FLORIDA POLYTECHNIC UNIVERSITY

Housing Demand Analysis

RFQ 22-012 ATTACHMENT B

February 22, 2022

BRAILSFORD & DUNLAVEY

Contents

RFQ-22-012 ATTACHMENT B

01
Existing Conditions

Existing Housing Inventory

	Bed Count	2020-2021 Monthly Rents	2021-2022 Monthly Rents
Phase 1 Housing			
4-bed / 2-bath apartment (private room)	196	$940	$961
3-bed / 2-bath apartment (private room, private bath)	6	$1,049	$1,073
3-bed / 2-bath apartment (private room, shared bath)	12	$962	$984
1-bed / 1-bath semi-suite (RA)	5	$0	$0
Total / Weighted Avg.	219	$923	$944
Phase 2 Housing			
2-bed / 1-bath semi-suite (double room)	488	$689	$704
4-bed / 2-bath apartment (private room)	36	$902	$922
1-bed / 1-bath semi-suite (RA)	18	$0	$0
Total / Weighted Avg.	542	$680	$695
University Total / Avg.	**761**	**$749**	**$767**

Demographics Snapshot

Spring 2022	On-Campus Residents	Off-Campus Residents	Total Pop.	On-Campus Capture Rate
First-Year Freshman	314	118	432	73%
Sophomore	213	154	367	58%
Junior/Senior	186	353	539	35%
Graduate	5	60	65	8%
Other	0	15	15	0%
Total	718	700	1,418	51%

Fall Term	2019	2020	2021
Total Non-Local Enrollment	84%	83%	84%
Non-Local FTIC	89%	90%	90%
Non-Local Continuing Undergrad	85%	83%	83%
Non-Local Graduate	74%	77%	89%
Total Full-Time Enrollment	88%	85%	86%
Full-Time FTIC	99%	98%	99%
Full-Time Continuing Undergrad	87%	87%	81%
Full-Time Graduate	96%	94%	93%

Approximately half of students live in on-campus housing, including nearly three-fourths of freshmen.

Occupancy was 99% in Fall 2021 and 95% in Spring 2022.

Florida Poly's population is pre-disposed to living on campus, with most students being full-time and from outside Polk County.

Why do Students Choose to Live On- or Off-Campus?

Students want to live as close to campus as they can afford.
About 1/3 of on- and off-campus residents prioritized the ability to live in a single-occupancy bedroom.

Top-Five Most Important Factors in Your Housing Decision for this academic year?

On-Campus Residents		Off-Campus Residents	
70%	**Proximity to Campus and University Resources**	**86%**	**Affordability**
48%	**Affordability**	**47%**	**Proximity to campus and University Resources**
38%	Proximity to Other Students and Social Connections	34%	Single-Occupancy Bedroom
34%	Single-Occupancy Bedroom	30%	Proximity to Retail and Grocery Options
33%	Availability of Preferred Unit Type	29%	Availability of Preferred Unit Type

How does Living On Campus benefit the student experience?

On-campus housing supports students' social development and transition to college, but could have greater impacts on academic success.
Greater University control over the residential life experience would allow for expansion of supportive and co-curricular programming.

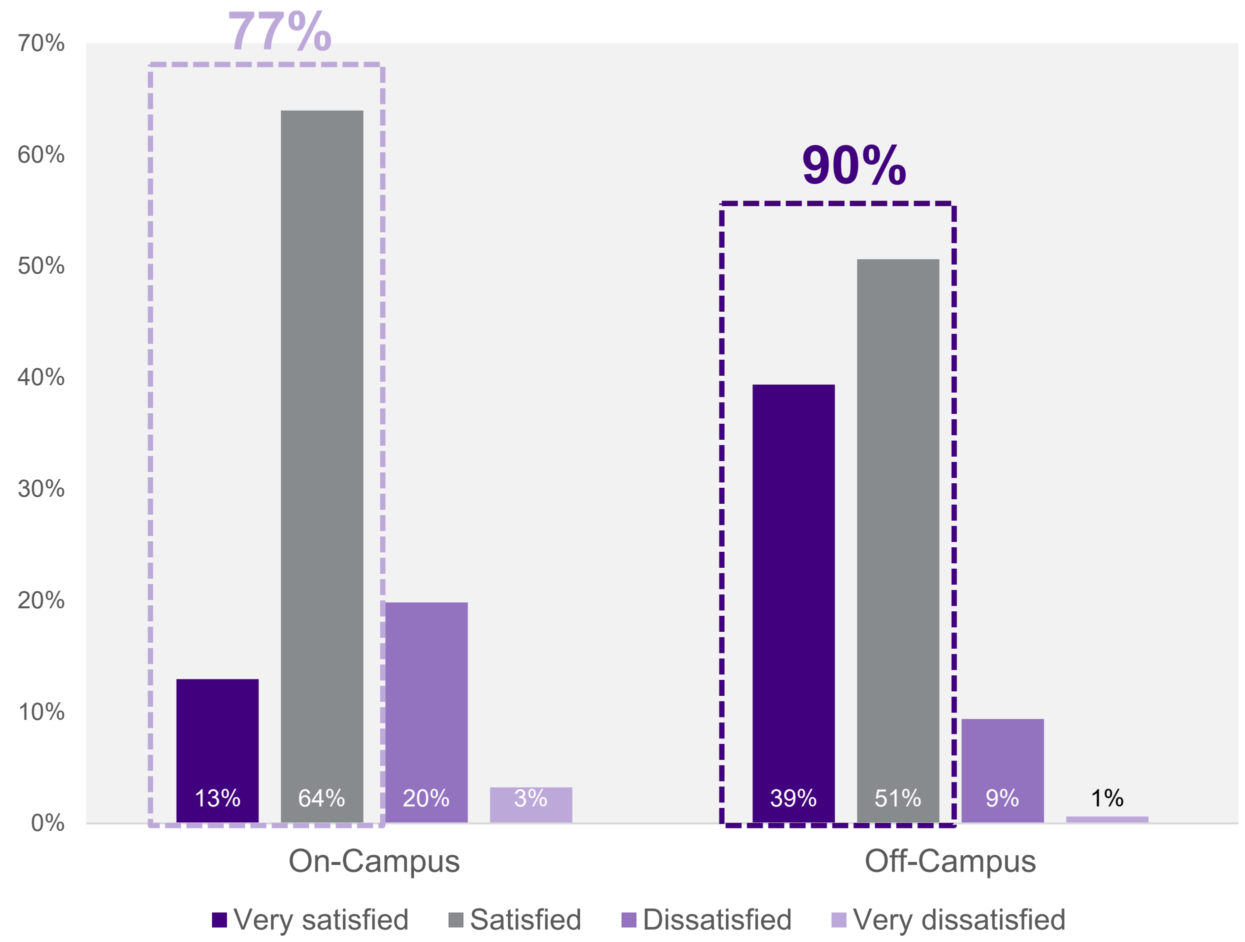
Benefits of On-Campus Living	Agree	Disagree
Connected me to new friends	**80%**	9%
Helped acclimate me to student life at the University	**69%**	22%
Connected me to student organization opportunities at the University	**48%**	23%
Supported my academic success	34%	34%
Connected me to leadership opportunities at the University	27%	**41%**
Increased my utilization of campus resources (library, labs, faculty/staff, etc.)	39%	**42%**
Provided learning opportunities beyond the classroom	22%	**49%**

Student Living Satisfaction

SURVEY RESULTS

On-campus residents are generally satisfied with their living situation, but off-campus housing outperforms due to maintenance / housekeeping issues and their impact on perceived value. The University should address student concerns to enhance the on-campus value proposition.

