



University of North Dakota
Housing Market Study Overview

Finance, Accounting & Legal
Committee – 12/16/20

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Agenda

- Market Study Objectives
- Summary of Key Takeaways
- Review of Relevant Data from Study
- Additional Items for Discussion

Market Study Goals & Objectives

- “The primary goal of the study was to determine the level of demand for upperclassmen and graduate student on-campus beds while also continuing to meet the demand of incoming first-year students....”
- Additional Objectives
 - Determine UND’s competitive position among peers;
 - Validate existence of sufficient demand at rental rates assumed in pro forma; and
 - Attempt to identify the degree to which UND’s current housing offering affected current students’ decision to enroll.

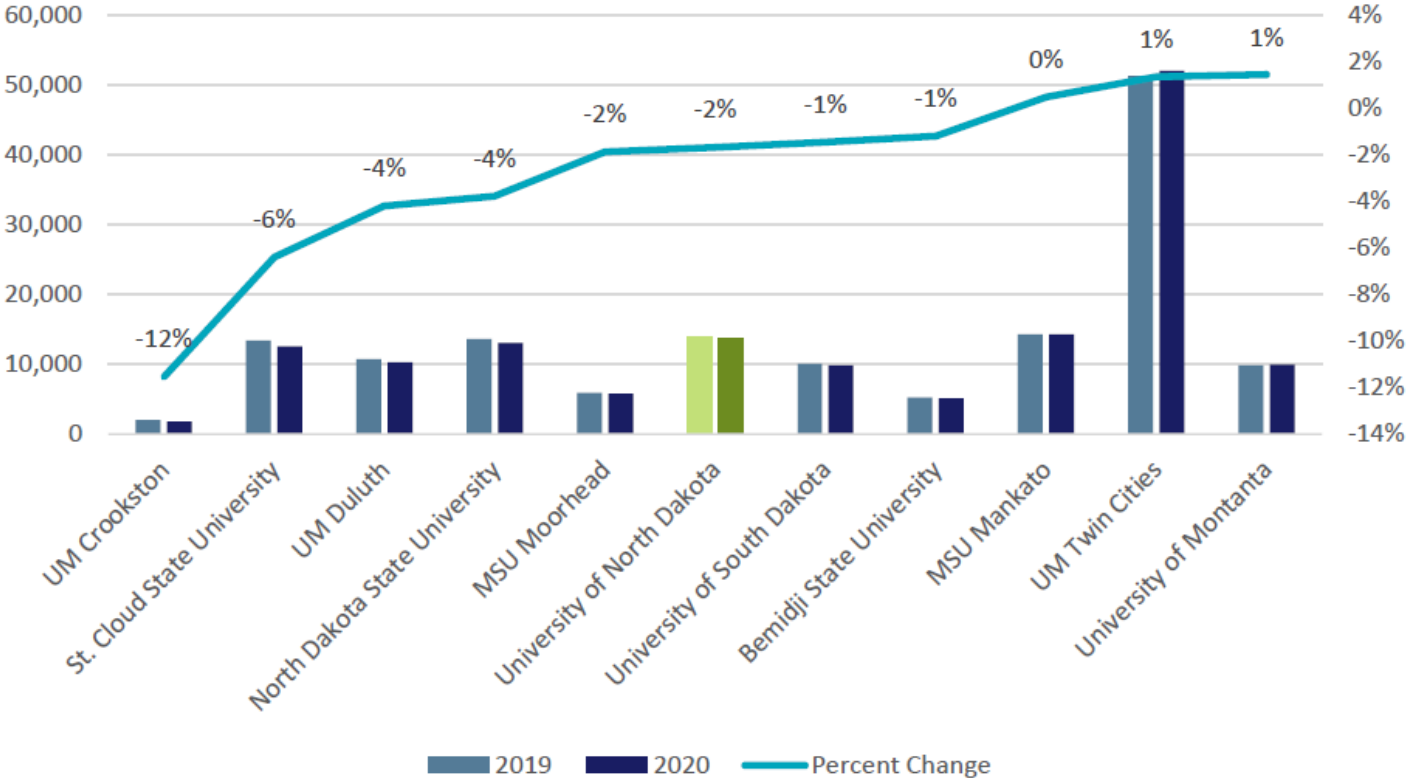
Market Study Major Components

- Peer Institution Analysis
 - 10 institutions, including North Dakota State, UM Twin Cities
- Off-Campus Market Analysis
 - 10 apartment complexes, including the Boden, The Verge & Campus Place; 3 single-family rental homes also included in the analysis
- Student Survey
 - 1,977 respondents out of 13,557 (14.6% response rate)
- Virtual Focus Groups
 - 5 different cohorts: First-year residence hall students, graduate and international students, off-campus students, returning and transfer students, and student leaders
- Incremental Demand Analysis

Summary of Key Takeaways

- Consistent with U3's June 2019 and the 2016 Campus Housing Evaluation Study, there is significant incremental demand for housing options that align with student preferences.
 - The MGT 2020 study estimates incremental demand of 676 total beds
- The decline in UND's full-time enrollment is steeper than the published total enrollment figure; the full-time enrollment trends and unit preferences identified in the study further support the argument that UND should significantly reduce residence hall capacity.
- UND's total cost of attendance is already among the most expensive within the peer group analyzed in the study.
 - When compared to the peer group analyzed in the study, UND's meal plan and tuition costs rank as second and third most expensive, respectively.
- UND's room & board costs in isolation appear to be a neutral to somewhat important factor in students' decision to ultimately enroll at UND.
- The current unit mix in the pro forma at Building A assumes studio rental rates priced cheaper than the market average, but conversely assumes 2BR and 4BR rental rates that are more expensive than the market averages.

