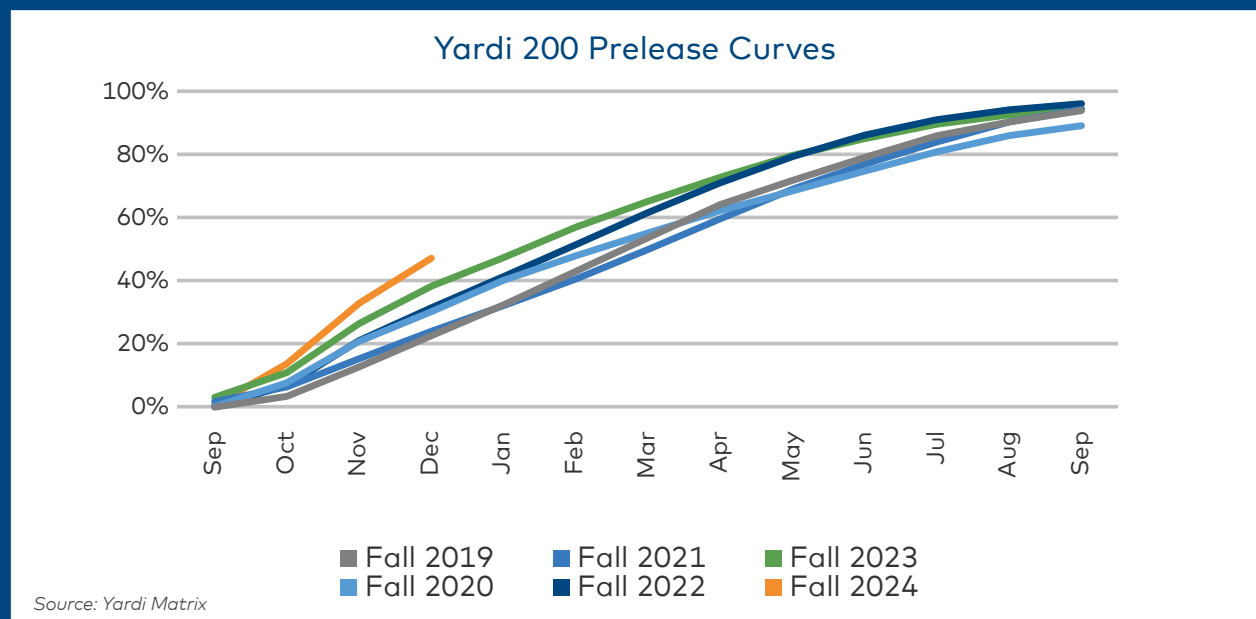# National Student Housing Report

January 2024

Preleasing Tops Previous Year

This month's report picks up coverage of the 2024-2025 leasing season, with preleasing jumping out well ahead of last year's record pace and rent growth remaining strong amidst rent declines in other sectors.

■ Final occupancy for the Yardi 200 markets for fall 2023 settled at 94.6%, compared to 96.2% in fall 2022. Lower occupancy can be attributed to new properties that delivered late or struggled with preleasing. New 2023-built properties only reached 81.7% occupancy for the fall 2023 semester.

■ Preleasing for the 2024-2025 school year is off to a record start, reaching 47.3% in December 2023, compared to 38.4% in December 2022. Strong preleasing is indicative of heavy renewal activity as students vie for housing in markets with limited supply. Fifty-one university markets have already filled half their beds, while 10 are at least 75% preleased.

■ Average asking rent per bed continues to reach new highs, at $858 in December, up 4.9% year-over-year. Rent growth has slowed from 6.4% in October and is behind the 6% of December 2022. Many of the markets with the fastest preleasing are seeing the strongest rent growth, as operators take advantage of the surge in demand. Twenty-seven schools with 10%+ rent growth in December are, on average, 5% ahead of preleasing last year.

■ Yardi has collected fall 2023 enrollment data for more than 150 schools, which shows a rebound in enrollment growth this year. Total enrollment for these schools is up 1.4% from last year, compared to 0.5% growth in fall 2022, and has benefited the largest schools. Some of the schools with the highest enrollment growth this year have also been among the best performing.

■ Student housing sales are down noticeably this year as higher interest rates continue to impact commercial real estate investment. Early 2023 data reveals 73 properties sold in the Yardi 200 markets, vs. an average of 205 properties sold annually in 2021 and 2022, and a pre-COVID average of 121 properties sold per year. The investment environment has also affected pricing, with an average sale price of $75,310 per bed in 2023, compared to $78,884 per bed in 2021-2022.

Yardi 200 Prelease Curves

Source: Yardi Matrix

Fall 2019, Fall 2020, Fall 2021, Fall 2022, Fall 2023, Fall 2024

Preleasing Jumps Ahead in Fastest Start Ever

■ Preleasing for the Yardi 200 is 8.9% ahead of last year's pace, with 47.3% of beds preleased as of December. This marks the second year in a row with a record preleasing pace. Operators have been starting preleasing earlier each year, as demand has surged from strong enrollment growth and supply has failed to keep up.

