CUSHMAN & WAKEFIELD

U.S. MARKET TRENDS & VALUATION INDICES
STUDENT HOUSING

2025-26 ACADEMIC YEAR

Better never settles

IN THIS REPORT

U.S. STUDENT HOUSING HIGHLIGHTS

- As political, economic and social undercurrents challenge the U.S. student housing sector, property market fundamentals reflect continued resiliency as the 2025-2026 academic year kicks off with favorable property market indications.
- Secular tailwinds remain strong despite a decline in international enrollment, down by over 11% from March 2024 to March 2025, equating to 130,000 fewer students with graduate programs hit the hardest. Despite this decline, overall enrollment going into the fall 2025 semester is still projected to outpace 2024.
- Student housing property markets remain stratified yet continue to move in a positive direction. As of September 9, 2025, the start of the Fall 2025 semester, national average asking rent per bed hit $1,017, up 3.4% year-over-year, with average occupancy at 91.6%, according to College House.
- Average occupancy was down by only 0.3% YoY at the start of the fall 2025 semester, after strong pre-leasing activity in the late summer months, as markets worked to absorb new supply of beds.
- While overall average rent growth is down from the double-digit increases achieved in 2022–2023, it reflects a more sustainable trajectory and still outpacing the broader multifamily sector.
- Construction continues to trend downward as a percentage of supply, signaling favorable market dynamics from a supply vs. demand standpoint. The favorable property market fundamentals currently exhibited by the sector are expected to continue as construction levels remain below historical levels and enrollment trends continue to push upward.
- Cushman & Wakefield's Student Housing Valuation Indices report on an aggregate $27 billion in market valuations completed throughout the U.S. on a trailing 12-month basis, as of the 2025-2026 academic year. These indices report valuations averaging $129,230 per bed, with lower to upper deciles ranging from $48,226 to $265,260 per bed. Capitalization rates averaged 5.38%, with lower to upper deciles ranging from 6.08% to 4.88%, based on Year 1 stabilized NOI.
- While capitalization rate indications showed little variance based on distance from campus, properties located within 0.5 miles of campus achieved a 33% premium on valuation over properties located greater than 0.5 miles from campus.
- Of the Power 4 conferences, the Big 10 achieved the highest per bed average valuation at $149,527 with the SEC achieving an average upper decile valuation indication at $304,896 per bed.
- Institutional capital is returning to the market, with year-to-date intuitional investments in representing 35% of total investment volume, a trend that is expected to continue. Cross-boarder investment is also ticking upward at 11% of deal volume YTD.
- Despite positive momentum, market participants remain cautious with student housing loan maturities set to exceed $12 billion within the next 24 months. The percentage of distressed sales elevated from a 0.37% low in 2018 to 2.3% of total transaction volume YTD in 2025, still well below the 16% peak that was reached during the GFC (2009), highlighting the resiliency of the sector.
- Student housing valuations have bottomed with early indications suggesting positive valuation growth going into the second half of 2025, primarily driven by favorable leasing activity going into the Fall 2025 semester along with a stabilizing capital markets environment.

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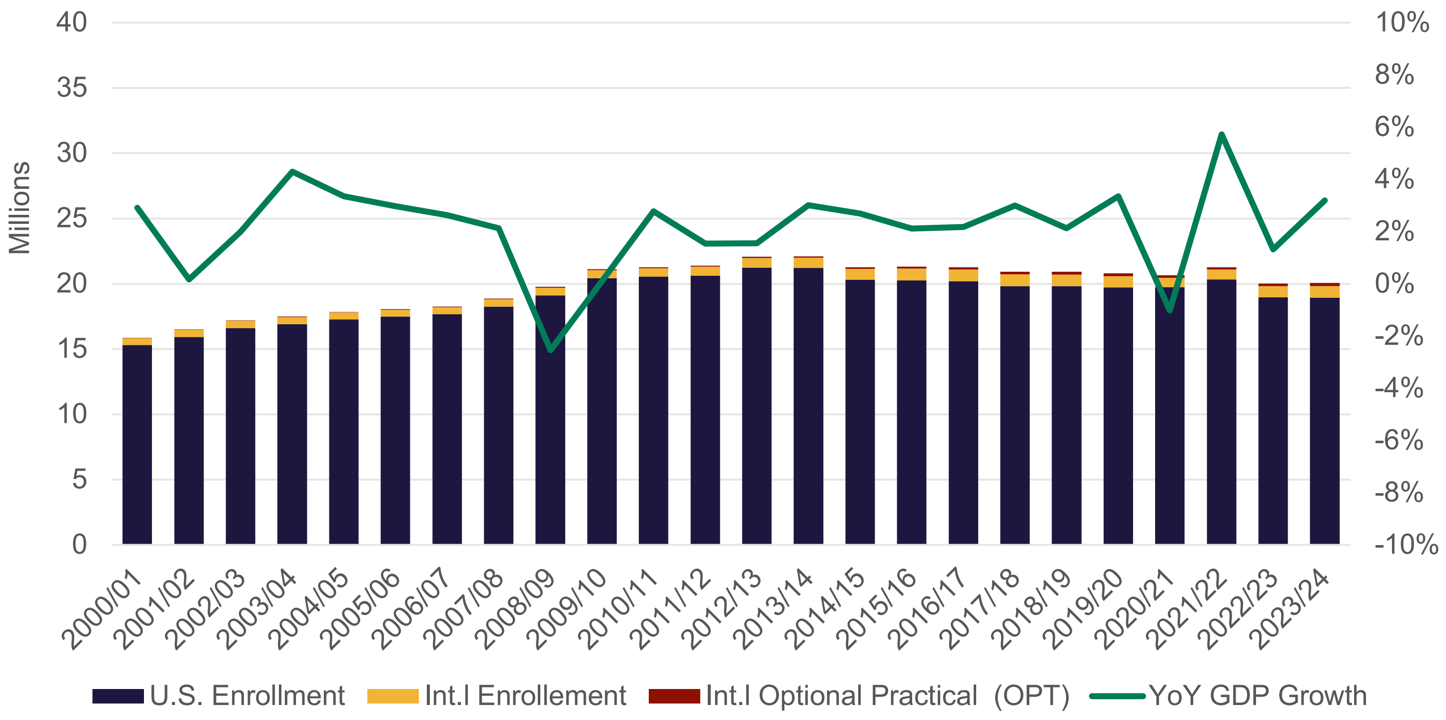
PROPERTY MARKETS FUNDAMENTALS

U.S. ENROLLMENT TRENDS VS. GDP

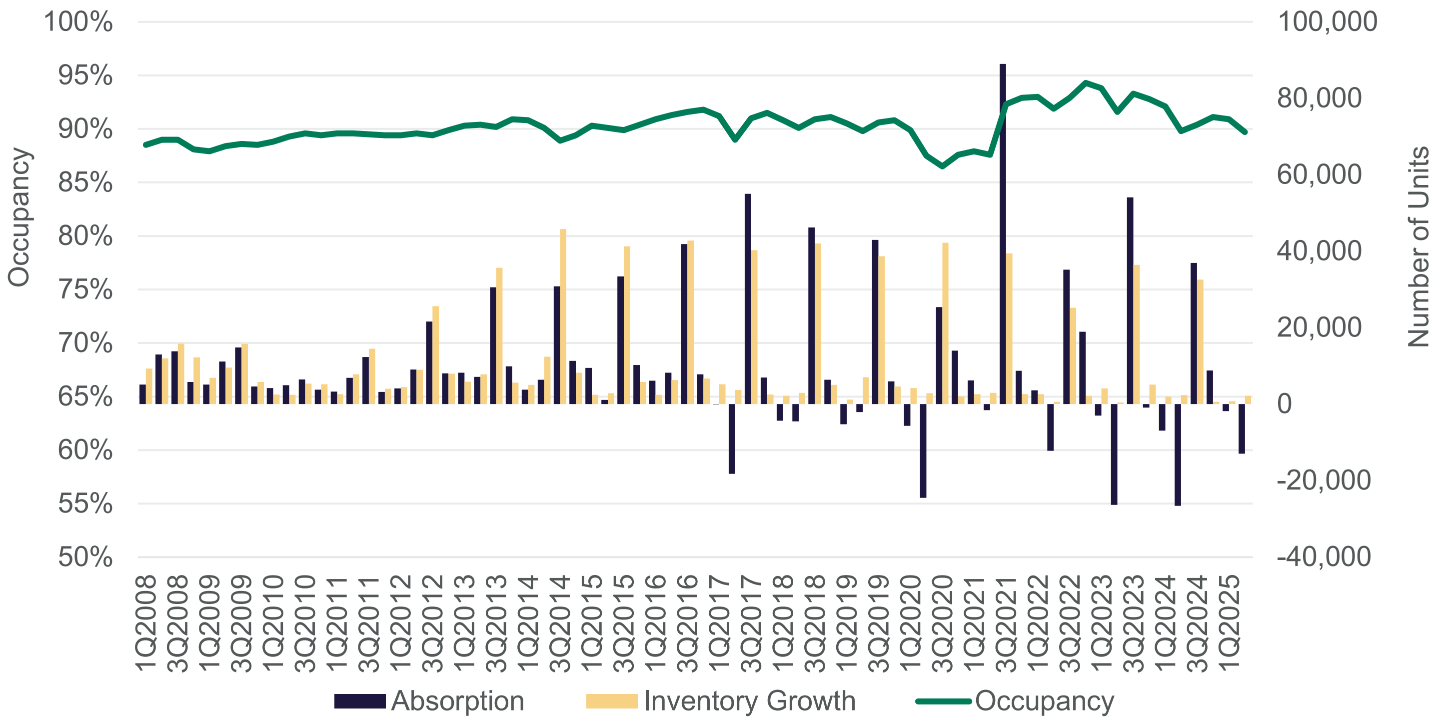


Source: U.S. Census Bureau (BOC): Current Population Survey - October Supplement; U.S. Bureau of Economic Analysis (BEA)

- While overall enrollment, remained relatively flat for the 2023/2024 academic year after a surge of enrollment in 2021/2022. In the Spring of 2025, total postsecondary enrollment increased by 3.2%, with undergraduate enrollment up 3.5% and graduate enrollment up 1.5%, according to a study by National Student Clearinghouse Research Center.
- Adult learners are returning in greater numbers, supported by innovative outreach and re-engagement initiatives. Dual enrollment programs are thriving, giving high school students early access to college-level learning.
- International student enrollment dropped by over 11% from March 2024 to March 2025, equating to 130,000 fewer students. OPT participants were warned of deportation for minor reporting delays, and the administration signaled plans to tighten or restructure the program, undermining career pathways for international graduates and reduces the appeal of U.S. education. Graduate programs were hit hardest, with postgraduate enrollment down 13% and doctoral programs down 4.5%.
- With GDP being one of the primary demand drivers for collegiate level education, recent trends indicate favorable tailwinds.

