

# Independent Market Research Report

**Singapore Purpose-Built Worker Accommodation, United Kingdom and  
Australia Purpose-Built Student Accommodation**

**Prepared for:**

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# Singapore Purpose-Built Worker Accommodation ("PBWA")

# 1. Singapore Purpose-Built Worker Accommodation (“PBWA”)

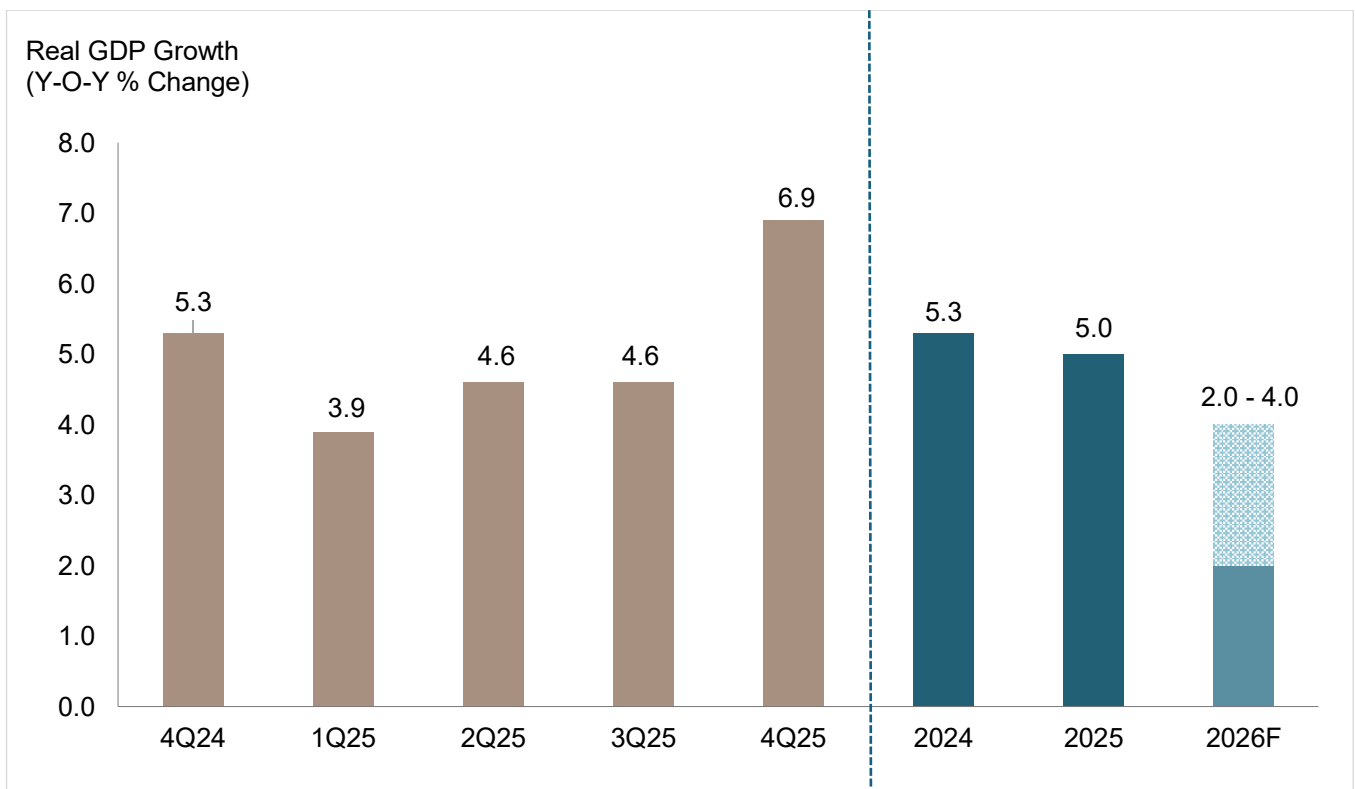
## Economic Overview and Demand drivers

### 1.1. Macroeconomic Overview

In February 2026 the Ministry of Trade and Industry (“MTI”) upgraded its Gross Domestic Product (“GDP”) Growth Forecast from ‘1.0 to 3.0%’ to ‘2.0 to 4.0%’, after the Singapore economy expanded by 5% in 2025. In the fourth quarter of 2025, the Singapore economy expanded by 6.9% on a year-on-year basis, faster than the 4.6% growth in the previous quarter. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 2.1%, moderating from the 2.6% expansion in the third quarter.<sup>1</sup>

The GDP Growth Forecast upgrade was a result of the global economy outperforming expectations and remaining resilient in the face of US tariffs. This growth momentum is expected to continue into 2026.<sup>2</sup>

Figure 1 Singapore Economic Performance and Outlook



Source: MTI press release 10 Feb 2026

<sup>1</sup> Ministry of Trade and Industry (2026, February 10). MTI Upgrades 2026 GDP Growth Forecast to “2.0 to 4.0 Per Cent”

<sup>2</sup> Ministry of Trade and Industry (2026, February 10). Economic Survey of Singapore 2025

**Figure 2 Singapore GDP growth, by sector**

	3Q24	4Q24	2024	1Q25	2Q25	3Q25
Year on Year % Change						
Manufacturing	11.2	7.4	4.3	4.8	5.1	5.0
Construction	5.6	4.4	4.5	4.3	6.2	3.6
Transportation and Storage	7.9	3.7	5.8	6.5	3.8	2.3
Seasonally Adjusted Quarter on Quarter						
Manufacturing	11.7	0.0	4.3	-5.1	-0.6	11.3
Construction	1.9	0.3	4.5	-2.5	6.5	-0.7
Transportation and Storage	1.5	-1.2	5.8	4.1	-0.8	0.2

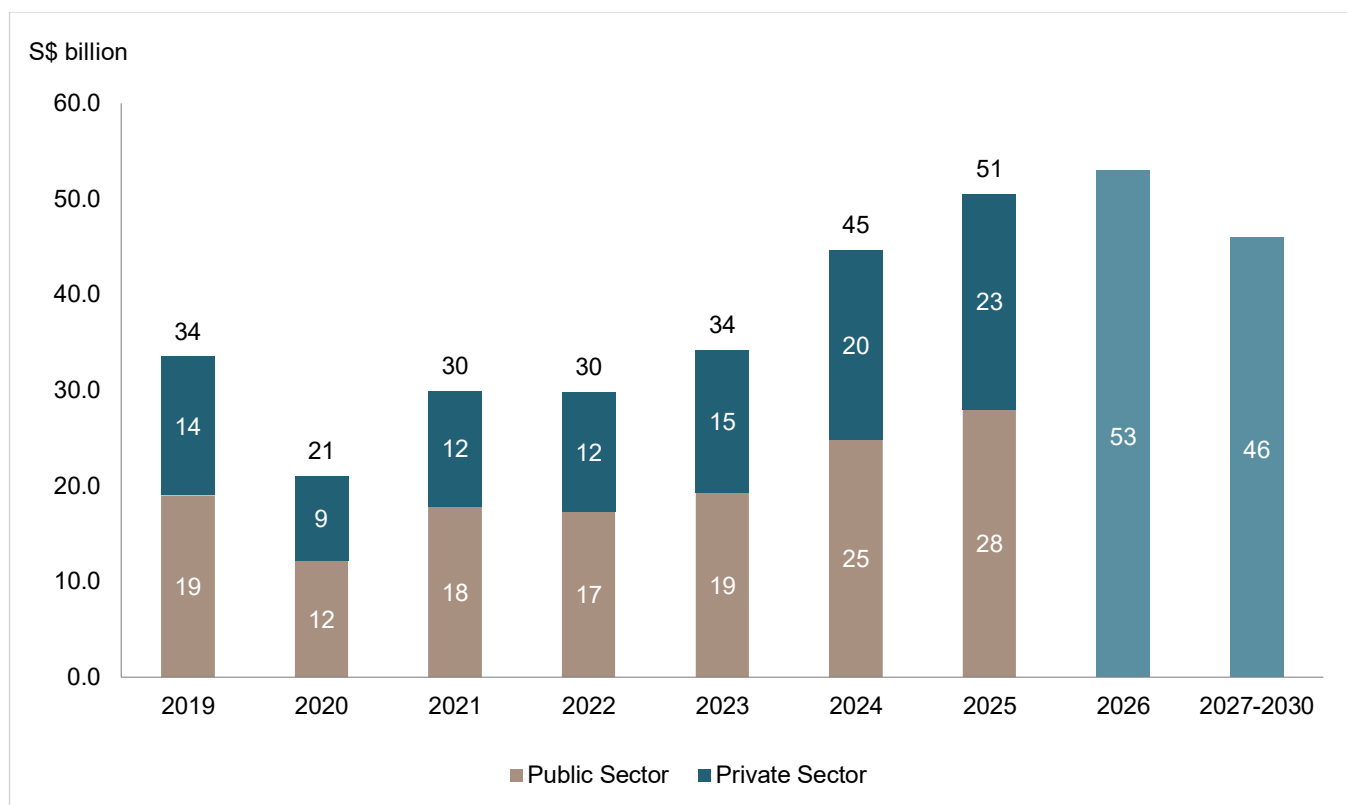
Source: MTI press release 21 Nov 2025.

## 1.2. Overview of Construction Industry

In 2025, the sector expanded by 5.2%. Construction demand increased by 12.7% year-on-year to S\$11 billion in the fourth quarter, primarily in public sector construction demand of S\$7.4 billion in that quarter, equivalent to a 55.1% year-on-year growth. For the whole of 2025, public sector construction demand increased by 12.9% to S\$28.0 billion; private construction demand grew by 13.7% to S\$22.5 billion.<sup>3</sup>

<sup>3</sup> Ministry of Trade and Industry (2026, February 10). Economic Survey of Singapore 2025

**Figure 3 Construction Contracts Awarded (S\$ billion)**



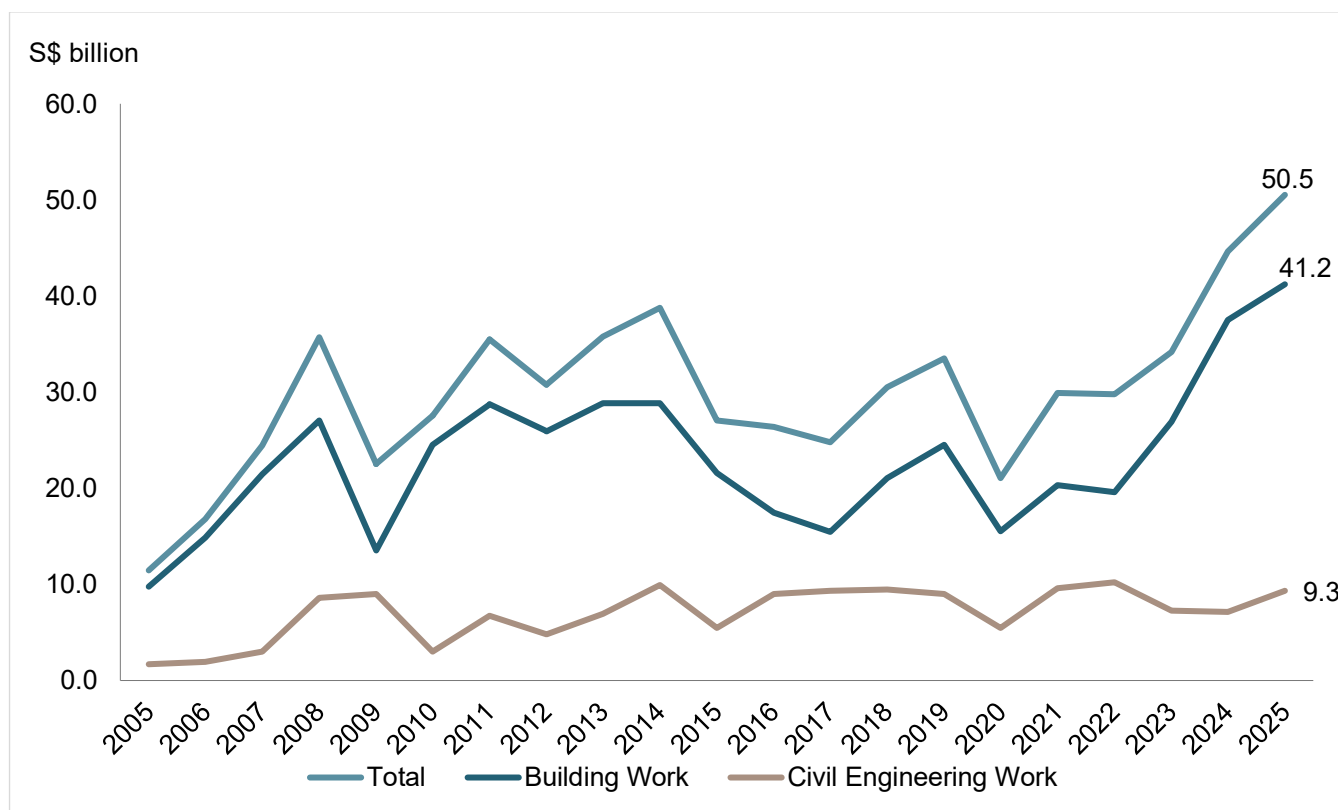
Note: 2026 and 2027-2030 are BCA upper-end forecasts. 2026 forecast range is S\$47-53 billion; 2027-2030 annual forecast range is S\$39-46 billion.

Source: Department Of Statistics (“DOS”), BCA, JLL

A Building Construction Authority (“BCA”) Singapore Construction Prospects 2026 report indicated that total Singapore construction demand in 2025 totalled S\$50.5 billion, led by a range of building projects that were 80% of total construction demand at S\$41.2 billion, with civil engineering work contributing S\$9.3 billion.<sup>4</sup>

<sup>4</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

**Figure 4 Construction Demand (Contracts Awarded), 2005-2025**



Note: Contracts awarded exclude reclamation projects

Source: DOS, BCA, JLL

Building projects covered construction in health, residential, public built to order units, Toa Payoh Integrated Development, a gas turbine power plant and Changi Terminal 5 (“T5”) foundation works.

BCA expects that 2026 construction demand will be between S\$47 billion and S\$53 billion sustained by anticipated contracts awarded for additional T5 development, Marina Bay Sands Resort expansion, new Tengah General and Community Hospital, and two Mass Rapid Transit (“MRT”) Line extensions.<sup>5</sup> BCA did note that due to global uncertainty the forecast could be revised and will be reviewed by August 2026.

All current forecasts in this report are dated prior to the March 2026 events in the Middle East. The situation remains fluid and economic implications are yet to be determined. The main concerns are the impact on inflation, driven by an increase in oil and gas prices, as well as potential disruption to global supply chains.

<sup>5</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

**Figure 5 Projected Construction Demand in 2026 (S\$ billion)**

Total Construction Demand	47.0 - 53.0
Building Construction Sub-total	35.4 - 39.7
Residential	11.2 - 12.3
Commercial	6.1 - 6.7
Industrial	4.6 - 5.4
Institutional & Others	13.5 - 15.3
Civil Engineering Works Sub-total	11.6 - 13.4

Source: MTI Economic Survey of Singapore 2025

**Figure 6 Contracts Awarded (Excl. Reclamation) by Type of Work**

(S\$ billion)	2019	2020	2021	2022	2023	2024	2025	2026 Forecast
Both Sectors	33.5	21.	29.9	29.8	34.2	44.6	50.5	47.0-53.0
Building Work	24.5	15.6	20.3	19.6	26.9	37.5	41.2	35.4-39.7
Residential	8.6	5.4	9.2	9.2	13.2	15.3	15.7	11.2-12.3
Commercial	1.8	1.6	2.8	1.6	3.6	5.4	2.2	6.1-6.7
Industrial	7.5	4.7	5.	4.4	4.6	5.	7.1	4.6-5.4
Institutional & Others	6.6	3.8	3.4	4.3	5.5	11.8	16.1	13.5-15.3
Civil Engineering Work	9.0	5.5	9.6	10.2	7.2	7.1	9.3	11.6-13.4

Source: Building and Construction Authority, Singapore, 22 Jan 2026

Public housing is expected to stay firm between S\$6.2 billion and S\$6.8 billion in 2026, with private residential construction demand slightly lowering in 2026 to S\$5-5.5 billion from 2025 figures of S\$6.2 billion. Commercial construction in 2026 will see a significant rise in demand from 2025 – from S\$2.2 billion to S\$6.1 - S\$6.7 billion. Expansion and upgrades at Marina Bay Sands Integrated Resort and major redevelopment of the Tanglin Shopping Centre and HarbourFront Centre lead the anticipated 2026 contracts.

Industrial construction demand in 2026 will moderate from 2025 but maintain the 2020 – 24 levels at between S\$4.6 billion to S\$5.4 billion. Institutional and other building construction demand in 2026 is expected to contribute nearly 40% of total building demand, staying strong between S\$13.5 billion and S\$15.3 billion. Construction of T5, hospital and recreation facilities are part of

this building demand. Civil engineering construction is expected to reach a new high of between S\$11.6 billion and S\$13.4 billion in 2026 and will include MRT contracts, T5 infrastructure, roads, viaducts and cycling path networks.<sup>6</sup>

**Figure 7 2026 Likely Major Construction Projects – projected demand**

Building Work	Building Projects	Demand (Versus receding years)
Public residential	New Build-to-Order (“BTO”) Programme including Home Improvement Programme and Neighbourhood Renewal Programme	To stay firm
Private residential	Chuan Grove residences; Telok Blangah residences; Pinery residences at Tampines; other development at Chencharu Close, Bayshore Road, Dunearn Road and River Valley Road	To moderate
Commercial	Marina Bay Sands Integrated Resort expansion; Tanglin Shopping Centre redevelopment; HarbourFront Centre redevelopment	To strengthen
Industrial	Biomedical and Pharmaceutical plants at Tuas; High tech warehouse and distribution centre at Sungei Kadut; Data centre at Changi; Deep Tunnel Sewage System (“DTSS”) Phase 2 Tuas water reclamation plant new contracts	To remain comparable with 2020-24 levels
Institutional and others	T5 development; Tengah General and Community hospital; Health and wellness development at Marina South Drive; Home team tactical centre phase 3A; New recreational facilities at Resort World Sentosa (“RWS”)	To stay strong
Civil Engineering	MRT contracts for Downtown Line 2 (“DTL2”) extension and Thomson-East Coast Line (“TEL”) extension; T5 infrastructure work; new berths and stacking yards for Tuas terminal; major roads, viaducts and cycling path networks	To strengthen

Source: BCA presentation – Singapore’s construction horizon: Trends and Opportunities.

BCA predicts total construction demand between 2027 and 2030 could average between S\$39 billion and S\$46 billion, led by the T5 development. With the completion of T5 in the medium term, construction demand should remain healthy, reverting to pre- COVID levels of S\$25 to S\$32 billion<sup>7,8</sup>. Further upside would come from the massive long term engineering project, in particular the Long Island reclamation project at East Coast, touted to be twice the size of Marina Bay, creating some 800 hectares of land for new homes and other amenities.<sup>9</sup>

Total nominal construction output in 2026 is projected to increase to between S\$43 billion and S\$46 billion, with an average projected output of S\$44.5 billion. This is 7% higher than the 2025 estimate of S\$41.7 billion. BCA maintained that this upward trend was driven by the high level of contract awards since 2023.

<sup>6</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

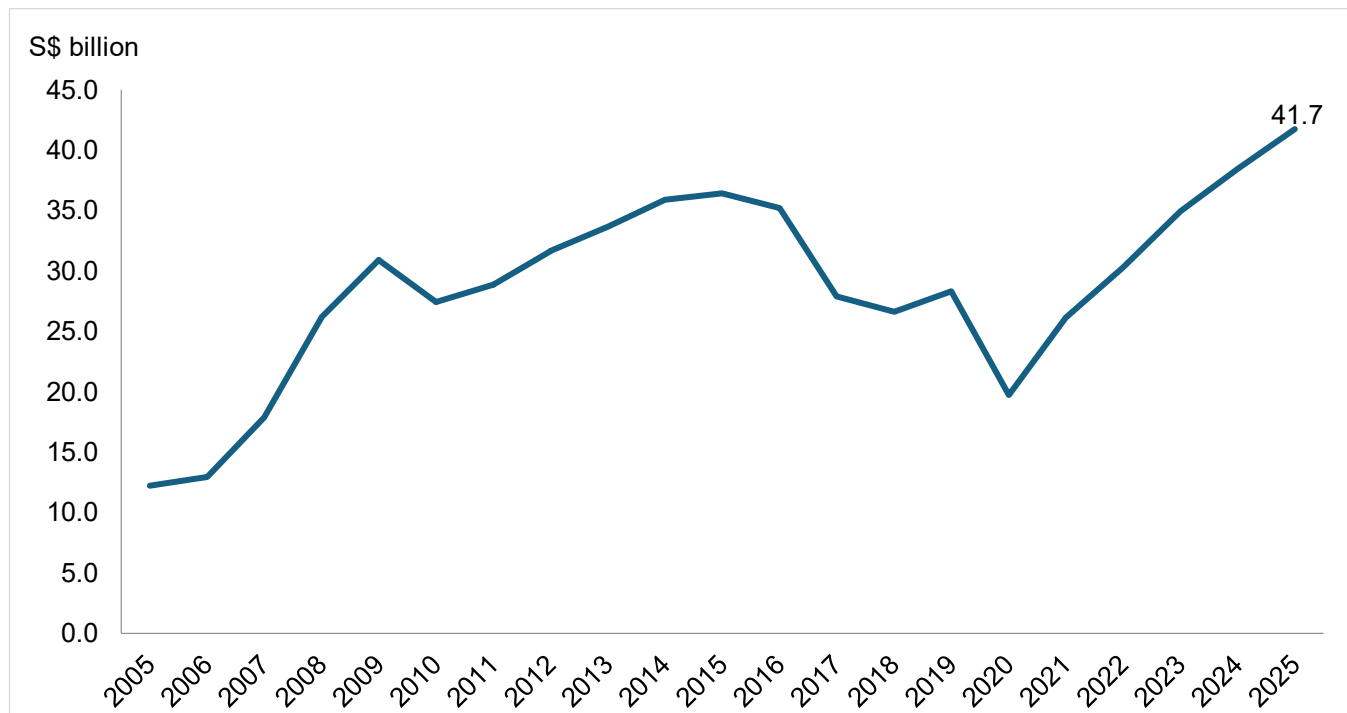
<sup>7</sup> BCA (2019, January 14). Singapore’s total construction demand remain strong this year

<sup>8</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

<sup>9</sup> The Straits Times (2023, November 28). Long Island to be reclaimed off East Coast could add 800ha of land, create Singapore’s 18<sup>th</sup> reservoir

BCA encouraged the construction industry to focus on collaborative contracting and adoption of technologies that streamline productivity, rather than relying on workforce expansion.<sup>10</sup> This was reinforced by the government’s Productivity Solutions Grant (“PSG”) that supports the Built Environment sector to adopt digital solutions to improve productivity. From April 2026, a new PSG tranche will support robotics and automation to achieve 50% manpower savings for each construction trade activity.<sup>11</sup>

**Figure 8 Construction Output (Certified Progress Payments), 2005-2025**



Source: DOS, BCA, JLL

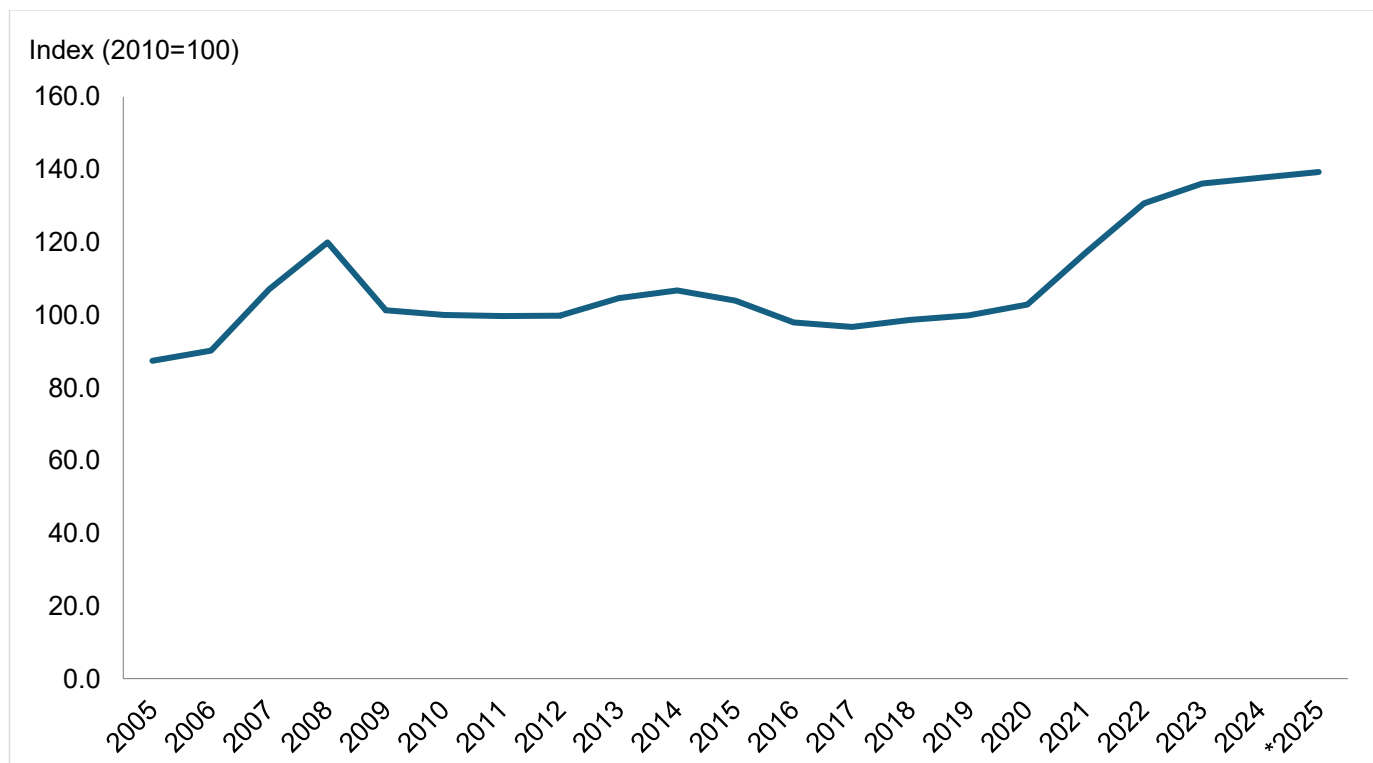
According to the BCA, the Building Works Tender Price Index (“TPI”) remained stable with a 1% year-on-year increase in 2025. Barring external uncertainties, they predict that construction tender prices would remain steady in the medium to long term because of a healthy construction pipeline.<sup>12</sup>

<sup>10</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

<sup>11</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

<sup>12</sup> BCA Academy (2026, January 22). Singapore Construction Prospects 2026

**Figure 9 Annual BCA's Tender Price Index for Building Works, 2010=100**



*\*Preliminary figure*

*Note: BCA TPI excludes piling work, sub-structure works and mechanical & electrical works as these cost items are either project specific or not feasible to compile due to lack of data.*

*Source: BCA, Singapore Institute of Surveyors and Valuers (“SISV”), JLL*

### **The Construction, Marine Shipyard and Process (“CMP”) engineering sectors**

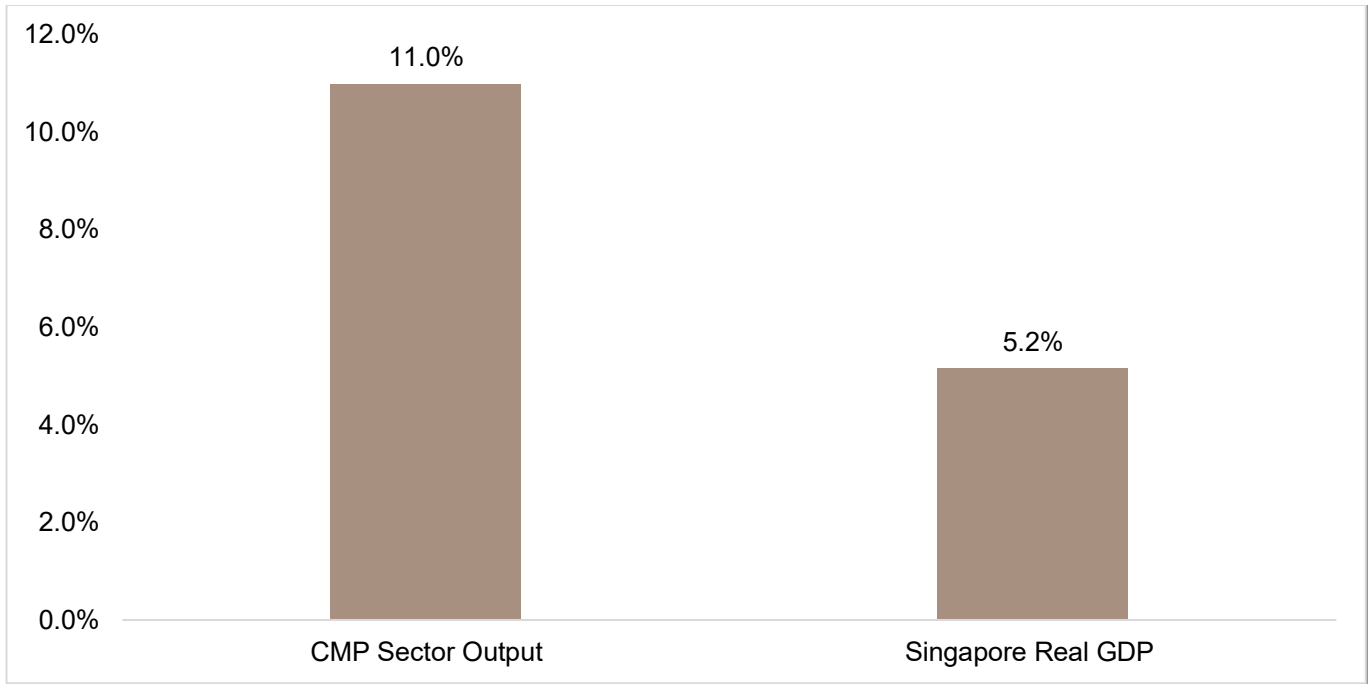
The CMP sectors rely heavily on foreign work permit holders. As there is no readily available series specifically for the CMP as an aggregated cluster, for the purpose of this report we have created a proxy aggregating the likely constituents, i.e. construction, and marine & offshore engineering, and chemicals segment as well as pharmaceutical products within the Manufacturing sector, following the definition by the Ministry of Manpower.<sup>13</sup> Statistics regarding these CMP work permit holders are detailed in the next section.

