



# STUDENT HOUSING 2020

TownCenter Partners LLC

Email:

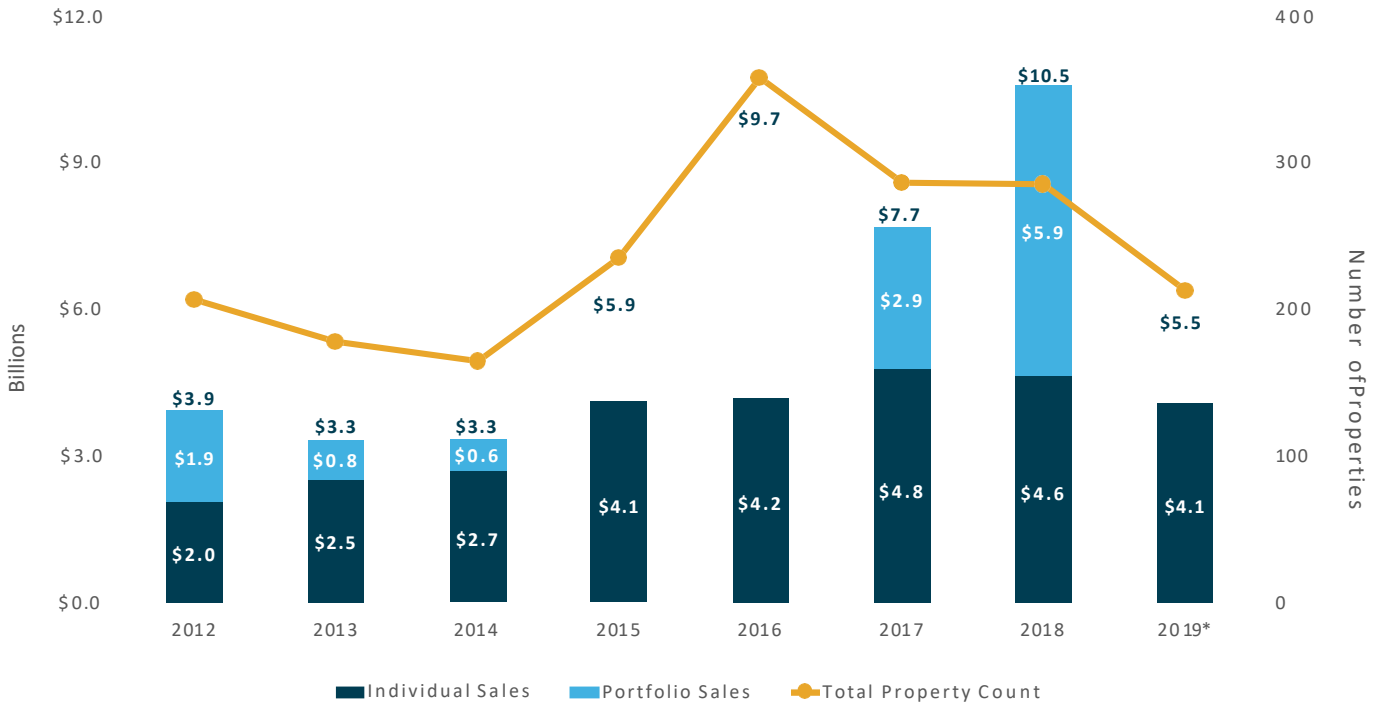
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# STUDENT HOUSING SALES

## SALES VOLUME

The drop of 48% in student housing volume is no doubt eye grabbing when looking at the data for 2019, but upon closer examination, the health of the sector is on solid footing. The drop-off was a direct result of a sharp pullback in entity and portfolio deals that were extremely popular in the sector over the last few years as interest rates were rising and REIT share prices were struggling. That environment which made acquisitions appealing was not present in 2019.

More importantly, volume on single assets was in line with the last four years. Sales volume for single assets totaled \$4.1 billion in 2019, during the prior four years, single asset sales volume averaged \$4.4 billion.



Source: Real Capital Analytics, based on properties and portfolios ~\$2.5mil or greater.

\*As of February 4, 2020



THE LYNDON  
San Marcos, TX

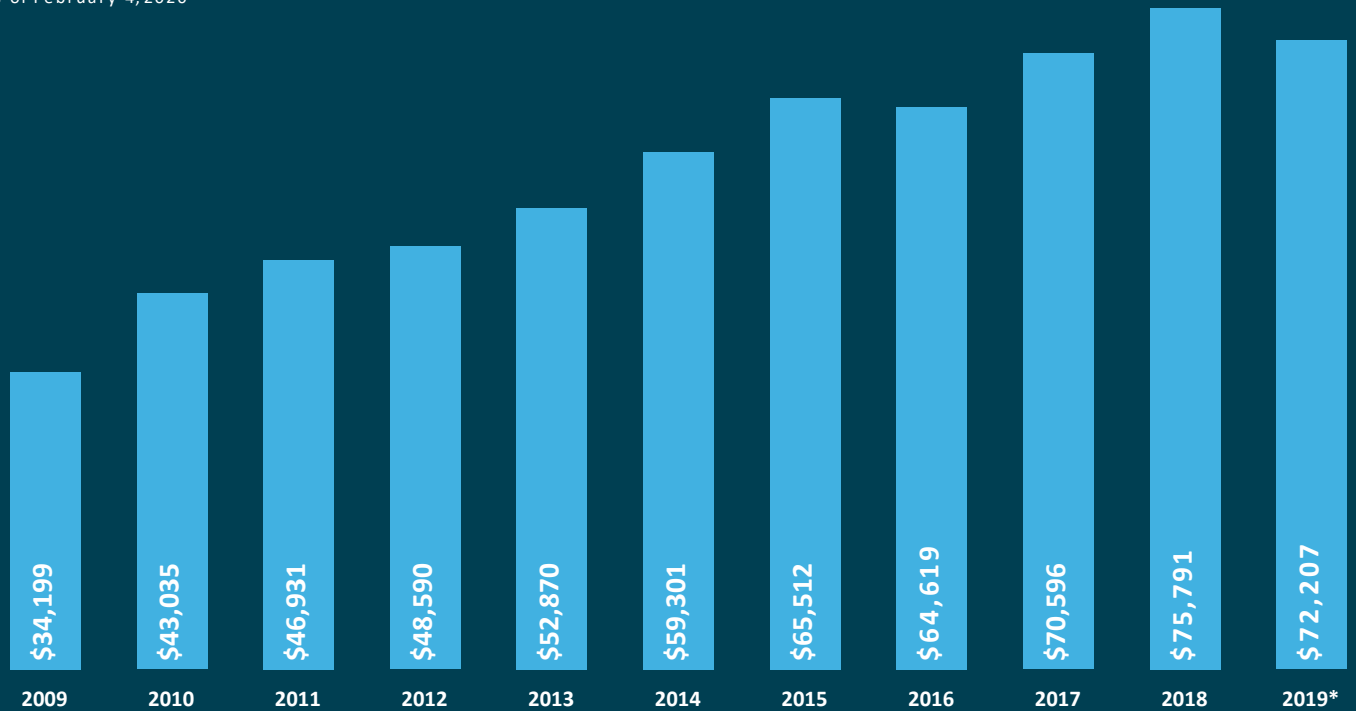
## AVERAGE PRICE PER BED

The average price per bed decreased 4.7% from 2018 to \$72,207 in 2019. This reduction was fueled by the sharp drop-off in portfolio sales which typically consist of premium assets.

Not surprisingly, universities with top-ranked athletic programs had a bearing on prices. In 2019, student housing properties within one mile of Power 5 universities had an average price per bed 30.9% higher than other universities.

Source: Real Capital Analytics, based on properties and portfolios ~\$2.5mil or greater.