Satisfaction with Living On-Campus vs. Living Off-Campus



What are the highest 3 satisfaction factors?

1. Proximity to Florida Poly's academic buildings.

2. Location of residence halls.

3. Safety and security of residence halls.

What are the lowest 3 satisfaction factors?

3. Total cost of living in University-owned housing.

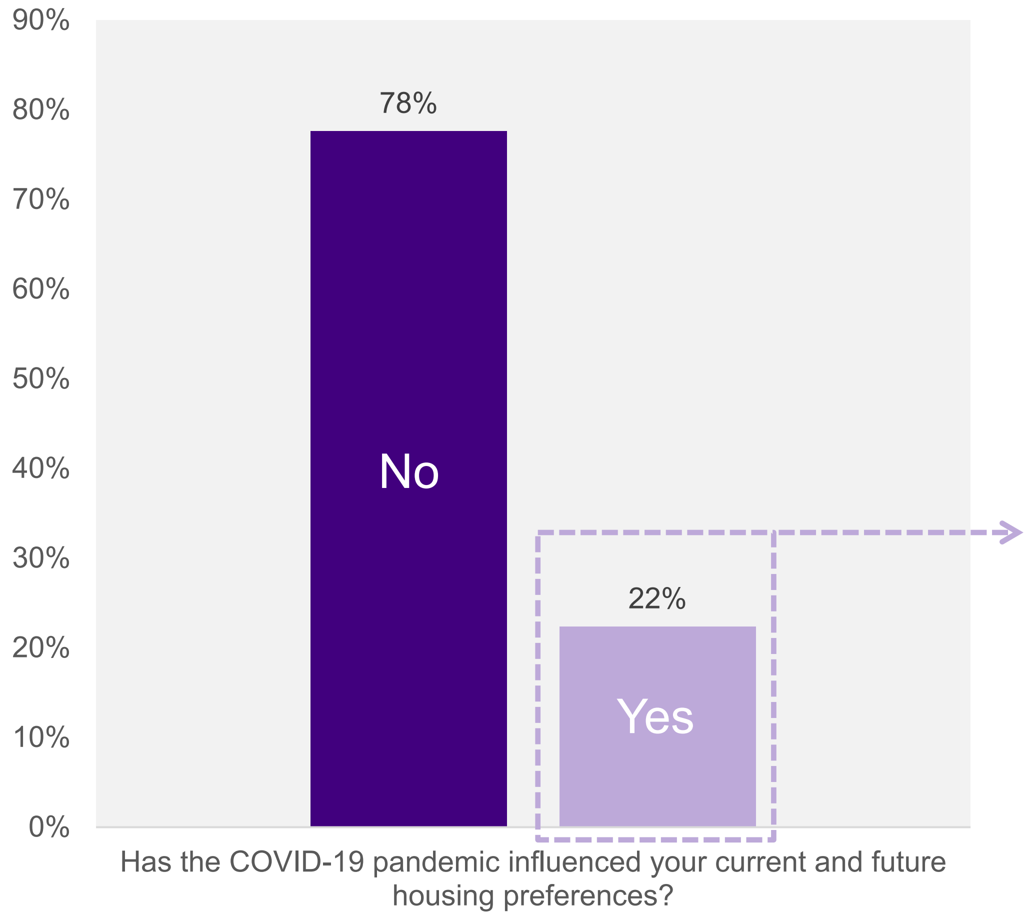
2. Quality of Maintenance/ Housekeeping services

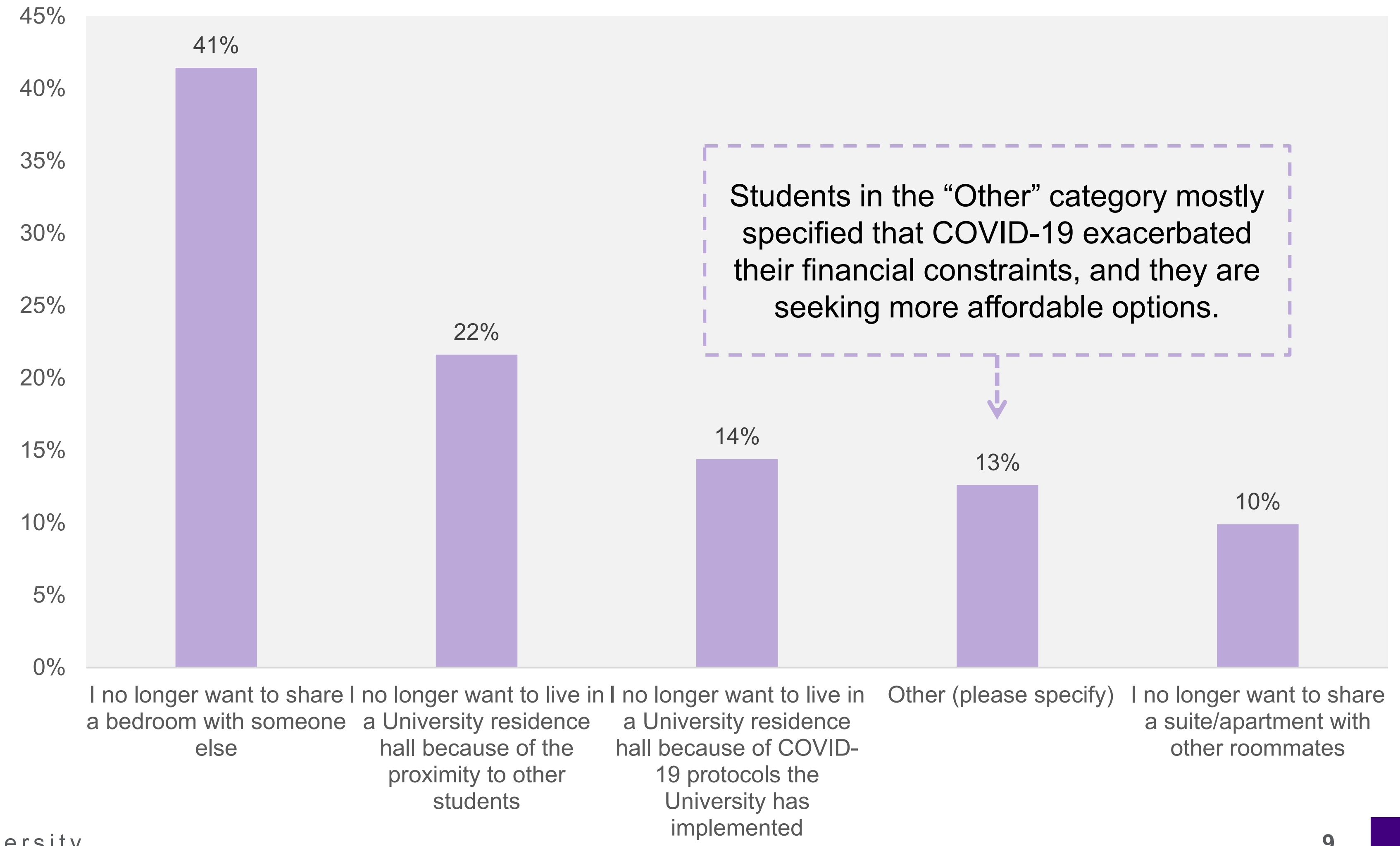
1. Quality of the room or unit.

