

evolve

TUSCALOOSA



**228 UNIT / 628 BED STUDENT HOUSING COMMUNITY SERVING THE UNIVERSITY OF ALABAMA
OFFERED AT A SIGNIFICANT DISCOUNT TO REPLACEMENT COST**

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ABOUT JLL

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500 company with annual revenue of \$20.9 billion and operations in over 80 countries around the world, our more than 103,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAYSM. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

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TUSCALOOSA

THE OFFERING

Jones Lang LaSalle Americas, Inc. ("JLL") is pleased to present Evolve Tuscaloosa (the "Property"), a 228-unit / 628-bed student housing community located in Tuscaloosa, Alabama. Recently built in 2017, the Property offers a comprehensive amenity package tailored to the modern-day student. The Property contains a mix of 2-bed and 3-bed floorplans complete with 100% bed-bath parity.

Evolve Tuscaloosa serves the University of Alabama (the "University" or "UA"), Alabama's flagship University. The University is currently experiencing a major bounce back from Covid-19 declines and is now poised for future growth. Total enrollment at the University reached an all-time high of 38,645 students in Fall 2022. A large portion of this growth can be attributed to the 8,037 first-year students, climbing 6% from the prior year.

The Tuscaloosa purpose-built student housing market is reaping the benefits of recent enrollment growth. The market is currently 79% pre-leased as of May 2023, which is 9% ahead of where it was a year ago while achieving high single-digit rent growth.

Evolve Tuscaloosa is poised to continue to grow upon its 23-24 AY leasing performance. New ownership has the unique opportunity to capitalize on a well located value-add student housing property in a Tier-1 market at a major discount to replacement cost today.



PROPERTY SUMMARY

ADDRESS	680 6th Ave NE
CITY, STATE	Tuscaloosa, AL
COUNTY	Tuscaloosa
YEAR BUILT	2017
UNITS	228
BEDS	628
AVERAGE UNIT SIZE	1,188 SF
UNIVERSITY	University of Alabama
FALL 2022 ENROLLMENT	38,645

UNIT MIX

UNIT TYPE	LAYOUT	UNITS	BEDS	SF/UNIT
B1	2BR / 2BA	56	112	931 SF
C1	3BR / 3BA	16	48	1,280 SF
C2	3BR / 3BA	148	444	1,266 SF
C3	3BR / 3BA	8	24	1,357 SF
TOTAL / AVERAGE		228	628	1,188 SF

INVESTMENT HIGHLIGHTS



TIER 1, POWER 5 UNIVERSITY

The University of Alabama is a **founding member of the Southeastern Conference (SEC)**. The University's football team has won 33 conference championships, 18 national championships, and has made an NCAA-record 76 postseason bowl appearances. The Crimson Tide football program is **the most decorated in NCAA history**, holding a winning record against every current and former SEC school and **earning the national title as recently as 2020** under coach Nick Saban.



RECORD ENROLLMENT

The University of Alabama enrolled a **record 38,645 students in Fall 2022**, representing an increase of 325 students from the prior year. The record enrollment was boosted by **the largest freshman class in the University's history with 8,037 students, a 6% increase in freshman enrollment over last year.**



OFFERED AT A SIGNIFICANT DISCOUNT TO REPLACEMENT COST

Evolve Tuscaloosa is being offered at an **attractive basis**, which reflects a **60%+ discount to replacement cost**. At a 6.00% return on cost, new development would need average rents of \$4.34 per square foot, or **227% above the 2023-2024 rates at Evolve Tuscaloosa.**



STRONG SUBMARKET PERFORMANCE

The northeast Tuscaloosa student housing submarket that Evolve is located in is one of the strongest performing in the entire market. **The Bluff at Waterworks, Lark in the Woods and The Preserve at Tuscaloosa are all 95%+ occupied and are either fully pre-leased or tracking to 100% pre-leased** with strong year-over-year rental rate increases.



SUPERIOR ASSET QUALITY & IN-DEMAND AMENITIES

Built in 2017 by a prominent developer, Evolve Tuscaloosa is a **modern student housing community that offers a complete amenity package and luxurious units**. With communal amenities like an impressive pool deck with cabanas, an equipped fitness center, a basketball and volleyball court, shuttle service, and numerous study spaces, coupled with apartment features like stainless-steel appliances, furnished units, and bed-bath parity, a new owner can be assured of the **asset's exceptional marketability.**