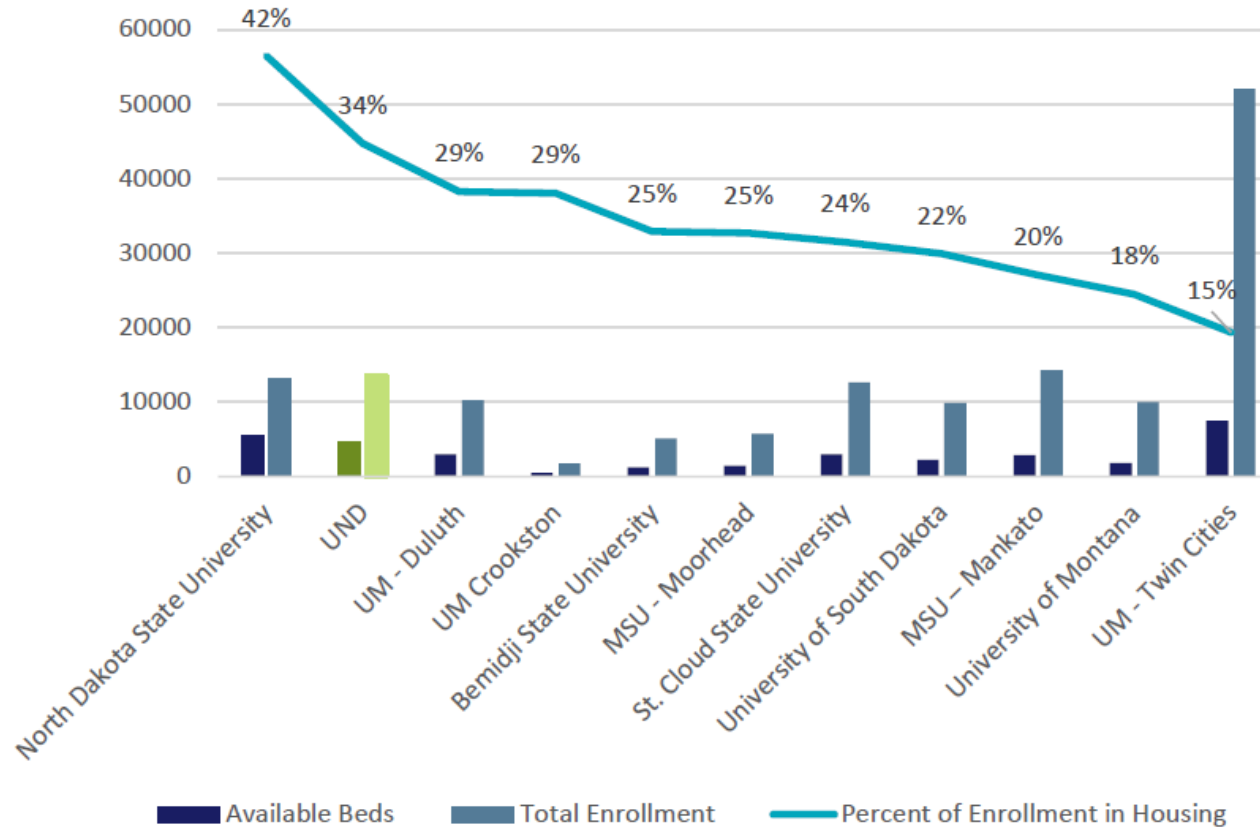
Total Enrollment Change – 2018/19 to 2019/20