Has COVID Impacted Students Decisions?

SURVEY RESULTS

- ***78%*** of students reported that COVID did not influence their housing preferences.
- Of the other *22%* of students, many would still consider living on campus but now prefer a single room.





02

Off-Campus Market Analysis

Where do Students Live Off-Campus?

SURVEY RESULTS

The location of existing rental housing in the Lakeland area forces off-campus students to commute long distances.

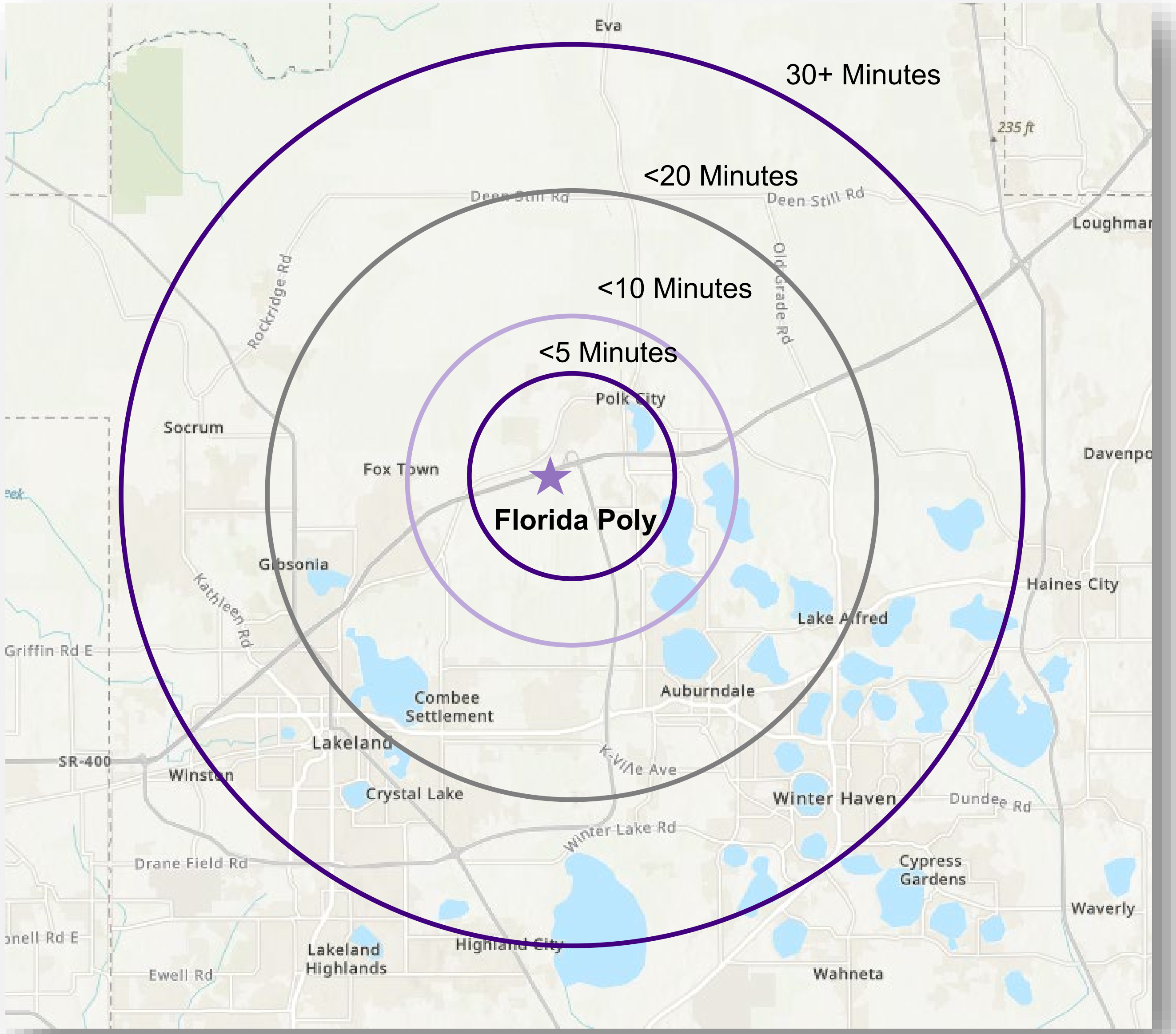
Where do off-campus students reside?

1%	5 minutes or less
13%	6 - 10 minutes
31%	11 - 20 minutes
27%	21 - 30 minutes
28%	More than 30 minutes

***55%** of students live more than 20 minutes away from campus.*

69% of students typically drive alone to campus.

97% of students believe having a vehicle is a necessity when living off-campus.



Current Off-Campus Living Situation

OFF-CAMPUS MARKET ANALYSIS

Respondents' Current Living Situation

58%	Rent a house / townhome / condo
36%	Live at Home
5%	Own a house / townhome / condo
1%	Other

46% of renters said they had difficulty finding a place to live this year.

