



Yardi Matrix

National Student Housing Report

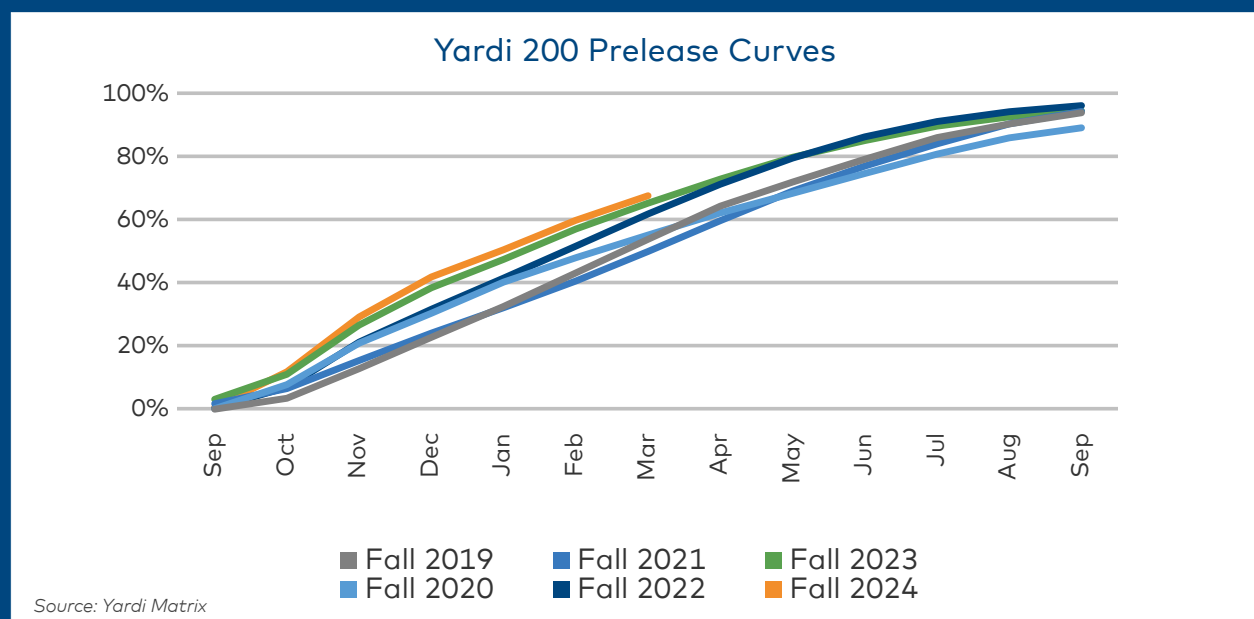
April 2024



Preleasing and Rent Growth Outpace Historical Average

Preleasing continues to outpace all previous years and rent growth remained strong in March. Yardi Matrix will host a webinar April 18 at 1 PM EST with a detailed dive into these trends and more by market.

- Preleasing in March 2024 hit 67.7%, 240 basis points above March 2023. The spread in preleasing has started to come down as we have verified data from more properties, but is still more than 10% ahead of the average from 2019-2022. Strong preleasing is an indication of solid demand from growing enrollment and suggests the market is easily absorbing any new beds for fall 2024.
- Average rent per bed reached \$895 in March 2024, up 6% from March 2023. Year-over-year growth had shown signs of slowing in previous months, but reaccelerated in March as preleasing continued to trend above last year. Rent growth in the sector has averaged 6.2% over the course of the leasing season, making student housing one of the best-performing commercial real estate sectors.
- Yardi Matrix has collected detailed fall 2023 enrollment data from 183 schools, which showed a strong rebound in growth from the previous year. Total enrollment was up 0.7% year-over-year, compared to -0.5% in fall 2022. Enrollment growth has mostly benefited large, primary state schools in Power 5 conferences, which has translated to stronger performance at these schools, as well.
- Yardi Matrix's supply forecast projects 46,285 new beds will deliver in 2024, a sharp increase from 37,576 beds delivered in 2023 and near the peak years of 2013 and 2014. Over the next five years, supply will drop below the long-term average of 36,322 beds per year going back to 2010.
- This year's student housing sales are shaping up to be similar to 2023, with 12 properties sold in Q1 2024 compared to 11 in Q1 2023. Both were down from the more than 50 sold in Q1 2022 and average of 32 properties sold in Q1 2017-2021. Although there is heightened interest in the sector, sales have been impacted by higher interest rates, which have kept sellers on the sidelines waiting for interest rates and cap rates to come back down. There have been a few high-profile trades so far, with three over \$100,000 per bed and two over \$200,000.



