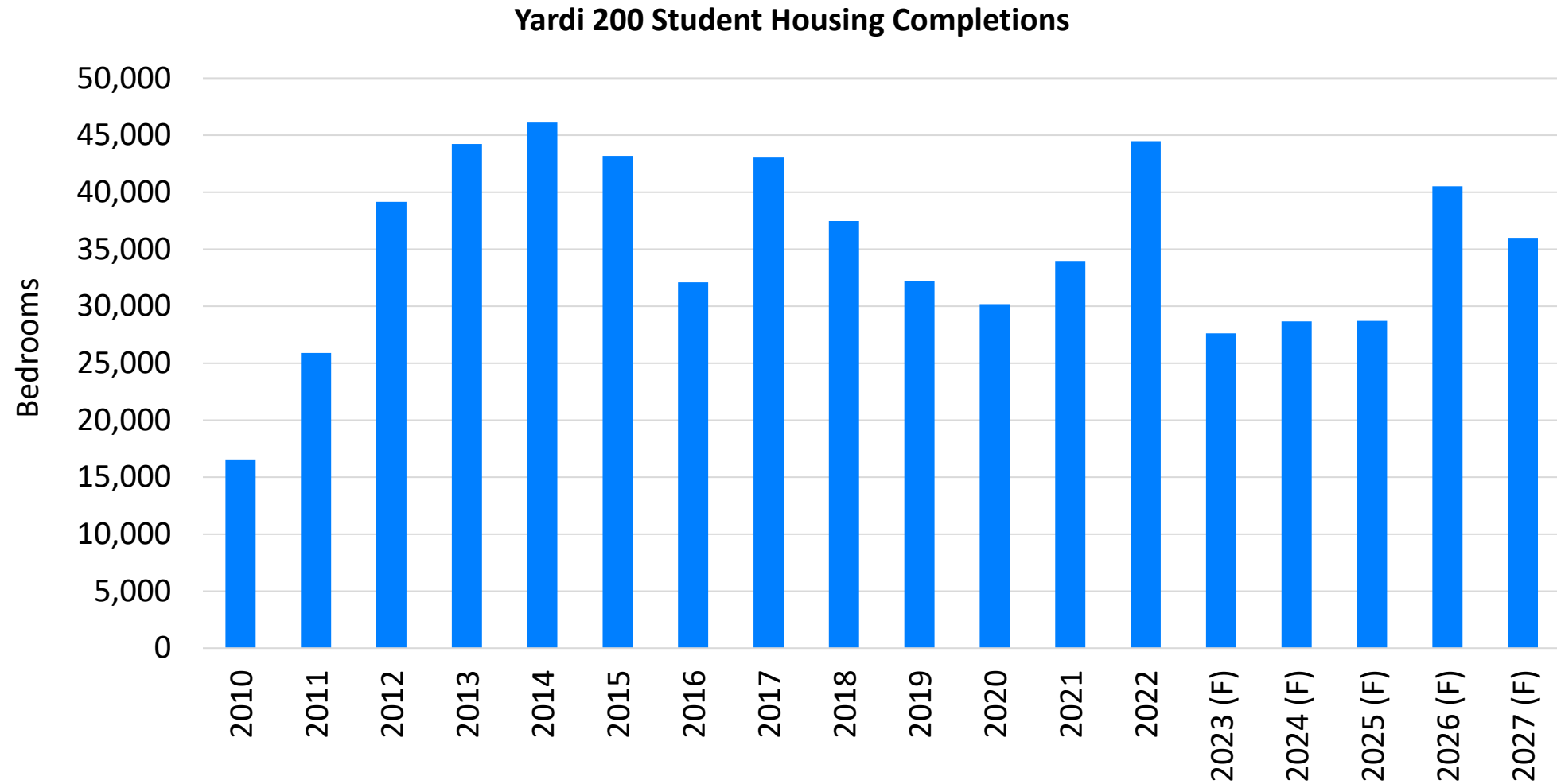
# Universities With the Lowest Forecasted Rent Growth in 2023