$593
Average self-reported rent per person

$106
Average self-reported utilities cost per person

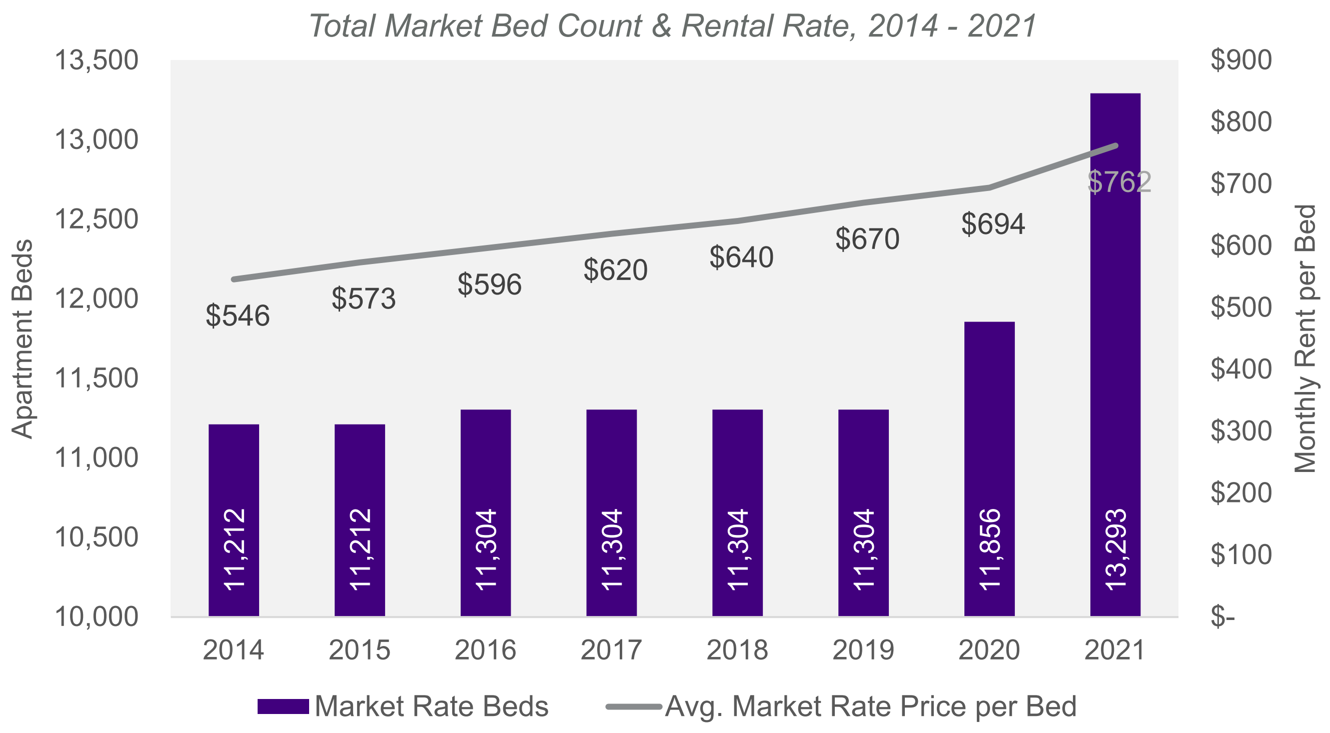
Current Share of Rent:	
Below $300	6%
$300 - $399	8%
$400 - $499	13%
$500 - $599	23%
$600 - $699	26%
$700 - $799	13%
$800 - $899	3%
$1,000 - $1,099	1%
$1,200 or above	3%

Current Share of Utilities:	
$25 - $49	8%
$50 - $99	46%
$150 - $199	29%
$200 or more	17%

Growing Off-Campus Market

OFF-CAMPUS MARKET ANALYSIS

- ***Growing multifamily rental market that was previously aging.***
  - Over 2,105 beds have been delivered since 2020, with another 668 beds slated for delivery this year.
  - 25% increase in general market multifamily beds
- ***Off campus rental rates have increased through the pandemic.***
  - Rent escalation has averaged 4% annually, but grew by 10% in 2021
- ***No purpose-built student housing exists in the market or is proposed at this time.***



Development Pipeline

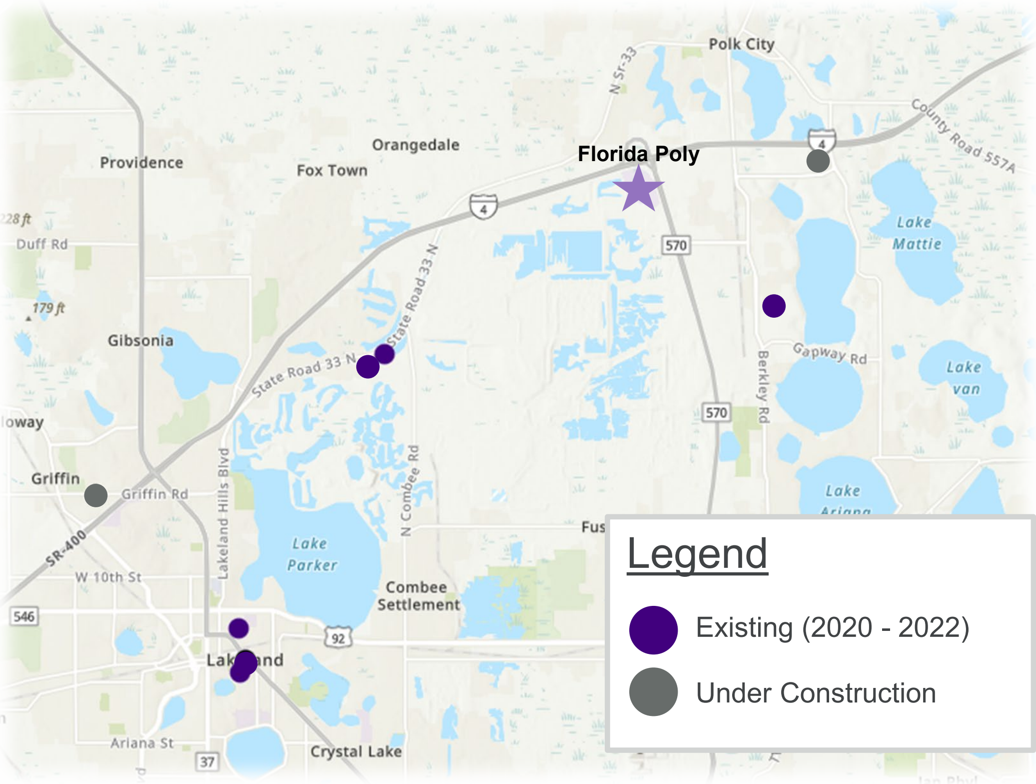
	Multi-Family	Student
Delivered in 2022	668 beds	0 beds
Under Construction 2022	660 beds	0 beds
Proposed	0 beds	0 beds
Total	**1,328 beds**	**0 beds**
	3 buildings	

