



University of Maryland, College Park

2011 Student Housing Market Analysis

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EXECUTIVE SUMMARY

UNIVERSITY OF MARYLAND ▪ 2011 STUDENT HOUSING MARKET ANALYSIS

EXECUTIVE SUMMARY

OVERVIEW

The University of Maryland (UM) retained the firm of Anderson Strickler, LLC (ASL) to conduct a student housing market analysis as part of a collaborative effort with UM, the City of College Park, and the College Park City-University Partnership (CPCUP). The purpose of the study was to characterize on- and off-campus student housing which is current and pending as well as nearby off-campus housing most utilized by UM's undergraduate and graduate students. The analysis included stakeholder interviews, student focus groups, a peer institution analysis, a student survey, a survey of parents of students, an off-campus market analysis, a demand analysis to identify gaps or shifts, and a single-project financial pro forma. The two major conclusions of the study were that UM (1) conduct a holistic, comprehensive housing plan, using the market analysis as a base in order to ensure the continued long-term viability of the campus housing system, and (2) develop a unit type that combines privacy and relative affordability that is currently provided neither in great numbers by the campus nor in the off-campus market – a single occupancy traditional residence hall room.

SUMMARY OF FINDINGS

CAMPUS HOUSING

- In fall 2010, UM operated about 8,352 beds for undergraduates in 35 campus residence halls and seven apartment buildings. An additional 3,003 beds for undergraduates were available in two public-private partnership (PPP) apartment communities adjacent to campus. Approximately 1,200 undergraduate students lived in fraternity and sorority houses. Also available were 476 units in two graduate/family apartment communities owned by UM and managed by a private company.
- In fall 2011 the opening of Oakland Hall added 709 total new beds. This increase in capacity resulted in the largest number of students in housing in UM's history (11,849 students, including RAs) as well as the largest number of students in living-learning programs (4,119 students.) The waiting list at opening was 298 students. This absorption occurred even in light of continuing expansion in off-campus housing.
- In terms of future plans, a new building will replace three existing halls with an additional hall to be replaced. Whole hall renovations are planned for two halls, with eight halls slated to receive system improvements.

STAKEHOLDER INTERVIEWS

- While concerns vary for each department or by each individual, common themes emerged during interviews, such as the cost of housing and the aging high-rise traditional residence halls. A serious concern was how long can UM stay competitive with peer institutions while requiring most residential students to live in traditional housing with community bathrooms.
- Graduate students have a difficult time finding affordable housing; most stipends are not high enough to cover living expenses. Stakeholders are concerned that UM cannot guarantee housing to transfer students owing to the lack of bed spaces.



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- The City is concerned about the number of students renting group houses in residential areas and affecting the character of the neighborhoods. There are few amenities along Route 1 near campus and redevelopment of College Park should be a priority. It is not a “college town” like so many other university towns.

CURRENT HOUSING SITUATION

- On-campus residents indicated in focus groups that they like the proximity to classes, dining, and campus resources. They appreciated the social aspects of community living and amenities in certain buildings, e.g., air conditioning, private bedroom, elevator. Survey respondents agreed and selected proximity to classes and the ease with which they can be involved in campus activities as reasons for continuing to live on campus. Another often-cited reason was the safety and security of UM housing. Overall, 74% of on-campus residents were either “very satisfied” or “satisfied” with their housing vs. 63% of off-campus residents.
- Off-campus survey respondents who previously lived on campus or in University-affiliated housing selected all of the reasons why they moved off campus from a list provided. The top two reasons the students moved off campus were to find lower housing costs and more living space. Other top reasons were preference for a full kitchen in the unit, more privacy, more independence, and a private bedroom.
- Students believed it is important for the University to provide housing to various student groups, regardless of housing choices they personally have made. Over 90% of survey respondents indicated that it was extremely important for the University to provide housing for freshmen. When “extremely important” and “somewhat important” responses are combined, over 90% of survey respondents believed that it is important to provide housing to sophomores, transfer students, and international students. The same combined response for graduate students yielded a total of 39% of respondents.

PARENTS

- The three main college selection factors for parent respondents to the survey were the overall reputation of a university, the reputation of its academic programs, and the quality of the academic experience. The availability of housing was more important than the quality of housing and living/learning programs were more important to this group than the quality of housing.
- As of mid-September, 41% of all parent survey respondents stated that their child was having an extremely positive housing experience, 46% reported a somewhat positive experience, and 9% reported a less than positive experience.
- The largest percentage of parent survey respondents (37%) believed they were getting a moderate value and paying a moderate price for the on- or off-campus housing in which their student lived. However a number of parents believed that their student is getting moderate quality housing for a high price (20%). In comments on the parent survey, parents were strongly in support of facilities upgrades, particularly adding air-conditioning in halls that currently lack this feature.



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PEER INSTITUTION ANALYSIS

- In fall 2010, UM had the capacity to house 31% of enrollment in on-campus or UM-affiliated housing, which is above the 28% median for academic and competitor peers, but below the 36% at situational peers. The addition of Oakland Hall in fall 2011 brought UM's capacity to 33%.
- All peers experienced high occupancy rates in fall 2010 and fall 2011. The lowest was the University of Delaware at 94% in fall 2010 and University of North Carolina-Chapel Hill in fall 2011 at 96%. UM has historically exceeded 100% and maintained a waitlist for housing. As a result of their high occupancy and demand, the majority of UM's peers are in the process of building new housing or renovating existing housing.
- UM charges the same rate for all students assigned to a double or a single room in traditional residence halls, semi-suites, and suites. No other peer has this policy; however, two institutions have a similar policy where all freshmen, regardless of room type, pay the same housing rate. UM's rate of \$5,793 is close to the competitor peer group average of \$5,529. The total cost to attend UM (including tuition, fees, room, and board) for an in-state student is just below the median for all three peer groups.

OFF-CAMPUS MARKET

- In College Park, since 2006, over 5,000 new student beds have entered the market both on and off campus. Much of this growth has taken place in new, high-end, individual-lease properties near the University and serving only college students. By ASL's estimation based on fall 2011 research, the five individual-lease properties close to campus¹ with almost 4,400 beds have over 630 vacancies, the equivalent of a 14% vacancy rate. Although almost 1,300 of these beds came online in fall 2011, current market conditions have not tempered developers' optimism as to future market performance. The pipeline of new projects has about 2,000 more new beds in projects aimed at the student market in addition to 555 new units in two other complexes. These figures do not include any housing that may be developed on the East Campus site.
- Two-thirds of undergraduate and graduate survey respondents leased an apartment, 18% rented a group house, 15% rented a room in a private home, and 1% had other housing arrangements. 21% did not share a bathroom with other residents; over half (58%) shared a bathroom at most with one other, while 21% shared a bathroom with more than two people. The majority of renters had a twelve-month lease (76%). The largest single group of undergraduate renters lived in College Park outside of the downtown area (36%) followed by Downtown College Park (21%). The largest single group of graduate student renters lived in areas not in or near College Park (41% cited "other") followed by College Park outside of the downtown area (26%).
- For single undergraduate survey respondents that rented housing on their own and did not share a bedroom, the total median monthly cost of housing (including rent and other costs) ranged from \$609 month, per person for units with three bedrooms to \$868 per month, per person for four-bedroom units. For single graduate survey respondents that rented housing on their own and did not share a bed-

¹ The Enclave at 8700, Mazza GrandMarc, Towers at University Town Center, University View, and The Varsity.



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room, the total median monthly cost of housing ranged from \$553 month, per person for units with three bedrooms to \$1,295 per month, per person for an efficiency unit.

DEMAND ANALYSIS FOR ON-CAMPUS HOUSING

- Undergraduate and graduate survey respondents were asked to consider how influential certain amenities would be on their decision to live in on-campus housing. Providing wireless internet throughout the building, on-site laundry facilities, card access on exterior doors, security cameras, and quiet study areas were the top five amenities that students “would not live without” or would have a positive influence on their decision to live there.
- The demand for student housing was determined using results from the student survey and enrollment figures provided by UM for the six targeted cohorts (1) first-year undergraduate students, (2) upper-class undergraduate students, (3) full-time transfer students, (4) Freshmen Connection students, (5) full-time graduate students, and (6) undergraduate and graduate international students. As the cohorts are not mutually exclusive, adding together the demand from all six of the individual cohorts would overstate overall demand.
- Demand was exhibited by all of the cohorts. Demand from upper-class students was the highest, followed by transfer students, and graduate students. With the exception of freshmen and Freshman Connection students, off-campus housing was generally preferred. For demand for on-campus housing, apartments were preferred. For off-campus graduate students, international students and transfer students, an on-campus traditional single also was relatively popular.

GAP ANALYSIS

- ASL assessed how well the supply of existing housing meets the demands of students. The gap analysis concludes UM has a surplus of over 2,000 traditional beds on campus and deficits of 533 semi-suite beds, 387 suite-style beds, and 3,853 apartment beds, compared to the first-choice preferences of those who would live on campus. Overall, UM has unmet demand for 3,433 beds.
- A similar analysis for graduate housing concludes that UM has a gap of 684 beds of unmet demand for on-campus housing. Much of this demand is for traditional units, but there is still about 200 beds of unmet demand for apartment-style units on campus. The survey defined on-campus housing as “University housing on or near campus” and off-campus options as “off campus/private-owned and managed housing.” Over a thousand off-campus graduate students would be interested in either single-student or conventional apartments off campus.

RECOMMENDATIONS

In light of a rapidly changing off-campus market, aging facilities, and peers that are taking action to improve their housing stock, ASL recommends that UM undertake a comprehensive housing planning exercise. Although plans are in place to address facility needs for many of the residence halls, a comprehensive plan, with the market study as a base, has the following benefits:

- Interprets and facilitates the academic mission of the University
- Requires an all-inclusive, strategic vision of the student housing system
- Can take town/gown issues into account during planning



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- Considers both renewal and sustainability of a significant portion of the institution's assets
- Addresses new construction, renovation, reconfiguration, and conversions
- Assures the proper allocation of resources
- Enables leveraging the time value of money to build rents and reserves
- Can test the financial impact of a variable rate structure
- Allows projects to cross-subsidize each other
- Uses long-term financing for leveraging cash flow and maximizing capital improvements
- Provides a framework for individual project plans and annual renewal projects
- Provides a view from "25,000 feet"

On a more short-term basis, perhaps even as part of the planning of Prince Frederick Hall (the building planned to replace three smaller, older residence halls), increase the number of single-occupancy traditional rooms into UM's unit mix. The benefits of such of an increase are:

- Provides a product currently provided in a very small number on campus (332) and not provided off campus
- Combines bedroom privacy with a relatively affordable cost
- Addresses preferences of currently under-served groups: upper class students, transfer students, graduate students, and international students
- Helps to potentially pull students that move off-campus for private bedrooms to choose to continue living on campus
- Allows for students to enjoy both bedroom privacy and a more communal setting than provided in much of the off-campus housing stock
- Eases room assignments, reducing concerns with roommate matching, gender, age, or other criteria



INTRODUCTION

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

INTRODUCTION

GOALS AND OBJECTIVES

The goal of the 2011 Student Housing Market Analysis, a collaborative effort with the University of Maryland (UM), the City of College Park, and the College Park City-University Partnership (CPCUP), was to characterize on- and off-campus student housing which is current and pending as well as nearby off-campus housing most utilized by UM's undergraduate and graduate students. UM administrators wanted to know where gaps or shifts in student demand for various housing options were occurring and is expected over the next 10 years. Our recommendations include UM's optimal response to housing market gaps and shifts including number of units/beds of student housing that UM should maintain, housing types (e.g., suites and traditional rooms), lease timeframes, price points, furnishing options, proximity and access to campus resources for multiple student constituencies. We have presented a planning scenario warranted by factors such as enrollment projections and future construction. A financial model accompanies this recommendation.

METHODOLOGY

PROJECT INITIATION

The ASL team conducted a kick-off meeting on March 11, 2011, toured existing on-campus housing as well as off-campus housing near the University and in College Park, and requested background materials for review. A steering committee was formed comprised of UM staff and City of College Park/CPCUP representatives.

In attendance at the kick-off meeting:

Linda Anderson, Anderson Strickler, LLC

Ellen Ulf, Anderson Strickler, LLC

Mary Hummel, Assistant Vice President for Student Affairs, University of Maryland

Maria Lonsbury, Project Specialist, Office of the Vice President for Student Affairs, University of Maryland

Jon Dooley, Director, Department of Residential Facilities, University of Maryland

Deb Grandner, Director, Department of Resident Life, University of Maryland

Dennis Passarella-George, Assistant Director, Department of Resident Life, University of Maryland

Scott Young, Assistant Director, Department of Resident Life, University of Maryland

Joann Prosser, Director of Research, Department of Resident Life, University of Maryland

Terry Schum, Planning Director, City of College Park

The CPCUP representative was unable to attend the kick-off meeting.

STAKEHOLDER INTERVIEWS

ASL held individual and group interviews with key stakeholders at the University and met with City officials. Representatives from Student Affairs, Academic Affairs, Resident Life, Residential Facilities, Residence Hall Association (RHA)/Student Government Association (SGA), Graduate Student Government Executive Committee, Living/Learning Faculty, Undergraduate Studies, Department of Transportation Services, Department of Dining Services, the State of Maryland, City of College Park, and CPCUP were included.

FOCUS GROUPS

Seven focus groups were held during the spring 2011 semester. A total of 90 students participated and each participant was given a \$30 VISA gift card as a thank-you gift. Participants were divided by various student groups:



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1) first-year students, 2) “Freshmen Connection” students (a fall semester academic program open to students who have already confirmed their spring admission), 3) upper-class students (sophomores, juniors, and seniors), 4) graduate students, 5) international students, 6) transfer students, and 7) students living off-campus. Using a moderator’s guide ASL developed with input from the steering committee, the moderator asked each group about their current housing situation, advantages and disadvantages to living on or off campus, preferred unit types and amenities, and budget limitations. Results were used to gauge students’ desire for on-and off-campus housing and to craft survey questions.

PEER AND COMPETITOR INSTITUTION ANALYSIS

UM supplied ASL with a list of 15 peer institutions divided by type: academic, competitor, and situational. Academic peers are those institutions identified by UM as being overall aspirational peers. UM has held these five institutions as aspirational peers for many years: The University of North Carolina, Chapel Hill; University of Illinois, Urbana-Champaign; University of Michigan; University of California, Berkeley; and University of California, Los Angeles.

Competitor peers are those institutions identified by UM’s Office of Undergraduate Admissions in 2011 as those institutions with which UM competes for students. They are: The Pennsylvania State University; University of Virginia; University of Maryland, Baltimore County; Cornell University; and Virginia Polytechnic Institute and State University.

Situational peers are those institutions identified by the steering committee for the purpose of this study. These institutions were selected because they share similar geographical and environmental characteristics as UM in College Park within a metropolitan area: University of Delaware; Rutgers, The State University of New Jersey; The Ohio State University; North Carolina State University; and Stony Brook University. The following list includes abbreviations are used in this report.

ACADEMIC	
The University of North Carolina, Chapel Hill	UNC-CH
University of Illinois, Urbana-Champaign	UIUC
University of Michigan	MICH
University of California, Berkeley	BERK
University of California, Los Angeles	UCLA
COMPETITOR	
The Pennsylvania State University	PSU
University of Virginia	UVA
The University of Maryland, Baltimore County	UMBC
Cornell University	CORN
Virginia Polytechnic Institute and State University	VTECH
SITUATIONAL	
University of Delaware	UDEL
Rutgers, The State University of New Jersey	RUTG
The Ohio State University	OSU
North Carolina State University	NCSU
Stony Brook University	SBU

Table 1: Peer Institutions

INTRODUCTION

ASL contacted each campus in August/September, 2011 to collect information regarding housing options, room rates, policies, amenities, trends, new housing plans, and off-campus housing offerings and challenges. Additional information was obtained from www.collegeboard.com.

OFF-CAMPUS STUDENT HOUSING MARKET ANALYSIS

Using input from focus groups, the student survey, a University administrator, and ASL's research from a previous study, ASL compiled a list of apartment complexes within 3.7 miles of the University. ASL interviewed property managers and owners to determine unit types, marketing efforts, rents, occupancy, wait lists, leasing policies, parking, and amenities. Information was also retrieved from the Internet. Off-campus data are in Attachment 3. In addition, ASL studied the Route 1 Overlay Zone, interviewed real estate professionals, and interviewed representatives from the City of College Park planning and development office to determine housing trends and identify planned competitive housing projects.

STUDENT SURVEY

ASL designed a student survey with input from the steering committee, campus administrators, and students. The purpose of the survey was to collect students' demographic information, information on students' current housing situation, and information on desired unit types at estimated rents. The Web survey was posted from April 26 through May 6, 2011. To notify students, UM sent an initial invitation soliciting participation using an electronic mail message from the Office of the Vice President for Student Affairs. Two reminder messages were sent before the submission deadline. The survey was designed to collect data on the following student populations: 1) first-year undergraduate students, 2) upper-class undergraduate students (sophomores, juniors, and seniors), 3) full-time transfer students, 4) Freshmen Connection students, 5) full-time graduate students, and 6) undergraduate and graduate international students. Incentives were offered to encourage students to participate including \$10 Terrapin Express credits to the first fifty responses, VISA gift cards to 15 randomly-selected students in the amounts of \$30, \$50, and \$100. With 2,842 responses from a distribution of 11,396, the survey achieved a 24.94% response rate².

PARENT SURVEY

ASL designed a survey with input from the steering committee. The purpose of the survey was to quantify student housing opinions of parents of undergraduate students who are often responsible for housing decisions and financial support. The survey gathered information regarding satisfaction with students' current living situation, price sensitivity for housing, influence on a student's housing selection, living group size, and location. The survey also tested demand for various unit configurations at given rents and lease terms. The Web survey was posted from September 12 through September 19, 2011 and achieved a 17% response rate. To notify parents, UM sent an electronic mail invitation from the Office of the Vice President of Student Affairs to parents in the Parents Association database. Parents of freshmen students are most highly represented (39%) while parents of senior level students (14%) are not so well represented in the survey database. The survey did not offer parents an incentive to respond to the survey.

² Of the 2,842 respondents 51% lived on campus and in university-affiliated housing and 49% lived off campus.



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DEMAND ANALYSIS

The demand for student housing was determined using results from the student survey. The four-step process also uses enrollment figures provided by UM, as described below.

Step 1: Capture Rate

Calculate the capture rate for each cohort subdivision at each level of interest by dividing the number of survey respondents in that cohort subdivision with that level of interest by the number of responses from that cohort subdivision, as in the following example:

$$\frac{\text{Number of Off-Campus Upper Class Respondents "Definitely Interested" in Campus Housing}}{\text{Number of Off-Campus Upper Class Students Responding to Survey}}$$

Step 2: Potential Interest

Multiply the capture rate for each cohort subdivision by the number of enrolled students in the respective cohort subdivision to determine potential interest at each level.

Step 3: Combine Definite and 50/50 Interest

Since respondents at the second level of interest said they "might have lived there (50/50 chance)," the analysis discounts their interest by 50% before adding it to definite interest. Since converting potential interest in housing to actual demand is a difficult undertaking depending on many factors, we assume that there is no demand from those who indicated that they would not, or probably would not, live in the housing options.

Step 4: Demand

Apply the combined rate of interest for each cohort subdivision to fall 2010 enrollment (provided by UM) to calculate potential demand from that cohort. Fall 2010 data was used as the survey was conducted in the spring of 2011. The demand is "potential" because it is not "actual" demand, where students actually live.

FINANCIAL MODEL

ASL created a financial pro forma based on the program recommendation resulting from the market analysis. The pro forma details assumptions regarding operating costs, the development budget, and financing.



CURRENT HOUSING SITUATION

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

CURRENT HOUSING SITUATION

UNIVERSITY HOUSING

The University of Maryland, College Park (UM) enrolls approximately 37,600 full-time and part-time students at the undergraduate, Master's and Ph.D. levels, including about 24,700 full-time undergraduate students and 7,570 full-time Master's and doctoral students.

The University guarantees residence hall housing to all new freshmen entering each fall. In fall 2010, UM operated about 8,352 beds for undergraduates in 35 campus residence halls and seven apartment buildings. An additional 3,003 beds for undergraduates were available in two public-private partnership (PPP) apartment communities adjacent to campus (i.e., South Campus Commons or The Courtyards at Maryland). Approximately 1,200 undergraduate students lived in fraternity and sorority houses, two-thirds of them in houses owned by the University, the others in chapter-owned houses located at the campus edge in the City of College Park. An estimated 650 graduate students, some with family members, lived in 476 units in two graduate apartment communities owned by UM and managed by a private company. Efficiency, one-bedroom, and two-bedroom units were available; efficiency units had a long waiting list.

In fall 2011 the opening of Oakland Hall, a residence hall designed as two-double-bedroom semi-suites, added 709 total beds while renovations to other halls caused the net increase to be 684 beds. This increase in capacity resulted in UM housing the largest number of students in housing in its history (11,849 students) as well as the largest number of students in living-learning programs (4,119 students.) The waiting list at opening was 298 students. These increases occurred even in light of a rapid expansion in off-campus housing including 1,270 beds as of fall 2011 (901 beds at the Varsity and 369 at the Enclave at 8700.)

UM's 2008 strategic plan addressed the institution's unmet housing needs for students, faculty, staff, visiting lecturers, and researchers. The strategic plan includes an increase in University housing and upgrades in existing housing facilities as part of efforts to enroll "more of Maryland's and the world's exceptional high school graduates" and college graduates, increase enrollments by the most talented transfer students, further increase retention and graduation rates by all undergraduates, and make available high-quality, affordable housing near campus for all full-time graduate students (who want to live nearby), with priority for new Ph.D. students," in part through development of retail, office and housing parcels at its planned East Campus site.

The University's Department of Residential Facilities maintains a listing of new housing construction projects, whole hall renovations, and other capital projects as currently shown in the campus' System Funded Construction Program for the next ten years. The most recent version of that document identifies a new building called "Prince Frederick" to replace Carroll, Caroline, and Wicomico Halls. Worcester Hall, an approximately 155 bed residence hall, is also slated to be replaced with 233 beds. Whole hall renovations are planned for two halls, Cecil and Dorchester halls. Eight halls are slated to receive improvements for air conditioning, electrical systems, and windows: Elkton, Cambridge, Centreville, Bel Air, Chestertown, Cumberland, Hagerstown, Ellicott, and LaPlata halls.



CURRENT HOUSING SITUATION

STAKEHOLDER VIEWPOINTS

Stakeholder interviews were held with various administrators. The following summary from stakeholder interviews reflects the opinions of certain individuals. The opinions point to the issues that were considered when developing the student and parent survey. While concerns varied for each department or individual, common themes emerged during interviews, such as the cost of housing and the aging high-rise traditional residence halls. A serious concern was how long can UM stay competitive with peer institutions while providing traditional housing with community bathrooms. Additionally, triple and quad rooms may have an adverse effect on students' GPA, the meal plan requirement may impact students' decisions to move off campus, and some students want to stay in housing over breaks. While the opening of Oakland Hall will address some of these issues with new, double-bedroom semi-suites, stakeholders understood the need to consider the entire housing stock.

Undergraduate students had concerns regarding what they consider to be an ambiguous lottery process, flex housing (e.g., using doubles as triples, using lounge spaces), increasing enrollment and the availability of housing, and believe that juniors and seniors do not want to live on North Campus. While Oakland Hall seems to be an optimal design choice, students may want more housing with nine and twelve-month lease options in styles such as available in PPP housing.

