



Yardi[®] Matrix

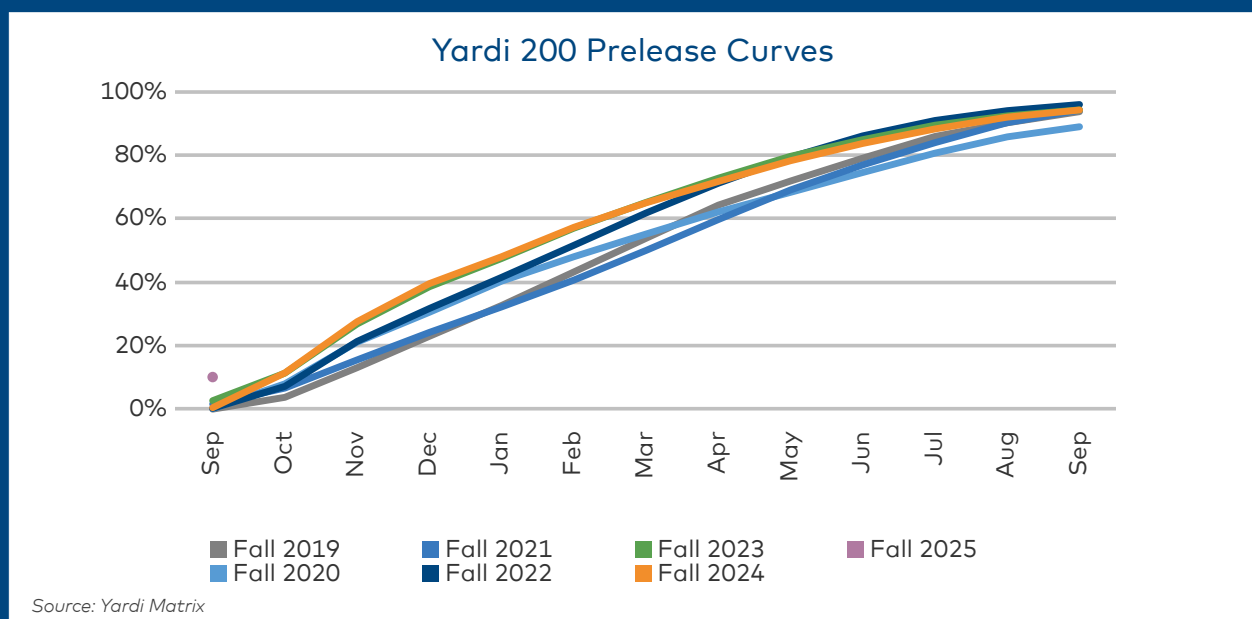
National Student Housing Report

October 2024



Occupancy Reaches 94.5%, Rent Growth Cools

- Yardi Matrix attended the NMHC Student Housing Conference in Las Vegas October 7-9. The tone of the conference was overwhelmingly positive, with preleasing pace and rent growth close to last year's historic levels and an anticipated turnaround in sales activity trends going into the fourth quarter and 2025. Student housing is the darling of the commercial real estate industry, with occupancy for the Yardi 200 reaching 94.5% in September and rent growth averaging 5.8% over the last 12 months, trends that are expected to continue into the 2024-2025 leasing season.
- Preleasing pace slowed throughout the 2023-2024 preleasing season, outpacing last year's record trend for the first five months of the preleasing season but slowing during the winter and spring. Occupancy hit 94.5% in September 2024, only 10 basis points lower than September 2023. Preleasing for fall 2025 jumped out to a quick start, reaching 10.2% in September based on limited data, with four schools greater than 25% preleased in the first months of leasing.
- Average advertised rent per bed for the Yardi 200 was \$896 in September, down from a peak of \$901 per bed in May, as some operators in slower preleasing markets dropped rates during the final push of the rental season. Rent growth was 4.2% year-over-year in September, down from nearly 7% in the first few months of the leasing season. This is lower than the record 6.8% rent growth during the 2022-2023 season, but well above the trailing 12-month average of 2.6% from 2019 to 2022 and the roughly flat rents in the multifamily sector overall.
- Yardi Matrix's supply forecast is unchanged, with 41,432 beds to be delivered at Yardi 200 schools in 2024, a 6% decrease from the previous forecast and a 5% decrease from 2023. After 2024, annual supply will drop below the long-term average of 40,000 beds delivered per year for the last 10 years.
- Investment sales volume at the Yardi 200 schools has picked up noticeably in recent months, as properties reached stabilized occupancy levels for the 2024-2025 school year. There have been about 39,000 beds sold so far in 2024. This represents 10% fewer beds sold year-to-date versus 2023 and only 8% below the average for 2017-2019, but 45% fewer beds than sold during the record years of '21-'22.



