
STUDENT ACCOMMODATION FINANCE

For three decades, our Real Estate team has helped clients achieve the best possible return on equity with development and investment funding solutions across the residential, commercial, mixed-use and student accommodation sectors.

We partner with some of the UK's most respected property companies and entrepreneurs. We examine each case on its merits and we don't follow a set of pre-defined rules. We have a huge amount of repeat clients who are a testament to the service we provide and the valuable relationships we have been able to build with them.



Scape Surrey 2

Location: Guildford

We provided a joint venture between Scape UK and HG Construction with a £53.5m senior debt facility, to fund the development of 403 purpose-built student accommodation ('PBSA') beds, and 113 Co-Living units in Guildford.

The scheme sits on the east border of the main University of Surrey campus and is scheduled to open for the 2020/21 academic year; with the Co-Living element following in 2021. This is the second Scape Surrey development in Guildford. Scape Surrey 1, directly adjacent to the new scheme achieved 100% occupancy across

its 141 beds since opening for the start of the 2016/17 academic year, and it is the most oversubscribed property in Scape's student portfolio.

The second scheme will be finished to a high quality 'Scape' specification throughout, with emphasis on communal space for students to share and socialise with their immediate neighbours. Amenities will include a large break-out reception area, cinema room, open plan kitchen area, laundry rooms and outdoor area, with similar facilities for the Co-Living tenants.



Scape

Location: London, Bloomsbury

We provided Scape, the global purpose-built student accommodation provider, with a £17.5 million senior loan to fund the acquisition and development of its Thanet Street scheme in Bloomsbury, London WC1. The project will see the full refurbishment of the existing property to deliver 60 self-contained studio units. The development is centrally located in Bloomsbury and will be within walking distance of several leading universities, including the University of London, Birbeck University and SOAS. Students will also benefit from the proximity to London King's Cross and St Pancras

International railway stations and tube stations, which together form one of the country's largest transport hubs.

London remains Europe's largest student market, and new development continues to be impacted by a restrictive planning environment. Two of the UK's fastest growing universities are located in the city: University College London saw student numbers rise by 10,365 (46%) from 2012/13 to 2017/18 while King's College London grew by 6,080 (31%) over the same period.



Crosslane and Harrison Street

Location: Coventry, Swansea, Portsmouth

We provided a £59m loan to a joint venture between Harrison Street Real Estate and Crosslane Student Developments for the development of three purpose-built student accommodation assets totalling over 1,100 beds. The assets are located in Coventry, Swansea and Portsmouth to be delivered in time for the 2019/20 academic year.

Upon completion, the schemes will be managed and operated by Prime Student Living (a Crosslane Group company). We are also providing an investment period following the end of the development phase allowing the client to focus on lettings and stabilising the assets.



Curlew Student Trust

Location: Bournemouth

We provided a £23.6m senior debt facility to Curlew Student Trust. This facility took the development to completion in August 2019 and then provided a subsequent 18-month investment loan. The scheme comprises of a 454-bed Grade-A scheme in Bournemouth and an additional 2,000 sq ft retail unit.

Located on Christchurch Road, which is just a short walk from both of the city's higher

education campuses, the development opened for the start of the 2017/18 academic year. This is our second deal with Curlew Student Trust, bringing total lending to £71m. Backed by clients of CBRE Global Investment Partners, this deal further demonstrated the appetite from private equity investors for the sector.



Student Real Estate

Location: Belfast

We provided a £24m senior debt facility to RSRE, a fund focusing on Purpose Built Student Accommodation, for the development of a 474-room development in Belfast. The 40-month loan comprises a 16-month development period and a subsequent 24-month investment period.

It is the third deal we have done in the Northern Irish capital, driven by the continued favourable supply-demand dynamics. RSRE is a leading global commercial real estate investor and fund manager focussing in the PBSA sector.



Knightsbridge/Three Sixty

Location: Southampton & Cardiff

We provided Three Sixty Developments with a £57m debt facility to finance the development of three student accommodation buildings in Southampton and Cardiff. The development at Back of the Walls, Southampton contains 356 rooms, while the second development at St. Mary's Road, Southampton valued at £31.3m of PL and comprises 467 rooms. The Cardiff development contains 281 rooms.

All three schemes were completed and fully operational for the 2016/2017 academic year.

In total, we provided £130m of debt facilities over eight student accommodation sites across two academic years to Three Sixty Developments – a successful and experienced developer and operator of student accommodation, with a then portfolio of 6,000 beds. We since have completed two more deals for this fund.



Fusion Students

Location: Cardiff

We provided Fusion Students with a £18m senior debt facility, over a 3.5 year term, to fund the development of a 314-bed student accommodation scheme in Cardiff. The property is in an excellent city centre location a couple of minutes' walk to Cardiff University and Cardiff Queen Street station. It is the closest private student accommodation building to the campus.

Our strong relationship with Fusion has funded numerous high-end residential developments since 1999. This was our third student scheme with them; the previous deals in Bristol and Nottingham were office conversions creating a total of 690 bedrooms. Fusion are renowned for their excellence in design, specification and the highest level of build quality; this deal demonstrates in continued support of highly regarded, market-leading clients.



Balfour Beatty

Location: Glasgow

We provided a £26m senior debt facility to Balfour Beatty to assist with the development of a 536-bed student accommodation scheme in Glasgow – the third largest student city outside London with 53,000 full time students. The scheme was built by Balfour Beatty's construction arm, and was completed in summer 2017 for the 2017/2018 academic year.

As a contractor, Balfour Beatty has delivered 21,000 student beds in the UK and 28,000 beds globally. However, this was their first stand-alone transaction as a developer choosing us for the funding package, recognising our market-leading reputation as a specialist funder of student accommodation. Our experience in lending in this sector, and to complex Plcs, enabled us to complete our loan documents ahead of schedule.



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