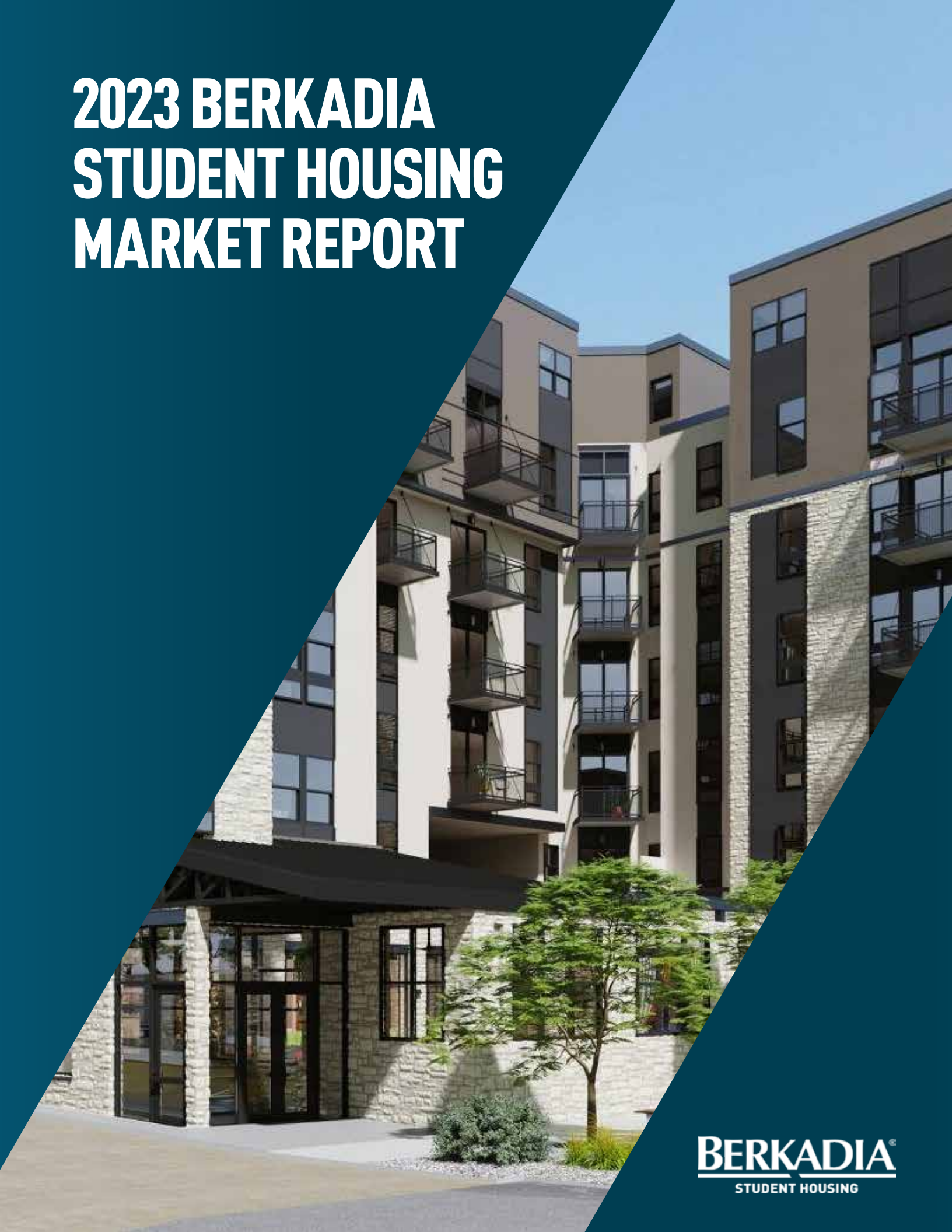


# 2023 BERKADIA STUDENT HOUSING MARKET REPORT



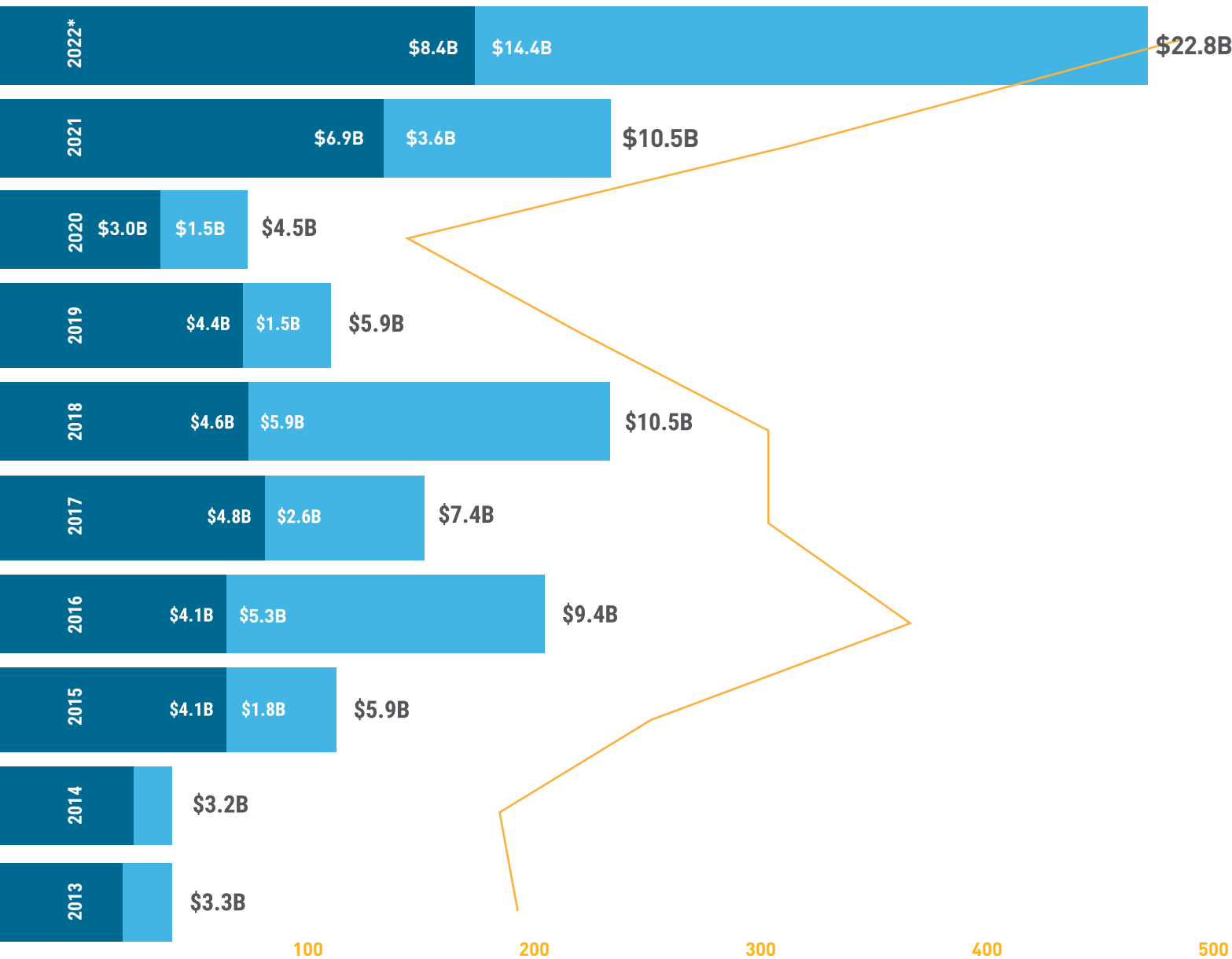
# STUDENT HOUSING SALES

## Sales Volume

Individual sales during 2022 saw an increase of just over 20% from 2021 and nearly double from five years prior. Student portfolio sales dramatically increased by Blackstone’s acquisition of the American Campus Communities, Inc.’s 166 property portfolio, a \$12.8B transaction. Student housing continues to perform exceptionally well.

New capital continues to flow into the space from both foreign and domestic capital sources, as