




BOONE
STUDENT LIVING

FULLY PRELEASED WITH PROVEN VALUE-ADD UPSIDE AT APPALACHIAN STATE UNIVERSITY

THE OFFERING

Jones Lang LaSalle Americas, Inc. (“JLL”) is pleased to present the **Boone Student Living Portfolio** (the “Portfolio” or “Properties”), consisting of four properties with a total of 145 units / 408 beds. Located in Boone, North Carolina, the Portfolio serves the student body of **Appalachian State University** (the “University” or “App State”). **The Properties are fully preleased for the 2024-2025 Academic Year (“AY”) and were 95% preleased by January 2024 while achieving nearly 10% rent growth.**

The Portfolio has reached 100% occupancy every year since inception without a complex marketing campaign. More specifically, the Portfolio has never utilized a model unit or had professional photos completed. There are numerous value-add opportunities for a new owner. There is proven demand for renovated units as a competitive property was recently upgraded and is now achieving **~\$200/bed premiums.** Furthermore, there’s a mark-to-market opportunity in both the Portfolio’s rental rates and parking charge, which are both 25-45% discounts to competitive properties. **In total, these opportunities would unlock more than \$1 million of additional revenue per year.**

App State set numerous enrollment records for the 2023-2024 Academic Year. **Total enrollment grew 4% to an all-time high 21,253 students, undergraduate enrollment grew 5% to a record 19,405 students, and the University received a record 24,001 applications, representing an 8% increase over the prior year.**

The enrollment records and empty development pipeline have created a **100% occupied and 95% preleased student housing market** as of April 2024. Boone is a hidden gem for operators, and this investment opportunity will enable a new owner to **capitalize on the market’s strong fundamentals with value-add upside potential.**



GLEN WILDE



GREENWAY COVE



GREENWAY COMMONS



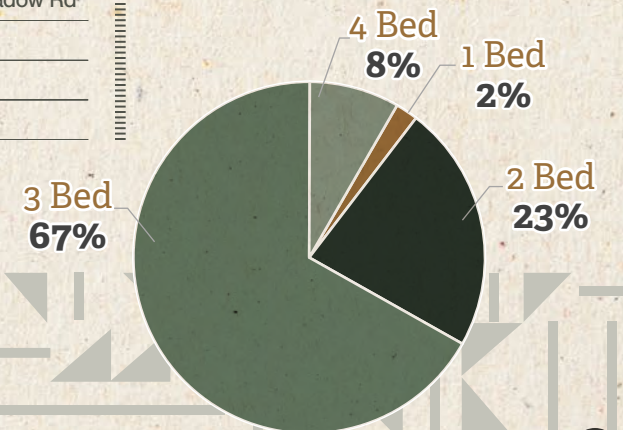
HIGHLAND CROSSING

Unit Mix Summary

Floorplan	Units	Beds
1 Bed / 1 Bath	3	3
2 Bed / 2 Bath	33	66
3 Bed / 3 Bath	97	291
4 Bed / 4 Bath	12	48
Total	145	408

	Highland Crossing	Greenway Commons	Glen Wilde	Greenway Cove
Address	153 Crossing Way	499 Winklers Creek Rd	686 State Farm Rd	166 Winklers Meadow Rd
Year Built	2013	2010	2011	2012
Units	68	24	33	20
Beds	204	84	72	48

Unit Mix



INVESTMENT HIGHLIGHTS

Proven Value-Add Upside

The Portfolio presents numerous value-add opportunities for a new owner. First, new ownership can unlock **\$1,000,000+ additional revenue per year by emulating the value-add business plan at The Village of Meadowview**. Despite the older vintage and farther distance from campus, this property is achieving **~\$200 monthly premiums per bed following renovations**. Second, new ownership can increase the parking charge, which would add **~\$100,000 per year in additional parking income while still remaining a discount to competitors**. Finally, various amenities can be improved, such as the clubhouse at Highland Crossing, the outdoor space at Greenway Cove, or the private storage facility at Highland Crossing, to **boost rent growth across all beds within the Portfolio**.