The inventory of graduate student housing is small compared to other universities. Graduate students have a difficult time finding affordable housing; most stipends are not high enough to cover living expenses.

Providing living/learning communities with appropriate meeting spaces continues to be a priority. Stakeholders were concerned that UM cannot guarantee housing to transfer students due to lack of supply.

The City representatives were concerned about the high number of students renting group houses in residential areas. There are few amenities along Route 1 and redevelopment of College Park should be a priority. It is not a "college town" like so many other university towns. There is need for faculty and staff housing. There are transportation problems with an excessive number of buses running in College Park, few bike paths, and an excess of cars.

Throughout the interviews, questions emerged regarding the number of student housing units needed on campus and off campus, whether dining and transportation services can meet additional demand, and how the influx of off-campus apartments will affect UM's occupancy. Some of these questions, as well as stakeholders' concerns are addressed in the study.

STUDENT HOUSING SATISFACTION

Students who lived on campus indicated in focus groups that they liked the proximity to classes, dining, and campus resources. They appreciated the social aspects of community living and amenities in certain buildings, e.g., air conditioning, private bedroom, elevator. Freshmen, in particular, felt that living on campus is a good experience for their first year because they get acclimated to college life and meet new people in their residence hall. Students are able to easily work together on homework and group projects and do not have to carry much throughout the day because they can return to their room periodically.

Whether they lived on or off campus or in Graduate Hills/Gardens, most survey respondents are satisfied or very satisfied with their current living situation. In ASL's experience, off-campus residents are typically twice as "very satisfied" as on-campus residents; however, at UM, the "very satisfied" percentages are fairly equal between on and off-campus residents. The percentage of "very satisfied" students is highest with on-campus residents and



CURRENT HOUSING SITUATION

lowest at Graduate Hills or Gardens. In addition, when “very satisfied” and “satisfied” are added together, ASL has found on- and off-campus groups to be more equal. In UM’s case, 76% of on-campus respondents noted this combined level of satisfaction vs. 63% off-campus respondents as shown in Figure 1.

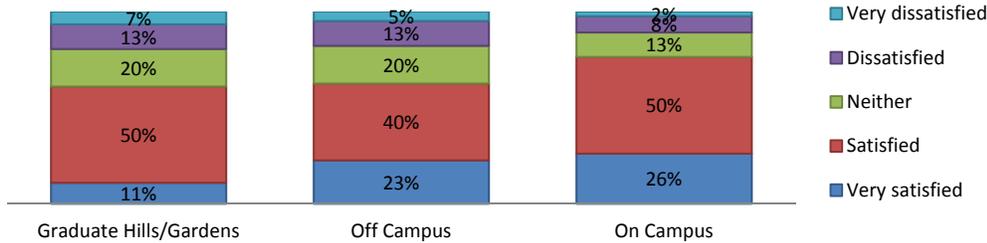


Figure 1: Satisfaction with Current Housing Situation

Figure 2 shows housing satisfaction by living situation. When off-campus survey responses are sorted by place of residence, those that own their own home selected “very satisfied” most often; those renting on their own are more satisfied than those living with parents or other relatives.

Students living in University-affiliated housing show a high level of satisfaction for fraternity/sorority and PPP housing. Over 60% of Graduate Gardens and Graduate Hills residents show satisfaction, although 20% showed dissatisfaction.

Renters who live in houses in College Park have higher levels of satisfaction than do residents of the three individual lease properties (Mazza GrandMarc, Towers at University Town Center, and University View I & II), or those who rent elsewhere.

When “very satisfied” and “satisfied” are added together, most students living on campus are satisfied except for nearly 20% living in Denton Community which includes Denton, Easton, and Elkton Halls.³

³ Denton Community also includes Oakland Hall which opened in fall 2011 and was not included in this survey.



CURRENT HOUSING SITUATION

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

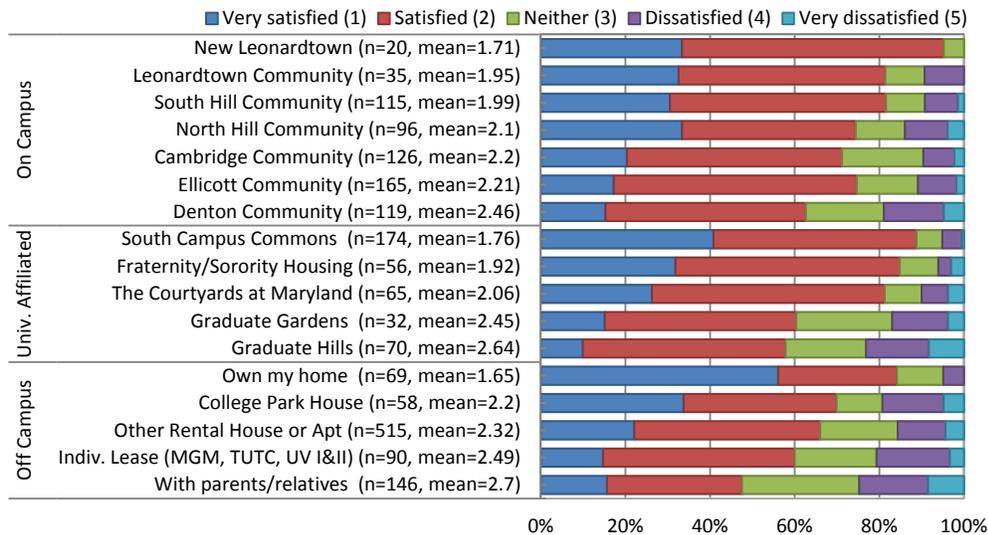


Figure 2: Satisfaction by Housing Situation

All students who responded to the student survey could add comments in a text box at the end of the survey. Respondents echoed several themes. As one said, “Everyone needs a cheap and good room.” Many comments focused on the quality and affordability of housing on campus, and the difficulties students who want to live on campus face. Many comments reflected negative opinions of halls without air conditioning, for example. Also, it is not easy for students to succeed in getting housing they prefer in the lottery process, leaving many dissatisfied. As one said, “You should make it easier for upperclassmen to get housing on campus.” Some expressed limitations on their desire to live on campus, however, not wanting to sacrifice privacy or expense to live there: “Want to live on campus but my privacy is important. Also, do not know how I would afford it.” A number of graduate students indicated interest in living on campus if only a product were available that met their needs and described a variety unit type ideals.

Those living on campus were asked why they choose to remain in on-campus housing. Most appreciated proximity to classes and the ease with which they can be involved in campus life. Other often-cited reasons included on-site programs and activities, and the safety and security of UM housing. The top ten reasons are shown in Figure 3.

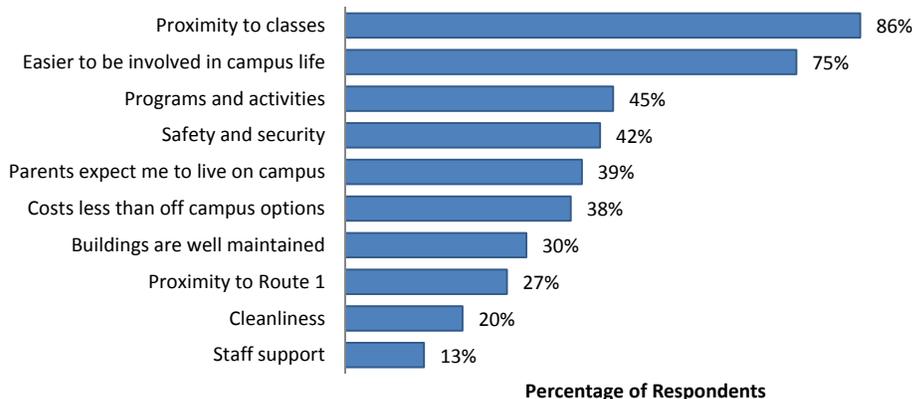


Figure 3: Reasons Students Remain in On-Campus Housing

CURRENT HOUSING SITUATION

HOUSING PLANS

Since students were surveyed in early May, 2011, the University was interested in knowing how many students were sure of their fall 2011 housing plans at that point in time. For those living on campus, 75% of on-campus respondents knew exactly where they were going to live compared with 49% of off-campus respondents and 41% of Graduate Hills and Graduate Gardens residents, as shown in Figure 4.

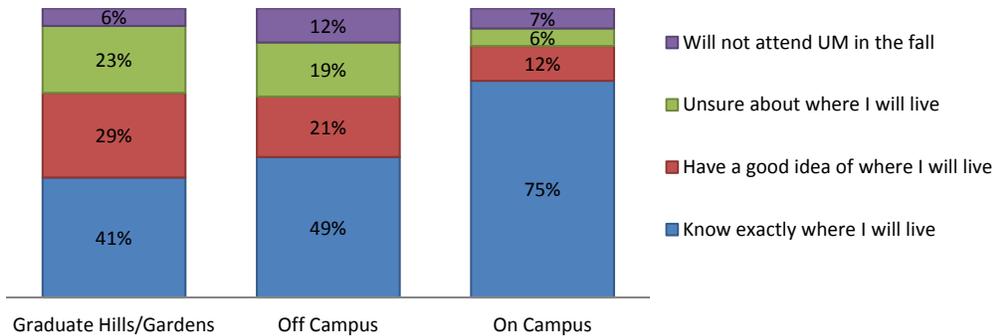


Figure 4: Certainty of Fall 2011 Housing Situation

Those that were sure, or had a reasonable idea, of where they were going to live indicated where their fall 2011 housing was located. At that point in time (early May), half were planning on living in University housing and half were planning on living off campus, as shown in Figure 5 which includes a more detailed breakdown as to where they might live. Of those planning to live off campus, 68% had considered living in on-campus housing.

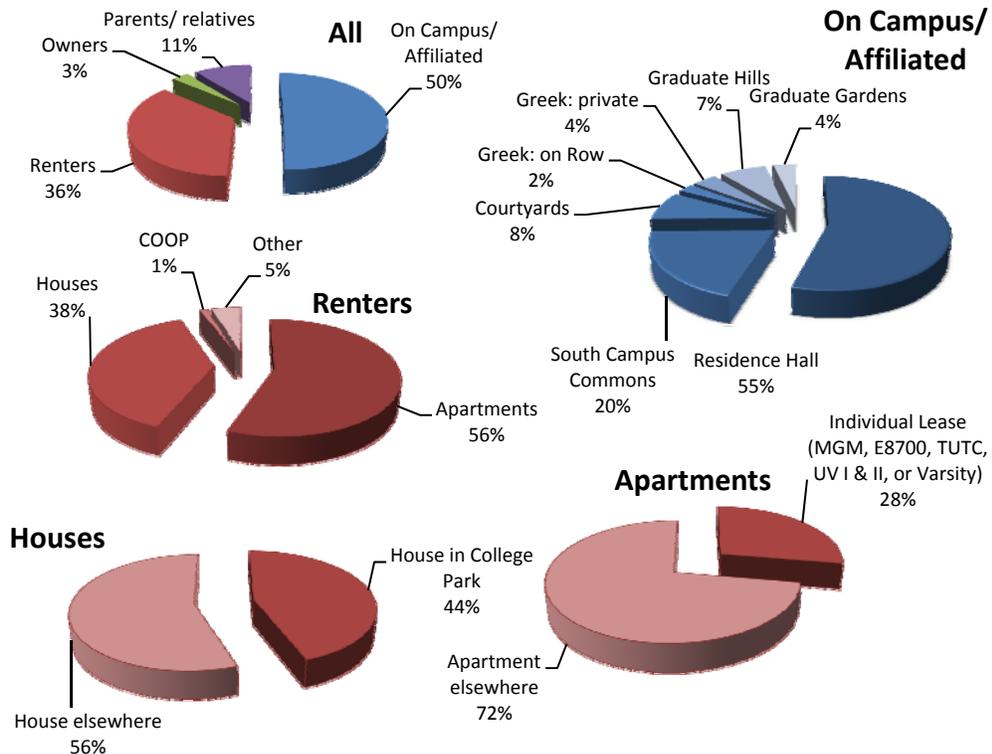


Figure 5: Housing Plans for Fall 2011



CURRENT HOUSING SITUATION

IMPORTANCE OF PROVIDING HOUSING

Both undergraduate and graduate students believed it is important for the University to provide housing to various student groups, regardless of housing choices they personally have made. Over 90% of survey respondents indicated that it was extremely important for the University to provide housing for freshmen, as shown in Figure 6. When “extremely important” and “somewhat important” responses are combined, over 90% of survey respondents believe that it is important to provide housing to sophomores, transfer students, and international students. The same combined response for graduate students yielded a total of 39% of respondents.

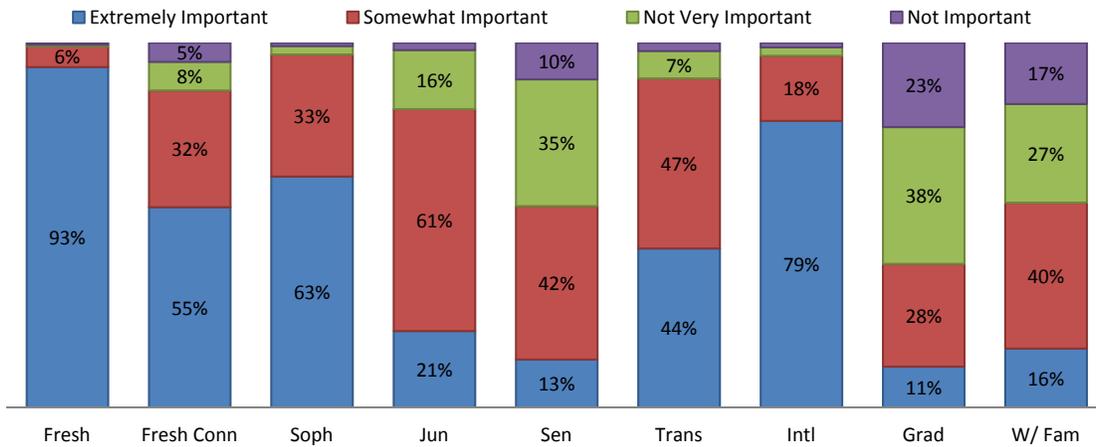


Figure 6: Importance of Providing Housing, Student Response

TRANSPORTATION

All survey respondents were asked to identify their primary method for getting to class. Few carpooled, took Metrorail, or took a public bus. Over four-fifths of students who lived on campus chose to walk (82%) while nearly half of those living further away off campus chose to drive (48% in their own car, 7% in the family car.) Of those who lived in rental houses in College Park, about a third (31%) walked to campus and a third (31%) drove their own car. Just over half (53%) residents of the individual lease properties took a shuttle, although over a third (36%) walked.

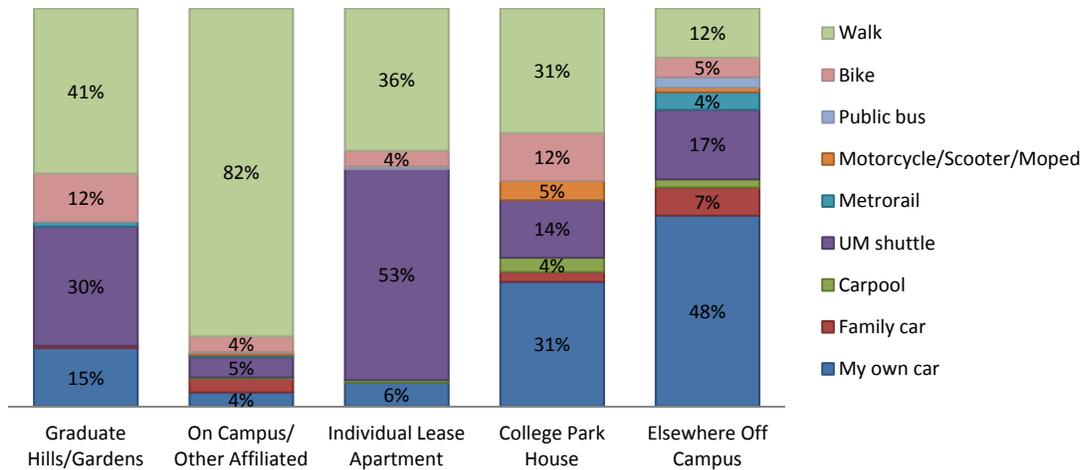


Figure 7: Ways Students Get to Class



PARENTS

PARENTS

The survey sent to members of the Maryland Parents Association received responses from a distribution of parents. Parents of freshmen were strongly represented, with 39% of the response, with 25% parents of sophomores, 21% parents of juniors, and 14% parents of seniors. Virtually all children attended full time, and only 6% were in the Freshman Connection program. From the parent survey, we learned that the overall reputation of a university, the reputation of its academic programs, and the quality of the academic experience were the three main factors that parents considered when deciding where their child would attend. The availability of housing was more important than the quality of housing. Interestingly, living/learning programs were more important to this group than the quality of housing. Figure 8 illustrates the ranking of all factors.

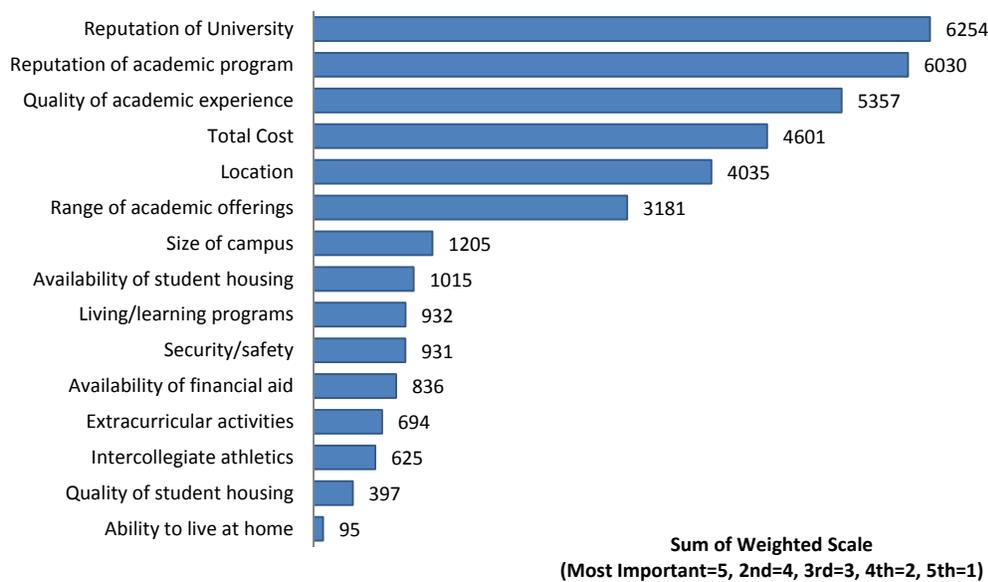


Figure 8: Factors Used by Parents in Deciding Which University to Attend

Well over half of parent survey respondents will pay 100% of students' housing costs for the 2011-12 academic year, while 23% expected the student to pay at least some expenses. Two percent expected students to pay 100% of their living expenses. All sources are shown in Figure 9.

PARENTS

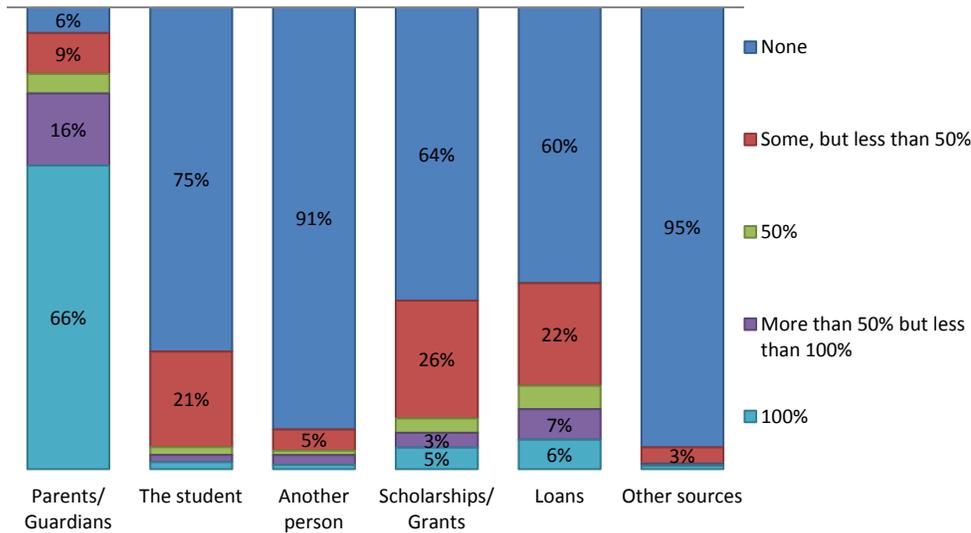


Figure 9: Sources of Funding for Housing Expenses

When asked about the quality of student housing at UM, 56% of parent survey respondents said that the on-campus housing at UM was comparable to housing at other campuses. Nearly one quarter, 24%, thought UM housing was worse than at other campuses, 8% thought it was better, and 12% did not know.

The survey, administered at the start of the 2011-12 academic year, asked parents where their child lived. As shown in Figure 10, over half lived in on-campus housing. An insignificant number of respondents reported their son or daughter living in a co-op or UM graduate housing.

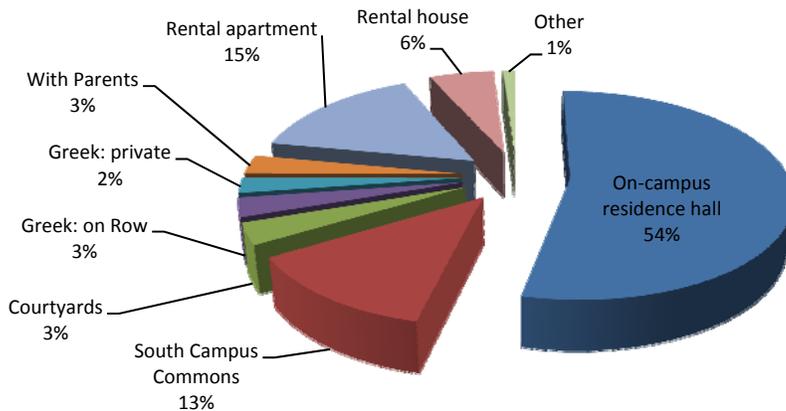


Figure 10: Where Undergraduate Son or Daughter Lives

As of mid-September, 41% of all parent survey respondents stated that their child was having an extremely positive housing experience, 46% were having a somewhat positive experience, 9% a less than positive experience and 2% of parents said their child’s living experience is not at all positive.

Children of 517 respondents rented off-campus apartments, houses or co-ops; of these more chose to live at University View (28%) than at any other property. About 26% rented group houses, 17% rented at The Varsity, and



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6% rented “Knox Boxes.” No other property had more than 5% of respondents. About 23% of parents did not know, or did not indicate, where their child was living.

The location of the student rental varied, but 58% lived in College Park (but not in the downtown area), 16% in the Knox Box area, 11% in downtown College Park (east of Route 1), 2% in Greenbelt/Berwyn Heights, and 1% in Riverdale/Hyattsville. The remaining 9% were sites scattered throughout the area and included other Maryland locations such as Rockville, Adelphi, and Baltimore; one reported Alexandria, Virginia as his/her child’s rental location. This does not mean that this 9% would be the only group interested in any new building in College Park or at UM. Another 3% did not know the location.