student housing offers some of the best risk-adjusted returns in any sector of real estate. We expect this positive trajectory to continue into 2023.

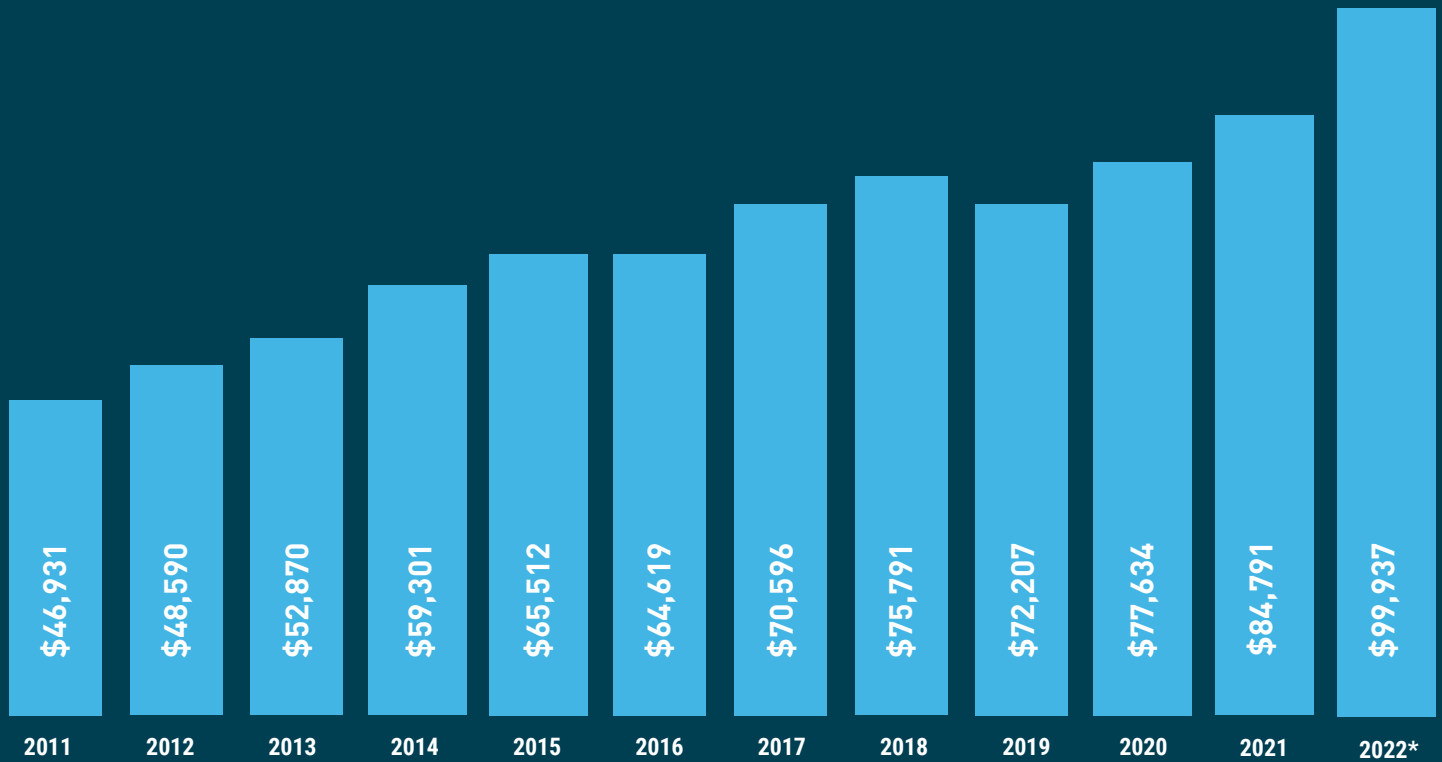
■ Individual Sales    ■ Portfolio Sales    ■ Total Property Count



Sources: Berkadia; Real Capital Analytics; and CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023

## Average Price Per Bed

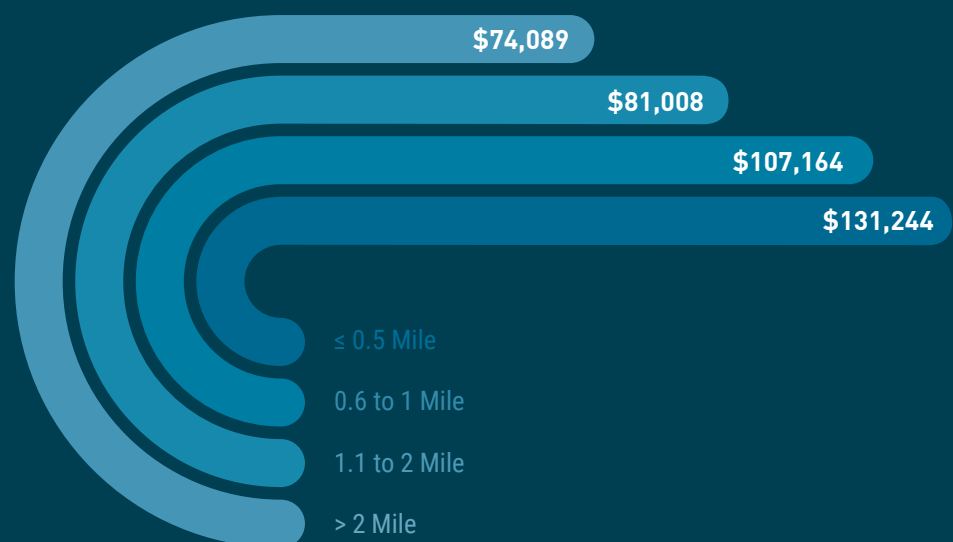
The average price per bed increased 17.9% from 2021 to \$99,937 in 2022. This increase was underpinned by 77 transactions where the price per bed was more than \$100,000.



