

2024 BERKADIA

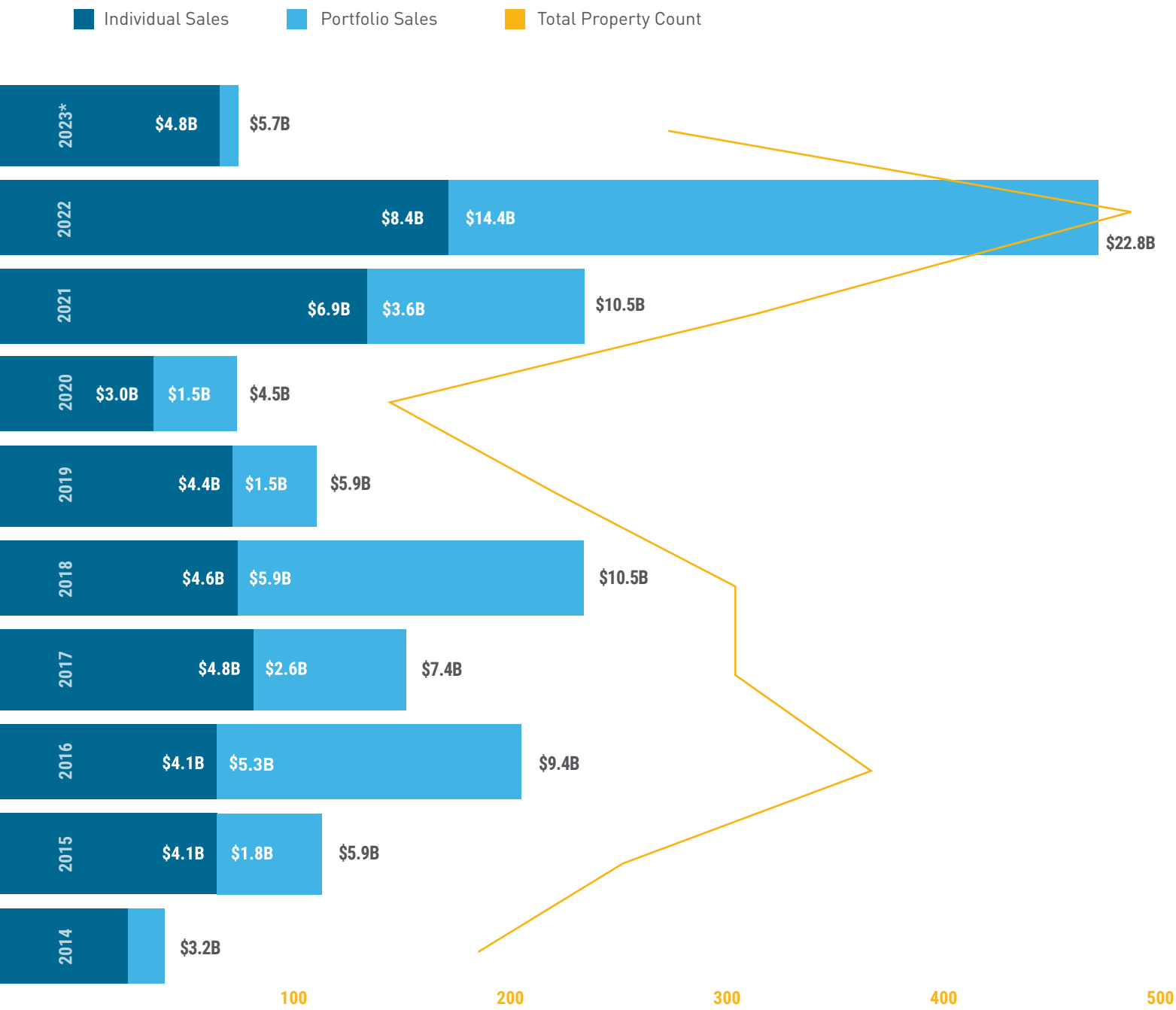
# U.S. STUDENT HOUSING MARKET REPORT

STUDENT HOUSING SALES

Sales Volume

Student housing transaction volume was not spared from the capital market disruption that the real estate industry experienced in 2023. Student housing sales for 2023 decreased by 43% compared to 2022, excluding the Blackstone acquisition of American Campus Communities. Portfolio sales accounted for only \$900 million of the total transaction volume.

The historically strong operating fundamentals of the student housing sector also had an impact, allowing owners to be patient and not sell in a turbulent market. With new deliveries substantially down from pre-pandemic levels, enrollment up, and year-over-year rent increases trending towards 9% for fall 2024, many owners chose to enjoy the robust leasing activity and pending material revenue increases they are experiencing.

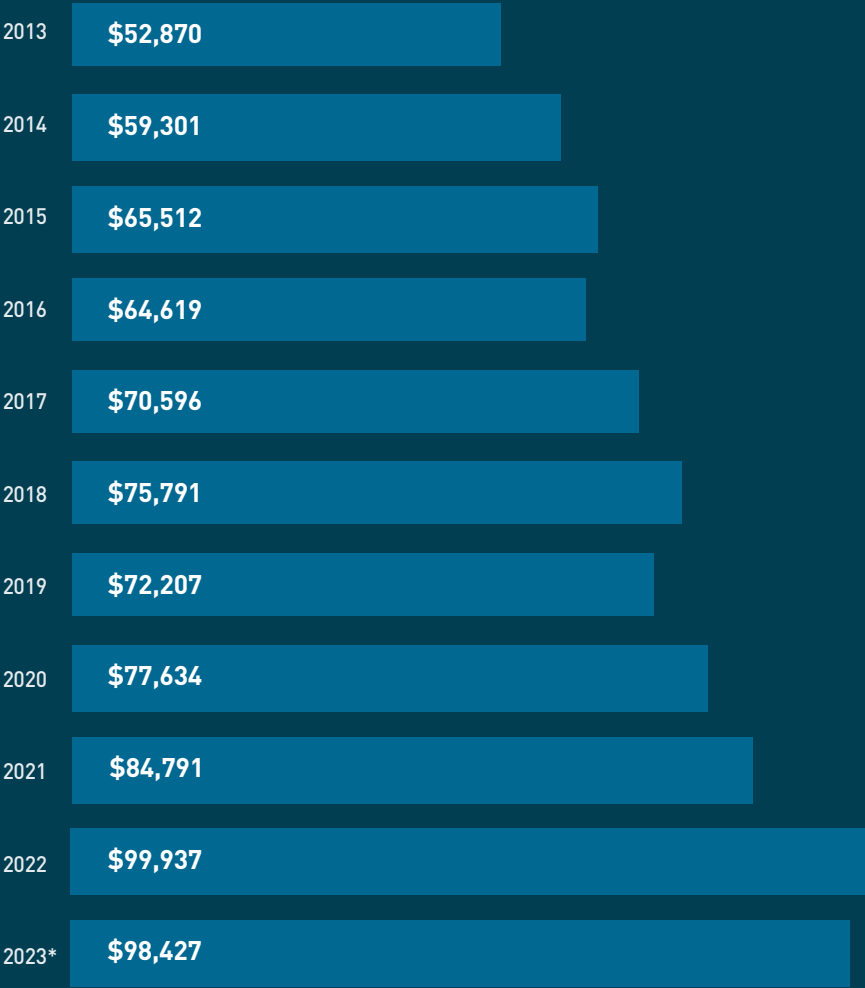


Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024

Average Price Per Bed

The average price per bed decreased slightly from 2022 to \$98,427 in 2023. Despite the slight decrease in the average price per bed, there were still 59 transactions where the price per bed exceeded \$100,000.

Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024



National Price Per Bed by Distance\*

The overall average price per bed decreased in 2023 with the expected price premium for student housing communities closest to campus.



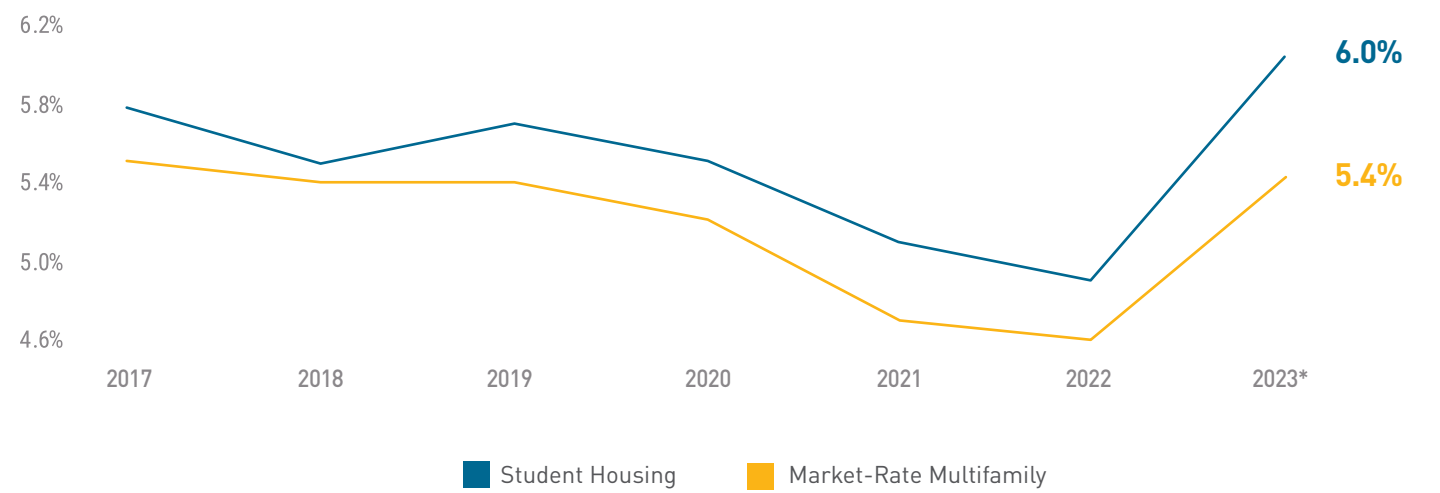
Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024



# STUDENT HOUSING SALES | CAP RATE

## Cap Rate Overview

The cap rate graph below is misleading. While the data is correct, more context is required. There was a significant lack of high-quality, core student housing transactions in 2023. Core assets demand the most aggressive cap rates due to the extremely low risk profile of these assets. The combination of the lack of core trades and many sales resulting from capital events, such as debt maturities, interest rate cap reserve increases, or the impact of floating rate debt on some owners, artificially elevated student housing cap rates. For the limited number of core assets that did transact, the prevailing cap rate was 5.5% +/- 10 basis points. This suggests that the spread between conventional multifamily and student housing has actually narrowed, rather than widened.

