



Student Housing Trends 2018: More Smart Living

Vesper Holdings' Elliot Tamir shares the most popular student housing trends in 2018 and his expectations for the sector in the second half of the year.

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In 2010, Elliot Tamir and Isaac Sitt launched a fund for the acquisition of high-quality multifamily properties located close to large public university campuses. Since then, Vesper Holdings' portfolio grew to 33 student housing communities, totaling more than 16,000 beds, across 11 states including Kansas, Texas, New York, Virginia.

According to Yardi Matrix, Vesper's latest acquisition is University Village, a 203-unit student housing community in Greensboro, N.C. In an off-market transaction, EdR [sold the asset for \\$40.3 million](#). Vesper Holdings focuses on purchasing and upgrading pedestrian-to-campus properties as part of a value-add investment strategy.



Elliot Tamir, co-founder & co-CEO, Vesper Holdings

Tamir spoke with *Multi-Housing News* about future investment opportunities, [student housing trends](#) in 2018 and his expectations regarding the industry.

What can you tell us about financing student housing properties? How has the process changed in the past few years and what do you expect going forward?

Tamir: The government-sponsored enterprises (GSEs)—Freddie Mac and Fannie Mae—have been the primary lenders for student housing the past few years and we expect them to be going forward. The terms being offered by the GSEs haven't changed much. However, their spreads have come down dramatically to offset the rising Treasury rate. We expect interest rates to rise in correlation with the increasing treasury yields going forward.

When it comes to student housing trends in 2018, is there a particular one that is gaining popularity?

Tamir: Rethinking online advertising as online influencers hold the attention of our audience. Its more effective than pay per click advertising—an emerging trend that we are paying attention to.

What types of amenities are now trending for student housing developments?

Tamir: Years ago, Vesper made a conscious decision to reposition its clubhouses to focus primary on fitness, study and socialization, and away from gaming, movie theaters and golf simulators. I am beginning to see this trend grow as I tour our competitive set.

How have residents' needs changed in the past few years and how do you think they will evolve going forward?

Tamir: We have seen the overall demand for smart living grow exponentially and I expect this movement to continue along other student housing trends in 2018. I believe we will see more virtual doormen, keypad entry door locks, smart technology for service requests, digital mail and package rooms.

What are your expectations regarding the student housing market size in the second half of 2018?

Tamir: We expect to have a similar amount of volume as in 2017, \$8-9 billion. The sector had a very strong volume in the first quarter and we expect it to continue for the rest of the year.

What does Vesper Holdings expect from the remaining months of 2018 in terms of student housing investment?

Tamir: Vesper has a goal of adding at least seven properties by the end of the year. We have a large deal pipeline and based on our current rate of acquisitions I am confident we will meet or exceed this goal.

Image courtesy of Vesper Holdings