■ More than one-quarter of the Yardi 200 schools are over 50% preleased. Fifteen markets are more than 70% preleased, including eight with at least four student housing properties with preleasing data. The largest of these markets include Ole Miss, Tennessee–Knoxville, Arkansas, Purdue and Wisconsin, all of which have experienced strong enrollment growth in recent years and have also seen above-average rent growth.

■ A few schools have started the preleasing season more slowly, including 24 markets that were less than 20% preleased in December. Many of these markets usually start preleasing later in the season, among them many West Coast schools, which start later than most, or those in smaller markets with only a few student housing properties.

■ Twenty-one markets had preleasing 20% or more ahead of the previous year's pace in December, including nine schools that have four or more dedicated student housing properties with preleasing data. Two markets, Binghamton and New Hampshire, were noticeably behind the previous year on preleasing in December 2022, with signs of a recovery this year.

■ Twelve university markets are more than 10% behind on preleasing vs. last year, most of them midsize markets with five to 10 student housing properties. The list includes Baylor, which at 38% preleased in December is 16% behind last year, and ASU–Tempe, which at 54% preleased is 12% behind last year. The University of Michigan, which has two new properties under construction, is also 8% behind last year.

Top 20 Universities With the Most Year-over-Year Growth in Percentage Preleased

University	YOY Growth in % Preleased
James Madison University	63.9%
University of Mississippi	53.6%
Binghamton University	46.8%
Appalachian State	40.7%
University of Delaware	24.2%
University of Missouri	22.5%
Johns Hopkins University	22.3%
Indiana University	20.7%
University of Louisiana	20.2%
UT–San Antonio	18.6%
Iowa State	17.8%
Oregon State	17.2%
North Carolina–Greensboro	16.4%
Kansas State	15.8%
Michigan State	15.3%
University of North Carolina	14.9%
Kent State	14.9%
Illinois State	14.5%
University of West Georgia	14.4%
University of Arizona	14.1%

Note: Prelease rates for universities are based solely on properties that participate in our phone surveys. Universities with fewer than four properties in our coverage have been excluded from this list. | Source: Yardi Matrix, data as of December 2023

Rent Growth Solid but Slowing

- Student housing rents for the Yardi 200 averaged $858 per bed in December, up 4.9% year-over-year. Although this is strong growth, rent growth has come down from 6.4% earlier in the leasing season and 6% growth in December 2022. The deceleration is likely a function of a strong push in rates at this time last year in response to rapid preleasing.

- Rent growth varies greatly by market, with 25 markets posting double-digit rent growth in December and 28 markets showing declining rents year-over-year. More than half of the markets with 10%+ rent growth are primary state schools, while only five out of 28, or 18%, with rent declines are primary state schools, including UT–Austin, Nebraska, Nevada–Reno, UC–Berkeley and Binghamton.

Despite slowing rent growth overall, 4.9% in December 2023 compares to the sector average of 3.2% going back to the beginning of 2018 and is well ahead of other property types that Yardi Matrix tracks. With preleasing off to another record start this year, rent growth should remain above average throughout the leasing season.

Many of the schools with the strongest rent growth so far this year have also preleased the fastest, including Tennessee–Knoxville, Ole Miss, Purdue and Arkansas, which are all 79% preleased or greater. Others—like Kentucky, NC State and LSU—are also well ahead of last year's

preleasing pace, giving operators confidence to push rates more aggressively.

Student housing markets with the most notable rent declines include many schools with below-average occupancy at the beginning of the school year and those preleasing at a slower pace. Seventeen markets with rent growth below -2% averaged 90.5% occupancy for the 2023-2024 school year in September, vs. 94.6% occupancy nationally, and averaged 26.1% preleased as of December compared to a 43.8% preleasing average for the nation.

Yardi 200 Annual Rent Growth
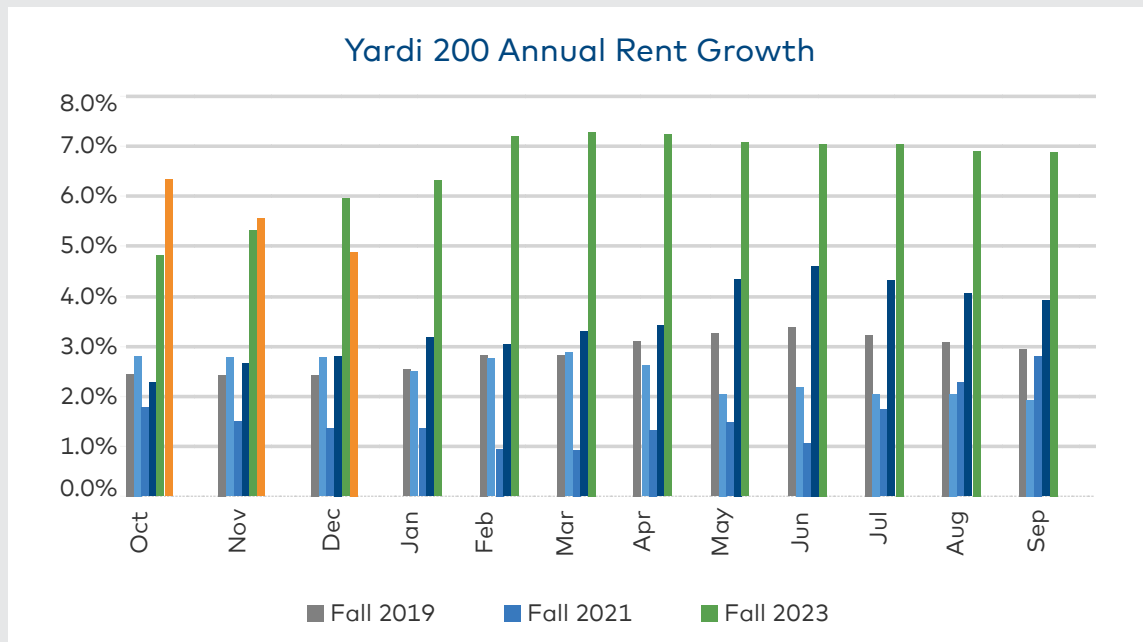
Source: Yardi Matrix