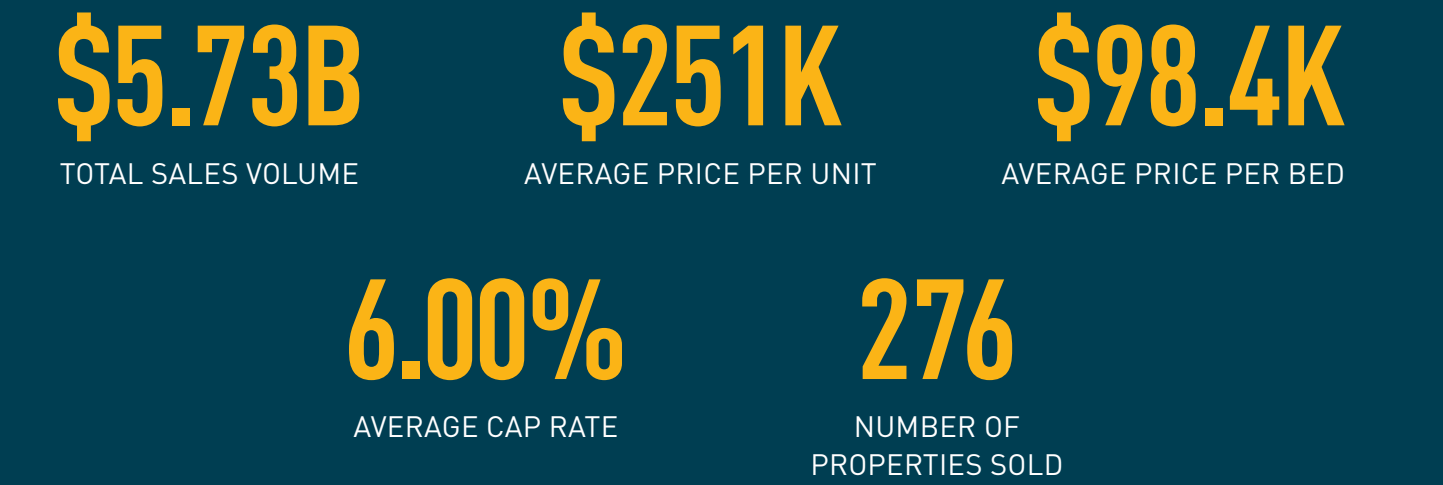


Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024



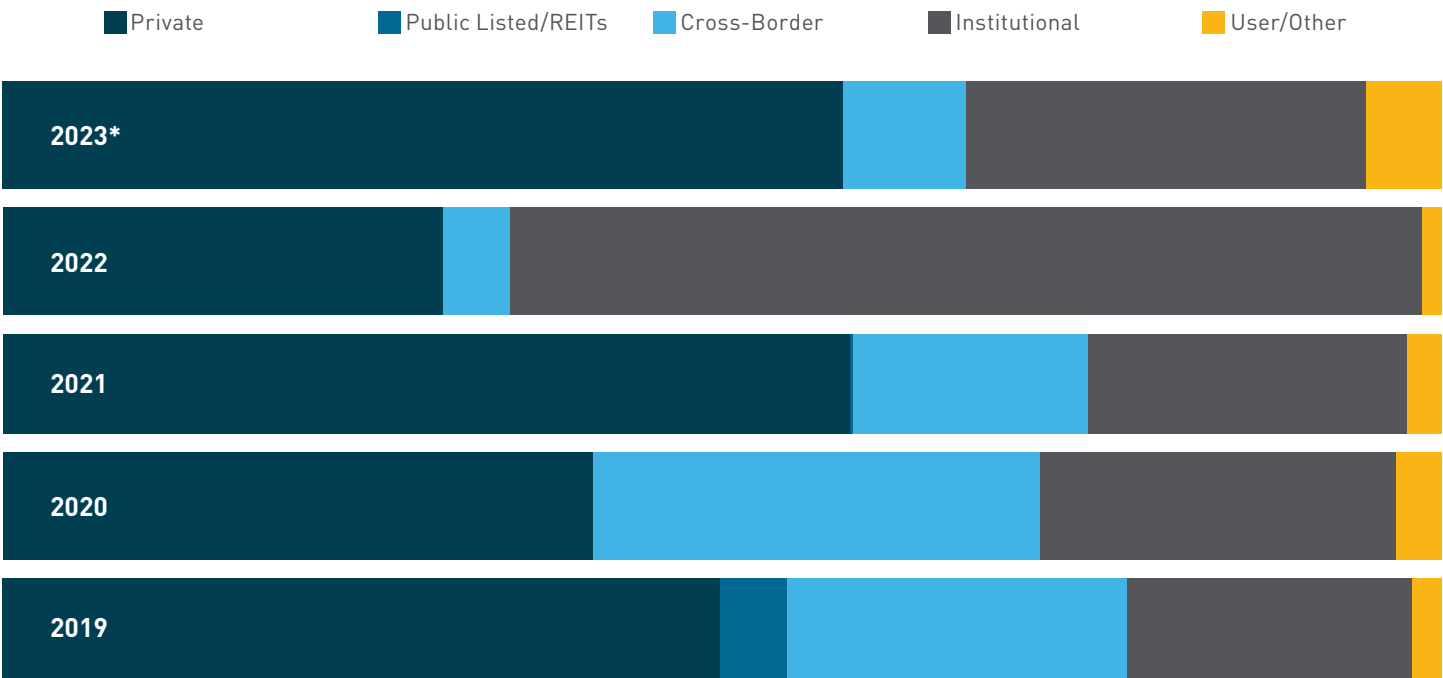
# STUDENT HOUSING SALES | TOTAL SALES 2023

## By the Numbers



## Investment Activity

This year, private investors reclaimed the largest share of the student market. In 2022, the unprecedented institutional investment was bolstered by Blackstone's acquisition of American Campus Communities Inc.



Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024





STUDENT HOUSING SALES | TOP INDIVIDUAL\*

PROPERTY NAME	CITY	STATE	UNITS	YEAR BUILT	BEDS
Seminole Grand Apartments	Tallahassee	FL	487	1995	1,557
The Mark	Athens	GA	419	2017	1,364
Lodges At 777	Baton Rouge	LA	392	2011	1,290
Village West Apartments	West Lafayette	IN	360	2000	1,134
West 20	Gainesville	FL	396	2002	1,044
Harrison At JMU Apartments	Harrisonburg	VA	288	1989	1,032
Epoch Clemson	Seneca	SC	298	2019	994
The Pavilion on 62nd	Gainesville	FL	312	1994	990
The Standard at Austin	Austin	TX	287	2021	978
The Connection at Athens	Athens	GA	340	2007	876
58 West	Kalamazoo	MI	324	2000	876
University Courtyard	Denton	TX	240	2001	872
The Commons at Knoxville/Bridge	Knoxville	TN	262	2000	858
West 22	Kennesaw	GA	245	2013	850
Canvas	Tempe	AZ	263	2021	826
Midtown at Stillwater	Stillwater	OK	221	2018	823
CastleRock at San Marcos Apartments	San Marcos	TX	288	2003	816
Elara at the Sawmill	Flagstaff	AZ	333	2022	804
The Monroe	Bloomington	IN	254	1997	796
The Tradition	College Station	TX	427	2000	795

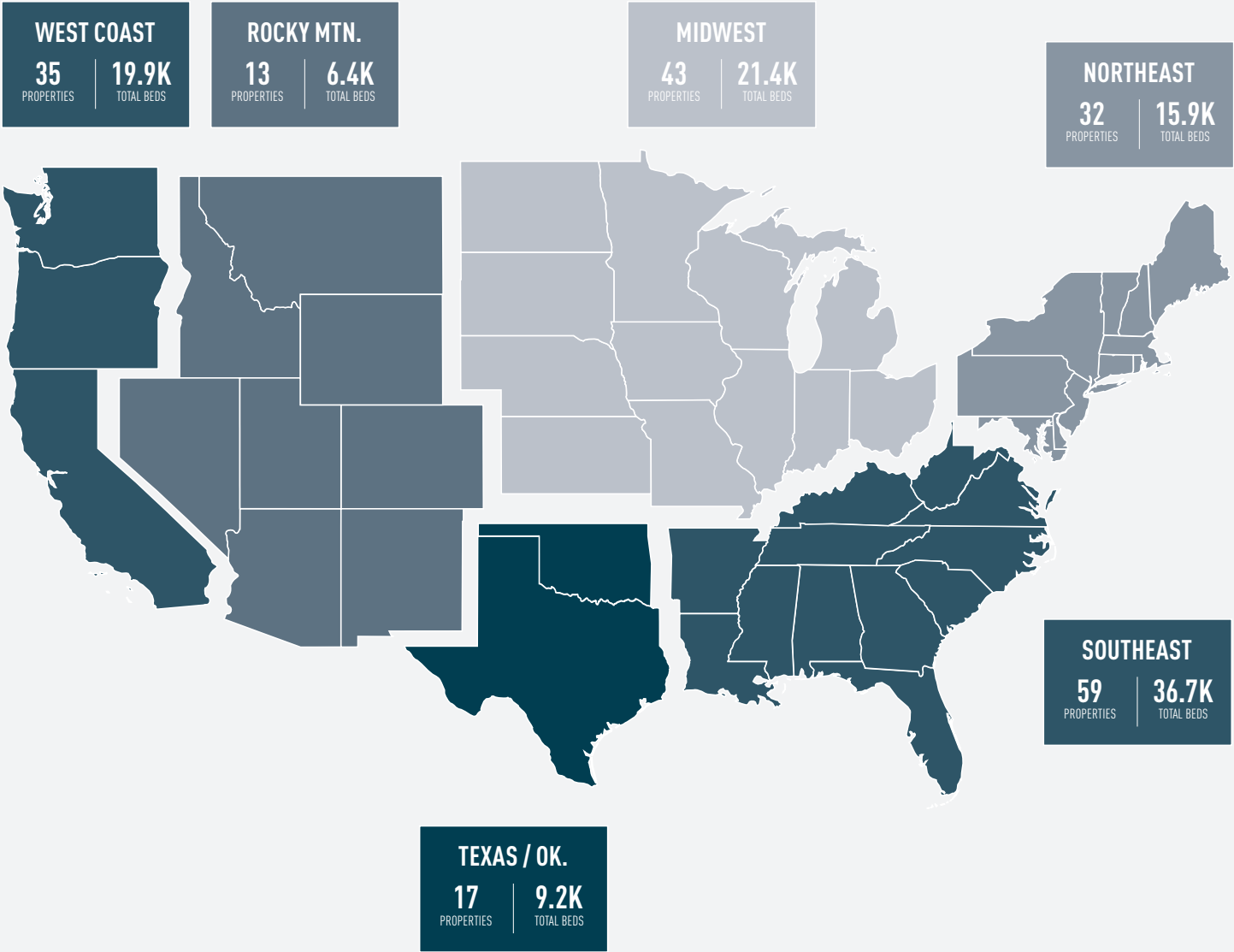
Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 14, 2024





