

Housing Update – August 11<sup>th</sup> 2009

# ECU MASTER PLAN

# Agenda



- Strategic Visioning
- Focus Groups
- Off-Campus Analysis
- Competitive Context
- Survey Analysis
- Demand Based Programming
- Q&A / Next Steps



# Strategic Visioning

- Maintain Residential Campus status
  - Support at least 25% capacity
  - Support enrollment growth – 37k projected by 2017
- Expand and enhance residential life program
  - Living / Learning expansion
  - Greek Housing
  - West Campus
- Evaluate options for new development
  - Public / private partnerships
- Build facilities that sustain
  - LEED Certified requirement for all new construction



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# Focus Groups / Intercept Interviews

- Information goal is qualitative
  - what students care about (identify issues)
  - why they care about it
  - how much they care about it
- Format & Process
  - groups of eight to twelve
  - planned strategy (macro => micro)
  - test prevailing wisdom, intercept information & concepts



# Focus Groups / Intercept Interviews

- Positives
  - Location is convenient
  - Air conditioning
  - Sinks in the room (traditional halls)
  - Easy to make friends
- Improvements
  - More privacy for both bedroom & bathroom
  - Increased storage space
  - Less restrictive policies



# Focus Groups / Intercept Interviews

- Off-campus Housing
  - Comparable pricing to on-campus
    - Lowest cost apartments fill up first
    - Student are very aware of price
  - More amenities
  - Increased freedom, less rules
  - Less convenient location
- Living / Learning
  - Freshmen Experience (FX) is the most popular
  - Would like a Sophomore Experience program, but in suites



# Focus Groups / Intercept Interviews

- Greeks
  - Need meeting space
  - Want to grow their chapters
  - Interest in on-campus house for some
    - Chapters with existing off-campus houses are not interested
- Athletes
  - Like on-campus housing for location
  - Need more space to store equipment





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# Off-Campus Analysis

- a. What's the market (student perspective)
  - i. rents and fees
  - ii. amenities
  - iii. measure impact of location, product type, and condition on prices
  
- b. Consider the dynamics
  - i. demand shifts
  - ii. projected & potential additions to supply
  - iii. market concentrations



# Off-Campus Analysis

- Average Rent per month by unit type
  - Efficiency = \$ 573
  - 1 bedroom = \$ 452
  - 2 bedroom = \$ 674 (\$337)
  - 3 bedroom = \$ 1,098 (\$366)
  - 4 bedroom = \$ 1,560 (\$390)
- Average Fees per person
  - Application fee = \$35
  - Security Deposit = \$300
  - Utilities = \$100 / month / person



# Off-Campus Analysis

## Amenities

- All or Most properties
  - A / C
  - Patio / balcony
  - Dishwasher
  - Washer / Dryers in unit
- Select / Luxury properties
  - Pool
  - Tanning
  - Tennis
  - Volleyball
  - Fitness centers / Gyms
  - Clubhouse / Game room
  - Furnished
  - Individual leases



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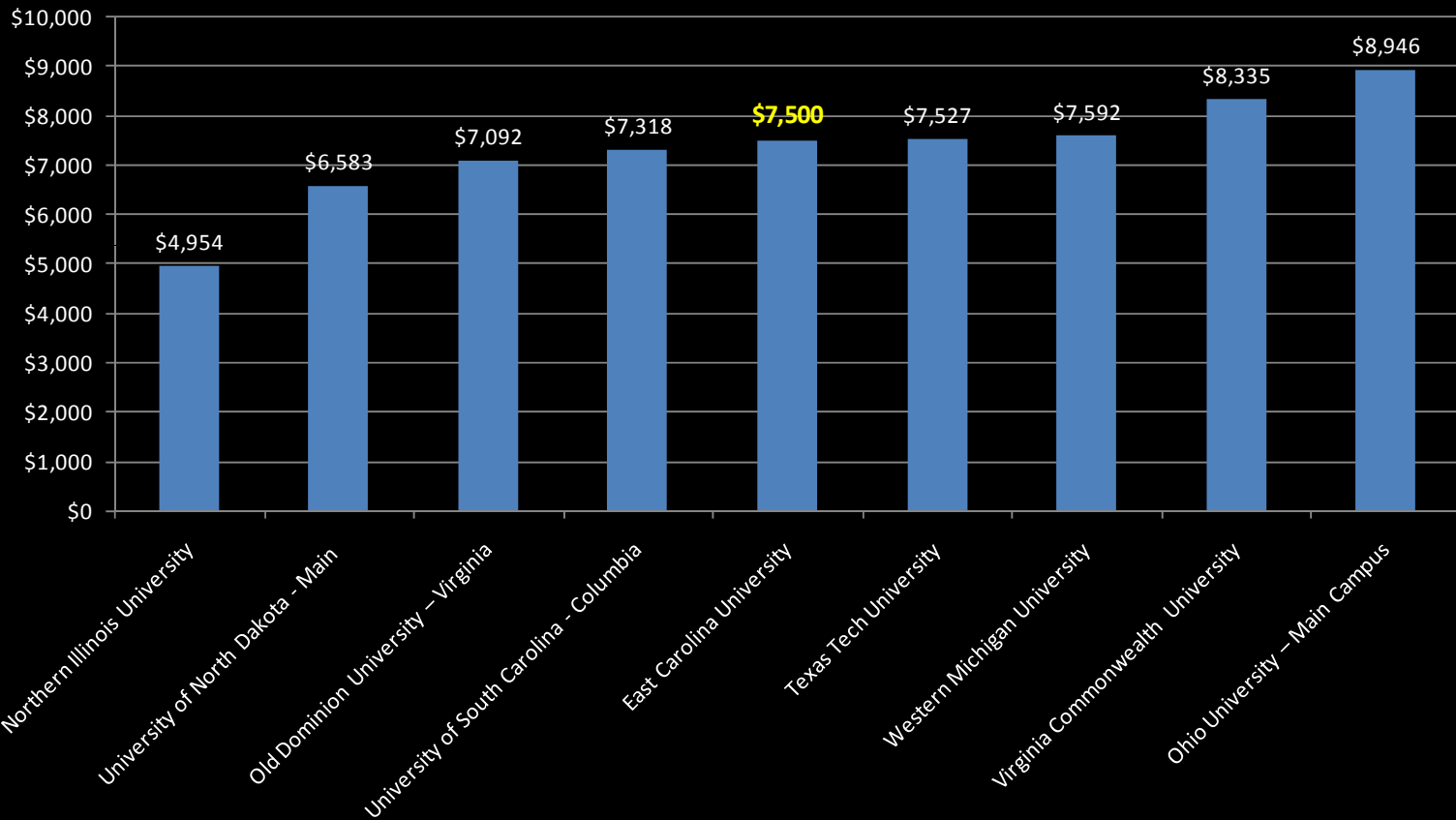
# Competitive Context