**Note that while UND’s total enrollment change was only 2%, full-time enrollment decreased by over 6%



On-Campus Housing as % of Total Enrollment

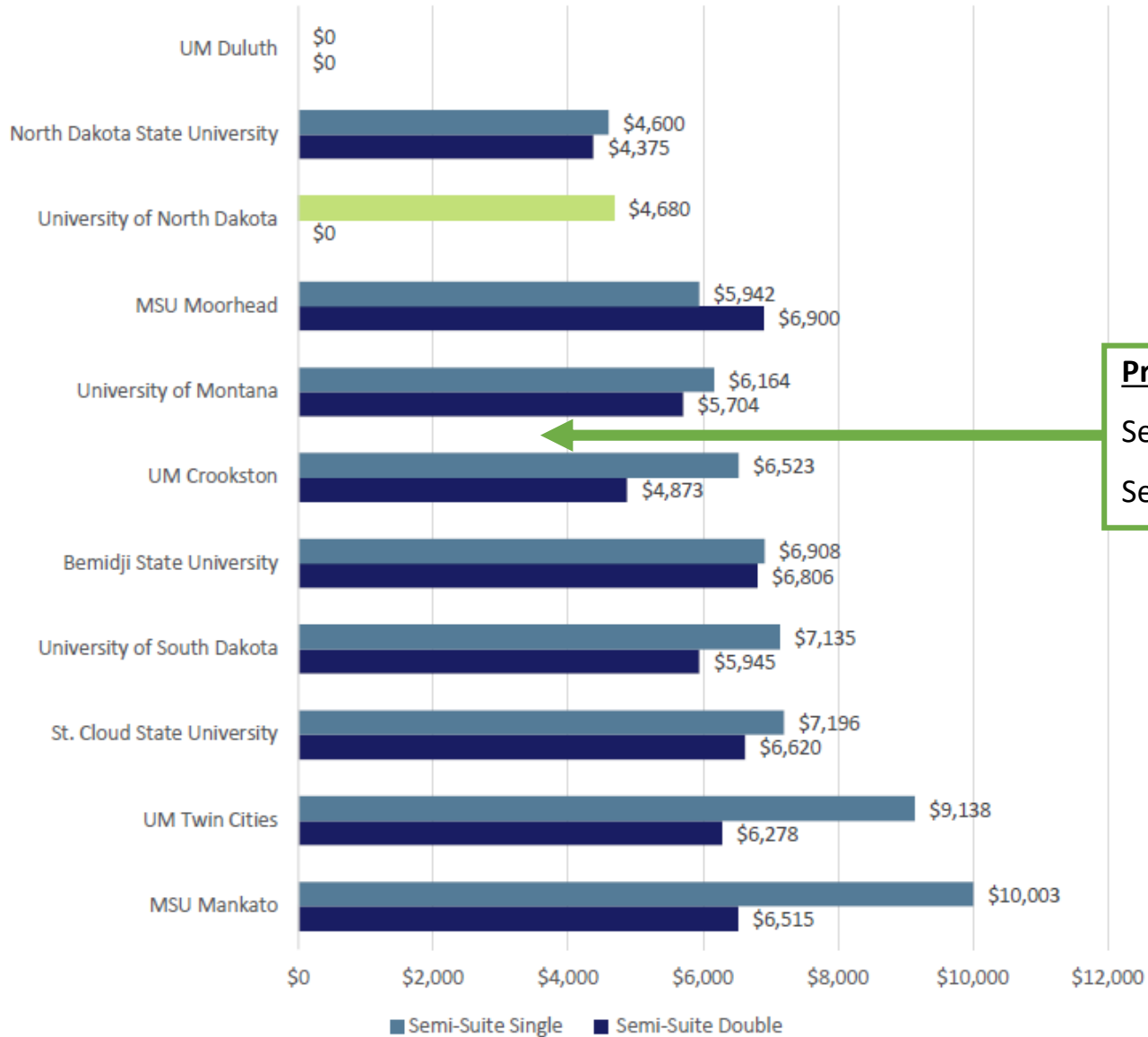


**When UND's total enrollment is adjusted for part-time and exclusively online full-time students, UND's available bed capacity makes up more than 50% of the adjusted total.

Full-Time Enrollment Change – 2018/19 to 2019/20

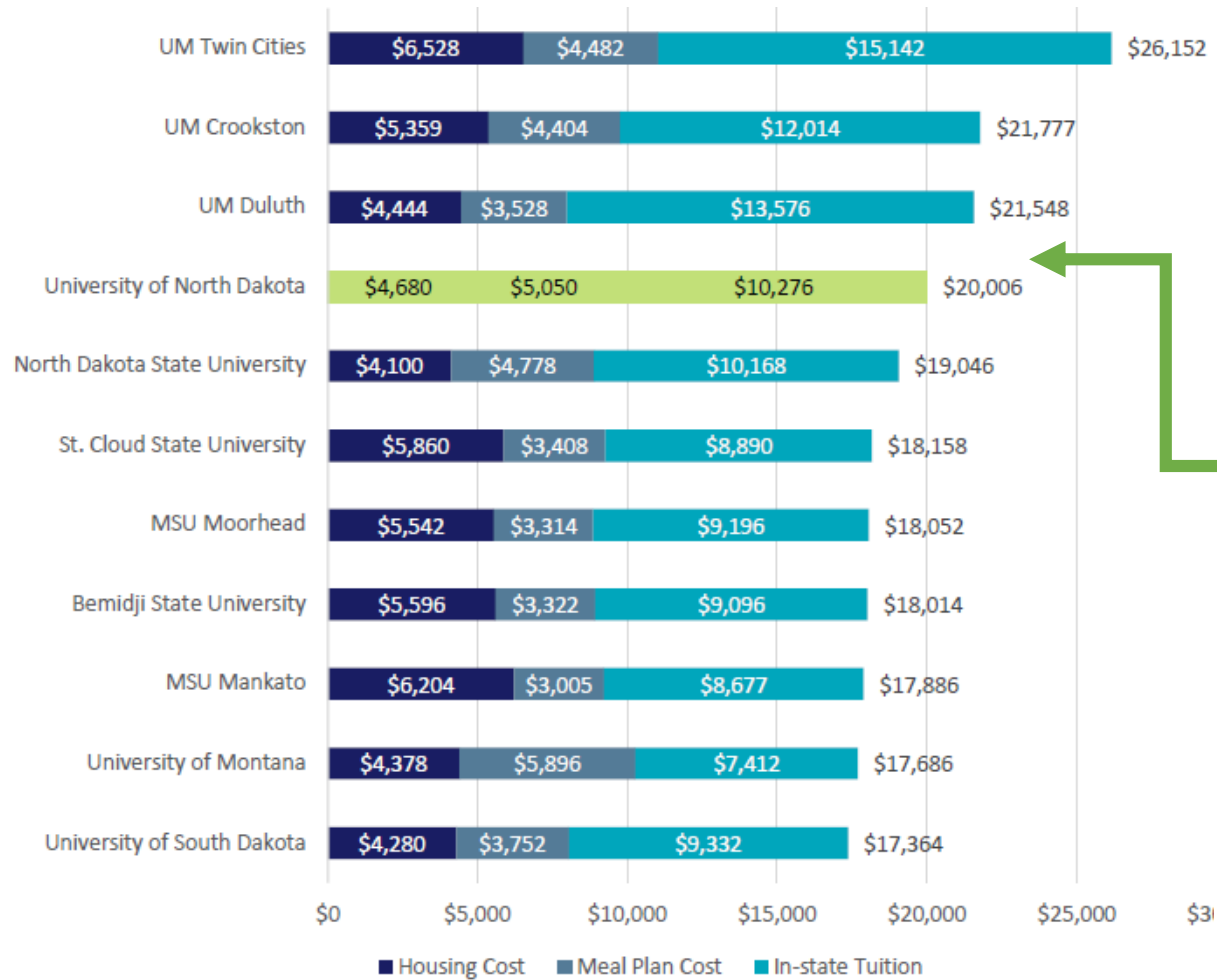
Year	2015	2016	2017	2018	2019
Total Enrollment	14,951	14,648	14,406	13,847	13,581
YoY Change		-2.0%	-1.7%	-3.9%	-1.9%
Full-Time Enrollment	10,869	10,577	10,278	9,941	9,328
YoY Change		-2.7%	-2.8%	-3.3%	-6.2%
Res Hall & Uplace Occupancy	2,864	2,720	2,599	2,483	2,040
YoY Change		-5.0%	-4.4%	-4.5%	-17.8%