Parents reported that the monthly median costs paid for their child’s off-campus housing was \$795 for rent, \$50 for utilities, \$25 for telephone, cable, and Internet, and \$60 for parking for a median total of \$850 per month.

Most survey respondents (37%) believed they were getting a moderate value and paying a moderate price for the housing (both on- and off-campus together.) However many parents (20%) believed that their student is getting moderate quality housing for a high price. Figure 11 shows how all respondents answered.

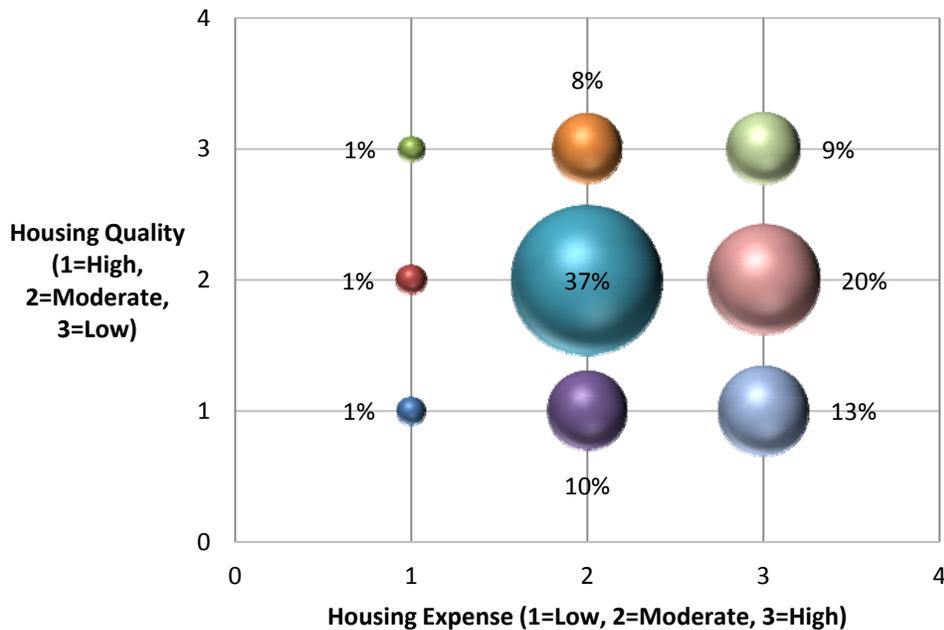


Figure 11: Quality of Housing Relative to Price, All Parents

Opinions on the quality and expense of housing depended on where parents’ children lived. As Figure 12 shows, parents’ opinion varied widely; individual lease properties were ranked highest in expense, but also in quality. Residence halls were judged to have the lowest expense, and houses in College Park, the lowest quality.

PARENTS

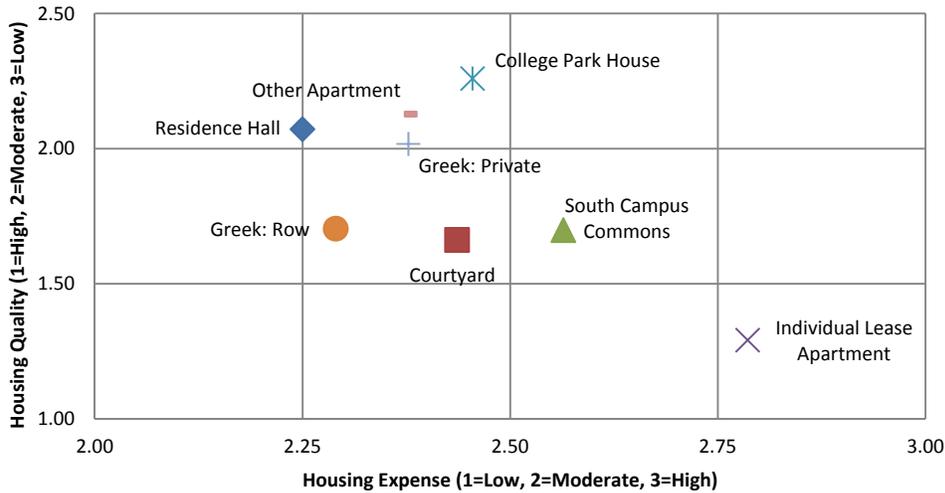


Figure 12: Mean Quality and Expense by Children's Residence

Students experience different housing needs over the course of their college tenure. Parents were asked what living situation was most appropriate for each year of study. For freshmen, three-quarters of the parents agreed that a traditional residence hall was most appropriate. Most parents were divided on appropriate housing for sophomores: 24% in traditional residence hall, 33% in semi-suite, and 27% in suite-style housing. Apartments and suites were favored by most respondents for junior-year housing and over 60% believed that apartments are most appropriate for seniors and graduate students, as shown in Figure 13.

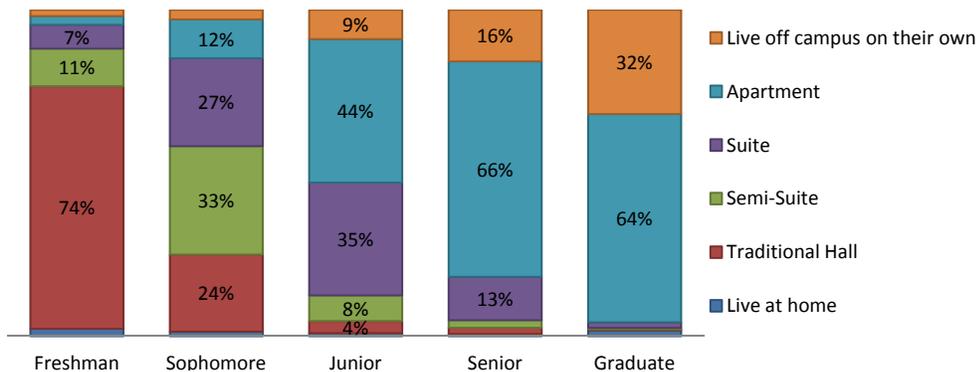


Figure 13: Appropriate Housing for Each Year of Study

Parents strongly believed that it is important for UM to provide student housing. Most believed that it is extremely important for UM to provide housing to freshmen and sophomores. Respondents answered for all categories, not only those to which their child belongs; Figure 14 shows how parents responded. When “extremely important” and “somewhat important” are combined (the blue and the red bars), it is evident that respondents believed that providing housing to Freshmen Connection students, juniors, transfer students, and undergraduate international students was at least somewhat important. Family housing and graduate housing were not priorities for parents. Parents found providing housing was more important than the student respondents did for most cohorts, in particular, Freshmen Connection students, sophomores, juniors, and international graduate students.

PARENTS

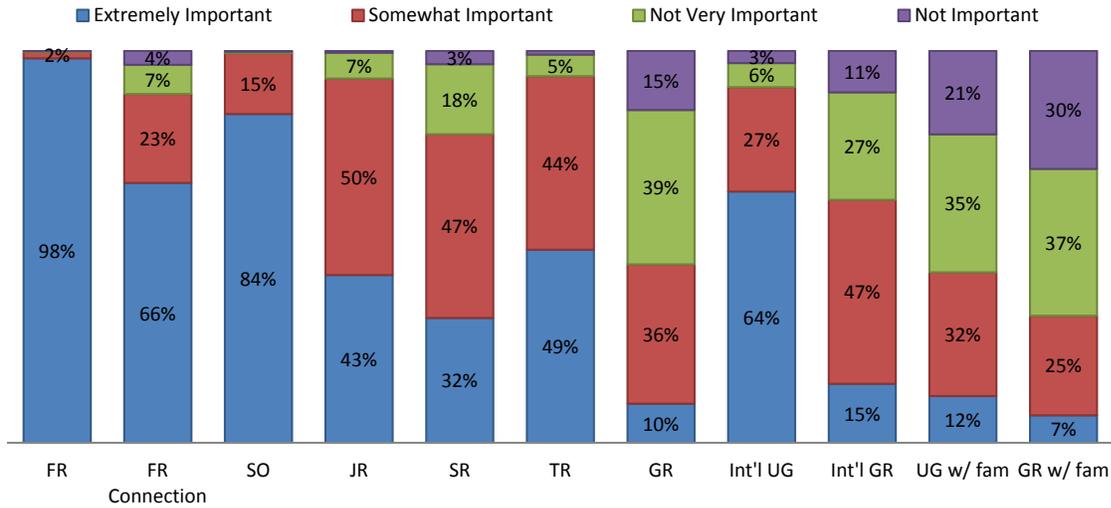


Figure 14: Importance of Providing Housing, Parent Response

According to parents (who selected their top five factors), the most important factors when choosing a place to live are affordable rent, an academic environment, and security of the building or unit. The top 25 factors are ranked in Figure 15.

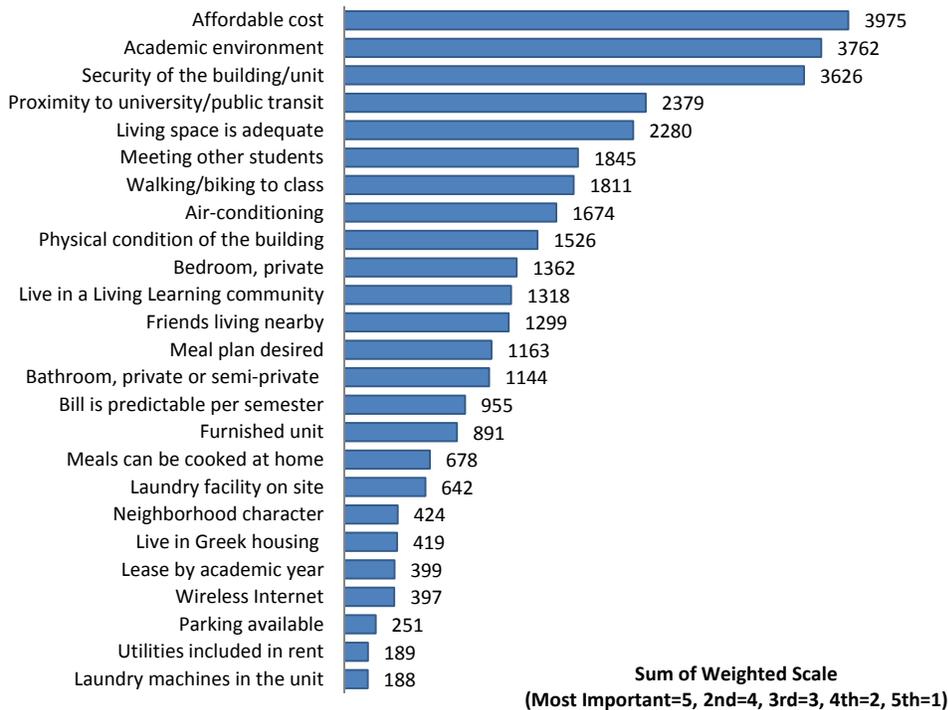


Figure 15: Important Factors, for Parents, in Choosing Where to Live

The survey described several different unit types and living situations with per-person or per-unit rents. The same options were offered on the student survey and are described on page 52. When considering their child's living situation, parents of freshmen and sophomores preferred a traditional double-bedroom residence hall



PARENTS

while juniors' and seniors' parents preferred a single-bedroom apartment. Nearly all other options were acceptable by 48% or more except for a single-family home, a conventional apartment, or a Knox Box apartment.

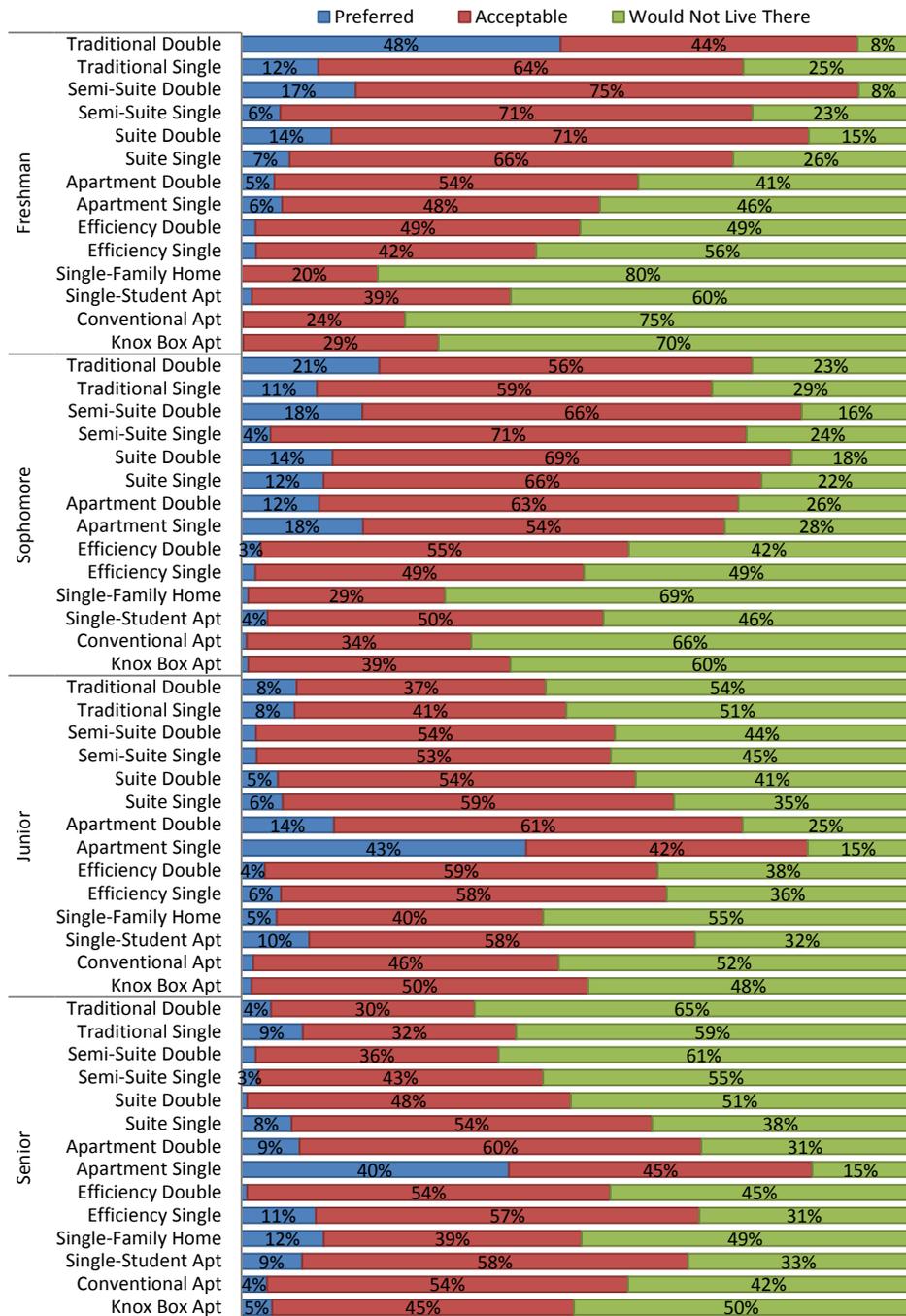


Figure 16: Parents' Preferred Unit Types

In comments on the parent survey, parents were strongly in support of some facilities upgrades. "All traditional dorms at UMD should have air conditioning. The College Park area is too hot and humid to live comfortably



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without it,” said one. “Dorm experience was not so good due to lack of air conditioning in the older high rise dorm. Chose to move out before her sophomore year. Other students were assigned much better dorm conditions.” “Very disappointed—dorm had not changed in the 25 years since I attended UMd.,” said another.

Another theme common in the parent comments was that: “I believe strongly every campus housing option should be available to every student of any year who desires it.” Parents of transfer and Freshman Connection students in particular seemed incredulous that a university like UM does not offer their children housing.

Parents were generally positive about South Campus Commons, aside from the expense, as one said, “The South Commons is a wonderful place to live because it is near the business school and the amenities are nice. It is a little too expensive and the open door policy and interaction is missing from conventional dorms.”

While parents seemed generally pleased with the features in individually-leased apartments in private developments, many felt forced to have their children live there and often noted the high cost: “While I would have preferred that my daughter be in a freshman dorm, this was not an option since she's in Freshman Connection. Given that, we are very happy that she was able to get an apartment in the Varsity, which is beautiful!”



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BEDS TO ENROLLMENT

The percentage of beds to total enrollment (including both undergraduate and graduate students) for fall 2010 is shown in Figure 17 Academic Peers, Figure 18 Competitor Peers, and Figure 19 Situational Peers with the first figure being the number of beds offered and the second being total enrollment. Fall 2010 data is used to match the timing of the survey as well as in recognition of the fact that the FY'12 census date (the date enrollment is officially determined) had not yet been reached at the surveyed campuses. UM had the capacity in fall 2010 to house 31% of enrollment which is above the median for academic and competitor peers.⁴ VTECH had the highest percentage, with the ability to house 59% of enrollment. Median and average percentages are noted for each peer group below. The addition of Oakland Hall in fall 2011 increased UM's beds to enrollment from 31% to 33%.

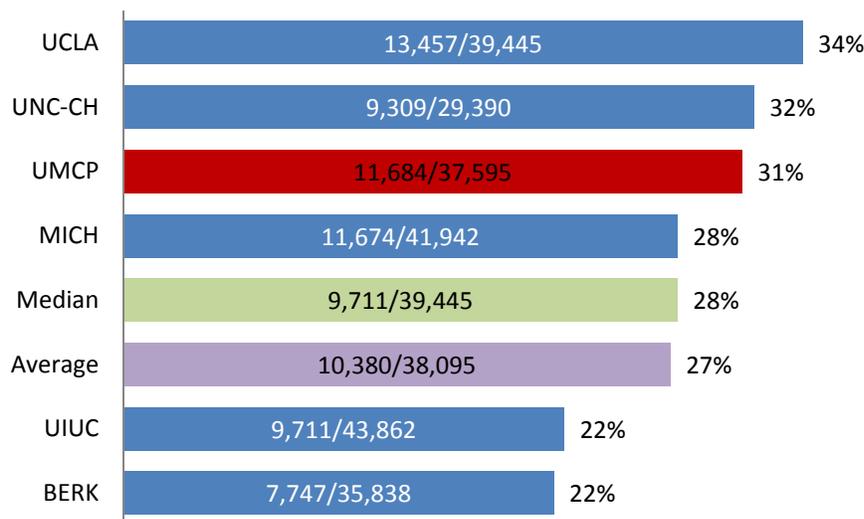


Figure 17: Academic Peers, Beds as Percent of Enrollment, Fall 2010

⁴ UM opened Oakland Hall in fall 2011 bringing their beds-to-enrollment to 33%.



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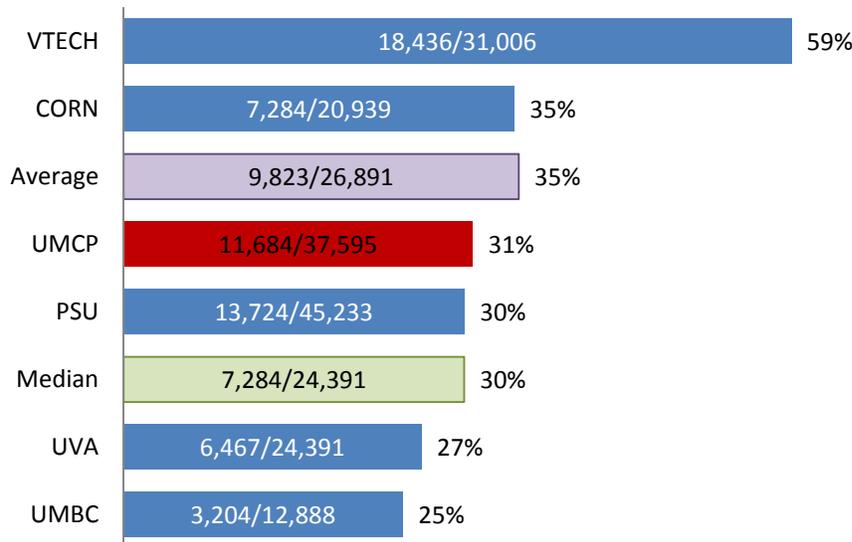


Figure 18: Competitor Peers, Beds as Percent of Enrollment, Fall 2010

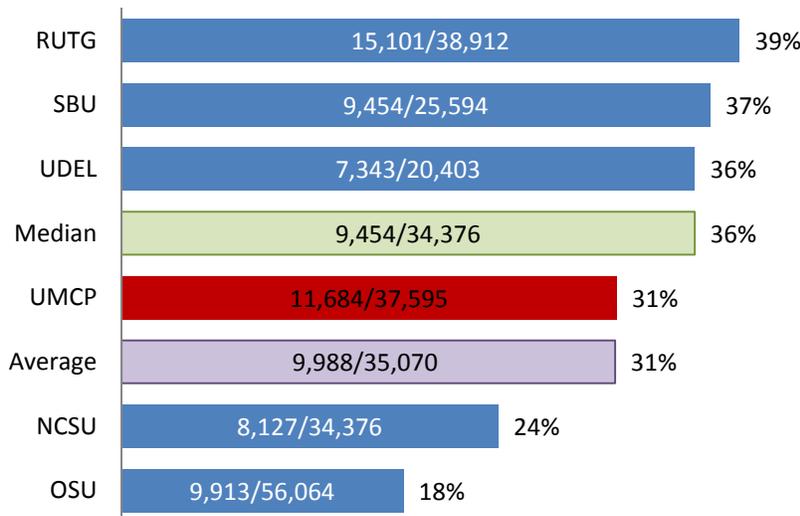


Figure 19: Situational Peers, Beds as Percent of Enrollment, Fall 2010

2011-12 COST

UM charges the same rate for all students assigned to a double or a single room in traditional residence halls, semi-suites, and suites.⁵ For 2011–12 the rate is \$5,793. No other peer has this policy; however, two institutions have a similar policy where all freshmen, regardless of room type, pay the same housing rate: UVA charges \$4,870 and UDEL charges \$6,450. Figure 20, Figure 21, and Figure 22 show the rate for a double room in a tra-

⁵ The rate for a triple bedroom in a traditional residence hall, semi-suite, or suite at UM is \$4,924



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ditional residence hall, typically assigned to freshmen.⁶ UM's rate of \$5,793 is close to the competitor peer group average of \$5,529.