New Records In Fall 2023

App State welcomed 21,253 Mountaineers for Fall 2023, **setting a new record in total enrollment**. This year, the University also set new records with the largest freshmen enrollment, the most applications received, and the **largest undergraduate enrollment in the institution's 124-year history**. **Undergraduate enrollment has grown for 13 consecutive years**, and total enrollment has grown in 11 out of the last 13 years. The Men's Basketball team also celebrated its most successful year in history, **clinching the regular-season conference championship** with the team's highest winning percentage.

Strong Student Housing Fundamentals

Enrollment has grown by 3,415 students over the last ten years, while only five projects have supplied just 1,720 beds in that time. The supply & demand imbalance in Boone has led to a **tight student housing market that's 100% occupied for the 23-24 AY and 95% preleased for the 24-25 AY as of April 2024**, which is 20% higher than the national preleasing average. Furthermore, the Boone Student Living Portfolio **leads the market as it was 95% preleased by January and achieved nearly 10% rent growth**.

Empty Development Pipeline

Despite enrollment reaching a record 21,253 students in Fall 2023 and record applications for eight consecutive years, **there are currently no off-campus student housing projects in the development pipeline**. The topography of the region creates **natural barriers to entry** like limited buildable parcels and higher development costs due to the need of retaining walls. If a new owner chooses to execute a value-add business plan, the **rent premiums will be uncapped and insulated with no new supply to compete with**.

University Growth Outlook

Not only did Fall 2023 enrollment reach a record high in Boone, App State also opened a new campus in Hickory, NC, and Dr. Troy Johnson was named the Vice Chancellor of Enrollment Management. Dr. Johnson has an extensive track record in the higher education industry and has been outspoken on building upon App State's retention, success, and overall enrollment. To support these goals, **App State has committed nearly \$600 million to campus improvement projects over the next five years**. Notable projects include the \$270 million Innovation District, \$80 million new STEM building, and \$100 million for App State Athletics.

Record Endowment Value and Funding

App State's capital plan in Boone and the new Hickory campus will be partially funded by the University's endowment, which reached **a record value in 2023**. In just five years, **the endowment fund doubled in value from \$89 million in 2018 to \$180 million in 2023**. App State celebrated its **best fundraising year in more than a decade** with \$31 million in cash gifts – the largest cash fundraising year in history – in 2022. Additionally, the athletics program's "All for App" initiative has **raised more than \$50 million** of its \$100 million goal in just two years.

VALUE-ADD OPPORTUNITY

BEFORE...



POTENTIAL REMODELED UNIT



ADDITIONAL OPPORTUNITIES FOR A NEW OWNER

In addition to unit renovations, other value-add opportunities for a new owner include:



Parking

The Properties will begin charging for parking for the 24-25 AY. In their first year of instituting a parking charge, the Properties rented 394 spaces for \$25/month, equating to \$118,200 of additional revenue. Comparable properties are charging between \$60/month for lot parking up to \$100/month for garage parking, meaning new ownership can raise the parking charge to \$45/month to unlock \$212,760 of parking revenue per year while still remaining a 25-45% discount in the market.



OUTDOOR SPACE AT GREENWAY COVE

NOTE: ACTUAL SPACE IS LARGER BUT NOT PICTURED



STUDY LOUNGE AT HIGHLAND CROSSING



Highland Crossing Amenities

The common area amenity spaces at Highland Crossing are ripe for upgrades. With light refreshes, the spaces can significantly boost the Property's curb appeal and marketability, leading to rent premiums across all beds. Since Highland Crossing is the largest property within the Portfolio, even a small rent premium of \$15/month can unlock \$36,720 of additional revenue per year.



EXERCISE ROOM AT HIGHLAND CROSSING



STORAGE FACILITY AT HIGHLAND CROSSING



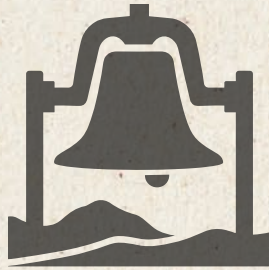
Storage

Highland Crossing just started charging for the Property's self-storage units for the 23-24 AY and has already generated ~\$1,000/month of additional revenue. The modern facility has electronic locks and offers 24/7 access to those with storage units. As the units grow in popularity and solidify a renewal base, new ownership can leverage the demand by increasing occupancy and renewal fees to generate additional income.