Suite-Style Housing Rates Comparison



Proposed JPC Rates Post-Renovation & New Construction:
 Semi-Suite Single - \$6,275
 Semi-Suite Double - \$5,275

Total Cost of Room, Meal Plan & Tuition



Total Cost w/ JPC Proposed Housing Rates:
 $\$5,275 | \$5,050 | \$10,276 = \$20,601$



**Comparative costs are based on double-occupied first-year student housing rate, baseline unlimited meal plan (7 days per week) & in-state tuition for undecided majors



Apartments Comparison

Peer University	Apartment Styles	Average Housing Rates ⁷	
		Semester	Annual
University of North Dakota	University Place 1BR, 2BR & 4BR private bedroom units	\$2,860	\$5,720
Bemidji State University	Single occupied 3-person or 4-person apartment units; Family housing 2BR & 3BR units	\$3,660	\$7,321
MSU Mankato	Single occupied 3-person apartment & single occupied 4-person apartment	\$3,940	\$7,880
MSU Moorhead	2BR with double occupied bedrooms	\$2,472	\$4,944
North Dakota State University	2BR units with double occupied bedrooms; Studios & 4BR units with private bedrooms	\$2,363	\$4,725
St. Cloud State University	4-bedroom, 1-bathroom units with private bedrooms	\$3,270	\$6,540
University of Minnesota Crookston	2BR units with double occupied bedrooms	\$2,537	\$5,236
University of Minnesota Duluth	2BR units with double occupied bedrooms	\$2,683	\$5,366
University of Minnesota Twin Cities	1BR, 2BR, 3BR & 4BR options; shared and private bedroom options	\$4,905	\$9,809
University of South Dakota	4BR and 2BR units with private bedrooms	\$3,534	\$7,069

Peer University	Apartment Styles	Average Monthly Rate ⁸	
		Per Person	Per Unit
University of North Dakota	Studios, 1BR, 2BR, 3BR, 4BR & townhome options	N/A	\$828
MSU Mankato	Single in a 3-person apartment	\$917	N/A
MSU Moorhead	4BR units with double occupied bedrooms	N/A	\$1,977
North Dakota State University	Studios, 1BR, 2BR & 3BR options; Shared bedroom and private bedroom options	N/A	\$791
University of Montana	Per person option for 2BR & 3BR units with private bedrooms; Per unit options include studios, 1BR, 2BR, 3BR, 4BR and townhouse unit types	\$552	\$777

Proposed JPC Rates Post-Renovation & New Construction:

Studio- \$675 per unit per month

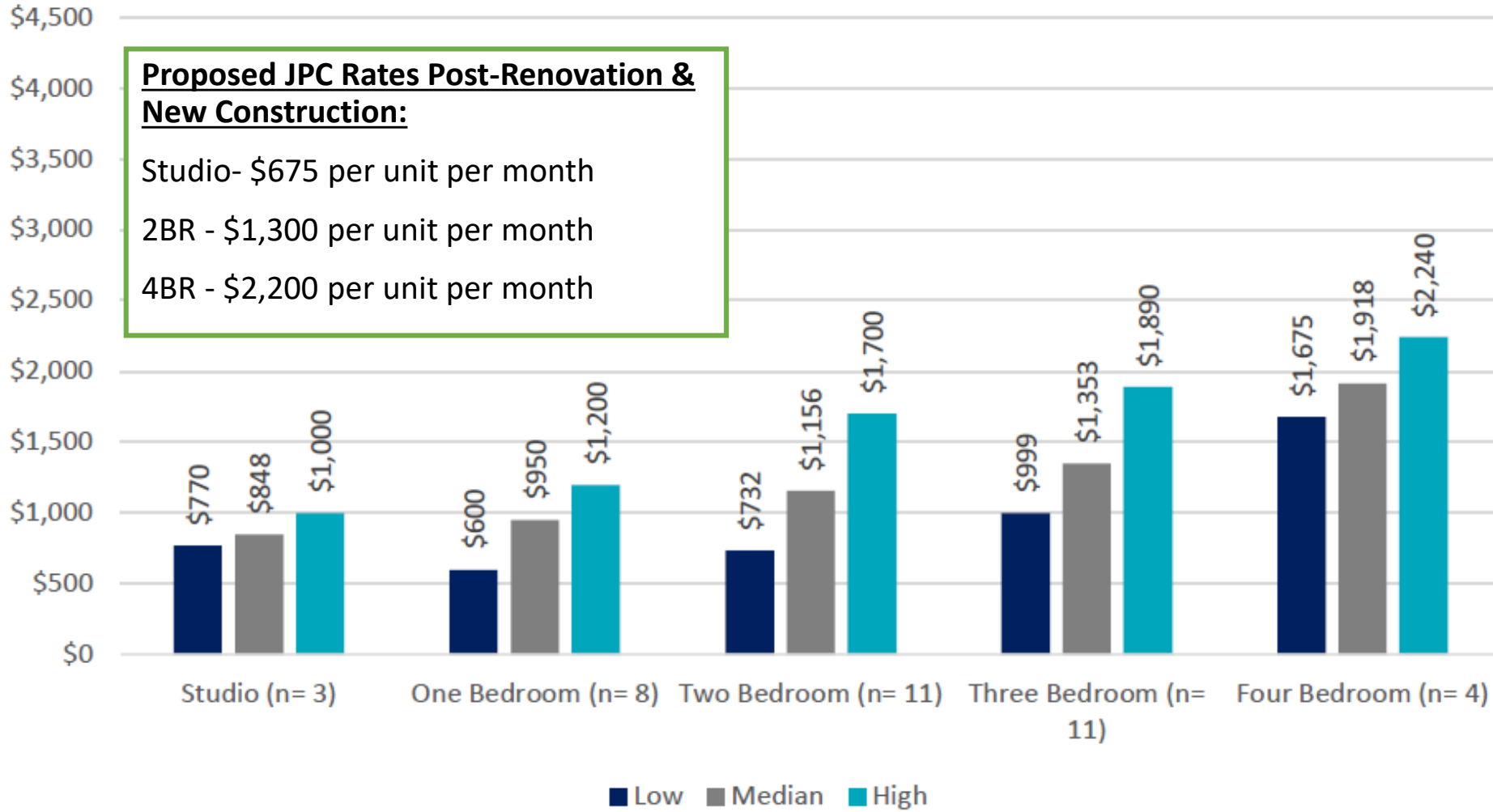
2BR - \$1,300 per unit per month

4BR - \$2,200 per unit per month

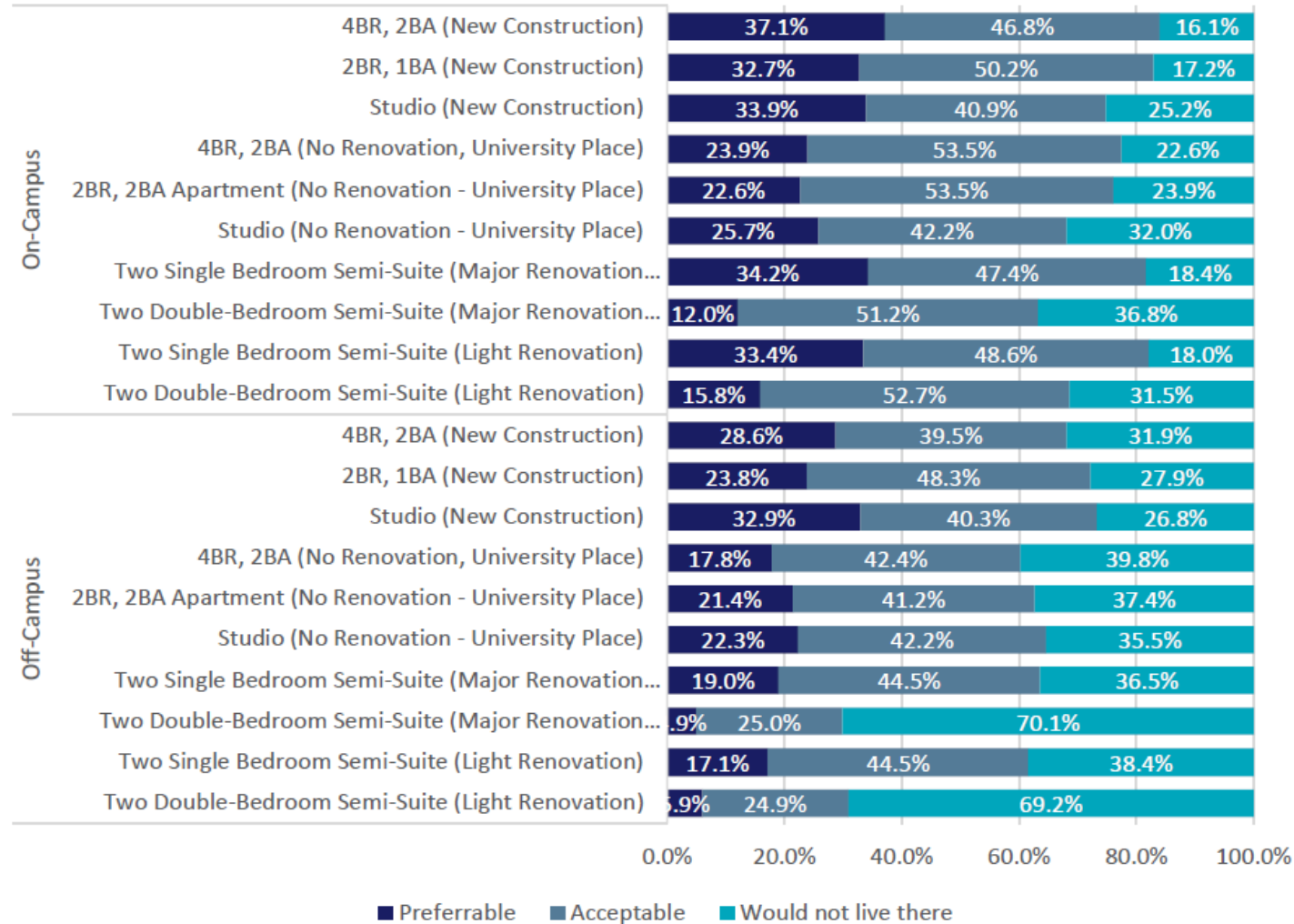
Off-Campus Competitive Analysis

Off-Campus Apartments	Address	# Beds	# Units	Avg Square Feet Per Unit	Miles from Campus
The Boden	2900 Demers Ave	394	129	1,125	1.2
Sonoma Lofts	4220 5th Ave N	227	104	1,246 SF	0.7
University Flats	851 University Ave	120	70	963 SF	1.8
42nd Street Commons	4000 Garden View Dr	72	36	1,011 SF	1.3
Cardinal Point Apartments	2150 47th Ave S	459	251	1,117 SF	4.2
The Gardens Apartments	1220 55th Ave S	110	74	994 SF	5.4
The Verge	750 S 43rd St	600	224	1,187 SF	1.1
McEnroe Place	3920 Gardenview Dr	894	285	1,399 SF	1.4
Campus Place 1-6	411,419 & 425 N 42nd St; 4270,4274,4278 University Ave	443	194	1,253 SF	0.6
Boulder Apartments	2606 13th Ave S	94	51	1,236 SF	1.5