PROPERTY MARKETS

Property markets remain stratified

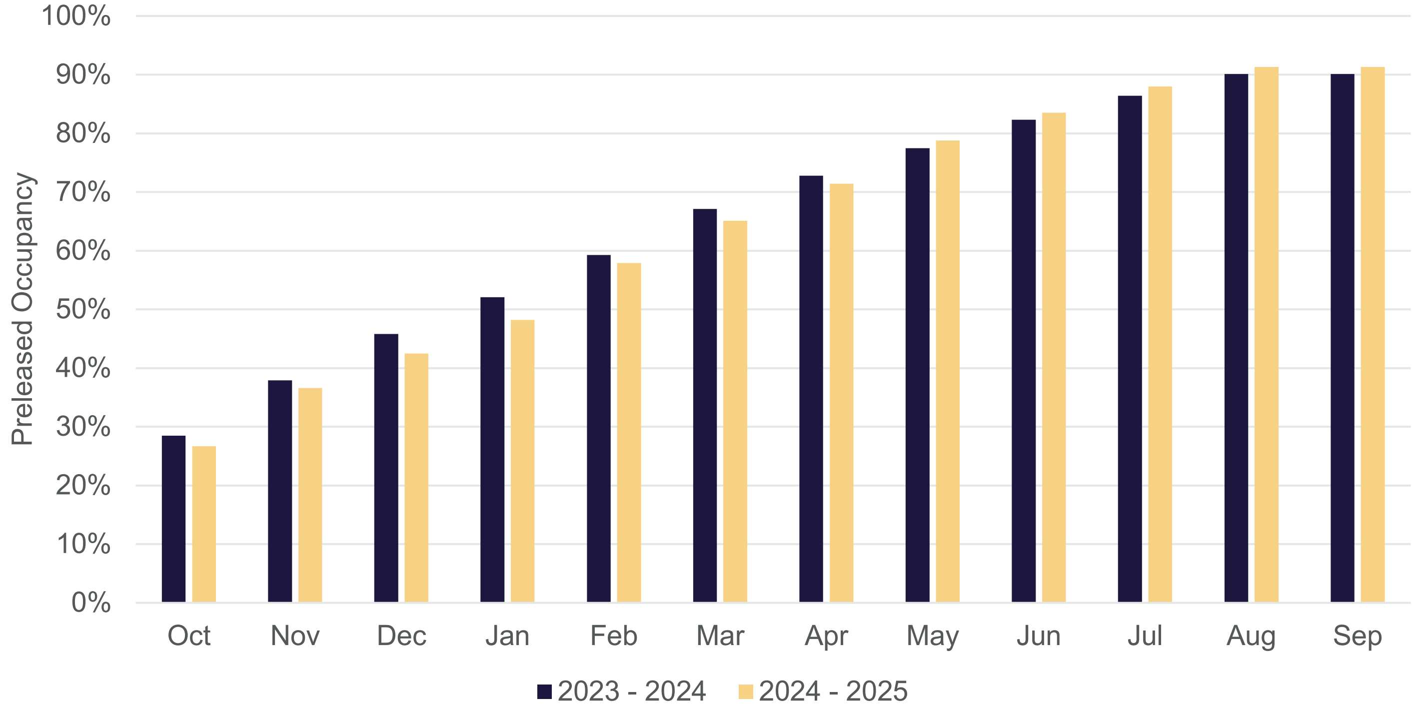


Source: CoStar, Q2 2025; College House; & Cushman & Wakefield Research

- Student housing property markets remain stratified yet continue to move in a positive direction. As of September 9, 2025, the start of the Fall 2025 semester, national average asking rent per bed hit $1,017, up 3.4% year-over-year, with average occupancy at 91.6%, according to College House.
- While this rent growth is slower than the double-digit hikes seen in 2022–2023, it reflects a more sustainable trajectory and still outpacing the broader multifamily sector.
- Average occupancy started the Fall 2025 semester down by only 0.3% YoY, after strong pre-leasing activity in the later summer months, as markets work to absorb new supply of beds coming on-line.
- Power 4 Conference Universities, comprised of the SEC, Big 10, Big 12 and ACC continue to lead the way, with a proportionate share of the markets still achieving double digit rent growth, YoY.
- At a market level, living close to campus has become more of an emphasis for college students, with the largest rent growth in the communities that are located within one-mile of campus.

PROPERTY MARKETS

Preleasing trends remain strong going into the fall semester



Source: College Housing; Yardi Matrix; Cushman & Wakefield Research

- In spring 2025, the number of undergraduate students reached 15.3 million, up nearly 0.67% from 15.2 million at the undergraduate level recorded in 2023. Though a potential decline in international students is a concern for fall admissions, a peak in high school graduates and continued consolidation in smaller universities will help drive enrollment at larger or primary universities.
- National preleasing reached 91.1%, up 110 basis points year-over-year. However, this is still below 2022 levels due to new supply straining some markets.
- As of September 1, 2025, preleasing activity was up 1.3% year-over-year with the average rate per bed up 3.5% year-over-year.
- Pre-leasing for the Power 4 universities showed a clear premium, starting the Fall 2025 semester with 95.6% of the supply pre-leased.
- College House further reported increased competition from shadow supply, specifically concessions offered by conventional multifamily apartments in-lease-up and reported as a “temporary drag” on student housing occupancy that will be short-lived as these apartment buildings stabilize.

POWER 4 MARKET SEGMENTATION

CUSHMAN & WAKEFIELD

SEC

1. University of Tennessee
2. University of Kentucky
3. University of Mississippi
4. University of Arkansas
5. Auburn University
6. Louisiana State University
7. University of Georgia
8. University of Oklahoma
9. Texas A&M University
10. University of Alabama
11. University of South Carolina
12. University of Texas at Austin
13. University of Florida
14. University of Missouri
15. Vanderbilt University
16. Mississippi State University

BIG TEN

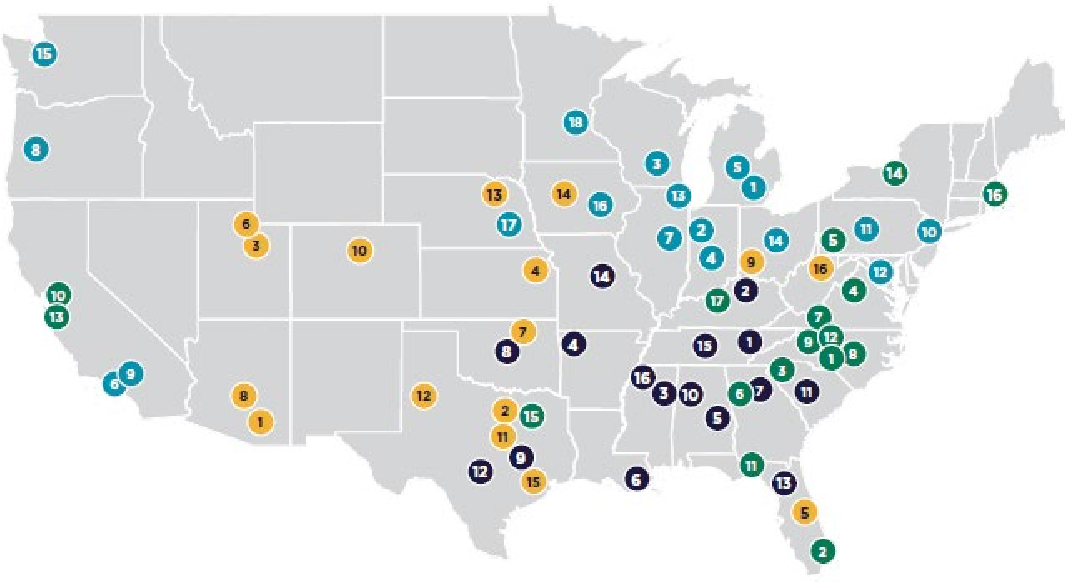
1. University of Michigan
2. Purdue University
3. University of Wisconsin - Madison
4. Indiana University
5. Michigan State University
6. University of Southern California
7. University of Illinois - Urbana-Champaign
8. University of Oregon
9. University of California - Los Angeles
10. Rutgers University - New Brunswick
11. Pennsylvania State University
12. University of Maryland
13. Northwestern University
14. Ohio State University
15. University of Washington
16. University of Iowa
17. University of Nebraska - Lincoln
18. University of Minnesota

BIG12

1. University of Arizona
2. Texas Christian University
3. Brigham Young University
4. University of Kansas
5. University of Central Florida
6. University of Utah
7. Oklahoma State University
8. Arizona State University
9. University of Cincinnati
10. University of Colorado - Boulder
11. Baylor University
12. Texas Tech University
13. Kansas State University
14. Iowa State University
15. University of Houston
16. West Virginia University

ACC

1. University of North Carolina
2. University of Miami
3. Clemson University
4. University of Virginia
5. University of Pittsburgh
6. Georgia Institute of Technology
7. Virginia Polytechnic Institute and State University
8. North Carolina State University
9. Wake Forest University
10. University of California - Berkeley
11. Florida State University
12. Duke University
13. Stanford University
14. Syracuse University
15. Southern Methodist University
16. Boston College
17. University of Louisville

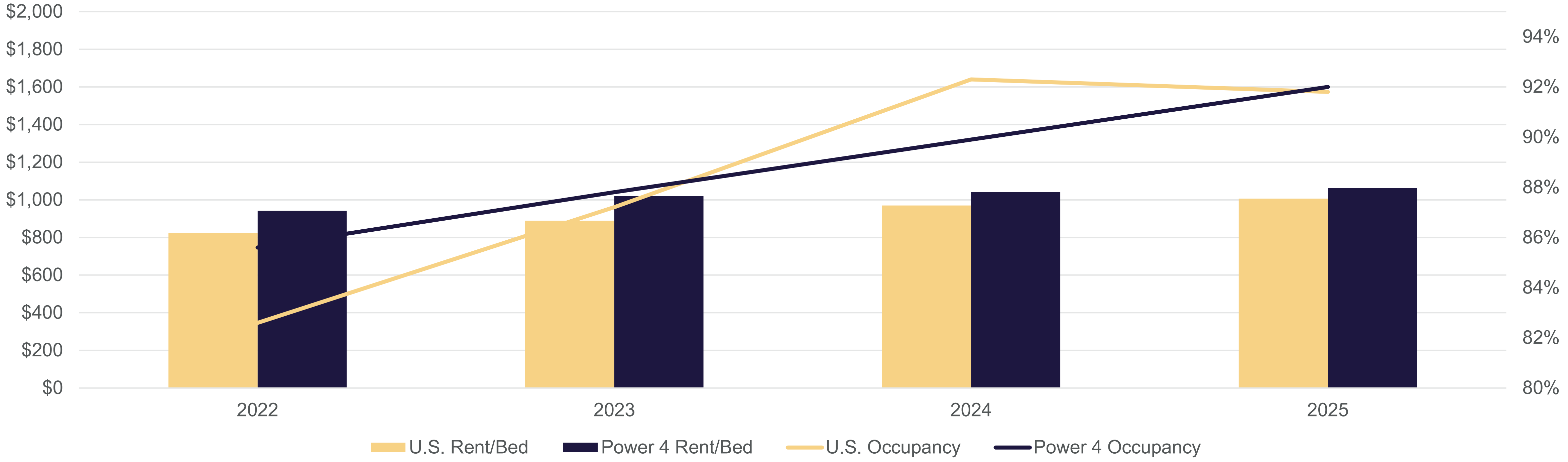


- The Power 4 is made up of the SEC, ACC, Big Ten and Big 12. A total of 67 universities, with 2.5 million students enrolled in the 2024-2025 school year.
- These universities support large student populations – often exceeding 30,000 students each.
- At these schools, university-owned housing is often insufficient -creating demand for off-campus housing units.