Source: Berkadia; Real Capital Analytics and CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023

## National Price Per Bed by Distance\*

The overall average price per bed increased in 2022 with the expected price premium for student housing communities closest to campus. From 2021 to 2022, the largest rent growth was in the communities beyond 2 miles of campus with an average price per bed increase of 21.1%.

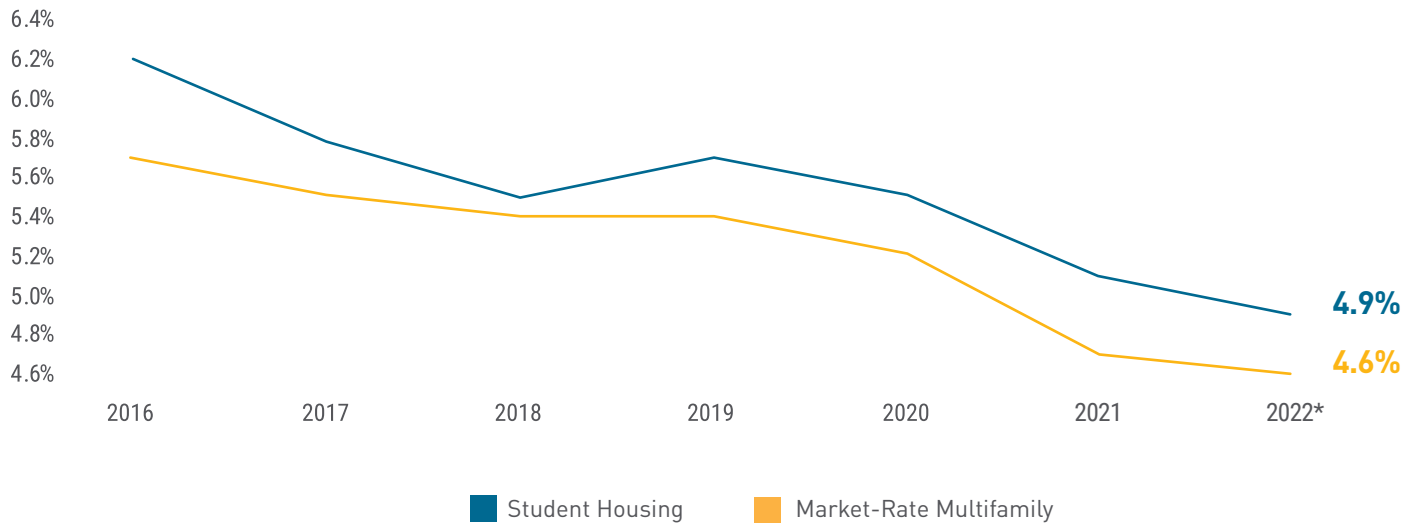


Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023

## STUDENT HOUSING SALES | CAP RATE

### Cap Rate Overview

In early 2022, Student Housing enjoyed a favorable capital markets environment with cap rate compression. The year's largest transaction, Blackstone's acquisition of ACC, occurred in the spring as cap rates remained low. Even though cap rates increased in the second half of year due to the volatility in the bond market, the strong transaction volume of the first half of the year combined with the lower volume in the second half resulted in a year over year cap rate decrease of 20 basis points (bps) to 4.9% in 2022. The spread between conventional multifamily and student housing was 30 bps, reflecting a 10-basis point year over year spread decrease.



Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023



## STUDENT HOUSING SALES | TOTAL SALES

By the Numbers

\$22.8b

TOTAL SALES VOLUME

\$260k

AVERAGE PRICE PER UNIT

\$100k

AVERAGE PRICE PER BED

4.87%

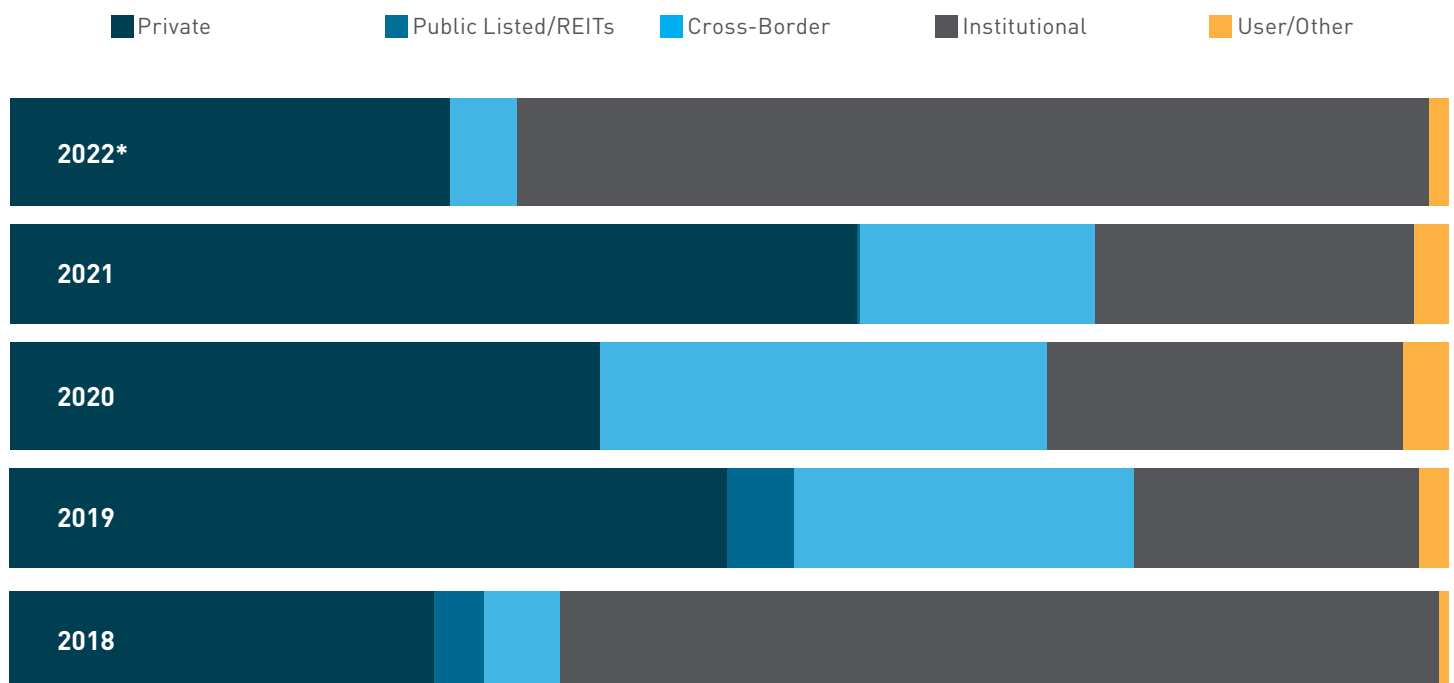
AVERAGE CAP RATE

470

NUMBER OF PROPERTIES SOLD

### Investment Activity

This year institutional investors reclaimed the largest share of the student market, bolstered by Blackstone's acquisition of American Campus Communities Inc. The portfolio of 166 properties across the U.S. was acquired for \$12.8B and accounts for the majority of the **62% Institutional** investor share in **2022**.



