



Figure 44: ACC's 3Q16 results preview

ACC	3Q15	2Q16	3Q16			2016			
	Actual	Actual	Actual	DBe	Cons	Pre 3Q Guide	Post 3Q Guide	DBe	Cons
Earnings									
FFOM/sh ¹	\$0.43	\$0.54		\$0.45	\$0.43	\$2.19 - \$2.31		\$2.28	\$2.25
Operating Metrics									
	Actual	Actual	Actual	DBe		Pre 3Q Guide	Post 3Q Guide	DBe	
SS NOI growth, y/y	5.9%	2.5%		3.6%		2.0% - 3.8%		3.0% total	
SS Revenue growth, y/y	3.7%	2.5%		2.7%		2.2% - 2.9%		2.6% total	
SS Expense growth, y/y	2.1%	2.4%		1.9%		1.8% - 2.3%		2.1% total	
Average wholly-owned Occ. (as initially reported)	91.3%	92.5%		92.7%				96.7%	
Development starts (in MM's)	\$0	\$188		\$131					
Owned projects under construction (in MM's)	\$440	\$912		\$912					
On-campus award pipeline (in MM's)	\$182	\$407		\$407					
Dispositions (in MM's)	\$32	\$0		\$0		\$200 - \$600		\$600	

Note: consensus estimates are based on Thomson compiled data as of 10/14/16

¹ ACC reports FFOM due to accounting rules requiring it to consolidate its on-campus properties

- Update on the 19 non-core asset portfolio that is under LOI and expected to close in 4Q16. Guidance calls for \$126MM to \$526MM in planned 2016 dispositions. We are modeling \$526MM to close during 4Q. Also expect an update on ACC potentially retaining management of sold assets
- Comments on the conclusion of the 2016-2017 academic year lease-up and expectations for next year with \$600MM of deliveries finalized for Fall 2017
- Update on the 2018 development pipeline and development yields for on-campus vs. off-campus
- Color on final leasing stats for the 2016/2017 school year
- Update on expected SS NOI growth in 2017. ACC previously projected that +3% of rent growth, a 70-80bps pickup in occupancy, and operating expenses growing at 2% or lower would drive SS NOI growth towards the high end of 3%-6% range in 2017
- Update on national supply trends vs. ACC construction (ACC accounts for 13.7% of all 2017 development deliveries in their markets, up from 5.1% in 2016)

Source: Deutsche Bank, company data, Thomson