Only A Few Universities are Forecasted to Have Negative Rent Growth Next Year

| University                             | Forecasted Rent Growth 2023 | Forecasted Occupancy 2023 | Forecasted Rent Growth 2024 | Forecasted Occupancy 2024 |
|--|-----------------------------|---------------------------|-----------------------------|---------------------------|
| Texas Christian University             | -7.4%                       | 100.0%                    | -3.6%                       | 100.0%                    |
| Louisiana State University             | -2.2%                       | 94.3%                     | -0.5%                       | 94.3%                     |
| Louisiana Tech University              | -1.9%                       | 83.7%                     | -0.3%                       | 83.7%                     |
| The University of Texas at San Antonio | -0.7%                       | 98.8%                     | 0.1%                        | 98.8%                     |
| University of Florida                  | -0.5%                       | 96.3%                     | 0.8%                        | 96.3%                     |
| SUNY at Albany                         | -0.5%                       | 91.3%                     | -0.1%                       | 91.3%                     |
| University of Houston                  | -0.4%                       | 98.9%                     | 0.0%                        | 98.9%                     |
| Indiana University-IUPUI               | -0.3%                       | 88.3%                     | 0.0%                        | 88.3%                     |
| Portland State University              | -0.3%                       | 86.7%                     | 0.0%                        | 86.7%                     |
| University of Arkansas                 | -0.1%                       | 96.0%                     | 0.0%                        | 96.0%                     |
| Brigham Young University-Provo         | 0.0%                        | 98.2%                     | 0.0%                        | 98.2%                     |
| Iowa State University                  | 0.0%                        | 96.3%                     | 0.0%                        | 96.3%                     |
| Michigan State University              | 0.0%                        | 95.2%                     | 0.0%                        | 95.2%                     |
| Rutgers University-Camden              | 0.0%                        | 83.2%                     | 0.0%                        | 83.2%                     |
| Texas Tech University                  | 0.0%                        | 97.8%                     | 0.0%                        | 97.8%                     |



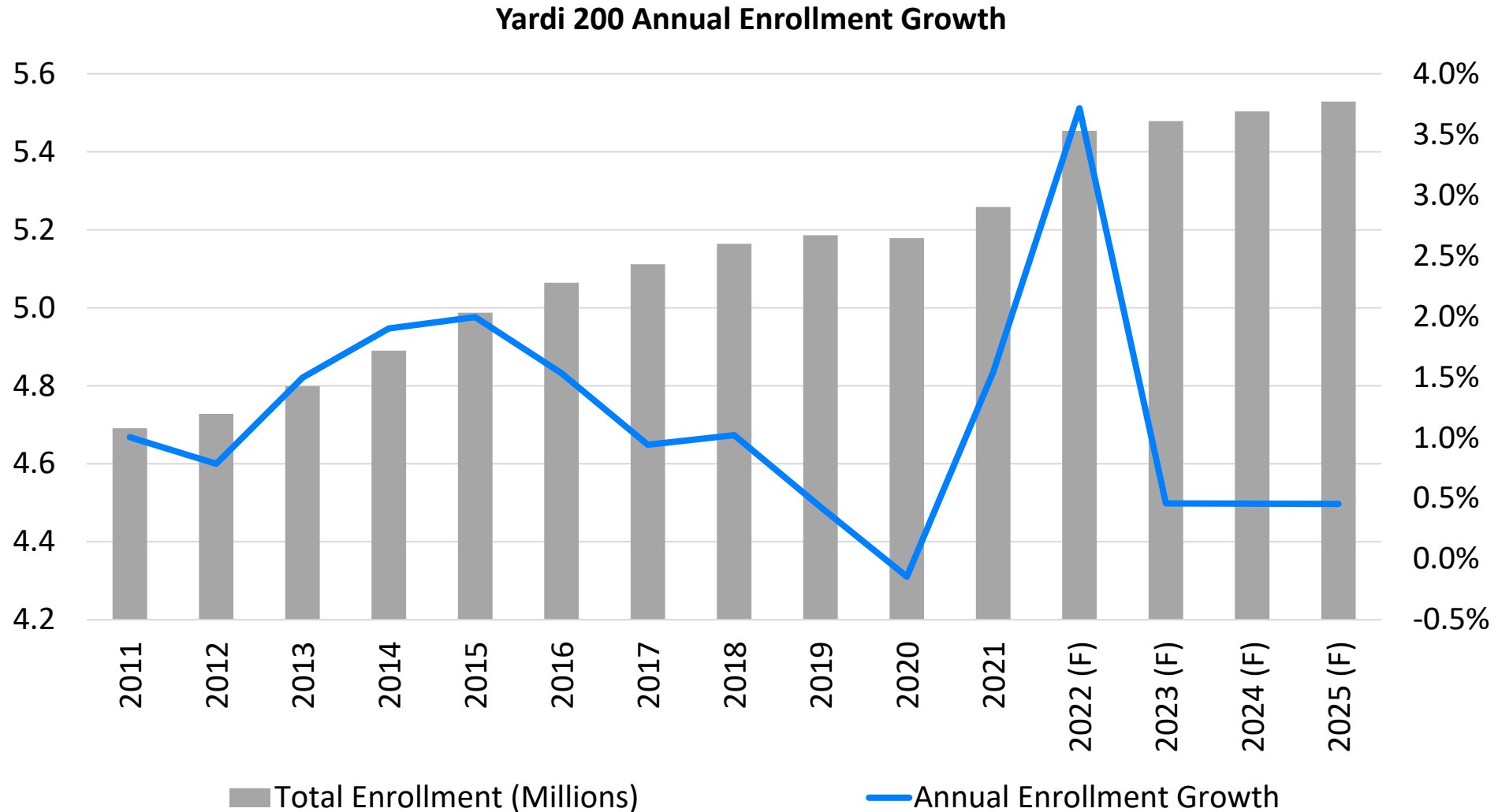
# Student Housing Completions at the Yardi 200 Surged in 2022, But Are Expected To Moderate Over the Next Few Years



