

WAYPOINT CAMPUS HOUSING ACQUIRES STUDENT HOUSING PROPERTIES SERVING AUBURN UNIVERSITY AND UNIVERSITY OF KANSAS, LAWRENCE

Transaction caps an active year in student housing with acquisitions exceeding \$200 million

BOCA RATON, FL — March 14, 2018 — [Waypoint Residential](#) announced that it has acquired The Social at Auburn, an 844-bed, purpose-built student housing property serving Auburn University in Alabama. The firm also acquired Rockland West, a purpose-built student housing property with 500 beds that serves the University of Kansas at Lawrence.

These transactions cap an active year in the sector in which the company added nine properties and 4,788 beds to its portfolio in four separate transactions.

Waypoint entered the student housing space in 2016 and has grown its portfolio to nearly 6,000 beds with a total capitalization of approximately \$400 million.

“Student housing is an important component of our overall strategy of assembling a diverse range of real estate investments that span the rental housing spectrum,” said Scott Lawlor, Chief Executive Officer of Waypoint Residential. “Student housing has historically performed well through various economic climates, which is well-aligned with our conservative real estate investment philosophy.”

The Social at Auburn is a garden-style community with a full range of desirable amenities and is located 1.5 miles from the Auburn campus and is served by the university’s bus system. Over the next two years, the property will undergo a comprehensive repositioning, including a complete rebranding of the property. Waypoint plans to invest approximately \$3.7 million to substantially renovate the unit interiors and improve the exterior and common areas.

“The Social at Auburn represents an opportunity to acquire a quality asset where we can leverage our comprehensive expertise and platform to increase the asset’s value,” said Jeremy Pemberton, Chief Acquisition Officer, Waypoint Residential. “This acquisition possesses the key attributes that we typically seek in a student housing property. The university has a substantial growth profile and is located in a tier-one market with an established purpose-built student housing presence.”

Rockland West is a garden-style community built in 2009 that features a newly renovated fitness center and clubhouse with a theater, gaming area, computer lab and fitness center. While a university shuttle bus provides residents with direct access to the campus, the property is also served by a private property shuttle. Waypoint intends to invest approximately \$1 million to address deferred maintenance and complete the amenity and unit upgrade program that was initiated by the prior owner.

“Student housing has become more mainstream, and strong fundamentals are driving its strong performance,” said Jeremy Pemberton. “More students than ever are pursuing higher education, driven by the recognition of the long-term value of a college education. This demand coupled with a shortage of on and off-campus housing and high barriers to entry support strong rent growth and high occupancy over the long term.”

During 2017, Waypoint also acquired a three-property, 1,382-bed portfolio from Starwood Capital Group for approximately \$75 million. Serving top-tier universities with strong projected enrollment growth, the portfolio includes:

- Chapel Ridge – a 544-bed, garden style, student housing property serving the University of North Carolina at Chapel Hill (UNC). Chapel Ridge is one of only seven purpose-built properties at UNC, all of which are located in an area with limited sites available for new development and a history of restrictive zoning for multifamily properties.
- Chapel View – a 358-bed, garden style, student housing community adjacent to Chapel Ridge. The property is served by three bus lines that provide direct access to the campus and surrounding area.

Together, Chapel Ridge and Chapel View account for nearly 40% of the purpose-built student housing properties currently available at UNC Chapel Hill. UNC is the flagship of the University of North Carolina system and was ranked the country's 5th best public university in 2017. Additionally, UNC benefits from one of the most recognizable athletics program in college sports.

- Lodge of Athens – a 480-bed, garden style, student housing community serving the University of Georgia. The flagship of the University of Georgia system, the school was ranked as one of the 20 best public universities in 2017. Situated less than a mile from campus, the property offers a desirable amenity package and a private shuttle to the campus. Annual enrollment growth at the university through 2020 is projected to nearly double the growth rate of the past decade.

"We expect that student housing may increasingly become a larger part of our overall portfolio," said Pemberton. "We look forward to expanding our presence in the sector as we actively pursue acquisition opportunities serving top universities with strong projected enrollment growth and where Waypoint's extensive rental housing expertise can add value."

About Waypoint Residential

Waypoint Residential, LLC ("Waypoint") is a vertically integrated real estate investment firm specializing in rental housing. With six offices nationwide, the company acquires and develops conventional multifamily, student housing and senior housing properties throughout the United States. Founded in 2011, Waypoint's real estate investment activity totals approximately \$2.8 billion across more than 21,000 units.

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