Source: Cushman & Wakefield Research

PROPERTY MARKETS

Power 4 Key Metrics and Trends



853,000	$1,062	92%	95.6%	3.4%
Purpose-Built Beds	Avg. Rate Per Bed	Current Occupancy	Pre-Leased	YoY Rent Growth

Source: College House 9/12/2025; Cushman & Wakefield

PROPERTY MARKETS

Power 4 Snapshot by University

SEC	Total Enrollment	Undergrad Enrollment	YoY Enrollment Growth	Monthly Room Rate	YoY Rent Growth	Current Occupancy	Pre-leased	Purpose Built Beds	Beds Planned or Construction
Auburn University	34,145	27,907	1.90%	$1,028	16%	97%	95.80%	18,703	3,152
Louisiana State University	41,705	34,242	3.80%	$798	8%	93%	93.60%	17,193	1,950
Mississippi State University	23,150	18,567	-	$671	1%	90%	92.60%	9,874	-
Texas A&M University	78,321	60,710	2.30%	$848	2%	92%	91.80%	44,667	5,683
University of Alabama	40,846	34,389	1.20%	$966	15%	87%	88.90%	14,803	196
University of Arkansas	33,610	28,859	4.40%	$860	-3%	88%	93.20%	15,712	5,029
University of Florida	54,814	34,924	-	$912	8%	96%	96.20%	35,429	1,257
University of Georgia	43,146	32,399	2.40%	$954	5%	93%	92.30%	20,711	3,019
University of Kentucky	34,710	25,535	2.50%	$1,075	10%	99%	97.30%	9,097	2,154
University of Mississippi	26,449	21,585	4.20%	$923	23%	99%	96.70%	16,627	6,456
University of Missouri	31,543	24,449	-	$763	10%	98%	99.50%	12,307	-
University of Oklahoma	30,873	23,351	2.30%	$743	4%	93%	92.00%	8,677	677
University of South Carolina	38,532	30,187	2.50%	$924	5%	94%	94.20%	20,026	3,981
University of Tennessee	38,728	30,564	5.80%	$1,154	2%	93%	91.60%	18,059	3,633
University of Texas at Austin	53,864	43,165	1.30%	$1,256	5%	93%	93.40%	32,124	3,065
Vanderbilt University	13,575	7,221	0.60%	$1,626	10%	81%	92.80%	2,923	-

Source: College House, 9/12/2025

PROPERTY MARKETS

Power 4 Snapshot by University

Big Ten	Total Enrollment	Undergrad Enrollment	YoY Enrollment Growth	Monthly Room Rate	YoY Rent Growth	Current Occupancy	Pre-leased	Purpose Built Beds	Beds Planned or Construction
Indiana University	49,857	39,413	3.00%	$1,002	-4.70%	87%	86.10%	14,737	1,492
Michigan State	52,526	42,041	0.80%	$1,575	-2.70%	94%	89.30%	14,245	1,700
Northwestern University	23,409*	8,847*	3.6%	-	-	-	-	-	-
Ohio State University	60,885	46,112	-0.90%	$1,179	-2.10%	87%	87.40%	9,564	1,575
Pennsylvania State	50,414	43,393	1.90%	$1,107	1.80%	95%	94.80%	19,107	1,023
Purdue University	59,906	45,260	2.10%	$1,068	3.70%	92%	90.90%	19,580	4,807
Rutgers University	50,874	36,752	0.50%	$1,525	-1.60%	98%	98.90%	3,209	-
University of California – LA	49,021	33,368	1.30%	$1,426	-15.30%	86%	92.70%	13,026	1,575
University of Illinois	59,977	37,843	1.20%	$1,022	1.10%	97%	95.20%	15,008	1,241
University of Iowa	30,619	22,738	-2.90%	$918	1.20%	90%	90.00%	6,218	-
University of Maryland	42,232	31,312	1.20%	$1,241	-1.10%	96%	96.10%	19,222	4,554
University of Michigan	53,999	35,202	2.30%	$1,575	-2.70%	91%	91.30%	12,624	2,622
University of Minnesota	57,805	42,607	2.00%	$942	0.40%	89%	88.90%	16,228	-
University of Nebraska	22,329	18,384	-2.50%	$727	4.20%	94%	91.30%	4,964	-
University of Oregon	25,092	21,307	2.80%	$994	0.20%	78%	87.00%	12,888	2,741
University of Southern Cal	46,952	21,913	-0.50%	$1,426	-15.30%	88%	92.70%	13,026	0
University of Washington	57,067	40,754	3.30%	$1,568	1.0%	88%	91.30%	10,496	1,128
University of Wisconsin	53,813	40,556	3.30%	$1,376	4.00%	96%	95.90%	13,239	5,324

Source: College House, 9/12/2025

**reflects 2022 enrollment as most recent available*

PROPERTY MARKETS

Power 4 Snapshot by University

Big 12	Total Enrollment	Undergrad Enrollment	YoY Enrollment Growth	Monthly Room Rate	YoY Rent Growth	Current Occupancy	Pre-leased	Purpose Built Beds	Beds Planned or Construction
Arizona State University	58,130	48,282	1.70%	$1,075	-5.60%	94%	94.80%	22,463	4,418
Baylor University	20,904	14,856	1.30%	$773	0.60%	87%	85.60%	7,585	-
Brigham Young University	36,252	33,287	1.10%	$558	8.30%	95%	96.70%	11,799	-
Iowa State University	30,140	25,440	-1.00%	$675	10.80%	96%	93.90%	11,775	-
Kansas State University	20,228	15,224	-0.30%	$533	5.80%	94%	94.40%	2,752	-
Oklahoma State University	26,431	22,660	1.80%	$676	5.80%	96%	98.50%	5,557	-
Texas Christian University	13,308	11,374	2.90%	$1,021	-1.20%	95%	94.30%	3,933	779
Texas Tech University	40,747	32,257	0.00%	$628	-3.70%	84%	85.00%	18,547	1,284
University of Arizona	59,123	47,287	4.60%	$1,062	-7.10%	87%	88.10%	16,011	1,596
University of Central Floride	69,056	59,202	-0.50%	$1,040	0.60%	94%	94.50%	31,596	7,374
University of Cincinnati	47,003	34,533	3.20%	$1,051	-2.40%	82%	83.90%	8,395	3,351
University of Colorado	41,194	33,916	1.50%	$1,747	12.00%	92%	92.90%	4,559	1,340
University of Houston	47,949	38,876	-0.10%	$1,039	7.30%	77%	86.60%	5,521	-
University of Kansas	30,921	22,633	3.90%	$765	6.70%	96%	96.40%	8,085	755
University of Utah	37,669	28,880	2.1%	$1,256	-5.50%	98%	99.50%	2,139	1,192
West Virginia University	22,715*	18,614*	-	$650	3.20%	88%	88.20%	6,973	-

Source: College House, 9/12/2025

**reflects 2022 enrollment as most recent available*

PROPERTY MARKETS

Power 4 Snapshot by University

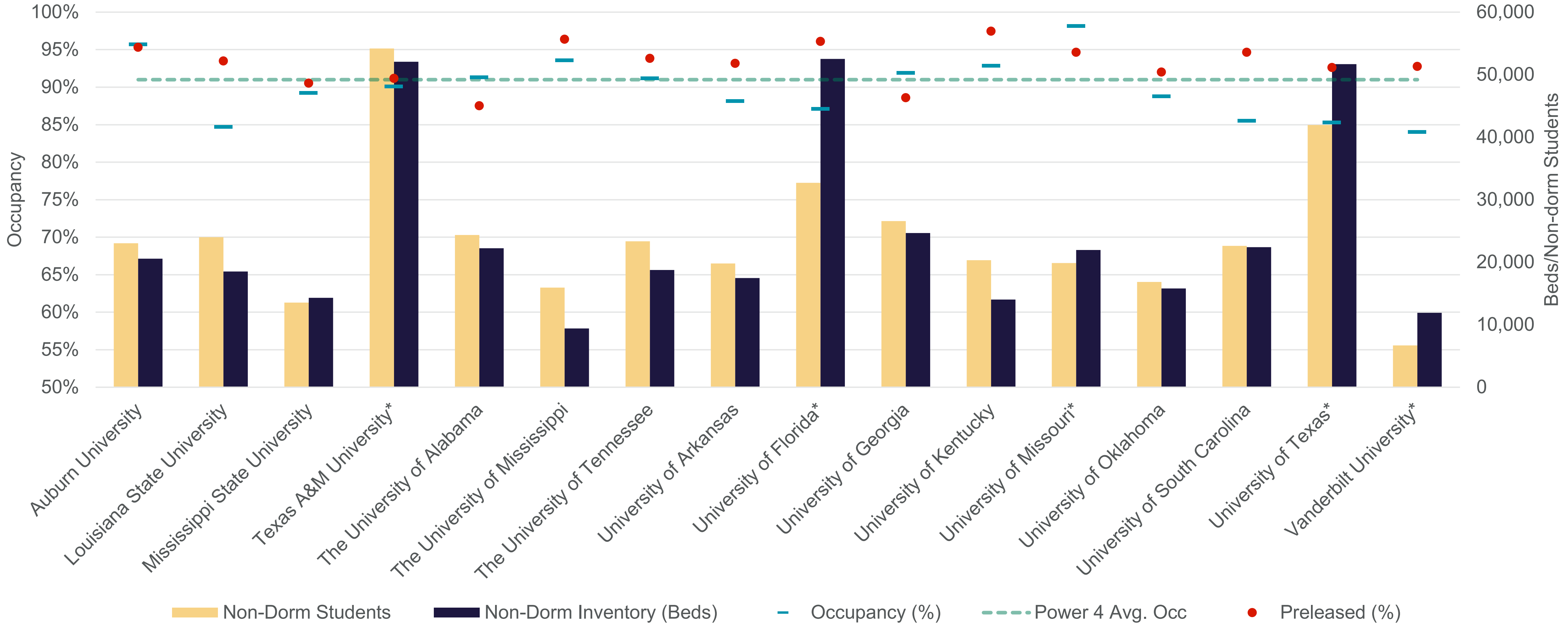
ACC	Total Enrollment	Undergrad Enrollment	YoY Enrollment Growth	Monthly Room Rate	YoY Rent Growth	Current Occupancy	Pre-leased	Purpose Built Beds	Beds Planned or Construction
University of North Carolina	33,352	21,596	2.10%	$1,268	4.40%	96%	98.40%	5,280	900
University of Miami	20,257	13,681	2.00%	$1,529	2.10%	93%	96.30%	8,939	1,088
Clemson University	29,562	23,911	1.70%	$934	0.60%	90%	89.90%	21,536	5,276
University of Virginia	26,642	18,042	0.60%	$1,286	10.60%	96%	96.70%	6,850	2,883
University of Pittsburgh	30,201	20,541	0.90%	$1,431	4.50%	96%	97.90%	7,154	1,594
Georgia Institute of Technology	57,937	21,556	8.60%	$1,311	-0.50%	87%	88.50%	21,483	4,647
Virginia Tech	39,522	31,402	1.70%	$1,003	4.50%	98%	98.40%	11,634	759
North Carolina State	38,644	28,581	0.50%	$974	4.20%	96%	95.50%	15,772	5,947
Wake Forest University	9,395	5,450	0.80%	$902	5.40%	88%	93.70%	1,836	521
University of California - Berkley	51,118	34,389	4.00%	$2,395	-9.60%	92%	87.90%	9,862	5,475
Florida State University	43,726	32,663	-0.03%	$959	6.00%	92%	91.80%	37,858	1,486
Duke University	16,524*	6,893*	-2.0%	$1,033	-13.60%	87%	78.20%	2,680	N/A
Stanford University	18,047*	8,054*	-	$1,880	17.10%	89%	100.00%	3,070	1,500
Syracuse University	23,365	16,003	1.60%	$1,322	4.10%	94%	86.50%	7,103	1,505
Southern Methodist	12,072	7,380	-0.40%	$1,244	-10.60%	90%	91.90%	1,415	-
Boston College	14,694	9,575	-	$2,728	15.00%	93%	97.30%	2,753	-
University of Louisville	23,122	17,091	0.20%	$821	0.20%	81%	96.90%	5,721	-