Sources: Berkadia; Real Capital Analytics; CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023



University Lofts | University of Denver

### STUDENT HOUSING SALES | TOP INDIVIDUAL\*

PROPERTY NAME	CITY	STATE	UNITS	YEAR BUILT	BEDS
University Village	Tuscaloosa	AL	455	2006	1,164
The Village on Telluride	San Marcos	TX	608	2011	1,116
The Mirage on Kernan	Jacksonville	FL	361	1996	1,092
Campus Lodge	Tampa	FL	312	2000	1,068
33 East	Greenville	NC	264	2000	1,056
Aspen Heights Starkville	Starkville	MS	275	2014	958
Valentine Commons	Raleigh	NC	277	2012	928
Gateway at Tempe	Tempe	AZ	288	1998	918
Next at ODU	Norfolk	VA	307	2010	909
Silvertree Communities	Muncie	IN	332	1984	892
1540 Place	Murfreesboro	TN	240	1998	864
One South	Urbana	IL	254	1997	864
Quarry Trail	Knoxville	TN	210	2008	840
University Trails College Station	College Station	TX	308	2001	828
The Connection at Oxford	Oxford	MS	300	2016	816
The Junction at College Station	College Station	TX	222	2016	801
Cottage Row Stillwater	Stillwater	OK	231	2013	798
Aspen Heights College Station	College Station	TX	233	2017	797
University Edge	Lansing	MI	235	2021	792
Holleman Crossing	College Station	TX	432	2017	792

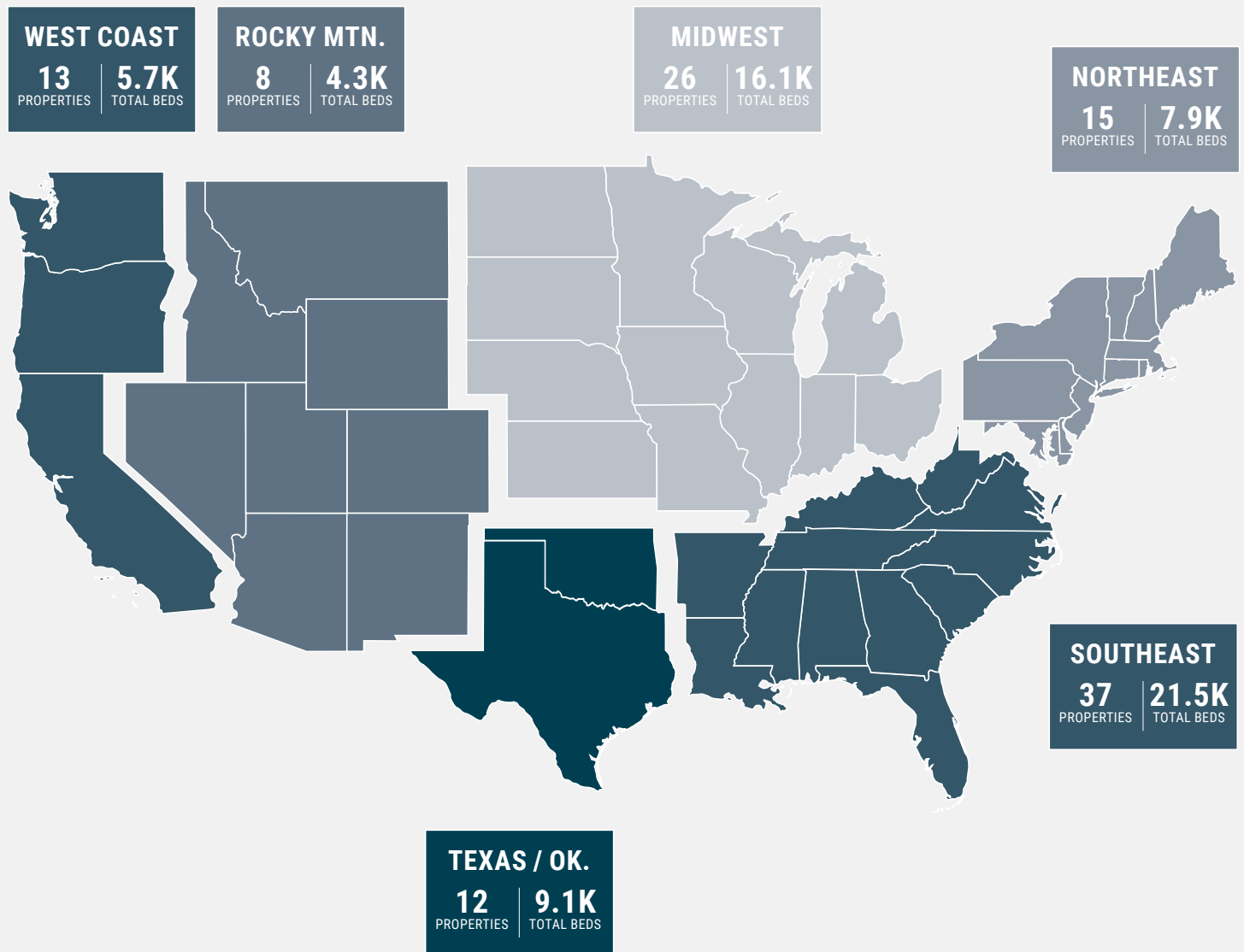
Source: Real Capital Analytics and CoStar. Based on properties and portfolios \$2.5M or greater. \*As of February 3, 2023



Atmosphere Tempe | Arizona State

# STUDENT HOUSING SALES

## UNDER CONSTRUCTION | BY REGION



Source: RealPage  
As of January 8, 2023.  
Does not include student competitive housing.  
Under construction and under construction / lease-up stages.  
Subject to change.

**TOTAL**  
**111** | **64.6K**  
PROPERTIES | TOTAL BEDS



# STUDENT HOUSING PIPELINE BREAKDOWN | BY REGION

By the Numbers

## Pipeline Breakdown Overview

The pipeline for purpose-built student housing consists of 149 properties in all phases of construction. These properties comprise a total 83,967 beds. The largest share of properties in the pipeline is in the Southeast region, where 51 properties representing 27,077 beds are located.



Source: RealPage

As of January 8, 2023.