# STUDENT HOUSING SALES

## UNDER CONSTRUCTION | BY REGION



Source: RealPage  
All schools tracked by RealPage as of January 14, 2024  
On- and off-campus beds; does not include student competitive housing.  
Under construction and under construction / lease-up stages.  
Subject to change.

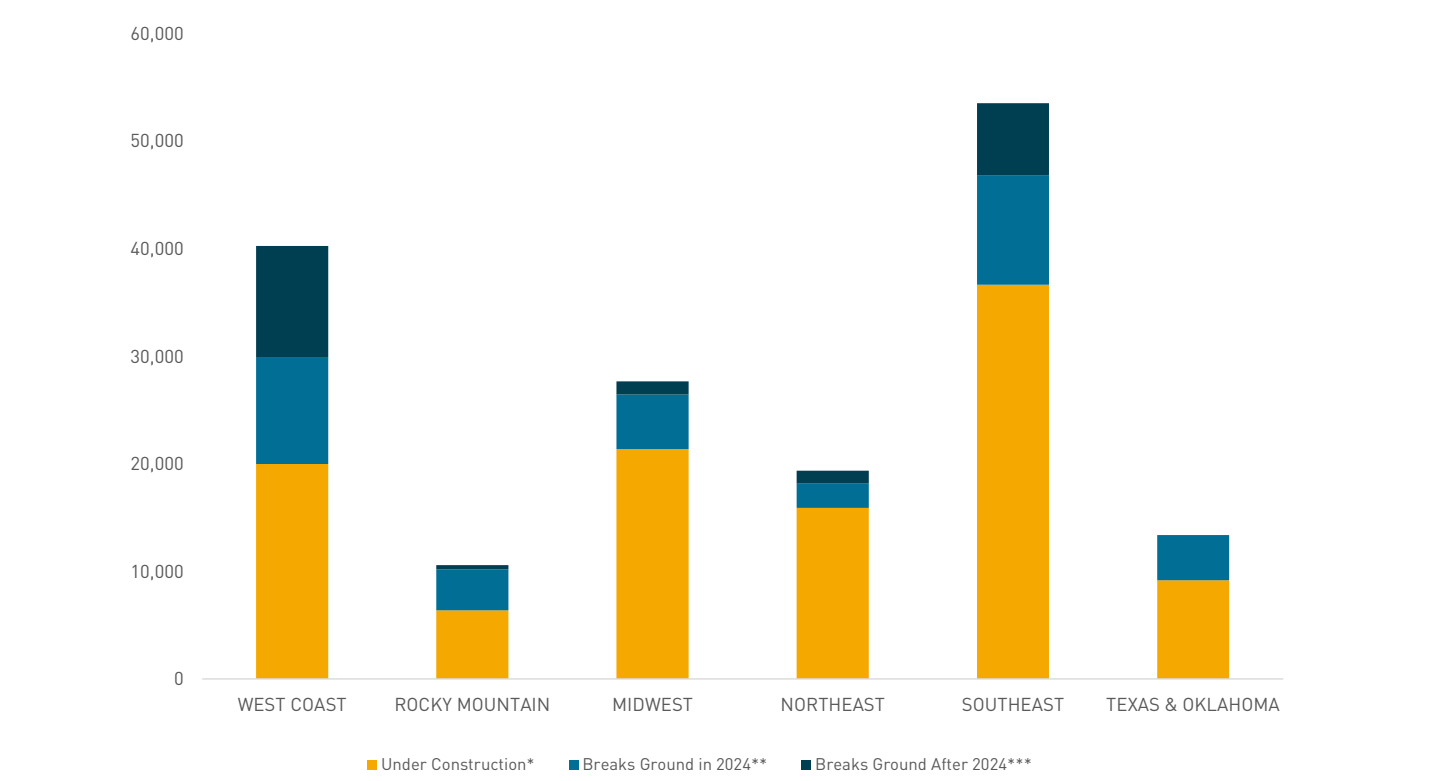


# STUDENT HOUSING PIPELINE BREAKDOWN | BY REGION

By the Numbers

## Pipeline Breakdown Overview

The pipeline for purpose-built student housing consists of 199 properties in all phases of construction. These properties comprise a total 109,488 beds. The largest share of properties in the pipeline is in the Southeast region, where 59 properties representing 36,656 beds are located.



STUDENT HOUSING ON- AND OFF-CAMPUS BEDS+	WEST COAST	ROCKY MTN	MIDWEST	NORTHEAST	SOUTHEAST	TX/OK	TOTAL
Under Construction*	19,990	6,386	21,370	15,907	36,656	9,179	109,488
Breaks Ground in 2024**	9,883	3,804	5,074	2,255	10,192	4,207	35,415
Breaks Ground After 2024***	10,399	400	1,217	1,204	6,697	0	19,917
Grand Total	40,272	10,590	27,661	19,366	53,545	13,386	164,820

Source: RealPage  
All schools tracked by RealPage as of January 14, 2024  
+Does not include student competitive housing.  
\*Under construction and under construction / lease-up stages.  
\*\*In planning stage where a start date in 2024 is indicated by RealPage; subject to change.  
\*\*\*In pre-planning stage where a start date after 2024 is indicated by RealPage; subject to change.

STUDENT HOUSING PIPELINE | TOP 50

The table below depicts the top 50 universities by bed count with purpose-built student housing projects currently under construction.