Source: College House, 9/12/2025

**reflects 2024 enrollment as most recent available*

PROPERTY MARKETS

SEC Net Demand Indications

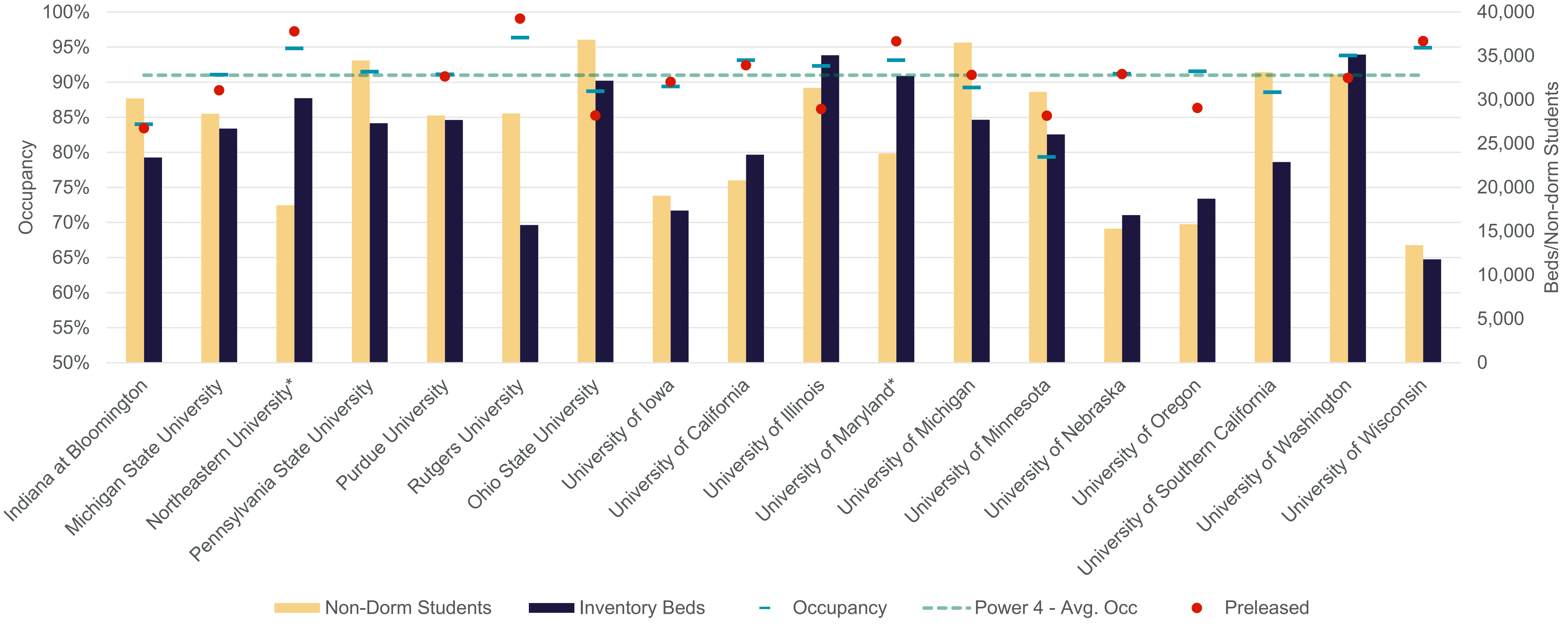


Source: CoStar 2Q 2025; Cushman & Wakefield

**Markets include additional colleges that are included in the that are not reflected in the “non-dorm students”*

PROPERTY MARKETS

BIG 10 Net Demand Indications

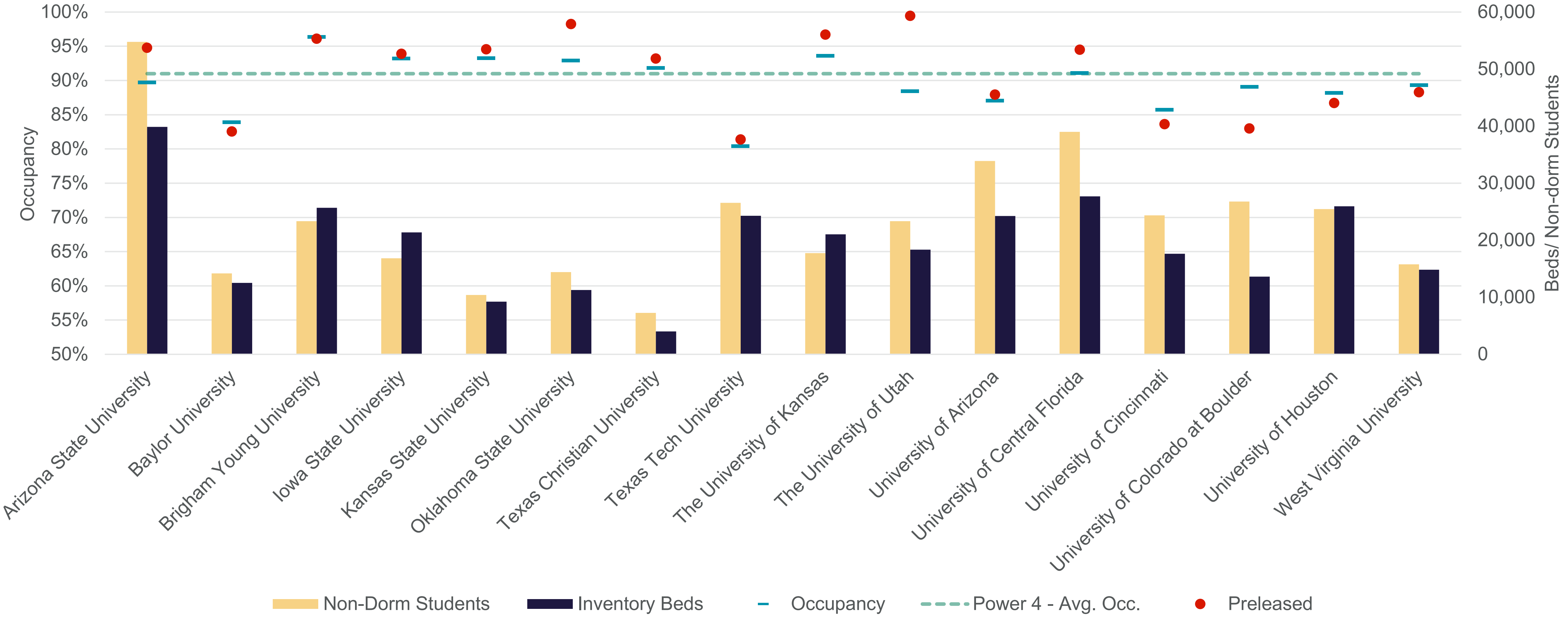


Source: CoStar 2Q 2025; Cushman & Wakefield

**Markets include additional colleges that are included in the that are not reflected in the "non-dorm students"*

PROPERTY MARKETS

BIG 12 Net Demand Indications



Source: CoStar 2Q 2025; Cushman & Wakefield

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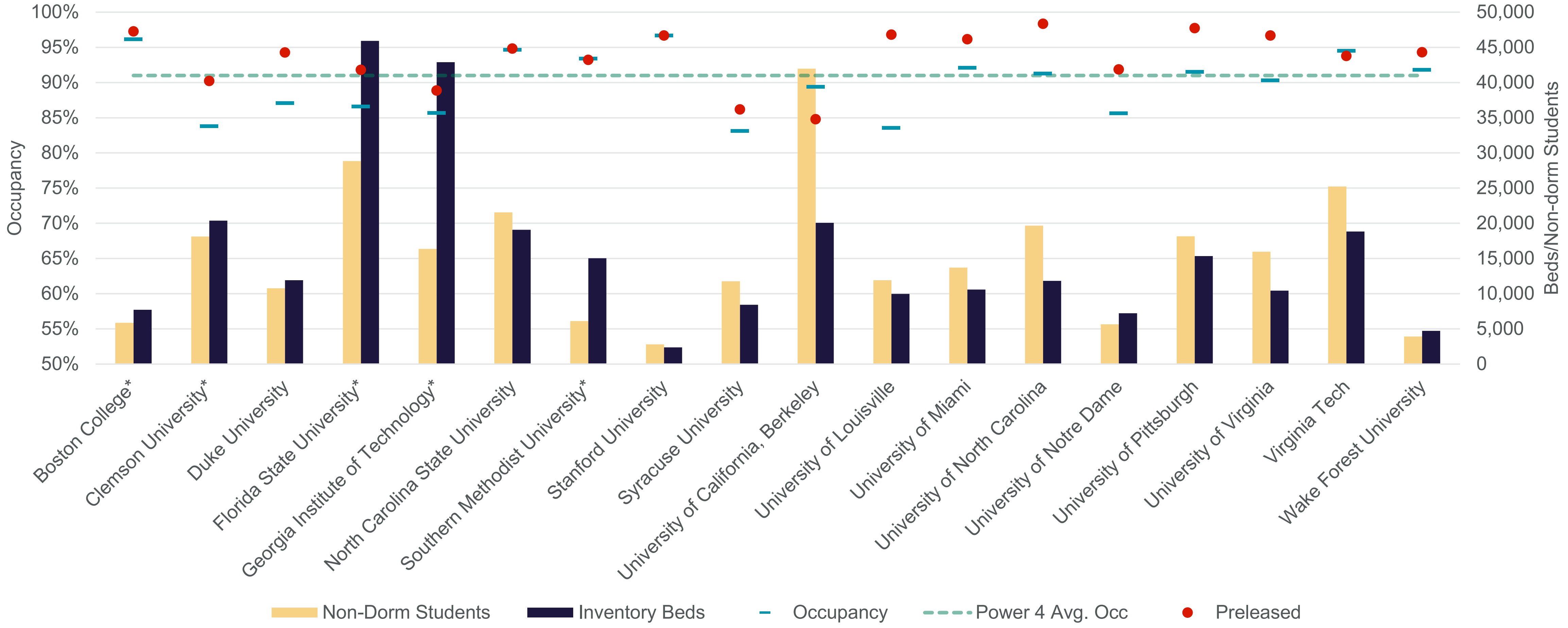
PROPERTY MARKETS

ACC Net Demand Indications



Source: CoStar 2Q 2025; Cushman & Wakefield

**Markets include additional colleges that are included in the that are not reflected in the "non-dorm students"*

PROPERTY MARKETS

Average Monthly Rental Rates, Occupancy & Pre-leasing by Plan

Average Rent	Studio	1-Bed	2-Bed	3-Bed	4-Bed	5-Bed	6-Bed
ACC	$1,862	$1,860	$1,384	$1,271	$1,191	$1,359	$1,092
Big 10	$1,557	$1,645	$1,195	$1,054	$1,092	$1,138	$1,283
Big 12	$1,354	$1,439	$963	$846	$871	$787	$857
SEC	$1,403	$1,452	$1,020	$881	$845	$974	$1,007
Average	$1,544	$1,599	$1,140	$1,013	$1,000	$1,064	$1,060

Occupancy	Studio	1-Bed	2-Bed	3-Bed	4-Bed	5-Bed	6-Bed
ACC	93.8%	95.2%	92.4%	89.9%	91.5%	90.5%	86.1%
Big 10	86.3%	89.6%	87.4%	83.6%	81.5%	81.1%	81.2%
Big 12	92.0%	93.0%	92.0%	88.4%	86.2%	79.5%	93.2%
SEC	95.5%	95.9%	90.0%	95.1%	92.1%	95.5%	97.8%
Average	91.9%	93.4%	90.4%	89.3%	87.8%	86.6%	89.6%

Preleasing	Studio	1-Bed	2-Bed	3-Bed	4-Bed	5-Bed	6-Bed
ACC	95.8%	95.7%	95.4%	93.5%	94.1%	94.3%	89.8%
Big 10	94.9%	93.9%	93.8%	89.9%	90.5%	93.2%	95.9%
Big 12	94.0%	96.1%	94.4%	91.2%	87.5%	82.5%	93.6%
SEC	97.6%	97.3%	95.0%	96.2%	92.9%	95.6%	94.5%
Average	95.6%	95.7%	94.6%	92.7%	91.3%	91.4%	93.5%

Source: College House, 9/12/2025

PROPERTY MARKETS

Distance from campus is not the only factor impacting performance

Market Ranking	Fall 2025 Occupancy (%)	YoY Occupancy Growth (%)	Fall 2025 Average Rate	YoY Rate Growth (%)
Tier 1 - (> 25k Enrolled)	92.3	-0.4	$1,062	2.9
Tier 2 - (10k – 25k Enrolled)	91.1	-0.3	$806	2.7
Tier 3 - (< 10k Enrolled)	84.9	-2.6	$795	7.5

