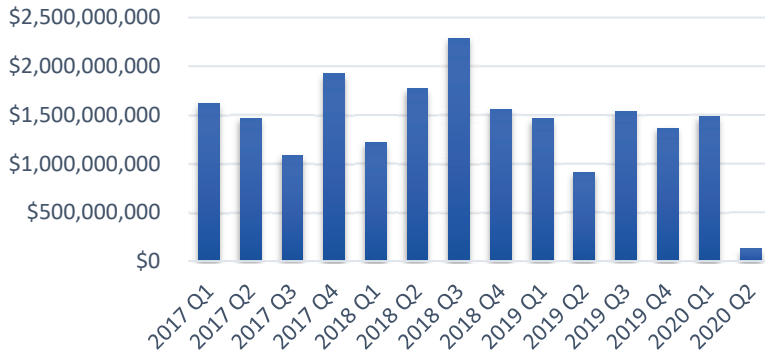


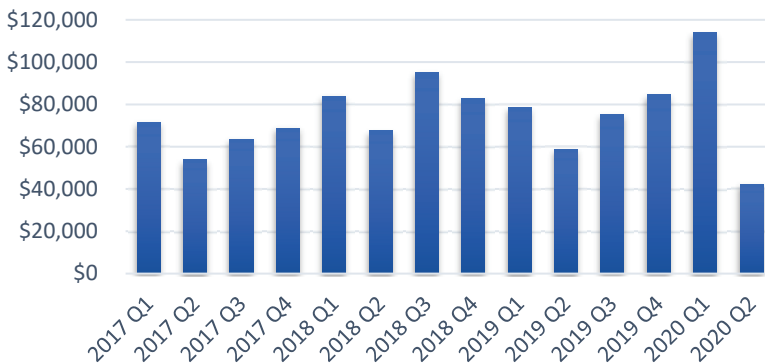
US Student Housing Sales Volume



Sales Volume

Total dollar volume for investment sales of the U.S. student housing market has fluctuated since 2017 prior to Q2 2020, ranging from \$907 million to \$2.3 billion. However, Q2 2020 saw a significant drop off in sales volume from previous quarters at \$126,965,125. COVID-19 has negatively impacted investing in all markets in the US, and the student housing market is not immune from its effect. In fact, student housing sales volume has been particularly impacted by the pandemic.

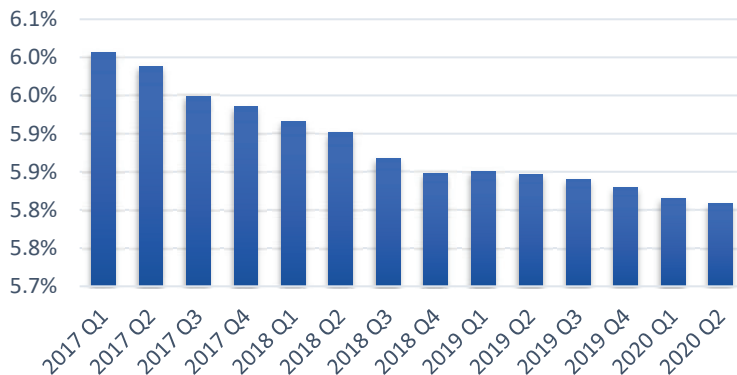
US Student Housing Sales \$/Bed



US Student Housing Sales Price Per Bed

The US student housing sales price per bed has experienced a significant drop off from Q1 2020 to Q2 2020, from \$113,867 to \$42,111. Since 2017, the sales price per bed has been on a slight upward trend even though each Q2 within the time period experienced a drop from the previous quarter. The Q2 2020 drop is due to both the low sales volume of units and low total dollar volume for investment sales. The uncertainty of how universities and colleges will reopen will directly impact the price per bed, and whether it trends up or down.

US Student Housing Cap Rate



US Student Housing Market Average Cap Rate

Over the recent years, the average cap rate in the US student housing market has been relatively stable, but has maintained a slight downward trend, fluctuating between 6.0% and 5.8%. Q2 2020 is the quarter with the lowest average cap rate in the given time period. The trend represents the decline in returns from student housing investments. The increase in sales price per bed has attributed to the decline in cap rates, but if the sales price per bed continues to decline, it can result in an increase in cap rates in future quarters.

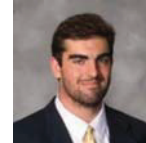
SOURCE: CoStar and Marshall & Stevens



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