UNDERGRADUATE SINGLE-STUDENT HOUSING

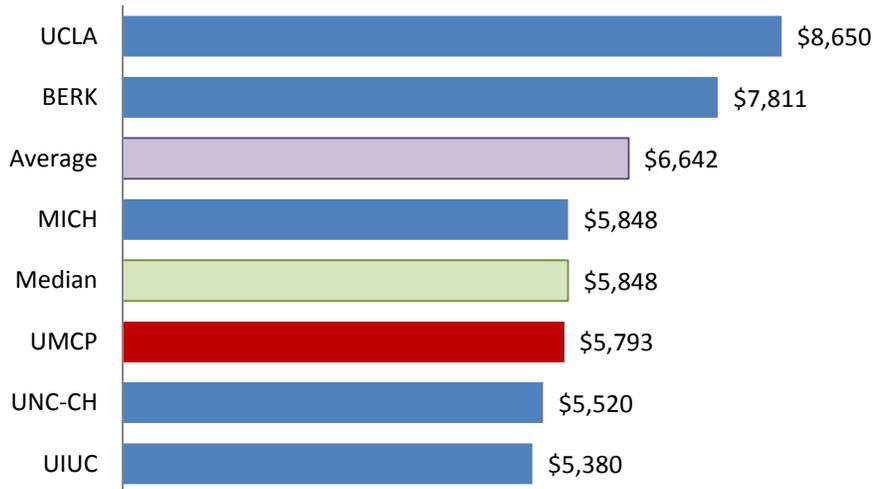


Figure 20 Academic Peers: Double Room Rate in a Traditional Residence Hall, 2011-12 AY

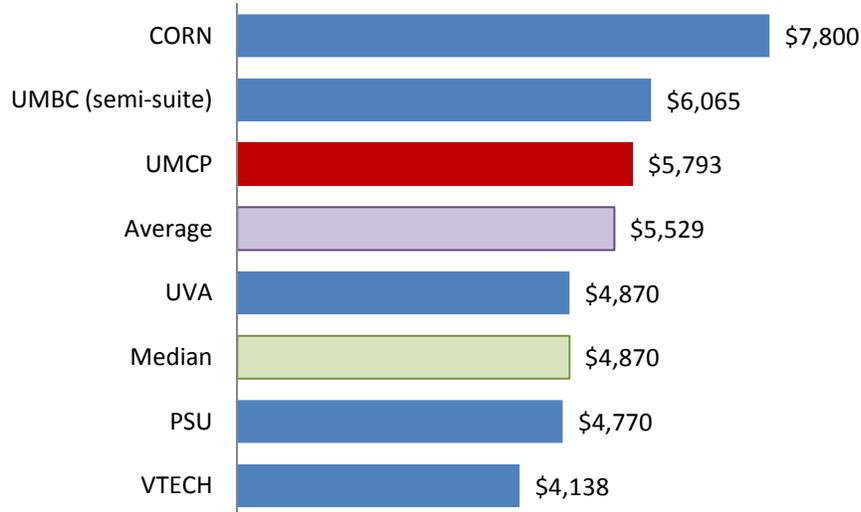


Figure 21 Competitor Peers: Double Room Rate in a Traditional Residence Hall, 2011-12 AY

⁶ UMBC, a competitive peer, does not offer traditional residence halls so a semi-suite double was used for the comparison.



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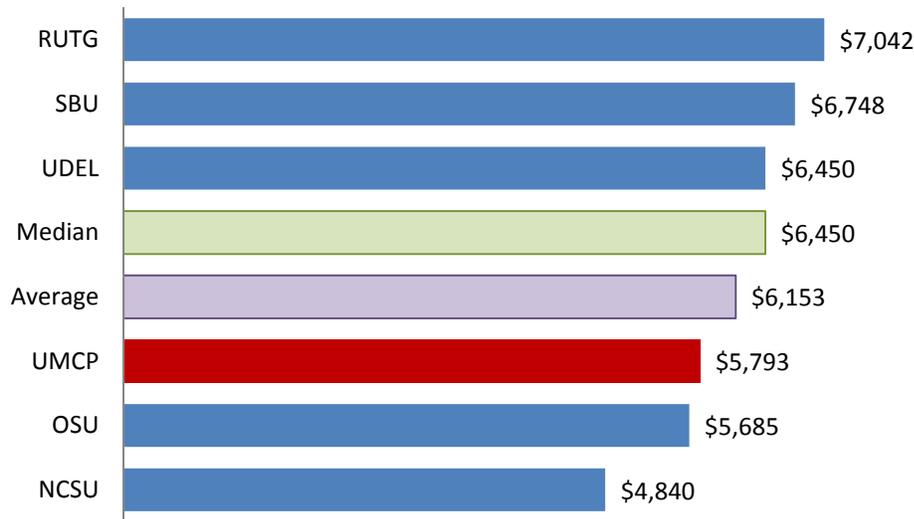


Figure 22 Situational Peers: Double Room Rate in a Traditional Residence Hall, 2011-12 AY

UM offers apartment housing on campus at \$6,037 for the 2011-12 academic year. The rate covers private or shared bedrooms in studios, one-bedroom, two-bedroom, three-bedroom, and four-bedroom apartments. VTECH, UIUC, and BERK do not provide apartment housing for single students. While the remaining peers offer a variety of apartment configurations, the most common is a two-bedroom apartment. As shown in Figure 23, when rates for a shared bedroom in a two-bedroom apartment are compared, UM's rate is \$773 below the median of \$6,810. CORN reports the highest rate of \$8,820 for townhouse units.

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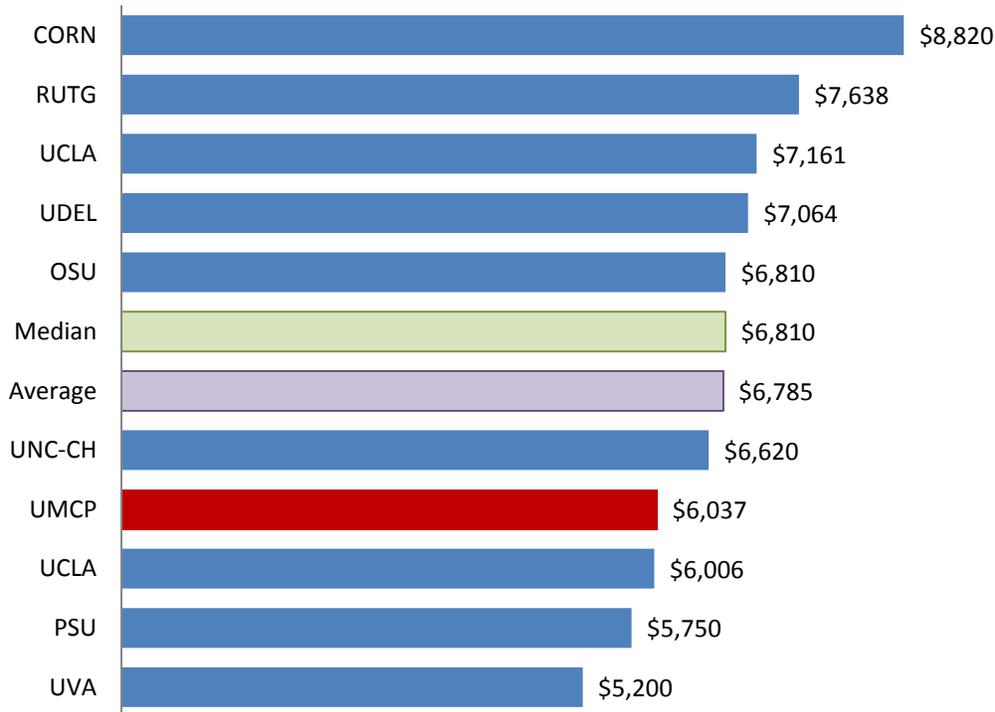


Figure 23: Double Room Rate in a Two-Bedroom Apartment

Four peers offer two-single-bedroom apartments. When comparing single-bedroom rates, UM's rate of \$6,037 is \$2,205 less than the median of \$8,242, as shown in Figure 24.

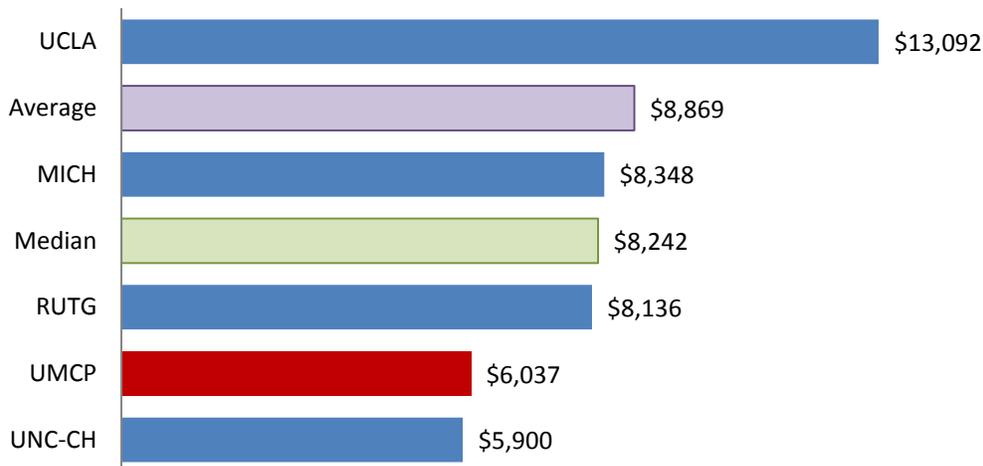


Figure 24: Single Room Rate in a Two-Bedroom Apartment

TOTAL COST TO ATTEND FOR UNDERGRADUATE STUDENTS

Figure 25, Figure 26, and Figure 27 compare UM's total cost of \$18,386 to all three peer groups. The charts represent a traditional double room rate, a 14-19 meal-per-week board rate, and tuition and fees for in-state stu-



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dents. The total cost to attend UM for an in-state student is below the median for all three peer groups. The most expensive institution is CORN at \$54,551 and the least expensive is NCSU at \$13,899.

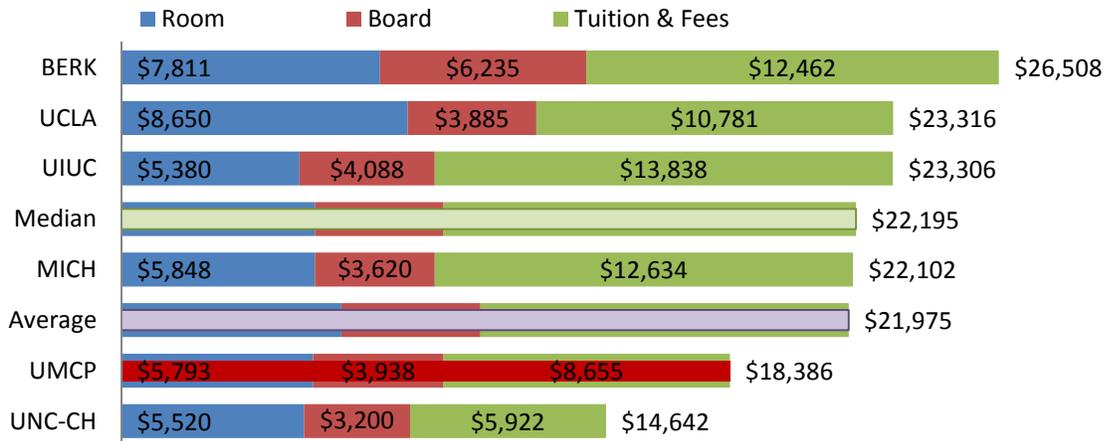


Figure 25: Academic Peers, Total Cost to Attend

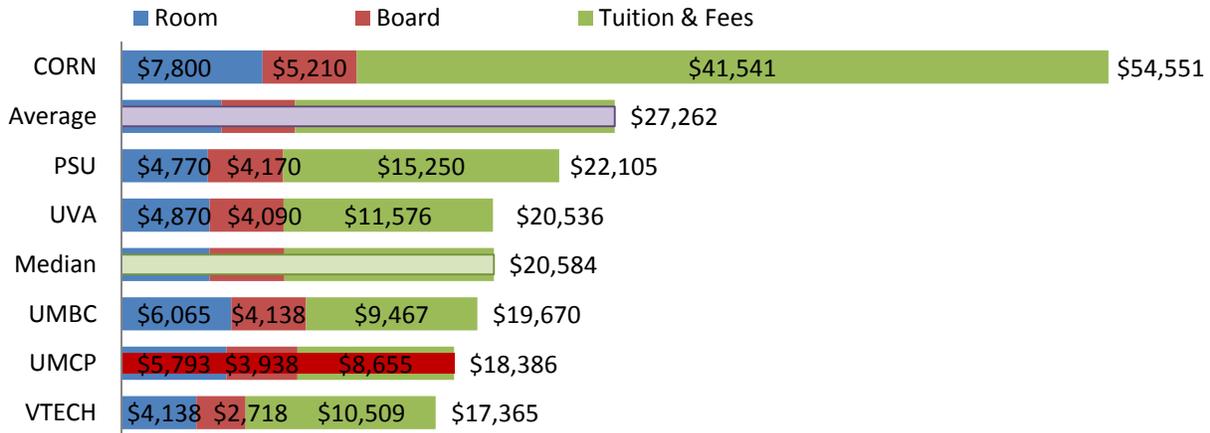


Figure 26: Competitor Peers, Total Cost to Attend

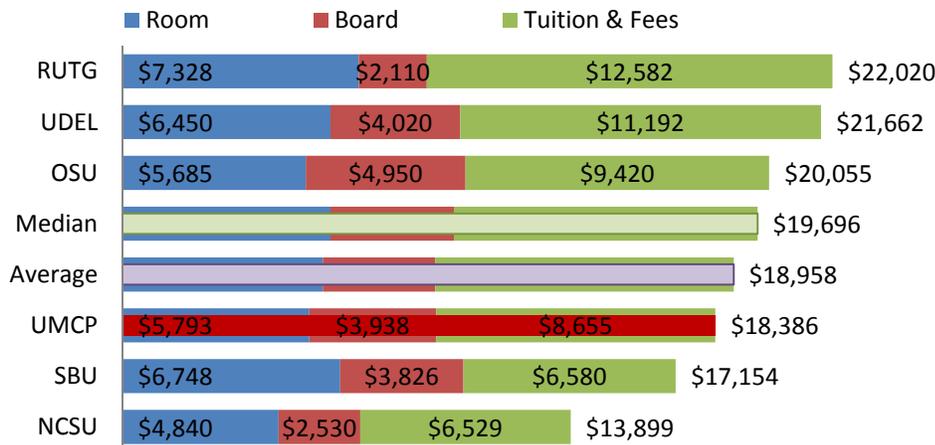


Figure 27: Situational Peers, Total Cost to Attend

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OCCUPANCY

All peers experienced high occupancy rates in fall 2010 and fall 2011 as shown in Table 2. PSU experienced the highest occupancy rates, as housing is oversubscribed each year. Percentages over 100% typically indicate that students are temporarily placed in lounges, tripled in double rooms, and similar measures. The lowest was UDEL at 94% in fall 2010 and UNC-CH in fall 2011 at 96%.

PEER	NUMBER OF BEDS	FALL 2010	FALL 2011
BERK	7,747	99%	100%
CORN	7,284	99%	99%
UDEL	8,343	94%	99%
MICH	11,674	99%	99%
NCSU	8,127	100%	100%
OSU	9,913	99%	100%
PSU	13,724	105%	106%
RUTG	14,101	98%	99%
SBU	9,454	103%	103%
UCLA	3,457	100%	100%
UICU	9,711	100%	100%
UMBC	3,204	101%	101%
UMCP ⁷	11,684	100%	100%
UNC-CH	9,309	98%	96%
UVA	6,467	97%	98%
VTECH	18,436	100%	103%
Low:	3,204	94%	96%
Median:	9,309	99%	100%
High:	18,436	105%	106%

Table 2: Peer Occupancy

At the start of the 2011-12 academic year, UM had 298 students on a wait list for housing-360 less than the previous year. With the opening of Oakland Hall, UM was able to house an additional 529 students on a net basis in light of beds lost to renovation. Fall 2011 wait list information was not available from the peers for this study, but nine out of fifteen peers had a wait list at the start of the fall 2010 semester, shown in Table 3. Few are able to house all that desire housing. PSU, with 868 on the list at the start of the semester, had already placed 451 who had previously been on the wait list. In some cases, by the time students were offered a space, they had already made other housing arrangements and were no longer interested. UNC-CH and UDEL have not had a wait list for the past few years; UIUC and OSU do not keep wait lists. UIUC assigns students temporarily and re-assigns them when no-shows are accounted for. OSU converts lounges into sleeping space until permanent quarters can be arranged, but this may need to change as overflow demand has increased in recent years.

⁷ UM's statistics were not included in the Low, Median, and High calculations. UM's bed count is for fall 2010.



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PEER	NUMBER ON WAIT LIST	NUMBER ASSIGNED	UNIT TYPE IN DEMAND
BERK	25-50	10	Apartments
CORN	30	8	Single in West Campus (air-controlled)
MICH	Unsure	Unsure	Single, non-shared graduate apartments
NCSU	100	63	Res hall and apartments
PSU	868	0	Singles, suites, apartments
RUTG	300	100	No particular unit type
SBU	480	all by spring	Double, single apartments
UMBC	359	11	No particular unit type
VTECH	250	0	No particular unit type

Table 3: Wait List, Fall 2010

POLICIES AND AMENITIES

UM does not have an on-campus residency requirement for freshmen or any other cohort. Those living in residence halls are required to subscribe to a meal plan. Leases are for the academic-year in residence halls, 11.5 months in PPP apartments, and 12-months in graduate apartments. Cable, Internet and telephone service are included in UM's housing rate. UM provides dining halls near residential buildings. All residence halls have student lounges; most have study rooms. Residence halls are fully furnished and most have on-site laundry facilities.

All but one peer (VTECH) offer single-student apartment housing similar to UM. UM's PPP apartment rate includes all utilities, Internet, cable and phone services. The lease term is 11.5 months. Community features include study rooms at both properties; a fitness room, game room, and swimming pool at The Courtyard. Apartments are fully furnished and include a washer-dryer in the unit.

Policies and amenities at peer institutions are shown in Table 4 . Where there are blanks, the information was not provided by the institution.⁸

⁸ Abbreviations used in the policies and amenities chart are as follows:

Y=Yes
 N=No
 S=Some halls
 M=Most halls
 A=Available (but not included)
 WD=Washer/Dryer in unit
 W/S=Water/Sewer
 FR=Freshmen
 AY=Academic Year
 12MO=12-month lease
 M-M=Month-to-month lease



PEER INSTITUTION ANALYSIS

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

College / University	Policies		Utilities				Food				Recreation							Other					
	On-Campus Living Requirement	Mandatory Meal Plan	Utilities Included	Local Telephone	In Room Cable	Ethernet Internet	On-site Food Service	C-Store	Vending	Community Kitchen	Computer Lab	Study Room	TV/Game Room	Fitness Center or Weight Rm	Swimming Pool	Volleyball	Basketball	Community Room	Furnished Units	Laundry Facilities	LLCs	Lease Term	
ACADEMIC PEERS																							
UNC-CH																							
Residence Halls	1st YR	N	Y	N	Y	Y	N	N	Y	Y	N	Y	Y	N	N	S	Y	Y	Y	Y	Y	AY	
Apartments, single		N	Y	N	Y	Y	N	N	Y	N	N	Y	Y	N	N	S	Y	Y	Y	Y	Y	Y	AY
Apartments, family		N	Y	N	Y	Y	N	N	Y	N	N	Y	Y	N	N	N	Y	Y	N	Y	N	Y	AY
UIUC																							
Residence Halls	Y	Y	Y	N	Y	Y	Y	Y	Y	S	Y	Y	Y	S	N	N	S	Y	Y	Y	Y	AY	
Apartments, single		N	S	N	Y	Y	N	N	Y	S	Y	S	S	N	N	N	S	Y	S	S	N	12MO	
Apartments, family		N	S	N	Y	Y	N	N	Y	S	Y	S	S	N	N	N	S	Y	S	S	N	12MO	
MICH																							
Residence Halls	N	Y	Y	A	Y	Y	M	S	Y	Y	Y	Y	S	N	S	S	A	Y	Y	Y	Y	AY	
Apartments, single		Y	Y	A	Y	Y	N	N	M	N	N	Y	S	N	N	S	S	S	S	Y	S	AY/12MO	
Apartments, family		Y	Y	A	Y	Y	N	N	M	N	N	Y	S	N	N	S	S	S	S	Y	S	12MO	
BERK																							
Residence Halls	N	Y	Y	M	Y	Y	Y	M	Y	Y	Y	Y	M	N	S	S	Y	Y	Y	Y	Y	AY	
Apartment, single		N	M	Y	Y	Y	S	S	Y	N	N	Y	Y	N	N	N	N	Y	Y	Y	N	12MO	
Apartments, family		N	Y	N	Y	Y	N	N	N	N	Y	Y	Y	Y	N	N	N	Y	N	Y	N	12MO	
UCLA																							
Residence Halls	N		N	N	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	AY	
Apartments, single		N		Y	N	Y	N	N	Y	N	Y	N	N	N	S	N	N	N	N	Y	N	AY	
Apartments, family			GAS	N	Y	Y	N	N	Y	N	Y	N	N	N	Y	N	N	Y	N	Y	N	M-M	
COMPETITOR PEERS																							
PSU																							
Residence Halls	1st YR	Y	Y	A	Y	Y	Y	Y	Y	N	Y	Y	Y					Y	Y	Y	Y	SEM /AY	
Apartments / TH, single													Y	N	N					Y		SEM /AY	
Apartments, family		N	Y		Y	Y								N	N			Y		Y	N	SEM /AY/SUM	
UVA																							
Residence Halls, 1st yr	1st YR	Y	Y		N	Y	Y		Y	Y	Y	Y		N				Y	Y	Y	Y	AY	
Residence Halls, returning					Y	Y													Y	Y	Y	Y	AY
Houses		Y			Y	N			Y			Y							Y	Y	Y	Y	
Apartments, single			Y		Y	Y			Y											Y	Y		
Apartments, family		Y	N	Y	Y	N	N		N	N		N	N	N				S	Y	N		M-M	
UMBC																							
Residence Halls	N	Y	Y	N	N	N	Y		Y	Y		Y	Y		Y	Y	Y	Y	Y	Y	Y	AY	
Apartments, single		N	N	N	Y	Y	Y		Y			Y	Y		Y	Y	Y	Y	Y	Y		AY	
Apartments, Walker Ave		N	Y	Y	Y	Y	Y		Y			Y	Y		Y		Y	Y	Y	Y	WD	AY/12MO	
CORN																							
Residence Halls	N	N	Y	N	N	Y	S	N	Y	Y	N	Y	Y	N	N	S	S	Y	Y	Y	Y	AY	
West Campus Housing		Y	Y	N	N	Y	N	Y	Y	Y	Y	Y	Y	N	N	N	S	Y	Y	Y	Y	AY	
Apartments, single		N	Y	Y	Y	Y	N	N	Y	S	N	N	Y	N	N	N	N	Y	Y	Y		AY/12MO	
Apartments, family		N	Y	Y	Y	Y	N	N	Y	Y	N	N	Y	N	N	N	N	Y	Y	Y		AY/12MO	
VTECH																							
Residence Halls	FR	Y	Y	Y	Y	Y	N	N	Y	M	S	Y	M	S	N	N	N	Y	Y	Y	Y	AY	
SITUATIONAL PEERS																							
UDEL																							
Residence Halls	N	Y	Y	N	Y	Y	Y	S	Y	Y	N	Y	Y	S	A	Y	Y	Y	Y	Y	Y	AY	
Apartments, single		N	Y	N	Y	Y	Y	S	Y	Y	N	N	Y	S	A	Y	Y	Y	Y	Y	N	AY	
Apartments, family		N	Y	Y	Y	Y	Y	S	Y	N	N	N	N	N	A	N	N	N	A	Y	N	12MO	
RUTG																							
Residence Halls	N	Y	Y	N	Y	Y	N	N	S	M	S	M	M	N	N	N	N	S	Y	Y	Y	AY	
Apartments, single		N	Y	N	Y	Y	N	N	N	N	N	N	N	N	N	N	N	S	Y	Y	Y	12MO /AY	
Apartments, family		N	Y	A	Y	Y	N	N	N	N	N	N	N	N	N	N	N	S	Y	Y	N	12MO	
NCSU																							
Residence Halls	N	FR	Y		N	A	N	S		Y	Y	Y	N	N				Y	Y		AY		
Apartments, single		N			N	Y		Y			Y		Y	N	N	Y				WD		AY	
Apartments, family		N	W/S		Y	N	N			Y	S	N	S	N	N	Y	Y	Y	A	Y	N	12MO	
SBU																							
Residence Halls	N	Y	Y	Y	Y	Y	N	N	Y	S	S	Y	Y	S	N	S	S	Y	Y	Y	S	AY	
Apartments, single		N		Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	N	S	S	Y	Y	Y	N	12MO /AY	
Apartments, family		N		Y	Y	Y	N	N	Y	Y	S	Y	Y	S	N	S	S	Y	Y	Y	N	12MO	
OSU																							
Residence Halls	1st YR	FR	Y	N	Y	Y	M	S	Y	M	S	Y	Y	S	N	S	S	Y	Y	Y	Y	AY	
Apartments, single		A	Y	A	Y	Y	S	S	A	S	N	Y	Y	S	N	S	S	Y	S	Y	S	AY	
Apartments, family		N	W/S	A	A	Y	N	N	A	Y	Y	Y	Y	N	Y	Y	Y	Y	N	Y	M	12MO	

Table 4: Housing Policies and Amenities at Peer Institutions



PEER INSTITUTION ANALYSIS

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

LATEST HOUSING NEWS

In fall 2011 UM opened Oakland Hall with a total of over 700 beds. Oakland offers semi-suite units with double-occupancy bedrooms with ample room for a microwave and small refrigerator. Four students share a bathroom and each hall has study and lounge space. Plans call for another building to replace existing housing, with 464 beds to open in fall 2014, to be named Prince Frederick. The unit type is being finalized but is expected to be a mix of traditional beds and semi-suite units. Several peer institutions have recently opened new housing or are planning new housing as follows.

