

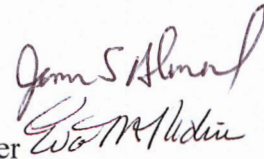
BOARD APPROVED
December 3, 2021

Janice Indrutz
Corporate Secretary

To: Members of the Finance Committee
Don Thompson, Chair
Sonny Beck
Malcolm DeKryger
Mike Klipsch

Fr: James S. Almond, Senior Vice President and Assistant Treasurer

Eva M. Nodine, Vice President and Deputy Chief Financial Officer



Date: November 22, 2021

Re: Approval of 2022-23 Student Housing Rates

The proposed 2022-23 student housing rates for each campus are summarized below. These rates continue to reflect the University's focus and effort to maintain student affordability.

West Lafayette

The West Lafayette campus is recommending a continuation of current University Residence Halls (URH) room and board rates for the 2022-23 year. This will be the tenth consecutive year students on the West Lafayette campus will not see an increase in rates. Room and board rates will be lower for 2022-23 than they were in 2012-13 due to several reductions in the cost of dining plans and holding the cost of room rates flat over this period.

While room rates for URH will remain the same, the increase in student attendance and demand for URH has resulted in the need for University housing beyond the capacity limits of traditional residence halls. This additional capacity has been met by master leasing apartments as summarized in Attachment A. Historically, the apartments have fit within the traditional rate structure. However, based on the goal of providing students with newer housing options in close proximity to campus, the current URH academic year rate ceiling of \$9,500 is inadequate to cover costs in locations such as Aspire and Fuse. As such, the West Lafayette campus is recommending increased pricing levels for University Residences Boiler Apartments (URBA) with a plan of financial breakeven after inclusion of operational costs. Through the master lease, URBA prices will remain below those charged in the private market if students procured these beds directly from the landlord.

For all of the beds provided by Student Life, room price points range from \$2,446 to \$9,500 for URH and from \$6,000 to \$11,950 for URBA based on room type and amenities. The five-meal plan options range from \$1,892 to \$5,398 based on the number of meals per week and dining dollars provided.

Purdue Northwest

The Hammond campus provides 744 beds in two bedroom one bathroom or four bedroom two bathroom apartment-style configurations. With the proposed 2% rate increase, the four-bedroom units are priced at \$5,967 and the two bedroom units are priced at \$6,946 for the academic year. Although enrollments have trended downward, occupancy rates are improved compared to last year with increased on-campus classes and are projected to continue to improve next year. Campus housing continues to manage expenses sufficient to support operations costs that are gradually returning to pre-pandemic levels. PNW has not had an average increase in housing rates in four years of the past seven-year period.

Purdue Fort Wayne

The Fort Wayne campus currently provides 1,204 beds for on-campus housing. The beds are a part of the one, two, three, and four bedroom apartment-style configurations. With increased demand for housing from traditional full-time students, the PFW campus is also master leasing 144 beds in the community to help meet demand as it is recruiting students from a broader geographical area. The PFW campus is requesting a \$200 per bed increase for 2022-23 and 2023-24, which is an average increase of approximately 3.25% each year. The increased revenue will be used for ongoing maintenance and support of the housing facilities due to the age and high utilization of the facilities and enhanced student programming for residents.

With the proposed increase for 2022-23, the room rates for the units range in price points from \$5,130 for a four bedroom two bathroom unit to \$10,076 for a limited number of one bedroom one bathroom units for the academic year. The PFW campus has not had an average increase in housing rates in five years of past seven-year period.

Rate Flexibility

As each campus prepares for the Fall 2022 semester, we are recommending flexibility in the rate setting process to help meet temporary or permanent housing for 2022-23. Specifically, we are recommending that if additional off-campus housing or temporary reconfiguration of existing rooms is required to meet demand, the campus may price the new options relative to the approved pricing structure taking into consideration similar amenities and costs associated with contracting or setup.

Attachment

- c: Chairman Mike Berghoff
- President Mitch Daniels
- Treasurer and CFO Chris Ruhl
- Provost Jay Akridge
- Vice Provost for Student Life Beth McCuskey
- Vice Chancellor Steve Turner
- Vice Chancellor Glen Nakata
- Legal Counsel Steve Schultz
- Corporate Secretary Janice Indrutz

West Lafayette
University Residences Boiler Apartments
2022-23

Apartment Tier	Locations	Room Types	Beds	AY Rate Range
Class A	Aspire, Fuse (UR Apts)	Apt Configurations: 2 to 4 Bedrooms 2 to 4 Students 2 to 4 Bathrooms AC	516	\$11,100 - \$11,950
Class B	Cedarwood, Salisbury Campus, Waldron Square, Village West, Benchmark II, Waldron 125, Waldron 19 (UR Apts)	Apt Configurations: 2 to 4 Bedrooms 2 to 4 Students 1 to 3 Bathroom(s) AC	929	\$7,000 - \$9,500
Class C	Steely 410, Grant 333 (UR Apts)	Apt Configurations: 2 Bedrooms 2 Students 1 Bathroom AC	44	\$6,000
Total			1,489	

Notes:

Aspire and Fuse leases subject to approval by the Physical Facilities Committee and Board of Trustees

Pricing based on negotiated market rates, configurations and amenities

University Residences Boiler Apartments require meal plans

University Residences Boiler Apartments are on-campus with the exception of Village West, which are near-campus