Development Trajectory

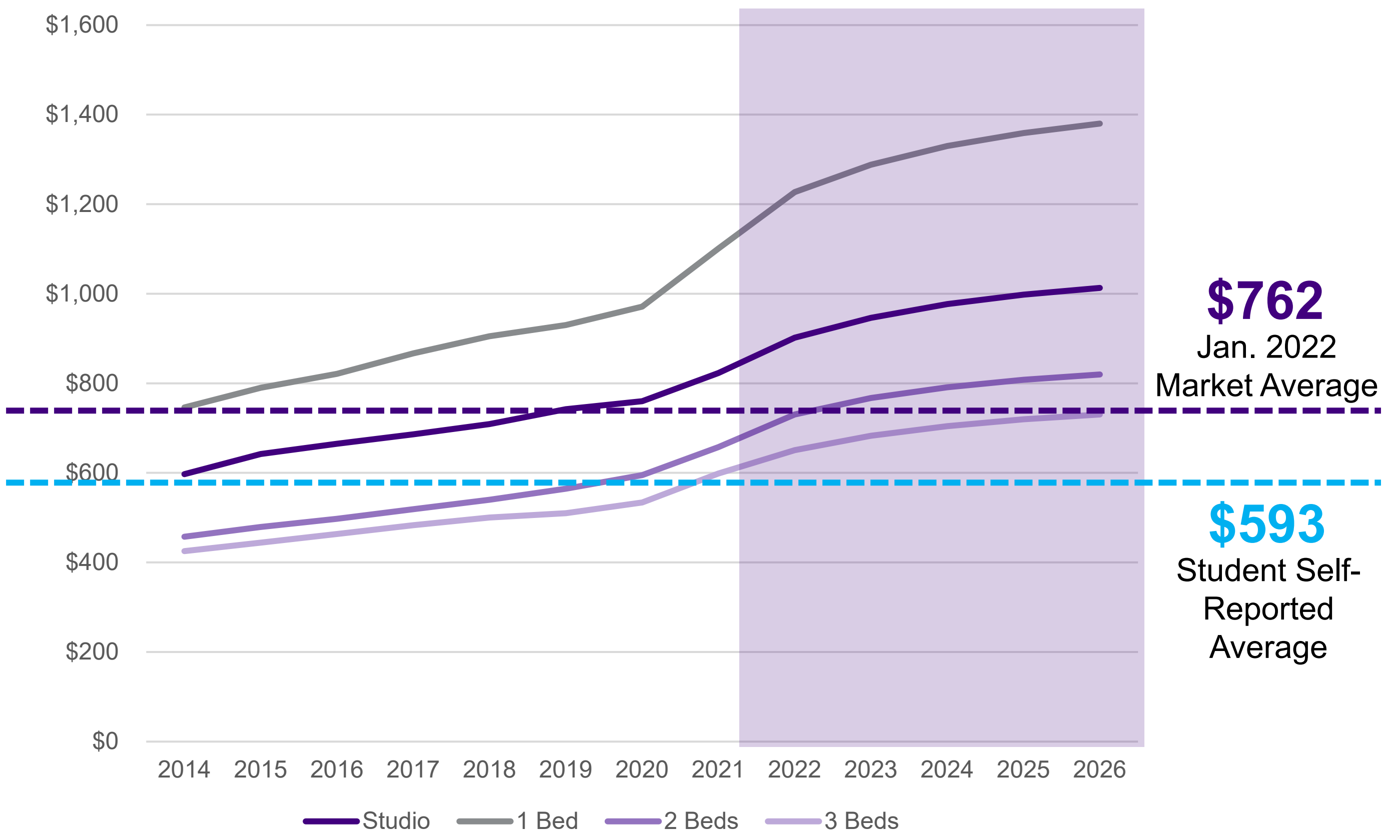
OFF-CAMPUS MARKET ANALYSIS

- The market is projected to grow more expensive, which will continue to impact students.
- Even though there are more beds being delivered in the market, they are not on the University's doorstep.
  - Students will still have long commute times if they choose to live in these developments.

Recent Deliveries (2020-2022) and Housing Under Construction



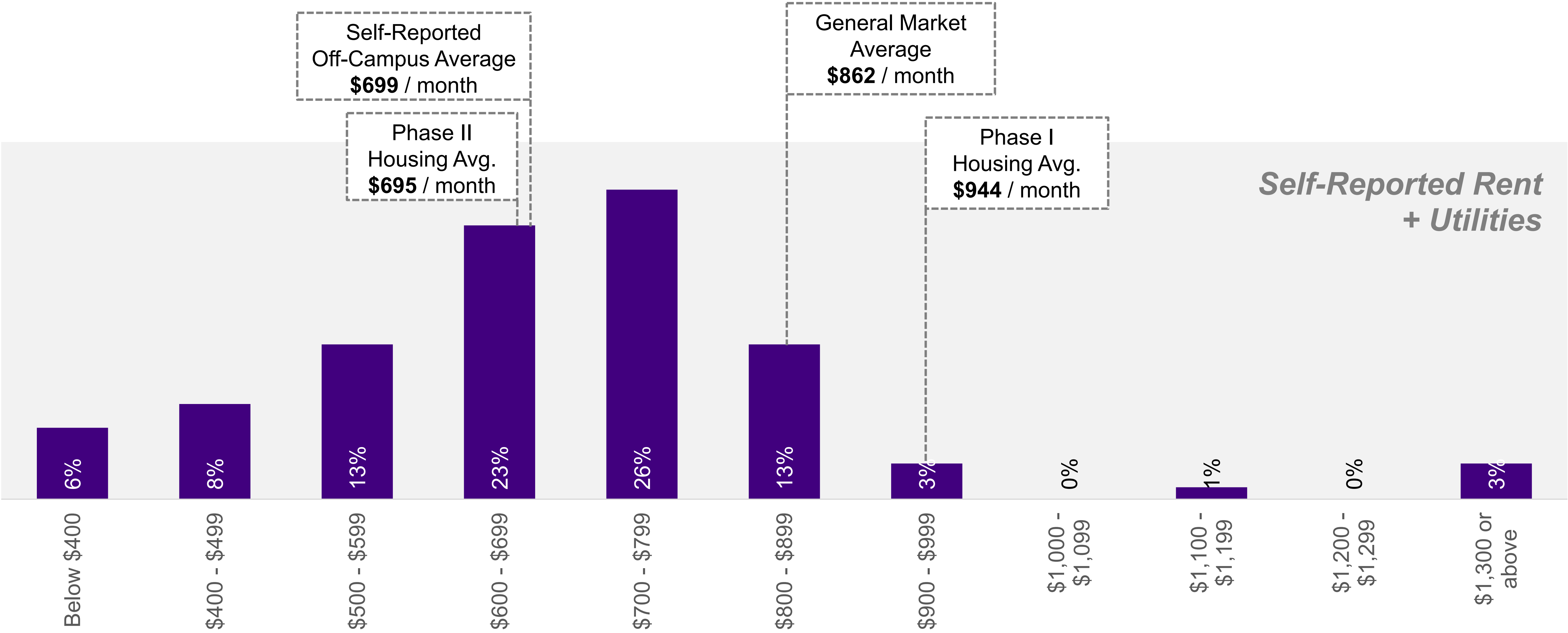
*Actual + Projected Market Rental Rates per Bed, 2014 – 2026**



*Housing market historical and projected rents compiled using CoStar data.

How Do Off-Campus Costs Compare to On-Campus?