ACADEMIC PEERS

UNC-CH: While nothing is planned for the near future, additional housing will most likely be efficiency apartments in five to seven years.

UIUC: The University of Illinois is undergoing a major redevelopment plan known as Ikenberry Commons Redevelopment Plan where each of the Champaign Residence Halls will be replaced. The first phase has opened as a LEED Silver certified project with 150 student beds and a new dining facility. The housing is semi-suite and traditional style with double bedrooms. The second phase of 350 beds is scheduled to open in fall 2012 followed by a third phase of 480 beds.

MICH: The University of Michigan has no plans for new housing but will be renovating existing halls over the next several years. Alice Lloyd Hall is the next building in the renovation schedule. Built in 1949, it houses 560 students. Improvements will include new fire detection and suppression systems, plumbing, heating and ventilation systems, renovated bathroom facilities, improved Internet access, and accessibility modifications. Community spaces will also be improved.

BERK: Berkeley has plans to develop 400 beds of housing: 200 beds in traditional double-occupancy bedrooms and 200 apartment beds in four-single-bedroom apartments.

UCLA: Since 2000, UCLA has purchased seven private-sector apartment buildings proximate to campus for single graduate students. In 2012 they will open 500 studio apartments on campus as Phase II of Weyburn Terrace, also for graduate students. A 1,500-bed traditional residence hall and commons building will open in two phases. The first will open in 2012; the second will open in 2013.

COMPETITOR PEERS

PSU: The University Park Campus has no plans for new housing but renovation work is under consideration. If adopted, 186 additional spaces will be realized.

UVA: In 2006, UVA began a redevelopment project for the area known as Alderman Road. The Alderman Road project will be completed in 2016. Kellogg House opened in fall 2008 with 192 beds. Balz-Dobie with 220 beds and Watson-Webb with 200 beds opened in fall 2011. The three completed residence halls are for first-year students in double-occupancy bedrooms. Ten to twelve students share a community bathroom and living area. Construction began in May 2011 for phases III and IV, comprised of three buildings slated to open in fall 2013. The final phase is still in the planning stages but due to open in fall 2016. The remaining three residence halls will be demolished after the final phase is operational.

UMBC: The University's newest housing, a public-private partnership with Capstone, opened in 2003 with 582 apartment beds. Plans call for an addition to Patapsco Hall to provide swing space while older apartments are being renovated. An increase in overall capacity will not be realized until 2014.



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CORN: Cornell University has no new housing plans at this time.

VTECH: Virginia Tech opened New Hall West in fall 2009 consisting of double bedrooms with a private bathroom. Construction has just begin (fall 2011) for a 36-bed fraternity house using a public-private partnership.

SITUATIONAL PEERS

UDEL: The University of Delaware has no plans for new housing at this time.

NCSU: Single student apartments on Centennial Campus will open in fall 2013 and 2014; a total of 1,150 beds.

SBU: Stony Brook recently opened 604 suite-style beds in Nobel Hall. Plans call for a 400-800 bed facility with dining hall to open in fall 2014 and they will soon begin the design process on a 400-bed graduate and professional housing complex located on East Campus.

OSU: Lane Avenue Residence Hall opened in fall 2009 and Jones Tower opened in fall 2010. Both are suite-style. New six-person suites will open in fall 2012 with 510 undergraduate spaces. Renovation projects in 2012 and 2013 will result in 360 new double bedrooms.

RUTG: B.E.S.T., a living-learning residence hall for engineering, science, and technology students opened in fall 2011. There will be an additional 1,500 apartment beds opening in fall 2012 consisting of units with four-single bedrooms sharing two bathrooms.

OFF-CAMPUS RELATIONSHIPS

All peers, except SBU, have a significant number of off-campus rental options for students. For most, there is a mix of rent-by-the-bed options and rent-by-the-unit options. For four institutions, UNC-CH, UIUC, BERK, and UDEL, the off-campus market has created greater competition resulting in decreasing demand for campus housing.

- At UNC-CH, rents are comparable but UNC-CH cannot compete with off-campus properties on parking, privacy, extra living space, or amenities.
- At UIUC, off-campus rents are generally lower than on-campus rents depending on amenities and proximity to campus.
- BERK is competing with a huge variety of housing options and prices with numerous newly-constructed units, and campus housing is more expensive than off-campus housing.
- At UDEL, rents are more affordable off campus because students live with four or more students per unit, but generally rent does not include utilities.
- Only MICH reported that off-campus rates are lower than on-campus rates, but this has not negatively affected on-campus occupancy.
- UCLA, UMBC, UVA, NCSU, and VTECH have rates that are lower than off-campus competitors, but in some cases, the gap is closing.
- Others reporting “comparable” rates include PSU, CORN, RUTG, and OSU.

Relationships between peer campuses and local landlords vary.

- Three peer institutions have very good relationships with off-campus landlords and property managers: UVA, UMBC, and VTECH.



PEER INSTITUTION ANALYSIS

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- UVA representatives from the Dean of Students' office regularly interact with property managers and have a strong relationship with a company known as Off Campus Partners (owned by a UVA alumnus). Information on enrollment growth and incoming numbers is shared with off-campus managers, they work together to find special accommodations when there is an emergency at an off-campus property, and UVA has installed security phones near off-campus housing locations. The relationship is beneficial because UVA cannot house all students and must rely on off-campus property managers to provide housing.
- UMBC retains a good relationship with at least nine nearby properties that are on UMBC's shuttle line. Residence Life partners with the Off-Campus Student Services Department at UMBC to foster good off-campus relations and hosts an annual off-campus housing tour.
- VTECH shares information with managers when requested and they work together when on-campus housing is over subscribed. VTECH hosts housing fairs and has produced a video regarding off-campus housing options for students.
- MICH, BERK, and UCLA have good relationships with property managers.
- UIUC, PSU, UDEL, RUTG, OSU, and NCSU have neutral relationships-neither good nor bad. There is very little collaboration between campuses and off-campus landlords regarding student services.
 - UIUC has agreements with Private Certified Housing for referrals.
 - UCLA, PSU, CORN, and OSU provide rental listings and some roommate-matching services.
 - UMBC and UDEL provide shuttle services to off-campus properties.
- No peer institutions reported a poor relationship with off-campus landlords.

GRADUATE AND FAMILY HOUSING

- Of the 15 peers, 13 provide apartment housing for graduate students, married students, and/or students with children. It is not possible to calculate beds to enrollment for graduate students as graduate housing typically includes family housing, the residents of which may or may not be graduate students. The two schools that do not provide graduate housing are VTECH and UMBC. Per-unit rates are compared with UM's Graduate Hills and Graduate Gardens in Figure 28: Studio Apartments, Figure 29: One-Bedroom Apartments, and Figure 30: Two-Bedroom Apartments. Monthly rents at UM's Graduate Gardens and Graduate Hills are above the median for all three unit types. OSU, UIUC, and NCSU have the lowest rates and BERK and SBU have the highest.



PEER INSTITUTION ANALYSIS

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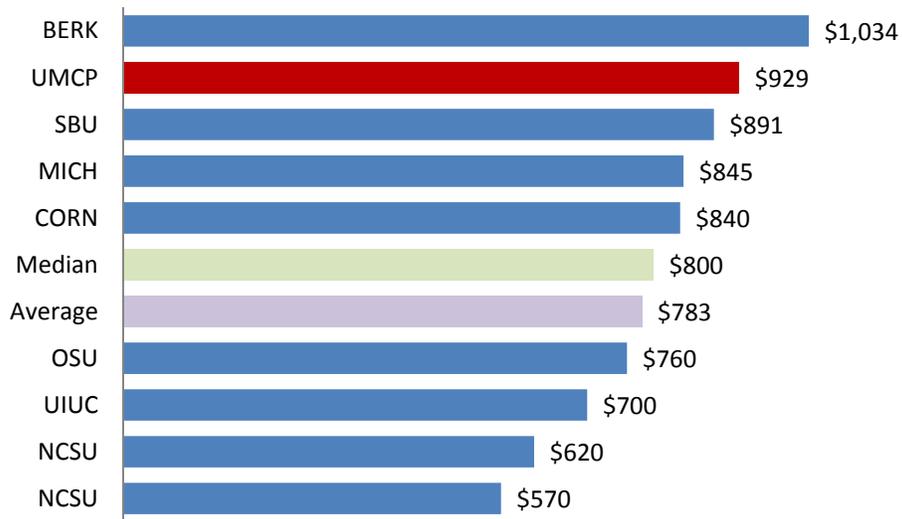


Figure 28: Studio Apartment, Per-Unit Monthly Rent

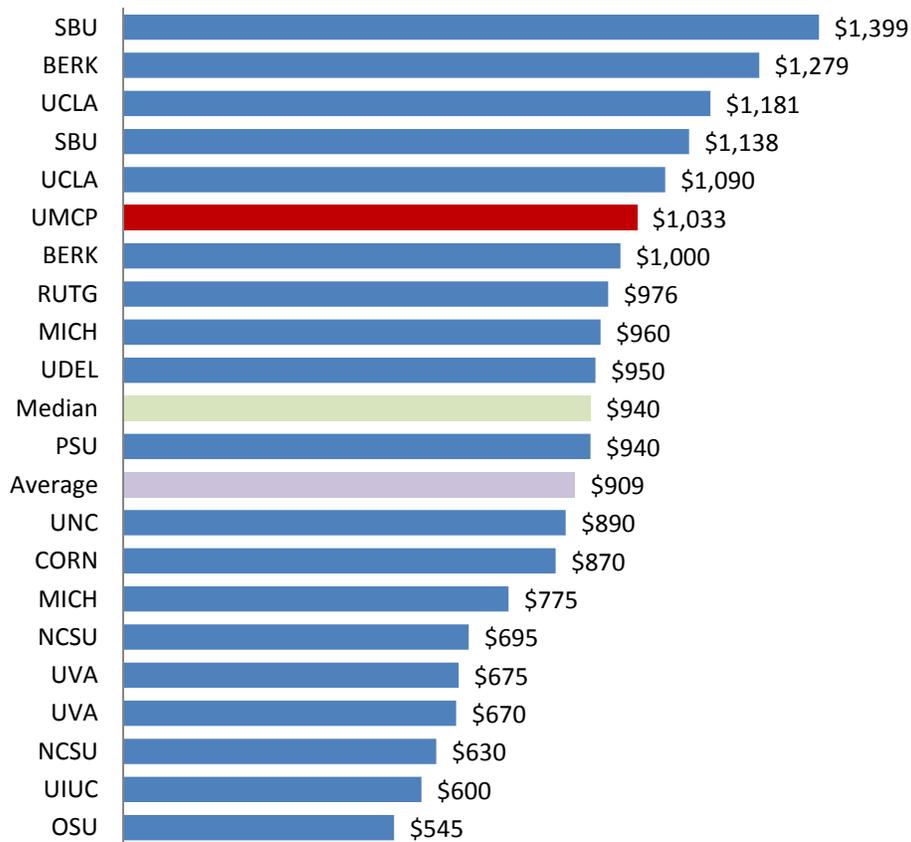


Figure 29: One-Bedroom Apartment, Per-Unit Monthly Rent

PEER INSTITUTION ANALYSIS

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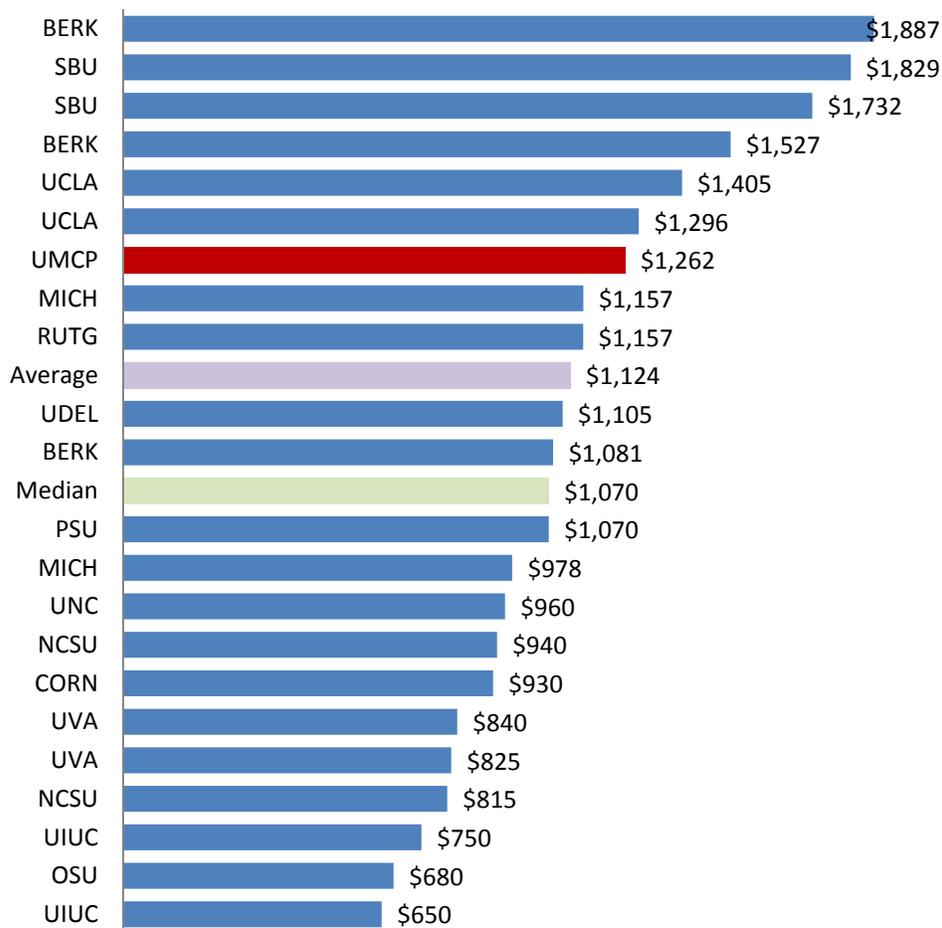


Figure 30: Two-Bedroom Apartment, Per-Unit Monthly Rent

OFF-CAMPUS MARKET

UNIVERSITY OF MARYLAND • 2011 STUDENT HOUSING MARKET ANALYSIS

OFF-CAMPUS MARKET

OVERVIEW

According to a 2010 Census estimate, Prince George's County, Maryland, in which College Park is located, has a population of 863,420, up 7.7% from its 2000 census level.⁹ A recent article in the Washington Post quoted Delta Associates, a local authority on real estate markets, as describing the Washington area—within which College Park is located—as “the best performing apartment market in the nation.”¹⁰ Despite this population growth and the appeal of metropolitan Washington to developers, the College Park market may differ in several ways.

The Post article mentions an area-wide vacancy rate of 3.1%, evidence of a tight market. In College Park, however, since 2006, when Oakland Hall is included, over 5,000 new student beds have entered the market competing for student renters. Much of this growth has taken place in new, high-end, individual-lease properties near the University and serving only college students. By ASL's estimation based on fall 2011 research, the five individual-lease properties close to campus¹¹ with almost 4,400 beds have over 630 vacancies, the equivalent of a 14% vacancy rate. Although almost 1,300 of these beds came online in fall 2011, current market conditions have not tempered developers' optimism as to future market performance. The pipeline of new projects has about 2,300 more new beds in projects aimed at the student market in addition to 555 new units in two other complexes. These figures do not include any housing that may be developed on the East Campus site.

STUDENT VIEWS

Students who live off campus reported in focus groups that living off campus can be less expensive than on-campus housing. Off-campus rentals provide more privacy with single bedrooms and/or bathrooms. Students appreciated being able to cook their own meals, a quiet environment, and good maintenance response. There are no RAs and fewer rules and regulations.

Reported disadvantages to living off campus included the high cost of some properties, difficult commutes, and shuttles that stop operation too early in the day and are not available on weekends. Students who live off campus are not always aware of campus activities and events and there are no RAs to regulate noise. Access to grocery stores and other retail is a challenge.

Students are able to find off-campus rentals through Craigslist, UM's off-campus housing site, notices or ads tacked up on bulletin boards on campus and at off campus retailers, and referrals from friends. Safety is one of the main factors in choosing a place to live, as is cost, access to shuttle or bike path, and quality of life.

Some students believed University View is expensive when considering the problems they have encountered such as billing issues, inefficient student staff, poor building materials, and drafty windows. Others stated that Univer-

⁹ U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, Census of Population and Housing, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits, Consolidated Federal Funds Report
<<http://quickfacts.census.gov/qfd/states/24/24033.html>>

¹⁰ Apartment developers turn their attention to Washington, Washington Post, Jonathan O'Connell, September 10, 2011, <http://www.washingtonpost.com/business/economy/apartment-developers-turn-their-attention-to-washington/2011/09/09/gIQAe8VyKK_print.html>

¹¹ The Enclave, Mazza GrandMarc, Towers at University Town Center, University View, and The Varsity.



OFF-CAMPUS MARKET

sity View is a good value because of the many amenities such as private bedrooms, walk-in closets, fitness center, and pool.

Furthermore, focus group participants noted that The Towers at University Town Center, while 3.1 miles from campus, is conveniently located to shopping and has responsive maintenance staff, is “nicer than the dorms” and has “no rules,” making it a good value.

One survey question asked those who rent a house in College Park with other students what would motivate them to rent in an apartment building. It would mainly depend on the rent (the same or lower than what they are currently paying), the location of the apartment building, and whether they could walk or bike to campus.

STUDENT-ORIENTED PROPERTIES

Table 5 below summarizes five student-oriented apartment properties which offer students individual leases and higher-end amenities than most College Park apartments or houses. Descriptions of the five properties follow the table.

	Units	Beds	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Enclave at 8700	94	369			\$1,000	\$1,000	\$925
Mazza GrandMarc	230	626			\$1,037	\$949	\$805
Towers at University Town Center	244	910			\$979	\$1,020	\$794
University View I & II	507	1,562	\$1,313		\$993		\$880
Varsity	259	902		\$1,452	\$1,202	\$1,002	\$970

Table 5: Units, Beds, and Typical Rents at Student-Oriented Properties

UNIVERSITY VIEW

University View I opened for the fall semester of 2007 with 353 units (with 1,056 beds) and opened an additional 154 units with 517 beds (University View II) in fall 2010. University View offers a full set of high-end amenities, including a pool, fitness center, club room with games, study room with computers, and individual leases with utilities included in the monthly rent. Units have similarly attractive amenity packages, with full-sized kitchens with full appliance packages and full-sized beds.

At 8204 Baltimore Ave, University View is located closer to the main campus entrance on Route 1 than any competitor except The Varsity. Access to campus is also available by University View’s privately owned footbridge over the Paint Branch Creek to the Paint Branch Trail and the campus parking lot 11b.

For fall 2011, the View added tanning facilities, but management reported to ASL that the new nearby competition had a strong impact on their occupancy, which fell to 78% combined between I and II as of September 13, 2011 (from a fall 2010 occupancy of 89%).

TOWERS AT UNIVERSITY TOWN CENTER

The Towers at University Town Center opened for the fall 2006 semester and stabilized occupancy—at 97%—by fall 2009. The Towers has 244 units with 910 bed space in two- and four-bedroom apartments. The property has a clubhouse, pool, fitness center, business center, tanning beds, and is on a University shuttle bus route. It has washers and dryers in the units, and includes utilities in the rent (with a \$20 per-person electricity cap). The location, while more distant—2.4 miles—from campus than the other four properties on Route 1, is attractive for those with jobs in The Mall at Prince George’s—a shopping mall located across the street with department stores, other retail, and a food court—or elsewhere in the neighborhood or for those who find the area’s nightlife appealing.



OFF-CAMPUS MARKET

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Although the Towers have been online longer than the other individually-leased properties, they have made some management changes and reported a 97% occupancy rate on September 13, 2011. Alone of the individually-leased properties, management markets the housing to students at Howard University, Catholic University, and other local institutions.

MAZZA GRANDMARC

Opened in August 22, 2010, Mazza GrandMarc was able to be marketed as the newest housing in the market for only one year until the Varsity and the Enclave at 8700 opened. With 230 units and 626 beds, however, it is smaller than either the Towers at University Town Center or University View. Its location, 1.8 miles north of the University's main entrance on Route 1, is nearby but well beyond walking distance for most students but is on the Paint Branch trail, allowing direct bicycle access to campus.

Initially management intended to market the property as graduate student housing, but market exigency forced management to accept undergraduates. Certain units are still reserved for graduate students, however, and there are special rates for them. Although broadening the appeal to undergraduates risks losing some graduate students for whom separation from undergraduates is an overriding concern, Mazza GrandMarc has continued to mitigate this risk by positioning the property as "SERIOUS student LIVING," implying that they prefer studious residents to those graduate students wish to avoid.

Although the initial effort to market the property solely to graduate students has yet to fully succeed, the property does offer a 10% discount to graduate student renters. Since last year, the owners have replaced the management team and the property reported a 95% occupancy rate as of September 13, 2011.

THE VARSITY

Opening in fall 2011, the Varsity is located immediately adjacent to campus. The project also contains 20,019 square feet in a retail component, which includes more than 8,000 square feet dedicated to a pub, Looney's. The Varsity's offers 258 units with 901 student beds in a six-story structure. The developer is Potomac Holdings.