- 8 Peer Institutions
  - Northern Illinois University
  - Ohio University – Main Campus
  - Old Dominion University
  - Texas Tech University
  - Western Michigan University
  - University of North Dakota – Main
  - Virginia Commonwealth University
  - University of South Carolina – Columbia



# Competitive Context

## Room & Board Analysis

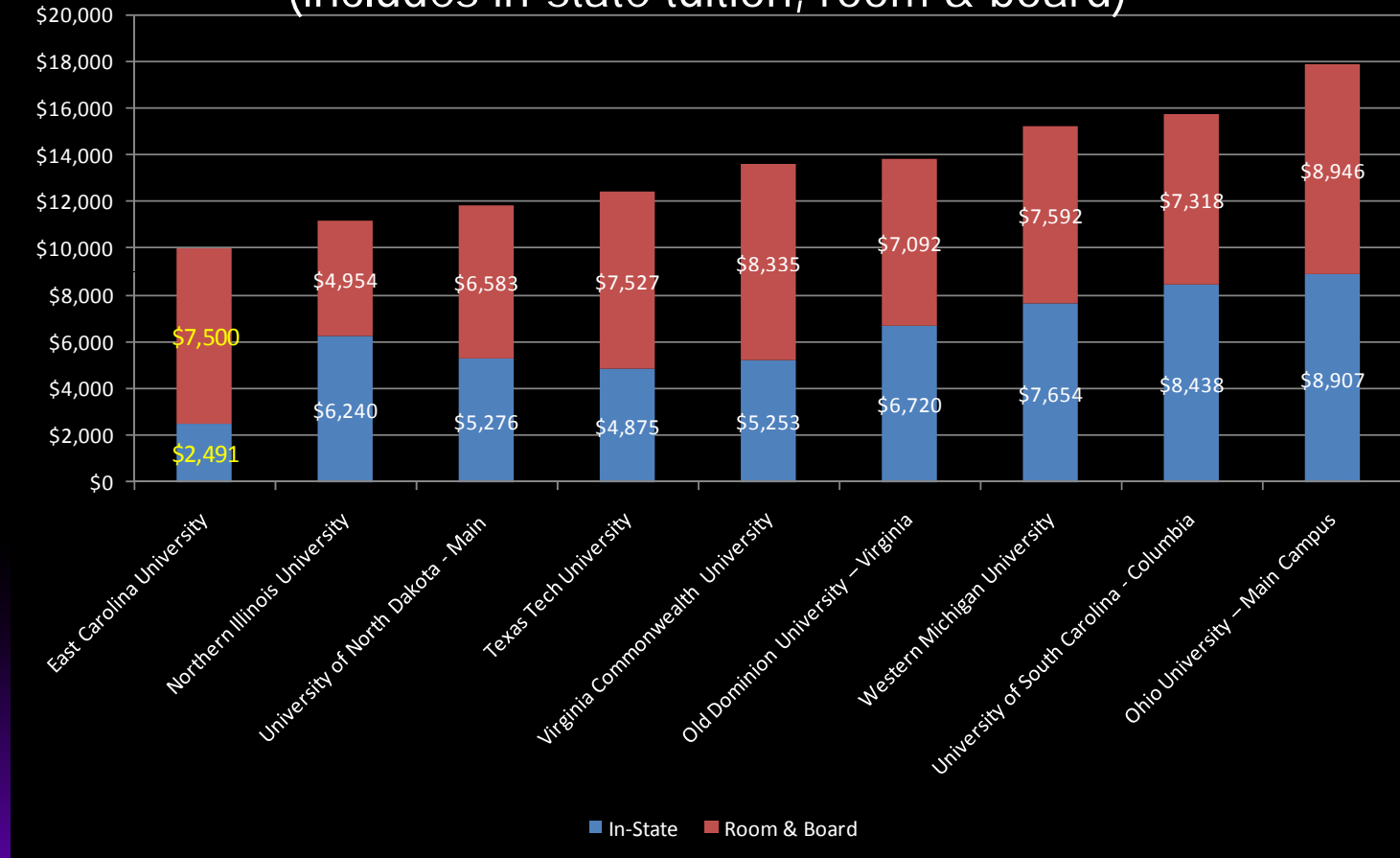


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# Competitive Context