Off-Campus Competitive Analysis



Unit Preferences from Survey



Incremental Demand by Class

2019	Full-Time Off-Campus Headcount Enrollment	Definitely Interested		Might Be Interested		Potential Incremental Demand	Range	Potential Demand 95% Confidence Interval		
Class		Capture Rate	50% Closure	Capture Rate	25% Closure					
Freshman	34	18.8%	3	18.8%	2	5	±1	4		6
Sophomore	1,334	9%	57	29%	98	154	±31	123	to	186
Junior	1,460	10%	70	32%	116	185	±34	151	to	220
Senior	1,979	8%	75	26%	128	202	±47	156	to	249
Graduate/Professional Student	1,196	10%	61	23%	69	130	±28	101	to	158
	6,003		265		411	676	±145	531	to	812

**The demand estimate uses an off-campus enrollment figure that excludes part-time students, exclusively online students and students currently living in UND residence halls or apartments

Incremental Demand by Unit Type

Unit Type	Academic Year Rent	Off-Campus Identified Top Preference	Potential Demand
Two Double-Bedroom Semi-Suite (Light Renovation)	\$4,850	3%	21
Two Single Bedroom Semi-Suite (Light Renovation)	\$6,750	9%	61
Two Double-Bedroom Semi-Suite (Major Renovation and/or New Construction)	\$5,250	3%	17
Two Single Bedroom Semi-Suite (Major Renovation and/or New Construction)	\$6,250	10%	66
Studio (No Renovation - University Place)	\$6,900	12%	78
2BR, 2BA Apartment (No Renovation - University Place)	\$6,600	11%	74
4BR, 2BA (No Renovation, University Place)	\$6,400	9%	62
Studio (New Construction)	\$675/mo for 12 months	17%	115
2BR, 1BA (New Construction)	\$650/mo for 12 months	12%	83
4BR, 2BA (New Construction)	\$550/mo for 12 months	15%	100

Room & Board Cost Factor

How much did the cost of total room and board influence your decision to attend UND?

#	Answer	%	Count
22	Extremely more likely to attend UND because of room and board cost	4.44%	86
23	Somewhat likely	28.79%	558
24	Neither likely nor unlikely	39.89%	773
25	Somewhat unlikely	9.29%	180
26	Extremely unlikely to attend UND because of room and board cost	3.25%	63
27	I have never lived on campus at UND, so cost was not considered	14.34%	278
	Total	100%	1938

Other Relevant Data from Survey

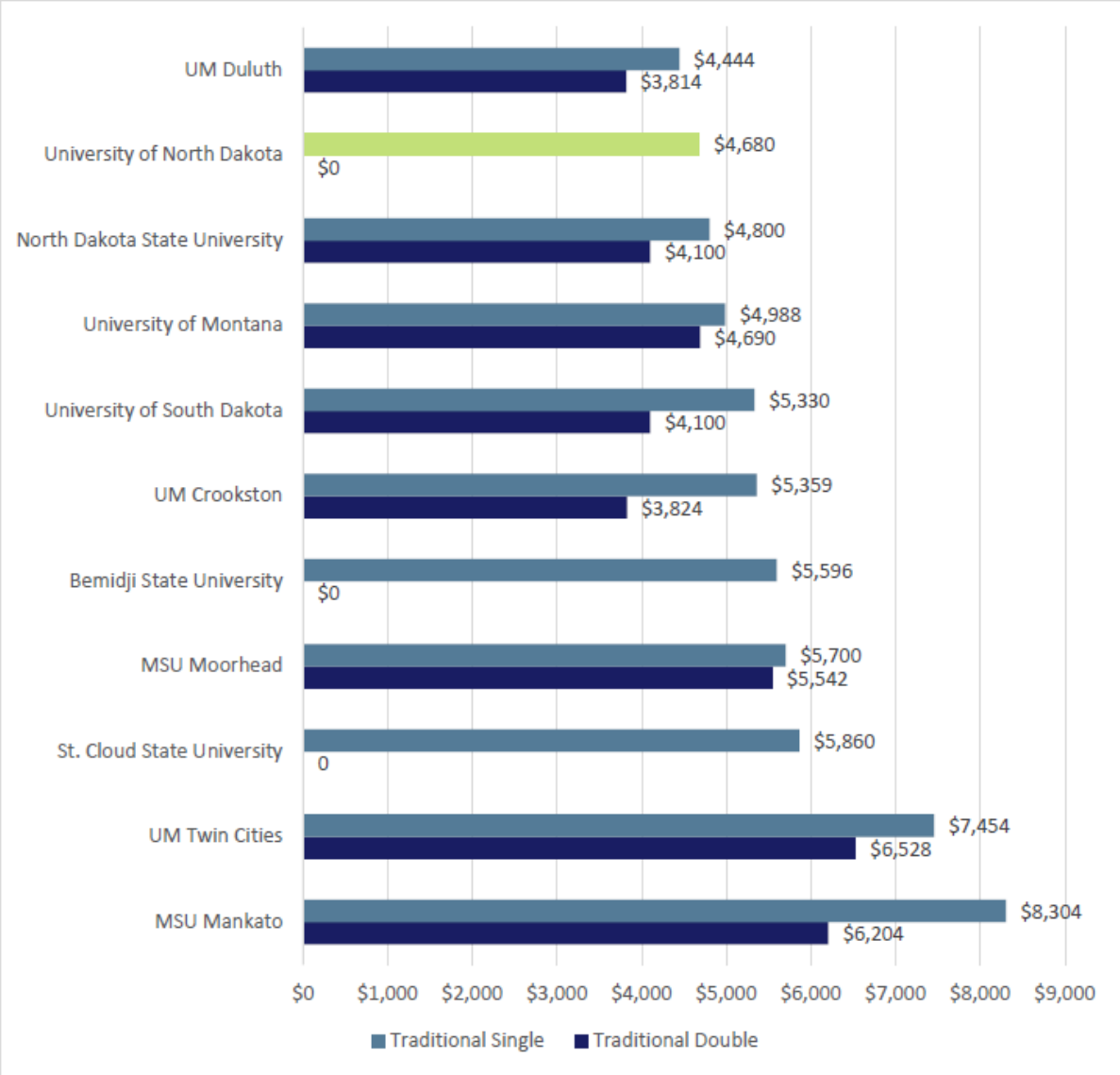
- 35% of respondents indicated they would never consider living in campus housing in the future
- 80% of respondents live with at least one other roommate
- 66% of respondents live in two or three bedrooms units
- ~81% of respondents have a private bedroom
- 41% of respondents have 12-month lease terms
 - 24.5% have academic year lease term
- 63% of respondents live in unfurnished units

