

2016 YEAR-END REPORT

- 10.35B in total sales volume and 174 individual transactions, highest sales volume year in student housing history
- Highest pricing recorded in all categories across the industry
- Class A sales pricing averaged \$217/square foot
- Class B/C traded at \$126/square foot
- Average cap rate was 6% across all asset classes
- 98 properties with 42,816 beds were developed
- Midwest region had the highest number of properties developed in the U.S. at 32 total properties
- Southeast region had the second highest number of properties developed in the U.S. at 30 total properties

2017 PROJECTIONS

- 107 properties with 50,447 beds are in the pipeline to be delivered
- 2017 deliveries will exceed 2016 and cap a five-year development boom in the student housing industry
- Midwest has the highest number of properties in the pipeline at 32
- Southeast has the second highest properties in the pipeline at 26

“The introduction of new, institutional capital as well as the acquisition of large, strategic portfolios represents rapid consolidation and maturation of our sector. This is precisely what has already occurred in other commercial real estate niches. U.S. student housing’s attractiveness to investors worldwide has never been greater.”

Robert Bronstein, CEO The Scion Group

INDUSTRY OVERVIEW

- Student Housing product has become a mainstay in most real estate investment portfolios with 40% of institutional investors now investing in it
- High density core product in primarily pedestrian to campus locations remains an investor focus
- More foreign capital coming into the student housing industry than ever before

“2016 was another banner year for the student housing industry with over \$10B of transactions. Foreign and domestic investors continue to be attracted to the recession-resistant stable cash flows that student housing assets provide. I think this trend will continue into 2017 and beyond.”

- Randy Churchey, EdR’s CEO