\*As of February 4, 2020



## NAT'L PPB BY DISTANCE

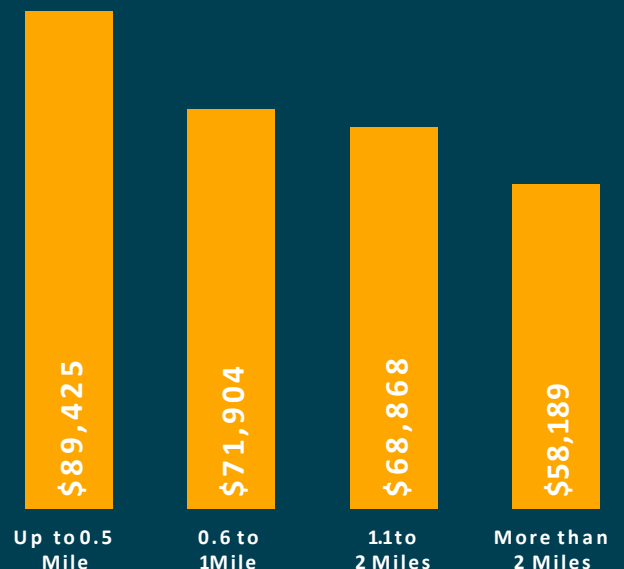
Price premium is apparent the closer a student-housing community is located to a higher-educational institution. While the overall average price per bed decreased in 2019, the desirability of student housing near a campus persisted. From 2018 to 2019, the average price per bed rose 3.1% among student housing communities within 0.5 mile of a campus.

During the same period, the price per bed fell approximately 10% among student housing communities located farther than 0.5 mile from campus.



Source: Berkadia; Real Capital Analytics; Google Maps. Sample size 113 properties out of 212 properties.

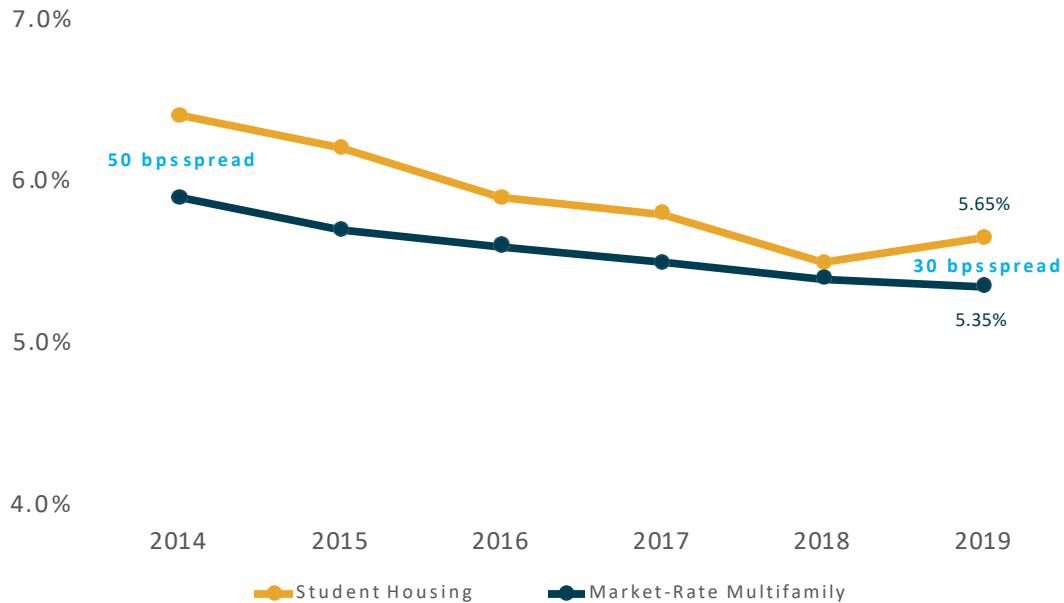
\*As of February 4, 2020



# STUDENT HOUSING SALES

## CAP RATE

The average student housing cap rate decreased every year since 2009, falling to 5.50% in 2018. In 2019, the average cap rate rose to 5.65%. This increase was reflected by a considerably smaller share of institutional-grade properties selling in 2019 compared to 2018. Furthermore, the expectation gap widened between buyers and sellers in markets with considerable student housing development as those buyers held out for lower prices. Both these factors fueled a 15-basis-point increase in the caprate during 2019.



Source: Real Capital Analytics, based on properties and portfolios ~\$2.5mil or greater. Weighted cap rates were not available, so a straight-line average for cap rates was used.

## Tailor Lofts Chicago, IL





**20 Hawley**  
Binghamton, NY



**The Crossings**  
Sacramento, CA

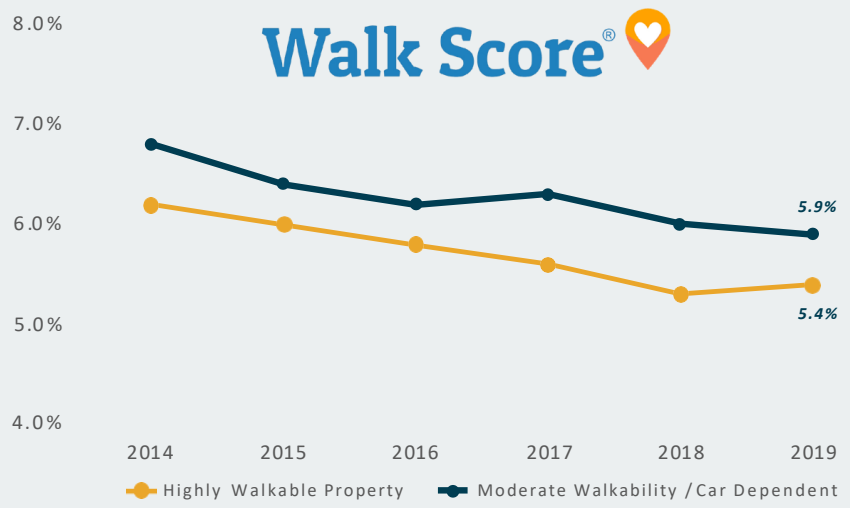


**CAP RATE BY WALKABILITY SCORE**

This chart depicts properties ranked by their Walk Score®. Walk Scores are determined by various factors that influence an area’s walkability, such as distance to amenities, relative population density, and road metrics.

Highly walkable properties score a 70 or higher; moderate and car-dependent properties score below 70.

Source: Real Capital Analytics, based on properties and portfolios ~\$2.5mil or greater.



# STUDENT HOUSING 2020



## STUDENT HOUSING SALES | TOTAL SALES

### BY THE NUMBERS

**\$5.5<sup>b</sup>\***

TOTAL  
SALES VOLUME

**\$199,694**

AVG. PRICE  
PER UNIT

**5.65%**

AVG. CAP RATE

**212**

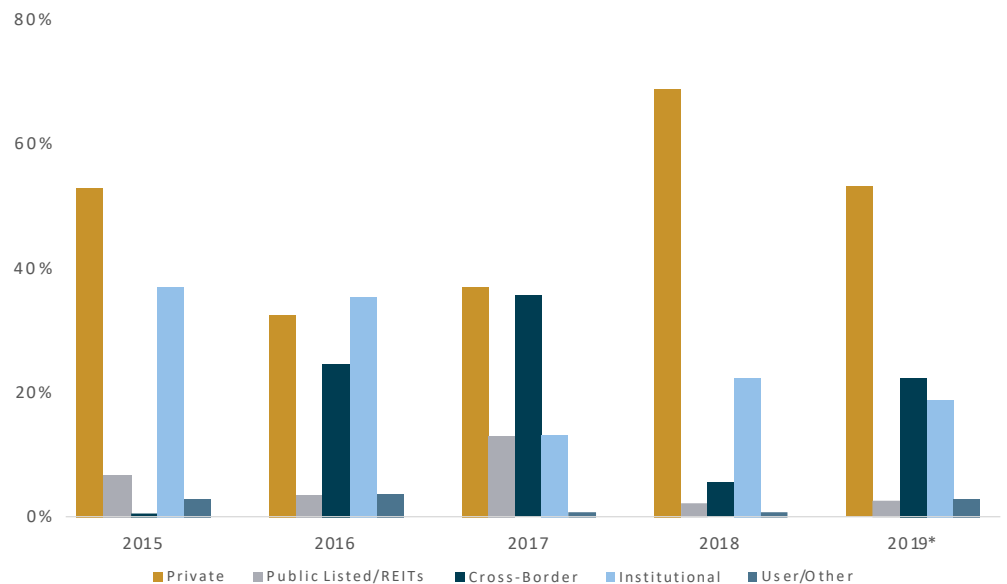
NUMBER OF  
PROPERTIES SOLD

**\$72,207**

AVG. PRICE  
PER BED

### INVESTMENT ACTIVITY

For the third-consecutive year, private buyers comprised the largest share—53%—of acquisition volume in 2019. Despite leading all other investor groups, private buyers' share decreased as international buyers took a larger share of acquisition volume, fueled by a surge in portfolio acquisitions from South Korean investment firms. Institutional buyers, attracted to the reliable stream of revenue at prime student housing communities, remained active, making up nearly one-fifth of acquisition volume in 2019. The student housing market offers a broad variety of property types, and the allure of return on investment is expected to sustain interest from all types of buyers in 2020.