## Undergraduate Cost Analysis (includes in-state tuition, room & board)





# Agenda

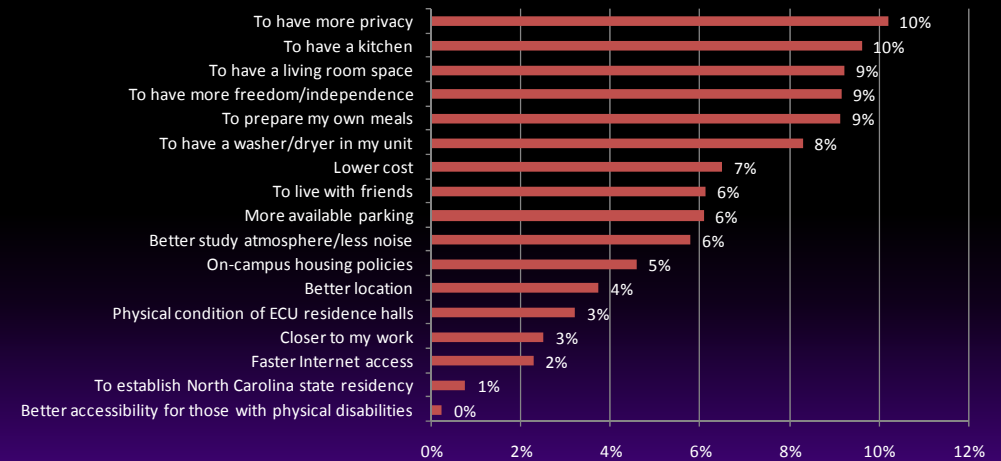
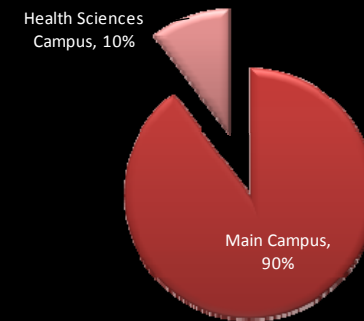


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# Survey Analysis

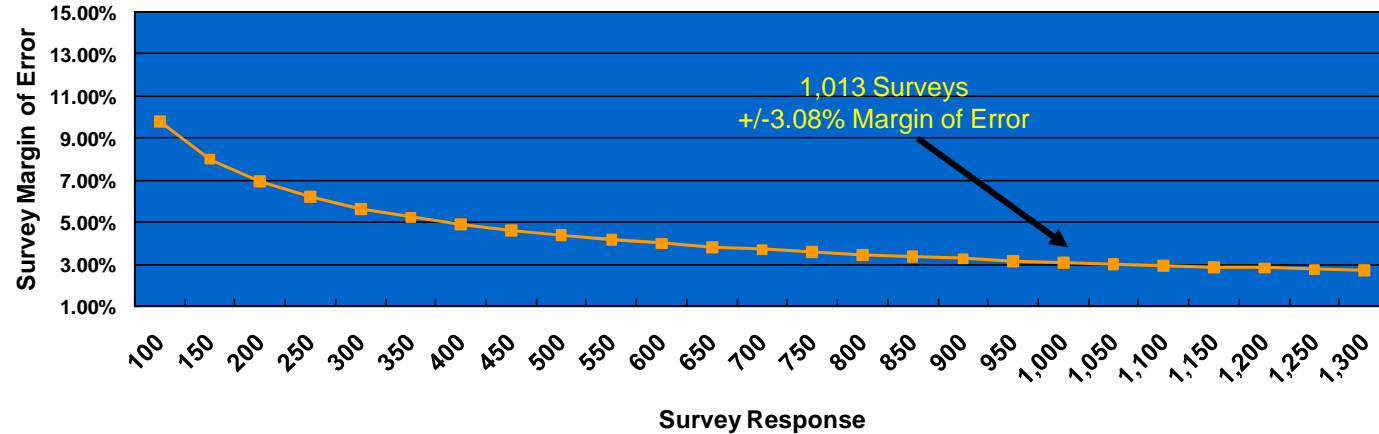
- Quantitative measure
  - Current housing preferences
  - views of existing housing options
  - Preferred unit types
- Data analysis
  - sample size & integrity
  - cross-tabs
  - demand modeling