OFF-CAMPUS MARKET ANALYSIS

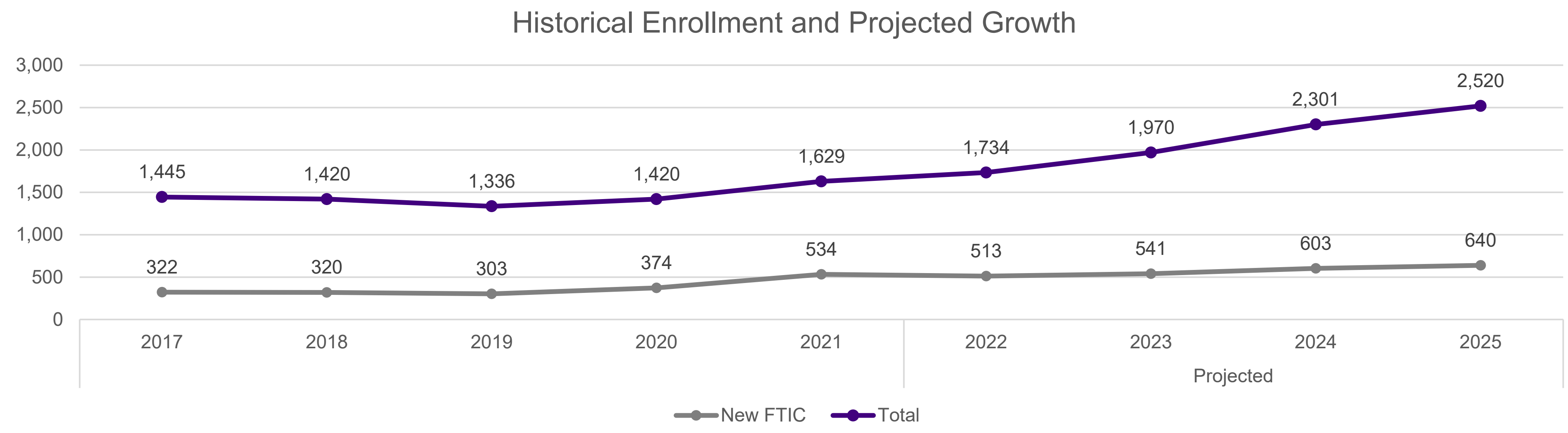


03
Demand Analysis

Enrollment Projections

DEMAND ANALYSIS

- ***Florida Poly looks to grow its first-year enrollment by approx. 100 students over five years.***
- ***Retention of slightly larger FTIC cohorts has a compounding effect on the student population over time.***



	Historical					Projected			
Fall Term	2017	2018	2019	2020	2021	2022	2023	2024	2025
New FTIC	322	320	303	374	534	513	541	603	640
New Undergrad Transfers	80	72	77	78	87	94	100	106	113
Continuing Undergrad	996	975	898	883	917	1,022	1,198	1,438	1,591
Graduate Students	17	33	47	72	79	88	113	134	155
2nd Bachelor's Degree	30	20	11	13	13	17	19	19	21
Total	1,445	1,420	1,336	1,420	1,629	1,734	1,970	2,301	2,520

Demand Methodology – Tested Units and Rates

DEMAND ANALYSIS

- Students could choose from a variety of on-campus unit types or indicate that they would prefer to live off-campus.
- Tested rental rates are between 10%-15% higher than current rental rates for comparable units.
- Tested rates are intended to support project-based financing, meeting a 1.20 DCR.

Unit (Rents shown in 2021 dollars)	Price / Month	Price / Semester
A - Single-Occ. Traditional	$995	$4,480
B - Double-Occ. Traditional	$747	$3,360
C - Single-Occ. Bedroom in a Semi-Suite	$1,040	$4,679
D - Double-Occ. Bedroom in a Semi-Suite	$780	$3,509
E - Single-Occ. Bedroom in a Full-Suite	$1,106	$4,977
F - Double-Occ. Bedroom in a Full-Suite	$830	$3,733
G - Single-Occ. Bedroom in a Two-Bed Apt	$1,261	$5,674
H - Double-Occ. Bedroom in a Two-Bed Apt	$908	$4,085
I - Single-Occ. Bedroom in a Four-Bed Apt	$1,128	$5,077
J - Double-Occ. Bedroom in a Four-Bed Apt	$812	$3,655

Demand Methodology – Survey, Target Market & OCR

DEMAND ANALYSIS

1,418 Student Surveys Sent (January 2022)

28.7% Response Rate

408 Responses

Statistically significant response with +/- 4.9% margin of error.

- ***Demand is limited to a Target Market Group – students who are most inclined and able to pursue on-campus housing.***
- ***Demographic Filters:***
  - ***On-Campus Residents***
  - ***Off-Campus Residents***
    - ***Age 18-24***
    - ***Single with no dependents***
    - ***Currently renting (not living with family, partner, or dependent)***
    - ***Paying more than $500/month in rent***

- ***Occupancy Coverage Ratios are applied to reflect University priorities, occupancy risk, and the competitiveness of the off-campus market for given market segments.***
- ***OCRs are determined by classification:***
  - ***On-campus Residents: 1.00***
  - ***Off-Campus Residents:***
    - ***Freshmen: 1.10***
    - ***Sophomores: 1.30***
    - ***Juniors: 1.30***
    - ***Seniors: 1.30***
    - ***Graduates: 2.00***

