

10/27/2023



*Student housing industry pioneer **Bill Bayless** tells NMHC Student Housing Conference attendees to “get out your ‘80s playlist” as they figure out their strategies for navigating the near-term challenges ahead.*

## 2023 Student Housing Conference Recap

The top leaders from all areas of the student housing rental landscape came together in Las Vegas last week for the 20th annual [NMHC Student Housing Conference](#).

The conference continues to be the student housing industry’s premier forum for discussion with leading executives on the challenges and opportunities in the market—and there appears to be plenty of both to go around in the year ahead.

Student housing leaders can expect a return to more cyclical times as the economic environment turns less hospitable and operating headwinds grow. But net-net, executives said student housing is well positioned to ride out the near-term market turbulence. Fundamentals are as solid as they have ever been, investment strategies have proved resilient through the pandemic and operations are more sophisticated than ever.

Check out some more of the top themes from the conference.



*In a fireside chat discussing the economy and current challenges facing real estate, Sharon Wilson Géno of NMHC, Peter Katz of IPA and Hessam Nadji of Marcus & Millichap make sense of what the future might hold.*

## MIXED ECONOMIC SIGNALS SIDELINE CAPITAL

It's a bit of a mixed bag when you look at the economy's key indicators. Higher interest rates, upcoming loan maturities and an inflationary environment where the rate seems to be easing but remains elevated are constraining liquidity. That said, demographics and a favorable job market outlook are on the student housing rental provider's side, as 12,000 kids a day turn 18. Also positive is that the overall multifamily market remains severely undersupplied, even as student housing construction activity is elevated in some high-growth markets.



*Kevin Larimer of Berkadia hears insights on the road ahead for transacting in this volatile market from panelists Jason Schwartz of Blue Vista Capital Management, Gary Holloway, Jr. of GMH Communities, Ben Harvie of GSA, Troy Manson of University Partners and Ryan Lang of Newmark.*

## DESPITE THE CHALLENGES, THERE'S STILL A GOOD INVESTMENT STORY

While high interest rates are spurring a pullback in liquidity and putting a chill on transactions, executives believed student housing's strong fundamentals are compelling enough to draw capital into the space. They pointed to the fact that rents are largely up, occupancy rates are high, leasing velocity is strong and spotty new supply make for a compelling argument for investment from

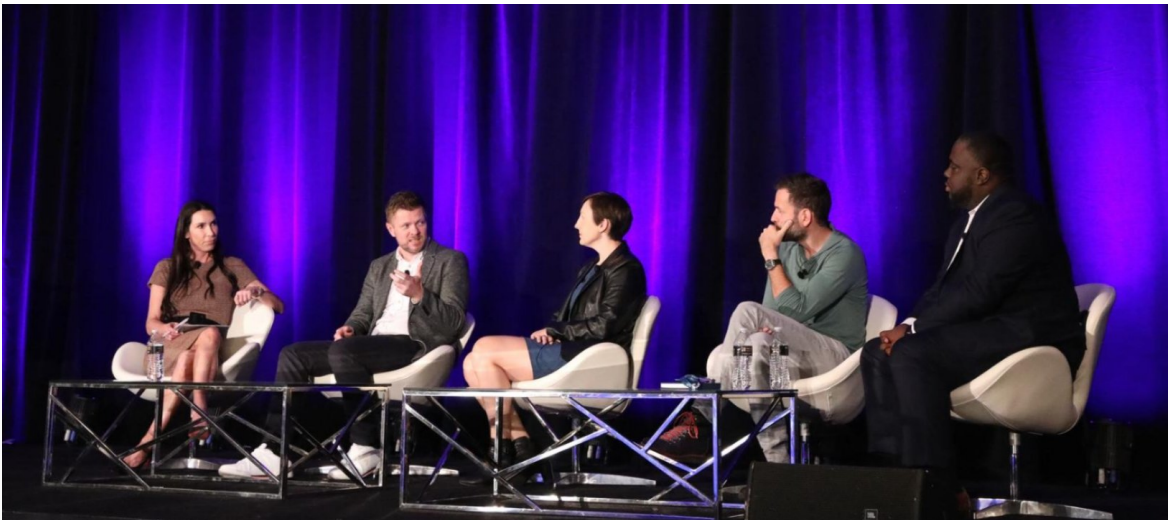
currently sidelined capital sources currently sidelined. However, others walked back their outlooks a bit with rent and occupancy expectations moderating amid growing student affordability concerns and new supply concentrations. But regardless of how rosy the big picture outlook, there was widespread agreement that operations is going to be an important part of the story in this next chapter of student housing investment.



*How, and where, are developers meeting growing demand? Chris Epp of Walker & Dunlop gets a map of the development pipeline from panelists Russell Broderick of Gilbane Development Company, Susan Folkemer of The Preiss Company, Brad Bennett of Trinitas Ventures, Jason Doornbos of Landmark Properties and Chad Matesi of Core Spaces.*

## PROPERTY PERFORMANCE REMAINS STRONG, BUT CONCERNS CREEP UP

There's little doubt that strong student operators draw the most interest from investors and capital partners. And by and large, leading operators are managing rents and vacancies to drive net rental [income growth](#). But like traditional multifamily, rising costs are pressuring student housing operators' performance—and insurance is one area creating a lot of concerns. Executives noted that insurance rates have gone up wholesale, but aggressive property line increases have been particularly painful.



