



Yardi[®] Matrix

National Student Housing Report

February 2024



Preleasing Continues to Expand Lead on Previous Years

Student housing preleasing continues to be robust even as rent growth has decelerated in recent months. Early data suggests the combination of strong enrollment growth and less new supply is driving performance in many university markets.

- Preleasing for the 2024-2025 school year has continued to surge past last year's record highs, reaching 54.5% in January 2024, up 710 basis points from the same month a year ago. The year-over-year spread has expanded as enrollment growth has driven strong demand in both large and small student housing markets. Twenty-two schools are already at least 75% preleased, while four are above 90%.
- At \$863 per bed in January 2024, asking rates have continued to set new highs at Yardi 200 schools. Year-over-year rent growth fell to 4.4% in January, down from 6.3% a year ago and 6.5% at the beginning of the leasing season. Solid preleasing compared to previous years suggests another stellar year for revenue growth. Most beds for the 2024-2025 school year are already accounted for.
- Fall 2023 enrollment data for 165 schools indicates a rebound in enrollment growth. Total enrollment is up 0.8% from last year, compared to -0.3% growth in fall 2022, and has benefited mostly primary state schools. The best-performing schools for preleasing and rent growth include the University of Tennessee, University of Mississippi and University of Kentucky.
- Yardi Matrix's supply forecast projects 46,285 new beds will deliver in 2024, a sharp increase from 35,610 beds delivered in 2023 and near the peak years of 2013 and 2014. Over the next five years, supply will drop below the long-term average of 36,322 beds per year going back to 2010.
- Student housing investment was down considerably in 2023, with only 76 properties sold compared to an average of 205 properties sold in 2021 and 2022. Only five portfolios sold last year, half of the average of the previous five years. Less activity translated to a lower price per bed of \$75,410 in 2023, vs. over \$80,000 per bed in the previous five years. Owners held on to their best assets.