Projected Demand

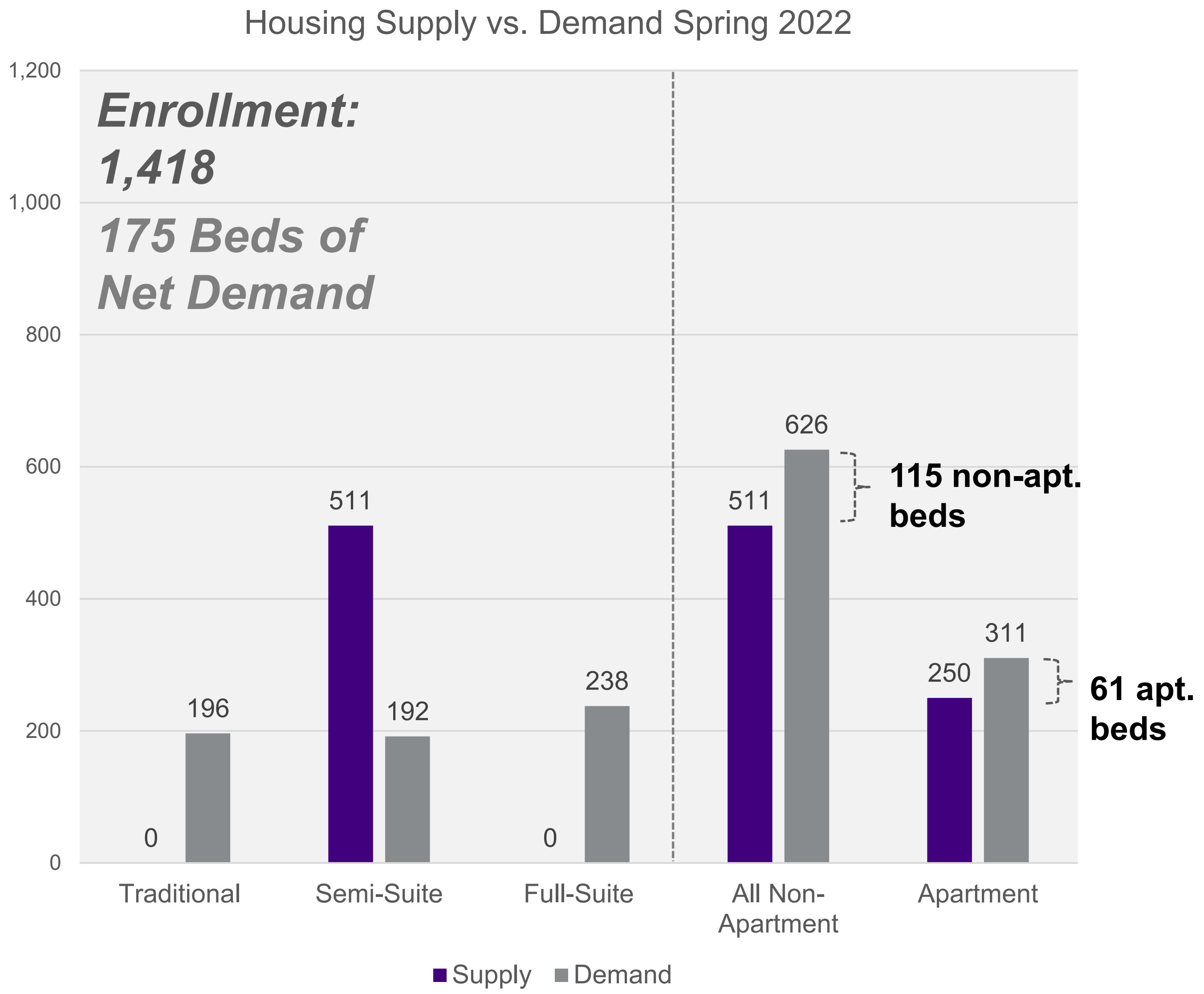
DEMAND ANALYSIS

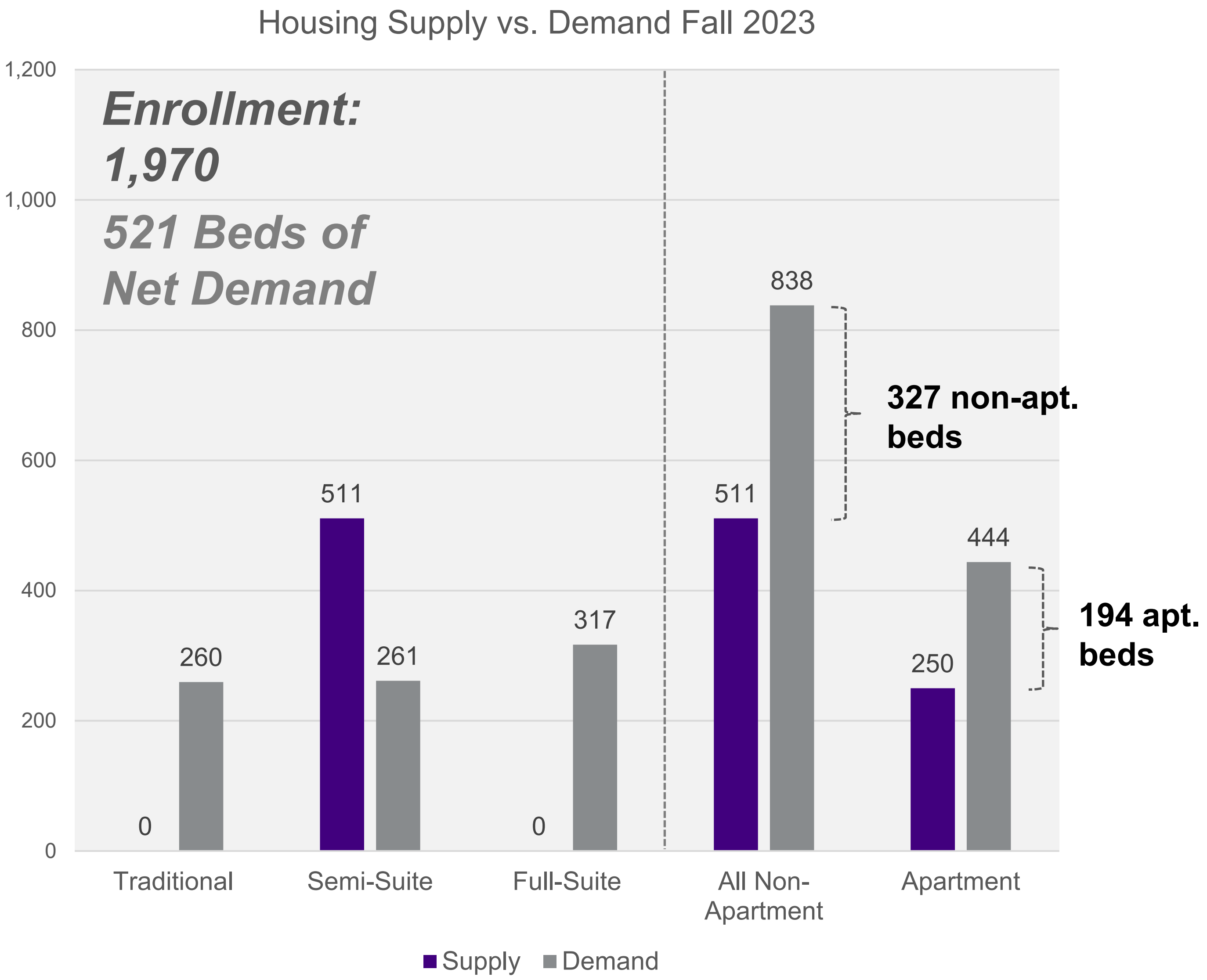
Term	Enrollment	Potential On-Campus Capture	Beds Demanded	Supply	Net Demand
Spring 2022	1,418	66%	936	761	(175)
Fall 2022	1,734	65%	1,142	761	(381)
Fall 2023	1,970	65%	1,282	761	(521)
Fall 2024	2,301	64%	1,488	761	(727)
Fall 2025	2,520	64%	1,628	761	(867)

Unmet demand for on-campus housing is currently 175 beds but will grow to over 800 beds by Fall 2025.