SCHOOL	TOTAL BEDS
University of California - San Diego	5,750
University of Tennessee	5,675
University of Texas at Austin	4,448
University of Michigan	3,892
University of Wisconsin - Madison	2,850
Florida State University	2,780
University of Minnesota	2,052
University of California - Berkeley	1,926
University of Cincinnati	1,881
North Carolina State University	1,867
Georgia Institute of Technology	1,858
University of Tampa	1,829
University of Pennsylvania	1,713
University of Florida	1,637
University of California - Riverside	1,568
George Mason University - Science & Technology Campus	1,550
University of Connecticut	1,547
University of North Carolina - Charlotte	1,446
University of Central Florida	1,430
Texas A&M University	1,364
Purdue University	1,300
University of Oregon	1,277
University of Miami	1,264
Boise State University	1,247
College of William & Mary	1,231
University of Maryland	1,222
California Polytechnic University Humboldt	1,214
University of Utah	1,206
Florida International University	1,201
Pennsylvania State University	1,164
University of Iowa	1,148
Indiana University	1,134
Simmons University	1,100
Ohio State University	1,085
University of Notre Dame	1,073
University of Georgia	1,068
California State University - Fullerton	1,047
Clemson University	1,042
Morgan State University	1,024
Texas State University	1,006
University of South Carolina	936
University of Wyoming	900
University at Buffalo - State University of New York	830
Savannah College of Art & Design	804
San Diego City College	800
George Mason University	793
Georgetown University	788
Tulane University	780
University of Nebraska - Lincoln	779
University of South Florida	759

Source: RealPage. Student housing (no student competitive) on- and off-campus under construction or under construction / lease-up stage, all schools tracked by RealPage, as of January 14, 2024. Does not include properties in the planning stage. Subject to change.



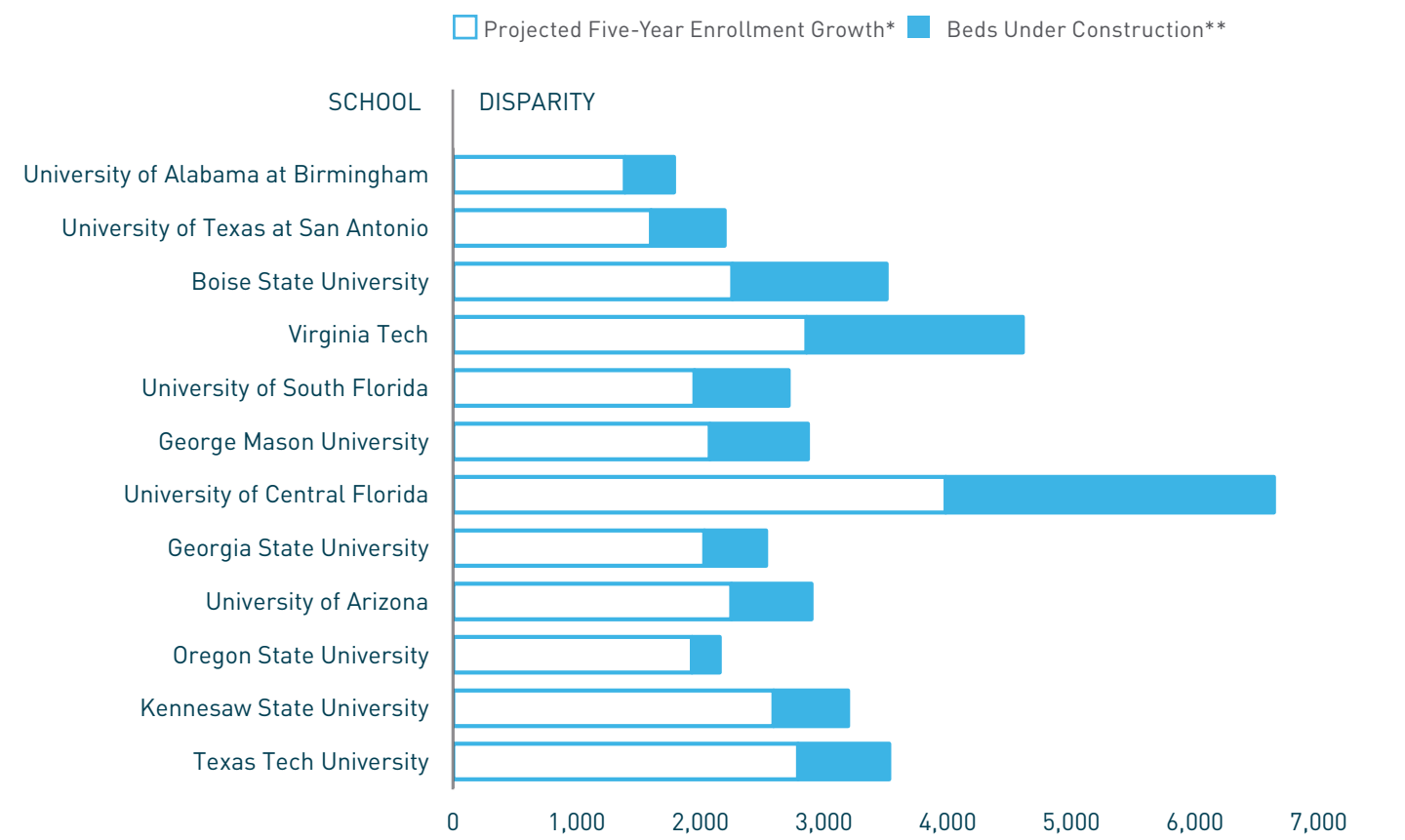
STUDENT HOUSING PIPELINE | ENROLLMENT PROJECTION

Top 12 Universities

Enrollment Projection Overview

These 12 universities have the greatest disparity between the projected five-year growth in enrollment and planned new student housing development. There are many local factors that can lead to slowdown in student housing development, such as temporary moratoriums on development, enrollment decrease, shortage of labor, supply chain issues, and uncontrollable socioeconomic events. While no attempt is made at estimating the impact of supply-demand imbalances on property values near these or any other universities, investors should be aware of the potential for outsized price appreciation at existing properties near universities where a shortage of student housing is present or expected.

FIVE-YEAR ENROLLMENT GROWTH PROJECTION AND STUDENT HOUSING PIPELINE DISPARITY



Source: RealPage Top 175 Schools.  
\*Enrollment projections as of December 2023. Enrollment at some universities may include satellite campus and online enrollment.  
\*\*Student housing where the number of beds is indicated for on- and off-campus housing (excluding student competitive) under construction, under construction / lease-up—with completion date after August 31, 2023—and at various stages of the planning / permitting process as of January 14, 2024. Subject to change.