Distance from Campus	Fall 2025 Occupancy (%)	YoY Occupancy Growth (%)	Fall 2025 Average Rate	YoY Rate Growth (%)
0.5 Miles	90.8	-0.3	$1,156	3.3
0.5 – 1.0 Miles	92.7	-0.1	$1,030	2.9
1.0 – 2.0 Miles	91.8	-1.0	$918	3.3
2.0+ Miles	91.2	-0.8	$833	4.0

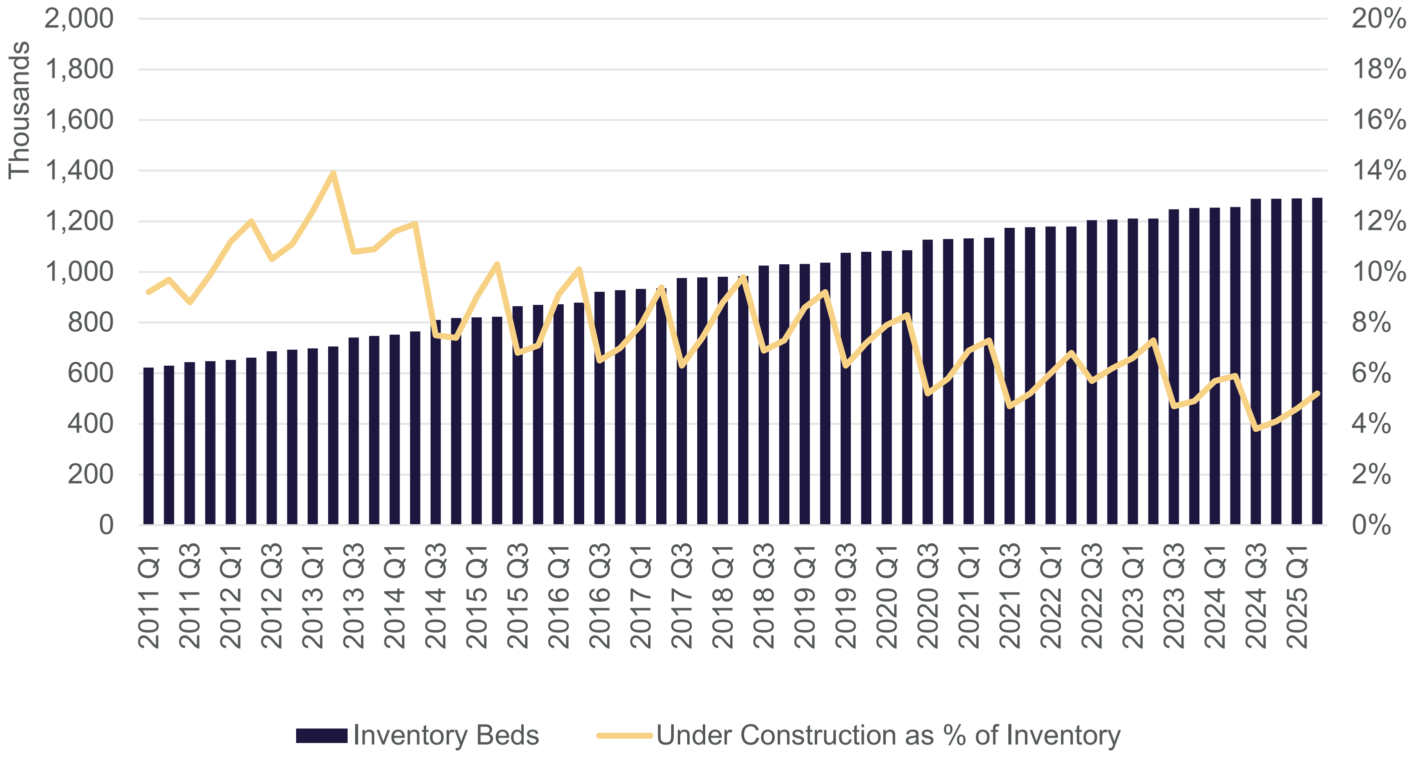
Product Type	Fall 2025 Occupancy (%)	YoY Occupancy Growth (%)	Fall 2025 Average Rate	YoY Rate Growth (%)
Urban	91.7	-0.4	$1,067	2.6
Garden	91.1	-1.3	$704	7.4
Cottage	94.3	+0.8	$855	3.7

- Properties located within Tier 1 markets and within one-mile of campus continue to demand a rent premium. Tier 3 markets did experience the highest level of rent growth which can be attributed to the lack of recent supply growth, relative to Tier 1 and 2 markets.
- The highest rent growth was identified at properties greater than two-miles from campus, indicating an increasing consideration is being placed on affordability. Due to limited land available for development within proximity to college campuses, new development began to occur within a wider geography, also contributing to the elevated average rents.

Source: College House, 9/12/2025

PROPERTY MARKETS

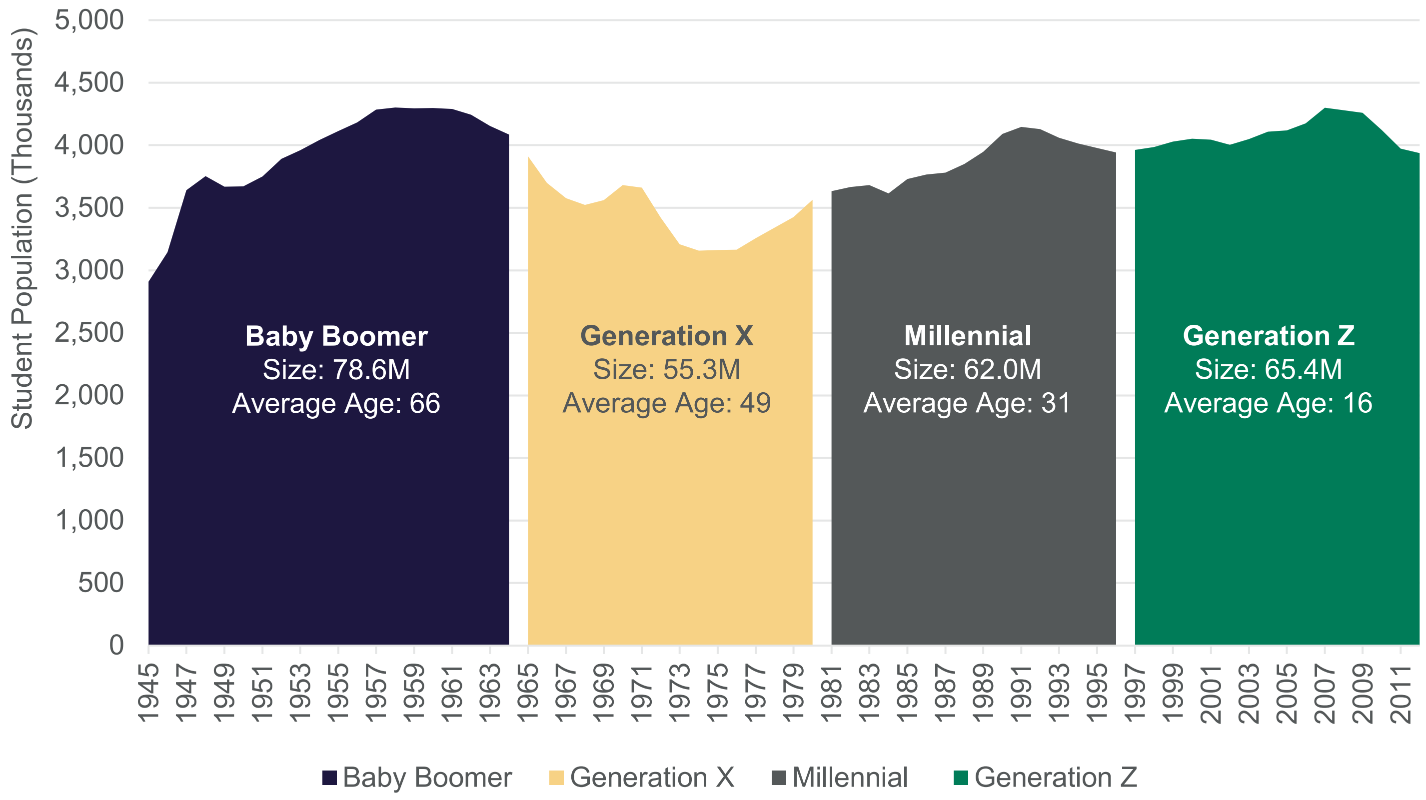
Supply Growth & Construction Trends



Source: College House, Yardi Matrix, Cushman & Wakefield

- Construction continues to trend downward as a percentage of supply, signaling favorable market dynamics from a supply vs. demand standpoint.
- Construction timelines (approval to coo) have extended, from a typical 18-24 months to 20-30 months depending on size of deal, construction type and location.
- Delivery prior to school start cannot be overstated. Students expect substantial progress before signing a lease so cushion on delivery date is sought after.
- Developers will aim to negotiate milestone dates and respective damages in the GMP (if missed other than force majeure, change orders, etc).
- Antidotally, Cushman & Wakefield recently advised on a building that delivered one-month late which greatly impacted pre-leasing and lease-up. The developer ultimately offered concessions and put students in a hotel for 1-month but turned it around the following year.
- The favorable property market fundamentals currently exhibited by the sector are expected to continue as construction levels remain below historical levels.

U.S. UNIVERSITY DEMAND DRIVERS



Source: Pew Research Center, Social & Demographic Trends, U.S. Census

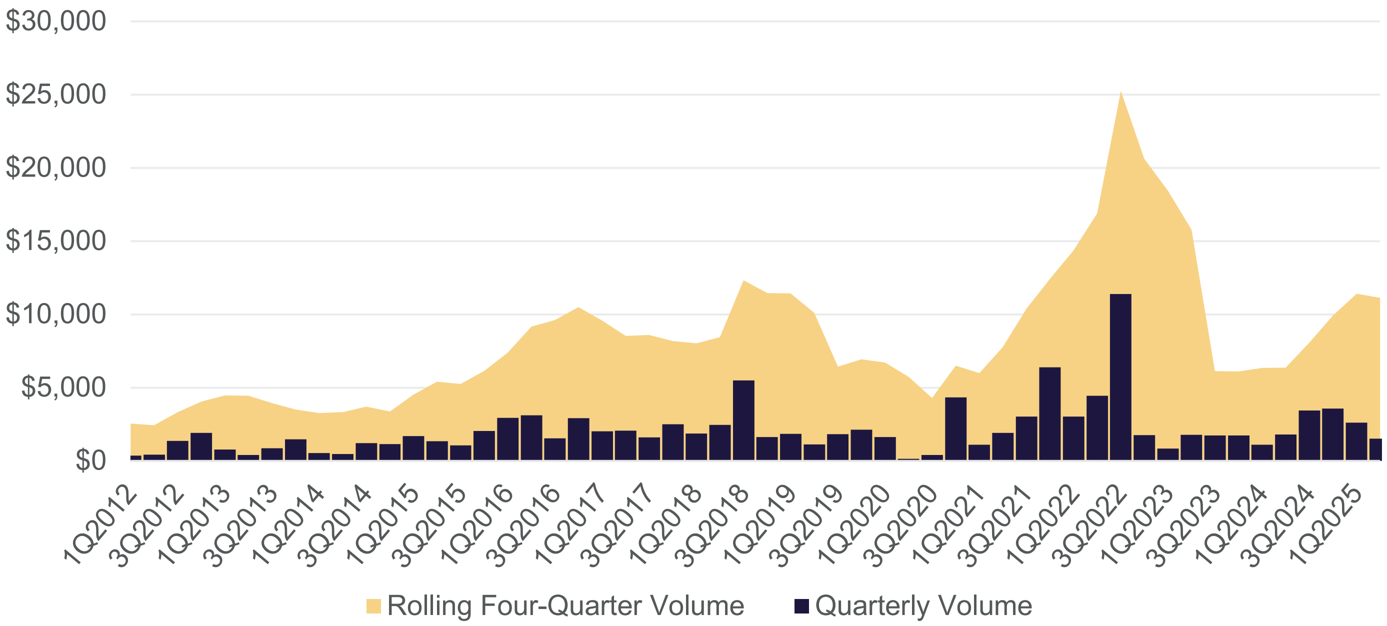
- Generation Z represent births from 1997-2012, more than every previous generation, at 65M U.S. This generation is even larger than the millennial generation that precedes it and will continue to support high levels of enrollment at U.S. colleges and universities, and by extension demand for student accommodations.
- Generation Z is enrolling in college at even higher rates than did Millennials boosting the transmission rate of demographic forces to the asset class.
- From Q2 2020 to Q2 2025, median weekly earnings of college graduates with a bachelor’s degree or higher, increased by just over 22% and is 1.8x higher than the average weekly earnings of people with a high school diploma and no college, and 1.6x higher than those with some college or an associate’s degree.