50%+ of Yardi 200 95%+ Occupied

- Student housing occupancy reached 94.5% for the 2024-2025 school year, despite a slow-down in pace during the second half of the preleasing season. Early preleasing data for fall 2025 shows another fast start, jumping to 10% in the first month of leasing.
- Fifty schools reached 99% occupancy or higher by September. The largest student markets at this level are Illinois State, Ole Miss, Oklahoma State, Oklahoma, James Madison, Purdue, Virginia Tech, Grand Valley State, Auburn, Mizou, North Carolina State and Colorado State. Most of these schools lacked new supply deliveries in 2024 and have experienced some enrollment growth recently.
- Twenty-one schools were less than 85% preleased by the start of the school year, including East Carolina (85%), UC-Berkeley (84.9%), Temple (84.8%), Washington State (81.3%), Drexel/Penn (77.8%) and Cincinnati (72.5%). Berkeley, Wash State and Cincinnati had a significant number of beds delivered in 2024, and most markets saw enrollment decline last year.
- Twenty-three markets saw occupancy improve by 5% or more year-over-year. Most of these schools benefited from a pause in new deliveries this year after struggling to absorb new supply last year, including Nevada-Reno (753 beds delivered last year), Washington (1,674 beds last year), Minnesota (1,689 beds last year) and USC (831 beds last year).
- Thirty-three schools were 5% or more behind last year's occupancy level, averaging 84.5% occupied in fall 2024. Many of these schools had new supply delivered this year that challenged the market. This includes Northern Arizona (580 new beds, 91.9% occupied, 6% behind last year), Cornell (1,044 new beds, 89.7% occupied, 7.7% behind), Clemson (601 new beds, 88.5% occupied, 8.5% behind), Notre Dame (810 new beds, 84.6% occupied, 14.7% behind) and Cincinnati (1,497 new beds, 72.5% occupied, 27% behind).

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

University	YOY Growth in % Preleased
University of Nebraska	12.1%
Illinois State	11.6%
University of Nevada-Reno	10.8%
Southern Illinois-Carbondale	10.5%
University of Washington	9.4%
Mississippi State	8.8%
University of Missouri	8.5%
Bowling Green State	8.4%
University of Minnesota	7.7%
Southern California	6.9%
Alabama-Birmingham	6.6%
Ball State	5.9%
Grand Valley State	5.2%
Texas A&M-Corpus Christi	4.6%
University of West Georgia	4.5%
UC-Davis	4.5%
Central Michigan	4.4%
University of South Carolina	4.3%
Kansas State	4.2%
University of Southern Miss	3.9%

Note: Surveyed 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 September 2024