FASTEST-GROWING FLAGSHIP UNIVERSITIES | 2023

TOP 5	RANK	SCHOOL	Y-O-Y CHANGE	2022 FALL ENROLLMENT	2023 FALL ENROLLMENT	PROJECTED FIVE-YEAR CHANGE
	1	University of Cincinnati	3,007	47,914	50,921	2.7%
	2	Texas A&M University	2,666	68,461	71,127	3.7%
	3	Georgia Institute of Technology	2,650	45,296	47,946	7.2%
	4	University of North Texas	2,604	44,336	46,940	5.6%
	5	University of Tennessee	2,499	33,805	36,304	5.7%
	6	California State University - Fullerton	2,233	39,729	41,962	5.3%
	7	Kennesaw State University	1,884	43,268	45,152	6.0%
	8	University of Mississippi	1,759	22,951	24,710	1.8%
	9	California State University - Long Beach	1,694	38,273	39,967	4.1%
	10	University of Kansas	1,597	23,872	25,469	0.9%
	11	Utah Valley University	1,554	43,099	44,653	7.4%
	12	University of Iowa	1,437	30,015	31,452	1.2%
	13	Oregon State University	1,397	35,239	36,636	5.6%
	14	University of Oklahoma	1,393	26,871	28,264	1.7%
	15	Purdue University	1,327	50,884	52,211	4.7%
	16	Michigan State University	1,293	50,023	51,316	1.1%
	17	Florida Atlantic University - Boca Raton	1,257	29,592	30,849	5.8%
	18	Auburn University	1,251	31,764	33,015	2.7%
	19	University of Arkansas	1,204	30,936	32,140	2.3%
	20	Tarleton State University	1,186	14,044	15,230	4.8%
	21	University of Kentucky	1,175	32,710	33,885	2.6%
	22	Florida International University	1,045	55,687	56,732	1.3%
	23	University of Georgia	1,008	40,607	41,615	3.3%
	24	University of Alabama	978	38,645	39,623	2.6%
	25	George Mason University	951	39,049	40,000	5.3%
	26	University of South Carolina	951	35,587	36,538	1.8%
	27	Missouri State University	917	23,307	24,224	1.9%
	28	University of Central Florida	878	68,442	69,320	5.9%
	29	University of West Georgia	855	11,914	12,769	2.7%
	30	San Diego State University	849	35,723	36,572	2.7%
	31	College of Charleston	844	10,885	11,729	1.3%
	32	University of Nevada - Reno	833	20,945	21,778	2.7%
	33	Appalachian State University	817	20,436	21,253	7.7%
	34	Florida A&M University	800	9,228	10,028	1.1%
	35	Arkansas State University	796	14,107	14,903	4.8%
	36	University of Arizona	757	39,089	39,846	4.4%
	37	University of Wisconsin - Madison	747	49,886	50,633	2.3%
	38	University of North Carolina - Charlotte	747	29,551	30,298	3.2%
	39	University of Connecticut	693	23,340	24,033	1.2%
	40	Ohio University	691	27,633	28,324	1.4%
	41	University of Oregon	671	23,163	23,834	1.5%
	42	University of California - Irvine	651	35,936	36,587	3.0%
	43	University of New Mexico	648	21,982	22,630	-0.9%
	44	Wichita State University	368	16,921	17,548	2.4%
	45	North Carolina State University	623	36,700	37,323	2.1%

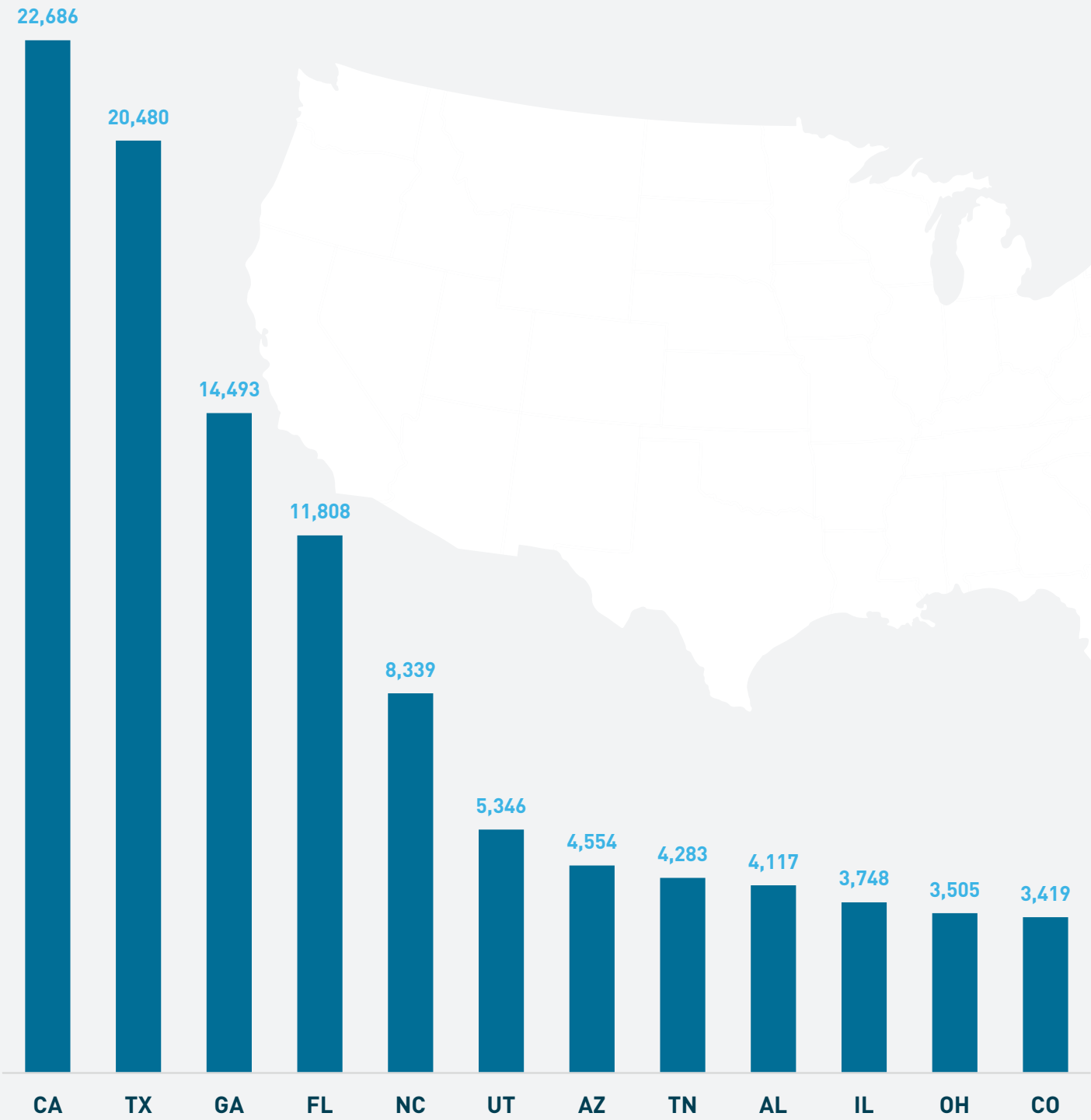
Source: Institutional websites; RealPage Top 175 Schools, as of December 2023.  
2023 Fall enrollment estimated.  
Total enrollment at some of these institutions may include satellite campus and online enrollment. Subject to change.