+Does not include student competitive housing.

\*Under construction and under construction / lease-up stages.

\*\*In planning stage where a start date in 2023 is indicated by RealPage; subject to change.

\*\*\*In pre-planning stage where a start date after 2023 is indicated by RealPage; subject to change.

ΔIn pre-planning stage where no start date has been 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.

	TOTAL BEDS
University of Texas at Austin	5,522
University of Wisconsin - Madison	2,814
University of Maryland	2,648
University of Central Florida	2,634
Georgia Institute of Technology	2,630
University of Florida	2,390
Indiana University	2,320
Florida International University	2,287
Pennsylvania State University	1,940
University of South Florida	1,820
University of Minnesota	1,804
Ohio State University	1,628
University of Washington	1,545
Texas A&M University	1,542
Purdue University	1,401
Florida State University	1,358
University of Nebraska - Lincoln	1,354
Boise State University	1,344
Washington State University	1,151
University of Cincinnati	1,112
University of Southern California	1,050
University of Michigan	863
Georgia State University	835
University of Notre Dame	810
University of Pennsylvania	804
George Mason University	793
University of Nevada - Reno	755
University of North Carolina - Charlotte	754
University of Georgia	750
University of Tennessee	712
San Diego State University	706
University of Oregon	703
Arizona State University - Downtown Phoenix	693
University of South Carolina	678
University of Houston	649
Rice University	646
Sam Houston State University	641
Northern Arizona University	613
University of Arkansas	585
University of Tampa	576
University at Albany - State University of New York	560
University of Utah	552
Mississippi State University	531
Virginia Commonwealth University	509
University of Iowa	499
Rochester Institute Of Technology	494
Syracuse University	466
University of Illinois - Urbana-Champaign	402
University of Dayton	385
Florida A&M University	372



The Durant | U of C - Berkeley

Source: RealPage. Student housing (no student competitive) on- and off-campus under construction or under construction / lease-up stage, as of January 8, 2023. Does not include properties in the planning stage. Subject to change.

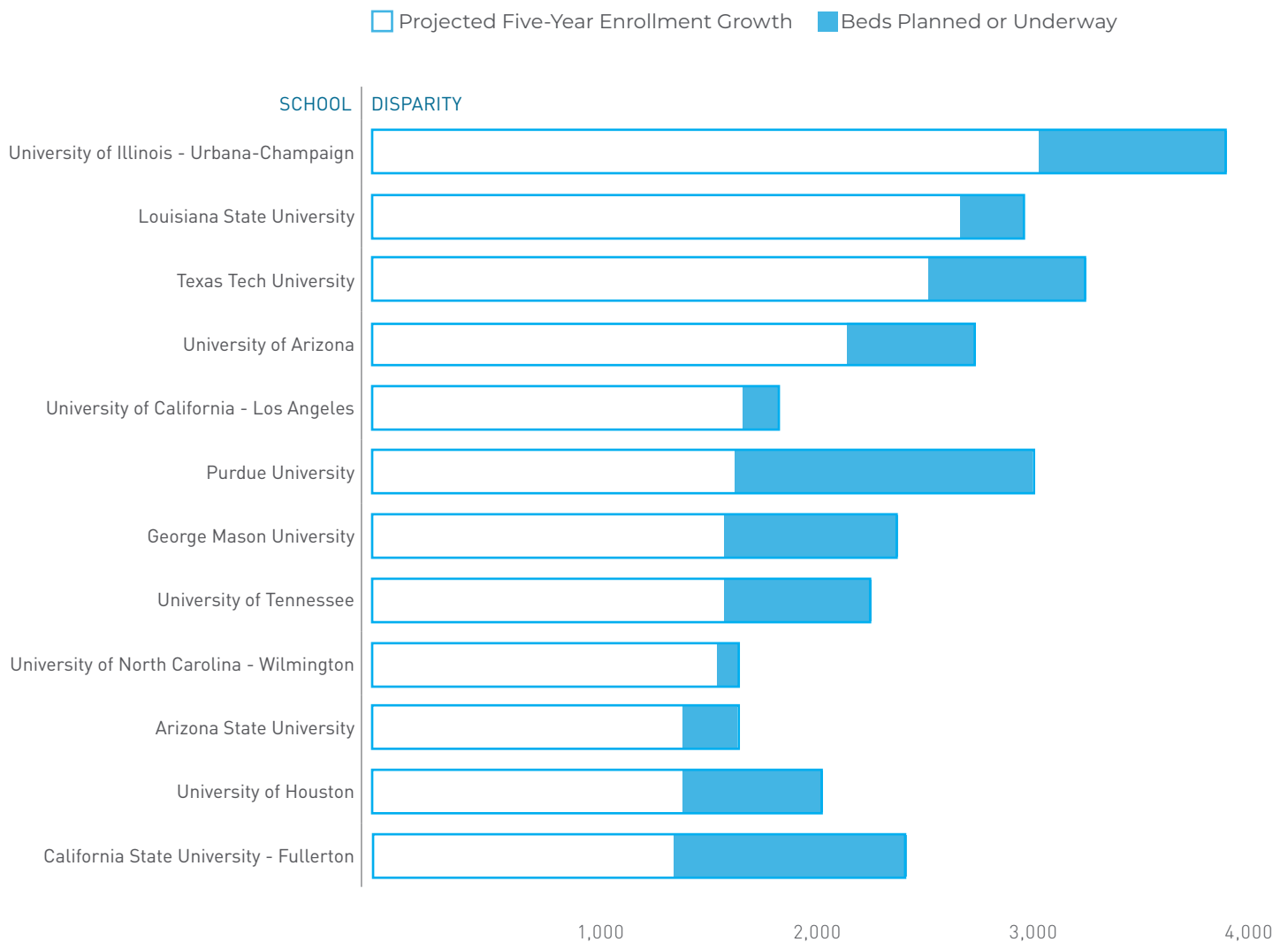
# STUDENT HOUSING PIPELINE | ENROLLMENT PROJECTION

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. Enrollment projections as of January 8, 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, and at various stages of the planning / permitting process as of January 8, 2023. Subject to change.