# Survey Analysis

- Electronic survey emailed to 12,729 ECU students
- 1,013 responses for a +/- 3.08% margin of error within a 95% confidence rate

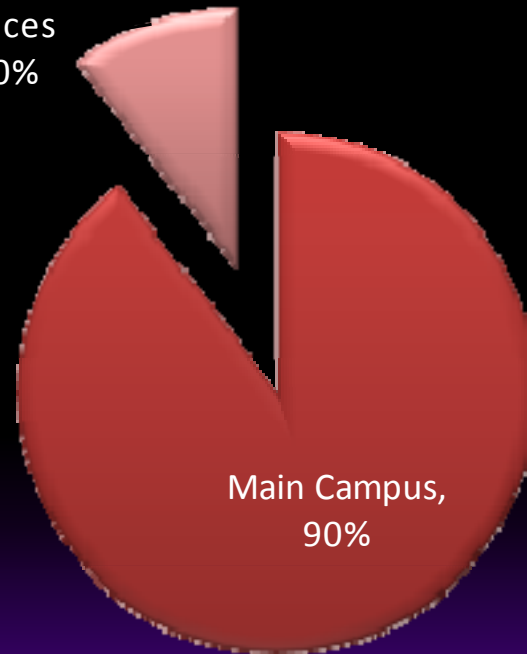
## Survey Significance



# Survey Analysis

Q2. Where do you attend classes?

Health Sciences  
Campus, 10%

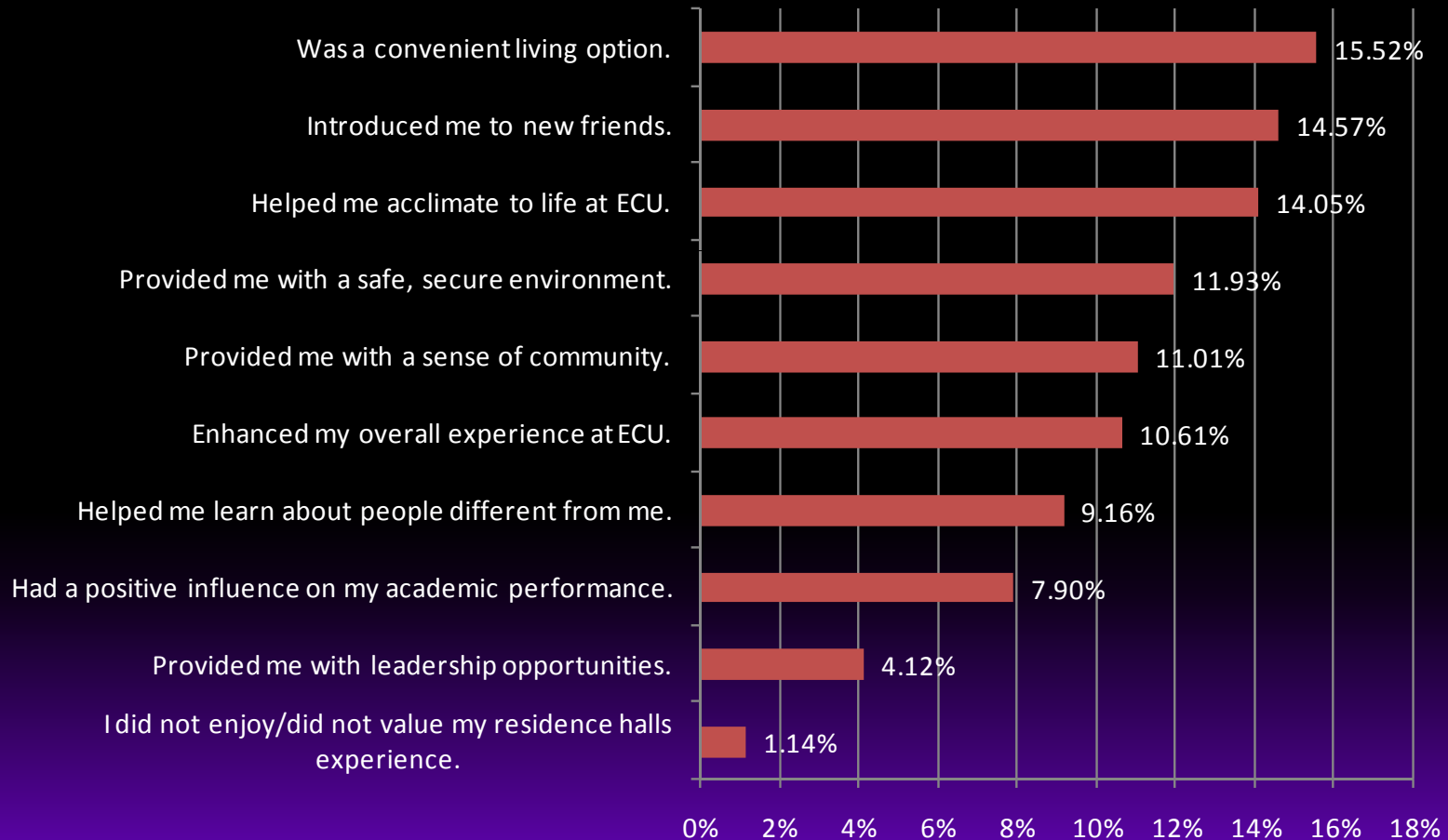


Main Campus,  
90%



# Survey Analysis

Q8. Which statements describe your on-campus housing experience?