# New Bedroom Deliveries in the Short-Term Will Be Spread Geographically

| University                                  | Forecasted Bedroom Deliveries 2023 | Forecasted Deliveries as a % of Enrollment | Capture Opportunity |
|---|------------------------------------|--|---------------------|
| Florida International University            | 3,553                              | 6.0%                                       | 90.9%               |
| University of Maryland-College Park         | 2,547                              | 6.3%                                       | 53.3%               |
| Washington State University                 | 2,101                              | 6.7%                                       | 65.1%               |
| The University of Texas at Austin           | 2,048                              | 4.1%                                       | 47.7%               |
| University of California-Davis              | 1,778                              | 4.6%                                       | 67.0%               |
| Georgia Institute of Technology-Main Campus | 1,677                              | 4.2%                                       | 58.0%               |
| University of Washington-Seattle Campus     | 1,166                              | 2.4%                                       | 76.6%               |
| Pennsylvania State University-Main Campus   | 1,039                              | 2.3%                                       | 41.6%               |
| Indiana University-Bloomington              | 986                                | 2.3%                                       | 55.9%               |
| Florida State University                    | 874                                | 2.0%                                       | 20.7%               |
| University of South Florida-Main Campus     | 870                                | 1.7%                                       | 57.5%               |
| Texas A & M University-College Station      | 865                                | 1.2%                                       | 41.0%               |
| University of Florida                       | 865                                | 1.6%                                       | 35.1%               |
| University of Pennsylvania                  | 812                                | 3.1%                                       | 43.4%               |
| George Mason University                     | 797                                | 2.1%                                       | 39.0%               |