Source: Real Capital Analytics, based on properties and portfolios ~\$2.5mil or greater.

\*As of February 4, 2020

## STUDENT HOUSING SALES | TOP PORTFOLIOS

| BUYER   | INVESTOR TYPE                                | TRANSACTION PRICE | NO. OF PROPERTIES | NO. OF BEDS | AVG. PRICE PROPERTY |
|---|--|-------------------|-------------------|-------------|---------------------|
| The Dinerstein Cos. /HarrisonStreet   | Developer-Owner / Investment Firm            | \$180M            | 6                 | 523         | \$30.0M             |
| Ocean West Capital Partners /Tiger Alternative Investors Ltd. / Korea Investment & Securities Co. Ltd. /Landmark Properties | Owner-Investor / Investment Firm / Developer | \$162M            | 3                 | 1,483       | \$54.1M             |
| Vie Management and unnamed Middle Eastern assetmanager  | Owner-Investor / Investment Firm             | \$135M            | 6                 | 2,059       | \$22.4M             |
| Scion /Hana Financial Group   | Owner / Investment Firm                      | not disclosed     | 4                 | 3,275       | —                   |

## STUDENT HOUSING SALES | TOP INDIVIDUAL

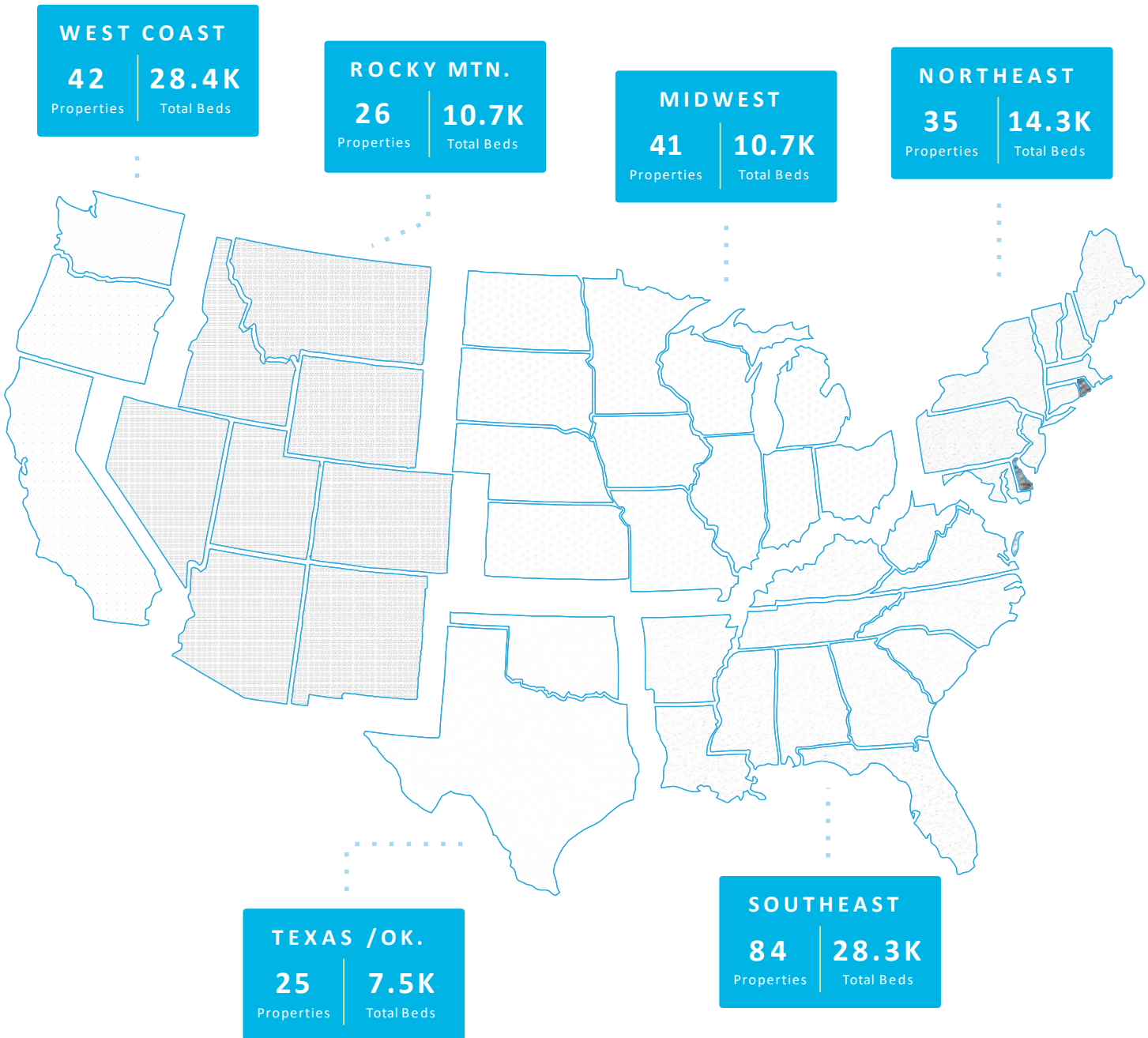
| PROPERTY NAME                     | CITY              | STATE     | UNITS      | YR BUILT    | BEDS       |
|-----------------------------------|-------------------|-----------|------------|-------------|------------|
| 1760 Third Avenue                 | New York          | NY        | 506        | 1973        | 1,085      |
| Sterling 920 Terrace              | Tempe             | AZ        | 260        | 2018        | 775        |
| SkyLoft Austin                    | Austin            | TX        | 212        | 2018        | 674        |
| 55 John Street                    | New York          | NY        | 225        | 1912        | 499        |
| University Estates At Austin      | Austin            | TX        | 498        | 1998        | 1,548      |
| <b>The Crossings*</b>             | <b>Sacramento</b> | <b>CA</b> | <b>212</b> | <b>2018</b> | <b>750</b> |
| Fifty Twenty-Five                 | San Diego         | CA        | 260        | 2010        | 942        |
| Solis Kennesaw (Phase I)          | Marietta          | GA        | 248        | 2019        | 816        |
| Alvista Long Beach                | Long Beach        | CA        | 235        | 1963        | 439        |
| <b>The Landing at Long Beach*</b> | <b>Long Beach</b> | <b>CA</b> | <b>206</b> | <b>1985</b> | <b>304</b> |
| University Village At Austin      | Austin            | TX        | 348        | 2001        | 1,152      |
| Echo 1055                         | Las Vegas         | NV        | 215        | 2019        | 601        |
| Cottages on Hollywood             | Fayetteville      | AR        | 189        | 2019        | 652        |
| <b>Tailor Lofts*</b>              | <b>Chicago</b>    | <b>IL</b> | <b>135</b> | <b>1920</b> | <b>441</b> |
| 30 East                           | Chicago           | IL        | 134        | 2017        | 388        |
| Signature 1505                    | Raleigh           | NC        | 150        | 2018        | 525        |
| The Collective at Clemson         | Clemson           | SC        | 184        | 2013        | 598        |
| Automatic Lofts                   | Chicago           | IL        | 142        | 1901        | 482        |
| The Retreat at Newark             | Newark            | DE        | 169        | 2014        | 597        |
| <b>The Lyndon at Springtown*</b>  | <b>San Marcos</b> | <b>TX</b> | <b>233</b> | <b>2018</b> | <b>515</b> |