The Construction sector demand and growth have been detailed above. In the Marine Shipyard sector, the marine and offshore segment grew by 36% year-on-year due to higher activity levels in shipyards and oil rigs & platforms. This is the fourth consecutive double-digit growth since 2021. The Process Engineering sectors, including pharmaceutical segment, expanded by 5% year-on-year, a flip from the average annual contraction of -18% since 2023.

Overall, the CMP sector Compound Annual Growth Rate (“CAGR”) growth, based on our composite index, has outpaced Singapore’s overall GDP growth by a factor of two for the period between 2020 and 2025.

<sup>13</sup> Ministry of Manpower (2026, February 16). Process sector: Work Permit requirements

**Figure 10 CMP Sector Output and GDP CAGR (2020-2025)**

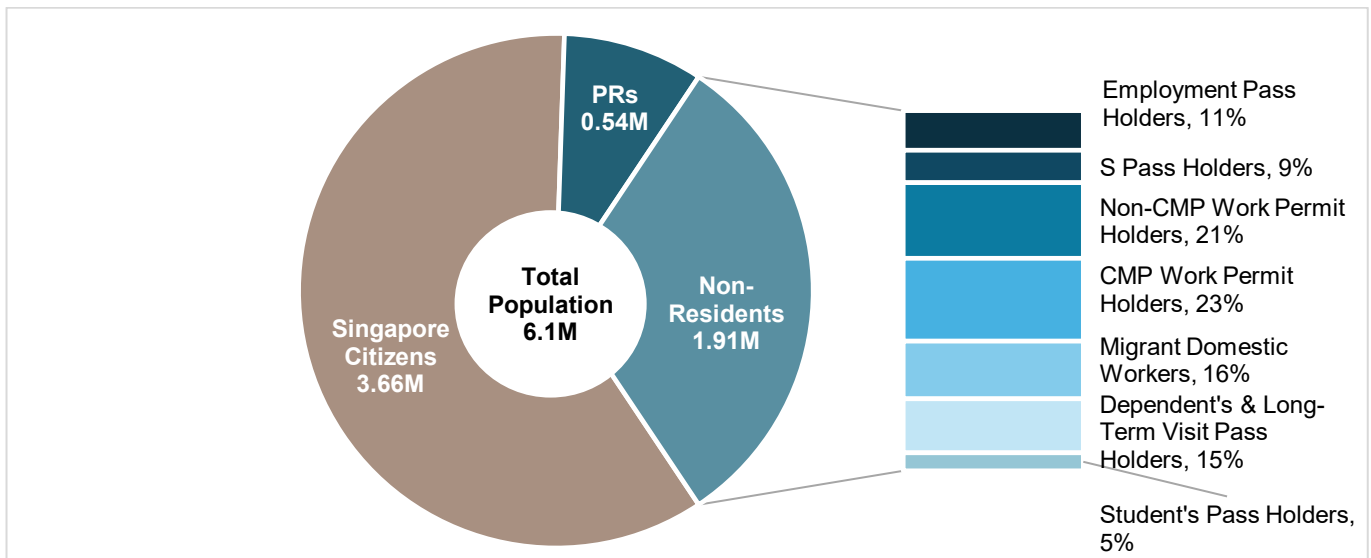


Source: DOS, Ministry of Manpower (“MOM”), JLL

### 1.3. Overview of Population Growth

According to Ministry of Manpower (“MOM”) data, as of June 2025 the population of Singapore was 6.11 million people, an increase of 1.2% on June 2024, mainly due to an increase in the non-resident population. Annualised population growth from 2020 – 2025 was 1.5% mainly due to Work Permit Holders in the construction sector supporting housing construction and Changi T5 development.<sup>14</sup>

**Figure 11 Total Population, as of June 2025**



Note: Figures may not sum up due to rounding.

<sup>14</sup> National Population and Talent Division (2025, September 25). Population in Brief 2025

Source: DOS, MOM, JLL

### Figure 12 CMP work permit holders represent 23% of the non-resident population

CMP work permit holders represent 23% of the non-resident population.

Pass Type	Dec 2020	Dec 2021	Dec 2022	Dec 2023	Dec 2024	June 2025
Work Permit (CMP Sectors)	311,100	318,500	415,000	441,100	456,800	460,300
Total Foreign Workforce	1,231,500	1,200,400	1,424,200	1,525,500	1,576,500	1,593,400

Source: Ministry of Manpower Foreign Workforce Numbers.

Since December 2020, CMP work permit holders have increased year-on-year from 311,100 in December 2020 to 460,300 in June 2025.

### Figure 13 Foreign Workforce Numbers

Pass Type	Dec 2020	Dec 2021	Dec 2022	Dec 2023	Dec 2024	Jun-25
Employment Pass ("EP")	177,100	161,700	187,300	205,400	202,100	201,200
S Pass	174,000	161,800	177,900	178,500	178,200	177,600
Work Permit (Total)	848,200	849,700	1,033,500	1,113,000	1,165,900	1,182,500
- Work Permit (Migrant Domestic Workers)	247,400	246,300	268,500	286,300	301,600	308,700
<b>- Work Permit (Construction, Marine Shipyard and Process)</b>	<b>311,100</b>	<b>318,500</b>	<b>415,000</b>	<b>441,100</b>	<b>456,800</b>	<b>460,300</b>
Other Work Passes <sup>2</sup>	32,200	27,200	25,400	28,500	30,400	32,100
Total Foreign Workforce	1,231,500	1,200,400	1,424,200	1,525,500	1,576,500	1,593,400
Total Foreign Workforce (excluding Migrant Domestic Workers)	984,100	954,100	1,155,700	1,239,200	1,274,900	1,284,700
Total Foreign Workforce (excluding Migrant Domestic Workers & Work Permits in Construction, Marine Shipyard and Process)	673,000	635,700	740,700	798,000	818,100	824,400

#### Notes:

1. Data may not add up to the total due to rounding.

2. "Other Work Passes" includes Letter of Consent ("LOC"), pre-approved LOC, Training Work Permit ("TWP") and Training Employment Pass ("TEP").

3. Data are revised at the industry level to reflect updates in industry classification of firms based on the Singapore Standard Industrial Classification ("SSIC") 2020.

Source: Ministry of Manpower Foreign Workforce Numbers.

## 1.4. Government Initiatives and Regulatory changes

Amendments to the Foreign Employee Dormitories Act (“FEDA”), because of COVID -19, by the Singaporean government are focused on improving worker accommodation and improving public health resilience within dormitories. In September 2021, MOM first announced improved standards for New Migrant Worker Dormitories to strengthen public health and enhance liveability. Dormitory Transition Scheme (“DTS”) was subsequently announced in 2023 and provided specific requirements for existing dormitories to meet the improved DTS interim standards by 2030, and eventually to meet the New Dormitory Standards (“NDS”) by 2040.

It is estimated that around 200 worker accommodations with a combined capacity of 70,000 beds already meet new standards. Of the existing worker accommodations, about 1,000 are required to adopt the new standards by 2040. Exemptions have been given to between 200 and 250 temporary quarters, and around 200 worker accommodations with leases expiring in 2033 or earlier.<sup>15</sup>

Exemptions for DTS apply to worker accommodation with leases expiring in 2033 or before. Worker accommodations looking to secure new leases after their current lease expires will be required to meet both DTS interim standards by 2030 and NDS by 2040.<sup>16</sup>

There are 5 types of foreign worker accommodations in Singapore:

- PBWA – permanent facilities typically on a longer government land lease with amenities, including recreational facilities. These are of the highest quality with rooms hosting fewer workers per room. PBWA assets are the only permanent custom-built, quality worker accommodations available in Singapore.
- Quick Build Dormitories (“QBD”) – introduced in 2020, these temporary structures can be constructed quickly to ramp up supply and are intended to last around two to three years
- Factory Converted Dormitories (“FCD”) – temporary accommodation located on-site for workers from a single company and worksite
- Construction Temporary Quarters (“CTQ”) – located on-site and meant only for workers within a specific construction site that will be eventually demolished once construction ends
- Temporary Occupational Licences Quarters (“TOLQ”) – temporary worker quarters on a land plot typically near a construction site to support a specific project

### DTS Grant

As of February 2026, all existing worker accommodation holding valid dormitory licences, with leases expiring after 2033 and not on NDS, must meet DTS interim standards by 2030 will be eligible for the DTS grant. Applications will open from 1 March 2026 to 31 August 2026.

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<sup>15</sup> The Straits Times (2024, November 23). Home away from home: MOM’s new dorm a big step forward for migrant workers, but long road awaits

<sup>16</sup> Ministry of Manpower (2026, March 20). Dormitory Transition Scheme

In a January 2026 statement MOM predicted that the DTS grant could support around 900 existing migrant worker accommodation to improve accommodation standards.<sup>17</sup>

MOM will provide a grant to partially defray the costs of retrofitting existing worker accommodation to meet the interim standards under DTS. There will be two grant windows with Window 1 2026 – 2028 offering higher grants than Window 2 2029-2030.<sup>18</sup>

**Figure 14 Ministry of Manpower Dormitory Transition Scheme**

Types of Retrofitting Works	Funding based on year of completion of retrofitting to meet DTS interim standards	
	Window 1:	Window 2:
	2026 -2028	2029 - 2030
Building new room that meets occupancy limit	\$4,200	\$3,000
Building one en-suite toilet	\$9,800	\$7,000
Building one isolation facility (room with en-suite toilet)	\$12,300	\$8,800

Source: MOM

Mandatory briefings by MOM with worker accommodation providers will be run in January 2026.

Other Government policy shifts and investment that will impact foreign worker supply include:

- From July 2025, the removal of the maximum employment period for work permit holders (previously 14–26 years) takes full effect.
- MOM, with the creation of NESST Singapore in 2022, entered the supply end by developing PBWAs. The first opened in January 2026 in Jurong and provides 2,400 beds. As of January 2026, the worker accommodation is almost fully booked with full occupancy expected by May 2026.<sup>19</sup> The other worker accommodation at Sengkang West will provide 7,200 beds and begin operations in 2028.<sup>20</sup> Reportedly one employer group had relocated 480 of their workers to the new Jurong accommodation and had plans to relocate 80 more workers even though the bed-rental prices were slightly higher. The employer estimated they would save around S\$20,000 in transportation costs a month.<sup>21</sup>
- Other measures by the government to increase supply of beds include extending the expiring leases of worker accommodations where possible and allowing existing worker accommodations with excess space to increase their occupancy while meeting current dormitory housing standards. MOM has been speeding up and facilitating applications for

<sup>17</sup> Ministry of Manpower (2026, January 17). Ministry of Manpower introduces Dormitory Transition Scheme grant to support existing dormitories in meeting improved standards

<sup>18</sup> Ministry of Manpower (2026, January 17). Ministry of Manpower introduces Dormitory Transition Scheme grant to support existing dormitories in meeting improved standards

<sup>19</sup> The Straits Times (2026, January 17). Dormitories for some 200,000 migrant workers to benefit from \$100m retrofitting grant

<sup>20</sup> The Straits Times (2022, October 1). MOM to set up new corporate entity to run 2 foreign worker dorms

<sup>21</sup> The Straits Times (2026, January 17). Dormitories for some 200,000 migrant workers to benefit from \$100m retrofitting grant

new worker accommodation created by converting factory space, and for temporary workers' quarters to expand its supply of beds.<sup>22</sup>

## 1.5. Overview of Foreign Workforce and Growth Prospects

Aside from demand from institutions, major civil engineering works where foreign labour will be required include:

1. Changi T5 will be a construction project into the mid-2030s
2. Tuas port developments including PSA Singapore ("PSA") plans to move city terminals to Tuas by 2027; a new PSA supply chain hub at Tuas in 2027 and PSA/COSCO shipping co-located warehousing will require manpower to match higher value, time sensitive cargo flows
3. HDB launching approx. 55,000 BTOs between 2025 – 27.<sup>23</sup>

The CMP sector is predicted to stay steady in most construction areas with growth in the Commercial and Civil Engineering areas. This will keep demand for foreign labour in the CMP sectors steady. However, long-term demand for foreign labour may be tempered by the government's continual focus on increasing productivity through tech innovation, automation and worker upskilling, rather than increasing foreign worker numbers.

## 1.6. Economic outlook

Overall, Singapore's economic outlook for 2026 suggests moderated growth of between 2% and 4%. In the medium term the CMP sectors are showing ongoing sustained growth due to large infrastructure and construction projects. These projects require a foreign labour supply.

Global volatility, both economic and political, creates uncertainty in terms of economic growth and labour demand.

The Singaporean government's focus on improving productivity through technological innovation and automation and upskilling workers to be more productive, could see a gradual decline in dependence on foreign workers in the long term. Dr Koh Poh Koon, Senior Minister of State for Manpower, and Health, was quoted "While the Government has put in measures to increase the supply of beds, ... this will not be sustainable if the demand for work permit holders grows continuously. Dr Koh urged employers to adopt productivity measures, so they would be less reliant on migrant workers".<sup>24</sup>

In the short to medium term there will be strong employer demand for worker accommodation beds, as the CMP sectors require foreign workers to meet projected growth across a range of development projects.

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<sup>22</sup> The Straits Times (2025, April 8). 6 foreign worker dorms with total capacity of 45,000 beds to be built in next few years

<sup>23</sup> The Financial Coconut 2025, October 13). T5, Tuas & 55k BTOs: The Hard Numbers Behind Singapore's Need for Foreign Workers

<sup>24</sup> The Straits Times (2025, April 8). 6 foreign worker dorms with total capacity of 45,000 beds to be built in next few years

## Performance Indicators for PBWA market

### 1.7. Investment and Property Sales Transactions

The PBWA market has grown significantly over the last two years, fuelled by strong demand amid a limited supply of PBWAs. This momentum culminated in a surge of transaction volume in 2025, as rising rents and high occupancy rates attracted investors seeking high-yielding properties.

Two key portfolio deals defined the year:

- In February 2025, Bain Capital acquired the four-property Avery Lodge portfolio from Blackstone for S\$ 750 million, with leases expiring by 2037. The portfolio includes Avery Lodge and Kian Teck Dormitory in the West, Tampines Dormitory in the East, and Woodlands Dormitory in the North.

The portfolio can accommodate over 20,000 beds.<sup>25</sup>

- In September 2025, Centurion Corporation launched Singapore's first REIT focused on student and worker accommodation. Its initial portfolio comprises 14 assets, including five local PBWAs: Westlite Toh Guan (in the West), Westlite Ubi (Central), and three properties in the North—Westlite Mandai, Westlite Woodlands, and Westlite Juniper.

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<sup>25</sup> Mingtiandi (2025, February 13). Bain Capital Buys Singapore Worker Housing From Blackstone for \$555M

**Figure 15 Major Transactions of PBWA in Singapore, 2024-2025's**

Date	Asset	Beds	Buyer	Seller	Price (S\$ million)	Price Bed (S\$ '000)	Per
Sep 2025	Westlite Mandai	8,006*	Centurion Accommodation REIT	Lian Beng-Centurion (Mandai)	500	62*	
Sep 2025	Westlite Ubi	1,650	Centurion Accommodation REIT	Centurion Dormitory Venture & Lian Beng Group	108	65	
Sep 2025	Westlite Juniper	1,912	Centurion Accommodation REIT	Westlite Juniper (Mandai) and Lien Properties	109	57	
Sep 2025	Westlite Toh Guan	8,430**	Centurion Accommodation REIT	Centurion Corporation	448	53**	
Sep 2025	Westlite Woodlands	4,100	Centurion Accommodation REIT	Centurion Corporation	183	45	
Feb 2025	Avery Lodge	8,000	Bain Capital	Valparaiso Capital Partners	213	26 ***	
Feb 2025	Kian Teck Dormitory	5,858	Bain Capital	Valparaiso Capital Partners	180	31***	
Feb 2025	Tampines Dormitory	4,818	Bain Capital	Valparaiso Capital Partners	177	37***	
Feb 2025	Woodlands Dormitory (50% transacted)	4,834	Bain Capital	Valparaiso Capital Partners	179	37***	
March 2024	Woodlands Auto Hub	475	Alpina Holdings	Dacai Pte Ltd	24	51^	

\* With the completion of relevant Westlite works (excluding the Mandai Expanded Capacity) new additions there would be reportedly an additional 1,716 to the existing 6,290 i.e. a total of 8,006 beds, taking this into account, the value per bed would be S\$62,000 (Centurion Accommodation REIT, 2025).

\*\* With the completion of relevant Westlite works, there would be reportedly an additional 1,100 to the existing 7,330 i.e. a total of 8,430 beds, taking this into account, the value per bed would be S\$53,000 (Centurion Accommodation REIT, 2025 & 2026).

\*\*\*This is a portfolio deal. Avery Lodge was built sometime in 2009, with a 30-years lease tenure starting in 2007, suggesting some 12 years remaining at the time of transaction. Kian Teck Dormitory also has 30-years leasehold starting in 2007, suggesting some 12 years remaining at the time of transaction. Tampines Dormitory has 20-years leasehold from 2007, suggesting some 2 years remaining at the time of transaction. Woodlands Dormitory has 18.5-years leasehold from 2007, suggesting some 6 months remaining at the time of transaction. The leases on Woodlands Dormitory and Tampines Dormitory have been renewed and expiring in October 2037 based on a search on their land title records. This means the leases for this portfolio will expire collectively in 2037 albeit in different months.

^ Reportedly this asset is not a purpose-built facility. It is an approved secondary workers' dormitory through the change of use of an industrial facility. This asset has an approximately 12 years remaining on its lease term at the time of the transaction. The planning permission is for circa 475 workers, working out to S\$51,000 per bed (Alpina Holdings, 2024).

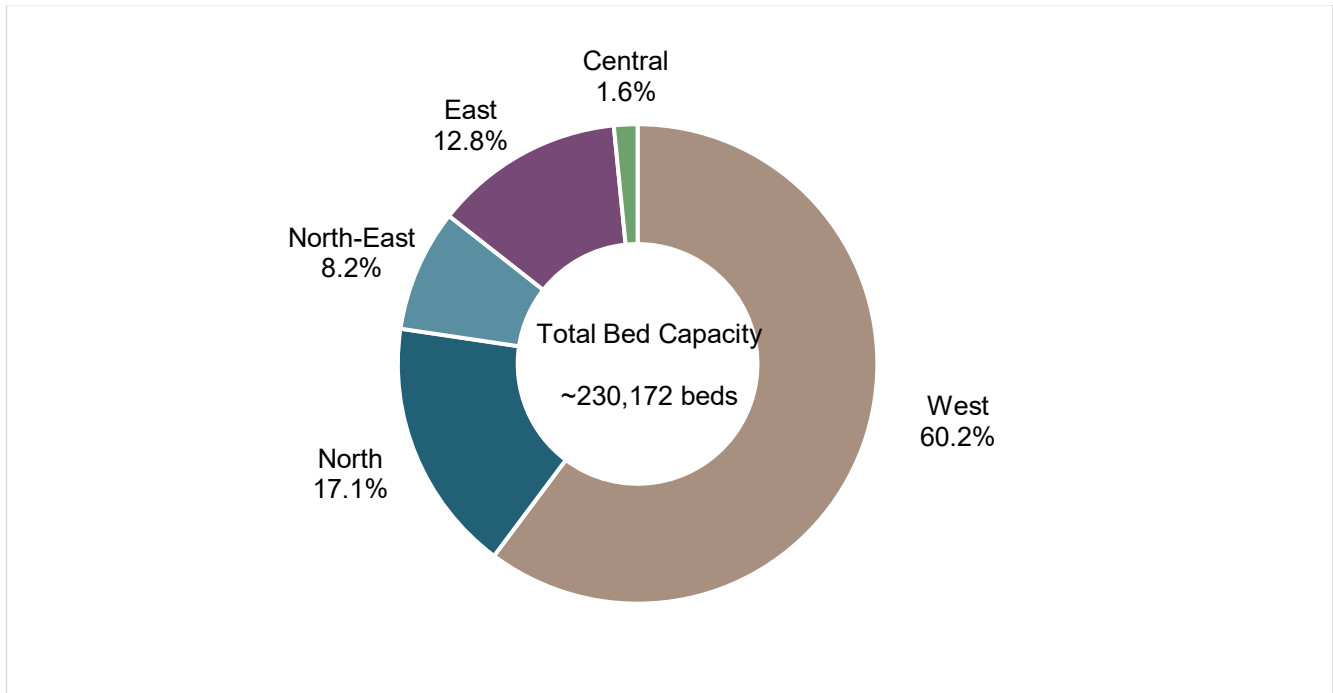
Source: JLL, MSCI Real Assets

## 1.8. Supply and Development Pipeline

### Historical and current bed supply with future forecasts

As of the end of 2025, there were 230,172 beds across Singapore located in 34 worker accommodations in our sample set.<sup>26</sup> Majority of the beds (60%) are from 22 permanent PBWA assets and the remaining 40% are from temporary facilities (i.e. 4 QBDs and 8 TOLQs).

Figure 16 PBWA Beds by Planning Region

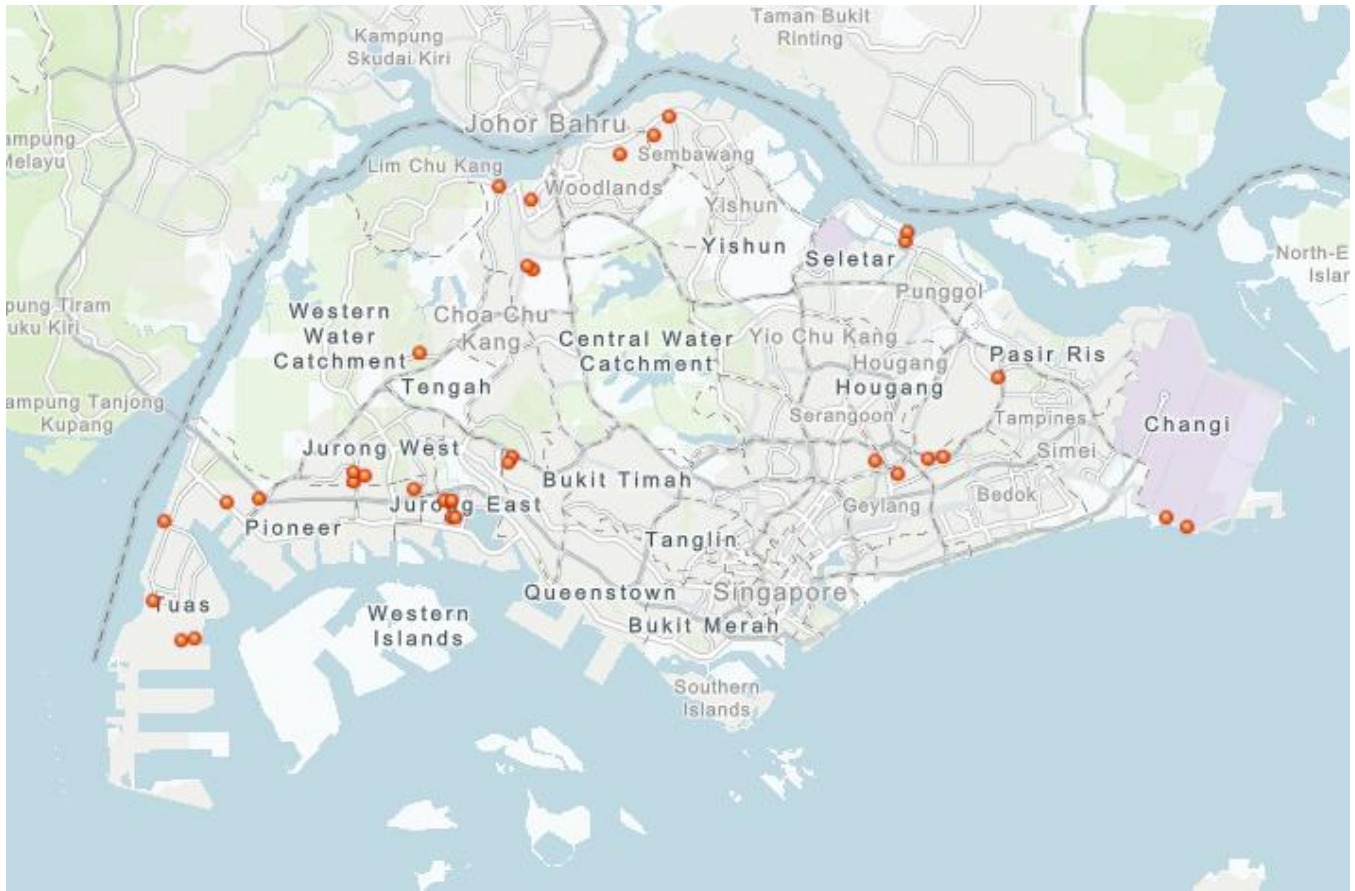


Source: JLL

Geographically, the 34 worker accommodations are located near or within Singapore’s industrial areas. The majority (60.2%) of the bed capacity is in the West, with just under 40% located in the East (12.8%), North (17.1%), North-East (8.2%) and Central (1.6%) Planning Regions.