# Enrollment for Yardi 200 Universities is Expected to Slightly Increase But Moderate Over the Next Few Years



# A Diverse Group of Universities Are Expected to Have Enrollment Growth, Primarily in the South and Southwest

| University                                 | Forecasted Enrollment Growth 2022-2025 (Absolute) | Forecasted Enrollment Growth 2022-2025 (%) |
|--|---|--|
| Arizona State University-SkySong           | 9,348   | 17.5%                                      |
| Texas A & M University-College Station     | 3,516   | 4.7%                                       |
| Florida International University           | 2,991   | 4.8%                                       |
| The University of Texas at Arlington       | 2,835   | 5.6%                                       |
| Georgia Institute of Technology            | 2,800   | 7.2%                                       |
| Kennesaw State University                  | 2,704   | 6.3%                                       |
| University of Central Florida              | 2,075   | 2.8%                                       |
| The University of Texas at Dallas          | 1,935   | 6.4%                                       |
| Rutgers University-New Brunswick           | 1,770   | 3.3%                                       |
| University of California-Irvine            | 1,756   | 4.6%                                       |
| University of California-San Diego         | 1,720   | 4.2%                                       |
| New York University                        | 1,592   | 2.9%                                       |
| University of Southern California          | 1,590   | 3.3%                                       |
| University of California-Berkeley          | 1,331   | 3.0%                                       |
| University of Illinois at Urbana-Champaign | 1,325   | 2.5%                                       |

# REPRISE: The Spread Between Multifamily and Student Housing Rents is Largest in Urban Markets

| University                                 | Average Rental Rate by Bedroom |             |         |
|--|--------------------------------|-------------|---------|
|  | Student Housing                | Multifamily | Spread  |
| University of California-Irvine            | \$1,133                        | \$2,624     | \$1,491 |
| The University of Texas at Austin          | \$1,034                        | \$1,867     | \$833   |
| University of Washington-Seattle Campus    | \$1,507                        | \$2,321     | \$814   |
| Portland State University                  | \$934                          | \$1,676     | \$742   |
| University of Pennsylvania (Phila)         | \$1,278                        | \$1,957     | \$679   |
| Indiana University-IUPUI (Indianapolis)    | \$770                          | \$1,409     | \$639   |
| University of Pittsburgh-Pittsburgh Campus | \$1,057                        | \$1,683     | \$626   |
| Florida International University (Miami)   | \$1,005                        | \$1,624     | \$619   |
| University of North Carolina at Greensboro | \$619                          | \$1,201     | \$582   |
| Georgia Institute of Technology (Atlanta)  | \$1,152                        | \$1,721     | \$569   |
| University of Nevada-Reno                  | \$827                          | \$1,359     | \$532   |
| University of California-Riverside         | \$1,037                        | \$1,558     | \$521   |
| North Carolina State University at Raleigh | \$756                          | \$1,254     | \$498   |
| University of Minnesota-Twin Cities        | \$999                          | \$1,490     | \$491   |
| Boise State University                     | \$821                          | \$1,311     | \$490   |

Note: Rental rates for universities are based solely on properties that participate in our phone surveys. Universities with less than four properties in our coverage have been excluded from this list. Student housing and multifamily rents are for properties within the same 3-mile radius of a university | Source: Yardi Matrix



# REPRISE: Array of Universities Have Strong Development Prospects Based on 3-Yr Forecasts

| University                                     | 3-Year Forecasts 2023-2025 |                                  |                          |                             |
|--|----------------------------|----------------------------------|--------------------------|-----------------------------|
|  | 2025 Enrollment            | New Bedroom Deliveries 2023-2025 | 2025 Capture Opportunity | Rent Growth YE 2022-YE 2025 |
| University of Georgia                          | 41,501                     | 1,477                            | 43.6%                    | 23.2%                       |
| Ohio State University                          | 65,156                     | 3,813                            | 63.3%                    | 19.2%                       |
| University of Pittsburgh-Pittsburgh Campus     | 32,193                     | 0                                | 64.8%                    | 18.9%                       |
| University of California-Santa Barbara         | 28,078                     | 0                                | 63.2%                    | 16.4%                       |
| Syracuse University                            | 22,839                     | 0                                | 51.0%                    | 14.5%                       |
| <b>University of Washington-Seattle Campus</b> | <b>51,184</b>              | <b>1,166</b>                     | <b>71.0%</b>             | <b>12.5%</b>                |
| University of California-Berkeley              | 45,817                     | 529                              | 73.3%                    | 12.1%                       |
| University of California-Irvine                | 39,891                     | 0                                | 55.3%                    | 11.9%                       |
| Brigham Young University-Provo                 | 37,748                     | 0                                | 60.8%                    | 11.6%                       |
| San Diego State University                     | 39,390                     | 301                              | 76.9%                    | 11.2%                       |
| University of Delaware                         | 25,502                     | 112                              | 65.8%                    | 11.0%                       |
| University of Louisville                       | 23,344                     | 2,525                            | 54.9%                    | 10.5%                       |
| University of Connecticut                      | 29,213                     | 1,672                            | 48.5%                    | 10.3%                       |
| Wayne State University                         | 26,730                     | 0                                | 87.2%                    | 9.7%                        |
| Purdue University                              | 48,640                     | 1,002                            | 48.8%                    | 9.6%                        |
| <b>University of California-Davis</b>          | <b>42,291</b>              | <b>2,658</b>                     | <b>61.8%</b>             | <b>9.3%</b>                 |
| University of Wisconsin-Madison                | 46,658                     | 1,538                            | 63.9%                    | 8.7%                        |
| <b>University of South Florida</b>             | <b>53,669</b>              | <b>1,665</b>                     | <b>54.5%</b>             | <b>8.6%</b>                 |

