



Yardi[®] Matrix

National Student Housing Report

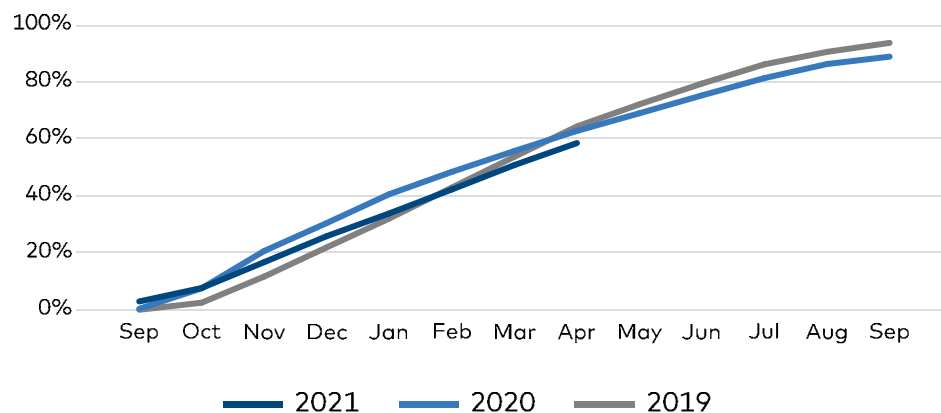
June 2021



Student Housing Poised for Growth in 2021

- As the economy opens and vaccines continue to be distributed across the U.S., the outlook for the student housing industry is strengthening. Most universities have announced reopening plans for the fall semester, with many expecting all students on campus and vaccinated.
- Preleasing for the fall 2021 term is still lagging prior years. As of April, preleasing was at 58.6% for the Yardi 200, about 4.2% below the same time last year and 5.8% below 2019. We anticipate preleasing will continue to improve in the coming months as more students are vaccinated and those who took a year off return to campus this fall.
- Year-over-year rents for dedicated off-campus student housing properties dipped earlier this year, but have started to tick upward again. Rent growth for the Yardi 200 was 1.2% year-over-year as of April, up from 0.6% year-over-year in March. We expect rents will remain fairly stable or increase modestly, as demand for student housing properties accelerates through the summer.
- In general, universities in Eastern states have had better preleasing and rent growth, while universities in Western states have struggled a bit more. There is also a noticeable trend in campus settings, as college towns have generally performed better. These universities face less competition from conventional multifamily properties in the shadow market.
- Overall, we have a positive outlook for the dedicated off-campus student housing industry going into the upcoming fall term and beyond. Many factors are pointing to increased student housing demand, fueled by students who took a gap year now enrolling in four-year institutions, new high school graduates, and the gradual return of international students. As the industry begins to approach a sense of pre-pandemic normalcy, a potential headwind to watch will be localized supply-demand imbalances.

Yardi 200 Prelease Curves



Source: Yardi Matrix