As originally planned, the Varsity targeted the high end of the market, with rates slightly above the high end of the market before its arrival, and no interest in housing Freshman Connection students. The Varsity's intended market is those students the University housing has underserved—juniors, seniors, and transfer students.

The Varsity's amenities include stainless steel appliances, premium tile and hardwood floors, and plasma televisions—at the high end of the market. The developer markets bed/bath parity (i.e., each bedroom has a private bathroom) as a unique advantage of The Varsity. Although construction still seems uncompleted at The Varsity as of late September 2011, the building's progress was more fully evident before classes ended last spring, and the owners have an experienced national firm managing the property; they reported occupancy of 90% as of September 13, 2011.

ENCLAVE AT 8700

Under construction since December 2009, the Enclave at 8700 has opened with 94 units and 369 beds for fall 2011, but if and when the second phase, now on hold, is finished, it will have a total of 177 units and 665 beds of student housing. The developer is Star Development Group, out of Columbia, Maryland. The vast majority of the units are four-bedroom units that provide a full kitchen, eating area, and living area. The amenities are not as complete as some individual lease properties; units do not have washers and dryers—although two laundry facilities will be available on each floor—and there is no swimming pool.



OFF-CAMPUS MARKET

The Enclave at 8700 has a location on the south side of University Blvd, meaning that residents can access campus without crossing a major traffic artery. As of September 13, 2011, management reported occupancy of 62%, perhaps hampered by the high visibility of the project site, which revealed a building very much under construction up until—and after—the first day of classes in the fall 2011 semester.

OCCUPANCY

The University also provided some occupancy data collected earlier in 2011 for comparison. Although many houses in College Park lease early in the year, the abundance of apartments in the individual lease properties allows renters to wait until the last minute, which many do. As Figure 31 shows, most complexes experienced a considerable increase in occupancy over the summer as they leased units. University View, sandwiched between two newly opening properties with aggressive marketing campaigns, fared the worst in this comparison. Although there is no reason to believe any of these numbers is factually in error, some property managers have been known to inflate occupancy when participating in a housing study, and actual verification is not possible.

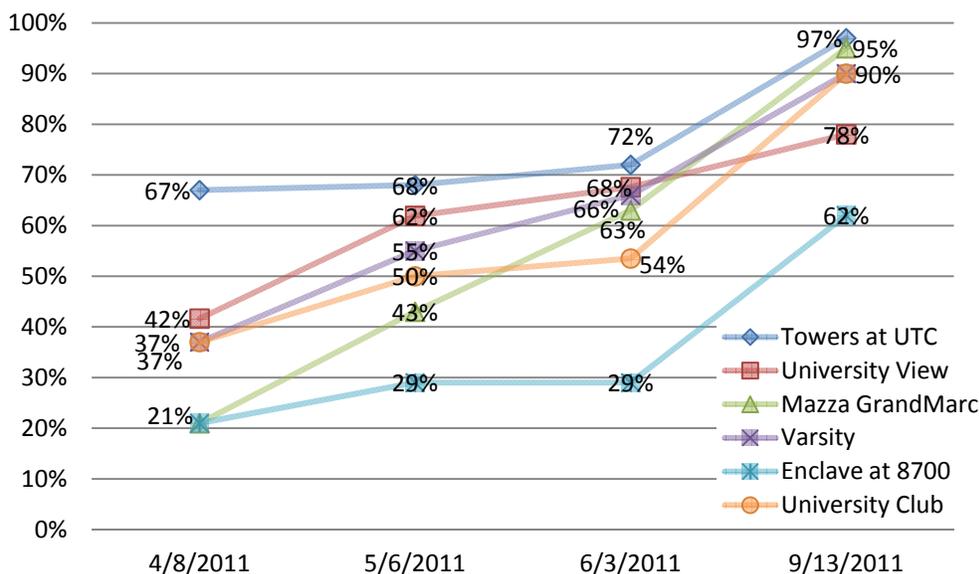


Figure 31: Occupancy Trend, April to September, 2011

CONVENTIONAL PROPERTIES

Conventional properties in College Park are not leased by the bed; all signers of the lease are liable for the unit's rent. Although the units offered tend to have fewer amenities and lower cost than the individual lease properties, they tend to be older and their residents are one potential source of the demand for newer individual lease housing. Two properties, Parkside and University Club, offer students a more affordable option within walking distance of campus.

PARKSIDE AT COLLEGE PARK

Although Parkside, at 8125 48th Avenue, technically consists of condominiums, most are investor-owned and managed by the same company, ZALCO, which took over from Legum Norman within the past year. Consisting mostly of two-bedroom units, Parkside offers leases for the room and not the bed. According to the property manager, 90% of the available units are leased by students who share a bedroom (and have joint liability for the lease), further differentiating this property from the individually leased properties. Management reports that



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September 13, 2011, of the 129 units in the building, they manage 77 and 60 are now occupied. While this would imply a 78% occupancy rate, some of their managed units are under renovation and only 40% of the units are fully leased with four occupants.

UNIVERSITY CLUB

University Club is located at 4800 Berwyn House Rd, near Parkside. It has 135 units, which, if fully occupied, could hold as many as 434 residents. Units are studios, one- and two-bedrooms. Studios are allowed two residents, one-bedroom units are allowed three residents, and two-bedroom units are allowed four residents. Studios and one-bedroom leases have joint lease responsibility, but the two-bedroom units, even when bedrooms are shared, offer individual rent responsibility. University Club was built in 1968 but was renovated in 2007 and 2009.

Current management reports a 90% occupancy rate as of September 13, 2011, compared to a 100% occupancy at the beginning of the fall 2010 semester; they attribute this vacancy to the entry of the Varsity and the Enclave into the market.

PIPELINE

BOOK EXCHANGE

The site of the Maryland Book Exchange, located at the intersection of Route 1 and College Avenue (the current address is 7501 Baltimore Ave), has been sold to a developer (a local development team of Ilya Zusin, Gilbane, and Joseph Mittleman) interested in developing student housing and retail on the site. The site is located within the boundaries of the impact fee waiver zone, though the development plans still will have to proceed through the approval process with concomitant uncertainty as to the final result. The developer has filed plans proposing a six-story building with 341 units (1,010 beds) for student housing, 14,300 square feet of ground floor retail, and 321 parking spaces. The Maryland Book Exchange itself will be relocated for the duration of construction. The project will go to the County Planning Board by early November.

UNIVERSITY VIEW VILLAGE (PHASES III AND IV)

University View's developers (Clark Enterprises) have had approval since May 2009, but have deferred development of phases III and IV until the market glut of high-end units is more fully absorbed. The site is adjacent to Phases I and II. Phase III will consist of a 470-space parking garage, 104 units of student housing, and 10,530 square feet of retail; Phase IV will have 168 units (bringing the total to 992 beds) and 8,430 square feet of retail.

ENCLAVE AT 8700

As mentioned above, the Enclave at 8700 has an approved second phase with 83 units (296 beds) that the developer has now put on hold.

THE DOMAIN AT COLLEGE PARK

Located at the intersection of Campus Drive and Mowatt Lane, this luxury project is a 258-unit market rate development that has successfully completed the review process and was approved in February 2011. It will not be undergraduate student housing and will be marketed to graduate students, young professionals, visiting professors, and empty nesters. The City, however, reports that they have not prohibited the Domain from renting to students, but the Domain's target market does not include undergraduate students. The mixed-use residential development will also have 11,400 square feet of retail space. The Hanover Company is the developer and general contractor and UDR, a Denver based REIT, is their joint venture partner.



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MOSAIC AT TURTLE CREEK

This market-rate apartment project has plans for 300 units on a site 800 feet southwest of the intersection of Campus Drive and Mowatt Lane, behind the University United Methodist and Hillel Foundation sites, and behind the planned Domain at College Park site. Planned as “intergenerational” housing, the project is currently awaiting financing. Although the project has been approved since October, 2008, the developers (Owners Equity Fund II, LLC) secured approval from the planning board in March, 2011 to provide only 335 parking spaces (reduced from 700 in the initial filing). The project could break ground immediately following securing financing.

A presentation¹² of the results of an April 2010 charrette at the City of College Park gives three goals for the neighborhood that includes both the Domain and Mosaic projects. First is to create a compact, pedestrian-friendly, mixed-use neighborhood. Second is to enhance Campus Drive as an attractive pedestrian-oriented “gateway” and calm traffic. Third is to improve Mowatt Lane as a pedestrian-and bicycle-friendly residential-scale street. Although additional multi-family housing is possible as the neighborhood fills out, there is no suggestion that student housing would be appropriate in this environment.

EAST CAMPUS

The University owns 38 acres of land east of Route 1, for which it has selected a master developer, the Cordish Companies. Possible phases include a conference hotel, graduate student housing, restaurants and a music hall run by the Birchmere. The proposed Purple Line for Metro passes through the development. Financing for the project is under review and no application or construction dates have been announced. Current market conditions make estimating project size difficult in the short run, but one estimate shows 650 units. The appeal of any housing would have to depend on the appeal of the rest of the development and the affordability of the housing offered.

COST

For single survey respondents (both undergraduates and graduate students) that rented housing on their own, and did not share a bedroom, the total median monthly cost of housing ranges from \$617 per month, per person for a unit with over four bedrooms (\$525 rent and \$92 utilities and other expenses) to \$884 per month, per person for a one-bedroom unit (\$794 rent and \$90 utilities and other expenses).¹³ Figure 32 shows the median per person monthly cost of housing for all unit types where ‘n’ is the number of respondents with the particular unit type. These figures compare with \$643 per month at PPP housing.

¹² City of College Park, Domain Project Area Charette, April 30, 2010 <
https://docs.google.com/fileview?id=0B9Oxk_fOaGhaNmIxMzVkyjktMGQ0My00ZTc5LWE1Y2EtMGVknN2ZlZmZjZGY1&hl=en>

¹³ Other housing expenses include local telephone, Internet, basic cable, and parking.



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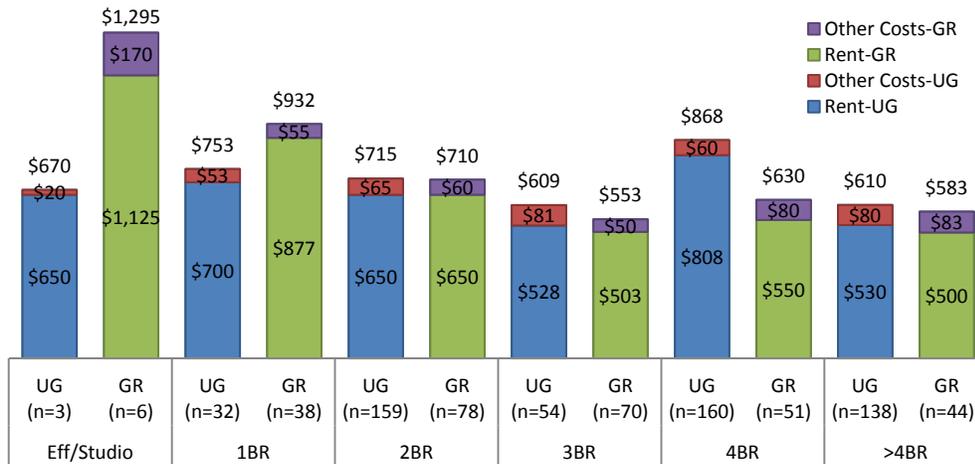


Figure 32: Survey: Single Students – Median Monthly Housing Cost by Unit Type per Person

Figure 33 shows the median per unit monthly cost of all housing types rented by students living with their spouse, partner, and/or children. The preponderance of renters are in one- and two-bedroom units. In comparison, graduate student rents including utilities at Graduate Hills/Graduate Gardens (UM-owned/privately operated) are \$929 for an efficiency, \$1,033 for a one-bedroom unit, and \$1,262 for a two-bedroom unit.

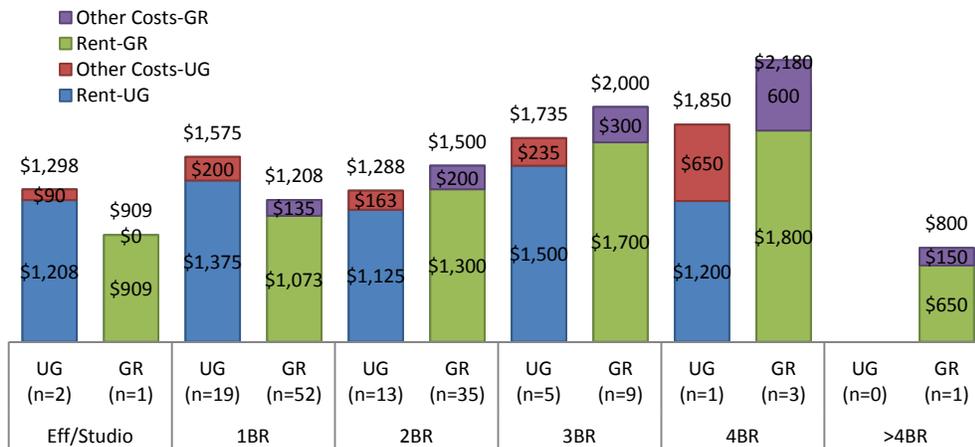


Figure 33: Survey: Married/Family Students - Median Monthly Housing Cost by Unit

Of the properties ASL sampled in the market, five offer individual leases and 12 offer conventional, by-the-unit leases.

Of the individual lease properties, two- and four-bedroom units are offered at all. Figure 34 shows rent ranges by unit type with the medians ranging from \$895 per person for a four-bedroom unit to \$1,202 for a two-bedroom unit, while a \$1,452 one-bedroom is available, but only at one complex.



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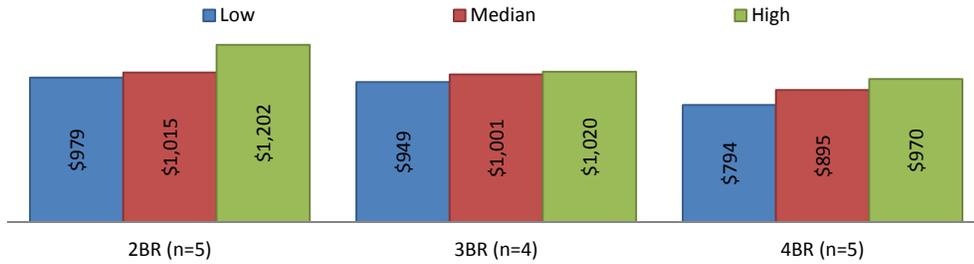


Figure 34: Market Rents—Individual Lease Properties, per Person

In comparison, conventional lease properties become more affordable when shared with one student per bedroom, as Figure 35 shows.

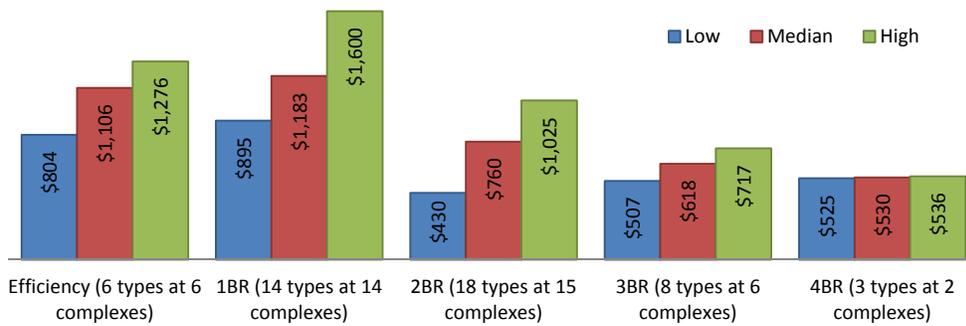


Figure 35: Market Rents—Conventional Lease Properties, per Bedroom

The graphs above do not take into consideration that some properties include all or some utility costs and parking in rent. Others do not. As Figure 36 shows, the conventional properties tend to have a range of lease terms available, although shorter lease terms generally carry a price premium. However, most individual lease properties do include utilities in the monthly rent.



Figure 36: Lease Terms and Utility Packages

On the survey, students were asked which utilities were included in their rent. Trash services and water/sewer are typically included, as shown in Figure 37.

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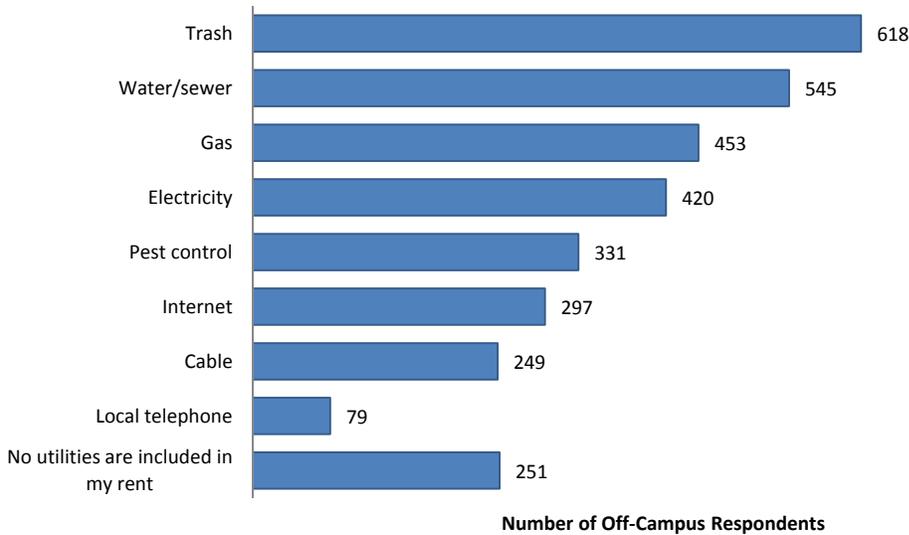


Figure 37: Utilities Included in Rent

The amenities offered also vary widely. As Figure 38 shows, a comparison tends to favor the individual lease properties, with two exceptions. Due to their high density location on Rt. 1, the Enclave at 8700 and The Varsity do not offer swimming pools, while three-quarters of conventional properties in ASL's sample do. Also, many conventional properties allow pets, which none of the individual lease properties allow.

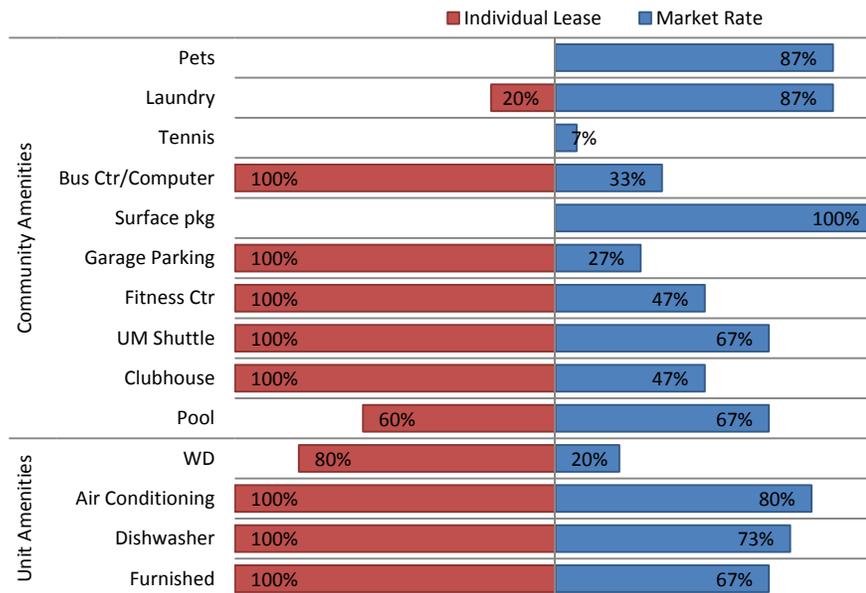


Figure 38: Unit and Community Amenities

To compare rents, Table 6 shows a comparison of median rents for the off-campus market and the median of rents that students report paying. The comparison indicates that most students from UM are able to find off-

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campus rental housing the same or less than the family renters, except when it comes to four-bedroom units, where they pay considerably more. The individual lease properties are the most expensive in each category.

MARKET	MEDIAN MONTHLY RENTS PER UNIT			
	1BR	2BR	3BR	4BR
Survey—Single Undergraduates (adjusted to per unit)	\$700	\$1,300	\$1,584	\$3,232
Survey—Married/Family Undergraduates	\$1,375	\$1,125	\$1,500	\$1,200
Survey—Single Grad Students (adjusted to per unit)	\$877	\$1,300	\$1,509	\$2,200
Survey—Married/Family Grad Students	\$1,073	\$1,300	\$1,700	\$1,800
Market—Individual Leases (adjusted to per unit)	\$1,452	\$2,029	\$3,002	\$3,500
Market—Conventional	\$1,270	\$1,558	\$1,859	\$2,119

Table 6: Comparison of Rental Rates

WHERE UNDERGRADUATE STUDENTS LIVED

When the survey was taken, 41% of all undergraduate student survey respondents lived off campus in unaffiliated housing, 13% lived with parents or other relatives, 1% owned their home, and 27% rented their housing. Of those who rented their housing:

- 64% rented an apartment (56% in an apartment building/complex, 9% in a converted house), 14% rented a coop or private home, 5% a townhouse or duplex, 16% a room in a private home, and 1% had other housing arrangements.¹⁴
- 3% lived alone while 19% lived with one other person, 15% with two others, 36% with three others, and the remaining 27% lived with more than three others.
- Out of 572 undergraduate respondents who rented housing, most lived with roommates (88%), while 3% lived alone, 5% lived with their spouse or partner, 0% lived with their children, 3% lived with parents or relatives, and 3% lived in an “other” arrangement.¹⁵
- Including all building types, 7% lived in one-bedroom units, 30% in two-bedroom units, 9% in three-bedroom units, 29% in four-bedroom units, and 25% in units with more than four bedrooms; 1% lived in an efficiency or studio apartment.
- 21% did not share a bathroom with other residents; over half shared at most with one other (52%), while 27% shared with more than two people.
- Most, 55%, rented their unit unfurnished, while 15% rented their unit partially furnished and 31% rented their unit furnished.
- The largest percentage of renters had a twelve-month leases (81%) while 7% had a month-to-month lease (5% started with a month-to-month lease and 2% renewed with a month-to-month lease), 1% had a semester lease, 2% had a six-month lease, 7% had an academic-year lease, and 2% had some other type of lease agreement.

¹⁴ Percentages are rounded and, as shown, may not sum as expected.

¹⁵ Respondents could select all that applied.



OFF-CAMPUS MARKET

- More renters of apartments, private houses, coops, townhomes, or duplexes lived in College Park outside of downtown than lived in downtown College Park, as shown in Figure 39.

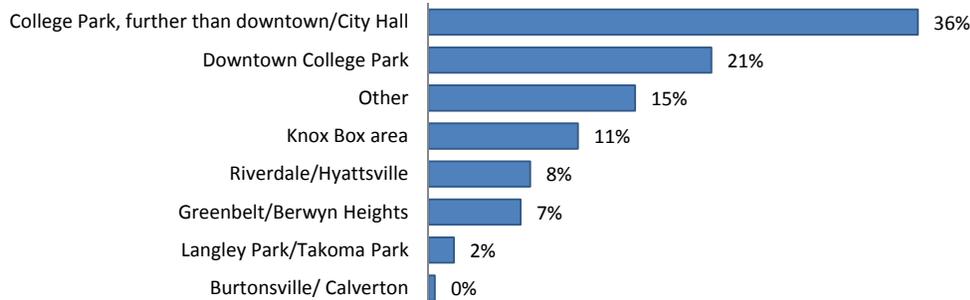


Figure 39: Location of Rentals

Off-campus undergraduate survey respondents who previously lived on campus or in University-affiliated housing (51% of current renters) selected all of the reasons why they moved off campus from a list provided. The top two reasons students move off campus were to find lower housing costs and more living space. Figure 40 shows the top 15 ranked responses from the pre-printed list. Survey respondents were also able to select “some other reason” and enter in text; a listing of those responses can be found in the Survey Tabulations in Attachment 4 on its pages 22 and 23.