<sup>26</sup> Due to the lack of market transparency, especially for FCDs, accurate statistics on the islandwide foreign worker accommodation market are unavailable. Hence, for the purpose of this report, we have selected a representative sample of commercial worker accommodations comprising permanent PBWAs, QBDs as well as TOLQs. FCDs and CTQs which are predominantly for housing only workers on site and not for commercial rental are excluded from this sample due to their lack of transparency and difference in operating model from that of permanent PBWA assets.

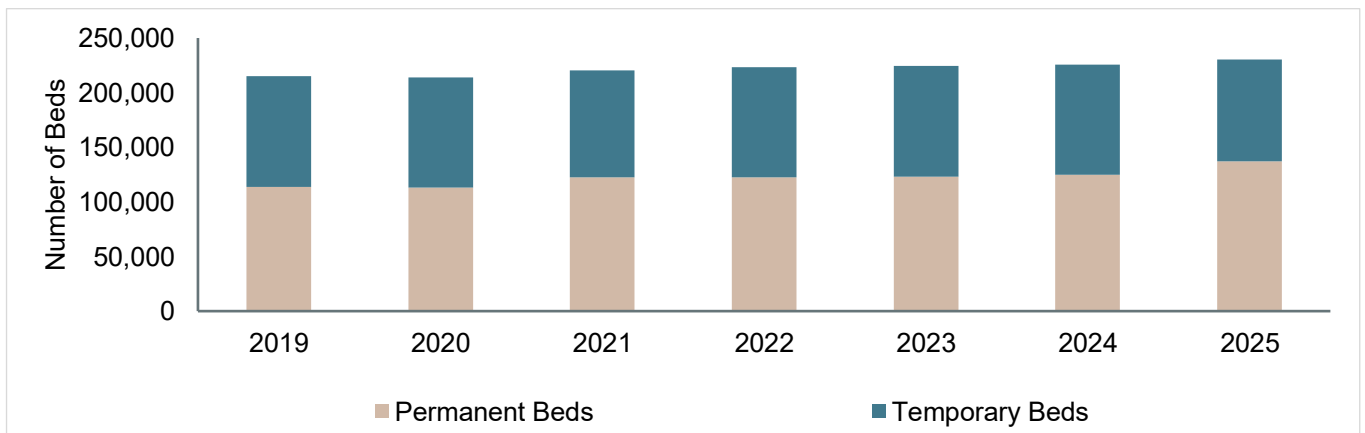
**Figure 17 Location of Existing Foreign Worker Accommodations in Sample Set**



Source MapIT, JLL

While permanent bed supply has increased since 2019, the number of temporary beds has fallen over the last two years following the expiry and non-renewal of leases at Woodlands Lodge 1 (1,500 beds) in 2024 and Cochrane Lodge 1 & 2 (9,000 beds) in 2025. New completions in 2025 include Pioneer Lodge (10,500 beds), Westlite Toh Guan New Blk 14 (Phase 1 redevelopment) (1,764 beds) and ASPRI-D Wall Papan (1,200 beds). All are located in the West Planning Region.

**Figure 18 Total Bed Capacity (2019 to 2025)**



Source: JLL

## Development Pipeline

Back in April 2025, the government, through the MOM<sup>27</sup>, has stated that six new worker accommodations, with a combined capacity of around 45,000 beds, will be built over the next few years.

To date, five sites with a total bed capacity of close to 33,000 has been announced. This includes Pioneer Lodge (10,500 beds) that was completed in 2025. MOM is also developing two PBWAs under a new corporate entity, NESST Singapore, with 2,400 beds in Tukang, Jurong that opened in January 2026, with another 7,200 beds in Sengkang that will be ready by 2028.

Prior to the announcement of the Sengkang facility, the MOM initially planned a 10,000-bed worker accommodation in Kranji but prioritised developing the Sengkang site to support upcoming projects in the area, such as the Punggol Digital District. The MOM said the Kranji site will instead be tendered to a private operator though the tender has not yet been released.<sup>28</sup>

In December 2025, the BCA released a land site at Terusan Edge for development of a 3,200-bed PBWA facility. The tender closed on February 27, 2026 with 17 respondents and is pending award as at the time of writing.

For the remaining worker accommodation facility, the relevant government agency will announce its location when ready.

**Figure 19 PBWA Supply Pipeline**

### New Construction from 2026 to 2030

Expected completion opening	Type	Dormitory	Address	Region	Estimated capacity	Bed
2025	PBWA	Pioneer Lodge	39A Soon Lee Road	West	10,500 (completed in 2025)	
2026	PBWA	NESST Tukang	1 Tukang Innovative Drive	West	2,400 (completed in Jan 2026)	
2028	PBWA	NESST Sengkang	Sengkang West	North-East	7,200 (under construction)	
2028	PBWA	(to be confirmed)	Terusan Edge	West	3,200 (planned)	
2030 (to be confirmed)	PBWA	(to be confirmed)	Kranji	North	10,000 (planned)	
<b>Total</b>					<b>33,300</b>	

Source: JLL

Beyond the supply of new PBWA facilities, approximately 6,500 beds from existing PBWA developments are expected to be added between 2026 and 2030.

<sup>27</sup> Ministry of Manpower (2025, April 8). Oral Answer to PQ on Ensuring Sufficient and Resilient Housing for MWs

<sup>28</sup> Ministry of Manpower (2022, October 1). MOM setting up company to run 2 purpose-built migrant worker dorms in Boon Lay and Sengkang West

As of Jan 7, 2026, Centurion had received a temporary occupation permit for their new 3,696 bed block at its Westlite Mandai workers accommodation. This increases Westlite Mandai's total bed capacity to 9,986 beds, including 1,980 beds that can be kept under the Mandai Expanded Capacity approval until December 31, 2030<sup>29</sup>. Centurion also has plans to redevelop three of the existing blocks at Westlite Toh Guan by demolishing them and constructing a new mega block in their place by 2030.

More recently, Centurion has received provisional permission from the URA to expand its Westlite Ubi facility. The project involves adding a new six-storey block and altering the existing eight-storey building, which will increase capacity by 540 beds for a new total of 2,190.<sup>30</sup>

**Figure 20 Other PBWA Supply Pipeline<sup>31</sup>**

**Additions & Alterations of Existing PBWA from 2026 to 2030**

Expected completion opening	Type	Dormitory	Address	Region	Estimated capacity	Bed
2026	PBWA	Westlite Mandai [additional beds]	34 Mandai Estate	North	3,696 (completed in Jan 2026)	
2027	PBWA	Westlite Ubi [additional beds]	25 Ubi Avenue 3	Central	540 (planned)	
2030	PBWA	Westlite Toh Guan [Phase 2 redevelopment]	18 Toh Guan Road East	West	2,278 (planned)	
<b>Total</b>					<b>6,514</b>	

Source: JLL

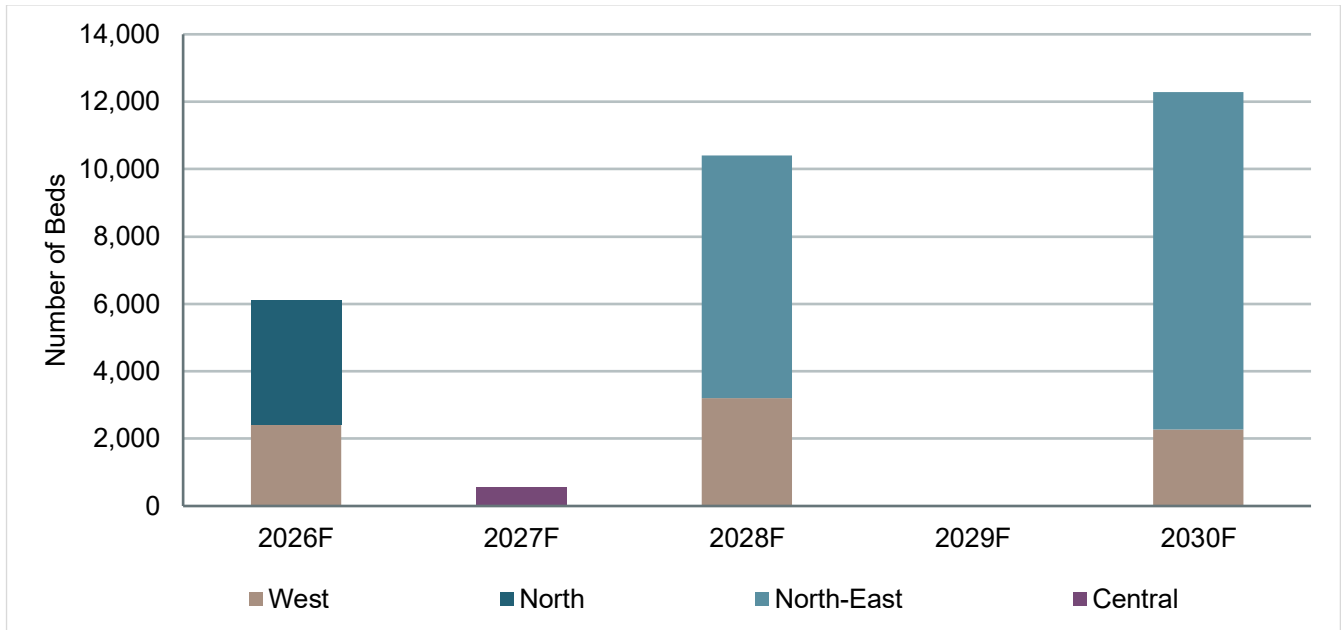
Just under 60% of the projected new PBWA construction will be completed by 2028, with another c. 12,300 beds to be ready by 2030. NESST Sengkang, the largest worker accommodation under construction with 7,200 beds, is in the North East. The West will see most development activity from three projects: an upcoming PBWA facility at Terusan Edge which has 3,200 beds, NESST Tukang providing another 2,400 beds, while Westlite Toh Guan – Phase 2 redevelopment will yield 2,278 beds.

<sup>29</sup> Tiger Trade (2026, January 7). Centurion Accommodation REIT Obtains Temporary Occupation Permit For Westlite Mandai Expansion

<sup>30</sup> Centurion Accommodation REIT (2026, February 10). Provisional Permission Received In Relation To Westlite Ubi

<sup>31</sup> Additional worker accommodation supply from FCD and owner-occupied facilities exists but is excluded from this study as they are not comparable to commercially operated PBWAs.

**Figure 21 PBWA Supply Pipeline by Regions**



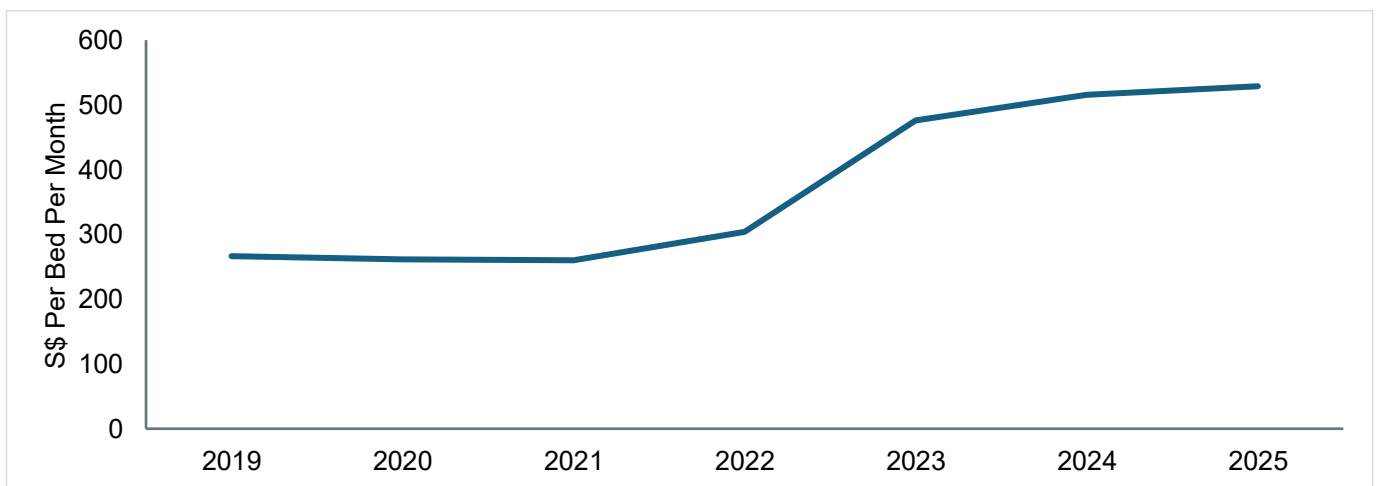
Source: JLL

Note: 2026 supply includes two recently completed projects – NESST Tukang and Westlite Mandai (addition)

## 1.9. Rental Trends

Rents of PBWA have moved upwards since 2021. Average rents spiked 56.6% from S\$304 per bed per month in 2022 to S\$476 per bed per month by 2023, marked by a tight supply meeting post-COVID recovery demand. Increases in 2024 and 2025 were subsequently more moderated at 8.4% and 2.5%, respectively.

**Figure 22 Rental Trends of PBWA in Singapore**



Source: JLL

Bed rates vary by location, age, and available amenities. Location is the primary driver alongside demand-supply dynamics. As of 1Q 2026, worker accommodations in the Central Planning Region command the highest asking rents due to strategic location and limited supply, followed

by the East/North-East regions. The West and North regions offer lower rates, reflecting larger supply and less central locations.

**Figure 23 Indicative Monthly Asking Rent of PBWA as at 1Q 2026 by Planning Region\***

Planning Region	Asking Rents (S\$ per bed per month**)
West	450-600
East / North-East	500-650
North	450-600
Central	550-650

\*Includes beds in permanent and temporary worker accommodations

\*\*Includes service charge

Source: JLL, CommercialGuru, 99.co

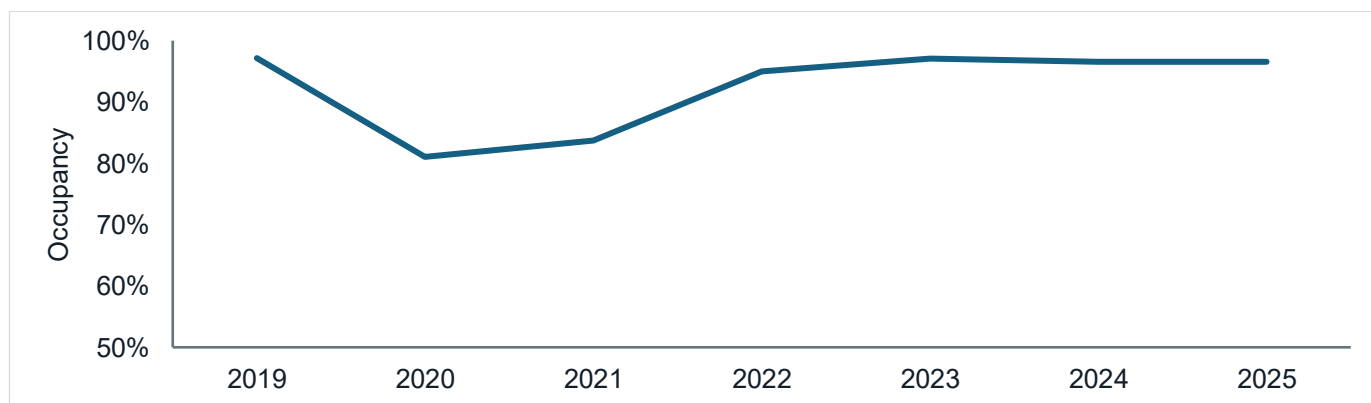
Apart from the West region, where the asking rent range went from S\$400-S\$600 per bed per month to S\$450-S\$600 per bed per month between 1Q 2025 and 1Q 2026, indicative monthly asking rent of PBWA stayed in the same range for each region.

## 1.10. Occupancy Trends

Apart from occupancy dips in 2020 and 2021 as the COVID-19 pandemic brought a temporary halt to construction activities, occupancy rates for PBWA across Singapore remain consistently tight at over 95% since 2022. The occupancy stayed relatively stable at 97% between 2023 and 2025.

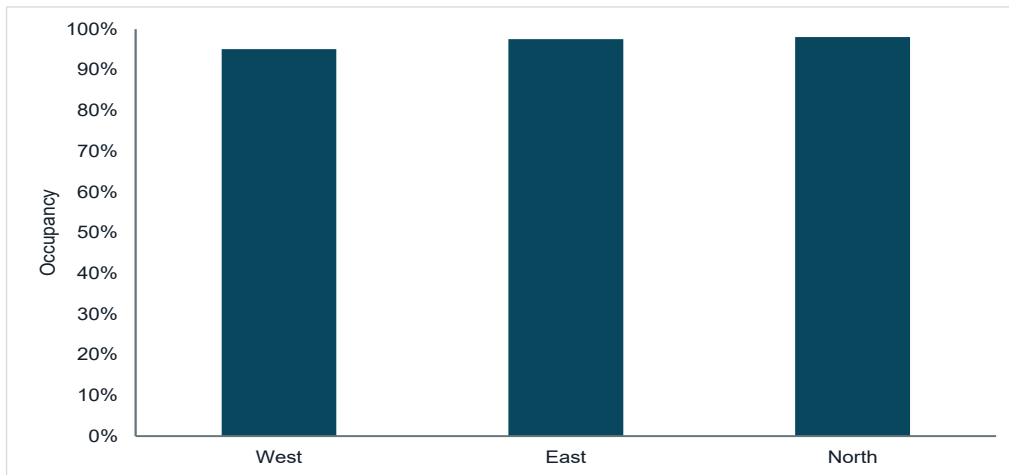
The West Planning Region has slightly lower occupancy rates compared to the North and East Planning Regions due to new supply additions in 2025 and the typical lag between completion and take-up.

**Figure 24 Occupancy Trends for PBWA in Singapore 2019 – 2025**



Source: JLL

**Figure 25 Occupancy of PBWA by Planning Region as of 2025**



*Note: The North East and Central Planning Regions are excluded due to their small sample size.*

*Source: JLL*

## **1.11. Market Outlook**

Amidst the headwinds from global geoeconomics and trade fragmentation, Singapore government's continual investment into the nation's infrastructure and civil engineering works including new housing programme and improvements to the ageing assets, should sustain and support the domestic construction sector. In the near term, as global economic conditions improve, Singapore's growth and continual vibrancy will require a stable inflow of foreign labour force, especially in the CMP sectors. Out of economic necessity, Singapore's perennial demographical trends of low birth rate, fast-ageing population with one of the highest labour participation rates, will also continue to shape the demand for foreign labour pool.

The CMP cluster currently employs about 29% of Singapore's foreign workers. Their employers are required by law to provide them with accommodation before work permits are provided.

Currently the CMP sectors are experiencing growth for a range of local and global drivers, including regulatory requirements.

Singapore's worker accommodation sector is defined by high occupancy, tight supply and rising costs.

Demand for CMP worker accommodation exceeds supply, even with a projected increase in government and private worker accommodation developments over the next three years. Despite 2026 government grant support for accommodation refurbishment to help accommodation providers meet DTS and NDS standards, some smaller players may leave the market, unable to meet new expenses. The number of worker accommodation providers could decrease or consolidate and bed rental prices likely to sustain if not increase.

In the medium term the CMP sectors will require a relatively large foreign workforce especially when global demand improves. In the longer term, given the Singapore governments focus on increasing productivity through tech innovation/automation and workers productivity upskilling, the increases in foreign labour will be managed on a more sustainable level.

# United Kingdom Purpose-Built Student Accommodation ("PBSA")

## 2. United Kingdom Purpose-Built Student Accommodation (“PBSA”)

### Economic Overview and Demand drivers

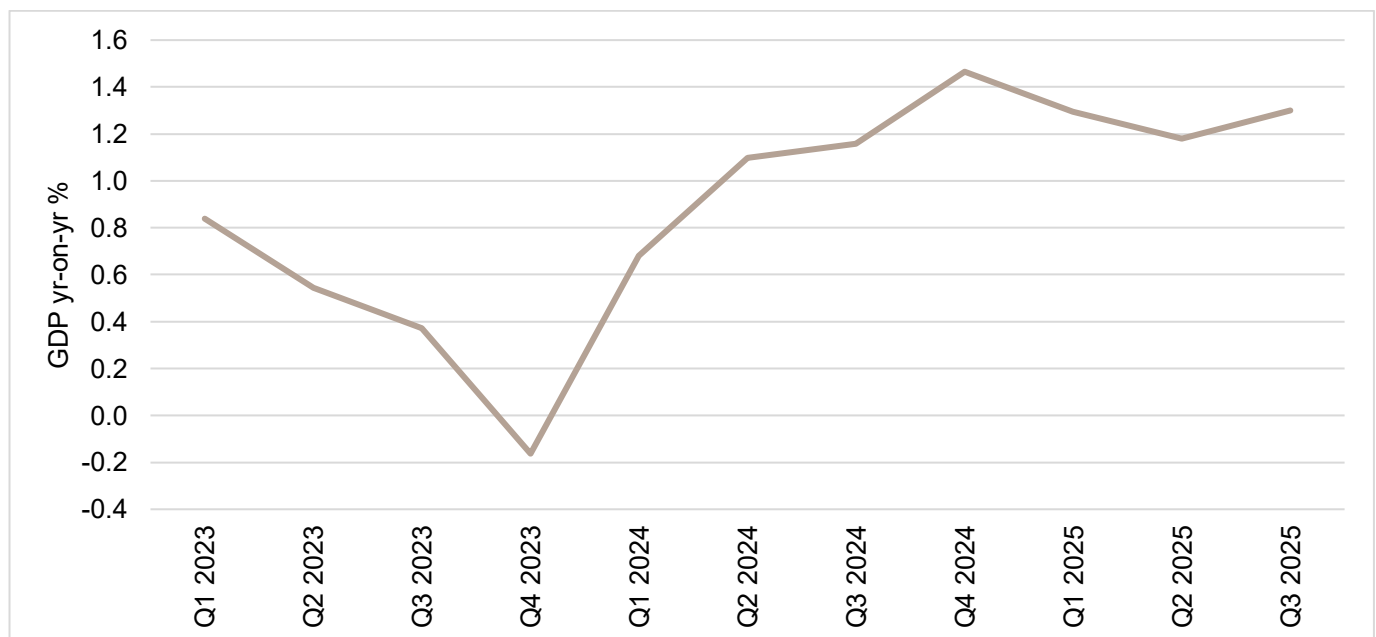
#### 2.1. Macroeconomic Overview

##### GDP growth

The United Kingdom's (“UK”) economy continued to grow in Q3 2025, recording a 0.1% quarter-on-quarter GDP expansion, following 0.2% growth in Q2 2025.<sup>32</sup> On an annual basis, UK GDP grew by 1.3% year-on-year in Q3 2025. This modest quarterly performance was driven by gains in the Services and Construction sectors (+0.2% each), though these were partially counteracted by a 0.3% decline in production; much of that decline has been linked to the supply chain impacts of a cyber-attack on Jaguar Land Rover.<sup>33</sup>

On a per capita basis, there was no growth in Q3 2025, with an increase of just 0.9% year-on-year. This is due to population growth continuing to outpace economic expansion, a trend that has been consistent over the last five years, with net migration exceeding 3 million over that period.<sup>34</sup>

Figure 26 UK GDP growth, quarter on quarter



Source: ONS

<sup>32</sup> Office for National Statistics (2025, December 22). GDP quarterly national accounts, UK: July to September 2025

<sup>33</sup> BBC (2025, November 14). Jaguar Land Rover posts heavy loss after cyber-attack

<sup>34</sup> Office for National Statistics (2025, November 27). Long-term international migration

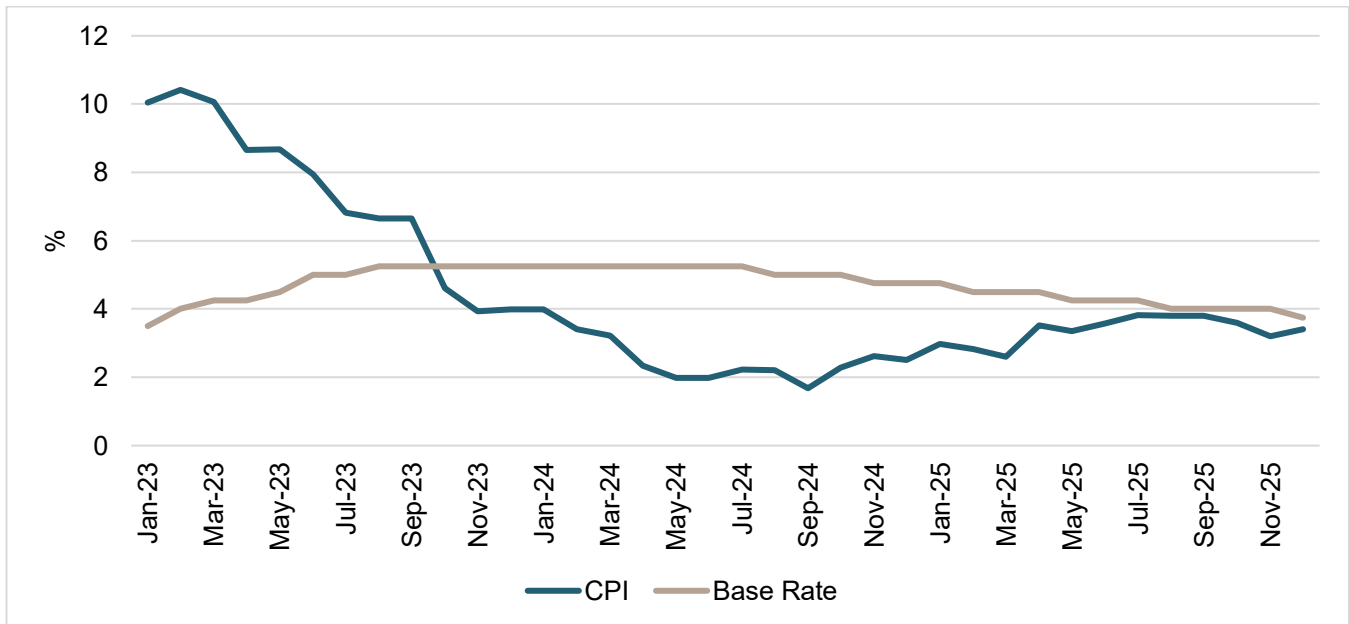
## Inflation and policy rates

Inflation continues to remain elevated, with the Consumer Price Index (“CPI”) rate reaching 3.4% in December 2025, up from 3.2% in November. This compares to 2.5% in December 2024 and has been driven by government policy including higher levies on products and wage growth in the public sector.<sup>35</sup>

In 2025, the CPI trend for the UK was higher than many European neighbours. The rate in Germany in December 2025 was 2% by way of comparison. However, the Bank of England cites that the current growth in inflation is due to small, isolated factors and should start to return to the target level of 2% in 2026.