Preleasing Trend More Like Last Year

- As of March 2024, 67.7% of beds were preleased, 240 basis points above March 2023. Although preleasing has trended ahead of last year throughout the leasing season, the difference between this year and last year has been shrinking as more preleasing data comes in, suggesting this year may end up looking more like last year, which had the quickest lease-up pace in recent history.
- Yardi Matrix has preleasing data for more than 1,500 properties at 187 schools. Of these markets, 46 had preleasing over 75% and eight were better than 90% preleased in March, on par with 2023. This includes Ole Miss (99.4%), Purdue (91.7%), Appalachian State (91.6%) and Kentucky (90.4%).
- Forty-six schools were less than 50% preleased in March, including many tertiary state schools and private schools that have struggled to grow enrollment. These markets saw average enrollment growth of -0.3%, vs. 0.7% for the entire Yardi 200. This includes a number of schools in the West that typically prelease later than others.
- Thirty-eight markets were more than 10% ahead on preleasing compared to last year. This list includes a number of notable markets that failed to reach 90% occupancy last year, including Louisville, Temple, the University of Southern California, Nebraska, Iowa, Mississippi State, Drexel/Penn and South Carolina.
- Thirty markets were more than 10% behind last year's pace, which is an increase from previous months. This includes mostly smaller markets, but also Clemson, 10.5% behind last year but still 79% preleased and ahead of the nation. Baylor (-11.8%), South Florida (-12.4%) and ASU (-21.2%) were behind last year on preleasing but within 7% of the Yardi 200 preleasing level. Cornell, with 10 student housing properties, was 14.1% behind last year and 13% behind the nation at 54.7% in March.

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

University	YOY Growth in % Preleased
Central Michigan	23.3%
UC-Riverside	22.8%
University of Missouri	20.5%
Bowling Green State	19.8%
University of Mississippi	18.4%
University of Kansas	17.9%
San Diego State	17.2%
University of Louisville	17.0%
Temple University	15.9%
Southern California	15.1%
University of Nebraska	13.8%
Mississippi State	13.5%
Grand Valley State	13.1%
University of Kentucky	13.0%
Binghamton University	12.6%
University of Iowa	12.4%
University of Houston	11.7%
University of Pennsylvania	11.2%
University of Louisiana	10.8%
University of South Carolina	10.7%

*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 March 2024*

Student Housing Rent Growth Envy of CRE

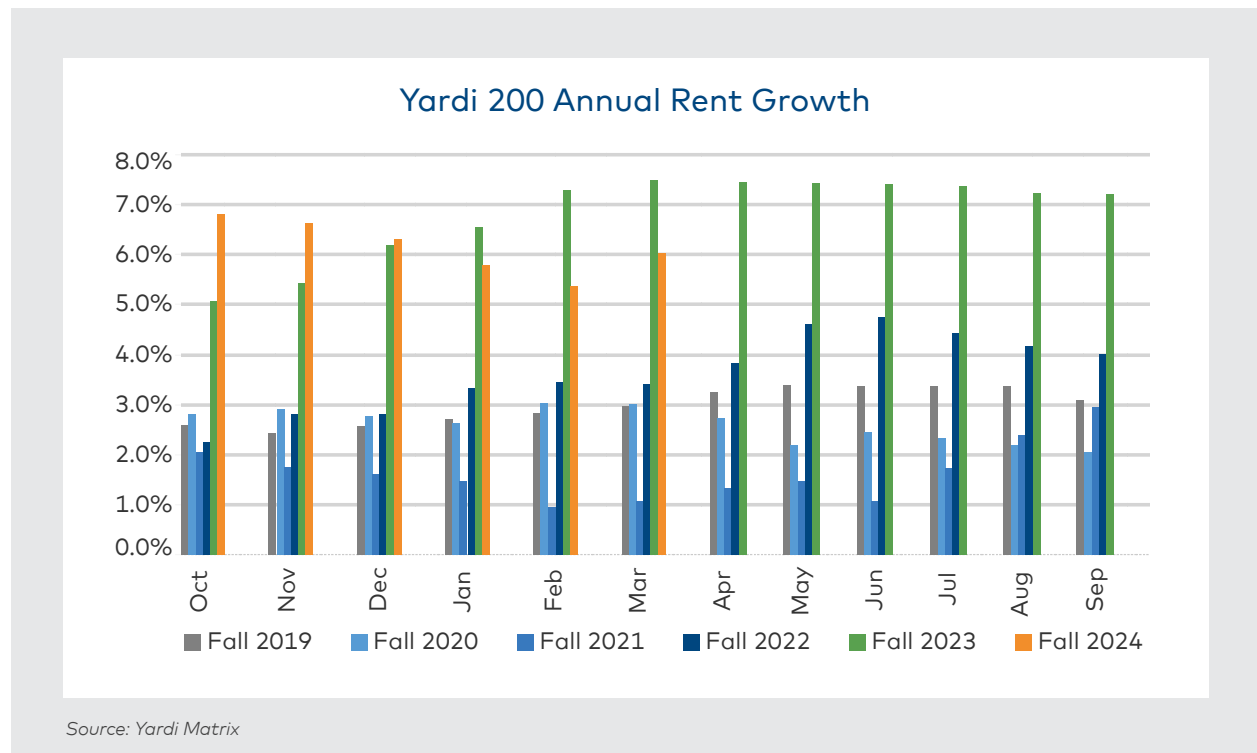
- Student housing rents reached \$895 per bed in March 2024, an all-time high and 6% above March 2023. Rent growth had been high but trending down early in the leasing season. It picked up again in March as students returned from spring break. Rent growth in student housing is being driven by surging demand, particularly at the schools with the strongest recent enrollment growth, a clear indication of the countercyclical nature of the product type.
- Forty-one universities had rent growth above 10% in March, a noticeable increase from recent months. Twenty-one markets had rent growth of -1.0% or less, which is also an improvement from recent months as operators in these markets get more comfortable with their lease-up pace.