Bold universities are also on the top 15 list for most bedrooms under construction | Yardi 200 universities with rent growth ≥ 0%; enrollment ≥ 22k; acceptance rate ≤ 70%; capture opportunity ≥ 40% | Data sorted by rent growth forecast | Source: Yardi Matrix



# REPRISE: Array of Universities Have Strong Development Prospects Based on 3-Yr Forecasts

| University                                  | 3-Year Forecasts 2023-2025 |                                  |                          |                             |
|---|----------------------------|----------------------------------|--------------------------|-----------------------------|
|   | 2025 Enrollment            | New Bedroom Deliveries 2023-2025 | 2025 Capture Opportunity | Rent Growth YE 2022-YE 2025 |
| University of North Carolina at Chapel Hill | 31,824                     | 1,204                            | 51.7%                    | 8.5%                        |
| Johns Hopkins University                    | 30,737                     | 0                                | 81.4%                    | 8.3%                        |
| University of California-Los Angeles        | 48,388                     | 0                                | 59.9%                    | 8.0%                        |
| <b>University of Michigan-Ann Arbor</b>     | <b>50,632</b>              | <b>369</b>                       | <b>56.3%</b>             | <b>8.0%</b>                 |
| University of Southern California           | 50,034                     | 1,275                            | 72.6%                    | 7.4%                        |
| <b>Georgia Institute of Technology</b>      | <b>41,798</b>              | <b>1,677</b>                     | <b>44.9%</b>             | <b>7.3%</b>                 |
| University of Central Florida               | 76,630                     | 2,289                            | 58.0%                    | 7.1%                        |
| <b>University of Maryland-College Park</b>  | <b>43,744</b>              | <b>3,272</b>                     | <b>48.2%</b>             | <b>7.0%</b>                 |
| University of Minnesota-Twin Cities         | 54,381                     | 795                              | 65.3%                    | 5.5%                        |
| University of Pennsylvania                  | 27,599                     | 812                              | 42.6%                    | 4.8%                        |
| University of California-Riverside          | 27,779                     | 0                                | 63.2%                    | 4.5%                        |
| <b>Florida International University</b>     | <b>65,280</b>              | <b>3,553</b>                     | <b>82.4%</b>             | <b>0.0%</b>                 |
| Oklahoma State University                   | 26,329                     | 0                                | 62.6%                    | 0.0%                        |
| George Washington University                | 29,207                     | 0                                | 74.5%                    | 0.0%                        |
| University at Buffalo                       | 34,161                     | 1,979                            | 60.2%                    | 0.0%                        |
| Texas Tech University                       | 43,237                     | 224                              | 44.5%                    | 0.0%                        |
| University of Illinois at Urbana-Champaign  | 55,315                     | 1,178                            | 41.7%                    | 0.0%                        |

Bold universities are also on the top 15 list for most bedrooms under construction | Yardi 200 universities with rent growth ≥ 0%; enrollment ≥ 22k; acceptance rate ≤ 70%; capture opportunity ≥ 40% | Data sorted by rent growth forecast | Source: Yardi Matrix



# Yardi Matrix House View – October 2022

## **ENROLLMENT**

- Fall 2022 enrollment appears to be following a similar trend to 2021
- Highly selective, top tier universities received a surge in applications
- Less selective universities and community colleges are struggling with enrollment
- Consolidation of the higher education system is a result of the contrast in enrollment across school types