## FASTEST-GROWING FLAGSHIP UNIVERSITIES | 2022

TOP 5

RANK	SCHOOL	Y-O-Y CHANGE	2021 FALL ENROLLMENT	2022 FALL ENROLLMENT	PROJECTED FIVE-YEAR CHANGE
1	University of South Florida	5,271	44,322	49,593	2,304
2	Arizona State University	2,722	54,866	57,588	1,636
3	University of Minnesota	2,579	52,376	54,955	1,532
4	University of North Texas	2,364	42,168	44,532	2,804
5	University of Tennessee	2,104	31,701	33,805	2,240
6	University of Texas at Dallas	2,054	29,696	31,750	1,461
7	University of Arkansas	1,868	29,068	30,936	805
8	Utah Valley University	1,837	41,262	43,099	3,640
9	Temple University	1,748	31,858	33,606	930
10	University of Arizona	1,663	49,471	51,134	2,729
11	University of Wisconsin - Madison	1,655	47,932	49,587	1,471
12	Louisiana State University	1,440	35,914	37,354	2,973
13	Georgia Institute of Technology	1,437	43,859	45,296	3,938
14	University of Iowa	1,408	29,909	31,317	437
15	Purdue University	1,245	49,639	50,884	2,993
16	University of Cincinnati	1,220	40,281	41,501	1,408
17	University of Kentucky	1,174	31,536	32,710	1,085
18	University of Mississippi	1,111	21,856	22,967	421
19	University of California - San Diego	1,083	41,885	42,968	3,438
20	North Carolina State University	1,042	36,831	37,873	1,032
21	Florida A&M University	1,028	9,000	10,028	136
22	Oregon State University	990	34,249	35,239	2,191
23	East Tennessee State University	988	12,750	13,738	122
24	University of Michigan	947	50,278	51,225	1,235
25	San Diego State University	881	34,842	35,723	1,224
26	George Mason University	880	38,630	39,510	2,372
27	University of Kansas	858	26,780	27,638	334
28	Wichita State University	824	16,097	16,921	541
29	Florida Atlantic University - Boca Raton	790	29,402	30,192	2,043
30	Texas A&M University	712	67,133	67,845	2,949
31	University of Florida	656	55,781	56,437	2,078
32	Pennsylvania State University	641	47,560	48,201	812
33	Florida State University	638	45,130	45,768	2,147
34	University of Washington	583	48,582	49,165	1,448
35	University of Texas at San Antonio	561	34,734	35,295	2,001
36	Clemson University	542	27,341	27,883	1,961
37	University of Colorado - Boulder	533	35,897	36,430	2,712
38	University of Georgia	489	40,118	40,607	1,549
39	Illinois State University	450	20,233	20,683	457
40	Oklahoma State University	448	24,244	24,692	484
41	California State University - Fullerton	434	39,144	39,578	2,399
42	University of Utah	400	34,464	34,864	1,240
43	University of Texas at Austin	393	51,991	52,384	868
44	Florida International University	368	56,732	57,100	1,022
45	Texas Christian University	335	11,938	12,273	720

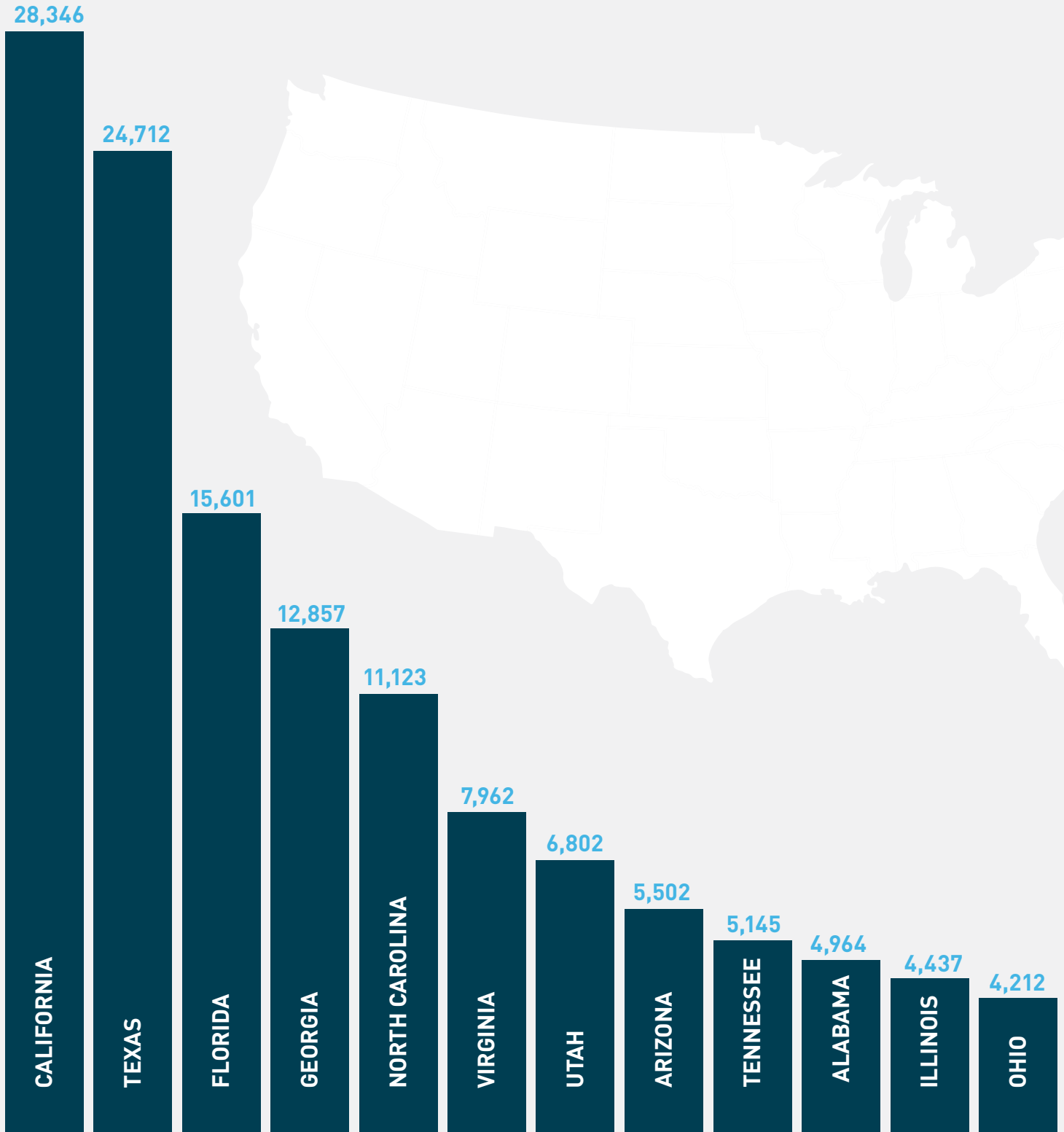
Source: RealPage. Top 175 Schools. Total enrollment at some of these universities may include satellite campus and online enrollment. Subject to change.

# STUDENT ENROLLMENT FIVE-YEAR OUTLOOK | BY STATE

## Five-Year Outlook Overview

These 12 states are projected to have combined enrollment gains totaling 131,899 students in the next five years.