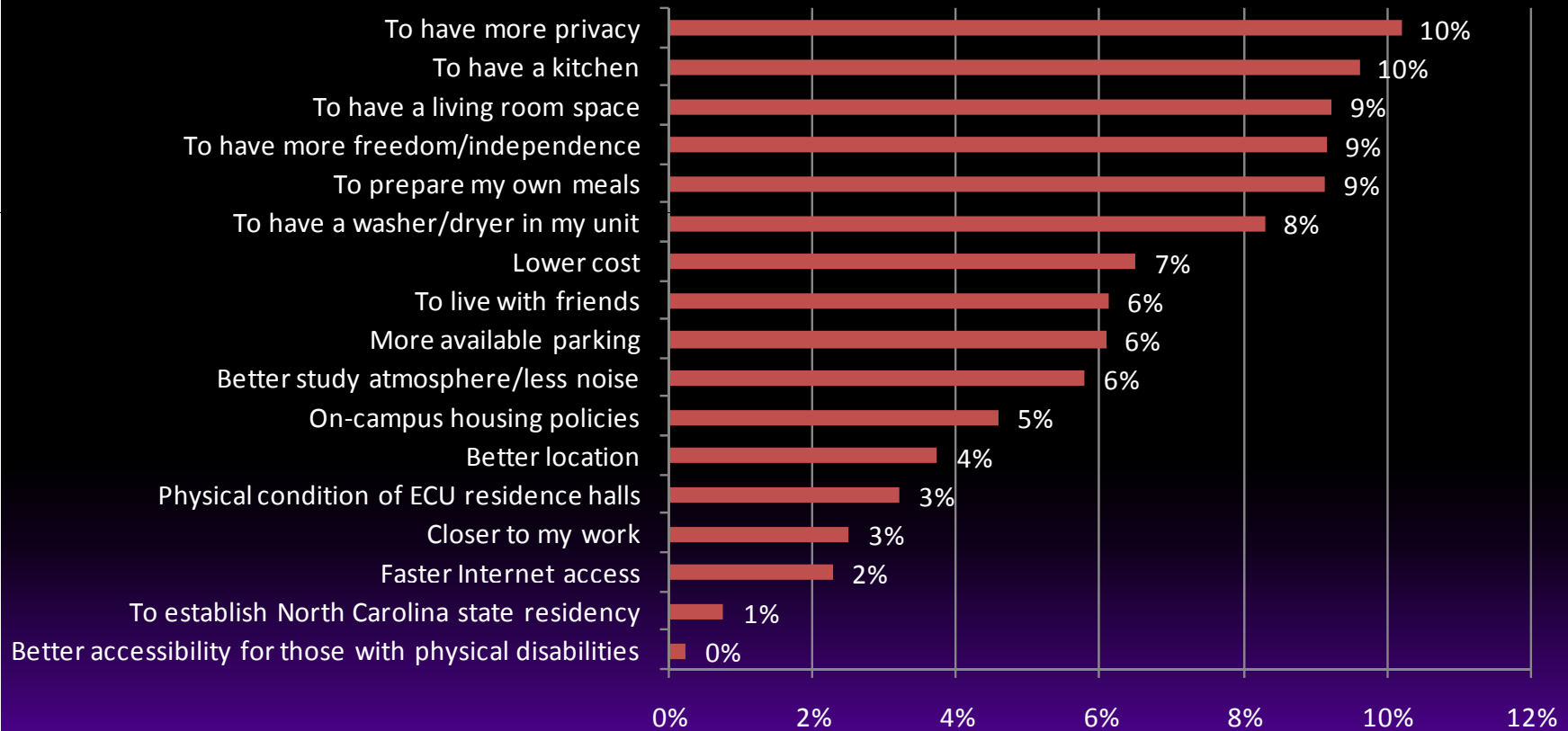


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