The current UK base rate is 3.75%, with the Bank of England’s rate-setting Monetary Policy Committee cutting it from 4.00% in December 2025. This was the sixth cut since August 2024 when rates peaked at 5.25%.<sup>36</sup> The Bank was initially expected to lower rates further in 2026 but the ongoing situation in the Middle East is likely to cause more uncertainty to the outlook for interest rates.

**Figure 27 UK Inflation and Official Interest Rate**



Source: ONS, Bank of England

## Exchange rate movements

The exchange rate for Pound Sterling has increased to its highest level since late 2021 against the United States (“US”) Dollar, at US\$1.344 (as at 27 February 2026)<sup>37</sup> Since the start of the year, the pound has lost the gains from investors showing increased caution against the dollar following recent policymaking issues with events in the Gulf driving a 2 cent fall in the seven days to 27 February 2026. Against the euro, the pound is more stable with just a 0.2% increase so far

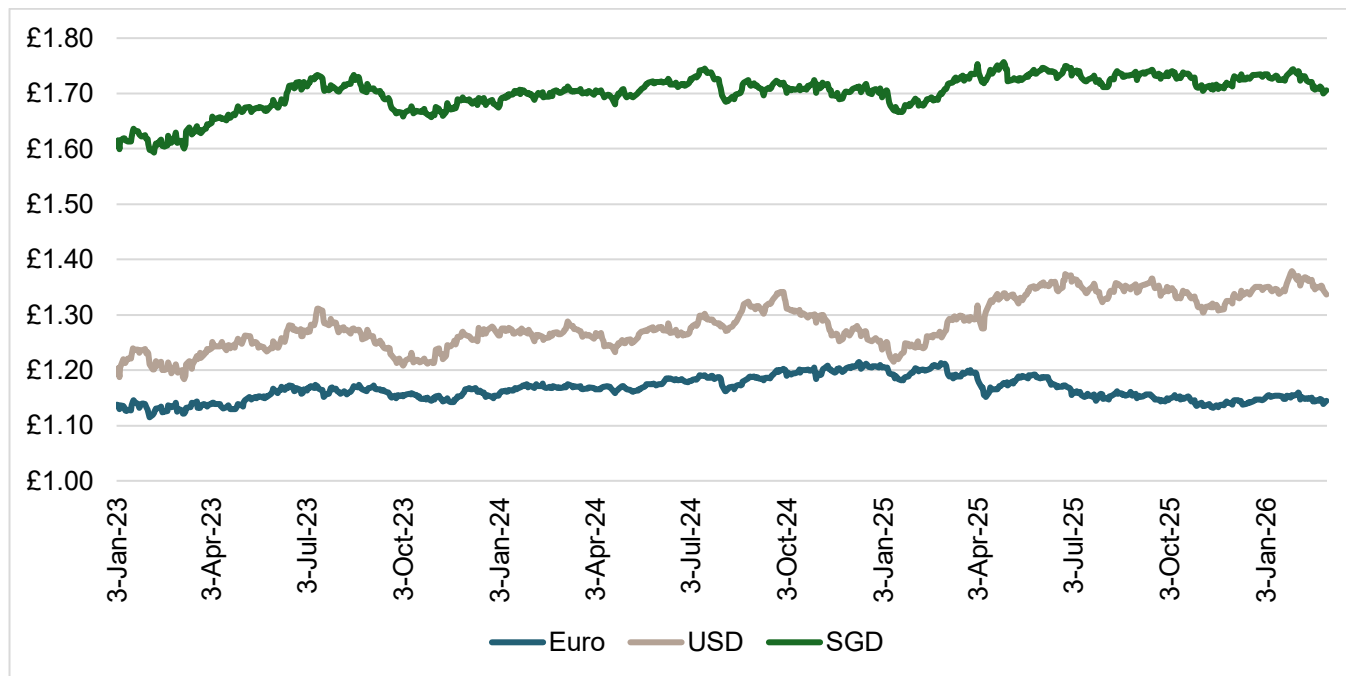
<sup>35</sup> Office for National Statistics (2025, December 22). GDP quarterly national accounts, UK: July to September 2025.

<sup>36</sup> Bank of England (2026, March 19). Interest rates and Bank Rate: our latest decision

<sup>37</sup> Bank of England Exchange rates

in 2026 to €1.14, although compared to 12 months ago, it is down 3.1%. For the Singapore Dollar, Sterling remained above S\$1.70 since February 2025, peaking at S\$1.76 in April of that year, but has since eased by 1.7% to S\$1.70 in the beginning of 2026.

**Figure 28 Exchange Rates from Pound Sterling to SGD, USD and Euro**



Source: Bank of England

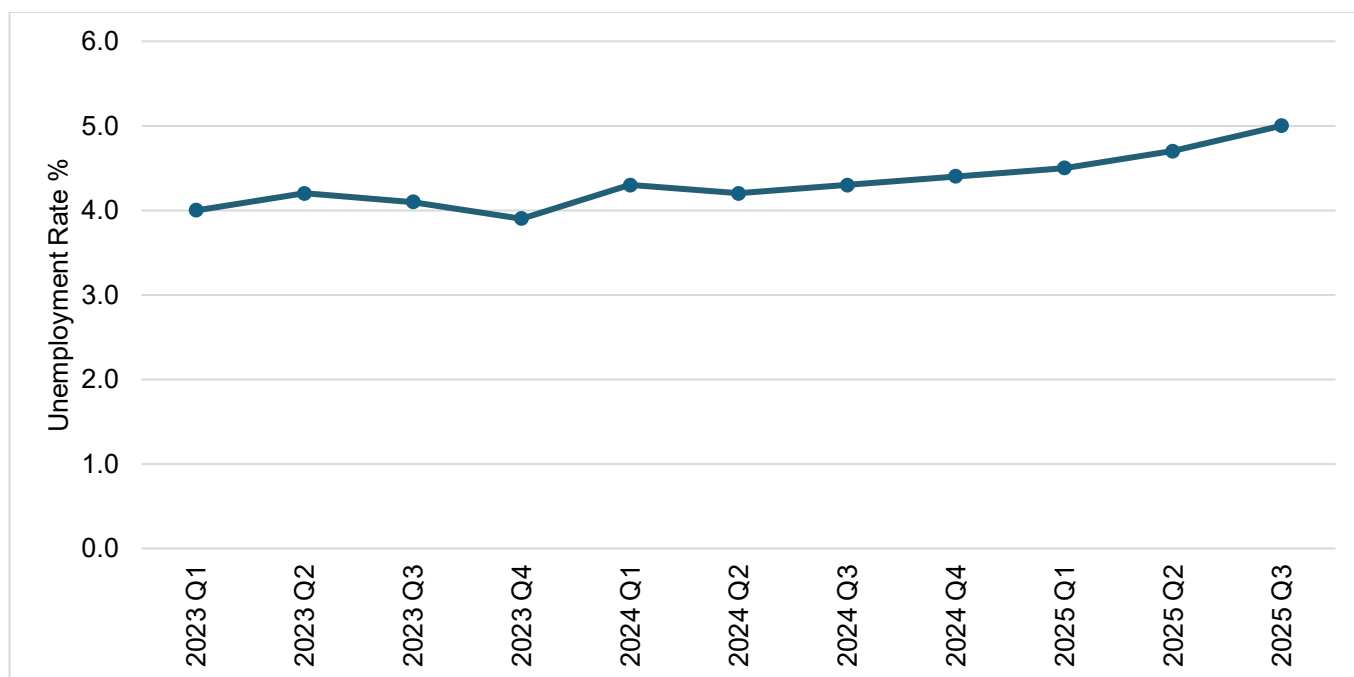
### Labour market conditions

The UK labour market faces more challenging conditions. The legacy of the Autumn Budget 2024 in which employment costs for businesses were increased continues to have an impact on the employment market. HM Revenue and Customs (“HMRC”) payrolled employee data saw a reduction of 155,000 (0.5%) in the 12 months to November 2025.<sup>38</sup>

The UK unemployment rate for the Q3 2025 was 5.0%, the highest level since Q4 2020 during the height of the COVID-19 pandemic. A year ago, the rate was 4.3% and the benchmark has increased every quarter since Q4 2023.

<sup>38</sup> Office for National Statistics (2026, January 20). Labour market overview, UK: January 2026

Figure 29 UK Unemployment Rate



Source: ONS

## 2.2. Government Initiatives and Regulatory Changes

The government launched the International Education Strategy in January 2026,<sup>39</sup> setting out the new policy for international students in higher education for 2027/28 onwards. The main change is the removal of the formal 600,000 international student target by 2030, although it should be noted that this had been reduced in relevance given that the initial target set in 2019 was reached only a few years later.

Instead, the new policy is to ensure a strategic approach to sustainable international student recruitment, which prioritises well-managed and responsible recruitment, a high-quality student experience, and world-class outcomes for graduates. Included in that proposal is access to local housing and reducing the reliance on any single country.

The Graduate Route visa has been retained, allowing the right to remain for 18 months after graduation and three years for PhD graduates. There is also a capped expansion of the High Potential Individual route for those graduating from the top 100 universities worldwide, with increased emphasis on attracting leading talent worldwide. It is too soon to tell the impact of this as most measures will be introduced in 2027/2028. The removal of dependents from all visas apart from PhD students, introduced in January 2024, remains in place.<sup>40</sup>

The other major policy change is the proposed introduction of an international student levy on English universities of £925 per international student per year from September 2028, which will be reinvested into a targeted maintenance grant for disadvantaged domestic students.

<sup>39</sup> Gov.UK (2025, December 17). Young people from all backgrounds to get opportunity to study abroad as UK-EU deal unlocks Erasmus+

<sup>40</sup> International students must apply for a visa only once an offer of a place at a UK university has been accepted. Visa applications must be made up to 6 months before the start of a course.

Overall, with the focus on standard of education and calibre of international student, lower-ranking universities are likely to focus more on the domestic market, whereas the leading institutions such as those in the Russell Group will continue to target this market.

The one other policy change that may have a positive impact on EU demand is the decision to rejoin the Erasmus+ student exchange programme in 2027, although many details still need to be finalised. Outstanding issues include the continued use of the UK's own Turing scheme, as well as what, if any visa requirements will be needed for EU students.

## **2.3. Overview of Student Population and Growth Prospects**

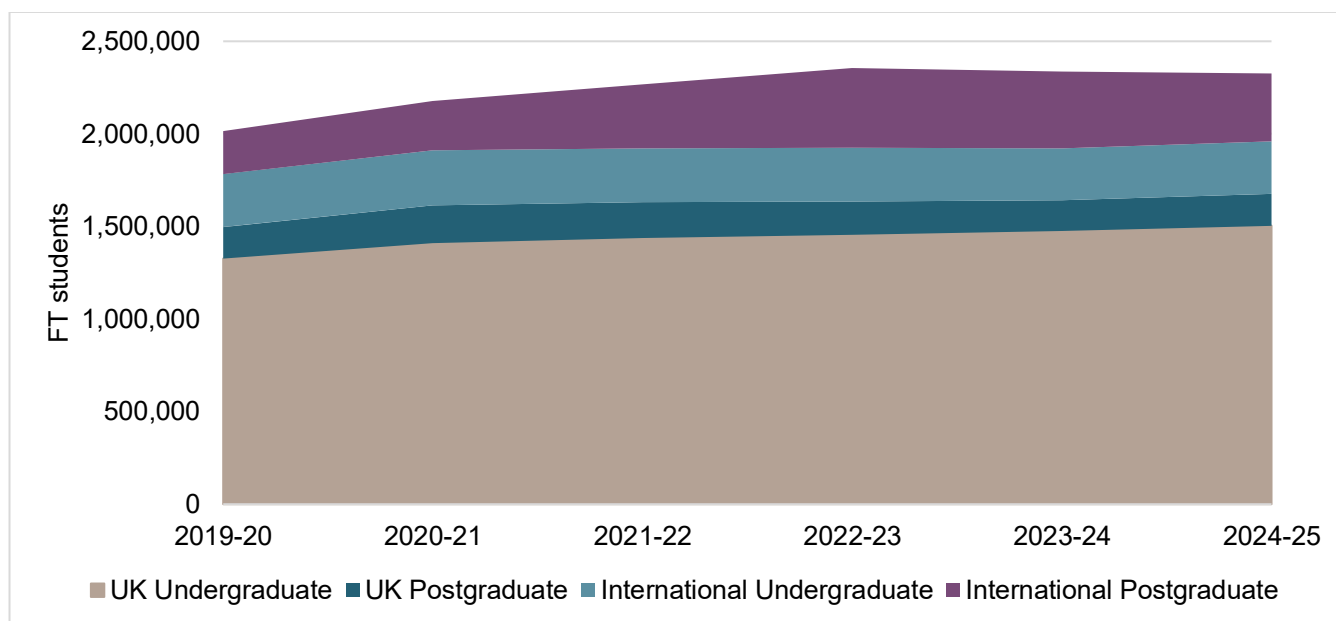
The latest Higher Education Statistics Agency ("HESA") data for the 2024/25 academic year was released in January 2026, showing a 0.4% decrease in total student numbers to 2,327,850. Domestic demand continues to grow, up 2% to a record high of almost 1.68 million. The total number of international students fell by 6% to 650,270, although this cohort still account for 28% of all full-time demand.

Total postgraduate numbers fell by 7% year-on-year, driven primarily by an 11% decrease in international students to 366,505. In contrast, demand from domestic students increased by 3% to 177,445. A challenging labour market in 2025/26 onwards is likely to support further growth in this segment as graduate job opportunities are becoming more limited.

Total undergraduate enrolment increased by 2%, driven by growth in both domestic and international cohorts. The number of domestic students rose by 2% to 1,504,560, while international student numbers grew by 0.4% to 283,765.

All groups remain substantially higher than five years ago, for example, international postgraduates are up by 57%, despite the recent fluctuations following a record surge in demand in 2020-2023.

**Figure 30 Full-time Student Demand by type**



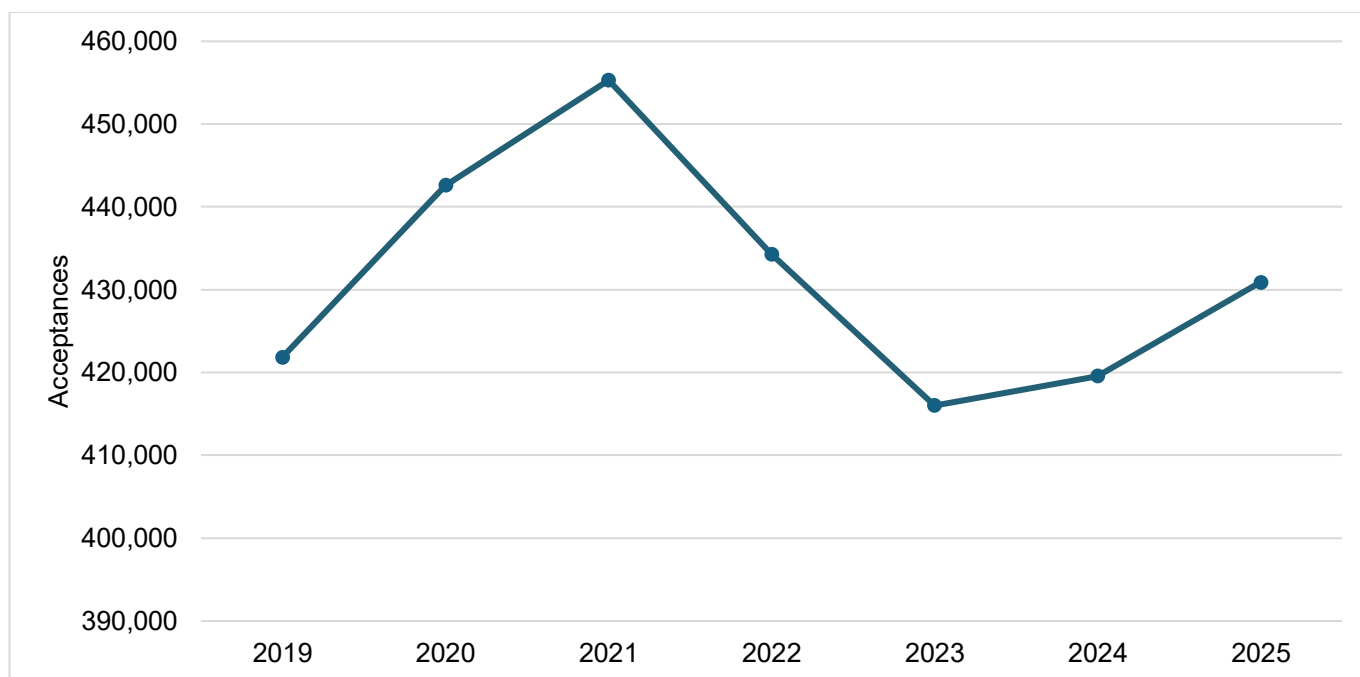
Source: HESA

While there is no confirmed information on student numbers for the current academic year, initial indicators are encouraging. Applications for 2025/26 were up by 1.0% (comprising a 0.4% increase in domestic applicants to 605,690 and a 3.5% increase in international applicants to 154,145), while the number of accepted students increased by 2.3% to the highest level since 2022, suggesting at least undergraduate demand remains robust. Domestic acceptances were up by 1.6% to 503,065, while international acceptances increased by 6.8% to 74,660, the highest level since 2020, the result of both increased demand but also a higher offer rate by universities, particularly higher tariff universities.<sup>41</sup> Student visa approvals, which can be applied for once a university seat has been secured, also increased by 0.7% to 457,100.

The most recent data for the 2026/27 cycle (January 2026) show a 3.1% increase in applicants. This comprises a 2.6% increase in domestic applicants to 494,540 and a 5.1% increase in international applicants to 124,830. International application figures are up to the highest level on record. There was also a 4.8% increase for UK 18-year-old applicants for the January application deadline ahead of the upcoming academic year. The projected participation rate for school leavers is currently at 40.7%, compared to 40.6% for the same period last year.

<sup>41</sup> UCAS (2025, December 10) UCAS Undergraduate end of cycle data resources 2025

**Figure 31 Undergraduate acceptances**



*Note: Acceptance refers to the number of students who have accepted an offer of admission*

*Source: The Universities and Colleges Admissions Service (“UCAS”)*

The longer-term outlook for university demand remains positive. Participation rates amongst UK school leavers continue to be strong, while the number of 18-year-olds in the UK by 2030 is expected to increase by a further 50,000 compared to the 827,000 in 2025. Domestic demand accounts for 87% of undergraduate acceptances and on that basis, the UCAS data for the current application cycle is positive.

Both domestic and international students are increasingly favouring higher tariff courses. Applications to higher quality universities across both groups have increased substantially over the last decade at the expense of lower tariff institutions, reflecting a flight to quality.

Postgraduate demand appears to have softened in recent years following a pandemic era surge, but numbers remain substantially higher than pre-2020 levels. Ongoing economic uncertainty and a more competitive jobs market could drive an increase in demand for higher qualifications over the next few years.

Across the sector, there is still a structural undersupply of PBSA, although the number of markets reaching established status with limited scope for further capacity is increasing. Sustainability of rent is becoming an increasingly important issue and is likely to have significant implications for new supply in some markets where the viability threshold is becoming more detached from local pricing expectations.

## **2.4. Economic Outlook**

All current forecasts in this report are dated prior to the March 2026 events in the Middle East. As such, the situation remains fluid and the full economic implications are yet to be determined. The

main areas of concern are the impact on inflation, driven by an increase in oil and gas prices, as well as potential disruption to global supply chains given the region's prominence in air logistics.

Prior to the events in the Middle East, wage growth was strong enough to remain an area of caution for the Bank of England when considering the timing of the next interest rate cut. Overall earnings growth excluding bonuses in the three months to November 2025 was 4.5%. However, the impact of some public sector pay rises being introduced earlier this year than in 2024 meant for this sector, earnings growth was 7.9% compared to 3.6% for the private sector.

Prior to recent geopolitical events, the odds of a rate cut by the Bank of England on 19 March 2026 were 80%. As of 3 March 2026, this is now just 35%.<sup>42</sup> Previous forecasts expected at least two to three rate cuts this year, with the Base Rate expected to reach 3% by year end. It is likely the Bank will now wait to see what inflationary impact the Gulf crisis will cause.

GDP growth in 2026 is expected to slow to 1.1% based on the Office of Budget Responsibility forecast (3 March 2026) as part of the chancellor's Spring Statement, driven in part by continued geopolitical volatility relating to trade tariffs and the growing risk of escalation in the Middle East. Further pressure will come from higher unemployment and weakening consumer sentiment, driven in part by tighter government fiscal policy.

Growth is expected to improve in 2027 and beyond, although there is increased uncertainty around the longer-term outlook due to current events.

## **Performance indicators for PBSA market**

### **2.5. Investment and Property Sales Transactions**

PBSA investment in the UK was £4.3 billion in 2025, a 20% increase on 2024 but below the long-term average of £4.6 billion. Last year's total was more reflective of recent trading performance, with just one transaction above £500 million (QuadReal's purchase of the 3,450 bed Apollo Portfolio) compared to 2019-2022 when there were a series of major platform acquisitions.

It should be noted that Unite's proposed takeover of the 7,700 bed Empiric Student Property REIT was approved at board level in October 2025, but formal completion took place in January 2026, at a cost of £723 million following approval by the Competition and Markets Authority ("CMA"). This is considered a 2026 transaction.

Other major transactions in 2025 include Unite entering a Joint Venture ("JV") with Manchester Metropolitan University for 2,300 new beds at Cambridge Halls, as well as Harrison Street's 1,616-bed portfolio sale to Australian Super in Q4 for £238 million, and the 2,179 bed Curlew Portfolio sold to KKR for £230 million in Q3 2025.

A summary of the key UK deals over £100 million in 2025 is set out below:

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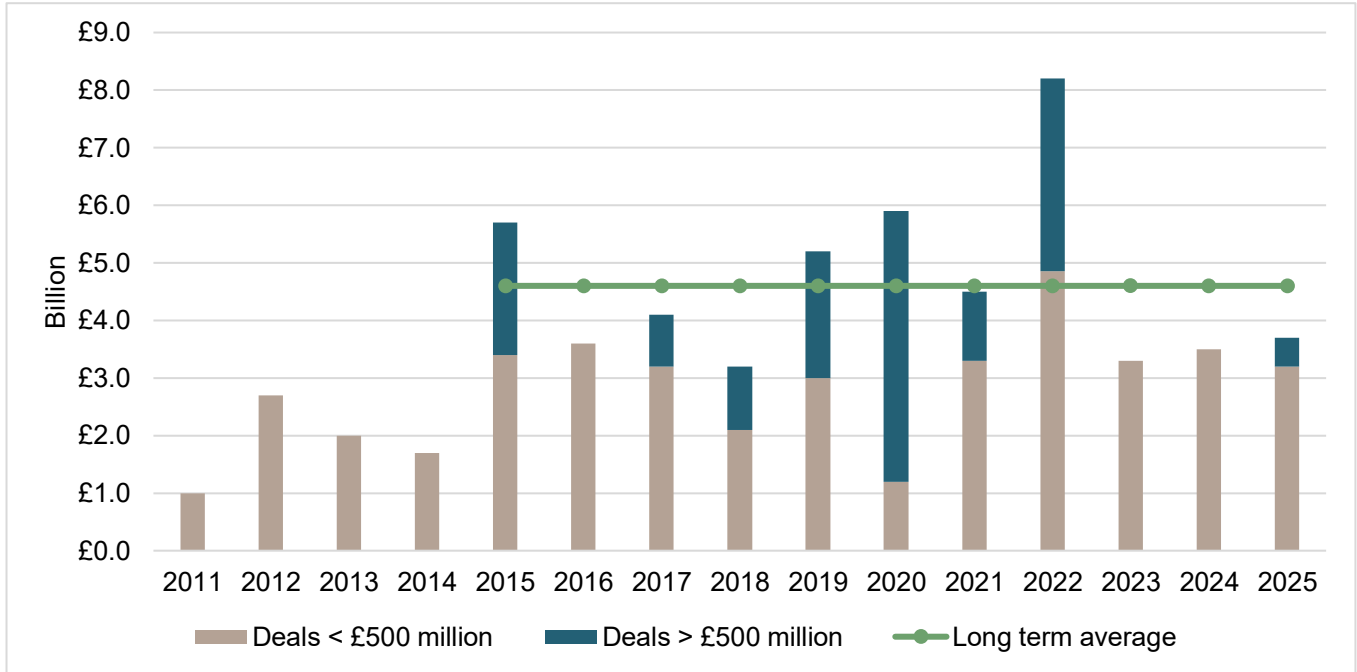
<sup>42</sup> This is Money (2026, March 3). Blow to borrowers as soaring oil and gas prices shatter hopes of an interest rate cut

Transaction	Date	Purchaser	Deal type	Price	Units	£/unit	Yield
Apollo	Jul 2025	Quadreal	Investment	£550 million	3,450	£159,420	5.50%
Comments	Modern portfolio across five regional cities, with a strong exposure to Russell Group universities.						
Cambridge Halls	May 2025	Unite	JV	£300 million	2,300	£169,565	n/a
Comments	JV between Unite and Manchester Metropolitan University to develop 2,300 new PBSA beds on site of 700 bed Cambridge Halls.						
Harrison St Portfolio	Dec 2025	Australian Super	Investment	£238 million	1,616	£147,277	5.50%
Comments	Six schemes located in Russell Group cities, including one in London and five regional markets, all built between 2020 and 2023.						
Curlew Portfolio	Sep 2025	KKR	Investment	£230 million	2,179	£105,553	5.80%
Comments	Seven assets including one in London to be managed under KKR Inhabeo brand.						
True Nottingham Sheffield	Aug 2025	UniQuarters	Forward Commit	£190 million	1,115	£170,404	n/a
Comments	752 bed Nottingham and 494 Sheffield schemes developed by Bricks Group. Both opened in 2025/26. UniQuarters backed by RoundShield.						
Upper Brook Street	Dec 2025	L&G	Forward Fund	£160 million	737	£217,096	5.80%
Comments	Scheme expected to complete in 2028.						
Stratford N16	Mar 2025	M&G Real Estate	Built	£135 million	504	£267,857	4.60%
Comments	Final phase of Get Living's East Village on former London 2012 Olympic Village site. Due to open 2028/29.						
Shore Station	Mar 2025	HGP	Forward Commit	£118 million	632	£186,392	6.00%
Comments	Joint venture between Bridges Fund Management and Housing Growth Partnership for new PBSA development in Leith with direct tram access to Edinburgh city centre.						