Source: RealPage. 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	2022 FALL ENROLLMENT	2022 TOTAL SUPPLY (BEDS)*	HOUSING SHORTFALL	EFFECTIVE RENT**	2022-23 TUITION***
1	Florida International University	57,100	18,811	38,289	\$1,084	\$6,168
2	California State University - Long Beach	38,273	8,374	29,899	\$1,795	\$5,853
3	University of Central Florida	68,442	39,296	29,146	\$829	\$6,368
4	University of California - Berkeley	45,307	18,310	26,997	\$2,015	\$11,555
5	Utah Valley University	43,099	20,001	23,098	\$470	\$5,464
6	University of Illinois - Urbana-Champaign	56,916	34,585	22,331	\$756	\$12,372
7	California State University - Northridge	36,123	14,854	21,269	\$1,923	\$5,797
8	Oregon State University	35,239	14,439	20,800	\$857	\$10,908
9	University of California - Davis	38,347	19,210	19,137	\$1,154	\$14,907
10	George Mason University	39,510	20,374	19,136	\$1,125	\$9,895
11	University of California - Los Angeles	46,430	28,096	18,334	\$1,026	\$11,555
12	University of Cincinnati	41,501	23,999	17,502	\$902	\$11,241
13	University of Colorado - Boulder	36,430	19,036	17,394	\$1,425	\$11,090
15	University of Iowa	31,317	14,070	17,247	\$831	\$8,850
15	University of North Texas	44,532	28,253	16,279	\$683	\$8,814
16	Purdue University	50,884	35,166	15,718	\$742	\$9,208
17	Indiana University	45,556	30,500	15,056	\$793	\$10,161
18	Kennesaw State University	43,268	28,619	14,649	\$844	\$5,669
19	Pennsylvania State University	48,201	33,558	14,643	\$899	\$18,768
20	California State University - Fullerton	39,578	25,227	14,351	\$1,137	\$5,797
21	University of Massachusetts	32,229	18,015	14,214	\$1,243	\$16,035
22	University at Buffalo - State University of New York	32,572	19,157	13,415	\$822	\$7,254
23	Ohio University	23,812	10,562	13,250	\$657	\$13,105
24	University of California - San Diego	42,968	29,804	13,164	\$1,751	\$12,813
25	University of Wisconsin - Madison	49,587	36,672	12,915	\$1,013	\$10,773
26	Utah State University	19,601	6,888	12,713	\$531	\$7,437
27	Boise State University	26,162	13,501	12,661	\$799	\$5,649
28	University of Arizona	51,134	38,583	12,551	\$904	\$11,408
29	Missouri State University	23,307	11,110	12,197	\$675	\$7,872
30	University of Utah	34,864	22,747	12,117	\$954	\$8,900
31	Troy University	15,431	3,436	11,995	\$521	\$12,007
32	Kent State University	25,854	13,864	11,990	\$742	\$12,336
33	University of Memphis	21,917	9,988	11,929	\$745	\$8,484
34	Virginia Polytechnic Institute and State University	37,497	25,765	11,732	\$867	\$11,984
35	University of California - Santa Barbara	26,420	15,231	11,189	\$1,265	\$11,555
36	West Virginia University	24,741	13,727	11,014	\$581	\$9,541
37	Florida Atlantic University - Boca Raton	30,192	19,363	10,829	\$1,251	\$6,159
38	University of Michigan	51,225	40,413	10,812	\$1,288	\$16,321
39	Iowa State University	29,969	19,203	10,766	\$572	\$8,695
40	Ohio State University	60,540	50,628	9,912	\$987	\$11,929
41	Brigham Young University	34,390	24,504	9,886	\$428	\$6,284
42	University of Connecticut	22,678	13,217	9,461	\$852	\$16,045
43	Rutgers University - New Brunswick	51,113	41,762	9,351	\$1,017	\$12,772
44	Clemson University	27,883	18,658	9,225	\$726	\$14,431
45	Auburn University	31,764	22,700	9,064	\$739	\$10,313
46	University of Louisville	22,389	13,342	9,047	\$643	\$12,475
47	University of Georgia	40,607	31,801	8,806	\$716	\$9,951
48	Oklahoma State University	24,692	15,966	8,726	\$522	\$5,553
49	Minnesota State University - Mankato	14,681	5,987	8,694	\$456	\$7,630
50	Bowling Green State University	16,943	8,500	8,443	\$496	\$9,749

Source: RealPage Top 175 Universities.

\*Beds at on-campus (university owned), 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 2021 to August 2022. Only includes off-campus purpose-built (not student-competitive) properties that have been stabilized for two or more consecutive periods.