Projected Housing Demand

DEMAND ANALYSIS

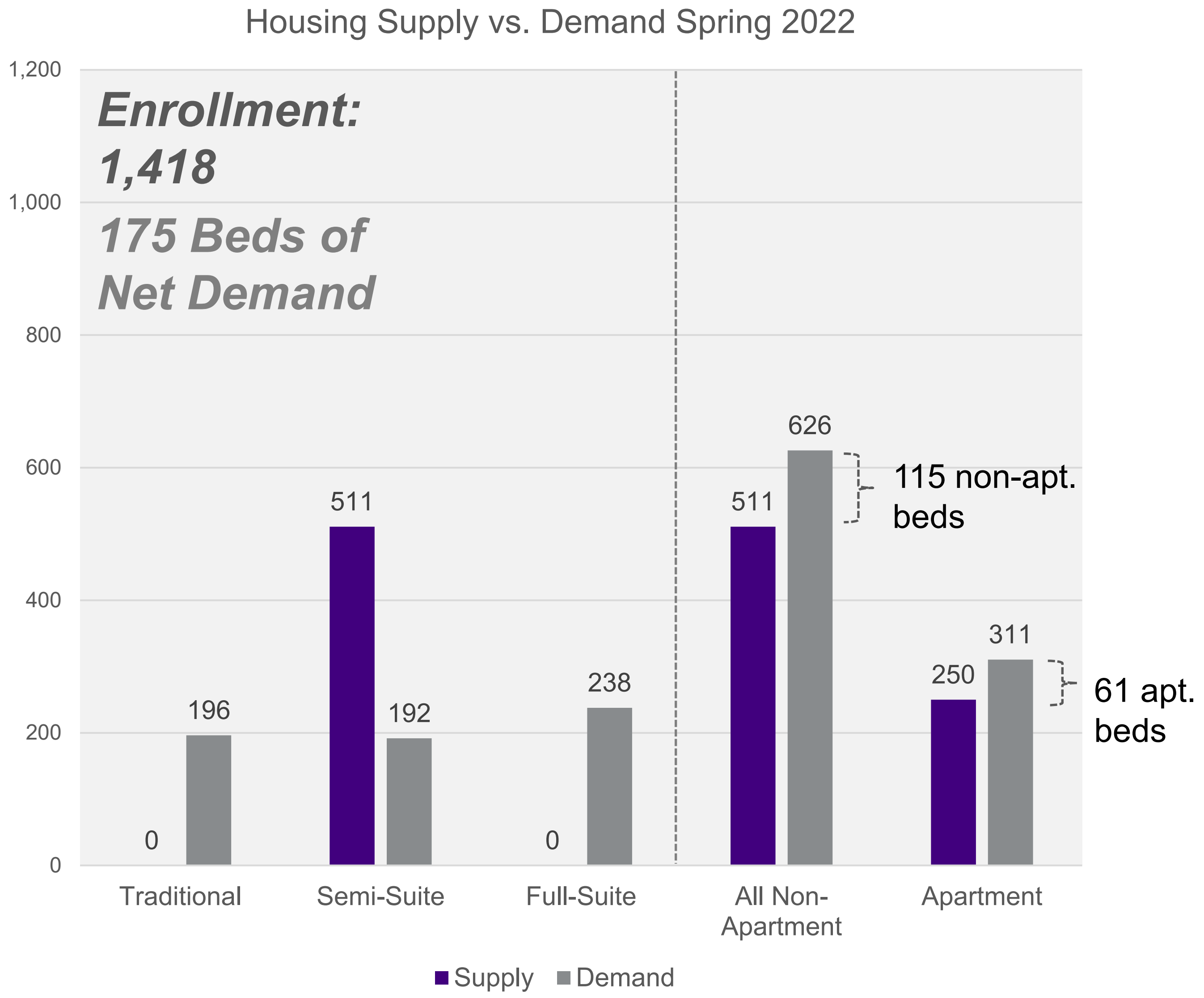


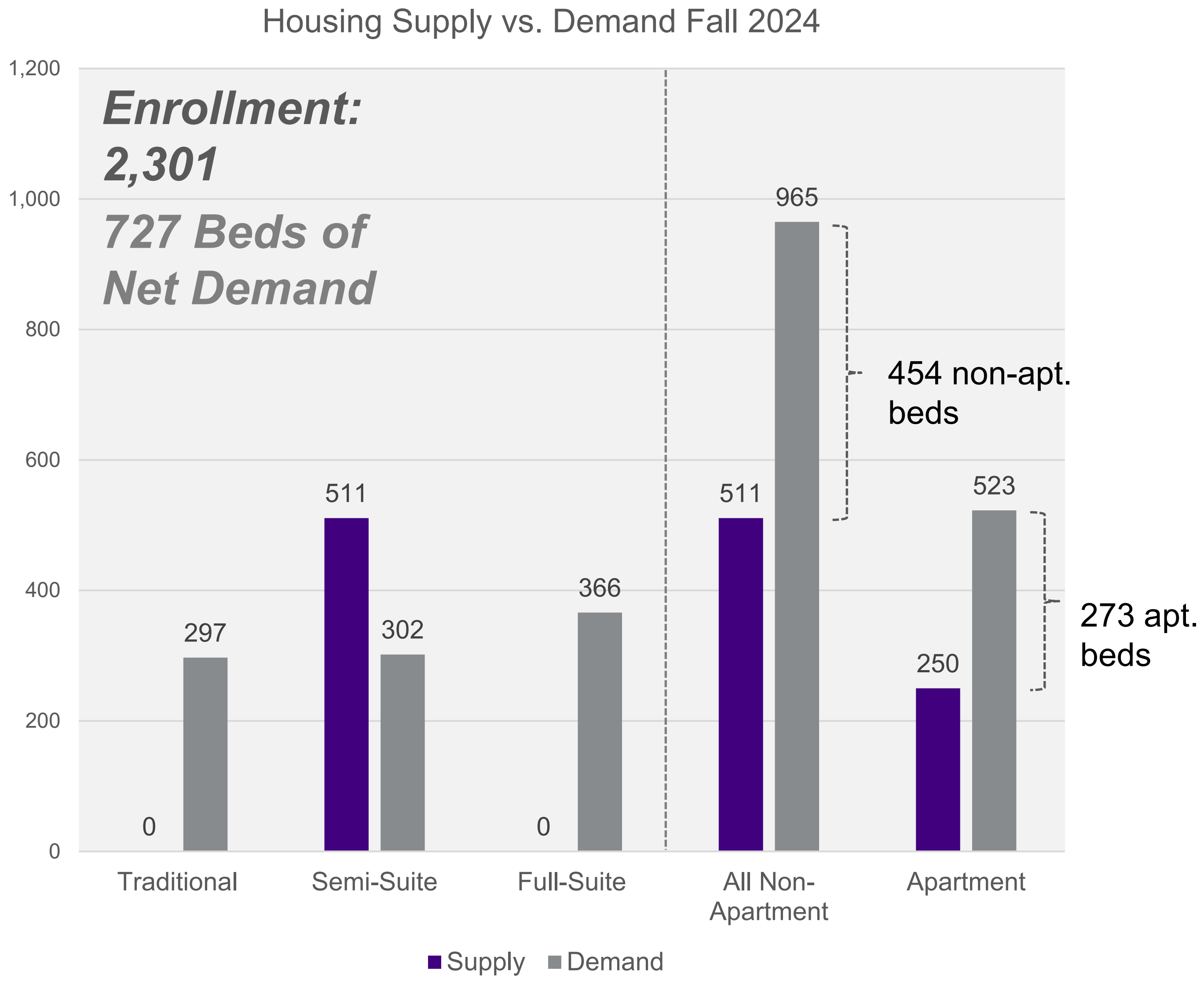


Note: Projections apply policy overlay requiring first-year students to live in non-apartment units and discounting freshman apartment demand.

Projected Housing Demand

DEMAND ANALYSIS





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