Source: JLL

The main drivers for the market are value-add opportunities, with investors targeting higher returns. There is a clear trend for Russell Group markets taking a larger share of total volume as investment strategies become increasingly selective. For 2026, JLL forecasts a similar year with around £4.3 billion of investment.<sup>43</sup>

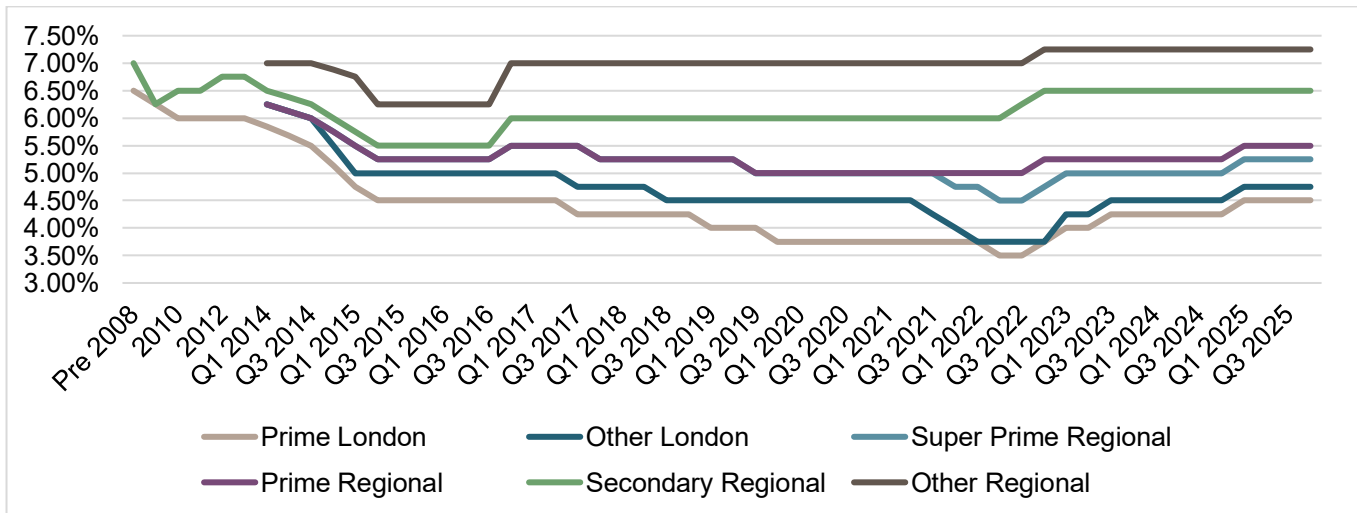
**Figure 32 UK PBSA Investment**



Source: JLL

Pricing softened marginally in 2025, with yields for Central London and Prime Regional moving out by 25 basis points each to 4.50% and 5.50% respectively earlier in the year and remaining stable since then.

**Figure 33 UK PBSA Net Initial Yield**



Source: JLL

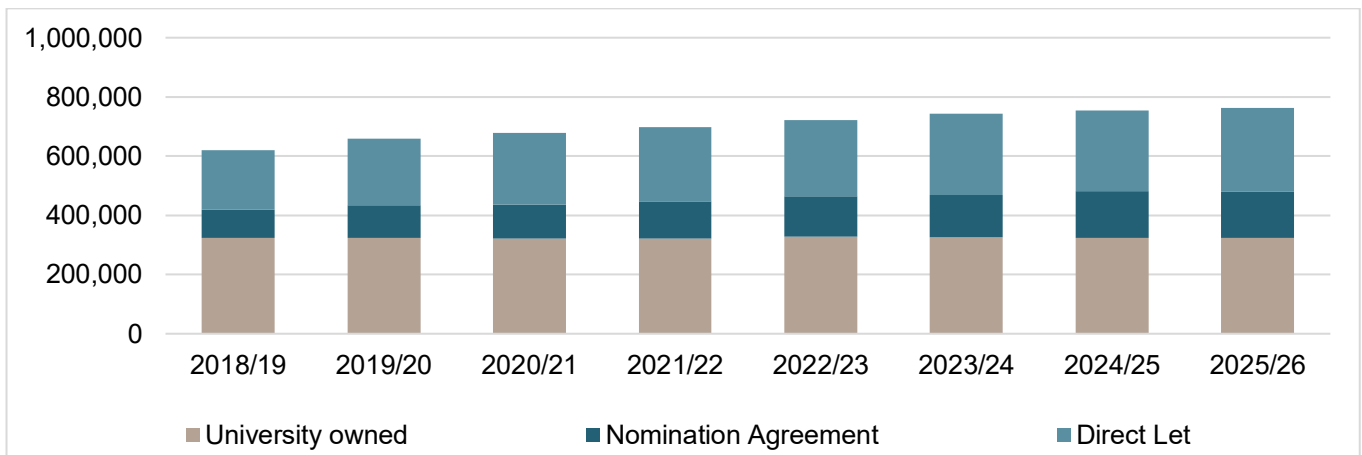
<sup>43</sup> JLL UK Living 2026 Outlook

## 2.6. Supply and Development pipeline

For the start of the 2025/26 academic year, PBSA supply increased by 7,725 beds to 762,041. Overall, the number of direct let beds increased by 4.1% relative to 2024/25, although the number of university-owned beds decreased by 0.5% as some legacy assets were removed from the market.

Meanwhile, nomination agreement beds declined by 1.0% to 156,092, amidst speculation that some universities are adopting a more cautious approach to renewing recently expired deals or rolling agreements on a year-by-year basis, preferring to wait and see the scale of demand from initial UCAS application rounds before committing to future requirements.

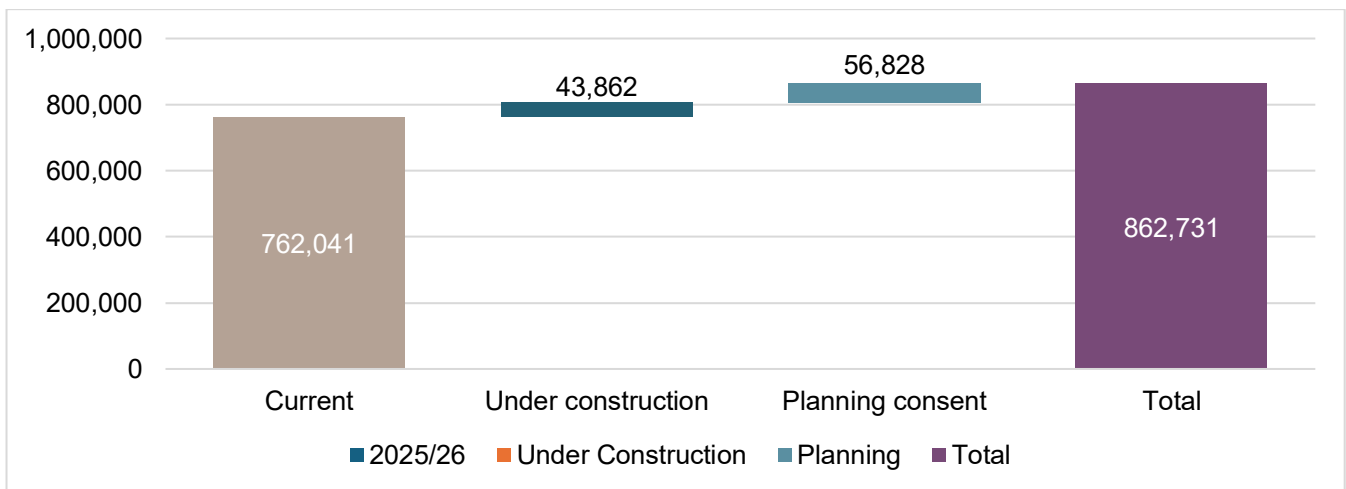
**Figure 34 UK PBSA Supply (Number of beds)**



Source: JLL

JLL estimates that there are 43,862 beds under construction, with a further 56,828 with planning consent. While 24,141 of the 43,862 beds under construction are due to complete ahead of the start of the 2026/27 academic year, some developers are looking to defer some schemes, with development viability a continuing theme with build costs still elevated and labour costs high; as well as ongoing challenges with the Building Safety Regulator for buildings over 18 m in height delaying estimated completion dates.

**Figure 35 UK PBSA Pipeline**



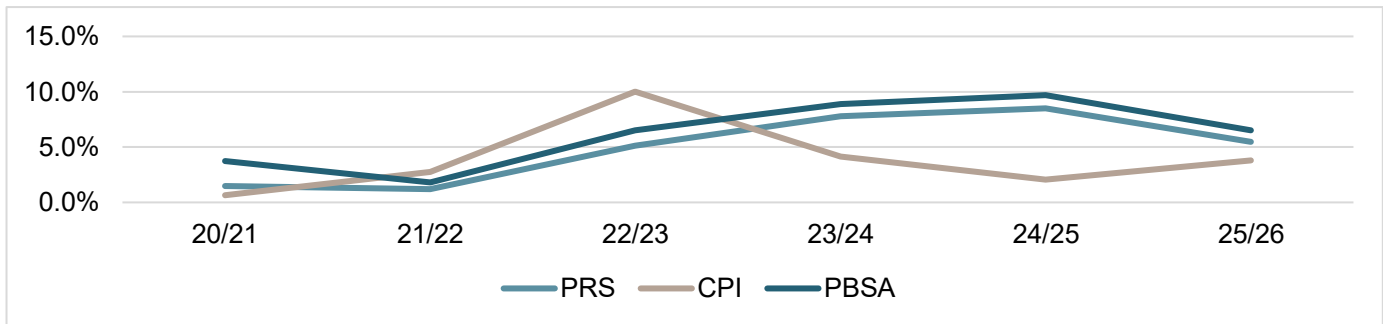
Source: JLL, StudentCrowd, Glenigan

## 2.7. Rental Trends

The average UK PBSA rent increased by 6.5% in 2025/26 to £229 per week. There are signs that rents have stabilised or even fallen in some markets where supply levels remain high and student demand growth has stalled. However, there are still many locations where supply remains under pressure, such as Glasgow, Birmingham and Central London, recording strong rental growth year-on-year.

PBSA continues to maintain a 100-120 basis-point premium over the Private Rented Sector (“PRS”), which recorded annual rental growth of 5.5% for the UK in Q3 2025 (start of the new academic year). Having peaked at 9.0% in Q4 2024, PRS annual rental growth has been on a downward trend and stood at 4.0% in Q4 2025, and is expected to slow further in 2026.

Figure 36 UK Rent Growth



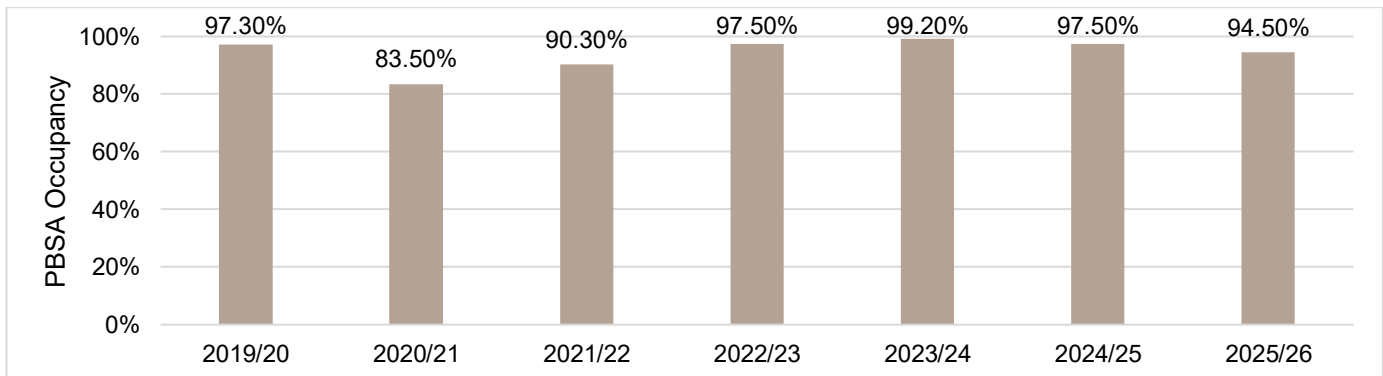
Source: JLL, StudentCrowd, Office of National Statistics (“ONS”)

## 2.8. Occupancy Trends

At a national level, occupancy has fallen to its lowest level in recent years. JLL estimates the average occupancy rate for 2025/26 to 94.5%. While still strong, it is below the exceptional performance recorded in 2023/24 when the sector faced unprecedented demand, particularly from the main core demand components of international and post graduate students.

Following the post-pandemic surge, market expectation is for benchmark occupancy rates to settle around the mid-to-low 90% level. The key considerations going forward that will help determine occupancy, aside from location and the quality of asset, will be sustainability of pricing.

Figure 37 PBSA Occupancy



Source: JLL

## **Bristol**

### **Investment**

There were three PBSA transactions in Bristol in 2025, all of them development opportunities. In June, Australian Super purchased a site on Albert Road with the potential to deliver 454 beds. Moorfield purchased the Freestone Yard scheme from Tiger Developments, which will provide 204 beds. And in Q4, Maslow Capital entered a joint venture with Watkin Jones to develop 484 beds at Malago Yard, which has secured the University of Bristol on a 15-year lease for one of the blocks.

There are four Empiric Student Property (“ESP”) schemes in the city that are part of the Q1 2026 Unite takeover. Based on other recent platform acquisitions by Unite, it is likely that some of these will be marketed in due course as part of a brand alignment process.

### **Demand**

For the 2024/25 academic year, the number of full-time students at the University of Bristol increased by 1.6% to 30,585, whereas there was a minor contraction at the University of the West of England (“UWE”) of -0.3% to 28,615 students. Both universities student numbers are 19.3% and 17.6% higher than the 2019/20 academic year respectively. In total, there are 59,200 full-time students in the city, compared to 50,065 in 2019/20.

The number of accepted undergraduates reported by UCAS for September 2025 saw a 7.1% increase for the University of Bristol, with 7,750, compared to the UK average of 2.7%. Meanwhile, UWE acceptances fell by 9.1% to 4,885. Postgraduate information is not recorded by UCAS.

### **Supply**

Supply of PBSA in Bristol remained broadly unchanged in 2025/26, with 20,967 beds available. Following the release of the latest HESA data for 2024/25, the student to bed ratio for the city was 2.83, reflecting the increase in supply and stabilisation of student demand in recent years. This compares to 3.09 for the UK.

Core demand for the city in 2024/25 stood at 33,955 suggesting a substantial deficit still. Over the course of this academic year, a further 5,566 beds are due to complete, with 1,484 over the course of 2026/27. In total there are 7,972 beds under construction, with a further 6,274 with planning consent. This includes Unite’s 500 bed Freestone Island scheme, due to complete in 2027, which has now been deferred while the operator explores options of how to best secure value for the site.

### **Rent**

The demands on Bristol PBSA are reflected in the weekly rent, which for the 2025/26 academic year is £363 a week. The average price for a studio is £396 per week, with ensuite clusters at £309. The range for direct let rents is from £152 per week to £552 per week. As a high-cost market, schemes which offer the greatest value for money will be increasingly attractive, particularly amongst domestic students.

## Liverpool

### Investment

There were no Liverpool-based transactions in 2025, although there are six ESP schemes in the city which form part of the Unite takeover. All these schemes are near Dwell Cathedral Campus. Based on other recent platform acquisitions by Unite, it is likely that some of these will be marketed in due course as part of a brand alignment process.

### Demand

In 2024/25, there were 54,675 full-time students in Liverpool, compared to 55,265 in 2023/24. Student demand in the city has plateaued around 55,000 since 2020/21, centred largely around the domestic market with 45,275 UK students.

The University of Liverpool continues to grow with 27,620 students, its highest ever total, while the smaller Liverpool Institute for Performing Arts recorded a 3% increase year-on-year to its highest ever number of full-time students (1,095). Liverpool Hope University grew by 7.7%, offsetting two consecutive years of modest falls in student demand. Liverpool John Moores University's numbers fell 6% to 20,835, a similar level to five years ago.

However, Liverpool John Moores University did record a 17.2% increase in undergraduate acceptances in September 2025 according to UCAS to 5,885, whereas for the University of Liverpool it was 20.1% with 7,460 new starters, suggesting the student total for the current academic year could increase.

### Supply

There are 29,983 PBSA beds for the current academic year in Liverpool. This reflects a modest increase year on year of 2.8% but stock levels in the city have been around 29,000 since 2019/20. Based on the most recent HESA data, the student to bed ratio for 2024/25 was 1.87, compared to 3.09 for the UK.

Total core demand in the city is 27,530. As a result, there is a limited development pipeline. Only 250 beds have planning consent, and are due to complete in 2027, while there are planning applications currently awaiting approval for 1,198 units.

### Rent

The average weekly rent in Liverpool is largely unchanged from 2024/25 at £208 per week. Ensuite clusters currently average £159 per week, although the direct let average price is £213 per week. In a competitive, low-cost market, the quality of asset and proximity to higher education institutions will be fundamental in supporting occupancy.

## Manchester

### Investment

Manchester-based transactions totalled £627.5 million in 2025, reflecting the strength of the market. The largest deal was Unite's joint venture with Manchester Metropolitan University to redevelop the Cambridge Halls site (currently 770 beds) into a new 2,300-bed scheme due in 2029. The other major transaction was L&G's forward fund of McLaren's Upper Brook Street scheme which will provide 737 beds, due to complete in 2028. Far East Orchard also purchased a site with potential for 239 beds on Plymouth Grove.

There were two operational assets traded: the 416-bed Ropemaker Court purchased by M&G and Mansion's purchase of Moss Court & City Edge (177 beds).

There are three ESP schemes in the city which form part of the Unite takeover. Based on other recent platform acquisitions by Unite, it is likely that some of these will be marketed in due course as part of a brand alignment process.

### Demand

Manchester recorded 100,720 full-time students in 2024/25, a record high for the city, reflecting an increase of nearly 26,000 in the last five years (18.7%). Despite a 0.9% decrease in total student numbers, the University of Manchester had its fourth year in succession of over 42,000 full-time students, whereas Manchester Metropolitan University saw a 0.8% increase in full-time demand to 34,310. The University of Salford also recorded a record high number of students, up 0.3% to over 23,000.

According to UCAS, both Manchester University (9,830) and Manchester Metropolitan (10,530) recorded an increase in acceptances for September 2025 of 8.7% and 11.4% respectively.

### Supply

The total number of PBSA beds in Manchester increased in 2025/26 to 36,747, compared to 31,847 in 2024/25. New schemes include House of Social and St Gabriel Court. The most recent HESA data saw the student to bed ratio for 2024/25 increase to 3.16 from 3.08, the highest level in the last decade, although that is expected to return to trend as the imminent supply comes on board.

Core demand in the city currently totals 56,260 due to the pace of demand growth over recent years, highlighting that there is still a substantial deficit of PBSA supply. In terms of development pipeline, 3,037 beds are due to complete ahead of the 2026/27 academic year, including the 1,224 bed iQ Chando House, and a further 5,314 in 2027/28.

### Rent

Student demand for PBSA in Manchester is reflected in 2025/26 pricing. The average rent for the city is £284 per week, with the average studio costing £327. Direct let pricing ranges from £154 to £484 per week.

In Manchester, there is a wider issue of other assets competing for demand. Downing's Square Gardens, a 1,200 bed co-living scheme is now operational, and the University of Manchester promotes this scheme to postgraduates (freeing up University beds for new starter

undergraduates) although weekly rents for a 15 sq m studio in this scheme starts at £226 per week.

Similarly, Manchester is an established Build-to-Rent (“BTR”) market, although with studios advertised for around £1,300 per calendar month for a city centre scheme, the competition from these types of asset are aimed at the higher end of the market, in particular international and postgraduate students. There are also issues relating to exposure to residents who aren’t students and a lack of university-approved safeguarding standards which are a prerequisite for PBSA schemes which means universities will encourage PBSA where possible.

To date, the main driver for students using BTR as an option has been due to constraints on accessing the PBSA market. In the longer-term, the sector is unlikely to be a direct competitor for student demand, in particular students looking for affordable accommodation close to campus.

## **Nottingham**

### **Investment**

L&G purchased the 409-bed The Place scheme in Q2 2025 for £42.5 million, the only single asset transaction in the city last year. Two other assets in the city were part of portfolio sales. Unite’s Curzon House was part of a 3,656-bed portfolio sold to LoneStar for £212 million, while UniQuarters committed £190 million to the development of 1,115 beds at TrueNottingham and TrueSheffield.

There are three ESP schemes in the city which form part of the Unite takeover. Based on other recent platform acquisitions by Unite, it is likely that some of these will be marketed in due course as part of a brand alignment process.

### **Demand**

The total number of full-time students in Nottingham fell by 2,695 in 2024/25 to 66,670. Most of this was driven by an 8.6% decline at Nottingham Trent University, where the total now stands at 32,430, having peaked at 37,670 in 2022/23. Overall numbers at the university remain 4% higher than the 2019/20 total and almost 10,000 higher than a decade ago.

The University of Nottingham recorded a 1% increase in full-time demand, following a drop of 3.9% in 2023/24. Overall, the University’s student numbers are 4.7% higher than five years ago.

Encouragingly, the UCAS acceptance data for both Nottingham universities recorded an increase in acceptances in September 2025, with a 7.1% increase for the University of Nottingham (7,500) and 6.8% for Nottingham Trent University (7,625). This compares to 2.7% for the UK average.

### **Supply**

The total number of PBSA beds in the city increased to 36,266 in 2025/26, an increase of over 2,700 year-on-year. This includes the 552-bed Fusion Nottingham and the 752-bed True Nottingham. The increase in PBSA supply combined with the stabilising of student demand towards pre-pandemic levels in the city means that the student-to-bed ratio has fallen from 2.64 in 2022/23 to 1.99 in 2024/25.

A further 338 beds are due to complete during the current academic year, with a further 2,831 in 2026/27

## **Rent**

The average rent for Nottingham in 2025/26 is £196, compared to £208 the year before. There are many examples of schemes within the city with weekly rents staying the same or marginally lower due to increased competition for occupancy.

The average weekly price for a studio is £206 per week and £178 per week for an ensuite cluster.

In this type of market, rent sustainability is key for successful occupancy. The quality of asset and location will determine the appeal of a scheme which needs to be priced appropriately when competing against many other schemes at a similar price point.

## **2.9. Market Outlook**

Overall, the outlook for the UK PBSA market is positive, although there are a growing number of challenges that are having an impact on the sector.

From a demand perspective, the 0.4% decrease in student demand for the 2024/25 academic year masks a strong increase in domestic undergraduate demand to the highest level on record, as well as a year-on-year increase in international undergraduates.

In addition to that, current indicators from UCAS for both the 2025/26 academic year and applications for the upcoming 2026/27 academic year both show an increase in applications from both UK and international students. Higher tariff universities continue to be heavily oversubscribed, whereas lower ranked institutions are witnessing an easing of demand.

The postgraduate market recorded a 7% drop in numbers year on year for 2024/25, the most up-to-date benchmark available. However, the latest figure represents a 33% increase on 2019/20 academic year. With youth unemployment currently at 16.1% and increasing economic uncertainty, it is highly likely that postgraduate demand for this current academic year and next will be sufficiently robust as graduates look to upskill rather than tackle a challenging labour market with limited hiring opportunities.

It has been well documented that occupancy rates have slipped from the post-pandemic levels of 99%, although it is now becoming increasingly clear that the period of 2021-2023 was an anomaly rather than the start of a new norm for occupancy, certainly at a national level. Moving forward, mid-to-low nineties look to be a more realistic benchmark for occupancy rates.

Locally, there are certainly schemes that will continue to let well, while there will be others that struggle. Much depends on quality, location and pricing. With the pace of rental growth easing, sustainability of rent will become more important than rental growth for many operators, which will have an impact on pricing and increase the importance of operational efficiencies to improve margins.

Supply is also a multifaceted issue. Build costs, planning costs and overall viability means that new supply needs to be priced accordingly to be delivered. In many markets, this pricing level is no longer achievable given the scale of existing supply. Rather than build new, more operators are likely to explore refurbishing existing schemes, especially those in prime locations, to drive

growth. It should also be noted that over 95% of the university halls and 48% of all private beds are over a decade old, much of that substantially so. As such, while new supply figures appear robust, the overall net gains should appear more modest.

Student housing is the maturest of all the UK living sectors, and the largest. Several cities have reached settled status, where there is sufficient supply to cater for core demand. As more markets move towards this status, well located schemes with exposure to multiple universities and a broad mix of domestic and international, undergraduate and postgraduate demand should continue to perform well.

**Figure 38 JLL UK PBSA Outlook**

	Short-term (Next 12 months)	Medium term (2-4 years)
Demand	Increasing	Stable
Supply	Increasing	Increasing
Rents	Softening	Softening
Yields	Stable	Softening slightly
Investment	Increasing	Stable

Source: JLL Research

# Australia Purpose-Built Student Accommodation ("PBSA")

# 3. Australia Purpose-Built Student Accommodation (“PBSA”)

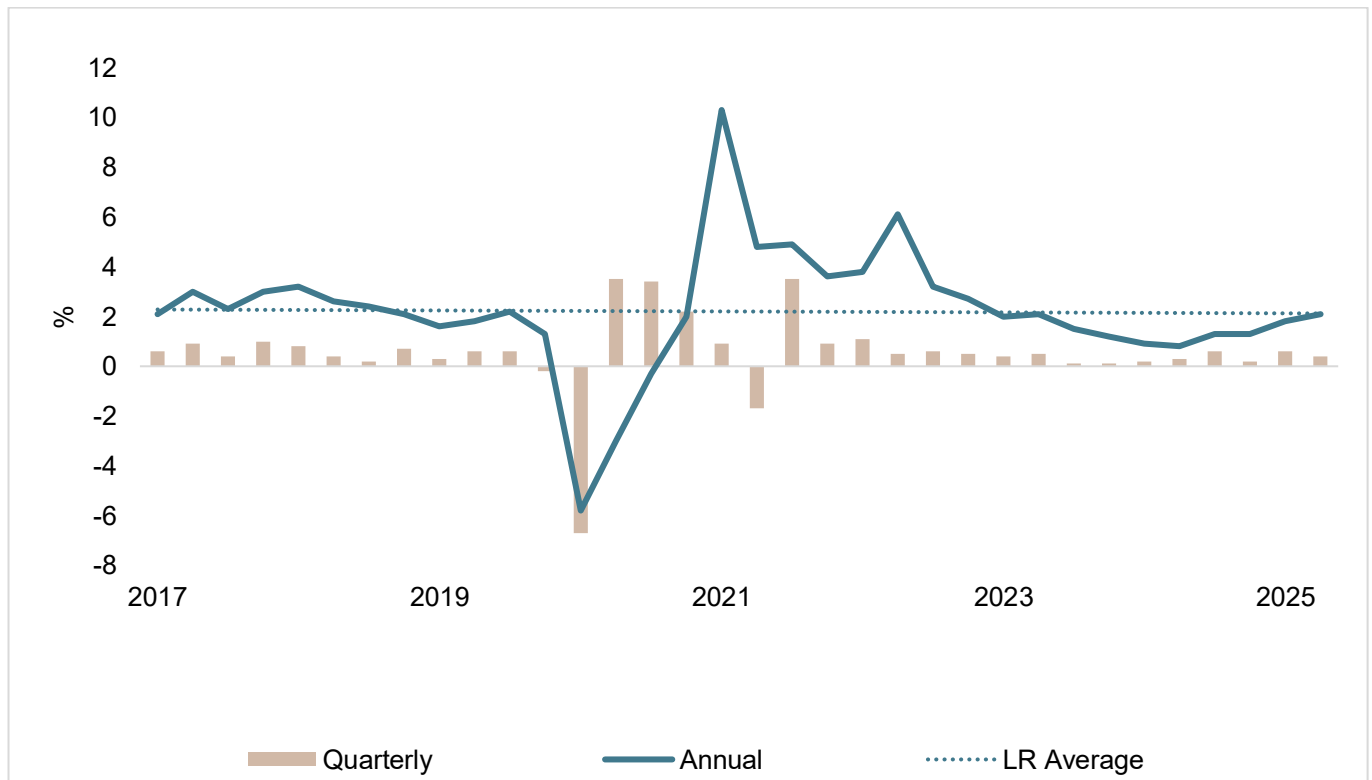
## Economic Overview and Demand Drivers

### 3.1. Macroeconomic Overview

#### GDP growth

The Australian economy demonstrated strengthening growth in Q3 2025, with GDP expanding by 0.4% quarter-on-quarter during the Q3 2025. Annually, the economy grew by a robust 2.1% year-on-year to September 2025, its strongest performance since 2023. This expansion was supported by the return of national population levels to their long-term averages post-pandemic, providing a positive macroeconomic backdrop for investment that is expected to extend into 2026. This population recovery has not been uniform across all states, creating regional variations in housing demand.