\*Berkadia Sale

# STUDENT HOUSING

2020

## NUMBER OF BEDS UNDER CONSTRUCTION BY REGION



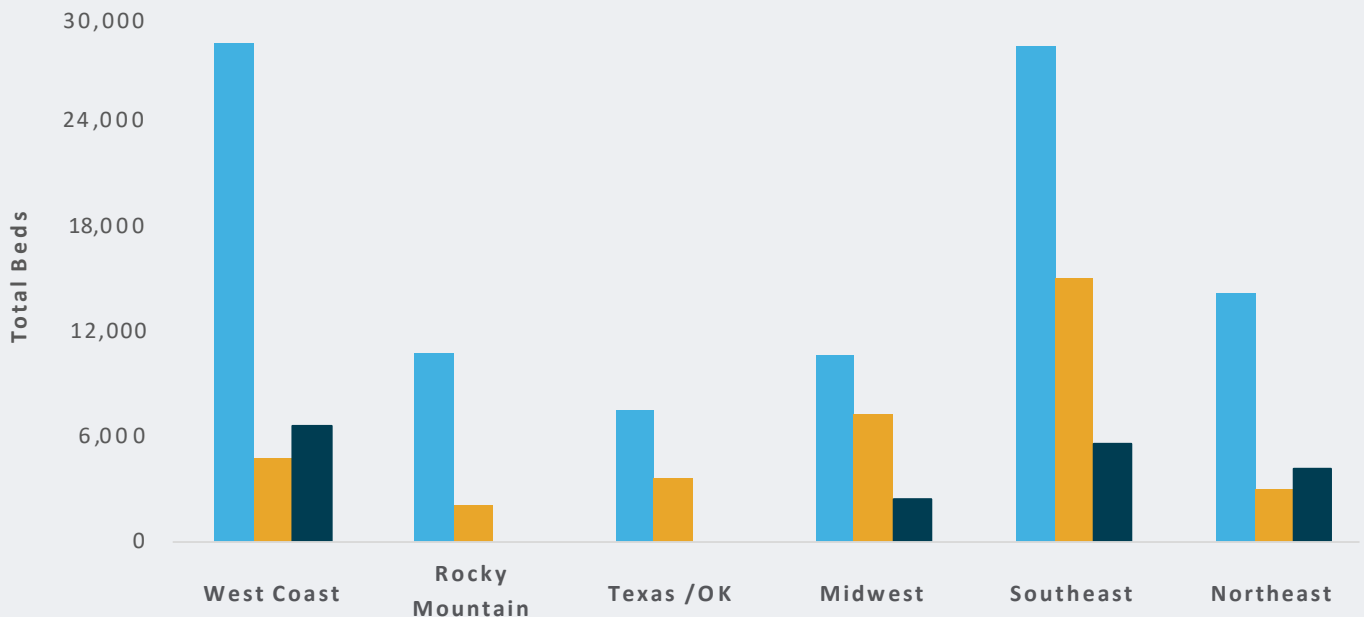


# STUDENT HOUSING PIPELINE BREAKDOWN | BY REGION

The pipeline for purpose-built student housing consists of 253 properties in all phases of construction, including some properties that are beginning lease-up, as of January 23, 2020. These properties comprise a total 99,921 beds. One year ago, 220 properties representing 114,593 beds were under construction nationwide. The number of beds in properties underway in the West Coast is up 36% from one year ago; for all other regions, the number is down year over year.

Of the 253 properties under construction, 81 properties are near Power 5 schools. Approximately 37,150 beds are underway in the vicinity of Power 5 schools, accounting for more than 37% of total beds underway.

Additionally, 88 properties are in various stages of planning / permitting nationwide, representing a total 54,927 beds. More than a third of these beds are in the Southeast region.



| STUDENT HOUSING ON-AND OFF-CAMPUS BEDS <sup>+</sup> | WEST COAST    | ROCKY MOUNTAIN | TEXAS /OK     | MIDWEST       | SOUTHEAST     | NORTHEAST     | GRAND TOTAL    |
|---|---------------|----------------|---------------|---------------|---------------|---------------|----------------|
| Under Construction*                                 | 28,428        | 10,743         | 7,503         | 10,668        | 28,309        | 14,270        | 99,921         |
| Breaks Ground in 2020**                             | 4,767         | 2,137          | 3,675         | 7,360         | 15,028        | 3,009         | 35,976         |
| Breaks Ground After 2020***                         | 6,677         | 0              | 0             | 2,500         | 5,600         | 4,174         | 18,951         |
| <b>Grand Total</b>                                  | <b>39,872</b> | <b>12,880</b>  | <b>11,178</b> | <b>20,528</b> | <b>48,937</b> | <b>21,453</b> | <b>154,848</b> |

+Does not include student competitive housing

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

\*\*In planning stage where a start date in 2020 is indicated, according to Axiometrics, subject to change

\*\*\*In pre-planning stage where a start date after 2020 is indicated, according to Axiometrics, subject to change

Per Axiometrics, as of January 23, 2020

# 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.

TOP 5

| SCHOOL   | TOTAL BEDS |
|--|------------|
| University of California Los Angeles               | 5,219      |
| University of California Davis                     | 4,649      |
| University of California San Diego                 | 4,182      |
| University of Texas at Austin                      | 2,735      |
| Utah Valley University                             | 2,644      |
| Stanford University                                | 2,431      |
| University of California Riverside                 | 2,300      |
| Georgia Institute of Technology                    | 2,267      |
| California State University Sacramento             | 2,144      |
| University of Washington                           | 1,945      |
| University of North Carolina Wilmington            | 1,789      |
| Massachusetts Institute of Technology              | 1,755      |
| University of Alabama at Birmingham                | 1,719      |
| University of Miami                                | 1,490      |
| Arizona State University                           | 1,453      |
| Purdue University                                  | 1,338      |
| University of Chicago                              | 1,298      |
| Pennsylvania State University                      | 1,275      |
| North Carolina Central University                  | 1,270      |
| University of Massachusetts Dartmouth              | 1,210      |
| Colorado State University                          | 1,169      |
| Rutgers University - New Brunswick                 | 1,167      |
| Michigan State University                          | 1,100      |
| Arizona State University - Downtown Phoenix Campus | 1,085      |
| University of Illinois Urbana-Champaign            | 1,023      |
| Clemson University                                 | 994        |
| Stevens Institute of Technology                    | 994        |
| University of South Carolina                       | 993        |
| University of Utah                                 | 992        |
| University of Arizona                              | 967        |
| Texas State University                             | 955        |
| University of Georgia                              | 939        |
| Rochester Institute of Technology                  | 935        |
| Western Washington University                      | 913        |
| Towson University                                  | 911        |
| University of Maryland                             | 902        |
| Louisiana State University                         | 881        |
| East Carolina University                           | 804        |
| University of Florida                              | 802        |
| Cornell University                                 | 800        |
| Nova Southeastern University                       | 775        |
| University of Nevada Reno                          | 762        |
| University at Buffalo -SUNY                        | 749        |
| University of North Carolina Charlotte             | 727        |
| Auburn University                                  | 719        |
| Florida State University                           | 702        |
| Florida A&M University                             | 700        |
| University of Oregon                               | 700        |
| University of California Berkeley                  | 659        |
| Colorado School of Mines                           | 649        |