STUDENT ENROLLMENT FIVE-YEAR OUTLOOK | BY STATE

Five-Year Outlook Overview

These 12 states are projected to have combined enrollment gains totaling 106,778 students in the next five years.

Source: RealPage Top 175 Schools, as of December 2023. Institutions where the first and last year's enrollments were indicated during the five-year period. Total enrollment within each state may include satellite campus and online enrollment. Subject to change.





SUPPLY AND DEMAND VARIATION | TOP 50

	SCHOOL	2023 FALL ENROLLMENT	2023 TOTAL SUPPLY (BEDS)*	HOUSING SHORTFALL	EFFECTIVE RENT**	2023-24 TUITION***
1	Florida International University	56,732	21,388	35,344	\$1,228	\$6,168
2	Utah Valley University	44,653	16,512	28,141	\$624	\$5,752
3	University of Central Florida	69,320	41,656	27,664	\$925	\$6,368
4	University of Cincinnati	50,921	24,120	26,801	\$1,080	\$12,040
5	University of California - Berkeley	45,699	20,680	25,019	\$2,624	\$11,988
6	University of Illinois - Urbana-Champaign	56,403	33,693	22,710	\$859	\$12,634
7	Oregon State University	36,636	14,176	22,460	\$922	\$11,309
8	California State University - Northridge	36,123	14,907	21,216	\$1,892	\$5,852
9	University of California - Davis	40,850	22,150	18,700	\$1,257	\$15,489
10	University of Colorado - Boulder	37,153	18,917	18,236	\$1,566	\$11,862
11	George Mason University	40,000	21,977	18,023	\$1,191	\$10,171
12	University of North Texas	46,940	29,352	17,588	\$795	\$8,650
13	Ohio University	28,324	10,917	17,407	\$666	\$13,479
14	University of Iowa	31,240	14,345	16,895	\$895	\$9,046
15	Kennesaw State University	45,152	29,094	16,058	\$929	\$5,722
16	California State University - Fullerton	41,962	26,106	15,856	\$1,259	\$5,808
17	Purdue University	52,211	36,652	15,559	\$839	\$9,208
18	University of California - Los Angeles	48,125	34,069	14,056	\$1,075	\$11,988
19	University of Wisconsin - Madison	50,700	37,573	13,127	\$1,112	\$10,861
20	University of California - Santa Barbara	26,514	14,156	12,358	\$1,286	\$11,988
21	Missouri State University	24,224	11,900	12,324	\$695	\$8,164
22	Kent State University	26,106	13,807	12,299	\$831	\$12,847
23	University of Utah	35,310	23,410	11,900	\$1,021	\$9,444
24	Boise State University	26,727	14,833	11,894	\$881	\$5,717
25	Iowa State University	30,177	18,956	11,221	\$599	\$8,957
26	Troy University	14,679	3,529	11,150	\$535	\$11,941
27	Brigham Young University	34,937	23,789	11,148	\$447	\$6,507
28	University at Buffalo - State University of New York	30,380	19,395	10,985	\$887	\$7,239
29	University of Memphis	21,736	10,816	10,920	\$760	\$8,532
30	University of Michigan	51,823	41,185	10,638	\$1,480	\$16,899
31	Bowling Green State University	18,966	8,630	10,336	\$476	\$10,142
32	Indiana University	47,527	37,227	10,300	\$924	\$10,189
33	West Virginia University	23,431	13,287	10,144	\$597	\$9,654
34	Florida Atlantic University - Boca Raton	30,849	20,932	9,917	\$1,387	\$6,099
35	University of Connecticut	24,033	14,191	9,842	\$822	\$16,540
36	Oklahoma State University	25,174	15,502	9,672	\$575	\$5,572
37	Clemson University	28,747	19,404	9,343	\$855	\$14,388
38	Georgia Southern University	26,106	16,895	9,211	\$566	\$5,574
39	Auburn University	33,015	23,959	9,056	\$801	\$10,668
40	University of Louisville	22,338	13,384	8,954	\$652	\$12,662
41	Virginia Polytechnic Institute and State University	35,734	26,995	8,739	\$942	\$12,469
42	Appalachian State University	21,253	12,571	8,682	\$867	\$4,343
43	Tarleton State University	16,230	7,588	8,642	\$651	\$6,261
44	Grand Valley State University - Allendale Campus	22,269	13,714	8,555	\$585	\$14,364
45	University of Georgia	41,615	33,144	8,471	\$793	\$9,931
46	University of Tennessee	36,304	27,923	8,381	\$874	\$11,484
47	University of Massachusetts	27,420	19,163	8,257	\$1,306	\$16,584
48	Texas A&M University	71,127	62,906	8,221	\$778	\$9,541
49	Colorado State University	33,648	25,531	8,117	\$868	\$10,291
50	Ohio State University	60,046	51,991	8,055	\$1,079	\$12,429

Source: Institutional websites; RealPage Top 175 Schools, as of December 2023.

\*Beds at on-campus, off-campus purpose-built, and off-campus student competitive properties.

The bed counts were obtained from RealPage sampling of the total number of these apartment communities. Both the total number of apartment communities and the proportion of properties sampled vary by market.

\*\*Weighted average monthly effective rent per bed from September 2022 to August 2023. Only includes off-campus purpose-built (not student-competitive) properties that have been stabilized for two or more consecutive periods.