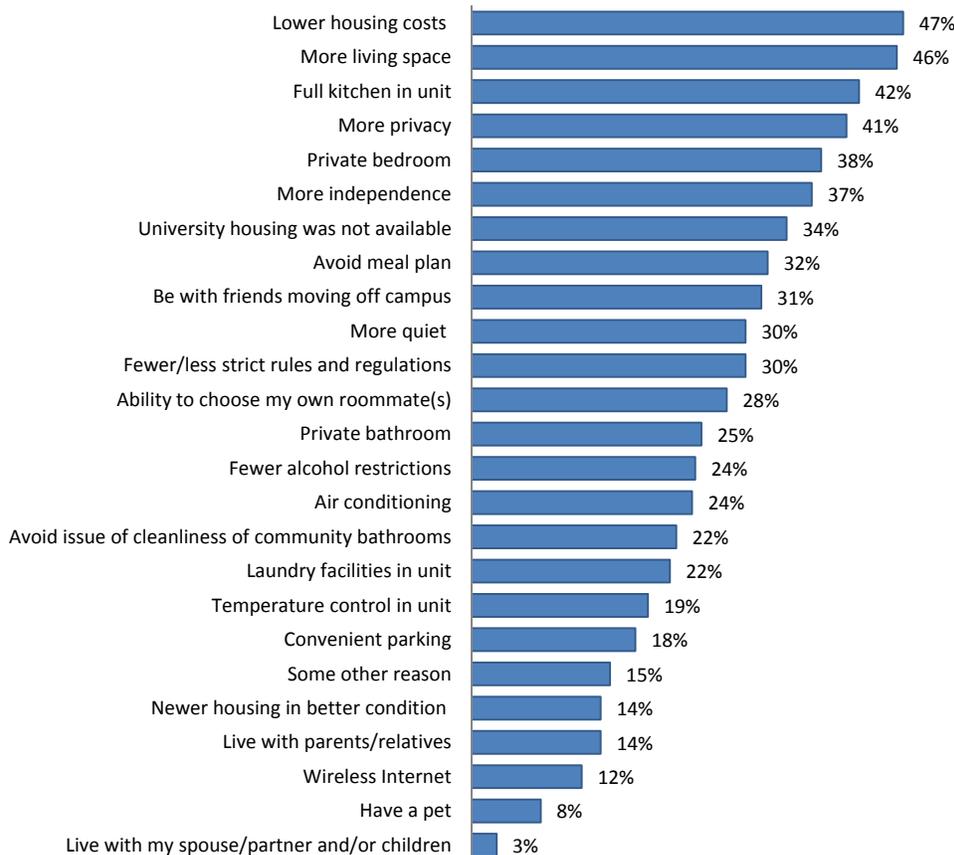


Figure 40: Reasons Undergraduate Students Moved Off Campus



OFF-CAMPUS MARKET

The survey asked respondents who rented a house in College Park with other students what would motivate them to rent an apartment in an apartment building. As Figure 41 shows, the vast majority would be unwilling to rent an apartment that cost more than their current rent.

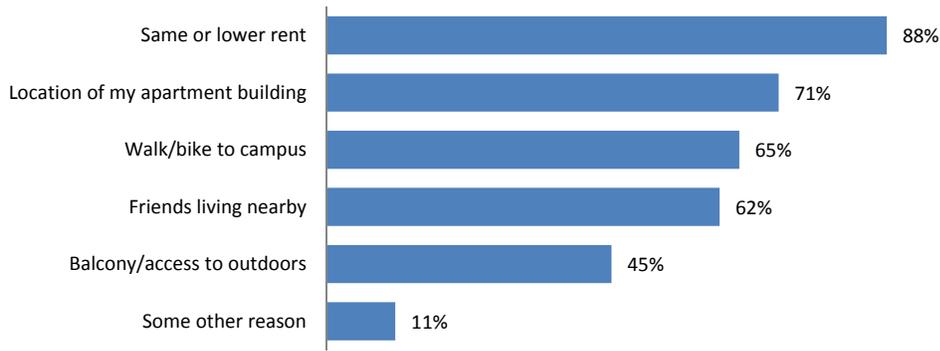


Figure 41: Factors Motivating Undergraduate College Park House Renters to Move to Apartments

WHERE GRADUATE STUDENTS LIVED

When the survey was taken, 75% of all graduate student survey respondents lived off campus in unaffiliated housing, with 3% living with parents or other relatives, 7% owning their home, and 64% renting their housing.¹⁶ Of those who rented their housing:

- 69% rented an apartment (59% in an apartment building/complex, 10% in a converted house), 10% rented a coop or private house, 6% a townhouse or duplex, and 14% rented a room in a private house.
- 10% lived alone while 36% lived with one other person, 19% with two others, 22% with three others, and the remaining 13% lived with more than three others.
- Out of 441 graduate respondents who rented housing, most lived with roommates (60%), while 11% lived alone, 28% lived with their spouse or partner, 4% lived with their children, 1% lived with parents or relatives, and 3% lived in an “other” arrangement.¹⁷
- Including all building types, 24% lived in one-bedroom units, 29% in two-bedroom units, 21% in three-bedroom units, 13% in four-bedroom units, and 11% in units with more than four bedrooms; 2% lived in an efficiency or studio apartment.
- 21% did not share a bathroom with other residents; over half shared at most with one other (65%), while 14% shared with more than two people.
- Most, 72%, rented their unit unfurnished, while 15% rented their unit partially furnished and 13% rent their unit furnished.
- The largest percentage of renters had a twelve-month leases (70%) while 18% had a month-to-month lease (7% started with a month-to-month lease and 12% renewed with a month-to-month lease), 1% had

¹⁶ Percentages are rounded and, as shown, may not sum as expected.

¹⁷ Respondents could select all that applied.



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a semester lease, 3% had a six-month lease, 4% had an academic-year lease, and 4% had some other type of lease agreement.

- While most graduate renters lived further away, more renters of apartments, private houses, coops, townhomes, or duplexes lived in College Park outside of downtown than lived in downtown College Park, as shown in Figure 42.

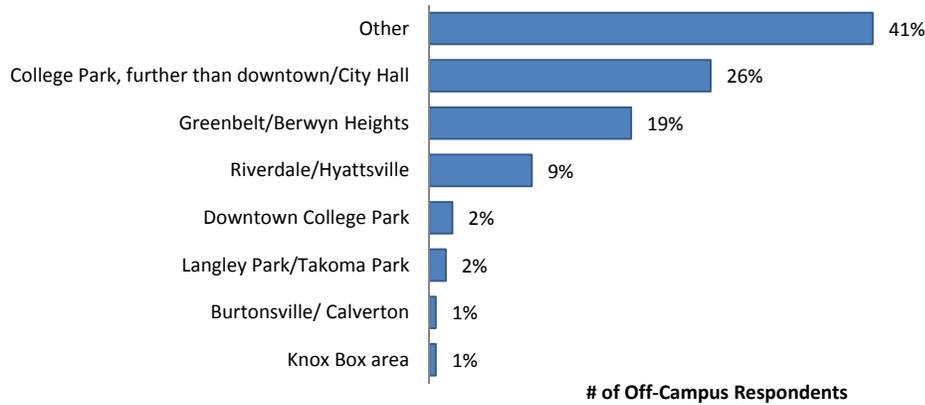


Figure 42: Location of Rentals

Off-campus graduate student survey respondents who previously lived on campus or in University-affiliated housing (17% of current graduate renters) selected all of the reasons why they moved off campus from a list provided. The top two reasons students move off campus are to find lower housing costs and more living space. Figure 43 shows the top 15 ranked responses from the pre-printed list. Survey respondents were also able to select “some other reason” and enter in text; a listing of those responses can be found in the Survey Tabulations in Attachment 4 on its pages 22 and 23.

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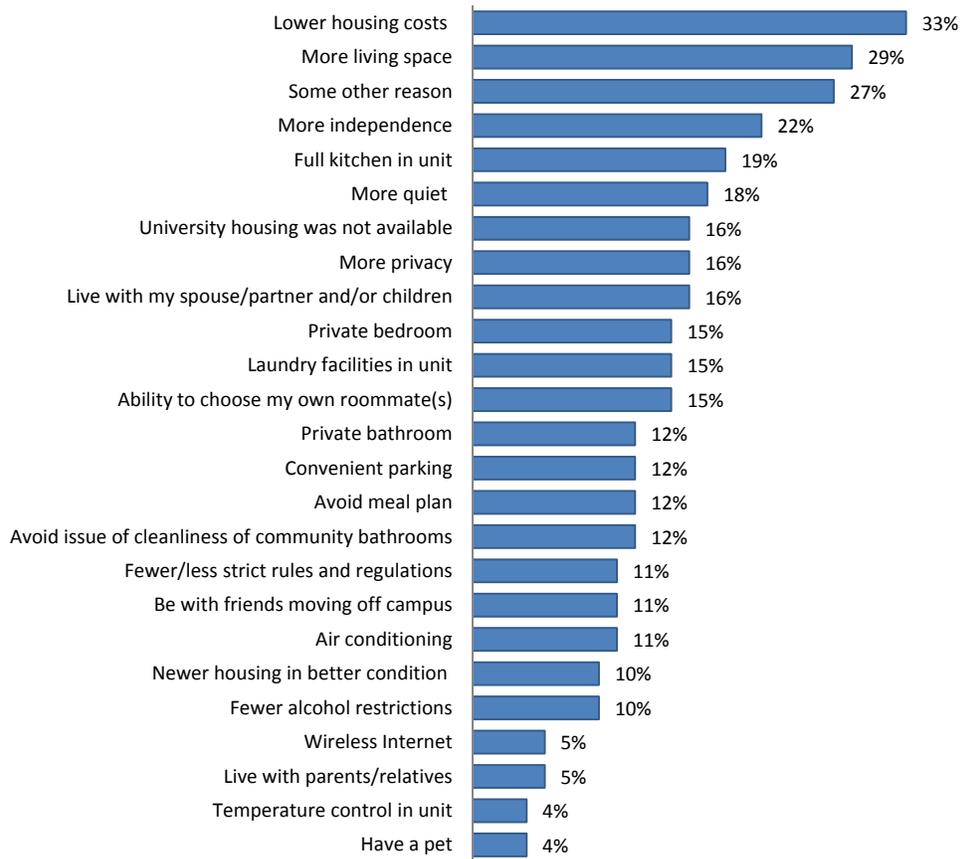


Figure 43: Reasons Graduate Students Moved Off Campus

The survey asked graduate student respondents who rented a house in College Park with other students what would motivate them to rent an apartment in an apartment building. As Figure 44 shows, the vast majority would be unwilling to rent an apartment that cost more than their current rent.

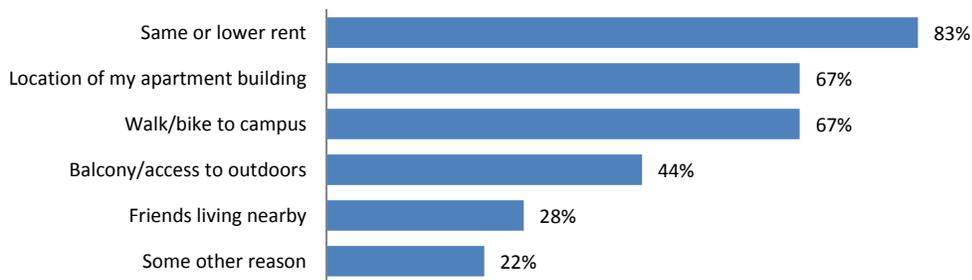


Figure 44: Factors That Would Motivate Grad Student College Park House Renters to Move to Apartments

DISPERSION

All off-campus respondents were asked to provide their ZIP Code in which they live while attending classes at UM. Figure 45, below, illustrates the results with more than 10 responses (another 193 provided another 96 ZIP Codes). By far, the largest number of off-campus respondents live in College Park MD (20740), followed by



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Hyattsville/Langley Park/Adelphi (20783), Greenbelt (20770), Hyattsville (20782), and Silver Spring (20910). This distribution seems consistent with the map supplied by the University, .

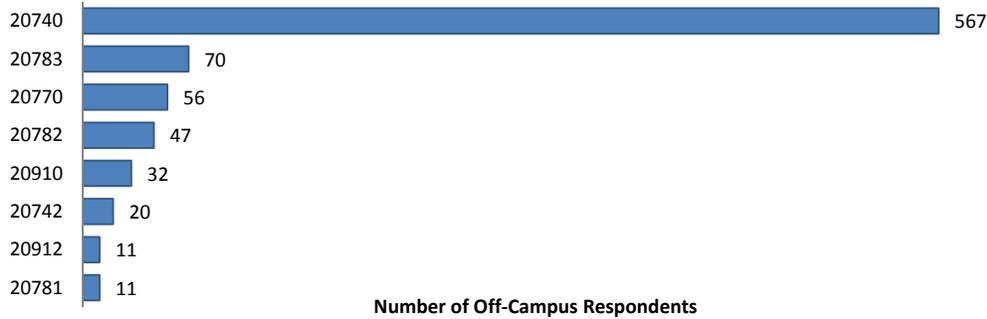


Figure 45: Survey Respondents' ZIP Codes

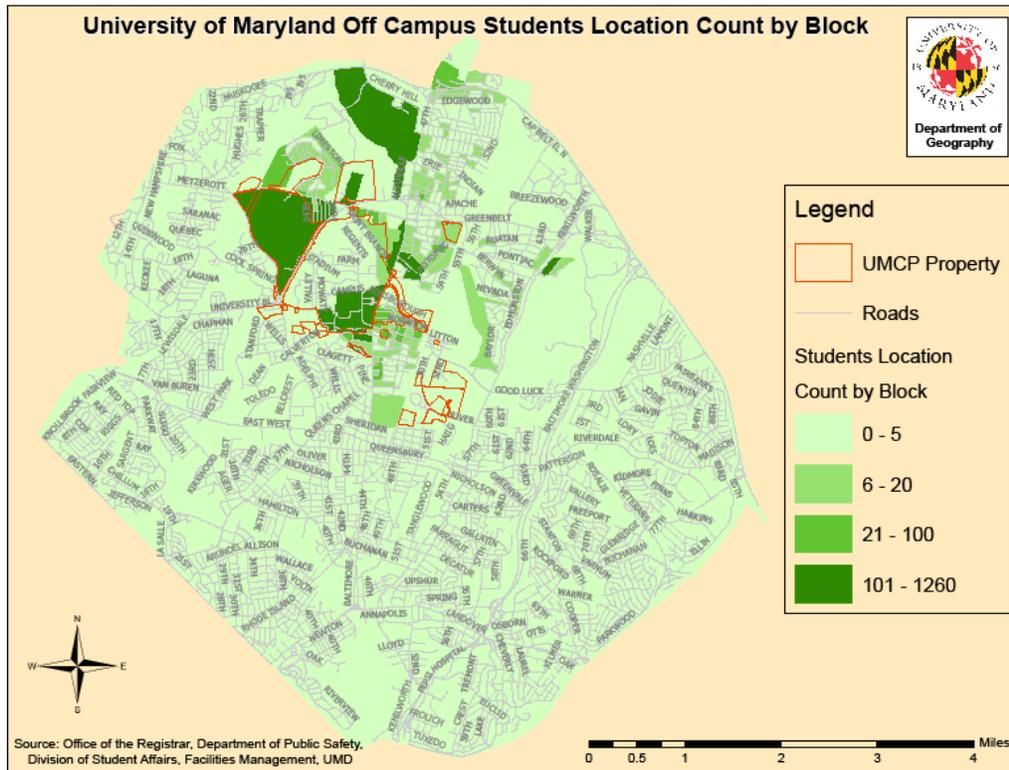


Figure 46: Density Map of Off-Campus Respondents



DEMAND ANALYSIS

LIVING PREFERENCES

UNIT PREFERENCES

Student survey respondents were shown floor plan descriptions with per-person or per-unit rents. The fall 2010 rates and housing descriptions for on- or near-campus options are shown in Table 7. The rates and housing descriptions for off-campus options are shown in Table 8. Respondents ranked each option as “preferred,” “acceptable,” or “would not live there” but were only permitted to select one “preferred” housing type.

UNIVERSITY HOUSING ON OR NEAR CAMPUS	
Traditional Residents share a community bathroom located on the same corridor as their bedroom.	<u>Per-person</u> rents, per semester Double: \$2,400 to \$2,600 Single: \$2,700 to \$2,900
Semi-Suite Residents share a semi-private bathroom with another room; the unit has no living area and no kitchen	<u>Per-person</u> rents, per semester Double: \$2,700 to \$2,900 Single: \$3,000 to \$3,200 for a single
Suite Bedrooms in a unit with shared bathroom(s) and living area, but no kitchen	<u>Per-person</u> rents, per semester Double: \$3,000 to \$3,200 Single: \$3,300 to \$3,500
Apartment Bedrooms with shared kitchen, bathrooms, and living area	<u>Per-person</u> rents, per semester Double: \$3,300 to \$3,500 Single: \$3,600 to \$3,800
Efficiency Single unit containing sleeping area, small living area, full kitchen and bathroom	<u>Per-person</u> rents, per semester Double: \$2,900 to \$3,100 Single: \$3,900 to \$4,100

Table 7: Unit Configurations and Tested Rents for On- or Near-Campus Housing

OFF CAMPUS/PRIVATELY-OWNED AND MANAGED HOUSING	
Single-Family Home A single-family home situated in a College Park neighborhood rented as a “group house”	<u>Per-unit</u> rents range from \$900 to \$3,500 per month
Single-Student Apartment A student-only facility with 1-4 bedroom units, typically with private bedrooms	<u>Per-person</u> rents range from \$825 to \$1,600 per month
Conventional Apartment Not a student-only facility with a mix of unit types ranging from efficiency units to 3-bedroom apartments, rented by the unit	<u>Per-unit</u> rents range from \$750 to \$2000 per month
Knox Box Apartment 1-3 bedroom units, each with a private entrance, kitchen and bathroom, rented by the unit.	<u>Per-unit</u> rents range from \$900 to \$1950 per month

Table 8: Unit Configurations and Tested Rents for Off-Campus Housing



DEMAND ANALYSIS

AMENITIES

All survey respondents were asked to consider how influential certain amenities would be on their decision to live in campus housing. Providing wireless Internet throughout the building, on-site laundry facilities, and quiet study areas were the top three most positively influential amenities for undergraduate students, compared to on-site laundry facilities, wireless Internet, and designated parking for graduate students. Results for all amenities listed on the survey are in Figure 47. The inability to park on campus for freshmen and sophomores would discourage respondents from living on campus.

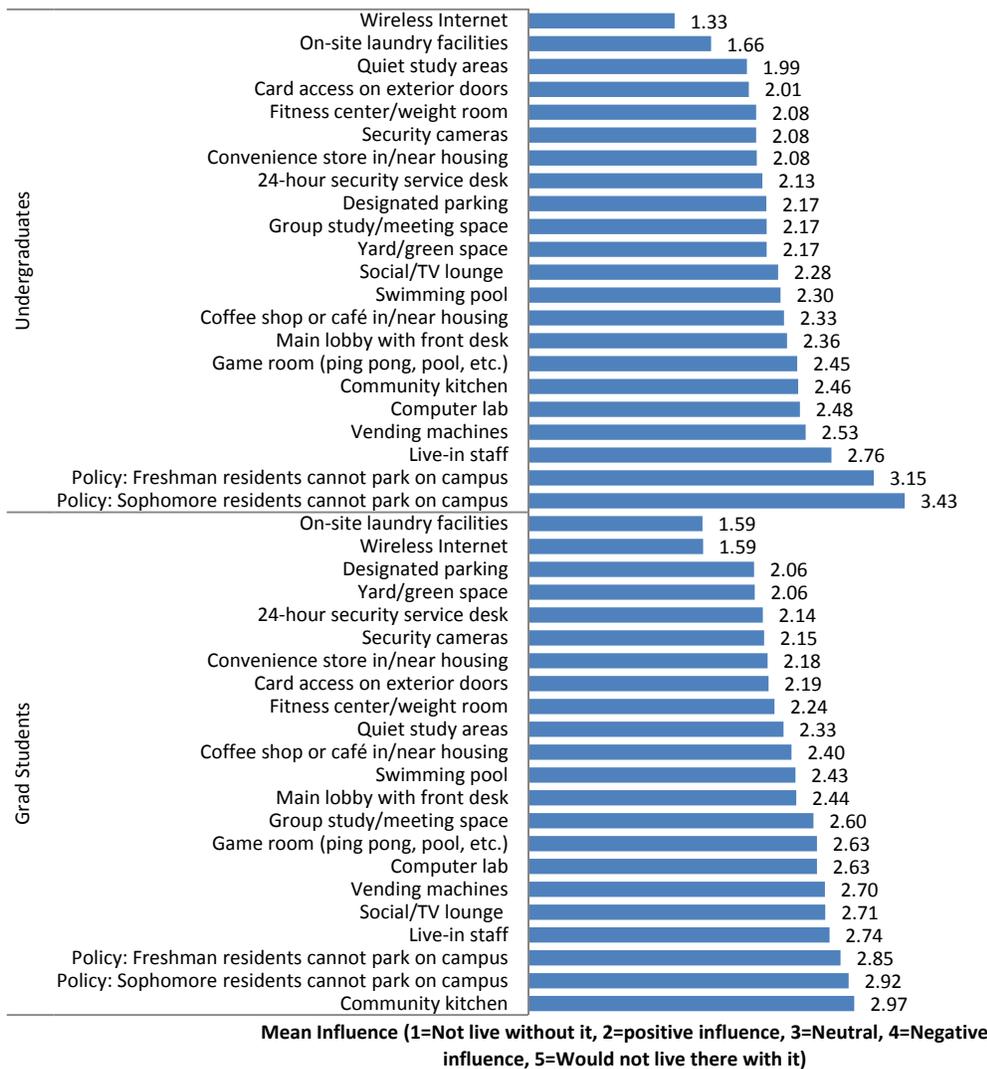


Figure 47: Influential Amenities



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INTEREST

If the student housing options in the survey had been available to the respondents when they were choosing their housing for the 2010–11 academic year, most respondents indicated definite or probable “50/50” interest in living in the housing they chose on the survey. Figure 48 separates results for the various cohorts.