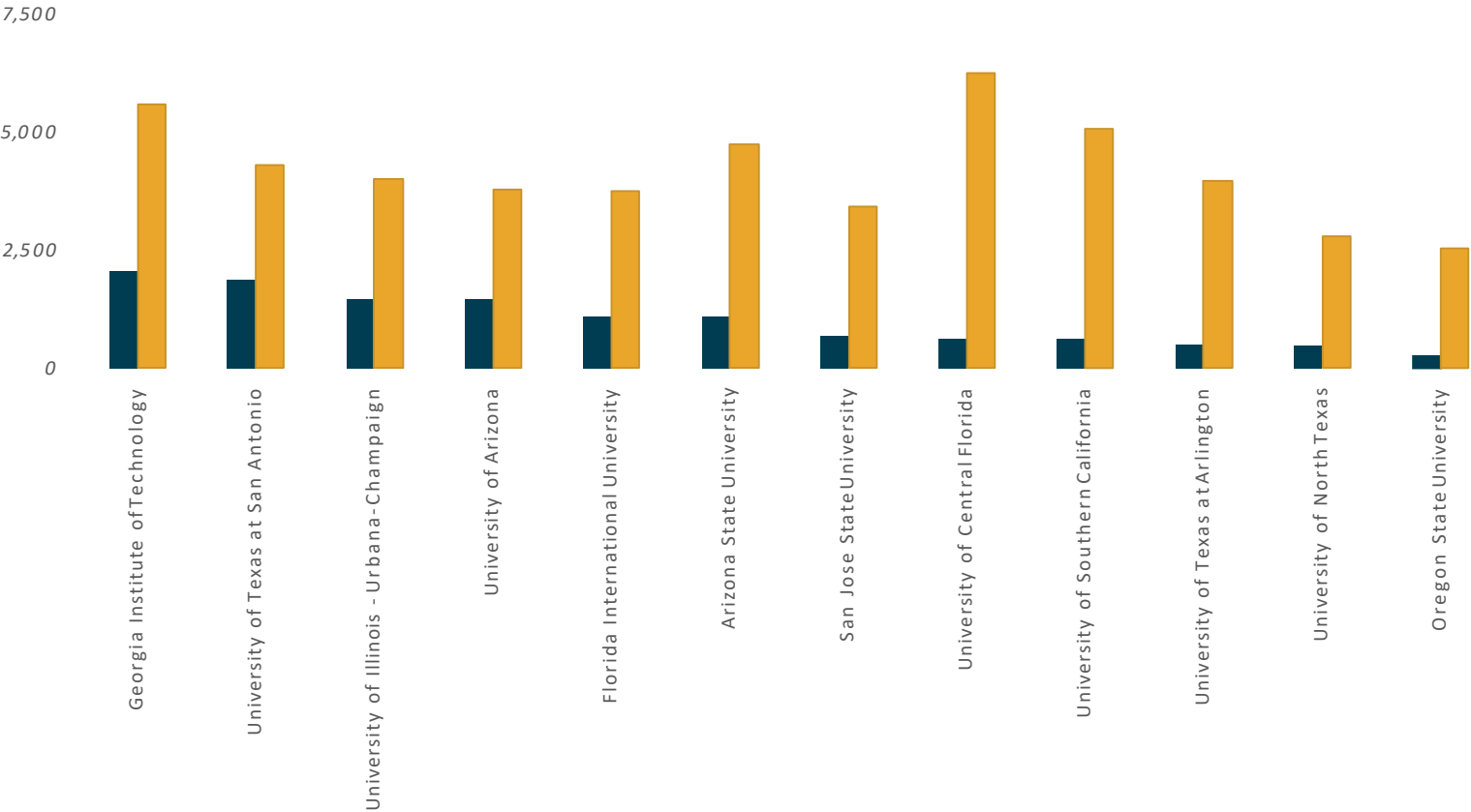
Source: Axiometrics. Student housing (no student competitive) on- and off-campus under construction or under construction / lease-up stage, as of January 23, 2020.



## STUDENT HOUSING PIPELINE ENROLLMENT PROJECTION

Various factors, which may include local permitting requirements, land availability, and the cost to acquire and build, can curb student housing development in some areas. The limited development along with heightened projected college enrollment at some universities may result in an eventual supply-demand imbalance. The 12 universities in the graph have the greatest disparity between the projected five-year growth in enrollment and planned new student housing. 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 CHANGE PROJECTION AND STUDENT HOUSING PIPELINE DISPARITY



Source: Axiometrics. Enrollment estimates and student housing (no student competitive) on- and off-campus under construction and at various stages of the planning / permitting process as of January 23, 2020. Does not include partially completed properties under lease-up.

Total enrollment at some of these universities may include satellite campus and online enrollment.

# FASTEST-GROWING FLAGSHIP UNIVERSITIES | 2019

TOP 5

| 2017-2018<br>GROWTH<br>RANK | SCHOOL                                     | Y-O-Y<br>ENROLLMENT<br>CHANGE | 2018<br>FALL<br>ENROLLMENT | PRELIMINARY<br>2019 FALL<br>ENROLLMENT | 5-YEAR<br>FORECAST |
|-----------------------------|--|-------------------------------|----------------------------|--|--------------------|
| 1                           | Utah Valley University                     | 3,565                         | 39,931                     | 41,735                                 | 3,021              |
| 2                           | Georgia Institute of Technology            | 3,346                         | 32,722                     | 36,336                                 | 5,596              |
| 3                           | California State University Fullerton      | 2,551                         | 38,952                     | 38,222                                 | 1,967              |
| 4                           | University of Central Florida              | 2,383                         | 68,081                     | 68,699                                 | 6,267              |
| 5                           | Texas A&M University                       | 2,271                         | 64,126                     | 64,356                                 | 4,863              |
| 6                           | University of California San Diego         | 2,115                         | 37,887                     | 39,211                                 | 4,456              |
| 7                           | Purdue University                          | 1,838                         | 43,411                     | 43,688                                 | 2,661              |
| 8                           | Georgia State University                   | 1,795                         | 34,643                     | 34,980                                 | 1,815              |
| 9                           | University of Washington                   | 1,733                         | 47,899                     | 48,008                                 | 2,271              |
| 10                          | University of Southern California          | 1,623                         | 47,310                     | 48,551                                 | 5,091              |
| 11                          | University of Texas at San Antonio         | 1,496                         | 32,264                     | 32,881                                 | 4,329              |
| 12                          | University of Illinois at Urbana-Champaign | 1,484                         | 48,682                     | 48,964                                 | 4,025              |
| 13                          | Boise State University                     | 1,386                         | 25,540                     | 25,801                                 | 1,943              |
| 14                          | George Mason University                    | 1,356                         | 37,316                     | 37,924                                 | 2,065              |
| 15                          | Ohio State University                      | 1,333                         | 61,170                     | 61,780                                 | 2,209              |
| 16                          | University of Colorado Boulder             | 1,318                         | 36,548                     | 37,175                                 | 2,495              |
| 17                          | Texas Tech University                      | 1,213                         | 38,209                     | 38,632                                 | 2,858              |
| 18                          | University of Texas at Dallas              | 1,113                         | 28,755                     | 29,498                                 | 4,590              |
| 19                          | North Carolina State University            | 1,047                         | 35,479                     | 35,627                                 | 655                |
| 20                          | University of Georgia                      | 1,046                         | 38,652                     | 39,127                                 | 3,136              |
| 21                          | University of Alabama at Birmingham        | 1,021                         | 21,923                     | 22,609                                 | 2,867              |
| 22                          | University of Houston                      | 960                           | 46,324                     | 47,141                                 | 4,475              |
| 23                          | University of California Santa Barbara     | 919                           | 25,976                     | 26,531                                 | 2,363              |
| 24                          | Louisiana State University                 | 888                           | 30,987                     | 31,243                                 | 568                |
| 25                          | University of North Carolina at Pembroke   | 885                           | 7,137                      | 7,036                                  | 732                |
| 26                          | Washington State University                | 864                           | 31,478                     | 31,846                                 | 2,506              |
| 27                          | University of Cincinnati                   | 858                           | 38,062                     | 38,853                                 | 2,790              |
| 28                          | University at Buffalo -SUNY                | 855                           | 31,503                     | 31,713                                 | 1,330              |
| 29                          | Mississippi State University               | 848                           | 22,201                     | 22,517                                 | 1,584              |
| 30                          | University of California Irvine            | 790                           | 36,032                     | 36,901                                 | 4,957              |
| 31                          | University of Texas at Arlington           | 784                           | 42,496                     | 43,638                                 | 3,995              |
| 32                          | University of California Davis             | 757                           | 38,035                     | 38,556                                 | 3,339              |
| 33                          | University of Michigan                     | 714                           | 46,716                     | 47,626                                 | 3,994              |
| 34                          | Wichita State University                   | 697                           | 15,778                     | 15,905                                 | 810                |
| 35                          | University of Maryland                     | 679                           | 41,200                     | 42,172                                 | 2,887              |
| 36                          | Rutgers University New Brunswick           | 677                           | 50,254                     | 49,475                                 | 1,509              |
| 37                          | Auburn University                          | 664                           | 30,440                     | 31,054                                 | 3,074              |
| 38                          | University of California - Riverside       | 644                           | 23,922                     | 24,125                                 | 2,152              |
| 39                          | University of Alabama in Huntsville        | 635                           | 9,736                      | 9,962                                  | 709                |
| 40                          | California State University - San Marcos   | 617                           | 14,504                     | 14,822                                 | 1,314              |
| 41                          | Western Carolina University                | 605                           | 11,639                     | 11,901                                 | 903                |
| 42                          | University of California Berkeley          | 591                           | 42,501                     | 43,376                                 | 4,851              |
| 43                          | University of Wisconsin - Madison          | 591                           | 44,411                     | 44,366                                 | 126                |
| 44                          | North Carolina A&T State University        | 580                           | 12,142                     | 12,421                                 | 1,015              |
| 45                          | University of Tennessee                    | 573                           | 28,894                     | 29,092                                 | 862                |

Total enrollment at some of these universities may include satellite campus and online enrollment.