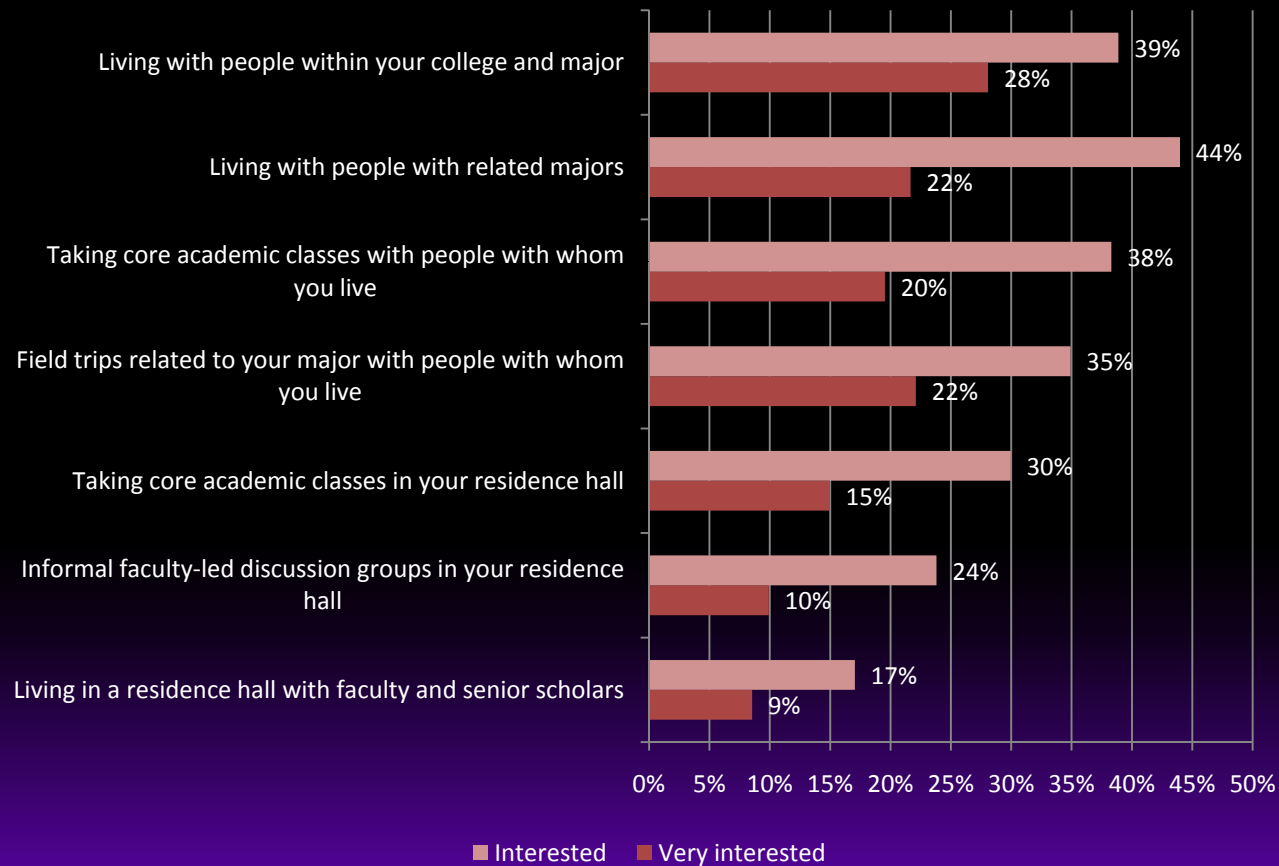
# Survey Analysis