Greenway Cove Outdoor Space

Greenway Cove is adjacent to Winkler Creek. The Property's boundary is naturally secluded, and this outdoor area is currently under-utilized. New ownership can transform the space to a secluded private retreat with pergolas, outdoor grilling stations, shaded lounge areas, and more.



APPALACHIAN STATE UNIVERSITY

: A Snapshot

Appalachian State University welcomed **21,253 students for Fall 2023 - a historic enrollment for the University and a 4% increase since last fall.** The Class of 2027 includes **the largest freshmen population in App State's 124-year history and an increase of 8% since last fall.** App State also welcomed its second largest transfer student class with 1,591 new transfer students, representing a **6% increase since last fall.**

Other indicators are trending upwards as well, including the University's retention rate that rose 2% to 85%, and the graduation rate of nearly 75%, which is **more than 10% above the national average.**

To support this growth, App State hired Enrollment Management veteran Dr. Troy Johnson in 2023. Dr. Johnson previously served as VP of Enrollment Management at UT Arlington, Texas Tech, and Illinois State. At UTA, he **achieved record student enrollment for six years in a row,** and he is Texas' only three-time recipient of the Star Award, which is given for collegiate programs that show documented improvement of student access and success.

The App State Mountaineers compete in the Sun Belt Conference, and the Men's Basketball team celebrated its **most successful season in history this year during the 23-24 AY.** They set the program record for the best winning percentage while clinching the first outright conference regular-season championship in 45 years.



Fall 2023 Year-Over-Year Highlights	Led To...
4% Increase in Total Enrollment	Record Total Enrollment
9% Increase in Freshmen Applications	Record Applications
8% Increase in Freshmen Enrollment	Record Freshmen Enrollment
5% Increase in Undergraduate Enrollment	Record Undergraduate Enrollment

Appalachian State Enrollment and Application Trends

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10-Year Change	10-Year Growth
Undergraduate	15,712	16,025	16,255	16,290	16,595	17,017	17,381	17,518	18,061	18,555	18,558	19,405	3,380	21%
YoY Growth		1.99%	1.44%	0.22%	1.87%	2.54%	2.14%	0.79%	3.10%	2.74%	0.02%	4.56%		
Graduate	1,877	1,813	1,771	1,642	1,700	1,794	1,727	1,762	1,962	2,086	1,878	1,848	35	2%
YoY Growth		-3.41%	-2.32%	-7.28%	3.53%	5.58%	-3.73%	2.03%	11.35%	6.32%	-9.97%	-1.60%		
Total Enrollment	17,589	17,838	18,026	17,932	18,295	18,811	19,108	19,280	20,023	20,641	20,436	21,253	3,415	19%
YoY Growth		1.42%	1.05%	-0.52%	2.02%	2.82%	1.58%	0.90%	3.85%	3.09%	-0.99%	4.00%		
Freshmen Applications	12,248	13,673	13,506	13,083	13,202	14,044	16,154	16,664	18,178	21,120	22,255	24,001	10,328	76%
YoY Growth		11.63%	-1.22%	-3.13%	0.91%	6.38%	15.02%	3.16%	9.09%	16.18%	5.37%	7.85%		

 Indicates a new record | Source: Appstate.edu enrollment dashboard



APPALACHIAN STATE UNIVERSITY

Country Inn & Suites
Quality Inn & Suites

Hampton Inn & Suites

PNC Bank
Wells Fargo Bank
First Community Bank
Courtyard by Marriott
Boone Family Dental
Bojangles
Wendy's
Five Guys
Barbershop

Glen Wilde
8 min via AppalCART Bus System

Boone Mall
Belk
Hobby Lobby
Ulta Beauty
Panera
Bath & Body Works
HomeGoods
T.J. Maxx

Boone Heights Shopping Center
Harris Teeter Grocery
Chipotle
Wellness Center
Bowling Alley
Cracker Barrel

Courtyard by Marriott

Comfort Suites

Holiday Inn

Publix Supermarket

Lowe's

Highland Crossing
9 min via AppalCART Bus System

Sunrise Grill Breakfast
The Cardinal American Restaurant
The Beacon Butcher Bar Restaurant
Goodwill

Greenway Cove
8 min via AppalCART Bus System

Greenway Commons
8 min via AppalCART Bus System

Walmart

Holiday Inn



BOONE

STUDENT LIVING

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