# STUDENT HOUSING

2020

CALIFORNIA



TEXAS



FLORIDA



GEORGIA



NORTH CAROLINA



OHIO



ARIZONA



MICHIGAN



VIRGINIA



ALABAMA



COLORADO



SOUTH CAROLINA



## STUDENT ENROLLMENT 5-YEAR OUTLOOK BY STATE

These 12 states are projected to have combined enrollment gains totaling 215,500 students in the next five years. Approximately 133,700 of the 215,500 new students are expected to enroll at Power 5 schools in these states.

Source: Axiometrics University Top 175; Arizona State University; projections subject to change.

# SUPPLY AND DEMAND VARIATION, TOP 50 SCHOOLS | 2019

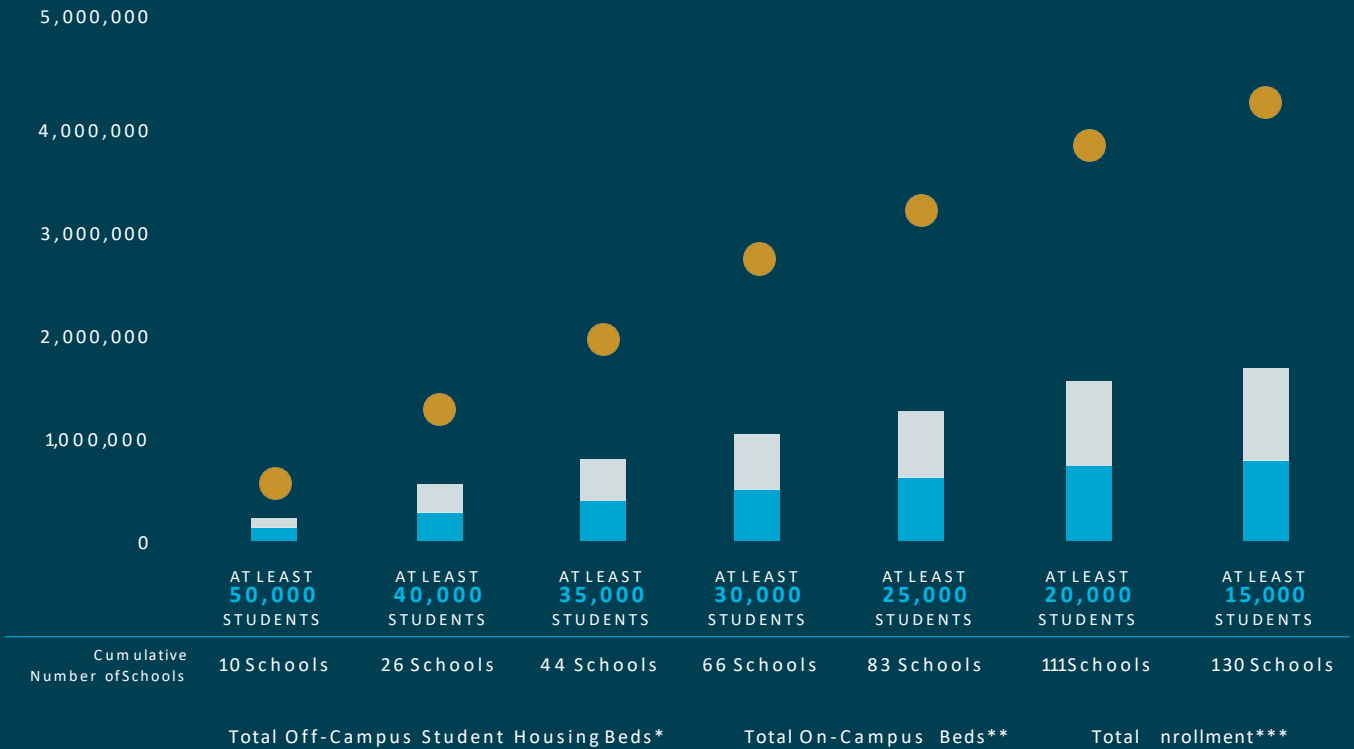
| HOUSING SHORTAGE RANK | SCHOOL   | 2018 FALL ENROLLMENT | 2019 TOTAL SUPPLY (BEDS)* | STUDENTS POTENTIALLY NEEDING HOUSING | PRIVATELY OWNED AVERAGE EFFECTIVE RENT** | 2019/20 TUITION |
|-----------------------|--|----------------------|---------------------------|--------------------------------------|--|-----------------|
| 1                     | Florida International University                 | 51,425               | 16,868                    | 34,557                               | \$1,015                                  | \$6,168         |
| 2                     | California State University Long Beach           | 37,457               | 7,958                     | 29,499                               | \$1,558                                  | \$6,068         |
| 3                     | Utah Valley University                           | 39,931               | 10,730                    | 29,201                               | \$411                                    | \$5,239         |
| 4                     | University of Central Florida                    | 68,081               | 39,621                    | 28,460                               | \$765                                    | \$6,368         |
| 5                     | University of California Berkeley                | 42,501               | 14,346                    | 28,155                               | \$1,083                                  | \$12,125        |
| 6                     | California State University Northridge           | 38,716               | 13,394                    | 25,322                               | \$1,321                                  | \$6,068         |
| 7                     | University of California Los Angeles             | 45,930               | 23,923                    | 22,007                               | \$951                                    | \$12,125        |
| 8                     | University of California Davis                   | 38,035               | 17,935                    | 20,100                               | \$1,042                                  | \$15,071        |
| 9                     | University of Iowa                               | 31,656               | 11,964                    | 19,692                               | \$927                                    | \$8,050         |
| 10                    | Washington State University                      | 31,478               | 12,210                    | 19,268                               | \$637                                    | \$10,268        |
| 11                    | Oregon State University                          | 30,986               | 12,427                    | 18,559                               | \$819                                    | \$9,810         |
| 12                    | University of Colorado Boulder                   | 36,548               | 18,445                    | 18,103                               | \$1,066                                  | \$10,956        |
| 13                    | University of Illinois at Urbana-Champaign       | 48,682               | 30,807                    | 17,875                               | \$710                                    | \$12,036        |
| 14                    | Pennsylvania State University                    | 46,810               | 29,102                    | 17,708                               | \$755                                    | \$18,548        |
| 15                    | University of Cincinnati                         | 38,062               | 20,807                    | 17,255                               | \$759                                    | \$9,536         |
| 16                    | George Mason University                          | 37,316               | 20,388                    | 16,928                               | \$995                                    | \$9,298         |
| 17                    | Brigham Young University                         | 34,499               | 19,450                    | 15,049                               | \$376                                    | \$5,809         |
| 18                    | California State University Fullerton            | 38,952               | 24,074                    | 14,878                               | \$1,064                                  | \$6,068         |
| 19                    | Indiana University                               | 43,503               | 29,018                    | 14,485                               | \$689                                    | \$9,600         |
| 20                    | University of Utah                               | 32,994               | 18,509                    | 14,485                               | \$610                                    | \$8,205         |
| 21                    | Iowa State University                            | 34,992               | 20,926                    | 14,066                               | \$572                                    | \$8,018         |
| 22                    | Ohio State University                            | 61,170               | 47,430                    | 13,740                               | \$892                                    | \$10,840        |
| 23                    | University at Buffalo - SUNY                     | 31,503               | 18,020                    | 13,483                               | \$775                                    | \$7,032         |
| 24                    | Kent State University                            | 28,122               | 14,651                    | 13,471                               | \$716                                    | \$10,212        |
| 25                    | Missouri State University                        | 23,697               | 10,594                    | 13,103                               | \$664                                    | \$6,600         |
| 26                    | University of California Santa Barbara           | 25,976               | 12,888                    | 13,088                               | \$1,149                                  | \$12,125        |
| 27                    | West Virginia University                         | 26,864               | 14,008                    | 12,856                               | \$552                                    | \$9,138         |
| 28                    | Kansas State University                          | 22,221               | 9,422                     | 12,799                               | \$433                                    | \$9,857         |
| 29                    | Boise State University                           | 25,540               | 12,815                    | 12,725                               | \$669                                    | \$5,335         |
| 30                    | University of Wisconsin - Madison                | 44,411               | 32,419                    | 11,992                               | \$928                                    | \$10,735        |
| 31                    | San Jose State University                        | 32,423               | 20,577                    | 11,846                               | \$1,166                                  | \$6,068         |
| 32                    | University of Memphis                            | 21,458               | 9,791                     | 11,667                               | \$701                                    | \$8,563         |
| 33                    | Virginia Tech                                    | 34,181               | 22,645                    | 11,536                               | \$659                                    | \$11,666        |
| 34                    | University of North Texas                        | 38,087               | 26,631                    | 11,456                               | \$665                                    | \$9,185         |
| 35                    | Rutgers University - New Brunswick               | 50,254               | 38,807                    | 11,447                               | \$984                                    | \$12,109        |
| 36                    | Utah State University                            | 17,805               | 6,399                     | 11,406                               | \$426                                    | \$6,558         |
| 37                    | Grand Valley State University - Allendale Campus | 24,677               | 13,582                    | 11,095                               | \$522                                    | \$12,761        |
| 38                    | University of Wisconsin - Milwaukee              | 24,933               | 13,977                    | 10,956                               | \$716                                    | \$8,091         |
| 39                    | University of Minnesota                          | 50,943               | 40,050                    | 10,893                               | \$807                                    | \$13,357        |
| 40                    | University of Akron                              | 18,730               | 7,864                     | 10,866                               | \$637                                    | \$9,430         |
| 41                    | Northern Arizona University                      | 31,073               | 20,448                    | 10,625                               | \$789                                    | \$10,577        |
| 42                    | Purdue University                                | 43,411               | 32,819                    | 10,592                               | \$607                                    | \$9,208         |
| 43                    | California State University Chico                | 17,488               | 7,297                     | 10,191                               | \$716                                    | \$5,472         |
| 44                    | Colorado State University                        | 33,694               | 23,804                    | 9,890                                | \$714                                    | \$10,090        |
| 45                    | California State University Sacramento           | 31,131               | 21,354                    | 9,777                                | \$814                                    | \$6,068         |
| 46                    | University of Massachusetts                      | 26,316               | 16,685                    | 9,631                                | \$1,070                                  | \$15,913        |
| 47                    | University of Arizona                            | 45,217               | 35,669                    | 9,548                                | \$681                                    | \$11,194        |
| 48                    | Auburn University                                | 30,440               | 20,931                    | 9,509                                | \$631                                    | \$9,770         |
| 49                    | Kennesaw State University                        | 35,420               | 26,101                    | 9,319                                | \$752                                    | \$5,673         |
| 50                    | Bowling Green State University                   | 17,540               | 8,444                     | 9,096                                | \$421                                    | \$9,096         |