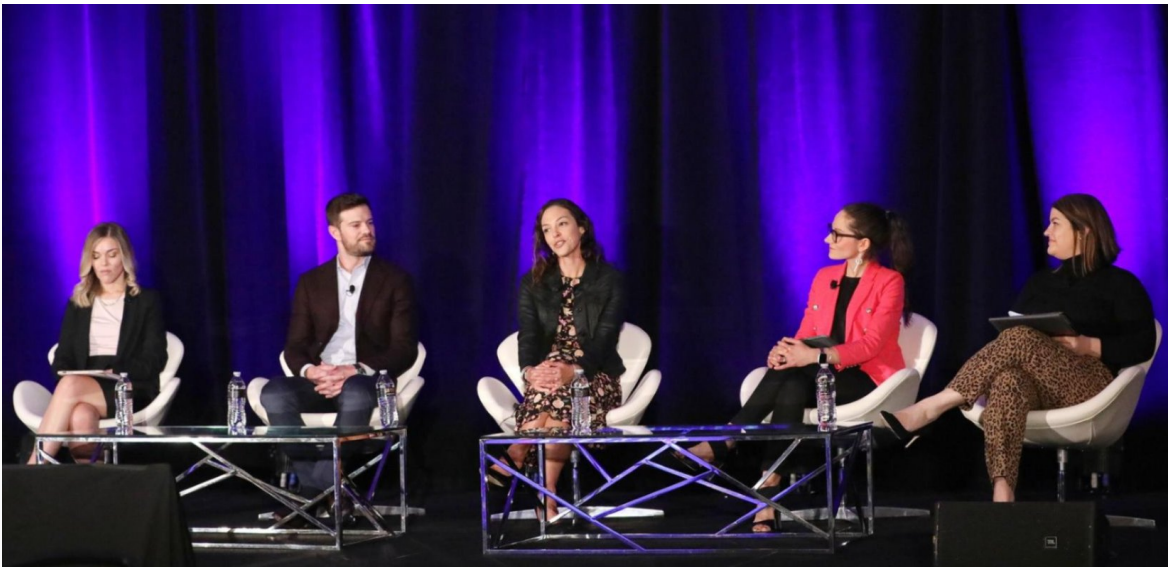
*Nicole Kane of Property Connect Advisors hears from tech experts Ed Walters of Yugo, Katie Campbell of Landmark Properties, Mark Zikra of Proposium and Corben Washington of University Partners on how they're streamlining*

operations, enhancing resident experience and maximizing revenue through the use of smart technology and broadband.

## UX & TECH EXPECTED TO TAKE STUDENT HOUSING TO NEXT LEVEL

Operators are increasingly shifting their focus towards two additional areas: customer experience and technology. While student housing providers have always focused on delivering great features and amenities, they are looking to take the resident experience to the next level with more personalization. One executive even called this focus on user experience (UX) “the next frontier for student housing.”

Similarly, executives noted that the student housing landscape was in the process of a digital transformation, as technological advances around artificial intelligence (AI) are becoming a game changer. While many operators first dipped their toes in the AI waters with things like AI-powered chatbots, they are quickly moving beyond using the tech to drive leasing efficiencies and looking for ways it can provide advanced business intelligence.



*Erica White of CA Student Living asks Chelsea Bennett of the Scion Group, Lindsay Brown of Campus Advantage, Gregory Dandrea of Harrison Street and Jennifer Hill of PeakMade Real Estate where their firms are in their DEI journeys, the key initiatives they are undertaking, and what other approaches are being considered to continue to broaden the experience of their businesses.*

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Forward-thinking student housing leaders are also paying particular attention to emerging affordability concerns, student wellness and diversity and inclusion. Noting the rising costs of higher education and housing and the growing stresses on household balance sheets, several student housing leaders noted that they anticipated greater student price sensitivity going forward. In response, some are looking at more efficient unit designs and other ways to deliver housing options at more price-sensitive rates.

Other operators recognize the mental health and wellness challenges many students face. They are delivering support through amenities and programs designed to do things like promote mindfulness and stress coping strategies and raise awareness around depression and suicide.

Diversity, equity and inclusion (DEI) is also an area where student housing operators are making big investments. More consider it a core part of their people strategy, whether it be when dealing with business partners, employees or students. Key components are focused on creating a diverse workforce, ensuring pay equity and promoting inclusion and a sense of belonging.

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## ICYMI: New NMHC Resources

Looking for more data and insights to help drive your student housing strategy and benchmark your operations? We've got you covered.

- [2023 NMHC Student Housing Income & Expense Benchmarking Survey Report](#)  
Your dashboard for comparing property performance by geography, as well as by property size, age, type (garden, mid-rise, high-rise) and distance from campus.
  - [2023 NMHC State of Multifamily Risk Survey Report](#)  
Skyrocketing insurance costs and a growing risk landscape are multifamily's new reality.
  - [Affordability in Purpose-Built Student Housing](#)  
This first-of-its-kind study by authors Jack Liebersohn and Jason Lee examines the factors driving rent increases in the purpose-built student housing market.
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## Tell Us About Your Experience

Please take a moment to [respond to our survey](#) and help shape the future of Student Housing Conference. The deadline for this survey is **Tuesday, October 31**. *For questions about accessing the survey, please contact [ddavis@nmhc.org](mailto:ddavis@nmhc.org).*

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## See Who was at the 2023 Student Housing Conference

Revisit the best moments of the 2023 Student Housing Conference and see your colleagues, friends and coworkers by clicking on our [shared album here](#).

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# SEE YOU IN LAS VEGAS FOR THE 2024 STUDENT HOUSING CONFERENCE

**NMHC**  **STUDENT  
HOUSING**   
CONFERENCE

**OCTOBER 7-9, 2024  
LAS VEGAS, NV**

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