So far during the 2023-2024 leasing season, rent growth trends have followed preleasing and enrollment. Among schools with more than one property, the top 22 for rent growth are, on average, 74% preleased with enrollment growth of 2.6%, while the bottom 22 average 48.8% preleased with -4.3% enrollment growth.

Tennessee continues to be among the best-performing large student housing markets, at 89% preleased with 20.6% rent growth in March, followed by Clemson at 79% preleased with 19.4% rent growth and Ole Miss at 99.4% preleased with 17.1% rent growth. Among smaller mar-

kets, San Jose State, Florida Gulf Coast, New Hampshire and UNLV all had rent growth above 15% in March.

Rent declines are more prevalent in smaller student housing markets like UC-Berkeley (-9.1%), Memphis (-7.1%), Cal State-Fullerton (-5%) and Louisiana Tech (-4.3%). Large student markets with declines include Nevada-Reno, which managed to grow enrollment 4% in fall 2023 but posted -4% rent growth due to over 2,500 beds coming online since 2021. Southern California rents have fallen 8.2% year-over-year, due to both enrollment declines and new supply.



Top Student Housing Market Fundamentals

University	Off-Campus Student Housing		Preleasing		Rent Per Bed	
	Beds Completed	Beds Under Construcion	Feb-24	Y-o-Y	Feb-24	Y-o-Y
Purdue University	9,380	2,080	91.7%	-1.6%	\$920	12.2%
University of Kentucky	6,852	435	90.4%	13.0%	\$826	11.9%
University of Tennessee	8,220	3,961	89.0%	-9.3%	\$1,135	20.6%
University of Arkansas	10,236	0	87.9%	-5.9%	\$878	11.0%
Virginia Tech	9,331	0	87.4%	4.8%	\$943	3.4%
University of Missouri	14,534	0	84.8%	20.5%	\$698	0.3%
North Carolina State	9,501	0	81.3%	0.4%	\$1,000	12.6%
Clemson University	10,748	601	79.0%	-10.5%	\$1,009	19.4%
University of Arizona	8,068	596	78.5%	0.0%	\$1,145	9.5%
University of Central Florida	15,891	1,849	78.4%	-4.2%	\$1,066	13.2%
Michigan State	13,505	0	77.4%	6.9%	\$797	4.7%
Penn State	14,970	856	77.4%	1.9%	\$992	4.8%
University of Alabama	12,900	0	76.9%	5.1%	\$865	6.7%
Iowa State	8,046	0	76.6%	1.8%	\$629	4.8%
University of Texas	21,651	3,460	75.2%	-1.3%	\$1,158	3.1%
Florida State University	27,727	3,167	74.8%	4.4%	\$845	7.0%
Auburn University	13,399	0	74.7%	7.9%	\$849	10.0%
Indiana University	10,740	1,105	74.6%	3.3%	\$1,017	13.0%
University of Georgia	14,491	992	74.6%	-2.4%	\$875	8.8%
Texas A&M	32,130	1,657	74.5%	5.8%	\$802	11.1%
University of Oklahoma	6,974	0	72.1%	-4.9%	\$703	9.7%
Louisiana State University	11,837	0	71.5%	5.4%	\$712	8.9%
University of South Carolina	12,198	902	70.2%	10.7%	\$871	6.0%
University of Illinois	14,226	215	70.0%	6.5%	\$892	4.9%
University of Michigan	7,321	1,103	68.8%	-4.8%	\$1,518	5.1%
Arizona State University	11,693	0	64.5%	-21.2%	\$1,275	4.9%
University of Florida	29,855	996	63.5%	-0.2%	\$800	3.8%
University of South Florida	15,906	759	61.4%	-12.4%	\$937	9.2%
Texas Tech	16,586	679	61.2%	0.0%	\$633	0.0%
University of Minnesota	12,897	2,709	60.2%	7.2%	\$1,027	3.0%
University of Maryland	9,193	989	59.1%	5.2%	\$1,309	5.7%
Ohio State University	6,857	1,463	58.9%	-1.1%	\$1,099	16.5%