Items for Discussion

- UND future enrollment trends to validate end-state bed count
- Unit mix at Building A—more studios, less 2BR & 4BR units?
- Converting corner common area space at UPlace to units
- Additional thoughts & comments from UND stakeholders

APPENDIX

Traditional Single & Double Housing Rate Peer Comparison



Meal Plan Cost Comparison

Peer University	Required	Annual Cost	Meal Plan Type
University of North Dakota	First year in residence hall anytime access meal plans	\$5,050	Anytime Access+\$0 and 0 guest meals
Bemidji State University	For freshmen living on campus	\$3,322	200 meals + \$345 Beaver bucks
MSU Mankato	Required for students living in Residential Life Housing	\$3,005	160 meals + \$25 dining dollars ability to convert to dining dollars = 3 guest meal passes
MSU Moorhead	Required for all students living in a residence hall except apartments	\$3,550	Unlimited dining + \$150 Dragon Dollars + 5 guest passes
North Dakota State University	Freshmen and upperclassmen living in residence halls	\$4,778	Unlimited five-day dining + 3 guest passes
St. Cloud State University	All new entering first year residential students	\$3,408	120 meals + \$100 Husky Bucks + 4 guest passes + 1 reusable to go container
UM Crookston	Freshmen (<24 credit hours) and first semester International Students living in residence halls	\$4,404	185 Meals per semester + \$350 Eagle Bucks
UM Duluth	All students in residence halls	\$3,528	14 meals per week + \$200 dining dollars
UM Twin Cities	All students in residence halls	\$4,482	11 meals per week + \$250 FlexDine
University of Montana	All students in residence halls	\$5,896	Unlimited + \$100 Flex dollars
University of South Dakota	All students in residence halls	\$3,752	70 meals per semester + \$1,087 Flex

Select Survey Responses

What will be your classification at the start of the Fall 2020 semester?

#	Answer	%	Count
1	Freshman	26.66%	527
2	Sophomore	18.36%	363
3	Junior	16.49%	326
4	Senior	17.91%	354
5	Graduate student	20.59%	407
	Total	100%	1977

Where did you live prior to coming to UND?

#	Answer	%	Count
1	Fargo Area	8.90%	176
2	Grand Forks Area	11.18%	221
9	Elsewhere in North Dakota	11.13%	220
10	Elsewhere in the United States	22.00%	435
11	Outside of the United States	4.20%	83
12	Bismarck Area	6.02%	119
13	Minot Area	2.63%	52
15	Twin Cities, MN Area	17.00%	336
16	Elsewhere in Minnesota	16.94%	335
	Total	100%	1977

Select Survey Responses

Where do you live off campus?

#	Answer	%	Count
1	Off-campus rental apartment complex or building	46.66%	601
2	Other off-campus rental housing such as a rental house	13.20%	170
3	Live with parents/relatives	7.22%	93
4	Own my home	9.86%	127
5	Fraternity/Sorority House	4.19%	54
6	UND Apartments (including: Tulane Drive, Carleton Court, Berkeley Drive, Hamline Square, Manitoba, Campus, State, Mt. Vernon, Williamsburg, Townhouses, Virginia Rose, and 3904 University Ave.)	18.87%	243
	Total	100%	1288

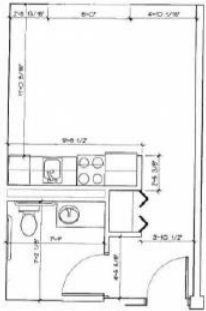



Would you ever consider living in campus housing in the future?

#	Answer	%	Count
1	Yes	23.38%	450
2	Maybe	41.45%	798
3	No	35.17%	677
	Total	100%	1925

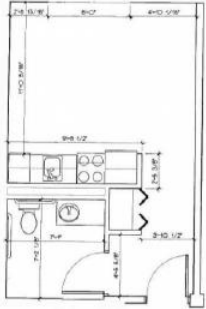



Housing Survey Unit Options Presented

<p>TWO DOUBLE-BEDROOM SEMI-SUITE (Light Renovation)</p> <p>Four students, two in each bedroom, with one bathroom per semi-suite</p> <p><i>Double occupancy rent = \$4,850 per person per academic year</i></p> 	<p>TWO SINGLE BEDROOM SEMI-SUITE (Light Renovation)</p> <p>Two students, one in each bedroom, with one bathroom per semi-suite</p> <p><i>Single occupancy rent = \$6,750 per person per academic year</i></p> 
<p>TWO DOUBLE-BEDROOM SEMI-SUITE (Major Renovation and/or New Construction)</p> <p>Four students, two in each bedroom, with one bathroom per semi-suite</p> <p><i>Double occupancy rent = \$5,250 per person per academic year</i></p> 	<p>TWO SINGLE BEDROOM SEMI-SUITE (Major Renovation and/or New Construction)</p> <p>Two students, one in each bedroom, with one bathroom per semi-suite</p> <p><i>Single occupancy rent = \$6,250 per person per academic year</i></p> 