## Q55. Why do you or why would you plan to live off campus?



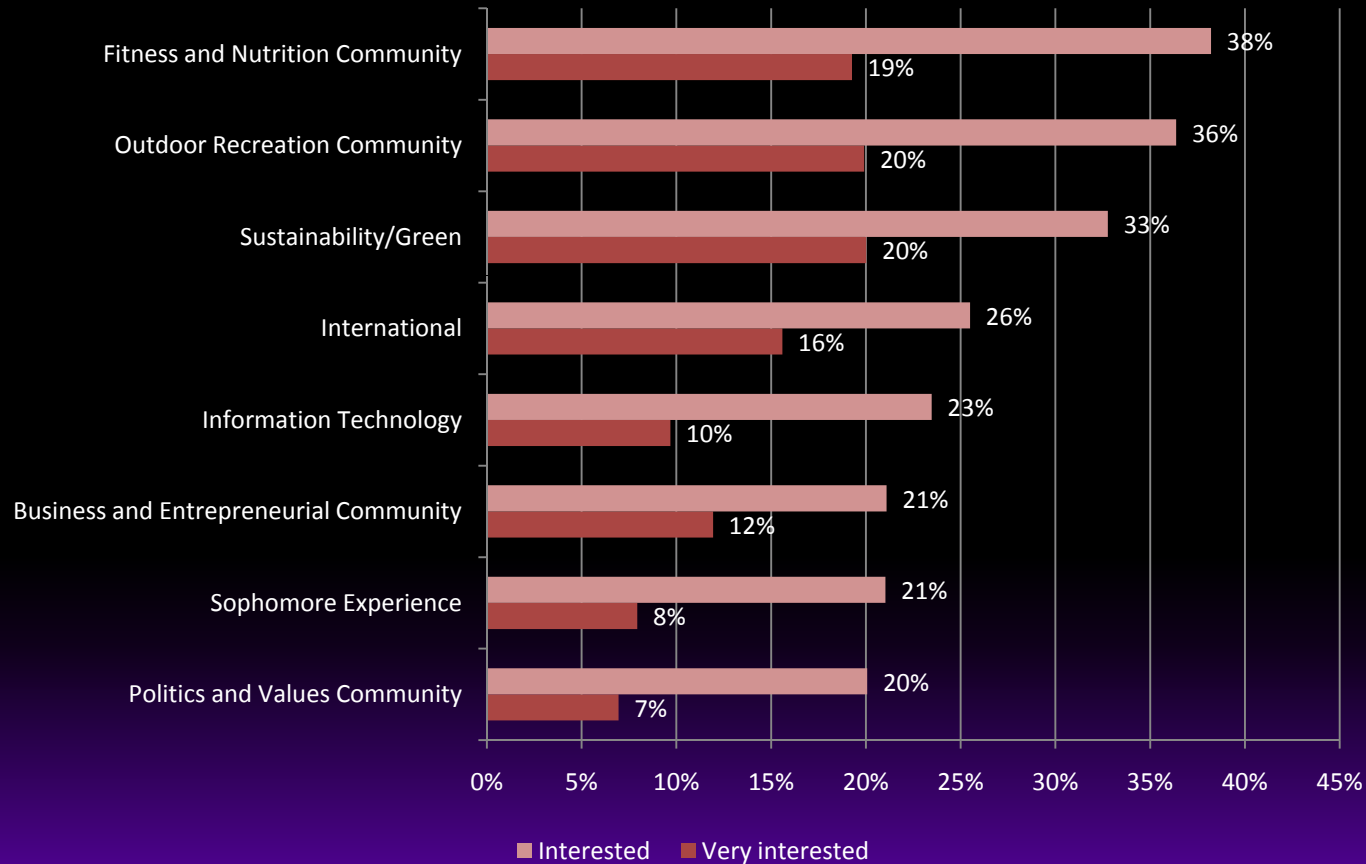
# Survey Analysis

Q60 – 66. How interested are you in the following housing opportunities?



# Survey Analysis

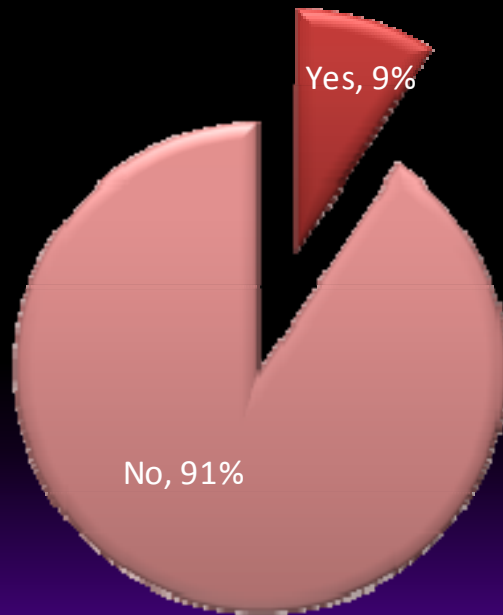
Q67 – 74. How interested would you be in the following living / learning communities?



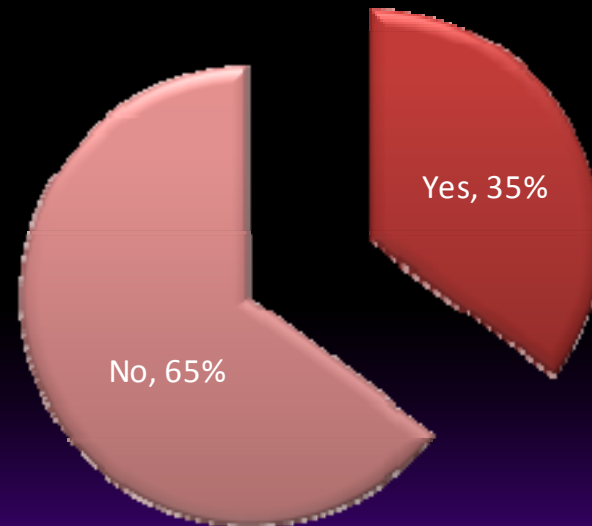


# Survey Analysis

Q. 76. Do you participate in the Greek community?

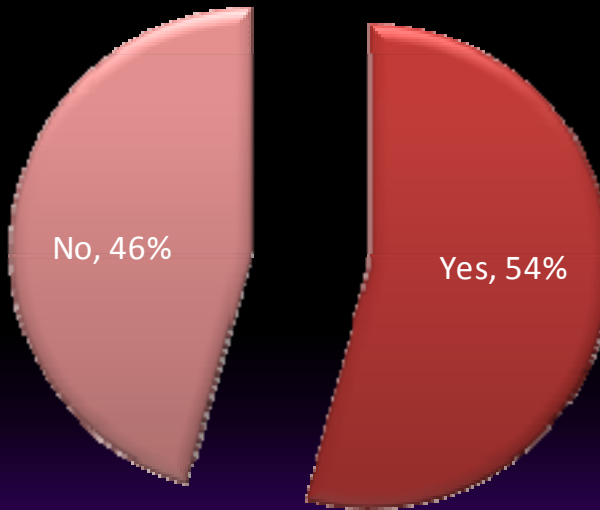


Q. 78. Would you be interested in on-campus Greek housing?



# Survey Analysis

Q59. Would you be interested in living in a green (sustainable) building for approximately \$25 more per month?



