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Investec Structured Property Finance to provide £23.6 million development finance for 454-bed Bournemouth student accommodation scheme

-Investec closes second deal with Curlew Student Trust, bringing total lending to £71mn-

Investec Structured Property Finance (“Investec”) is pleased to announce that it has agreed to provide a £23.6 million financing facility to Curlew Student Trust (“Curlew”), for the development of a 454-bed Grade-A scheme in Bournemouth, and an additional 2,000 sq ft retail unit.

This is Investec’s second deal with Curlew, one of the UK’s largest investors in purpose built student accommodation. Backed by clients of CBRE Global Investment Partners, this deal further demonstrates the appetite from private equity investors for the attractive returns available from the sector.

Investec is providing the senior debt, which will fund the scheme through to practical completion in August this year, with a subsequent 18 month investment period. Located on Christchurch Road, which is just a short walk from both of the city’s higher education campuses, the development is scheduled to open for the start of the 2017/18 academic year. Leading contractor Watkin Jones is responsible for the development phase.

This latest transaction takes Investec’s exposure to Curlew to £71.3mn, after closing a £47.7mn facility in April for the development of a 527-bed East London student accommodation scheme in April. Investec’s lending to real estate funds such as Curlew in the last three years now totals over £400mn.

Mark Bladon, at Investec Structured Property Finance, commented:

“Investor appetite for well-located student accommodation schemes in the UK shows little sign of abating, with the long-income profile of these operationally backed assets particularly attractive. Both of Bournemouth’s higher education institutions, which collectively total more than 23,000 students, continue to grow in reputation, a key factor in our decision to again partner with an experienced and trusted operator in Curlew to deliver this purpose-built scheme.”

“While the UK’s reputation as a global hub for students remains, we will continue to consider schemes that require bespoke financing facilities and draw on our significant use-class expertise.”

Brett Robinson, Director at Curlew Capital, the Investment Adviser to Curlew Student Trust, added:

“We continue to both identify and undertake student accommodation schemes of this nature, which offer market-leading returns and which we have the track record and resources to deliver on behalf of our investors. With a significant supply demand tension for high-quality accommodation, Bournemouth is an ideal fit with our investment strategy, as is partnering with one of the UK’s leading and most respected providers of development financing.”

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Media Enquires:

FTI Consulting
Giles Barrie, Tom Gough, Richard Gotla
Tel: +44 20 3727 1575
Investec@fticonsulting.com

Notes to editors:**About Curlew Capital**

Curlew Capital was the first operating entity created by Curlew Alternative Asset Management to pursue investment in UK Purpose Built Student Accommodation. Curlew currently has 3,500 operating beds and c. 3,500 under construction to be delivered in 2017 and 2018. Backed by CBRE Global Investment Partners, Curlew Student Trust was set up to seek income growth and long term capital appreciation in top university towns and cities. In 2016 Curlew Capital was voted investor of the year at the Student Accommodation Awards.

For more information visit <http://www.curlew-aam.com/curlewcapital/curlewcapital/>

About Investec

Investec Structured Property Finance was founded in 1994, providing bespoke development and investment funding expertise for experienced property professionals. With specialist knowledge across the residential, commercial, mixed-use and student accommodation sectors, Investec partners with experienced property entrepreneurs with a proven track record. Financing typically ranges between £5m to £75m, with Investec taking a realistic and flexible approach to evaluating project costs. During 2016 Investec lent in excess of £500 million and anticipates a similar level of activity in 2017.

For more information visit <https://www.investec.co.uk/private-clients/property-finance.html>