Housing Survey Unit Options Presented

<p>STUDIO (No Renovation – University Place)</p> <p>One student with one bathroom per apartment and common living area and kitchen</p>	<p>2BR, 2BA Apartment (No Renovation - University Place)</p> <p>Two students with two bathrooms per apartment and common living area and kitchen</p>
<p><i>Single Occupancy Rent = \$6,900 per unit per academic year</i></p> 	<p><i>Single occupancy rent = \$6,600 per person per academic year</i></p> 
<p>4BR, 2BA (No Renovation – University Place)</p> <p>Four students with two bathrooms per apartment and common living area and kitchen</p> <p><i>Single occupancy rent = \$6,400 per person per academic year</i></p> 	<p>STUDIO (New Construction)</p> <p>One student with one bathroom per apartment and common living area and kitchen</p> <p><i>Single Occupancy Rent = \$675 per person per month</i></p> 

Housing Survey Unit Options Presented

<p>STUDIO (No Renovation – University Place) One student with one bathroom per apartment and common living area and kitchen</p>	<p>2BR, 2BA Apartment (No Renovation - University Place) Two students with two bathrooms per apartment and common living area and kitchen</p>
<p><i>Single Occupancy Rent = \$6,900 per unit per academic year</i></p> 	<p><i>Single occupancy rent = \$6,600 per person per academic year</i></p> 
<p>4BR, 2BA (No Renovation – University Place) Four students with two bathrooms per apartment and common living area and kitchen <i>Single occupancy rent = \$6,400 per person per academic year</i></p> 	<p>STUDIO (New Construction) One student with one bathroom per apartment and common living area and kitchen <i>Single Occupancy Rent = \$675 per person per month</i></p> 

Housing Survey Unit Options Presented

2BR, 1BA (New Construction)

Two students with one bathroom per apartment and common living area and kitchen

Single Occupancy Rent = \$650 per person per month for 12 months



4BR, 2BA Apartment (New Construction)

Four students with two bathrooms per apartment and common living area and kitchen

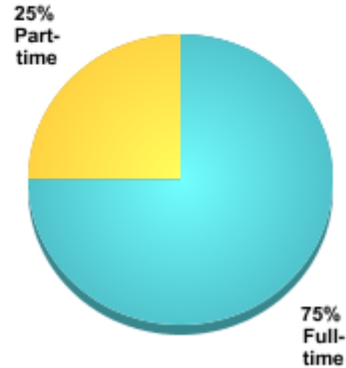
Single Occupancy Rent = \$550 per person per month for 12 months



UND – NDSU Enrollment Profile Comparison

UND

UNDERGRADUATE ATTENDANCE STATUS



GRADUATE ATTENDANCE STATUS



NDSU

UNDERGRADUATE ATTENDANCE STATUS



GRADUATE ATTENDANCE STATUS



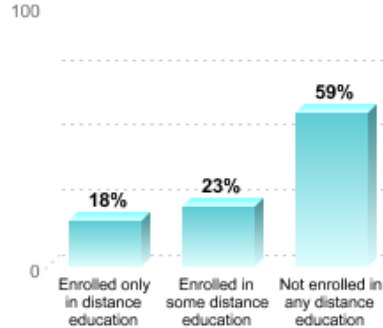
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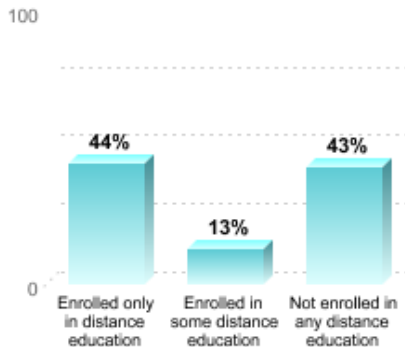
UND – NDSU Enrollment Profile Comparison

UND

UNDERGRADUATE DISTANCE EDUCATION STATUS

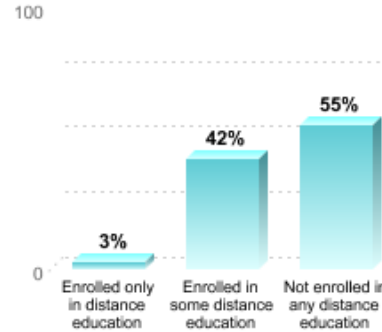


GRADUATE DISTANCE EDUCATION STATUS

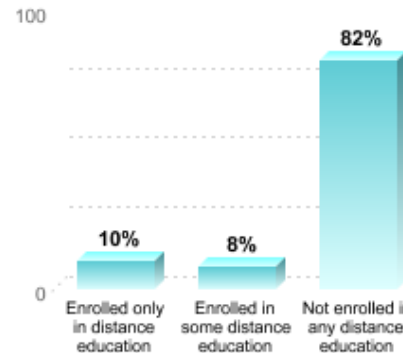


NDSU

UNDERGRADUATE DISTANCE EDUCATION STATUS



GRADUATE DISTANCE EDUCATION STATUS



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UND – NDSU Enrollment Profile Comparison

State	UND	% of Enrollment	NDSU	% of Enrollment
North Dakota	4,523	33%	5,850	44%
Minnesota	4,343	32%	5,852	44%
Other States	4,110	30%	1,006	8%
Canada	132	1%	21	>1%
International	473	4%	444	<3%
TOTAL	13,581		13,173	

https://und.edu/analytics-and-planning/_files/docs/data-and-reports/2019-fall.pdf

<https://www.ndsu.edu/fileadmin/data/enrollment/2010/report-g.pdf>