Rent Growth Fizzles to 4.2%

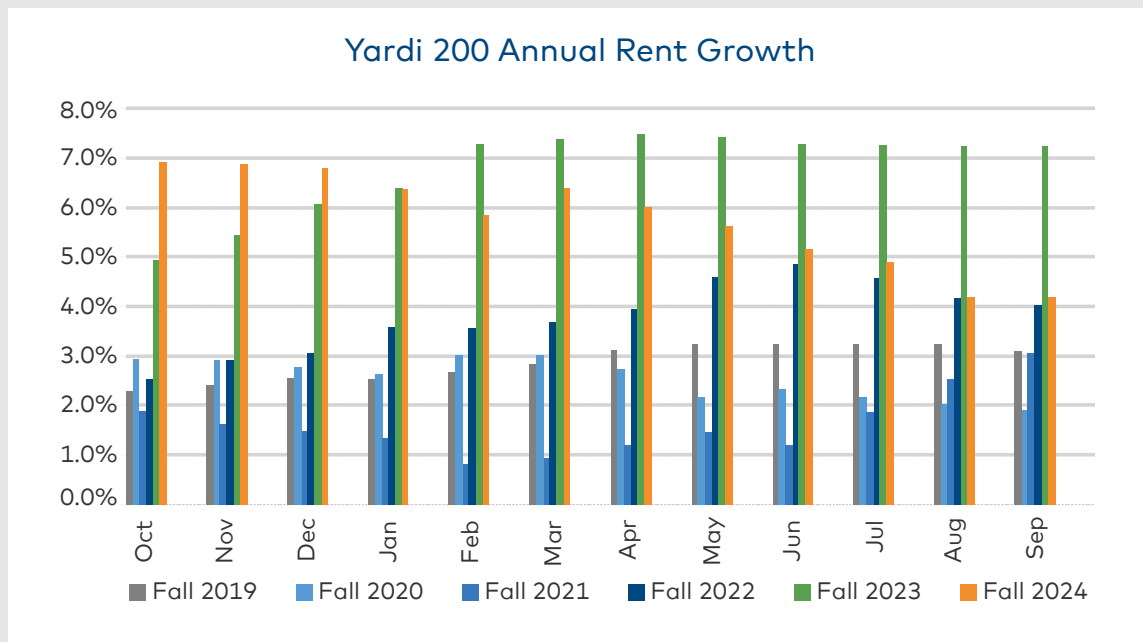
- The average advertised rent per bed fell during the last few months of the leasing season, from \$901 per bed in May to \$896 in September, dragging annual rent growth to 4.2%. However, a majority of beds, 72% of the Yardi 200 sample, were already preleased by April, meaning overall rent growth for the sector for 2024-2025 was likely much higher, over 6%.
- Rent growth averaged 5.8% throughout the leasing season, and 32 schools averaged 10%+ rent growth, including Tennessee (21.2% trailing 12-month average rent growth), Clemson (14.5%), Ohio State (14.1%), Purdue (13.5%) and Kentucky (13%). On the other hand, 22 schools averaged rent declines over the leasing season, notably Washington (-1.5%) and Minnesota (-1.8%).

Many of the schools with the strongest rent growth in September have experienced solid enrollment increases in recent years and a rapid lease-up pace in 2023-2024, while schools that struggled to improve rents have dealt with enrollment declines, new supply or both as well as slower preleasing.

Some of the schools with double-digit rent growth have a meaningful amount of supply under construction, which could make a dent in the supply-demand imbalance that led to outsize rent growth, although not all of this supply will deliver next year. This includes Tennessee (3,371

beds under construction), San Jose State (1,610 beds), Ohio State (1,220 beds), Purdue (1,371 beds), North Texas (1,338 beds), Connecticut (1,137 beds) and NC State (1,926 beds).

A number of schools with the weakest rent growth over the past year are in urban markets where student housing supply could be competing with a weaker multifamily market. Cal-Berkeley (-7.5% trailing 12-month rent growth), the University of Southern California (-7.1%), Alabama-Birmingham (-2.6%) and the previously mentioned Minnesota and Washington failed to grow rents for the 2024-2025 school year.