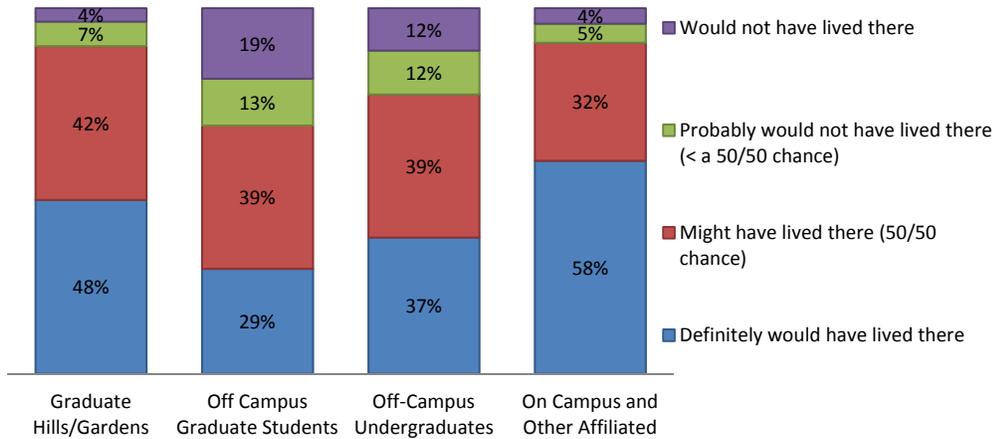


Figure 48: Interest in Housing on Campus, Fall 2010

Those who were not interested in the housing options presented on the survey selected all of the reasons they were not interested. Overall, respondents cited the housing being too expensive. Other high-ranking reasons included not wanting to move, concern about rules and regulations, and preference to live with their parents or other relatives. Figure 49 shows responses for all reasons listed in the survey.¹⁸

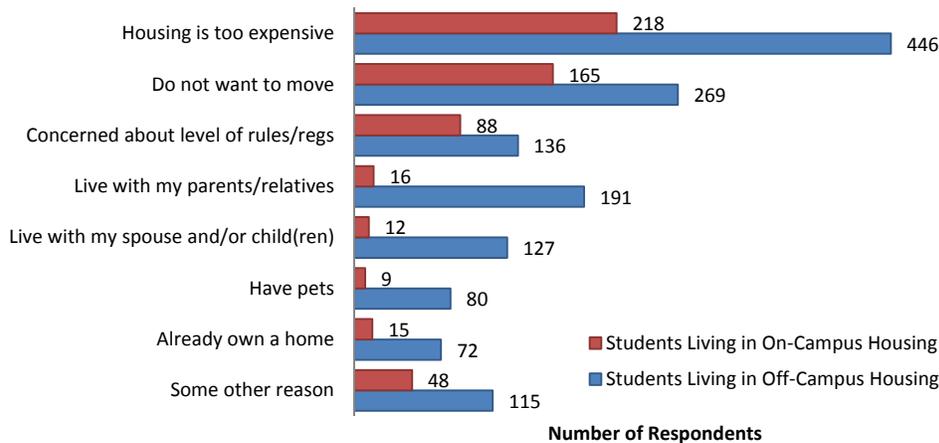


Figure 49: Reasons for Lack of Interest

Interested students come from an assortment of current living situations, as Table 9 shows.

¹⁸ Survey respondents who indicated that they would not live in campus housing were permitted to select more than one reason from a pre-printed list. Respondents could also select “other” and write in a reason.



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Preferred Unit Type: Undergraduate Students	Current Residence																
	Denton Community	Ellicott Community	Cambridge Community	North Hill Community	South Hill Community	Leonardtown Community	New Leonardtown	South Campus Commons	The Courtyards at Maryland	Fraternity/Sorority Housing	Graduate Hills	Graduate Gardens	Rental: Individual Lease Apartment	Rental: College Park House	Rental: Other Apartment or House	With parents/relatives	Own my home
Trad DBL BR	15%	15%	18%	18%		3%		2%	4%	11%	17%		4%		5%	6%	8%
Trad SGL BR	10%	11%	15%	18%	6%		16%	8%	12%	8%			7%	20%	12%	6%	8%
Semi-Suite DBL BR	11%	5%	10%	3%	3%	3%		1%		3%			1%				
Semi-Suite SGL BR	4%	5%	4%	1%	3%					6%			2%		1%	1%	
Suite DBL BR	12%	6%	6%	2%	1%								2%		2%	1%	
Suite SGL BR	4%	4%	4%	6%	6%	3%		4%					2%		1%	2%	
Apt DBL BR	9%	13%	9%	9%	10%	6%	16%	5%	3%	5%	50%		7%	3%	3%	6%	
Apt SGL BR	20%	21%	17%	24%	42%	49%	59%	52%	39%	23%			17%	11%	11%	11%	8%
Efficiency DBL BR	2%	2%	2%	1%	3%					3%			2%		1%	4%	
Efficiency SGL BR	3%	4%	7%	5%	6%	8%	3%	7%	11%	3%	33%		5%		7%	9%	8%
Single Family Home	1%	5%	2%	4%	10%	13%	6%	4%	3%	26%			5%	55%	26%	21%	50%
Single Student Apt	4%	6%	5%	7%	7%	14%		13%	24%	6%			37%	3%	13%	16%	4%
Conventional Apt	2%	2%	1%	3%	2%			4%	2%	2%			4%	3%	11%	7%	15%
Knox Box Apt	3%		1%						2%	3%			6%	6%	7%	6%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%	100%	100%	100%
Graduate Students																	
Trad DBL BR										8%	5%	14%			5%		
Trad SGL BR										5%	10%	7%			6%		9%
Semi-Suite DBL BR												14%	8%				
Semi-Suite SGL BR										1%							
Suite DBL BR											3%				1%		
Suite SGL BR										1%							
Apt DBL BR										5%	7%				2%		
Apt SGL BR									100%	11%	7%	14%			4%	15%	
Efficiency DBL BR										1%					2%	10%	5%
Efficiency SGL BR										8%	3%				8%	10%	14%
Single Family Home										13%	7%		71%	18%	25%	50%	
Single Student Apt										21%	30%	14%	8%	10%	20%	14%	
Conventional Apt										21%	26%	29%	13%	35%	10%	9%	
Knox Box Apt										7%	3%	7%		8%	10%		
										100%	100%	100%	100%	100%	100%	100%	100%

Table 9: Preferred Unit of Interested Undergrad and Grad Students by Current Residence, May 2011

DEMAND ANALYSIS

The University requested that ASL analyze demand by six individual cohorts: First Year Undergraduate Students, Upper Class Undergraduate Students, Transfer Students, “Freshmen Connection” Students, Graduate Students, International Students, and Off-Campus Students.

The demand for student housing was determined using results from the student survey, in particular responses to Question 38 on the survey asking where respondents “would have lived” had the tested student housing been an option when deciding where to live for the current academic year. The four-step process also uses enrollment figures provided by UM, as described below.



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Step 1: Capture Rate

Calculate the capture rate for each cohort subdivision at each level of interest by dividing the number of survey respondents in that cohort subdivision with that level of interest by the number of responses from that cohort subdivision, as in the following example:

$$\frac{\text{Number of Off-Campus Upper Class Respondents "Definitely Interested" in Campus Housing}}{\text{Number of Off-Campus Upper Class Students Responding to Survey}}$$

Step 2: Potential Interest

Multiply the capture rate for each cohort subdivision by the number of enrolled students in the respective cohort subdivision to determine potential interest at each level.

Step 3: Combine Definite and 50/50 Interest

Since respondents at the second level of interest said they "might have lived there (50/50 chance)," the analysis discounts their interest by 50% before adding it to demand. Since converting potential interest in housing to actual demand is a difficult undertaking depending on many factors, we assume that there is no demand from those who indicated that they would not, or probably would not, live in the housing options.

Step 4: Demand

Apply the combined rate of interest for each cohort subdivision to fall 2010 enrollment (provided by UM) to calculate potential demand from that cohort. Fall 2010 data was used as the survey was conducted in the spring of 2011. The demand is "potential" because it is not "actual" demand, where students actually live.

As Table 10 shows, ASL calculated demand for each of six cohorts that desire housing on campus.

	Population	Sample	Demand
First Year Undergraduate Students			
Freshman Off-Campus	232	79	137
Freshman On-Campus	3,693	288	2,718
Upper Class Undergraduate Students (Sophomores, Juniors, and Seniors)			
Upper Class Off-Campus	13,150	800	7,479
Upper Class On-Campus	7,627	972	5,705
Graduate Students			
Graduate Hills/Gardens	463	154	314
Off-Campus	5,211	459	2,503
Transfer Students			
Transfer Student	2,103	425	1,262
"Freshmen Connection" Students			
Fall 09 FR Connection	551	41	390
Fall 10 FR Connection	688	67	508
International students (undergraduate and graduate)			
International	2,734	375	1,677

Table 10: Demand by Cohort



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The cohorts are neither mutually exclusive nor collectively exhaustive, so adding the demand from all six individual cohorts would not be the same as overall demand. Furthermore, the data is for fall 2010, and the opening of Oakland Hall and the 1,270 new beds on Route 1 in fall 2011 would also have likely satisfied some of the previously unmet demand. The new Prince Frederick residence hall should not impact demand, however, as it will replace Caroline, Carroll, and Wicomico Halls.

The above data can be distributed further by the unit type options. The survey presented 14 different unit types—ten on-campus and four off-campus—from which respondents selected their preferred option. As Table 11 shows, both freshmen and upper class students tend to prefer the ends of the on-campus spectrum, with less preference for semi-suites and suites, and off-campus houses appeal more to upper class students than they do to freshmen.

Unit Type	Rent per Bed per Semester	Potential Incremental Freshman Student Demand	Potential Incremental Upper Class Student Demand
Traditional Double Bedroom	\$2,400-\$2,600	19	307
Traditional Single Bedroom	\$2,700-\$2,900	14	739
Semi-Suite Double Bedroom	\$2,700-\$2,900	0	29
Semi-Suite Single Bedroom	\$3,000-\$3,200	0	86
Suite Double Bedroom	\$3,000-\$3,200	7	86
Suite Single Bedroom	\$3,300-\$3,500	0	96
Apartment Double Bedroom	\$3,300-\$3,500	12	317
Apartment Single Bedroom	\$3,600-\$3,800	17	902
Efficiency Double Bedroom	\$2,900-\$3,100	9	115
Efficiency Single Bedroom	\$3,900-\$4,100	5	499
On-Campus Unit Type Subtotal		82	3,178

Unit Type	Rent per Month	Potential Incremental Freshman Student Demand	Potential Incremental Upper Class Student Demand
Single Family Home	\$900-\$3,500 / unit	14	1,882
Single Student Apartment	\$825-\$1,600 / person	20	1,344
Conventional Apartment	\$750-\$2,000 / unit	9	614
Knox Box Apartment	\$900-\$1,950 / unit	12	461
Off-Campus Unit Type Subtotal		55	4,301
Total, All Unit Types		137	7,479

Table 11: Potential Demand Distributed by Unit Type, Freshman and Upper Class

As for graduate students who live in Graduate Hills and Graduate Gardens, conventional apartments are most appealing, followed by single student apartments, while graduate students who live off campus also have high preference for conventional apartments, then followed by single family homes. International students have broadly distributed preferences, as Table 12 shows. Of all the Graduate Hills and Graduate Gardens residents, graduate students who live off campus, and international students, the preference among on-campus unit types



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was foremost for apartment unit types, followed by traditional unit types. Among these three groups, suite-style unit types and semi-suite style unit types were not popular at all.

Unit Type	Rent per Bed per Semester	Potential Incremental Off-Campus Graduate Student Demand	Potential Graduate Hills/ Gardens Resident Graduate Student Demand	Potential International Student Demand
Traditional Double Bedroom	\$2,400-\$2,600	109	20	97
Traditional Single Bedroom	\$2,700-\$2,900	130	18	181
Semi-Suite Double Bedroom	\$2,700-\$2,900	0	0	9
Semi-Suite Single Bedroom	\$3,000-\$3,200	34	2	19
Suite Double Bedroom	\$3,000-\$3,200	14	7	19
Suite Single Bedroom	\$3,300-\$3,500	0	0	5
Apartment Double Bedroom	\$3,300-\$3,500	27	14	116
Apartment Single Bedroom	\$3,600-\$3,800	116	28	162
Efficiency Double Bedroom	\$2,900-\$3,100	75	2	37
Efficiency Single Bedroom	\$3,900-\$4,100	178	21	139
On-Campus Unit Type Subtotal		684	112	783

Unit Type	Rent per Month	Potential Incremental Off-Campus Graduate Student Demand	Potential Graduate Hills/ Gardens Resident Graduate Student Demand	Potential International Student Demand
Single Family Home	\$900-\$3,500 / unit	609	36	232
Single Student Apartment	\$825-\$1,600 / person	239	69	199
Conventional Apartment	\$750-\$2,000 / unit	793	78	315
Knox Box Apartment	\$900-\$1,950 / unit	178	20	148
Off-Campus Unit Type Subtotal		1,819	202	894
Total, All Unit Types		2,503	314	1,677

Table 12: Potential Demand by Unit Type, Graduate Hills/Gardens, Other Grad Students, and International

Freshman Connection and Transfer Students do not have the opportunity to begin their life at the University living on campus. As Table 13 shows, these groups have much interest in living in the traditional housing styles.



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Unit Type	Rent per Bed per Semester	Freshman Connection Fall 2009 Student Preference	Freshman Connection Fall 2010 Student Preference	Potential Incremental Transfer Student Demand
Traditional Double Bedroom	\$2,400-\$2,600	37	129	52
Traditional Single Bedroom	\$2,700-\$2,900	29	35	141
Semi-Suite Double Bedroom	\$2,700-\$2,900	0	18	20
Semi-Suite Single Bedroom	\$3,000-\$3,200	7	12	14
Suite Double Bedroom	\$3,000-\$3,200	15	23	17
Suite Single Bedroom	\$3,300-\$3,500	0	0	11
Apartment Double Bedroom	\$3,300-\$3,500	15	76	83
Apartment Single Bedroom	\$3,600-\$3,800	118	35	147
Efficiency Double Bedroom	\$2,900-\$3,100	7	23	32
Efficiency Single Bedroom	\$3,900-\$4,100	22	29	89
On-Campus Unit Type Subtotal		250	380	606
Unit Type	Rent per Month	Freshman Connection Fall 2009 Student Preference	Freshman Connection Fall 2010 Student Preference	Potential Incremental Transfer Student Demand
Single Family Home	\$900-\$3,500 / unit	44	12	233
Single Student Apartment	\$825-\$1,600 / person	59	76	236
Conventional Apartment	\$750-\$2,000 / unit	37	18	103
Knox Box Apartment	\$900-\$1,950 / unit	0	23	83
Off-Campus Unit Type Subtotal		140	129	655
Total, All Unit Types		390	508	1,262

Table 13: Potential Demand by Unit Preference, Freshman Connection and Transfer Students



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OVERVIEW

ASL conducted a gap analysis to assess how well the supply of existing housing meets the demands of students, using survey responses from undergraduate and graduate students living on-campus, off-campus, or in University-affiliated housing. The gap is the difference between the supply of various types of on-campus housing (including housing in University-affiliated/public-private partnerships) and the demand for those types of housing. The gaps in housing offerings point to areas for consideration when renovating residence halls and planning new construction.

UNDERGRADUATE STUDENT HOUSING

The gap analysis summarizing the supply and demand for UM housing for undergraduate students shows that as of fall 2010, based on students' first choice preference, there was an oversupply of 2,050 beds in traditional rooms, a deficiency of 1,242 beds in semi-suites, a deficiency of 388 beds in suites, and a deficiency of 3,853 beds in apartments. In order to understand the current fall 2011 demand, however, it is necessary to include the housing inventory provided by Oakland Hall, now open with 709 beds, all of which are in semi-suites. With Oakland Hall included, the demand for semi suites is reduced to 533 beds (1,242 minus 709).

In sum, as of fall 2011, the current on-campus housing demand is as follows:

- Oversupply of 2,050 beds in traditional housing:
- Deficiency of 533 beds in semi-suites
- Deficiency of 388 beds in suites
- Deficiency of 3,853 beds in apartments

Table 14 shows demand for on-campus housing from on-campus and off-campus, first-year and upper-class students. Demand from students living off campus for on-campus housing is shown in Table 11, above. Demand from students already living in on-campus housing, however, is found by reallocating the 2010 on-campus population by the unit preference distributions of on-campus survey respondents.



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		Supply (Fall 2010)			Demand				Total	Gap
		Undergrad Housing	UM-Affiliated Undergrad	Total	Freshman Off Campus	Upper Class Off Campus	Freshman On Campus	Upper Class On Campus		
Traditional	Double	5,684	0	5,684	19	307	717	761	1,804	-3,880
	Single	332	0	332	14	739	348	1,062	2,163	1,831
Semi-Suite	Double	0	0	0	0	29	402	343	773	773
	Single	0	0	0	0	86	163	219	469	469*
Suite	Double	774	0	774	7	86	413	219	725	-49
	Single	215	0	215	0	96	261	295	651	436
Apartment	Double	856	192	1,048	12	317	565	678	1,572	524
	Single	283	2,811	3,094	17	902	511	3,372	4,802	1,708**
Efficiency	Double	0	0	0	9	115	98	144	365	365
	Single	0	0	0	5	499	217	535	1,256	1,256
		8,144	3,003	11,147	82	3,178	3,693	7,627	14,580	3,433

Note: UM's housing inventory contains 1,396 beds in triple- or quad-occupancy bedrooms, counted as Doubles in the Supply counts above. UM has 208 Staff Singles, excluded from this analysis.

* Data based on Fall 2010; Oakland Hall (w/ 709 semi-suite beds) was not online, so (773+469=) 1,231 could be thought of as Oakland Hall plus 533.

** For Fall 2010 the 902 beds in the Varsity and the 369 beds in the Enclave at 8700 were not yet available.

Table 14: Supply, Demand, and Gap for Undergraduate Housing

GRADUATE STUDENT HOUSING

The gap analysis summarizing the supply and demand for UM housing for graduate students in Table 15 shows that as of fall 2010, there was a deficiency of 684 beds. Much of this demand (401 beds) is for traditional units, the most affordable options presented, and yet there is still about 200 beds of unmet demand for apartment-style units on campus. The survey defined on-campus housing as “University housing on or near campus” and off-campus options as “off campus/private-owned and managed housing.” As Table 12 showed above, about 239 off-campus graduate students would be interested in single-student apartments off campus and 793 in living in conventional apartments off campus.

	Supply (Existing)	Demand			Total	Gap
	Graduate Hills/Gardens	Graduate Hills/Gardens Residents	Off Campus Graduate Student			
Traditional	0	162	239	401	401	
Semi-Suite	0	8	34	42	42	
Suite	0	31	14	45	45	
Apartment	486	285	397	682	196	
	486	486	684	1,170	684	

Analysis is approximate; some Graduate Hills and Gardens units house more than one student

Table 15: Supply, Demand, and Gap for Graduate Housing

CONCLUSIONS

Given the University's continued effort to be a world-class institution known for its high-quality undergraduate and graduate programs, the relatively new leadership of the University president, and the concerted effort to



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forge partnerships between the University and the City of College Park, it is appropriate to study the student housing market at this time. Furthermore, it is important to understand the impact of the recent and pending construction of housing near campus by private developers as the University looks to build new residence halls and renovate others. UM currently houses almost 12,000 students, about a third of its enrollment. Despite the construction by private developers of new housing specifically designed for students, UM continued to have a waitlist of nearly 300 in fall 2011. This study revealed not only the housing preferences of various student cohorts, but also housing related concerns that parents have, areas where UM is an anomaly relative to its peers, and quantification of where students live off campus.

For planning purposes, the demand analysis and gap analysis suggest that any new construction or renovations to existing buildings aim towards single-occupancy traditional-style units and apartments. Furthermore, the needs of underserved populations, namely Freshmen Connection, upper class, international students and graduate students should be explored.

Existing Housing

- Facilities undergoing renovations may be altered to configurations more in demand, as shown in the gap analysis. Where this can be done without unacceptable revenue consequences, it will improve the housing system.
- The appeal of existing housing would be enhanced by renovations including the most appealing features and amenities such as wireless Internet, on-site laundry, card access, security cameras, quiet study areas, and a 24-hour security desk.
- The University should renovate existing housing if recommended by a comprehensive housing plan for the University's housing facilities. The cost of renovations may well approach or exceed the cost of new construction and the end product may be less financially self-supporting.

New Construction

- The University has sufficient demand to support building a new residence hall comprised mostly or exclusively of single-occupancy traditional rooms with a capacity of 500 students. Such a building would address the shortage of singles on campus compared to demand and would be well suited to the needs of several of the cohorts about which the University is concerned—transfer students, upper class students, international students, and graduate students.
- Future new construction should be undertaken only as recommended by a comprehensive housing plan for the campus. New housing that requires financial support from existing buildings is impractical as a long-term solution allowing for replacement of existing beds.

Policies

- Consider revisiting the one-price-fits-all pricing issue. UM is an anomaly relative to its peers in that it charges the same rate for all students in a single or double traditional, semi-suite, or suite units. At least 20% of parents believe they pay a high price for a lower quality, and students in un-air-conditioned halls (and their parents) consider paying the same rate as halls with air-conditioning to be highly objectionable.
- Consider policies/programs related to underserved populations. Freshman Connection and transfer students, as well as some international students, would be highly appreciative of a re-engineered assignment process that increased their probability of being able to live on campus.



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- Consider issues such as parking, especially for freshmen. Clearly a policy such as not allowing freshmen residents or not allowing sophomore residents to park on campus would detract from the appeal of living on campus. Parking policies in the lot closest to the Route 1 apartment communities have the potential to impact their appeal as well.



PROJECT PRO FORMA

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PROJECT PRO FORMA

ASL created a financial pro forma that provides a sample of a possible financial scenario. Specific functions of the building and program detail would need to be developed in the future. The pro forma is based on the program recommendations resulting from the market analysis, but is only one of many possible scenarios. The pro forma details assumptions regarding operating costs, the development budget, and financing. Of particular importance is the assumption that UM will finance, develop, and operate the project. If the project is developed and operated by or in partnership with a taxable or tax-exempt third party, operating expense and financing assumptions must be modified. Such modifications would conceivably require a reduction in the development budget and/or program to achieve the requisite debt service coverage ratio.

Construction costs. The pro forma starts with a building construction cost of \$220 per square foot, which then is increased with soft costs (FF&E, design, contingencies, and financing costs) to give a total development cost of \$316 per square foot.

Operations. ASL used UM's budgeted Oakland Hall operating cost of \$2,475 per bed for the new housing; \$425 per bed for Residence Life is also included. The pro forma includes capitalized operating costs for the first year of operations.

Revenues. Revenues depend on two variables, the level of rent and the housing occupancy. The rents used in the pro forma are in the range that the survey tested, which form the foundation for the demand analysis. The pro forma assumes a 95% occupancy rate for the academic year and 20% for the summer.

Financing assumptions. The pro forma assumes UM is able to obtain 30-year financing for this type of project at 4% interest. This rate is below the rate that any third-party financing could obtain for any public-private partnership, and helps keep the project relatively affordable.

Preliminary program. The survey revealed the comparative popularity of the traditional single. Although ASL found potential demand for more beds than the 500 modeled in the pro forma, the 500-bed size is large enough to achieve most economies of scale but small enough to avoid issues with absorption.

Reserves. Reserves for repair and replacement will result from the net cash flow from the project; but the pro forma includes a \$200 per bed contribution to reserves "above the line."

Results: The project has debt service coverage of 1.00 in the first year and generates trivial cash flow, but in the second year the pro forma shows the housing generating an amount that grows every year thereafter. After 30 years the project could generate millions of dollars.