02

CAPITAL MARKETS FUNDAMENTALS

CAPITAL MARKETS

Quarterly transaction volume (millions)

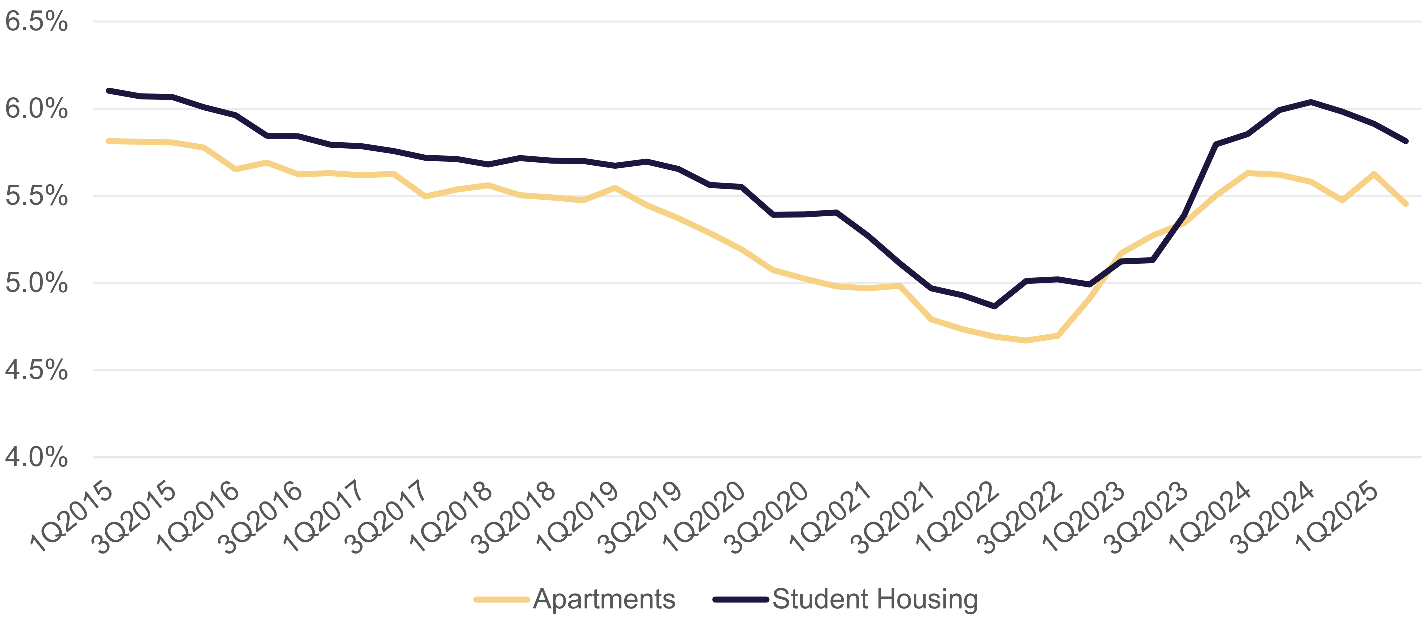


Source: Real Capital Analytics & CoStar

- In 2022, student housing transaction volume reached a post-pandemic peak, and all-time reported high, at approximately $25 billion, albeit well over half of this volume reflected portfolio transactions, as investors moved to take advantage of suppressed valuations and low cost of capital.
- Like most other real estate sectors, rising interest rates contributed to a sharp decline in student housing transactional activity in 2023 to $3.9 billion.
- Student housing property sales rebounded in 2024, increasing to $6.6 billion— with H1 2025 sales on pace to surpass last year's volume.
- Moving to the second half of 2025, July transaction volume was reported at $767 million, up 35% YoY, with a 20 basis –point YoY decline in the capitalization rate, indicating overall transaction volume will accelerate through the remainder of the year.
- High-growth university markets, particularly in the Southeastern Conference and increasingly the Big Ten, are leading student housing investment activity.

CAPITAL MARKETS

Capitalization rate trends

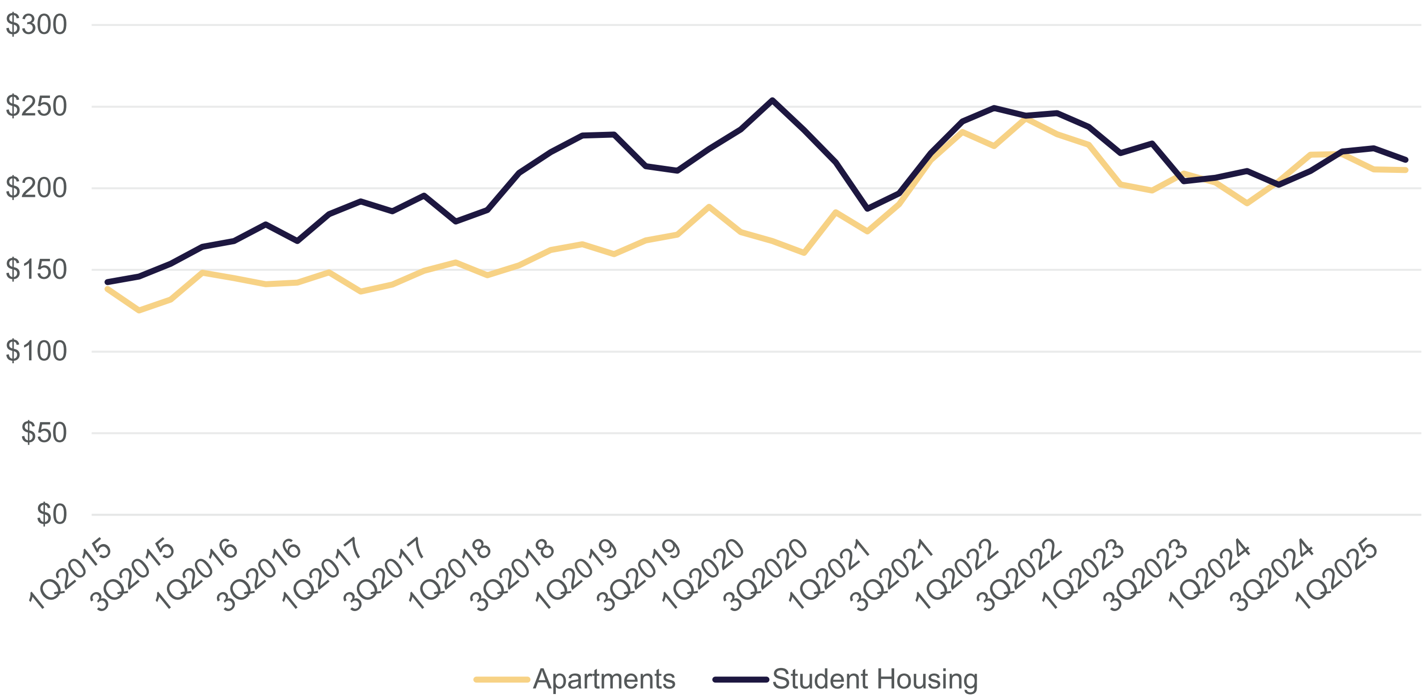


Source: Real Capital Analytics Q2 2025; Cushman & Wakefield

- Average capitalization rate spreads between student housing and conventional apartments slowly tightened in the years leading up to the pandemic as the sector evolved to become more attractive to institutional investors. The pandemic did have a greater impact on student housing pricing, though not as much as many expected. The sector recovered quickly with student housing cap rates pushing below multifamily for the first time.
- More recently, student housing cap rates pushed upward. Though interest rates were certainty a factor, the rate of movement beyond multifamily is more attributed to investor uncertainty regarding the Trump administration’s approach to immigration reform which includes regulations that may impact university enrollment from international students.
- Capitalization rates have peaked for the sector and are slowly moving downward, a sign that student housing investors are becoming more confident, as admissions prove to remain sound (especially in the power 4 universities), construction levels drag, and debt markets become more liquid. Capitalization rate spreads between apartments are expected to compress once again for the sector.

CAPITAL MARKETS

Price per unit valuation trends (thousands)

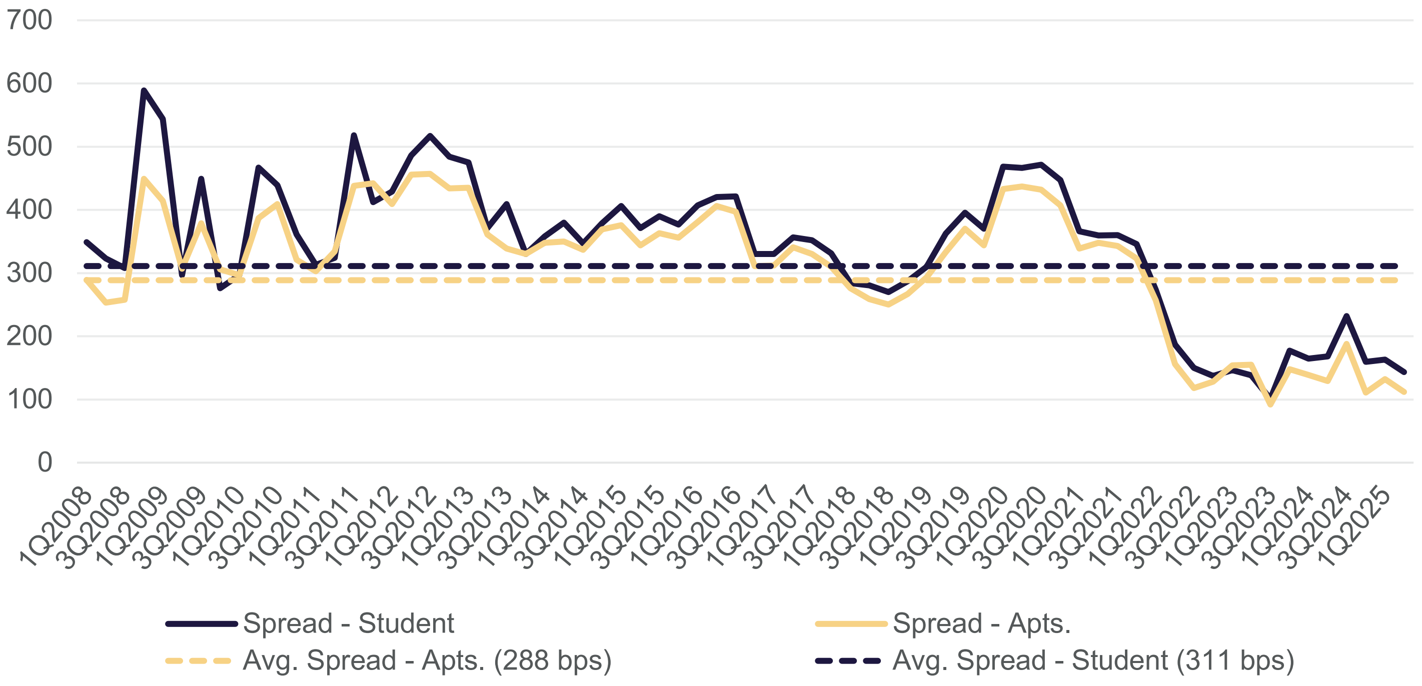


Source: NICMAP, Q2025; Real Capital Analytics; Cushman & Wakefield

- From 2015 to peak pricing in 2020, student housing valuations increased at a compounded annual growth rate of 2.79%, outpacing multifamily growth.
- Fluctuations and uncertainty caused by the pandemic, interest rate volatility and administrative policy change impacting immigration, has held student housing valuations closer to multifamily on a per unit basis, again indicating a favorable outlook for outpaced valuation growth for the sector as certainty returns to the market.
- From an overall valuations standpoint, premiums on pricing are achieved on properties located within one-mile of campus, ranging up to 25% above properties located further out.
- Looking at the broader commercial real estate market, there is a substantial amount of capital ready to be deployed into commercial real estate. According to Preqin, approximately $350 billion of dry powder is held by private equity capital firms, reflecting a growing pool of investment capital ready for deployment, another driver of valuations.