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



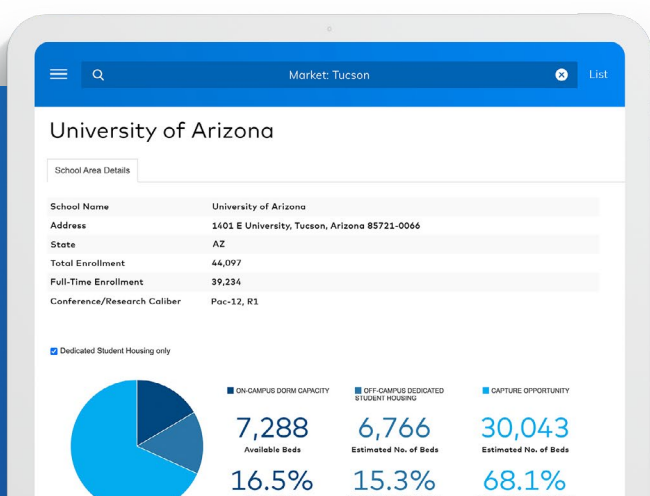
Yardi Matrix

Power your business
with the industry's
leading data provider



STUDENT HOUSING KEY FEATURES

- Search by school, conference or state in quarter-mile increments from campus
- Gain new supply information at the asset, competitive set and market levels
- Leverage data for both purpose-built and shadow market properties
- Access school year leasing and preleasing curve reports
- Produce reports on transaction, rent and portfolio data



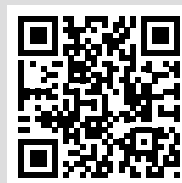
Yardi Matrix Student covers
markets across the U.S., with a
data set of over **2,000 colleges and
universities** including the top 200
of every major athletic conference.



(800) 866-1144

Learn more at yardimatrix.com/student

Contact
US



Contacts

Tyson Huebner
Director of Research, Yardi Matrix
Tyson.Huebner@Yardi.com
(800) 866-1124 x5804

Ron Brock, Jr.
Industry Principal,
Matrix Products
JR.Brock@Yardi.com
(800) 866-1124 x2404

Jeff Adler
Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(800) 303-615-3676

Doug Ressler
Media Contact
Doug.Ressler@Yardi.com
(800) 866-1124 x2419

Authors

Tyson Huebner
Director of Research, Yardi Matrix

DISCLAIMER

Although every effort is made to ensure the accuracy, timeliness and completeness of the information provided in this publication, the information is provided "AS IS" and Yardi Matrix does not guarantee, warrant, represent or undertake that the information provided is correct, accurate, current or complete. Yardi Matrix is not liable for any loss, claim, or demand arising directly or indirectly from any use or reliance upon the information contained herein.

COPYRIGHT NOTICE

This document, publication and/or presentation (collectively, "document") is protected by copyright, trademark and other intellectual property laws. Use of this document is subject to the terms and conditions of Yardi Systems, Inc. dba Yardi Matrix's Terms of Use (<http://www.yardimatrix.com/Terms>) or other agreement including, but not limited to, restrictions on its use, copying, disclosure, distribution and decompilation. No part of this document may be disclosed or reproduced in any form by any means without the prior written authorization of Yardi Systems, Inc. This document may contain proprietary information about software and service processes, algorithms, and data models which is confidential and constitutes trade secrets. This document is intended for utilization solely in connection with Yardi Matrix publications and for no other purpose.

Yardi®, Yardi Systems, Inc., the Yardi Logo, Yardi Matrix, and the names of Yardi products and services are trademarks or registered trademarks of Yardi Systems, Inc. in the United States and may be protected as trademarks in other countries. All other product, service, or company names mentioned in this document are claimed as trademarks and trade names by their respective companies.

© 2024 Yardi Systems, Inc. All Rights Reserved.