## **FUNDAMENTALS**

- The fall 2022 preleasing period ended in September at a record 96.6%, 2.3% higher than last year
- The average rent per bedroom at Yardi 200 universities for the fall 2022 school year was \$789 as of September, a record high and 4.1% over the same time last year
- The great disparity between multifamily and student housing rents indicate the possibility for additional room to grow student housing rents, particularly in urban markets with a prominent shadow market
- As we expected, preleasing and rent growth are highest for bigger, more selective universities
- Student housing deliveries surged in 2022, but are expected to moderate, and housing shortages at universities are becoming more widespread than just California
- Transaction volume has potential to surpass record 2021 levels as the industry continues to garner investor interest

## **OUTLOOK**

- Yardi Matrix forecasts predict the student industry to stabilize over the next few years, with strong but steady rent and occupancy growth, enrollment growth and supply growth
- Overall, we still have a very positive outlook for the student housing industry, particularly at first tier institutions



# Upcoming Events

## **ULI Fall Meeting**

Dallas

**OCTOBER 24<sup>th</sup> – 27<sup>th</sup>**

## **Student Housing Business Joint Webinar**

**NOVEMBER 2<sup>ND</sup>**

## **Yardi Matrix Multifamily Webinar**

**NOVEMBER 16<sup>th</sup>**



THANK YOU

Feel free to contact me with any questions.

Jeff Adler | (800) 866-1144 x 2403 | [Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)

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# APPENDIX

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# Yardi 200 University List

|  |   |
|--|---|
| Arizona State University-Downtown Phoenix          | Duke University                                   |
| Arizona State University-Skysong Digital Immersion | Duquesne University                               |
| Arizona State University-Tempe                     | East Carolina University                          |
| Auburn University                                  | East Tennessee State University                   |
| Ball State University                              | Eastern Michigan University                       |
| Baylor University                                  | Emory University                                  |
| Binghamton University                              | Florida Agricultural and Mechanical University    |
| Boise State University                             | Florida Atlantic University                       |
| Boston College                                     | Florida International University                  |
| Boston University                                  | Florida State University                          |
| Bowling Green State University-Main Campus         | Fordham University                                |
| Brigham Young University-Provo                     | George Mason University                           |
| Brown University                                   | George Washington University                      |
| Carnegie Mellon University                         | Georgetown University                             |
| Case Western Reserve University                    | Georgia Institute of Technology-Main Campus       |
| Central Michigan University                        | Georgia Southern University                       |
| Clark Atlanta University                           | Georgia State University                          |
| Clemson University                                 | Grand Valley State University                     |
| Cleveland State University                         | Harvard University                                |
| Colorado State University-Fort Collins             | Idaho State University                            |
| Columbia University in the City of New York        | Illinois Institute of Technology                  |
| Cornell University                                 | Illinois State University                         |
| CUNY City College                                  | Indiana University-Bloomington                    |
| DePaul University                                  | Indiana University-Purdue University-Indianapolis |
| Drexel University                                  | Iowa State University                             |

# Yardi 200 University List

|  |  |
|--|--|
| Johns Hopkins University   | Ohio State University-Main Campus                  |
| Kansas State University  | Ohio University-Main Campus                        |
| Kennesaw State University  | Oklahoma State University-Main Campus              |
| Kent State University at Kent                                    | Oregon State University                            |
| Louisiana State University and Agricultural & Mechanical College | Pennsylvania State University-Main Campus          |
| Louisiana Tech University  | Portland State University                          |
| Marquette University   | Purdue University-Main Campus                      |
| Marshall University  | Rochester Institute of Technology                  |
| Massachusetts Institute of Technology                            | Rutgers University-Camden                          |
| Miami University-Oxford  | Rutgers University-New Brunswick                   |
| Michigan State University  | Rutgers University-Newark                          |
| Middle Tennessee State University                                | Saint Louis University                             |
| Mississippi State University                                     | San Diego State University                         |
| Montana State University   | Seton Hall University                              |
| Morgan State University  | South Dakota State University                      |
| New Jersey Institute of Technology                               | Southern Illinois University-Carbondale            |
| New Mexico State University-Main Campus                          | SUNY at Albany                                     |
| New York University  | SUNY College of Environmental Science and Forestry |
| North Carolina A & T State University                            | Syracuse University                                |
| North Carolina State University at Raleigh                       | Temple University                                  |
| North Dakota State University-Main Campus                        | Texas A & M University-College Station             |
| Northeastern University  | Texas A & M University-Corpus Christi              |
| Northern Arizona University                                      | Texas A & M University-Kingsville                  |
| Northern Illinois University                                     | Texas Christian University                         |
| Nova Southeastern University                                     | Texas Southern University                          |