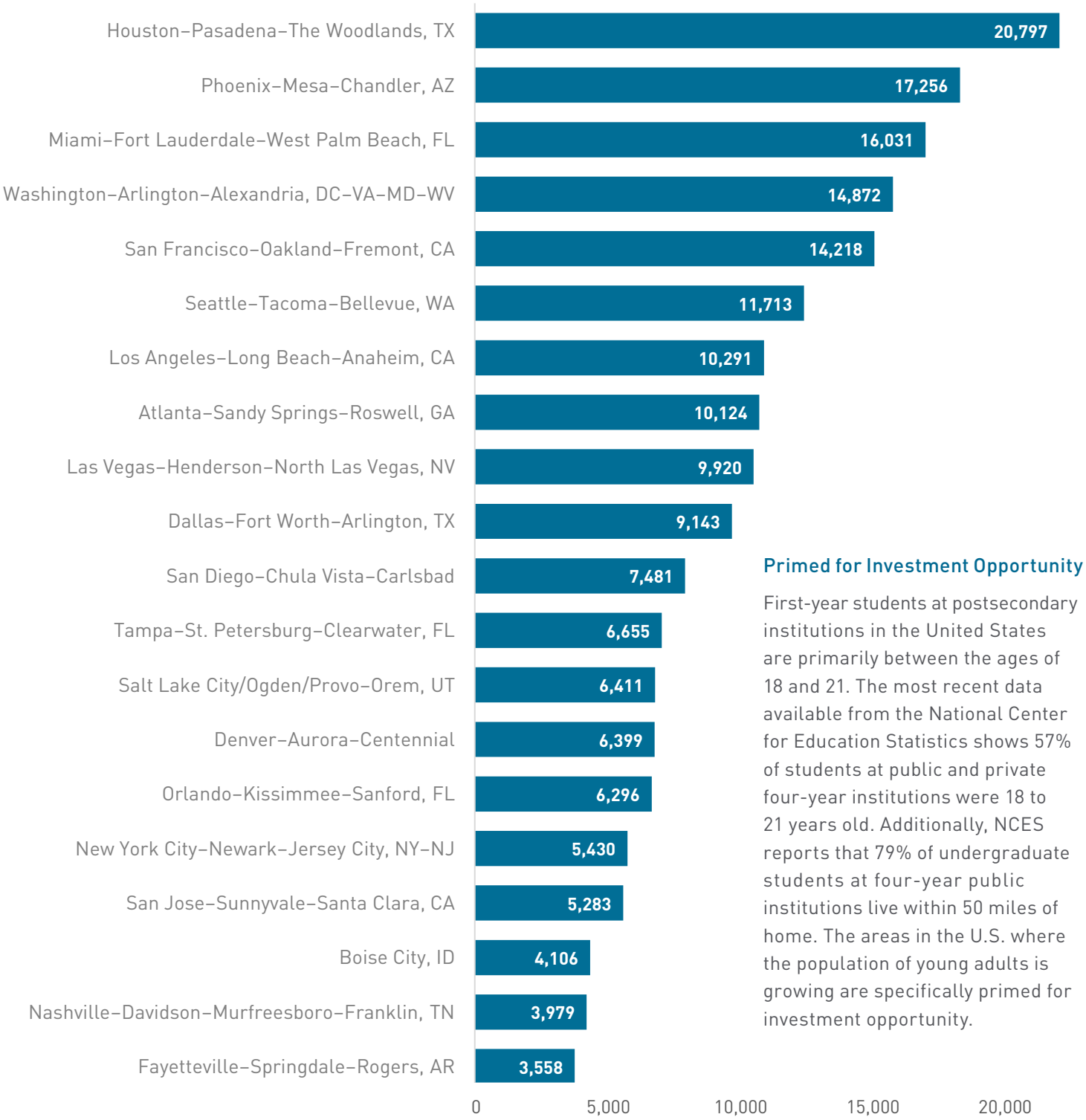
\*\*\*Annual 2023-24 in-state tuition





# FIVE-YEAR POPULATION GROWTH PROJECTION

18- TO 22- YEAR-OLDS | TOP 20 METRO AREAS



### Primed for Investment Opportunity

First-year students at postsecondary institutions in the United States are primarily between the ages of 18 and 21. The most recent data available from the National Center for Education Statistics shows 57% of students at public and private four-year institutions were 18 to 21 years old. Additionally, NCES reports that 79% of undergraduate students at four-year public institutions live within 50 miles of home. The areas in the U.S. where the population of young adults is growing are specifically primed for investment opportunity.

Source: Tetrad Computer Applications Inc.  
Projected population growth of persons ages 18 to 22 from 2023 to 2028.  
Subject to change.



Landmark College Park | University of Maryland



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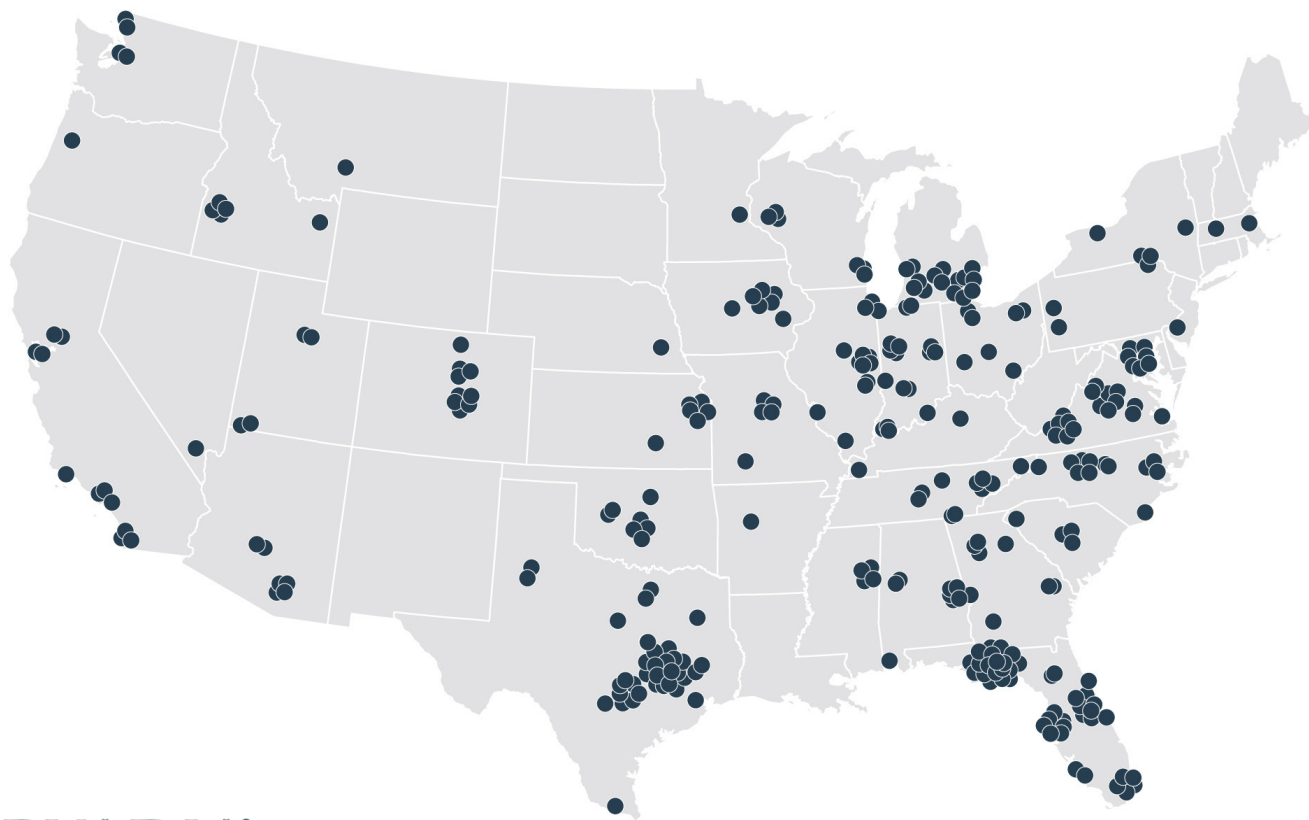
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## BERKADIA STUDENT HOUSING | TRANSACTION HISTORY



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