PROPERTY FEATURES

FULLY FURNISHED APARTMENTS

MODERN DÉCOR AND ENERGY-EFFICIENT APPLIANCES

100% BED-BATH PARITY

COMPREHENSIVE AMENITY PACKAGE

ATTACHED PARKING GARAGE

DIRECT ACCESS TO CAMPUS VIA PRIVATE SHUTTLE

STUDENT-CENTRIC COMMUNAL AMENITIES



Elegant Clubhouse



Poolside Cabana Lounge



Fully Equipped Fitness Center



Sand Volleyball Court



Hospitality Lounge



Resort-Style Swimming Pool



Outdoor Grilling Stations and Fire Pit



Basketball Court

LUXURIOUS STUDENT LIVING EXPERIENCE



Energy-Efficient Stainless-Steel Appliances



Fully Furnished & Contemporary Décor



Personal Desks & Memory Foam Mattresses

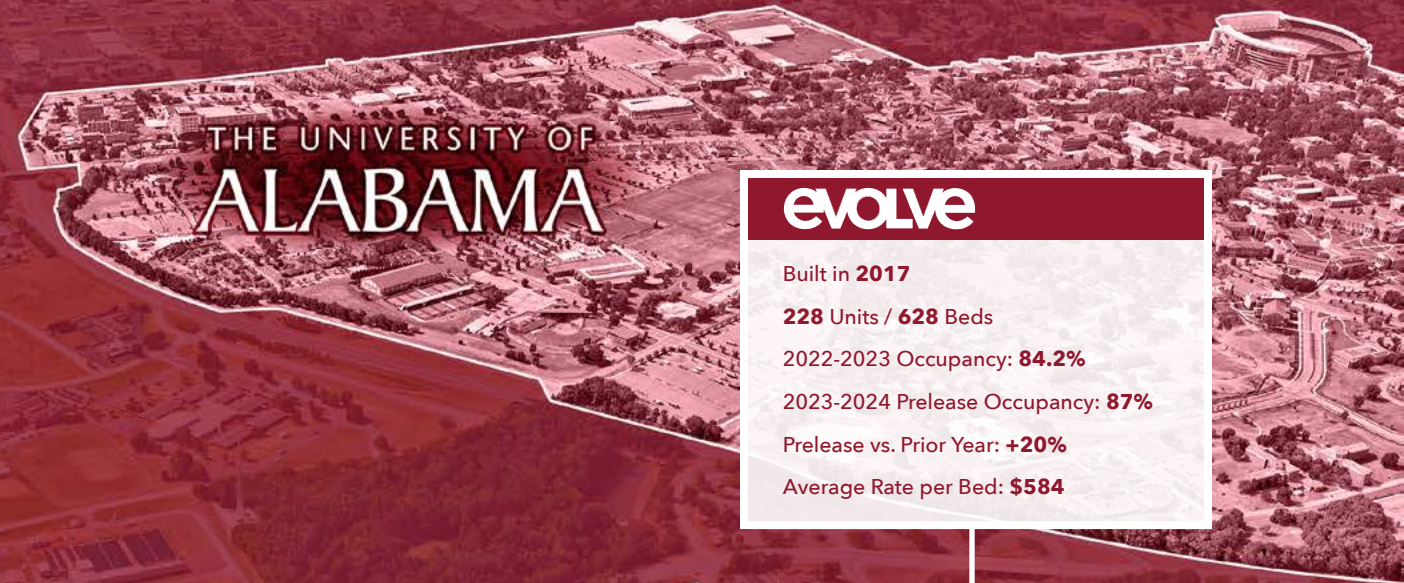


Private Bathrooms

SUBMARKET OVERVIEW

EVOLVE ON TUSCALOOSA SUBMARKET SNAPSHOT

Evolve is located in one of the strongest performing submarkets for the 23-24 AY. The other three student housing communities in the submarket are all **95%+ occupied and outperforming prior year preleasing**. Further, the greater Tuscaloosa student housing market saw 8% rent growth in 22-23 AY. With just 196 on and off-campus beds projected before 2026, the market is projected to continue its strong leasing momentum.



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Built in **2017**

228 Units / 628 Beds

2022-2023 Occupancy: **84.2%**

2023-2024 Prelease Occupancy: **87%**

Prelease vs. Prior Year: **+20%**

Average Rate per Bed: **\$584**

LARK IN THE WOODS

Built in **2017**

216 Units / 544 Beds

2022-2023 Occupancy: **97.1%**

2023-2024 Prelease Occupancy: **100%**

Prelease vs. Prior Year: **Even**

Average Rate per Bed: **\$780**

THE PRESERVE AT TUSCALOOSA

Built in **1993**

314 Units / 460 Beds

2022-2023 Occupancy: **95.0%**

2023-2024 Prelease Occupancy: **89%**

Prelease vs. Prior Year: **+13%**

Average Rate per Bed: **\$863**

THE BLUFF AT WATERWORKS LANDING

Built in **2010**

162 Units / 308 Beds

2022-2023 Occupancy: **96.4%**

2023-2024 Prelease Occupancy: **100%**

Prelease vs. Prior Year: **+5%**

Average Rate per Bed: **\$800**

UNIVERSITY OF ALABAMA:

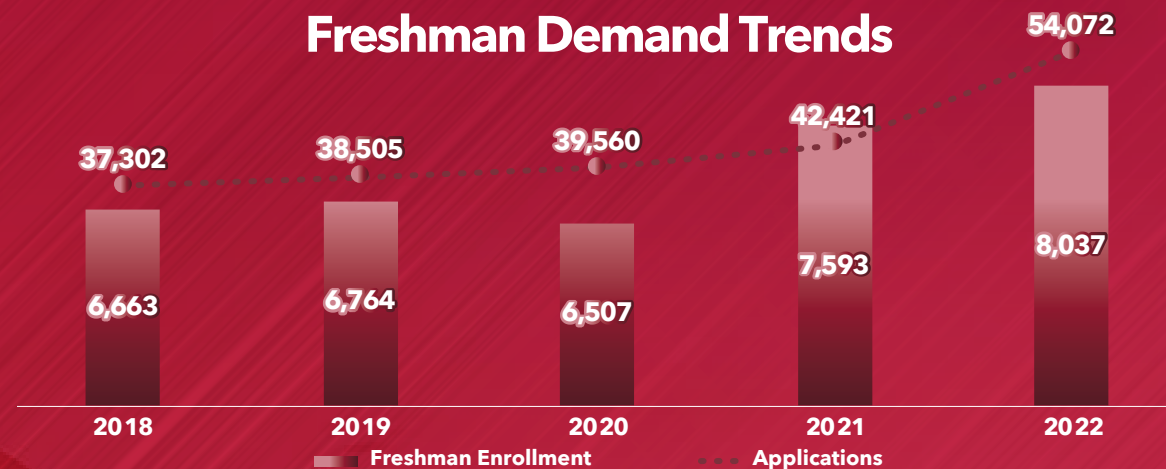
AN OVERVIEW

Founded nearly 200 years ago, the University of Alabama is the **flagship institution** of the University of Alabama System. UA's campus is situated on 1,168 acres in Tuscaloosa, with historic buildings, modern facilities, and beautiful green spaces. The campus is consistently recognized for its picturesque architecture and landscaping, and is home to several landmarks including the Denny Chimes tower.

In 2022, UA received an **all-time high 54,072 applications**, representing a **27% increase** over the prior year. This record applicant base led to a **6% increase in freshman enrollment** year-over-year to more 8,000 students, **the largest first-year class in the University's history**.

To support the swelling demand, the University launched a **\$1.5 billion Rising Tide Capital Campaign**. **Rising Tide is the largest fundraising campaign in state history** and aims to add 1,000 scholarships, 75 new endowments, and improve more than 500,000 square feet of space on campus. Notable components of the campaign include a **\$600 million fundraising goal for UA Athletics facilities** and **\$200 million for the Culverhouse College of Business**. **At just five years into the ten-year campaign, the University has already raised \$1,311,922,850, or 87.5%, of its goal** as of May 2023.

Freshman Demand Trends



YEAR	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL ENROLLMENT	34,852	36,155	37,100	37,665	38,563	38,392	38,103	37,842	38,320	38,645
UNDERGRADUATE ENROLLMENT	29,443	30,754	31,960	32,564	33,305	33,030	32,798	31,672	31,688	32,458
GRADUATE ENROLLMENT	5,409	5,401	5,140	5,101	5,258	5,362	5,305	6,170	6,632	6,187
FRESHMAN ENROLLMENT	6,454	6,824	7,211	7,559	7,407	6,663	6,764	6,507	7,593	8,037
APPLICATIONS	30,975	33,736	36,203	38,237	38,129	37,302	38,505	39,560	42,421	54,072
GRADUATION RATE	66.7%	65.7%	67.1%	68.7%	67.9%	67.9%	71.9%	71.1%	72.1%	72.2%
IN-STATE TUITION	\$9,450	\$9,826	\$10,170	\$10,470	\$10,780	\$10,780	\$10,780	\$10,780	\$10,780	\$10,884
IN-STATE TUITION GROWTH		3.98%	3.50%	2.95%	2.96%	0.00%	0.00%	0.00%	0.00%	0.96%
OUT-OF-STATE TUITION	\$23,950	\$24,950	\$25,950	\$26,950	\$28,100	\$29,230	\$30,250	\$30,250	\$30,250	\$30,542
OUT-OF-STATE TUITION GROWTH		4.18%	4.01%	3.85%	4.27%	4.02%	3.49%	0.00%	0.00%	0.96%

Sources: University Common Data Sets, AXIOMetrics

10-YEAR TRENDS...

11%

Increase in Enrollment

25%

Increase in Freshman Enrollment

75%

Increase in Applications

+8%

Improvement in Graduation Rate

Less than 2%

Annual Tuition Increase

THE UNIVERSITY OF ALABAMA

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Black Warrior River

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