Top Student Housing Markets Fundamentals

University	Off-Campus Student Housing		Preleasing		Rent Per Bed	
	Beds Completed	Beds Under Construciton	Dec-23	Y-o-Y	Dec-23	Y-o-Y
University of Tennessee	8,220	3,961	89.1%	-4.9%	$1,072	19.2%
University of Arkansas	10,063	0	79.3%	10.6%	$816	12.1%
Purdue University	10,046	1,848	79.2%	1.0%	$902	17.0%
Virginia Tech	9,163	0	72.4%	6.0%	$971	7.2%
Clemson University	10,748	601	69.3%	-6.1%	$913	12.4%
University of Arizona	7,773	1,533	66.5%	14.1%	$1,096	6.9%
Iowa State	8,046	0	62.5%	17.8%	$629	7.0%
Indiana University	10,740	612	62.2%	20.7%	$921	3.1%
North Carolina State	9,625	0	62.2%	8.3%	$951	12.8%
University of Missouri	14,534	0	61.9%	22.5%	$680	4.3%
Penn State	15,303	856	61.0%	7.9%	$991	6.7%
Auburn University	13,369	0	58.3%	12.5%	$803	6.9%
University of Georgia	12,708	2,445	57.3%	4.4%	$849	9.5%
University of Central Florida	15,187	1,750	56.8%	8.7%	$954	5.6%
Michigan State	14,410	0	56.4%	15.3%	$758	7.2%
University of Texas	22,935	3,460	56.3%	3.4%	$1,102	-0.8%
University of Alabama	13,836	0	54.2%	11.1%	$802	3.8%
Arizona State University	11,693	0	53.9%	-11.5%	$1,236	12.0%
Florida State University	26,147	3,225	52.1%	3.4%	$824	8.3%
University of South Carolina	12,470	0	51.8%	12.2%	$834	4.8%
University of Illinois	16,107	0	50.4%	4.7%	$822	5.8%
Texas A&M	32,137	1,079	48.2%	9.9%	$774	9.8%
Louisiana State University	12,013	0	46.1%	9.6%	$697	11.5%
University of South Florida	16,250	759	42.3%	-2.0%	$899	7.5%
West Virginia University	8,411	0	40.7%	7.3%	$596	3.5%
Ohio State University	7,454	1,463	40.1%	2.3%	$1,028	10.8%
University of Florida	29,587	996	38.1%	1.3%	$784	4.4%
University of Minnesota	12,407	1,769	37.4%	8.0%	$1,020	2.2%
Georgia Tech	13,518	0	37.4%	4.7%	$1,266	5.9%
University of Maryland	9,729	989	32.9%	-3.6%	$1,244	2.6%
University of Michigan	8,996	1,103	31.6%	-8.0%	$1,473	4.9%
Texas Tech	16,586	0	31.5%	-0.8%	$631	1.0%

Note: Top 32 Power 5 schools with enrollment over 25,000 with the most dedicated off-campus student housing beds
Source: Yardi Matrix

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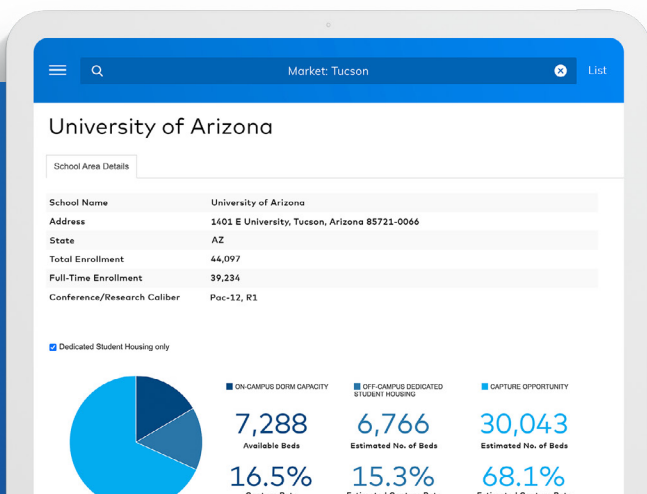
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