\*\*\*Annual 2022-23 in-state tuition



Hillside Ranch | Texas State

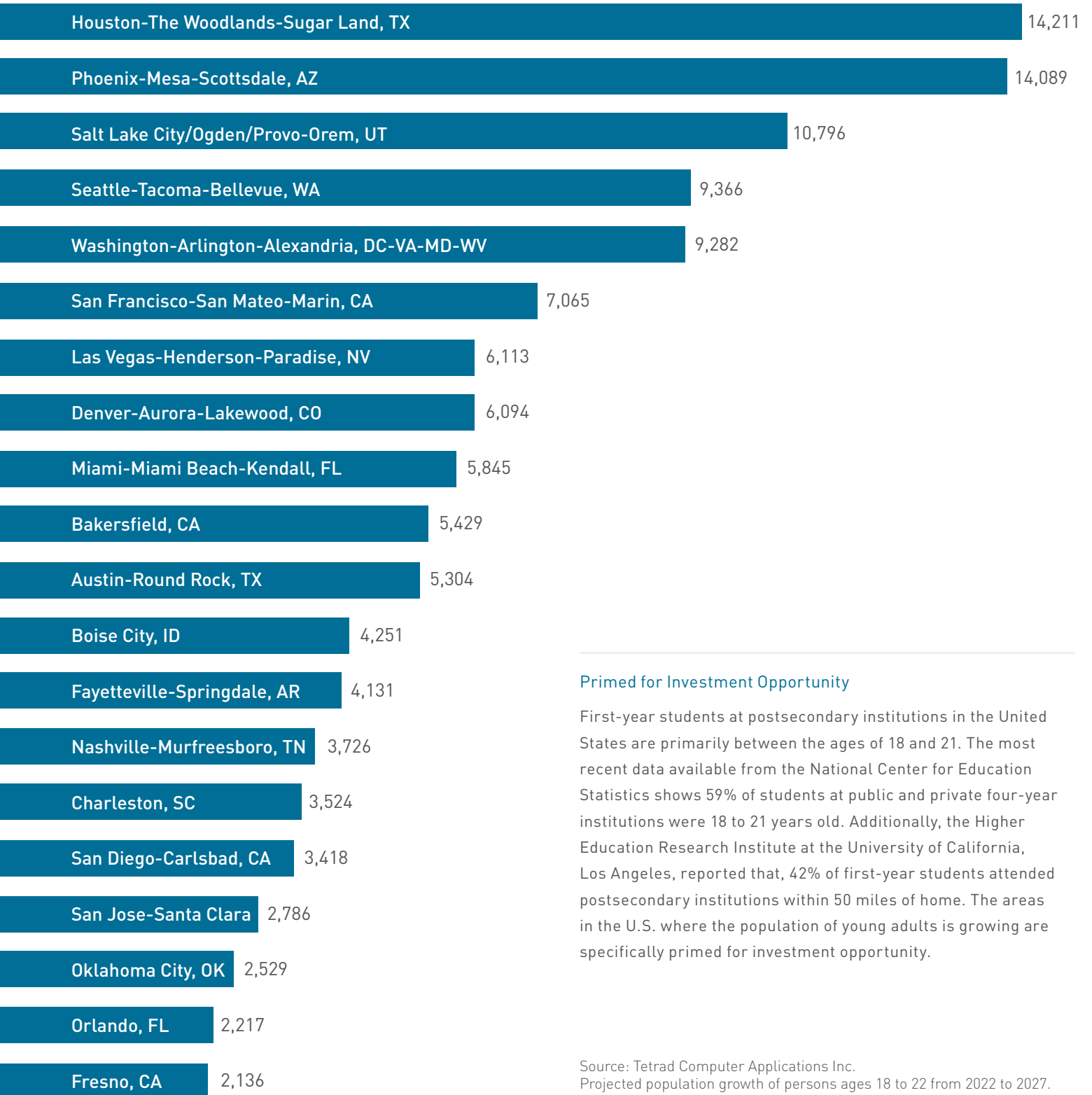


The Junction | Texas A&M

# FIVE-YEAR POPULATION GROWTH PROJECTION

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

METRO



### 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 59% of students at public and private four-year institutions were 18 to 21 years old. Additionally, the Higher Education Research Institute at the University of California, Los Angeles, reported that, 42% of first-year students attended postsecondary institutions 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 2022 to 2027.  
Subject to change.





UNIVERSITY  
EDGE

UNIVERSITY  
EDGE

## BERKADIA STUDENT HOUSING

Kevin Larimer  
Senior Managing Director  
248.341.3305 | kevin.larimer@berkadia.com

Brandon Buell  
Senior Managing Director  
346.444.8982 | brandon.buell@berkadia.com

Genna Jago  
Marketing Project Manager

Erin Wodehouse  
Financial Analyst

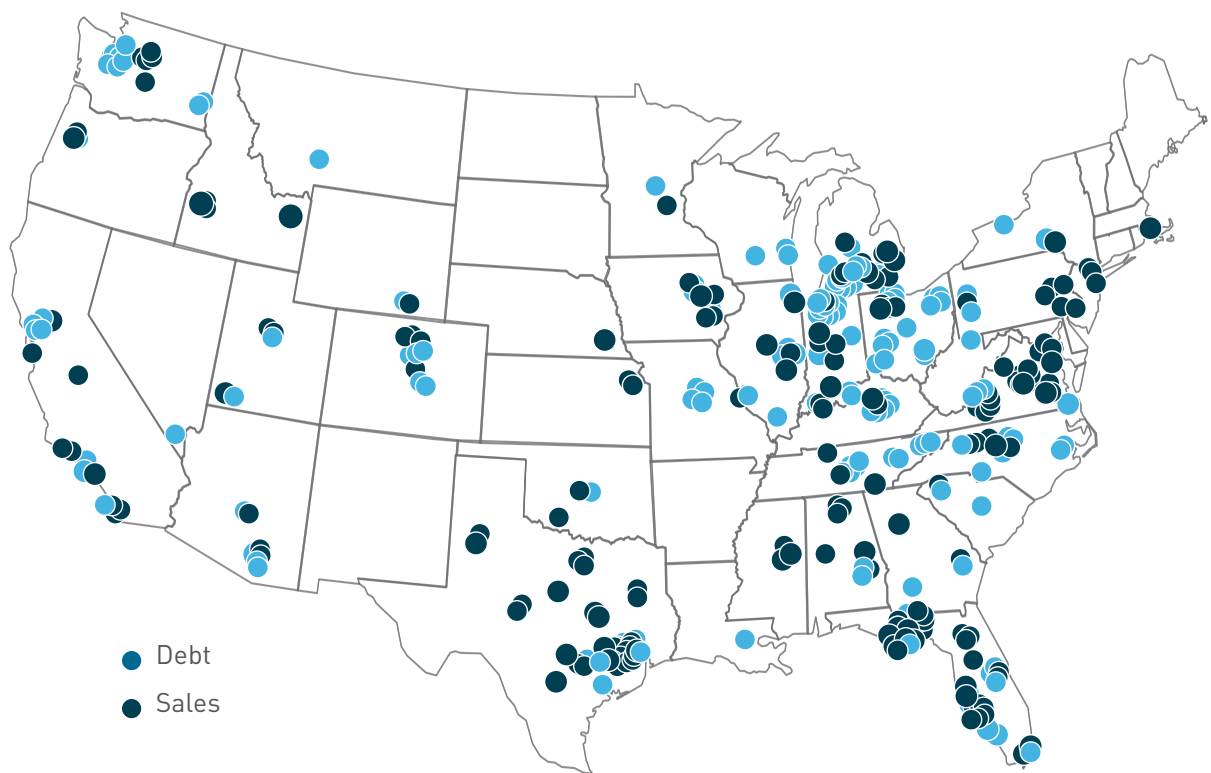
Steve Skok  
Managing Director - Mortgage Banking  
312.845.5164 | steve.skok@berkadia.com

Peter Benedetto  
Senior Managing Director - Mortgage Banking  
248.208.3462 | peter.benedetto@berkadia.com

Aaron Moll  
Director - Mortgage Banking  
248.208.0529 | aaron.moll@berkadia.com

Jennifer Ayers  
Transaction Manager

## BERKADIA STUDENT HOUSING | TRANSACTION HISTORY



© 2023 Berkadia Proprietary Holding LLC. Berkadia® is a trademark of Berkadia Proprietary Holding LLC. Commercial mortgage loan banking and servicing businesses are conducted exclusively by Berkadia Commercial Mortgage LLC and Berkadia Commercial Mortgage Inc. This advertisement is not intended to solicit commercial mortgage loan brokerage business in Nevada. Investment sales / real estate brokerage business is conducted exclusively by Berkadia Real Estate Advisors LLC and Berkadia Real Estate Advisors Inc. Tax credit syndication business is conducted exclusively by Berkadia Affordable Tax Credit Solutions. In California, Berkadia Commercial Mortgage LLC conducts business under CA Finance Lender & Broker Lic. #988-0701, Berkadia Commercial Mortgage Inc. under CA Real Estate Broker Lic. #01874116, and Berkadia Real Estate Advisors Inc. under CA Real Estate Broker Lic. #01931050. For state licensing details for the above entities, visit: <http://www.berkadia.com/legal/licensing>