Source: Yardi Matrix

Top Student Housing Market Fundamentals

University	Off-Campus Student Housing		Preleasing		Rent Per Bed	
	Beds Completed	Beds Under Constructon	Sep-24	Y-o-Y	Aug-24	Y-o-Y
University of Oklahoma	7,072	0	99.8%	1.0%	\$722	7.0%
Purdue University	10,374	1,139	99.6%	-0.1%	\$901	4.9%
Virginia Tech	9,392	0	99.5%	3.2%	\$961	2.1%
Auburn University	13,044	0	99.5%	2.8%	\$882	11.9%
University of Missouri	14,534	0	99.3%	8.5%	\$705	0.9%
North Carolina State	9,501	1,926	99.2%	-0.1%	\$975	3.2%
University of Kentucky	6,852	280	99.0%	-0.4%	\$862	12.4%
University of Tennessee	9,609	3,371	98.9%	-0.8%	\$1,150	14.5%
University of Central Florida	17,150	592	98.4%	-1.2%	\$1,065	9.3%
Louisiana State University	11,023	0	98.1%	-0.2%	\$768	11.6%
Michigan State	13,595	0	97.9%	3.5%	\$846	7.4%
Iowa State	8,046	0	97.9%	1.5%	\$624	1.1%
Texas A&M	32,130	1,657	97.8%	0.2%	\$797	5.8%
University of Alabama	12,900	0	97.8%	2.7%	\$910	11.0%
Florida State University	29,496	2,887	97.4%	-1.2%	\$834	2.7%
University of Arizona	8,833	648	97.4%	-1.9%	\$1,200	11.3%
University of Wisconsin	8,397	1,564	97.3%	-2.6%	\$1,304	4.7%
University of Illinois	14,115	215	96.5%	2.1%	\$896	3.1%
University of Arkansas	9,765	0	96.0%	-3.0%	\$899	11.4%
University of Michigan	8,117	630	95.5%	-3.8%	\$1,556	4.4%
University of Texas	24,819	1,225	95.4%	-1.5%	\$1,201	6.3%
University of Maryland	10,315	0	95.4%	3.4%	\$1,219	-3.3%
Penn State	16,452	0	95.1%	-3.3%	\$948	1.3%
University of Florida	30,994	0	94.7%	0.3%	\$768	-1.3%
University of South Florida	15,906	759	94.2%	-2.4%	\$894	-0.9%
Georgia Tech	9,363	911	94.0%	1.2%	\$1,290	0.3%
University of Georgia	14,058	1,465	93.6%	-5.7%	\$856	3.9%
University of South Carolina	12,198	940	93.1%	4.3%	\$880	4.1%
University of Minnesota	12,826	2,738	92.4%	7.7%	\$923	-8.2%
Ohio State University	7,220	857	92.4%	-0.3%	\$1,139	12.5%
Texas Tech	16,586	679	91.4%	-1.4%	\$623	0.8%
Arizona State University	11,673	1,318	89.6%	-9.1%	\$1,196	-4.6%

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



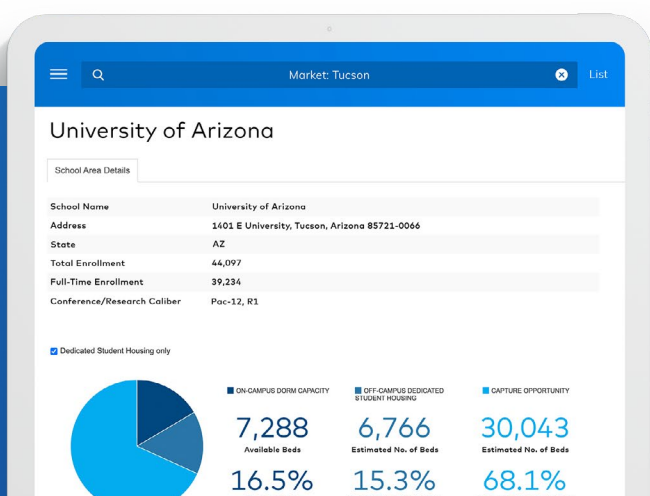
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