CAPITAL MARKETS

Capitalization rates vs. 10-year treasury (basis points)



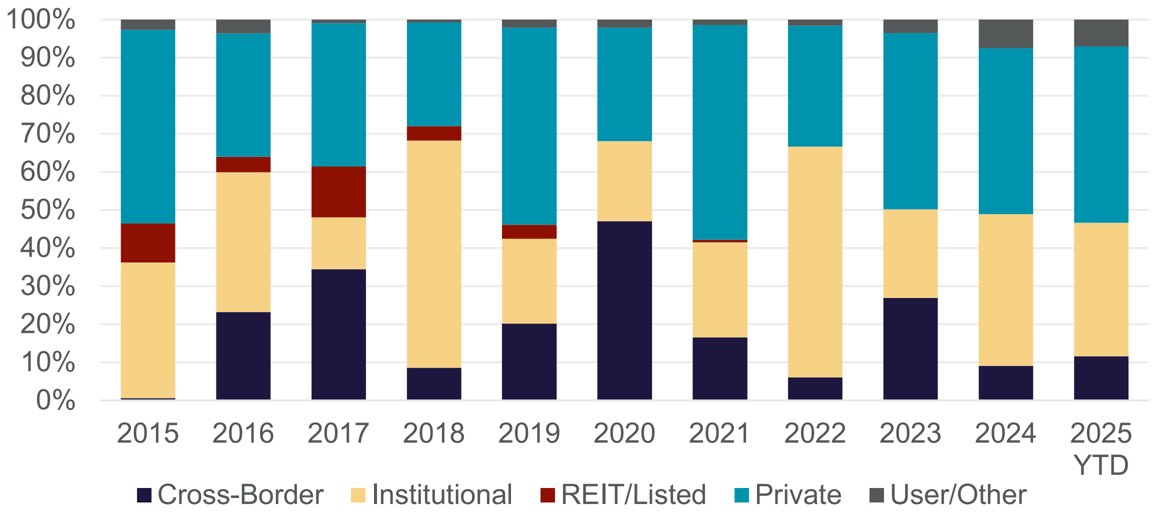
Source: Real Capital Analytics; Cushman & Wakefield

- Over the past 10 years, the student housing sector has averaged a 311-bps spread between the 10Y and capitalization rates, with apartments averaging 288 bps—a 22 bps difference. The current (Q2 2025) spread at 31 bps, while above historical averages, is down by 17 bps from 2024.
- This change of direction in cap rates is often the first sign of an inflection point in the commercial real estate cycle. The 10-year Treasury yield has remained within a range of 4% to 4.5% for the past two years, with lending standards viewed by most as being less restrictive than a year ago.
- Should the Fed cut its policy rate in the months ahead, shorter-term financing options may become more attractive, which could encourage deal flow and help anchor cap rates, indicating a favorable return on yield for the student housing sector.

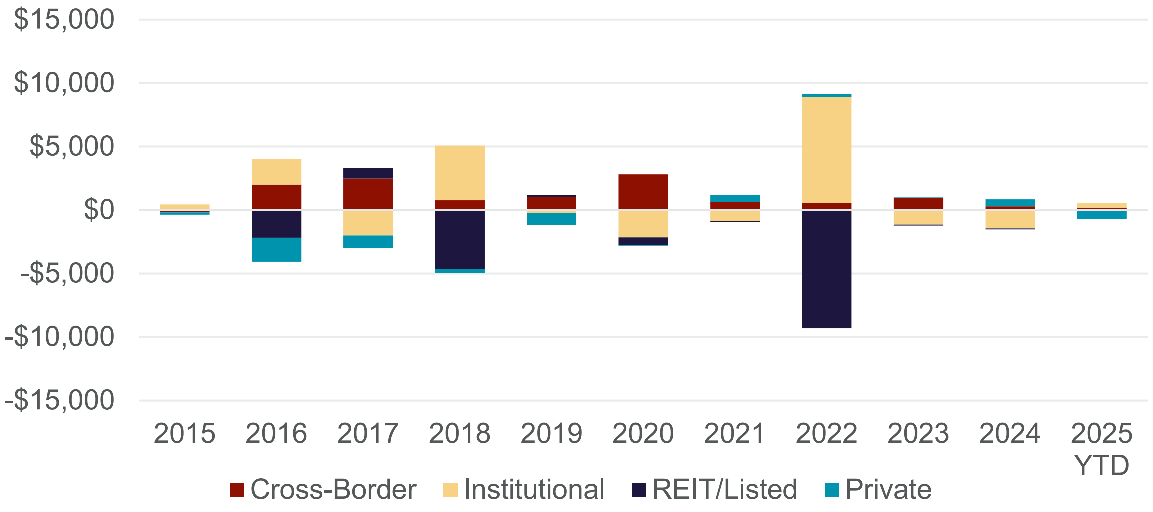
CAPITAL MARKETS

Evolving investor landscape & investment strategies

Buyer Composition



Capital Flows (Millions)



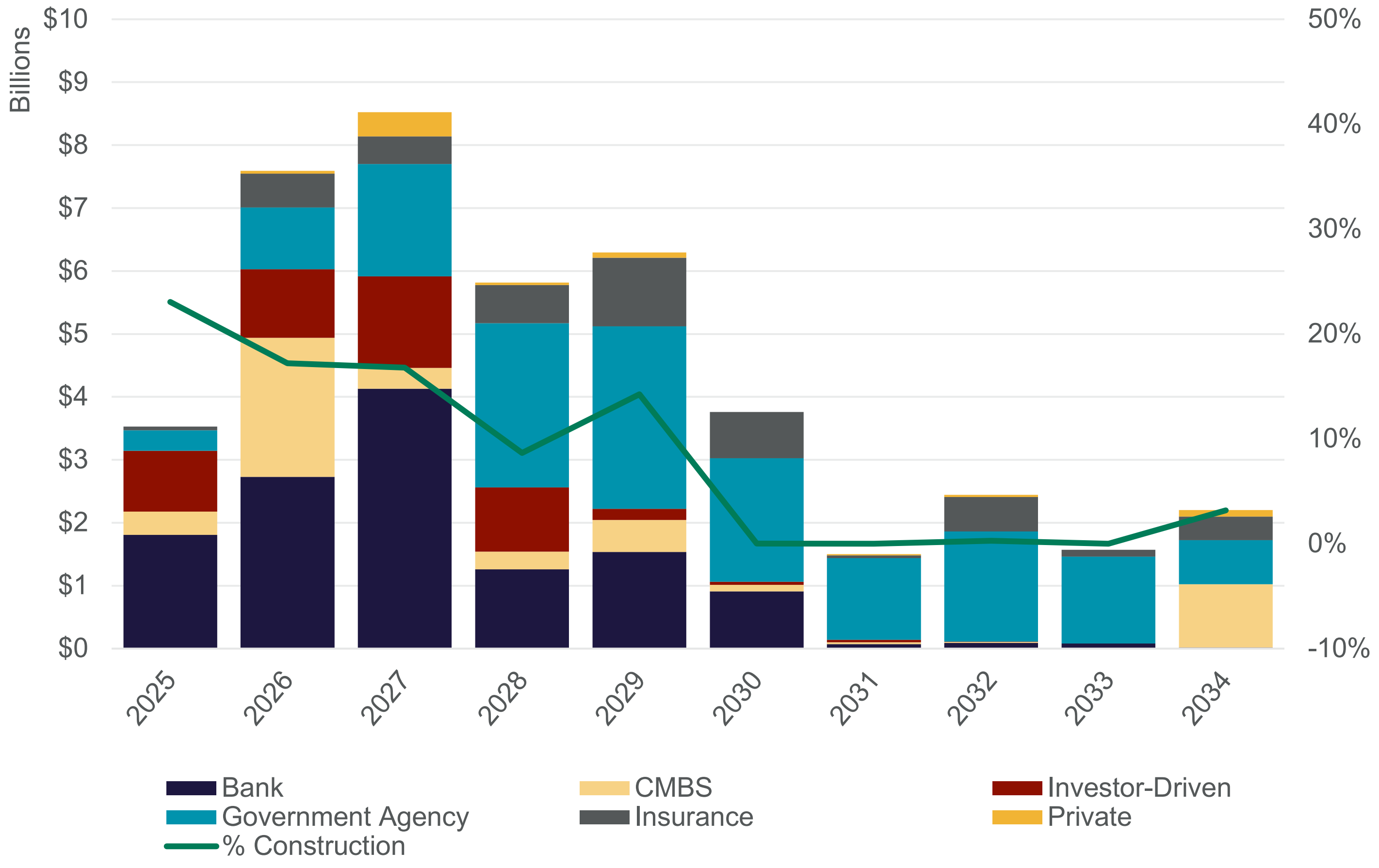
- Private capital investors stepped in as the primary buyer for student housing properties in 2023 and 2024, along with an increase in cross-boarder capital, representing a combined 73% to 53% of investment activity, respectively.
- Institutional capital ticked back up in 2024 and 2025, at 40% and 35% (YTD), respectively of total investment volume, a trend that will likely continue, especially with the lack of public REITs active in the sector. Cross-boarder investment is also ticking upward at 11% of deal volume YTD in 2025.

- CRE fund flows may fluctuate as portfolios adjust to the near-term denominator effect. However, in the long term, CRE's diversification and inflation-hedging benefits will sustain capital flows and maintain its role in institutional and private portfolios.
- Investors are expected to focus on resiliency and key drivers of income growth, a viewpoint that favors alternative real estate sectors, including student housing.