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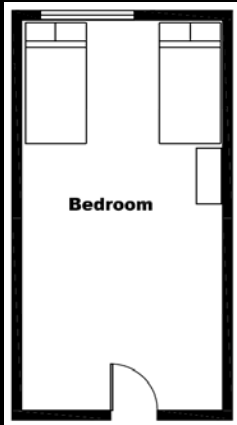


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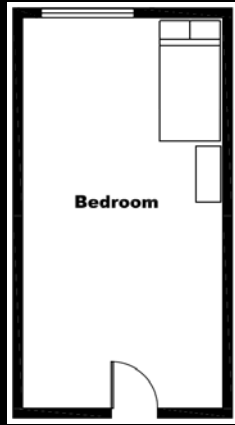


# Demand Based Programming

## Units Tested



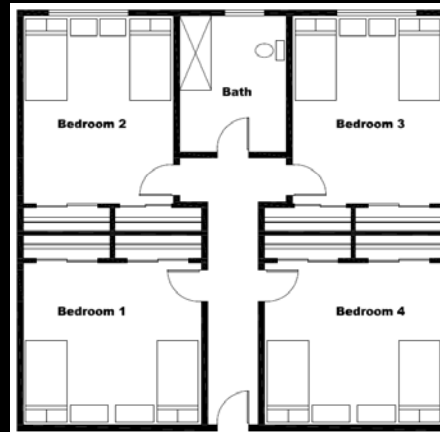
A – Trad. Double



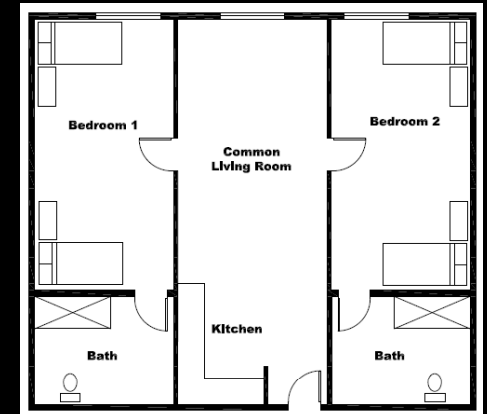
B – Trad. Single



E – 2 person Suite Single



C – 8 person Suite Double



D – 4 person Suite Double



F – 2 person Apt. Single



E – 4 person Apt. Single



# Demand Based Programming

## Capture Rates – All Students

### Target Market

- Full time students
- Single with no children
- Non-homeowners
- Pay at least \$400 / month if off campus

### Current Versus Potential Capture Rates

Class	Current Capture Rate	Potential Capture Rate
Freshman Year	95.4%	63.2%
Sophomore Year	19.2%	46.9%
Junior Year	7.0%	30.7%
Senior Year	3.0%	21.7%
Graduate/Professional Year(s)	0.3%	10.0%
Total	<b>22.2%</b>	<b>32.1%</b>



# Demand Based Programming

## Maximum Potential Demand – All Students

	Enrolled Population	Potential Capture Rate	Maximum Potential Demand
Freshman Year	4,409	63.2%	2,788
Sophomore Year	4,116	46.9%	1,931
Junior Year	4,420	30.7%	1,359
Senior Year	5,810	21.7%	1,258
Graduate/Professional Year(s)	5,987	10.0%	599
<b>Total Demand (# beds)</b>	<b>24,742</b>	<b>32.1%</b>	<b>7,936</b>
<b>Existing On Campus Beds</b>			<b>5,497</b>
<b>Surplus/(Deficit)</b>			<b>(2,439)</b>



# Demand Based Programming

2008-2009

On-Campus Housing Type: Distribution of Demand

	Unit A - Traditional Residence Hall Double	Unit B - Traditional Residence Hall Single	Unit C - 8- person Suite Double	Unit D - 4- person Suite Single	Unit E - 2- person Semi- Suite Single	Unit F - 2- person Apartment Single	Unit G - 4- bedroom Apartment Single	Total
Freshman Year	197	152	137	832	505	444	520	2,788
Sophomore Year	127	141	121	429	276	405	433	1,931
Junior Year	47	83	41	229	379	313	266	1,359
Senior Year	0	210	81	262	213	262	231	1,258
Graduate/Professional Year(s)	28	83	0	28	132	220	110	599
<b>Total Demand (# beds)</b>	<b>398</b>	<b>668</b>	<b>380</b>	<b>1,780</b>	<b>1,505</b>	<b>1,644</b>	<b>1,560</b>	<b>7,936</b>
<b>Existing On Campus Beds</b>	<b>4,513</b>	<b>0</b>	<b>494</b>	<b>490</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,497</b>
<b>Surplus/(Deficit)</b>	<b>4,115</b>	<b>(668)</b>	<b>114</b>	<b>(1,290)</b>	<b>(1,505)</b>	<b>(1,644)</b>	<b>(1,560)</b>	<b>(2,439)</b>

Surplus of ~3,500 community-style beds:

- De-densification (to single occupancy)
- Conversion (to suite-style units)
- Comprehensive bathroom renovations
- Taking buildings off line

Strong demand for suites and apartments



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Over 4,000 freshmen beds needed (95% of enrollment)

1. Significant % of freshmen will remain in community-style despite low demand
2. Additional new construction of suite-style housing will be needed
3. Will freshmen be allowed in apartment-style units?



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Strategic decision needed on how to address sophomore demand (capacity and unit types)



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Strategic decision needed on how to address apartment demand (capacity, unit types, and transaction structure)



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# Next Steps

- Financial Modeling
- Scenario Testing
- Delivery of Report



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