Figure 39 Australian GDP growth, quarter on quarter



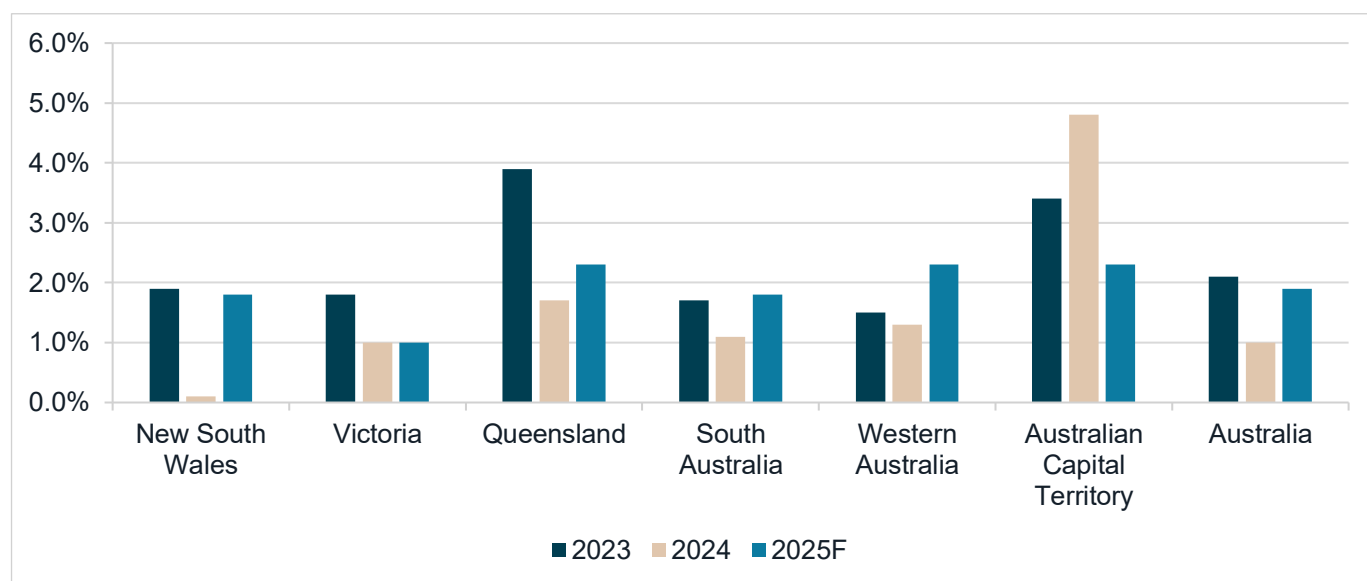
Source: Australian Bureau of Statistics (“ABS”), JLL Research<sup>44</sup>

Throughout 2025, economic performance was varied across the states and territories. New South Wales, Queensland, South Australia, and Western Australia all registered increases in economic

<sup>44</sup> Australian Bureau of Statistics (2026, March 4). Australian National Accounts: National Income, Expenditure and Product

growth. In contrast, Victoria recorded no growth compared to the previous year, while the Australian Capital Territory experienced a significant economic contraction.

**Figure 40 GDP Growth, by State (Gross State Product)**



Source: ABS, JLL Research <sup>45</sup>

### **Inflation and policy rates**

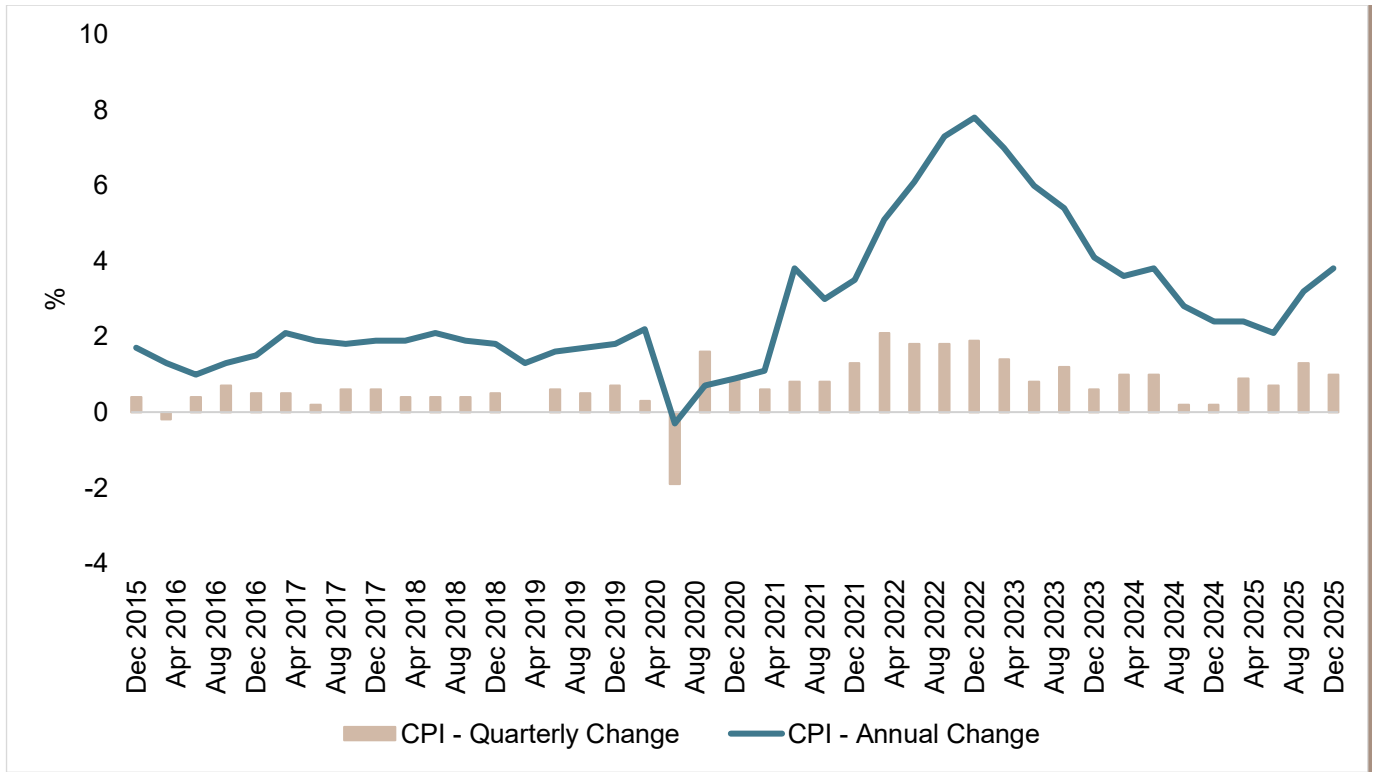
Despite this positive economic environment, a central theme for the student population is a heightened focus on affordability, driven by a widespread cost-of-living crisis. In the 12 months to December 2025, Australia's headline CPI remained at 3.8%, with housing, food and non-alcoholic beverages, and recreation and culture being the most significant contributors to annual inflation. While the seasonally adjusted Wage Price Index (“WPI”) rose by a moderate 3.4% over the 12 months to September 2025, this growth has not kept pace with escalating expenses. Crucially, the costs associated with both tuition and living in Australia's major cities continue to outpace both wage increases and general inflation, placing significant financial pressure on students.

In response to moderating inflation and to support a slowing economy, the Reserve Bank of Australia (“RBA”) cut the official cash rate three times through 2025, reducing it from 4.35% to 3.60%. However, these cuts were paused as inflation picked up unexpectedly in the second half of the year, prompting the RBA to subsequently raise the rate. At its meeting on 17 March 2026, the Reserve Bank Board increased the official cash rate by 25 basis points to 4.10%.

Any future changes to the cash rate will directly impact consumer interest rates, borrowing costs, and market confidence. Australia's 10-year government bond rate was reported at approximately 4.77% in January 2026, reflecting market expectations for the interest rate environment.

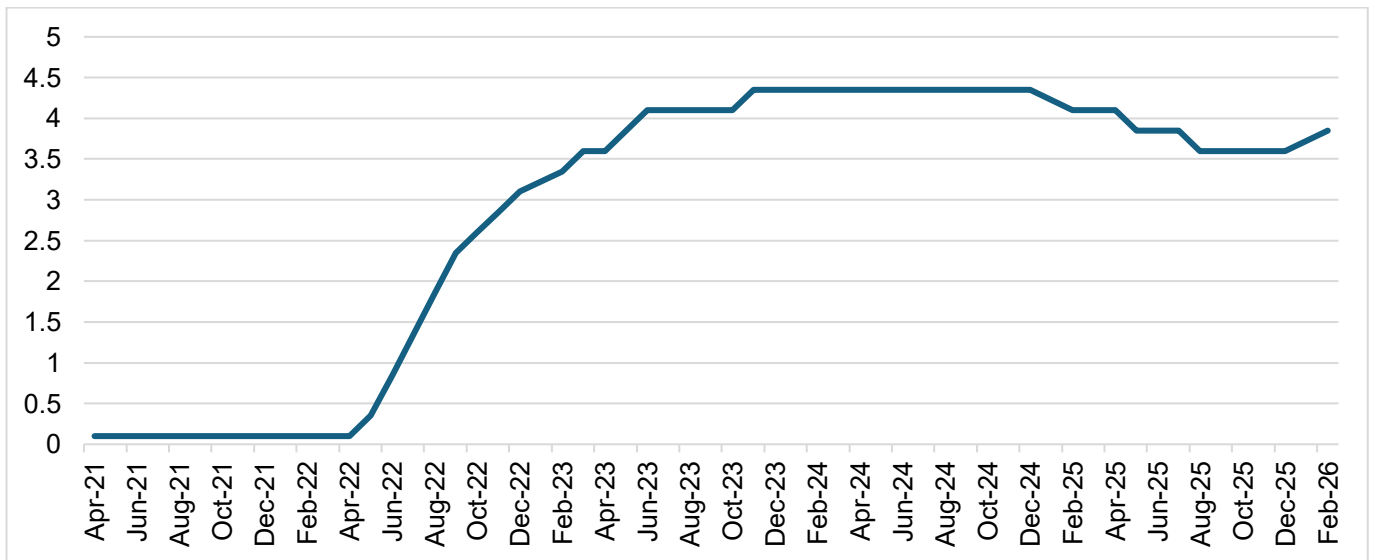
<sup>45</sup> Australian Bureau of Statistics (2025, November 20). Australian National Accounts: State Accounts

**Figure 41 Australia Inflation**



Source: JLL Research, ABS <sup>46</sup>

**Figure 42 Australia cash rate**



Source: JLL Research, RBA <sup>47</sup>

**Exchange rate movements**

The exchange rate for the Australian Dollar has strengthened against the US Dollar, reaching around US\$0.71 by early March 2026. Since the beginning of the year, when the rate was

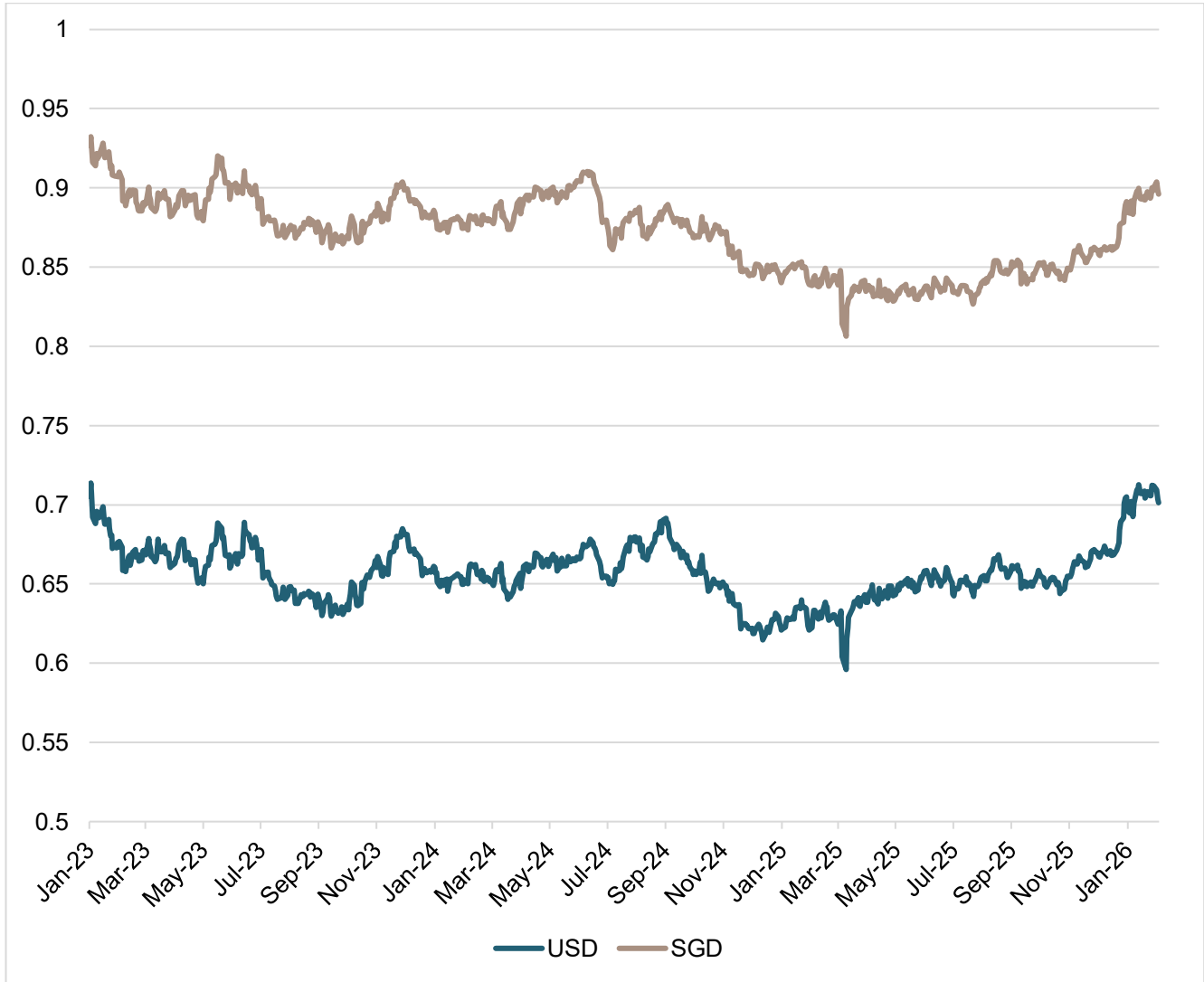
<sup>46</sup> Australian Bureau of Statistics (2026, February 25). Consumer Price Index, Australia

<sup>47</sup> Reserve Bank of Australia (2026, March 17). Monetary Policy Decision

approximately US\$0.6678, the Australian dollar has seen a notable increase. Over the past 12 months, the Australian Dollar has appreciated significantly, rising by about 14.01% against the US Dollar.

Similarly, the Australian Dollar has strengthened against the Singapore Dollar, rising from approximately S\$0.858 at the start of 2026 to around S\$0.900 by early March.

**Figure 43 Exchange Rates from Australian Dollar to SGD and USD**

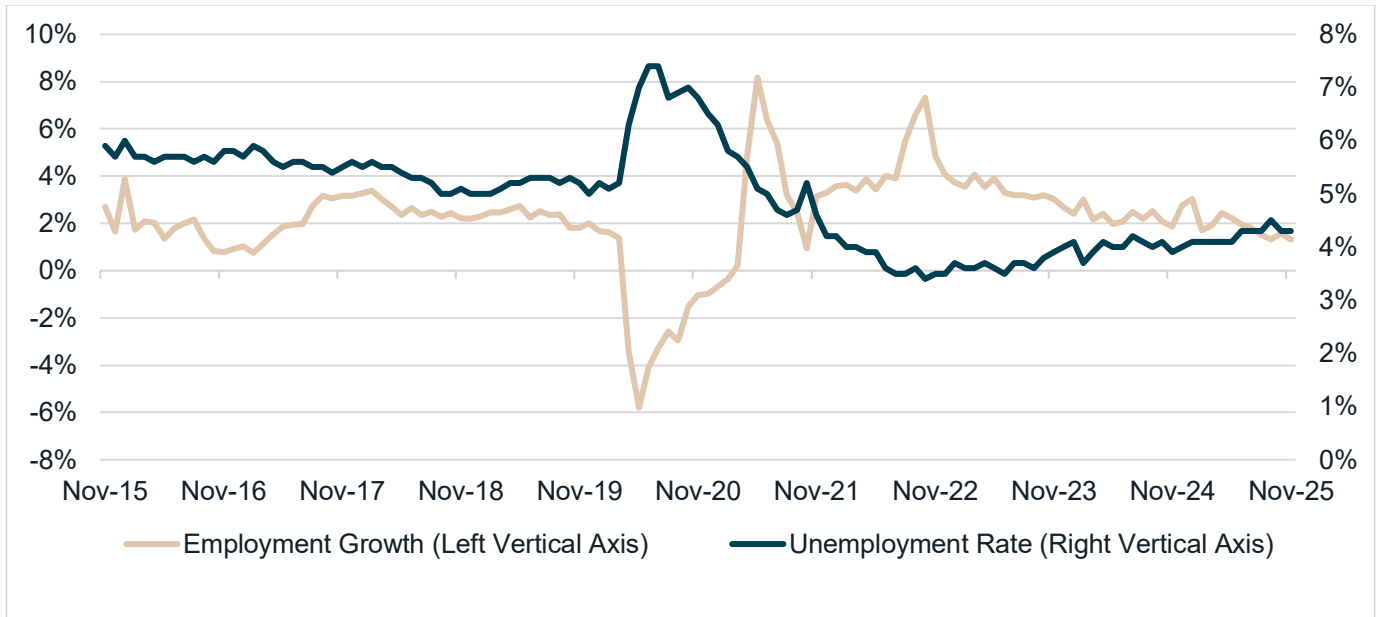


Source: Bloomberg, JLL Research

**Labour market conditions**

The Australian Labour market showed signs of moderating towards the end of 2025. The unemployment rate held steady at 4.3% in November 2025, following a slight increase in September. This stability, however, occurred as the rate of annual employment growth continued to decrease and the labour force participation rate declined to 66.7%.

**Figure 44 Employment Growth and Unemployment**

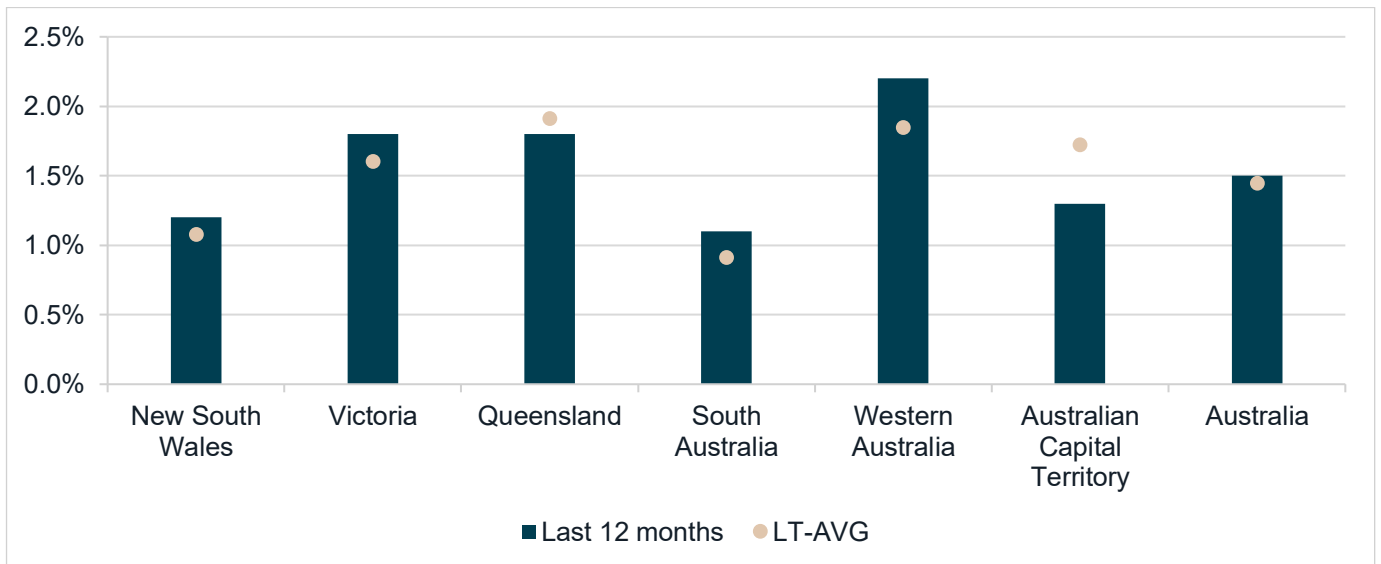


Source: ABS & JLL Research<sup>48</sup>

**Population Growth**

Western Australia maintained its status as the nation's fastest-growing state, posting population growth of 2.2% in the year to June 2025. All other states and territories also recorded positive population growth during this period, reflecting a widespread national trend for Australia.

**Figure 45 Population Growth by State (% per annum)**



Note: LT-Avg refers to long-term average of 2001 - 2021

Source: ABS, JLL Research at Jun-25<sup>49</sup>

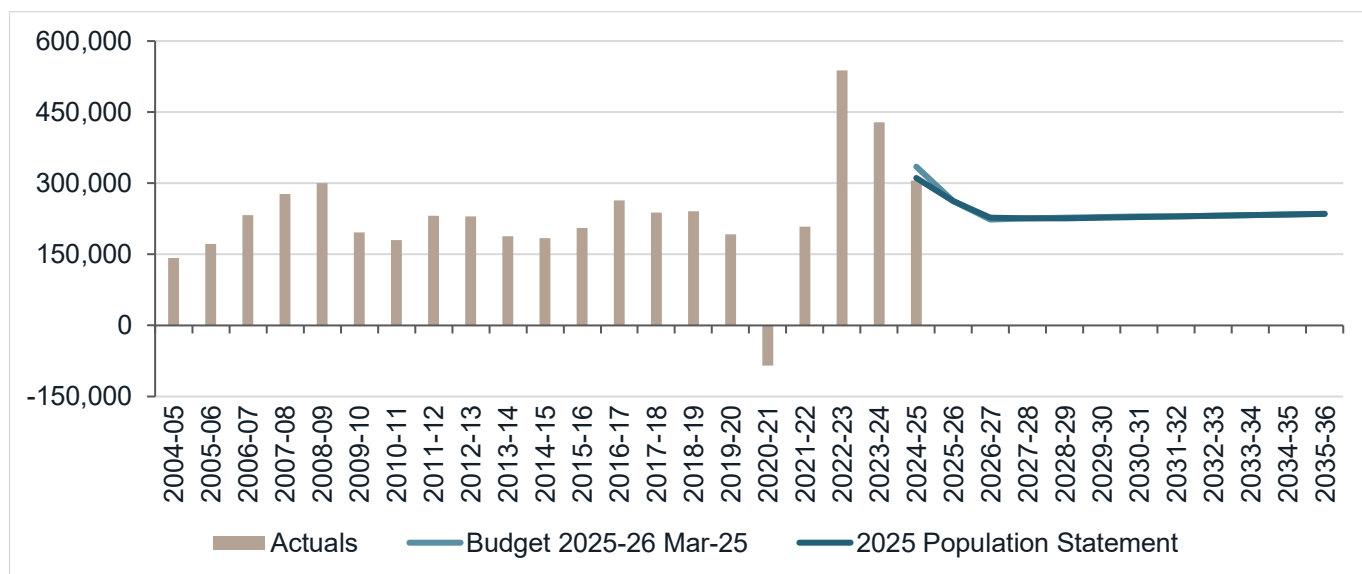
**Net Overseas Migration**

<sup>48</sup> Australian Bureau of Statistics. Labour Force, Australia

<sup>49</sup> Australian Bureau of Statistics. National, state and territory population

After reaching a recent peak, net overseas migration has embarked on a downward trajectory that is expected to continue before stabilising in 2027.

**Figure 46 Net Overseas Migration**



Source: Australian Centre for Population<sup>50</sup>

### 3.2. Government Initiatives and Regulatory Changes

The Australian government is actively recalibrating the distribution of international students through new policy measures, creating both certainty and strategic shifts for the education and accommodation sectors. For 2026, a National Planning Levy (“NPL”) has been introduced, capping New Overseas Student Commencements (“NOSCs”) at 295,000 places, with the higher education component specifically allocated 198,750 of these places. A key element of this policy is a deliberate effort to distribute international students beyond the major metropolitan centres of Sydney and Melbourne. This is evident in the allocation of the highest growth rates to regional institutions, including Federation University (63.6% growth), Charles Sturt University (60.0% growth), and Charles Darwin University (20.5% growth).

Victoria has overtaken New South Wales with the highest total allocations at 53,100, representing a 13.0% increase, while New South Wales received 49,150 allocations, a 7.6% increase. Combined, these two states now control a significant 71.5% of all international student allocations, which could create challenges of over-concentration. Concurrently, the government has significantly increased the cost of student visas. The fee for a Subclass 500 Visa has risen by 182% over four years, from A\$710 in 2022 to its current level of approximately A\$2,000, excluding the mandatory Overseas Student Health Cover.

<sup>50</sup> Australian Government Centre for Population. National, state and territory population

**Figure 47 Top 15 universities by 2026 Allocations - National Planning Levy - State by State Overview**

State/Territory	2025 Total	2026 Total	Total Increase	% Growth
Victoria	46,990	53,100	6,110	13.0%
New South Wales	45,700	49,150	3,450	7.6%
Queensland	22,550	24,500	1,950	8.6%
Western Australia	14,300	16,050	1,750	12.2%
South Australia	9,750	10,350	600	6.2%
Northern Territory	2,200	2,650	450	20.5%
Tasmania	2,200	2,250	50	2.3%
Australian Capital Territory	1,500	1,800	300	20.0%

*Note: Total is only for the top 15 universities in 2026, not all universities*

*Source: Department of Education<sup>51</sup>*

### 3.3. Overview of Student Population and Growth Prospects

The total student population (encompassing both domestic and international students) enrolled in higher education institutions exhibited a 4.7% increase, rising from 1,600,563 in 2023 to 1,676,077 in 2024. This growth was primarily attributed to a substantial 17.7% surge in international student numbers, escalating from 409,249 in 2023 to 481,851 in 2024. Consequently, international students now constitute a more significant proportion of the total student body, increasing from 28% in 2023 to 31% in 2024. Notably, this figure is even more pronounced for Group of Eight (“G8”) Universities, which, at 35%, reflect the propensity of international students towards capital city locations.

