The National Multifamily Housing Council is pleased to announce the release of the 2023 edition of the *NMHC Student Housing Income and Expense Benchmarking Survey Report.*

Since its inception in 2010, the survey has been a vital sector tool, giving student housing lenders, investors, owners and managers financial guideposts against which to measure both projected and actual performance results.

The 2023 edition achieved yet another remarkable milestone in terms of firm participation. In all, we received submissions from 24 unique student housing providers, containing financial data for 1,074 properties, 203,249 units and 566,008 beds across 49 states. This marks a 12 percent increase in the number of properties compared to the 2021 sample, a 10 percent increase in the number of units and a 7 percent increase in the number of beds.

Moreover, our data set includes same-store data for 445 properties for both 2022 and 2020, giving users insights into changes in Student Housing operating performance over the past two years.
The 2023 edition gives users access to data through two easily navigable Excel files: the first contains summary statistics for the 2022 calendar year and the second provides statistics on two-year changes (2020-2022) for a set of same-store properties.

**KEY FINDINGS**

The following highlights some basic findings from this year’s survey data. A more comprehensive analysis is included in the full report.

**GROWTH IN GROSS POTENTIAL RENT, DECREASE IN VACANCY COSTS FUELED NET RENTAL INCOME GROWTH**

Between 2020 and 2022, the median same-store property recorded 9.9 percent growth in per-bed net rental income. Almost nine out of every 10 (87.9 percent) properties recorded an increase in net rental income per bed, with a median increase of 11.0 percent. The remaining 12.1 percent of properties recorded a decrease in net rental income per bed, with a median decrease of 5.8 percent per bed.

This growth in net rental income was a result of both growth in gross potential rent (GPR) and a decrease in vacancy costs between 2020 and 2022.

- Almost three-fourths (74.3 percent) of same store-properties posted higher per-bed gross potential rent in 2022 relative to 2020, with a median increase of 5.6 percent per bed. The 25.7 percent of properties experiencing decreasing rents over the two-year period reported a median decrease of 3.3 percent per bed.

- More than four-fifths (82.5 percent) of properties saw their vacancy expenses decrease as a percentage of gross potential rent between 2020 and 2022, with a median decrease of 5.1 percentage points. Of the minority of properties (16.2 percent) that saw their vacancy expenses increase as a percentage of GPR in 2022 relative to 2020, the median increase was 2.1 percentage points.

**Median Change in Net Rental Income as a Percentage of Gross Potential Rent**

<table>
<thead>
<tr>
<th>Region</th>
<th>Median Change U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northeast</td>
<td>4%</td>
</tr>
<tr>
<td>Mid-Atlantic</td>
<td>3.3%</td>
</tr>
<tr>
<td>Southeast</td>
<td>5.1%</td>
</tr>
<tr>
<td>Midwest</td>
<td>6.2%</td>
</tr>
<tr>
<td>Mountain/Southwest</td>
<td>6%</td>
</tr>
<tr>
<td>Far West</td>
<td>7%</td>
</tr>
</tbody>
</table>

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**NET RENTAL INCOME WAS HIGHER IN NEWER, HIGH-RISE AND SMALL PROPERTIES**

Properties built prior to the year 2000 recorded a median net rental income of just $6,971, lower than that recorded by properties built between 2011 and 2015 ($8,834) and properties built 2016 or later ($10,084).

High-rise properties reported a higher median net rental income ($12,241 per bed) relative to mid-rise properties ($9,490 per bed) and garden-style properties ($7,325 per bed).

Small properties (fewer than 300 units) recorded a higher median net rental income ($10,731 per bed) compared to that reported by properties with 301 to 600 units ($8,309) and properties with over 600 units ($7,797).

**FAR WEST AND SMALL PROPERTIES REPORTED LOWER VACANCY COSTS**

The median small property (fewer than 300 units) reported lower vacancy costs—1.6 percent of gross potential rent—compared to medium properties (3.3 percent of GPR) and large properties (3.3 percent of GPR).

Across regions, properties in the Far West of the U.S. reported the lowest vacancy costs, with a median of 0.9 percent of gross potential rent.
CONCESSIONS WERE HIGHER IN LARGE PROPERTIES AND PROPERTIES FARther FROM CAMPUS

The median property located within a quarter mile of campus reported concessions of 0.0 percent of gross potential rent, while the median property located one to two miles and two or more miles from campus reported concessions equal to 1.1 percent and 1.2 percent, respectively.

Concessions also tended to be lower in small properties (fewer than 300 units), with a median cost of 0.3 percent of gross potential rent, compared to medium properties (0.7 percent of GPR) and large properties (0.6 percent of GPR).
OPERATING EXPENSES WERE LOWEST IN NEWER PROPERTIES

The median property built 2016 or later reported total operating expenses that were just 48.7 percent of its net rental income, much lower than that of the median property built between 2011 and 2015 (53.1 percent of net rental income) and the median property built prior to 2011 (59.7 percent).

The full NMHC Student Housing Income and Expense Survey results can be purchased at nmhc.org/income-expense