

**18 January 2023**  
**ASX Announcement**

## **Portfolio Valuation, Occupancy, Pre-Leasing and Net Tangible Asset Update - 31 December 2022**

US Student Housing REIT (ASX: USQ) ('USQ' or 'the REIT') is pleased to provide an asset valuation, pre-leasing and Net Tangible Asset (NTA) per unit (unaudited) update for the portfolio.

### **Portfolio Valuation**

All assets in the USQ portfolio have been independently valued by CBRE as at 31 December 2022. The resulting **Gross Asset Valuation ('GAV')** of the total portfolio of 9 properties **has increased to US\$147.7M (~A\$217M<sup>1</sup>), up from US\$144.6 million (for the 6 month period to 31 December 2022).**

Despite a dramatic increase in interest rates and the corresponding expansion of cap rates, performance at the property level is still creating value for the portfolio. As previously advised, this is largely due to strong occupancy levels and rent increases which are now flowing through to operating income and offsetting rising operating costs. In addition, the portfolio has 81% fixed rate debt with the remaining debt on the Clemson asset having an interest rate cap in place with US interest rates now surpassing the maximum rate the lender can charge.

### **Portfolio Occupancy and Pre-Leasing**

As at Friday the 13<sup>th</sup> of January, portfolio occupancy is strong at 96.6%, with pre-leasing for the 2023-2024 academic year sitting at 55.7% which is nearly 11% ahead of where it was at this point last year.

Student Quarters are forecasting rental increases for the portfolio of approximately 10.7% for the 2023-2024 academic year after achieving 8% for the current 2022-2023 academic year.

### **Net Tangible Asset Update**

NTA per unit (unaudited) as at 31 December 2022 is **US\$1.06 (A\$1.56<sup>1</sup>)**, up from US\$1.02 (A\$1.50) reported as at 30 June 2022.

We look forward to providing further updates with our half year financial results.

---

<sup>1</sup> Assuming an AUD: USD exchange rate of 0.6815 (as at 31 December 2022)

## About USQ

US Student Housing REIT ( [www.usq-reit.com](http://www.usq-reit.com) ) is a real estate investment trust listed on the ASX with a mandate to invest in off campus student housing at large four-year public universities across the United States. The REIT was established to acquire and manage high-quality purpose-built student housing assets located within close proximity to top-tier public universities across the United States, and drive value through operational strategy and capital upgrades. This announcement has been authorised for release by the Board of USQ.

## About Auctus

Auctus Investment Group Limited ('Auctus') is an ASX listed private markets asset manager with in-excess of A\$484M Assets Under Management (AUM) as at 31 December 2022, focusing on opportunities across private equity, infrastructure and operating real estate. Our core investment thesis is investing in sectors with strong tailwinds and potential to scale. Auctus provides wholesale, Family Office and sophisticated investors with access to a highly curated selection of private market investment opportunities.

## About Student Quarters

Student Quarters is an Atlanta based, specialist student housing asset manager founded in 2013 with a demonstrated track record of value generation. SQ currently manage in excess of US\$1.1bn across off-campus student housing, and 11,000+ beds. The team are highly experienced student housing owners with over 50 years of combined experience in underwriting, repositioning, managing, and disposing of quality student housing properties. SQ provides best in class operating and leasing experience for premier located, pedestrian friendly assets at major public Universities.

Yours sincerely,

Russell Beasley  
Director  
Equity Trustees Limited (ACN 004 031 298, AFSL 240975) as Responsible Entity for US Student Housing REIT

**For all shareholder enquiries please contact:**

[enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

For personal use only