\*Represents the total of beds in on-campus housing (university owned) and off-campus housing (purpose-built) and student-competitive housing. The bed counts were obtained from Axiometrics 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 2018 to August 2019. Only includes off-campus purpose-built (not student-competitive) properties that have been stabilized for two or more consecutive periods.

# TOTAL ENROLLMENT AND SUPPLY BY SIZE OF SCHOOL

## STUDENT HOUSING 2020



| NUMBER OF STUDENTS       | TOTAL OFF-CAMPUS STUDENT HOUSING BEDS* |       | TOTAL ON-CAMPUS BEDS** | TOTAL ENROLLMENT*** | CUMULATIVE COUNT |
|--------------------------|--|-------|------------------------|---------------------|------------------|
|                          | At Least                               | Count | Count                  | Count               | Count            |
| At Least 50,000 Students | 128,360                                | 10    | 106,157                | 551,985             | 10               |
| At Least 40,000 Students | 257,485                                | 26    | 269,723                | 1,269,238           | 26               |
| At Least 35,000 Students | 375,397                                | 44    | 387,534                | 1,950,810           | 44               |
| At Least 30,000 Students | 487,700                                | 66    | 530,215                | 2,662,702           | 66               |
| At Least 25,000 Students | 580,239                                | 83    | 640,657                | 3,136,492           | 83               |
| At Least 20,000 Students | 701,124                                | 111   | 784,570                | 3,768,253           | 111              |
| At Least 15,000 Students | 753,174                                | 130   | 871,974                | 4,104,354           | 130              |

Among Axiometrics' Top 175 universities that have enrollment exceeding 15,000 students, the total of on-campus and off-campus student housing beds typically accommodates approximately 40% of students enrolled. At Power 5 universities, the housing needs of about 46% of students are met by on- and off-campus housing.

Off-campus beds outnumber on-campus beds among the group of Power 5 universities with at least 35,000 students enrolled. Overall, among Axiometrics' Top 175 universities, off-campus beds exceed on-campus beds only among the group of schools with at least 50,000 students.

\*Fall 2019; student-competitive properties not included

\*\*Fall 2019

\*\*\*Fall 2018 enrollment Axiometrics University Top 175. Some of the top 175 schools had enrollment below 15,000 students.



University of Illinois  
at Urbana-Champaign

# OPPORTUNITY ZONES

## Tapping into the Benefits of QOZs in 2020 and Beyond

It's been two years since the Tax Cuts and Jobs Act created opportunity zones to incentivize long-term investments near economically distressed low-income areas across the United States. To generate this economic activity, the tax code also defined how to create opportunity funds to invest in qualified opportunity zones (QOZ). According to a report from Real Capital Analytics, there is more than \$6 trillion in unrealized capital gains eligible to be deployed into QOZs. Here are the three major tax-advantaged options for investors.

### Reduction of Capital Gains

For two years, beginning January 1, 2020, investments in a qualified opportunity zone fund (QOF) will qualify for a 10% reduction in capital gains taxes on the appreciation of the investment.

### Deferral of Capital Gains

Investors can benefit from a deferral on original capital gains with the potential to receive monthly distributions on the QOF investment.

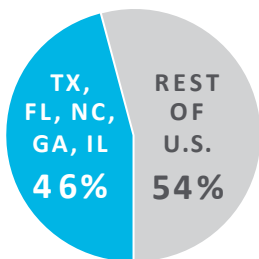
### No Capital Gains Tax on Fund Profits

An investor has the potential of receiving complete elimination of capital gains taxes if they remain in the investment for at least 10 years.