**Figure 48 Total Student Enrolments**

	2020	2021	2022	2023	2024
Students	1,622,867	1,602,573	1,551,411	1,600,563	1,676,077

*Source: JLL Research and Department of Education*

<sup>51</sup> Australian Government Department of Education (2025, September 8). Perturbed Student Enrolments Pivot Table 2024

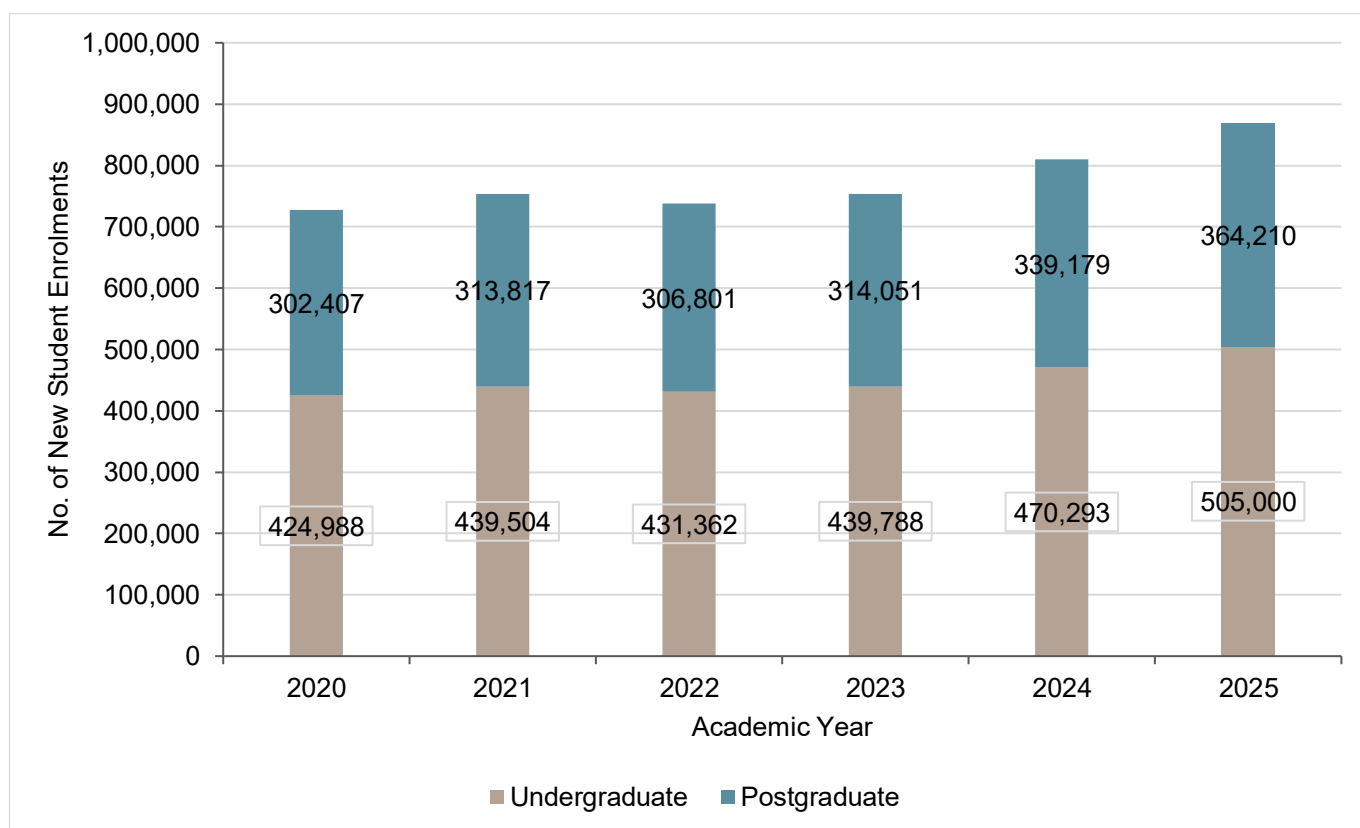
**Figure 49 G8 Higher Education Enrolment Splits**

G8 Higher Education Enrolment Splits					
% split					
International	30%	27%	29%	33%	35%
Domestic	70%	73%	71%	67%	65%

Source: JLL Research and Department of Education<sup>52</sup>

The G8 Universities has demonstrated consistent year-on-year growth in student enrolment since the 2020 pandemic, with undergraduate numbers increasing by 10.7% and postgraduate enrolments rising by 12.2%. Based on current growth trajectories, it is projected that G8 university student enrolments will reach approximately 870,000 by 2025. The 2025 projections applied observe the 2023-2024 growth rate of 7.4% to student enrolments, with figures subject to revision upon release of official data in July 2026. Within the G8 universities, 2024 saw notable enrolment growth at both postgraduate and undergraduate levels. Postgraduate cohorts increased by 12.2%, comprising 219,914 domestic and 119,265 international students. Concurrently, undergraduate numbers rose by 10.7%, with a student body made up of 304,925 domestic and 165,368 international students.

**Figure 50 G8 University Enrolments - Undergraduates vs. Postgraduates**



Source: JLL Research & Department of Education<sup>53</sup>

<sup>52</sup> Australian Government Department of Education (2025, September 8). 2024 Student summary time series

<sup>53</sup> Australian Government Department of Education (2025, September 8). Selected Higher Education Statistics – 2024 Student data

## More domestic students choosing higher education

Due to decreased housing affordability, fewer individuals are entering the housing market, resulting in a higher number of people renting for extended periods. Market sentiment indicates that this trend has impacted the student market, with an apparent increase in individuals pursuing postgraduate degrees and extending their studies while residing at home.

However, the data suggests a different scenario. While there has indeed been an increase in postgraduate student numbers, this growth is primarily attributed to the international student market. Concurrently, recent domestic school leavers continue to constitute the majority of undergraduate commencements.

**Figure 51 Basis of admission for domestic undergraduate commencements, 2019-2024**

Year	Recent school leavers	
	Headcount	Proportion (%) of domestic undergraduate commencements
2019	119,339	43.2%
2020	115,247	39.9%
2021	124,989	43.0%
2022	120,780	45.2%
2023	124,029	47.3%
2024	129,852	48.0%

Source: Department of Education <sup>54</sup>

Despite the above basis for admissions, it is noteworthy that the overall distribution of higher education enrolments across age groups has remained relatively consistent throughout the period in question. This stability suggests a sustainable growth trajectory, particularly when viewed in the context of the overall increase in student numbers.

<sup>54</sup> Australian Government Department of Education (2025, September 8). Selected Higher Education Statistics – 2024 Student data

**Figure 52 Enrolment % Split for Higher Education**

Enrolment % Split for Higher Education						
Age Group	2024	2023	2022	2021	2020	2019
17-25	66.9%	66.6%	66.2%	65.8%	66.5%	68.3%
26-29	10.9%	10.7%	10.5%	10.7%	10.9%	10.7%
30+	21.9%	22.4%	22.9%	23.2%	22.3%	20.8%
<b>TOTAL Students</b>	<b>1,676,077</b>	<b>1,600,563</b>	<b>1,551,411</b>	<b>1,602,573</b>	<b>1,622,867</b>	<b>1,609,798</b>

*Disclaimer: Enrolment data is released annually in July by the Department of Education, for the academic year preceding the release date.*

*Source: Department of Education<sup>55</sup>*

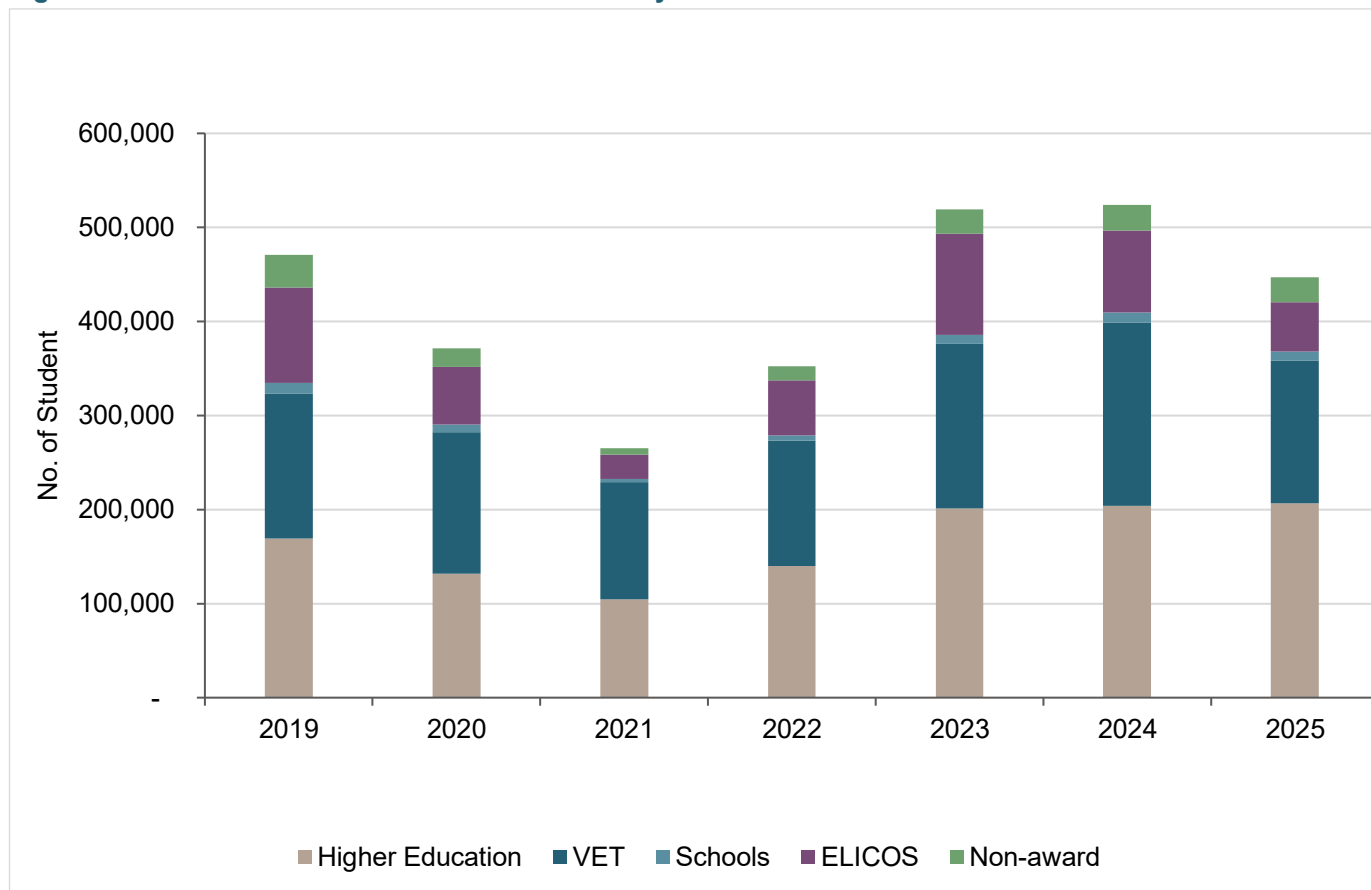
### **International Student Commencements by Sector**

The international student population in Australia has been a focal point of discussion within the sector over the past year. While the latest 2025 Year-to-Date (“YTD”) data does not provide a comprehensive picture, it offers valuable insights into current trends.

It is important to remember that education in Australia ranks as our fourth largest export industry and our largest service-based export industry, generating revenue of approximately A\$36 billion as at 2024, which is likely even higher given the increase in international students and rising education fees. This figure is also close to A\$80 billion for both private and public domestic spending.

<sup>55</sup> Australian Government Department of Education (2025, September 8). Selected Higher Education Statistics – 2024 Student data

**Figure 53 International Student Commencements by Sector**



*Definitions: VET - Australian vocational education and training.*

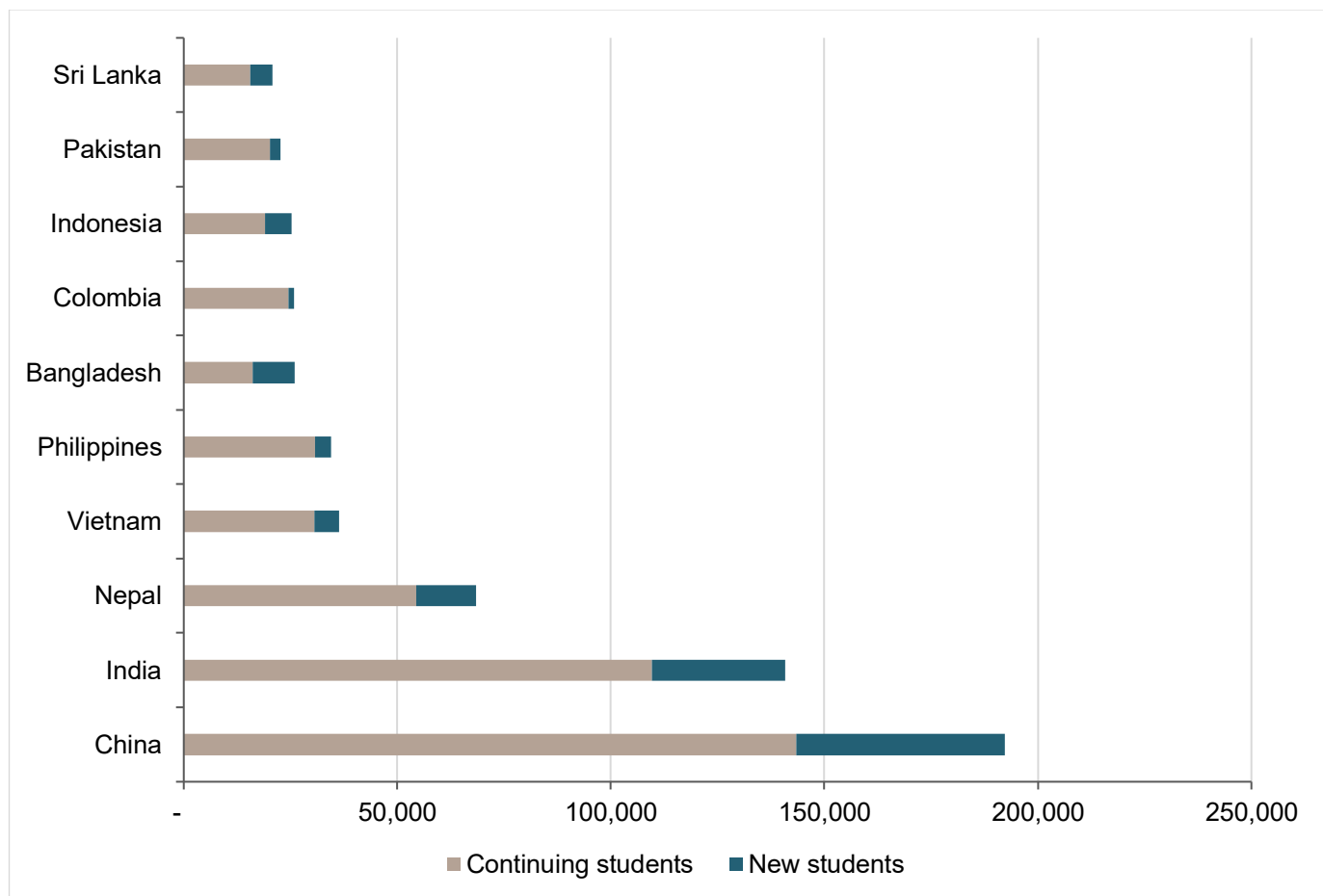
*ELICOS - English Language Intensive Courses for Overseas Students.*

*Source: Department of Education<sup>56</sup>*

The Higher Education sector demonstrated continued growth in enrolments, reporting a 10% increase compared to the same period in 2024, followed by the Schools sector with a 4% rise. However, other sectors experienced declines, with ELICOS notably experiencing a significant 37% decrease. This is likely due to a number of factors, including increased visa fees, high visa rejection rates, Government Policy tightening and potential sector job losses and closures.

<sup>56</sup> Australian Government Department of Education (2025, September 8). Selected Higher Education Statistics – 2024 Student data

**Figure 54 Top 10 Countries of Origin**



Source: Department of Education<sup>57</sup>

Among these international students, the top 10 countries of origin have comprised the vast majority of enrolments in Higher Education for 2025. China and India represent the largest proportion of the student cohort, with 143,480 and 109,674 continuing students respectively enrolled for the 10-month period leading to October 2025.

Although China continues to lead Australia's international student cohort, it has yet to reach its pre-pandemic levels, showing a 9% decrease from 2019. Nevertheless, the majority of Australia's international student population originates from Asia and the broader South East region. This trend can be attributed to Australia's geographical proximity, comparable living costs (relative to the US and UK), reduced visa uncertainties (particularly when compared to the current situation in the US), and similar time zones to these countries of origin.

Continuing students from Nepal and Vietnam have shown significant growth, with increases of 41% and 59% respectively from 2019 to October 2025. The Philippines demonstrated the most substantial increase at 269% over the same period, reaching 30,703 students. Notably, Bangladesh recorded the largest surge in new students, with an increase of over 8,000 students, representing a remarkable 502% growth from 2019.

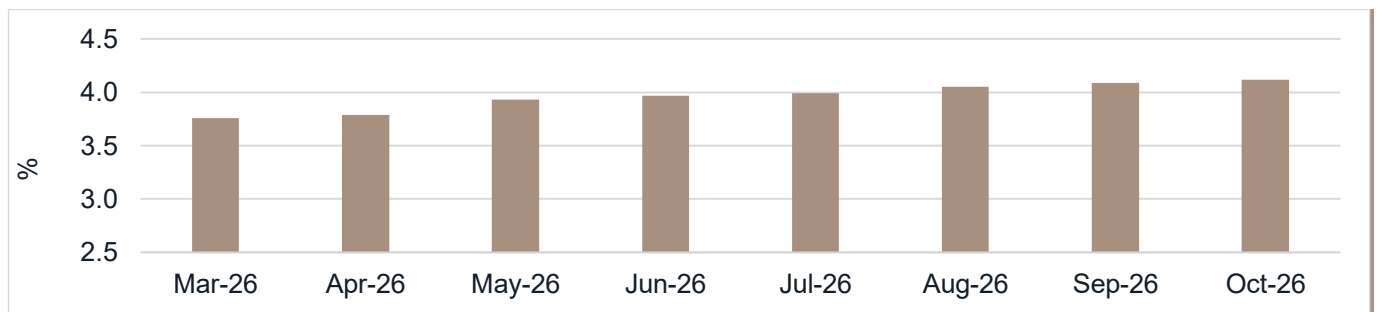
<sup>57</sup> Australian Government Department of Education. International student numbers by country, by state and territory

### 3.4. Economic outlook

All current forecasts in this report are dated prior to the March 2026 events in the Middle East. As such, the situation remains fluid and the full economic implications are yet to be determined. The main areas of concern are the impact on inflation, driven by an increase in oil and gas prices, as well as potential disruption to global supply chains.

Inflation in the latter half of 2025 and a tighter-than-expected labour market, the RBA reversed its course in early 2026, with many economists now forecasting further cash rate increases throughout the year. Following the release of stronger-than-anticipated inflation data for January, all four of Australia's major banks have adjusted their forecasts for 2026. On the 17th of March the RBA increased the official cash rate by 0.25%. The current official cash rate as determined by the RBA is 4.10%. The next RBA Board meeting and Official Cash Rate announcement will be on 5 May 2026.

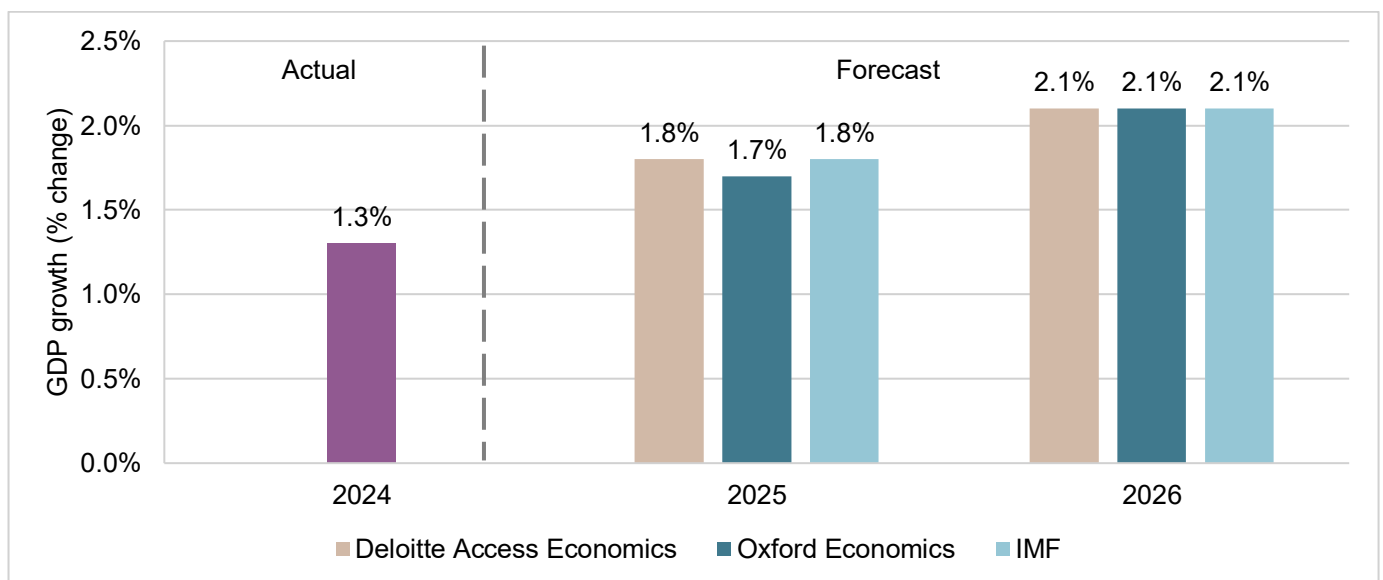
**Figure 55 RBA Cash Rate Projection (Australian Securities Exchange (“ASX”) Interbank Futures Implied Yield Curve)**



Source: JLL Research, ASX <sup>58</sup>

Following an actual GDP growth of 1.3% in 2024, Australia's economy is forecast to improve, with projections ranging from 1.7% to 1.8% in 2025 and strengthening to a consensus of 2.1% in 2026.

**Figure 56 Australia GDP growth expectations**



Source: JLL Research, Oxford Economics, International Monetary Fund (“IMF”) <sup>59</sup>

<sup>58</sup> ASX RBA Rate Tracker

<sup>59</sup> JLL Research, Oxford Economics, IMF (2026, January 28). World Economic Outlook Update

## Australia in a Global Context

Australia continues to strengthen its global profile for higher education, as reflected in the 2026 Quacquarelli Symonds (“QS”) World University Rankings. Nine Australian universities now feature in the top 100, an increase from six in 2016. This growth demonstrates not only Australia’s continually rising appeal but also its position as a premier global education hub. While the UK boasts 16 institutions in the top 100 global university rankings and the US leads with 29, Australia’s higher education sector delivers a significantly higher concentration of students studying at these elite universities relative to its total student population. Despite having fewer top-ranked institutions in absolute terms, Australia’s more compact university system means that a substantially greater proportion of its students gain access to world-class education at these prestigious institutions, creating a unique competitive advantage in the international education market.

Proportionally, 31% of students in Australia are enrolled in a top 100 institution, far exceeding the 24% in the UK and 6% in the US. This strong academic representation is enhanced by Australia’s geographic advantage, offering students from key source markets like China and India not only high-calibre educational opportunities but also the practical benefits of shorter flight times and more favourable time zones compared to the US and UK, all hosted in some of the globe’s most liveable cities.

**Figure 57 Australia in a Global Outlook**

Australian University QS World Ranking Growth (2016-2026)			
	2016	2026	Places moved
The University of Melbourne	42	19	+ 23
The Australian National University	22	32	- 10
The University of Sydney	46	25	+ 21
The University of New South Wales	49	20	+ 29
The University of Queensland	51	42	+ 9
Monash University	65	36	+ 29
The University of Western Australia	Not in top 100	77	N.A.
The University of Adelaide	Not in top 100	82	N.A.
University of Technology Sydney	Not in top 100	96	N.A.

Source: JLL Research & QS World University Rankings<sup>60</sup>

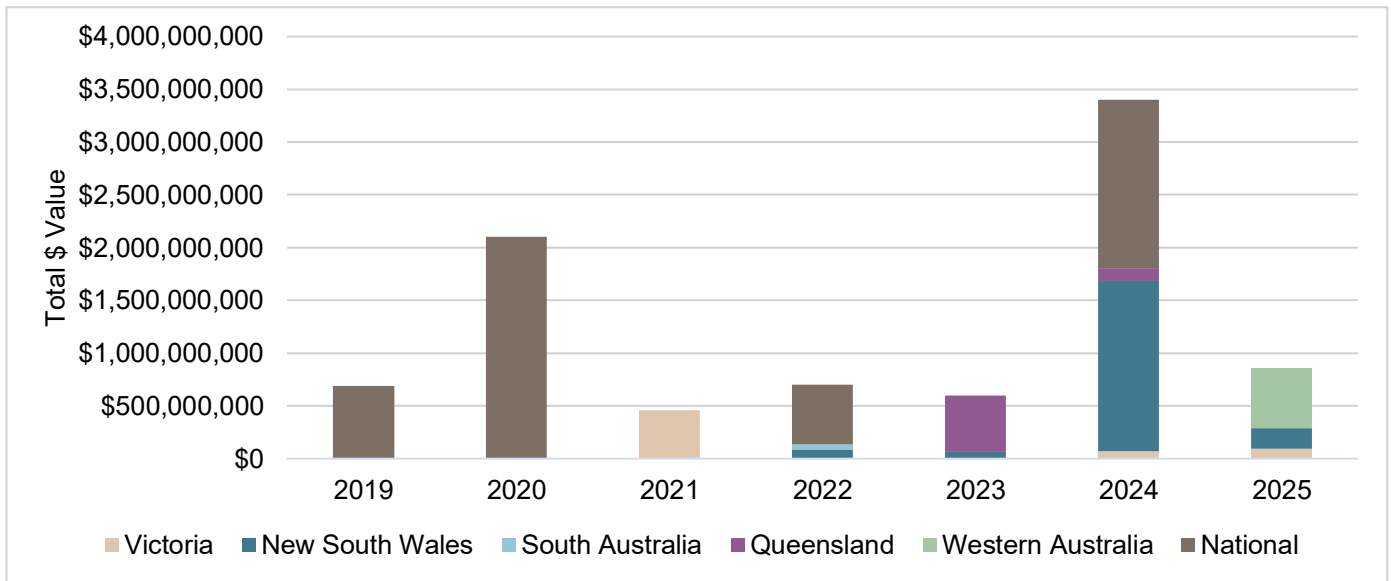
<sup>60</sup> QS Top Universities (2025, June 19). QS World University Rankings 2026

# Performance Indicators for PBSA Market

## 3.5. Investment and Property Sales Transactions

PBSA transaction volumes in 2025 demonstrate robust investor appetite and sector resilience, mirroring trends observed in the United Kingdom and United States markets. In 2025, a total of eight PBSA transactions completed across Victoria, New South Wales, and Western Australia, encompassing both investment sales and fund-through arrangements. The aggregate value for these transactions reached approximately A\$855 million, with net yields ranging between 4.60% and 6.60%, and an average price per bed of A\$340,000.