Source: RCA; Cushman & Wakefield

CAPITAL MARKETS

Student housing debt maturities remain a focal point

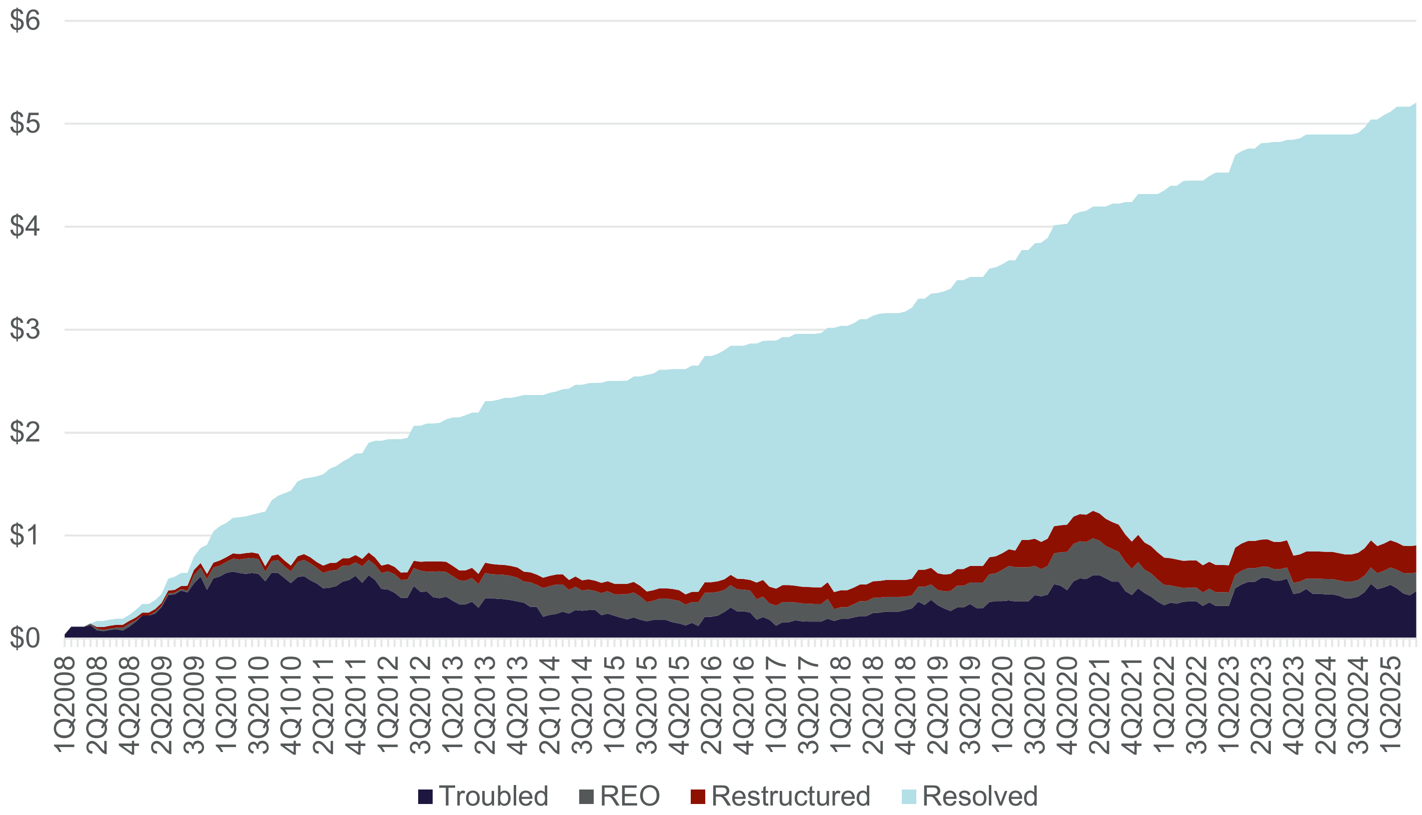


Source: Real Capital Analytics; Cushman & Wakefield

- Student housing loan maturities, set to exceed $12 billion within the next 24 months, with $3.5 billion in student housing loans set to mature this year and projected to peak in 2027 after accounting for term extensions.
- These loan maturities have been identified by investors as an opportunistic opportunity to acquire newer and well-located properties as significant discounts to replacement cost, with funds raised in accordance.
- Favorable property market fundamentals and positive operating trends have helped to mitigate the level of loan defaults with lenders opting to work with their borrowers vs. default proceedings.
- With a significant amount of loan maturities still ahead, concern of additional valuation decreases due to debt market distress does still exist, yet investors are broadly pivoting back to more core investment strategies as this concern continues to subside, and valuations tick upward.
- Markets with the highest levels of student housing loan maturities scheduled within the forward-looking three-year period include Austin, Tallahassee, Phoenix and Atlanta.

CAPITAL MARKETS

Troubled loans remain below prior recessionary levels (billions)



Source: Real Capital Analytics, Cushman & Wakefield Research, Data through June 30, 2025

- In 2023, the amount of troubled loans reached the highest levels since the great financial crisis. Since that time, lenders have worked to resolve an estimated $80 billion in student housing debt, keeping REOs moderated, and highlighting lender confidence in the sector's fundamentals.
- The percentage of distressed sales has elevated from a 0.37% low in 2018 to 2.3% of total transaction volume YTD in 2025. However, this amount remains well below the 16% peak that was reached during the GFC (2009), highlighting the resiliency of the sector.
- Despite the wave of loan maturities, debt liquidity is returning to the market, with Q2025 trailing four-quarter loan volume up 72% YoY, with construction volume up 20%, refinancing up 132% and acquisition loan volume up 77% YoY.
- Of the total trailing four-quarter student housing loan volume, 16% was for construction with nearly 26% being for acquisitions, and the balance, at 58% of new loans, being for refinancings.

03

VALUATION INDICES

STUDENT HOUSING VALUATION INDICES

2025-2026 Academic Year

CUSHMAN & WAKEFIELD

The Cushman & Wakefield valuation index represents an aggregation of mark-to-market valuation conclusions from nearly 500 student housing properties throughout the U.S., that were valued within the trailing twelve months, through the 2025-2026 academic year. The aggregate market value of this proprietary dataset totals approximately $27 billion, or roughly 6.00% of the total estimated market capitalization of institutional U.S. student housing supply.

The value of this data set is that all data-points are uniquely defined for consistency in reporting, with capitalization rates reflecting Year 1 stabilized net operating income and have been adjusted to include market level management fees and replacement reserves. This data is “rear-looking” and does not reflect the full universe of student housing valuations. On a same-store bases, the data does suggest that valuations have bottomed and are beginning to trend upward.

U.S Student Housing Institutional Data Set	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	86	92	94	97	98
Effective Monthly Rent per Bed ($)	608	743	1,031	1,409	1,731
Expense Ratio (%)	57	45	36	28	24
Capitalization Rate (%)	6.08	5.81	5.38	5.00	4.88
Stabilized Market Value per Bed ($)	48,226	72,084	129,230	179,850	265,260

ACC	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	81	87	92	95	96
Effective Monthly Rent per Bed ($)	675	714	967	1,344	1,456
Expense Ratio (%)	58	54	41	28	27
Capitalization Rate (%)	6.00	5.79	5.35	5.00	5.89
Stabilized Market Value per Bed ($)	40,000	53,333	112,749	176,442	190,353

Source: Cushman & Wakefield Valuation Index (2025-2026 Academic Year)

Note that each of the respective data-points reported is independent of the other data-points within the respective table.

STUDENT HOUSING VALUATION INDICES

2025-2026 Academic Year

SEC	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	90	91	95	98	98
Effective Monthly Rent per Bed ($)	539	630	914	1,339	1,766
Expense Ratio (%)	57	49	35	24	21
Capitalization Rate (%)	6.00	5.90	5.41	5.00	4.82
Stabilized Market Value per Bed ($)	43,228	60,369	122,079	216,039	304,896

Big Ten	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	90	91	95	97	98
Effective Monthly Rent per Bed ($)	762	818	1,226	1,763	1,867
Expense Ratio (%)	54	48	34	22	21
Capitalization Rate (%)	5.94	5.66	5.27	4.96	4.89
Stabilized Market Value per Bed ($)	70,042	77,730	149,527	245,287	281,815

Big 12	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	93	94	96	98	98
Effective Monthly Rent per Bed ($)	668	707	915	1,108	1,197
Expense Ratio (%)	50	46	35	26	25
Capitalization Rate (%)	6.00	5.85	5.51	4.90	4.75
Stabilized Market Value per Bed ($)	64,535	75,161	128,527	178,255	194,518

Source: Cushman & Wakefield Valuation Index (2025-2026 Academic Year)

STUDENT HOUSING VALUATION INDICES

2025-2026 Academic Year

Located Less Than 0.5 Miles of Campus	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	90	92	95	98	98
Effective Monthly Rent per Bed ($)	769	811	1,185	1,696	1,961
Expense Ratio (%)	44	42	30	28	22
Capitalization Rate (%)	5.85	5.67	5.24	4.92	4.75
Stabilized Market Value per Bed ($)	72,912	81,258	160,226	258,841	313,889

Located Within 0.5 Miles & 1.0 Miles of Campus	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	81	82	92	96	98
Effective Monthly Rent per Bed ($)	720	737	941	1,160	1,196
Expense Ratio (%)	48	43	32	22	20
Capitalization Rate (%)	5.50	5.50	5.20	4.92	4.83
Stabilized Market Value per Bed ($)	71,111	76,227	120,007	154,874	157,895

Located Greater Than 1.0 Miles of Campus	Lower Decile	Lower Quartile	Average	Upper Quartile	Upper Decile
Stabilized Occupancy (%)	84	90	95	98	98
Effective Monthly Rent per Bed ($)	636	680	884	1,160	1,267
Expense Ratio (%)	41	40	34	29	26
Capitalization Rate (%)	5.50	5.38	5.15	4.88	4.80
Stabilized Market Value per Bed ($)	71,734	83,837	119,506	154,239	158,491

Source: Cushman & Wakefield Valuation Index (2025-2026 Academic Year)

04

LOOKING FORWARD

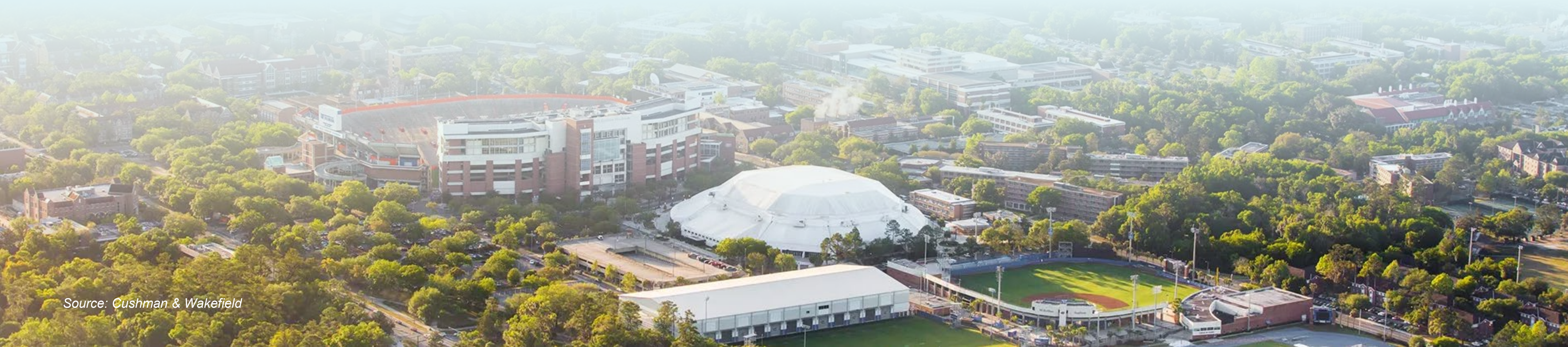
LOOKING FORWARD

As a growing and evolving niche sector, U.S. student housing real estate continues to demonstrate strong resilience and long-term growth potential, offering a compelling opportunity for both institutional and private capital. Despite market uncertainty around the interest rate environment and immigration policy, the student housing market remains fundamentally resilient amid continued volatility in the broader commercial real estate sectors.

Investor appetite remains focused on purpose-built student housing in proximity to universities in Tier 1 markets, where demand remains robust and occupancy levels remain strong. Although the Trump administration’s immigration reforms are having a dampening effect on international student inflows, admission rates continue an upward trajectory, and recent recovery trends—supported by policy normalization and rising global demand for U.S. higher education—suggest momentum in this key demand driver will return.

While volatility in the debt markets persists, liquidity is returning to the market with a broader market sentiment, the interest rates have peaked. There is a growth in sentiment that interest rates may finally begin to ease later this year, which would help narrow the bid-ask spread and unlock more liquidity. Either way we expect the second half of 2025 to be more active, considering the sector’s continued performance going into the next academic year.

Overall, student housing continues to stand out as a defensive, countercyclical asset class that offers stable cash flows, inflation-hedging characteristics, and portfolio diversification. With capital markets expected to stabilize and demographic tailwinds strengthening, both institutional and private investors are well-positioned to capitalize on the sector’s next phase of growth.



Source: Cushman & Wakefield

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ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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