# Yardi 200 University List

|   |   |
|---|---|
| Texas State University                    | University of Chicago                                 |
| Texas Tech University                     | University of Cincinnati-Main Campus                  |
| The University of Alabama                 | University of Colorado Boulder                        |
| The University of Montana                 | University of Colorado Colorado Springs               |
| The University of Tennessee-Knoxville     | University of Colorado Denver/Anschutz Medical Campus |
| The University of Texas at Arlington      | University of Connecticut                             |
| The University of Texas at Austin         | University of Delaware                                |
| The University of Texas at Dallas         | University of Denver                                  |
| The University of Texas at San Antonio    | University of Florida                                 |
| The University of Texas Rio Grande Valley | University of Georgia                                 |
| Thomas Jefferson University               | University of Hawaii at Manoa                         |
| University at Buffalo                     | University of Houston                                 |
| University of Akron Main Campus           | University of Idaho                                   |
| University of Alabama at Birmingham       | University of Illinois at Chicago                     |
| University of Alaska Fairbanks            | University of Illinois at Urbana-Champaign            |
| University of Arizona                     | University of Iowa                                    |
| University of Arkansas                    | University of Kansas                                  |
| University of California-Berkeley         | University of Kentucky                                |
| University of California-Davis            | University of Louisiana at Lafayette                  |
| University of California-Irvine           | University of Louisville                              |
| University of California-Los Angeles      | University of Maine                                   |
| University of California-Riverside        | University of Maryland-College Park                   |
| University of California-San Diego        | University of Massachusetts-Amherst                   |
| University of California-Santa Barbara    | University of Massachusetts-Lowell                    |
| University of Central Florida             | University of Memphis                                 |

# Yardi 200 University List

|   |   |
|---|---|
| University of Miami                         | University of South Carolina-Columbia               |
| University of Michigan-Ann Arbor            | University of South Dakota                          |
| University of Minnesota-Twin Cities         | University of South Florida-Main Campus             |
| University of Mississippi                   | University of Southern California                   |
| University of Missouri-Columbia             | University of Southern Mississippi                  |
| University of Missouri-St Louis             | University of St Thomas                             |
| University of Nebraska-Lincoln              | University of Toledo                                |
| University of Nevada-Las Vegas              | University of Utah                                  |
| University of Nevada-Reno                   | University of Vermont                               |
| University of New Hampshire-Main Campus     | University of Virginia-Main Campus                  |
| University of New Mexico-Main Campus        | University of Washington-Seattle Campus             |
| University of North Carolina at Chapel Hill | University of Wisconsin-Madison                     |
| University of North Carolina at Charlotte   | University of Wisconsin-Milwaukee                   |
| University of North Carolina at Greensboro  | University of Wyoming                               |
| University of North Carolina Wilmington     | Utah State University                               |
| University of North Dakota                  | Vanderbilt University                               |
| University of North Texas                   | Virginia Commonwealth University                    |
| University of Notre Dame                    | Virginia Polytechnic Institute and State University |
| University of Oklahoma-Norman Campus        | Washington State University                         |
| University of Oregon                        | Washington University in St Louis                   |
| University of Pennsylvania                  | Wayne State University                              |
| University of Pittsburgh-Pittsburgh Campus  | West Virginia University                            |
| University of Rhode Island                  | Western Michigan University                         |
| University of Rochester                     | Wichita State University                            |
| University of South Alabama                 | Wright State University-Main Campus                 |