**Figure 58 PBSA National Transaction Volumes**



Source: JLL Research<sup>61</sup>

### 2025 PBSA Transactions

We provide a summary below of the recent transactions that have occurred in the 2025 Australian PBSA market:

<sup>61</sup> JLL Research, internal resource

**Figure 59 2025 PBSA Transactions**

Transaction Name	Date	Purchaser	Deal Type	Deal (\$AUD)	Value	Units	\$/Bed	Yield
Miguel Cordero Residence, NSW	Dec-25	GPT	Investment Sale	\$47,000,000		354	\$301,282	5.81%
Comments	<p>The property located at 43-45 Australia Street in Camperdown and is situated 4 kilometres south of the Sydney's CBD and is approximately 800m from the University of Sydney campus as well as 2.5km from the University of Technology Sydney. In addition, the asset is 750m from the Royal Price Alfred Hospital.</p> <p>Currently operating as the Australian Catholic University's Miguel Cordero Residence, comprising a four-story converted (c. 2014) PBSA warehouse with approximately 156 beds over 113 Apartments. Accommodation comprises both cluster apartments and studios. Clusters comprise of two, four and five bedrooms including shared lounge and kitchen facilities, with ensuite rooms of approximately 9sqm. Studios are either standard or premium, being between 18.5 to 30 sqm, being fully furnished with kitchen facilities.</p> <p>The asset also benefits from amenities such as an atrium-style central courtyard, private study rooms, a library, games rooms and multiple barbecue areas. In addition the basement provides 9 single car spaces, as well as motorbike and bicycle parking facilities, with a gym and a gaming room that includes a table tennis table and a billiards table., Miguel Cordero Residence was sold via an on-market Expressions of Interest campaign through Knight Frank, with the campaign closing May 2025, and the asset transacting in December 2025 to GPT. The deal reflects a 5.81% Net Initial Yield and a \$301,282 per bed metric. The lease to ACU is currenting returning Net Income of \$2,730,721 (at the date of sale) with the lease expiring January 2035 with fixed 3.25% rent reviews.</p>							
The Barker Residence, NSW	Nov-25	Private Family Office	Investment Sale	\$18,000,000		2352	\$450,000	5.44%
Comments	<p>Located in Kingsford, approximately 7 kilometres from Sydney's CBD, the property at 66-68 Barker Street is directly opposite the University of New South Wales. The property is a three-storey boarding house consists of 39 self-contained rooms and one manager room, each furnished with a private ensuite bathroom and a kitchenette and residents have access to common facilities such as a laundry. The asset is within close proximity to the Prince of Wales Hospital (615m) and Sydney's Children Hospital (750m) and to Bondi (6km), Coogee (2.54km) and Maroubra beaches., Singaporean-based Unitas Premier has sold the PBSA asset in Kingsford for \$18m to a private family office. The deal reflects a 5.44 per cent net yield and \$450,000 per room. The deal was negotiated by Colliers Agents, via an off-market campaign and received interest from both local and off-shore investors.</p>							
Curtin Exchange, WA	Aug-25	IFM Investors	Investment Sale	\$300,000,000		2098	\$142,993	-
Comments	<p>The Curtin Exchange precinct contains around 1000 student accommodate beds across two buildings. St Catherine College, with 407 catered rooms, and a 10 level UniLodge, with 517 beds, as well as 38 self-contained apartments in a complex called Zamira. It also includes retail, anchored by an IGA supermarket, a hotel and offices. The site also provides opportunity for expansion. The vendor is London based InfraRed Capital Partners which bought 35-year concession in 2019 via an entity, Live-In Learning. JLL believe IFM Investors paid \$300,000,000 for assets.</p>							
Wellington Street Fund Through, WA	Jul-25	Mapletree	Fund-through	\$265,000,000		835	\$317,365	6.25%
Comments	<p>The asset is centrally located along Wellington Street in Perth CBD. The property encompasses 556 accommodation rooms comprising 835-beds across mix of one and twin-bed studio apartments, as well as five-bed cluster apartments.</p> <p>Amenities include Student Lounge, Gym, Cinema, Music + Podcast Rooms, Private Dinng, Sky Lounge, Ground Level Cafe, Outdoor Terrace and BBQ Facilities, 609 Wellington Street was sold via an on-market Expressions of Interest campaign through CBRE, with the campaign closing September 2024. At the close of the campaign the asset was acquired by Mapletree, marking their inaugural entry into the Australian student accommodation sector. We understand the transaction was underwritten at a 6.25% cap, reflecting a fund through yield of 50bps compression to a stabilised cap and per bed rate \$317,365.</p>							

UNSW Anzac Parade, NSW	Feb-25	UNSW	Investment Sale	\$83,000,000	233	\$356,223	4.80%
Comments	<p>Constructed in 2005, the property features 233 student accommodation beds and 43 car parking bays, with 714 sqm of retail and commercial space fronting Anzac Parade at ground level (5 shops &amp; 2 suites). Well located asset on the south-western side of Anzac Parade, being within approximately 400m of the UNSW Randwick Campus and approximately 4km south-east of the Sydney CBD. The campaign concluded in October 2024 and was brokered by JLL and Cushman &amp; Wakefield. The asset was returning Net \$3,980,048 income per annum, with the sale reflecting 4.36% Net Initial Yield (Passing). The asset is underpinned by a long-term lease to UNSW offering a weighted average lease expiry (“WALE”) by income of ~13.5 years as of 1 September 2024 and occupancy level of 96.9%.</p>						
Dayman Apartments, NSW	Feb-25	Morning Crest Capital	Investment Sale	\$24,090,000	74	\$325,541	6.64%
Comments	<p>The asset is located on the eastern boundary of Dayman Place, being on the southern fringe of the Macquarie University Village and within 1km of Macquarie University main campus, approximately 12km north-west of the Sydney CBD. Dayman Apartments opened in 2014 and is considered a boutique residential complex, leased to Macquarie University. The asset is built over 3 levels on a triangular shaped sited, comprising 74 beds in total of studio, twin and 5-bed cluster accommodation. We understand the asset has a Development Application (“DA”) for 14 additional beds.</p> <p>The asset is considered to be of a mid-tier specification and offers WiFi, underfloor heating, air conditioning to common areas, closets, desks and chairs together with a bed set., We understand Dayman Apartments was purchased by Shanghai based Morning Crest Capital, who invest outside mainland China. We understand the asset was owner-operated after being purchased in 2017 for \$17.35m by a local private family. The property was returning \$1,600,000 net (2024), with the sale representing a net initial yield of 6.64%. The asset was purchased via an off-market campaign through agency Colliers. We understand the lease agreement allows the owner to terminate the management plan with Macquarie University, and not vice versa.</p>						
UniLodge Park Avenue, VIC	Jan-25	M&G	Investment Sale	\$97,000,000	369	\$262,873	5.31%
Comments	<p>The property is situated on the western side of Royal Parade, approximately 2km north of Melbourne’s Central Business District. The property is situated in proximity to a large number and wide range of university colleges and educational providers, including the University of Melbourne approximately 1km and is close to Melbourne Zoo, Princes Park and the Royal Melbourne Hospital.</p> <p>The asset provides for 369 beds across 6 levels, comprising co-living rooms, studios, 1, 2 and 3 bedroom apartments. The co-living rooms are dorm-style rooms with shared facilities including kitchens and bathrooms. Communal facilities across the building include games areas, study/meeting rooms, cinema, laundry, kitchen, dining and lounge areas. The site is zoned Commercial 1 Zone and is approximately 4,857 square metres., The property was sold via on on-market Expressions of Interest campaign through JLL. We understand there were 7 formal offers to purchase, all of which were from off-shore groups. At the close of the campaign, the asset was acquired by M&amp;G Real Estate (UK), marking the first standalone PBSA asset sale in the Melbourne market in over five years and M&amp;G’s first PBSA acquisition in Australia. The property was returning \$8,174,088 net (2024), with the sale representing a net initial yield of 5.31%. We understand the purchase was subject to Absentee Owners Surcharge. Our analysis is completed on a GST exclusive basis.</p>						

Source: JLL Research<sup>62</sup>

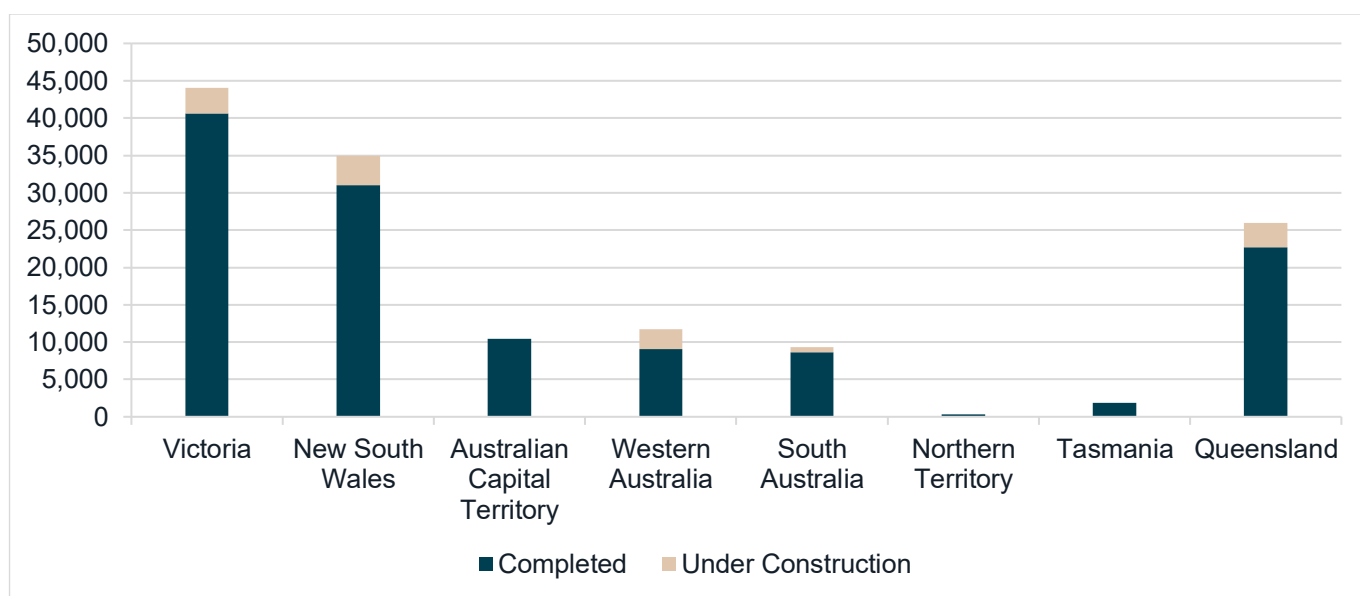
<sup>62</sup> JLL Research, internal resource

## 3.6. Supply and Development Pipeline

### Development Pipeline

The national PBSA supply pipeline highlights a market poised for a resurgence in new bed deliveries following a recent slowdown. After strong completion volumes peaked in 2018 and again in 2021, the market saw a tapering of new supply through 2023 and 2024, contributing to the current undersupply. However, the pipeline indicates a substantial wave of new stock is forthcoming, with a significant number of beds under construction or approved for 2025 and 2026. This culminates in a projected peak delivery year in 2027, with nearly 14,000 beds in the pipeline, the vast majority of which are already permit-approved. While this upcoming influx demonstrates robust developer confidence and is set to significantly increase market capacity, it is not projected to keep pace with sustained student demand, ensuring the market's structural undersupply will persist for the foreseeable future.

Figure 60 Australian PBSA Pipeline



Source: JLL Research <sup>63</sup>

Victoria leads total national supply with 40,660 completed beds with the vast majority (70%) concentrated in the inner city. New South Wales has the second-largest supply with 31,000 completed beds, 85% of which is located in the inner city. South Australia follows a similar trajectory, with a significant concentration of 8,600 student accommodation beds located in the inner city area.

<sup>63</sup> JLL Research, internal resource

**Figure 61 Overview of number of beds**

State-by-State Overview - Metric: Beds				
State	Completed	Under Construction	Permit Approved	Plans Submitted
SA	8,613	1,113	2,880	0
NSW	30,960	3,961	4,158	120

**Figure 62 City Overview - Metric: Beds**

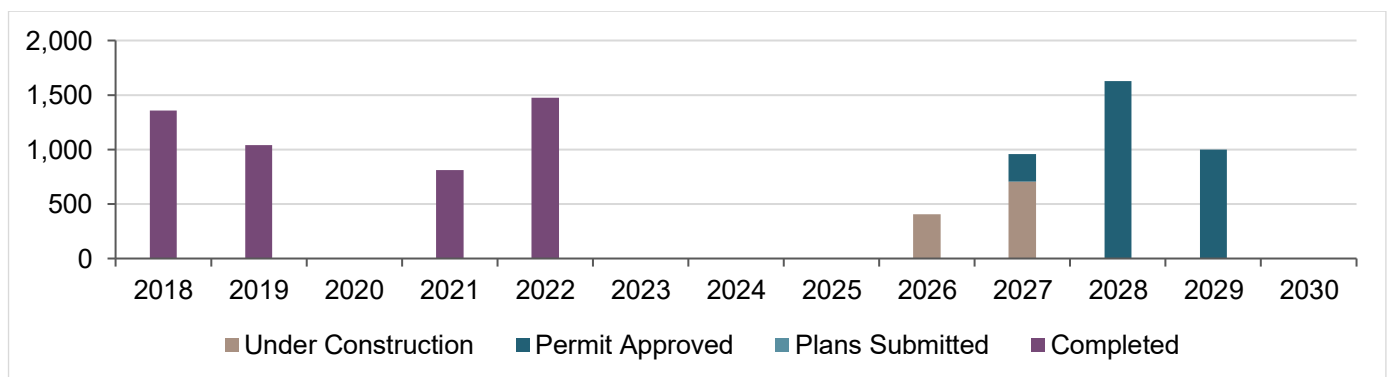
City	Completed	Under Construction	Permit Approved	Plans Submitted
Adelaide	8,613	1,113	2,880	0
Sydney	25,029	3,516	3,358	120

Source: JLL Research<sup>64</sup>

### Adelaide

In comparison, Adelaide has a more limited pipeline of PBSA projects. Y Suites on Grenfell, located at 188 & 196 Grenfell Street, is a 708-bed student accommodation development by Wee Hur / Greystar that is scheduled for completion in late 2027. 13-17 Metro Parade, Mawson Lakes, is currently under construction and is expected to deliver 405 beds upon its scheduled completion in early 2026. Although this PBSA asset is not directly comparable to Dwell East End and is approximately 15 km away, it notably highlights the distinct lack of projects forthcoming to market, demonstrating low competition. Beyond these active projects, Adelaide also has seven other developments with permits approved, five of these projects being located within the inner Adelaide precinct, indicating potential for future supply.

**Figure 63 Adelaide PBSA Supply Overview**



Source: JLL Research<sup>65</sup>

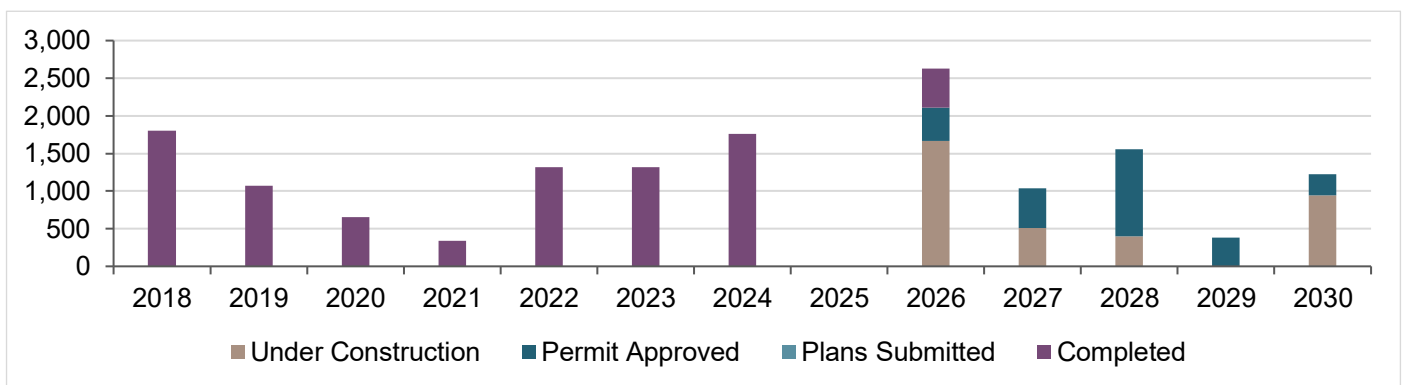
<sup>64</sup> JLL Research, internal resource

<sup>65</sup> JLL Research, internal resource

## Sydney

Two new developments in Macquarie Park are expected to be in direct competition with EPIISOD upon their completion. The Switch Macquarie Park, located at 23-25 Lachlan Avenue, is located approximately 55m from the subject and is scheduled to open in mid-2026 and will provide 499 beds. Freecity’s first PBSA asset at 169-171 Herring Road, and is located approximately 300m from EPIISOD Macquarie Park. This development will consist of a 20-storey building offering 528 studios with communal open space and shared amenities, and with an expected completion date of November 2026. Further to this, notable Sydney PBSA projects currently under construction include Iglu Mascot II, which will provide 305 rooms, and Iglu Kingsford with 285 beds. Additionally, Scape Todman is slated for completion in 2026 and will feature multiple buildings, contributing 203 beds in total.

Figure 64 Sydney PBSA Supply Overview

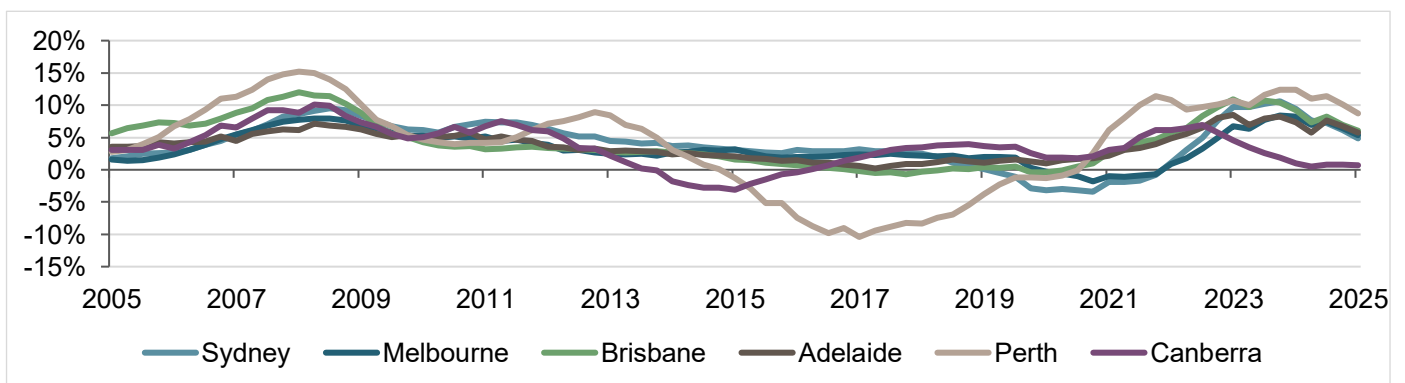


Source: JLL Research<sup>66</sup>

### 3.7. Rental Trends

The slowdown in rental growth towards the end of 2025 was driven by a combination of factors. After reaching historic highs during the COVID-19 period, rents began to encounter significant affordability constraints. This was compounded by multiple factors, including visa cost increases, tuition fee increases and PBSA rents beginning to outpace private market rent equivalents.

Figure 65 CPI Rental Growth (Annual % change)



Source: ABS, JLL Research as at Dec-25<sup>67</sup>

<sup>66</sup> JLL Research, internal resource

<sup>67</sup> Australian Bureau of Statistics (2026, February 02). Consumer Price Index, Australia

## Australian Rental Growth

Rental trends across Australia's eastern seaboard in 2026 show divergent performance, largely driven by the interplay of supply, demand, and affordability pressures. In New South Wales, the highly constrained Sydney market recorded notable rental growth across both inner-city and suburban sub-markets. Inner-city Twin/Twodio units experienced a significant 29% increase in asking rents, while suburban studio apartments saw a comparable 28% escalation. This rental surge reflects a flight to value, as the escalating cost of inner-city studios—which uphold a \$190 per week premium over their suburban counterparts—has pushed students towards more affordable Twin/Twodio options.

The South Australian market, studio apartments demonstrate the highest weekly rent at \$534, reflecting a 3.80% year-on-year growth (2019-2026), however it is cluster-style rooms that show the strongest long-term growth. Cluster accommodation have experienced the highest compound annual growth rate of 6.02% between 2019 and 2026, indicating demand for this shared housing as cost of living pressures continue to place pressure on students.

**Figure 66 Australian Rental Growth**

South Australia	Studios	Twin / twodio	Clusters
Rent Per Week (A\$)	\$534	\$361	\$391
Annual % Change	3.80%	2.20%	1.56%
2019 - 2026 CAGR	3.80%	3.40%	6.02%
New South Wales	Studios	Twin / twodio	Clusters
Rent Per Week (A\$)	\$660	\$457	\$397
Annual % Change	-5.80%	3.80%	-10.38%
2019 - 2026 CAGR	1.60%	1.00%	-2.42%

Source: JLL Research

### 3.8. Occupancy Trends

2025 witnessed sustained high occupancy levels across major cities, albeit with a notable shift in the previously established pattern of rising rents without corresponding occupancy declines.

Emerging trends indicate pockets of reduced occupancy, even in traditionally strong markets, underscoring the intensified competitive landscape and increased student selectivity. Occupancy performance is now influenced by factors beyond macro indicators such as undersupply, with location, operator, and accommodation type playing increasingly significant roles.

In addition, value for money is now undoubtedly central to the decision-making of many students. This is beginning to be played out in the market acceptance of different room types, namely between premium studios and the relative value for money that en-suite accommodation affords.

#### Letting Cycle Pricing

While occupancy levels between 2024 and 2025 remain largely unchanged, operators are exhibiting less dynamic pricing strategies compared to previous years, exercising caution in response to a softening private residential market.

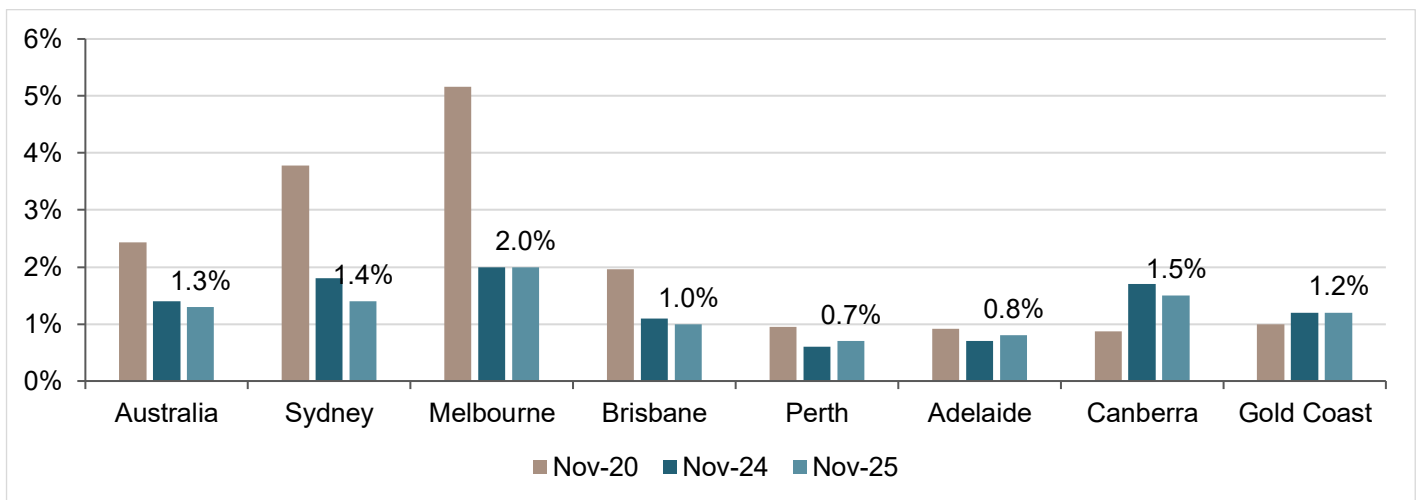
Initial price points and introductory rates are being moderated, with evidence suggesting that students are adopting a more measured approach to the lettings cycle. The post-COVID-19 "fear of missing out" phenomenon has subsided in the face of elevated rental costs.

#### Affordability

Affordability is set to become the defining challenge of the student accommodation market, with the private residential market reflecting equally tight vacancy levels.

Notably, certain key residential areas continue to cater exclusively to students, despite the scarcity of private PBSA. These areas present valuable opportunities for both developers and students, as lower land values facilitate more competitive pricing structures, ultimately providing students with more affordable and purpose-designed accommodation options.

**Figure 67 Rental Vacancy Rates (Nov-25)**



Source: SQM Research as at Nov-25<sup>68</sup>

<sup>68</sup> SQM Research Rents Index

## 3.9. Market Outlook

### Yield Performance and 2026 Outlook

Benchmark yields for prime markets in New South Wales maintain a slightly sharper range of 5.00% - 5.25%. Despite the absence of transactions in Adelaide throughout the year, JLL estimates that prime market PBSA yields in Adelaide sit slightly softer than Sydney between 5.75% - 6.25%.

**Figure 68 PBSA - Cap Rate - JLL House View**

PBSA - Cap Rate - JLL House View						
	Melbourne	Sydney	Brisbane	Adelaide	Canberra	Perth
2025	5.25% - 5.75%	5.00% - 5.50%	5.25% - 5.75%	5.75% - 6.25%	5.75% - 6.25%	5.75% - 6.25%
Trending	Stable	Stable	Stable	Stable	Stable	Stable

Source: JLL Research<sup>69</sup>

### Definitive Short and Long-Term Yield Analysis of the Living Sector

The current yield trends serve as a key indicator of investor sentiment towards PBSA. JLL's expectations regarding PBSA yields specifically pertain to professionally managed, institutional-grade student housing developments. This distinction underscores the quality and reliability of the assets in question.

**Figure 69 JLL Australia PBSA Outlook**

	Short-term (Next 12 months)	Medium term (2-4 years)
Demand	Strong	Stable
Supply	Increasing	Increasing slightly
Rents	Increasing	Softening
Yields	Stable	Softening slightly
Investment	Increasing	Increasing

Source: JLL Research<sup>70</sup>

The Australian PBSA sector stands at an inflection point. Strong underlying demand, supported by the nation's world-class universities and continued international appeal, provides a solid foundation. However, success will increasingly depend on delivering accommodation that meets students' evolving needs while remaining accessible to the diverse range of learners that

<sup>69</sup> JLL Research, internal resource

<sup>70</sup> JLL Research, internal resource

Australian higher education seeks to attract, particularly with the emergence of both BTR and Co-Living product types.

Those developers, operators and investors who can activate land, partner with universities, reach scale quickly and deliver on accommodation already in planning, will likely benefit from strong rents and growth as well as cap rate compression as Australia continues to attract global capital and new market entrants.

## 4. Limiting Conditions

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