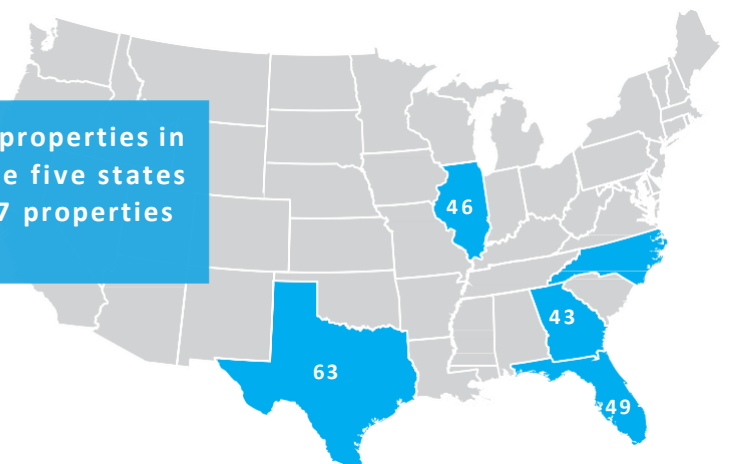
## OPPORTUNITY ZONE PROPERTIES

### TOP FIVE STATES

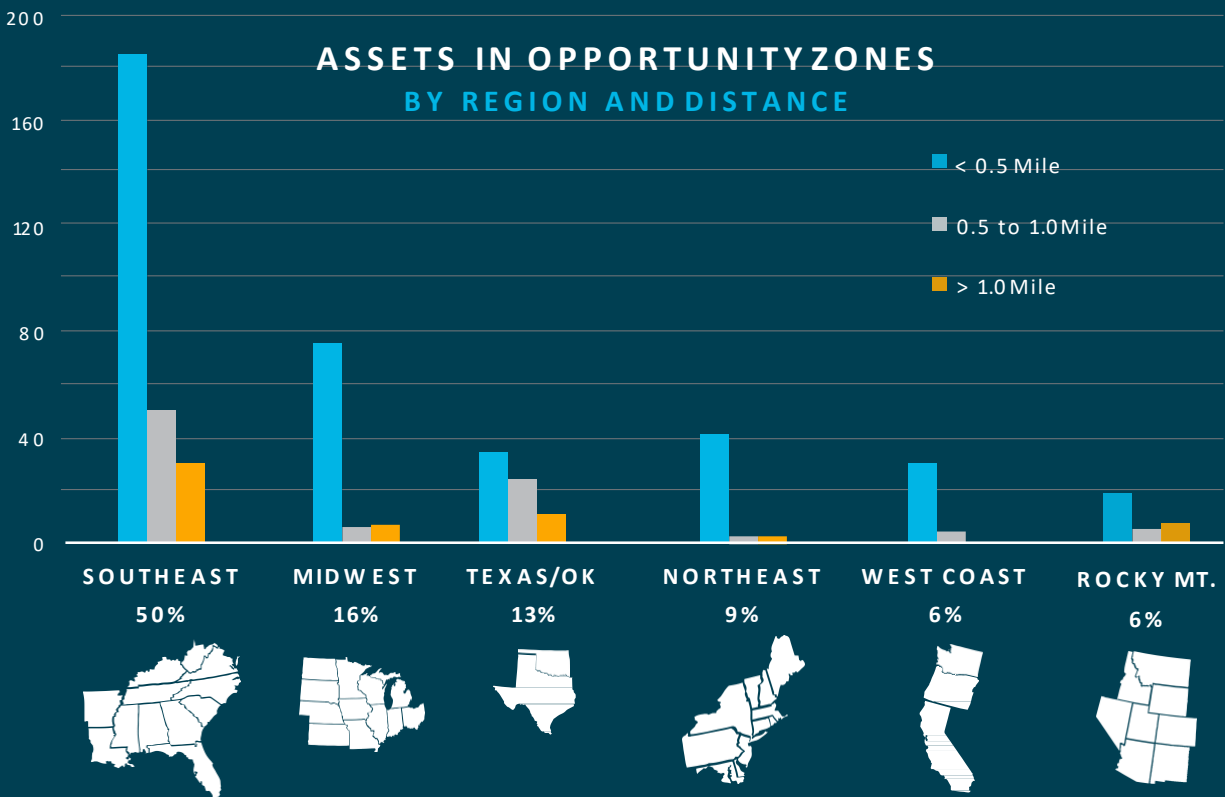
Five states represent the bulk of student housing properties within QOZs. Texas, Florida, North Carolina, Georgia, and Illinois account for 46% of total assets.



Of the 534 properties in QOZs, these five states contain 247 properties combined.







About one-fourth, or 534 properties, are situated within Qualified Opportunity Zones (QOZs). These student housing assets are predominately in the Southeast Region (50%) and are most likely to be situated less than a half mile from the university regardless of region.

## INDIVIDUAL ASSETS | BY ENROLLMENT

The **top three universities** with the greatest number of assets are University of Illinois at Urbana-Champaign with 42 properties, Florida State University with 38 properties, and Georgia Southern University with 21 properties. These three universities and the 101 assets tied to them account for 14% of the total bed count among all assets in QOZs.

| UNIVERSITY                                 | # OF ASSETS | BED COUNT       |
|--|-------------|-----------------|
| <b>Less Than 20,000 Students</b>           | <b>124*</b> | <b>43,213*</b>  |
| Western Carolina University                | 14          | 3,329           |
| Appalachian State University               | 11          | 1,771           |
| University of West Georgia                 | 10          | 3,963           |
| University of Mississippi                  | 8           | 4,953           |
| Valdosta State University                  | 6           | 2,080           |
| <b>20,000 - 30,000 Students</b>            | <b>156*</b> | <b>80,452*</b>  |
| Georgia Southern University                | 21          | 11,891          |
| University of Kentucky                     | 11          | 6,312           |
| University of Arkansas                     | 11          | 6,499           |
| University of Tennessee                    | 10          | 5,288           |
| University of Oregon                       | 9           | 4,146           |
| <b>30,000+ Students</b>                    | <b>254*</b> | <b>119,604*</b> |
| University of Illinois at Urbana-Champaign | 42          | 9,820           |
| Florida State University                   | 38          | 12,741          |
| Texas State University                     | 21          | 9,738           |
| Texas A&M University                       | 17          | 11,030          |
| Auburn University                          | 16          | 8,110           |



# 2020 TownCenter Partners LLC Student Housing **TRANSACTIONS**



The Landing  
Cal State - Long Beach  
304 Beds



Tailor Lofts  
UIC  
441 Beds



Spring Place  
UNC-Greensboro  
576 Beds



Campus Edge  
Tennessee Tech  
288 Beds



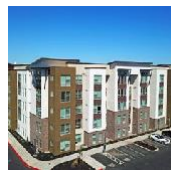
University Village  
Eastern Illinois  
University  
323 Beds



The Lyndon  
Texas State  
University  
515 Beds



The Rockland  
University of Kansas  
647 Beds



The Crossings  
CSU -Sacramento  
750 Beds



Palazzo at  
Campus Pointe  
Fresno, CA  
928 Beds



Quarry Trail  
University of  
Tennessee  
252 Beds



Seminole Trails2  
Tallahassee, FL  
368 Beds



The Venetian  
Tallahassee, FL  
384 Beds



The Union  
Corvallis, OR  
604 Beds



Capstone Cottages  
of Lubbock  
Lubbock, TX  
969 Beds



1047  
Commonwealth  
Boston, MA  
240 Beds



The Edge  
at Oakland  
Auburn Hills, MI  
244 Beds



Mustang Ranch  
Stephenville, TX  
501 Beds



The Place at 117  
Savoy, IL  
588 Beds



The Union  
at Dearborn  
Dearborn, MI  
436 Beds



Station 74  
Murray, KY  
268 Beds

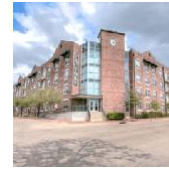
# 2020 TownCenter Partners LLC Student Housing **TRANSACTIONS**



20 Hawley Street  
Binghamton, NY  
290 Beds



The Rockland  
Lawrence, KS  
647 Beds



Warehouse & Factory  
College Station, TX  
260 Beds



CollegePlace  
FSU1 and FSU2  
Tallahassee, FL  
290 Beds



The Metropolitan  
San Marcos, TX  
166 Beds



Elston Point  
Lafayette, IN  
68 Beds



1008 S Fourth  
Champaign, IL  
104 Beds



908 First  
Champaign, IL  
96 Beds



501 Sixth Street  
Champaign, IL  
91 Beds



307 E Daniel  
Champaign, IL  
40 Beds



Sahara Apartments  
Tucson, AZ  
173 Beds



Oxford Hill  
Apartments  
Charlottesville, VA  
384 Beds



The Foundry  
Tyler, TX  
674 Beds



CEV Weatherford  
Weatherford, OK  
356 Beds



Grand Forest  
Apartments  
Knoxville, TN  
300 Beds



Park at Via Velino  
Melbourne, FL  
360 Beds



The Pointe at MSU  
Starkville, MS  
1,392 Beds



Villages at  
Chapel Hill  
Carrboro, NC  
486 Beds



The Social 2700  
Student Spaces  
Tallahassee, FL  
696 Beds

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# TownCenter Partners LLC STUDENT HOUSING

## Historic Closings

