

EXPERTS IN STUDENT ACCOMMODATION

2023

GERALD EVE – AT A GLANCE

40%

of FTSE100 are clients

£92.5m

turnover in year to April 2022

90%

of our clients have been with us for five years or more

600+

people

20+

countries where we are active

EducationInvestor
Awards 2023 
WINNER

Education Property
Consultant of the Year

OUR OFFICES

GLASGOW
LEEDS
MANCHESTER
BIRMINGHAM
MILTON KEYNES
CARDIFF
CITY OF LONDON
LONDON, WEST END
WEST MALLING



Property
Awards

Shortlisted for
Alternatives Team
of the Year 2020

Property
Awards 2021
WINNER

Alternatives
Team of
the Year

Property
Awards 2022
WINNER

Alternatives
Team of
the Year

EducationInvestor
Awards 2019 
WINNER

EducationInvestor
Awards 2020 
FINALIST

EducationInvestor
Awards 2021 
FINALIST

EducationInvestor
Awards 2022 
FINALIST

EducationInvestor
Awards 2023 
WINNER

INTRODUCTION

Purpose Built Student Accommodation (PBSA) continues to be one of the more resilient asset classes in an economic downturn. The strong fundamentals continue to attract developers, investors and lenders to the sector, albeit the sector is not immune to the challenges of the economic and political uncertainty and there will be still be winners and losers.

Generally, there is enough demand for PBSA that rental growth will counteract increases in operational costs and yield shift to maintain values. However, there is a flight to quality and therefore the lower tier universities and older stock may not be able to achieve the same level of rental growth and occupancy levels to cover the cost increases. Affordability and value for money are more important than ever as student maintenance loans are not going to rise with inflation and the cost of accommodation is starting to play a bigger role in students choice of university. Universities will need to continue to work together with private providers to ensure they can provide suitable accommodation for all their students.

Planning policy continues to put pressure on developers, including the introduction of affordable student housing policies and in some cases the requirement for a nominations agreement or lease with an educational institution upon the majority of the accommodation.

Our specialist student accommodation and higher education teams work alongside our planning, development and capital markets teams to provide a full service offering identifying new opportunities and guiding you through all aspects of planning, viability, development, funding, valuation, asset management, acquisition and disposal.

We advise over 65 universities on a range of property advice; we're in the market advising on investment transactions; and our extremely strong planning and development team is market leading, giving you reassurance that we possess the expertise to help you in these challenging times.



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Advise over
65 universities

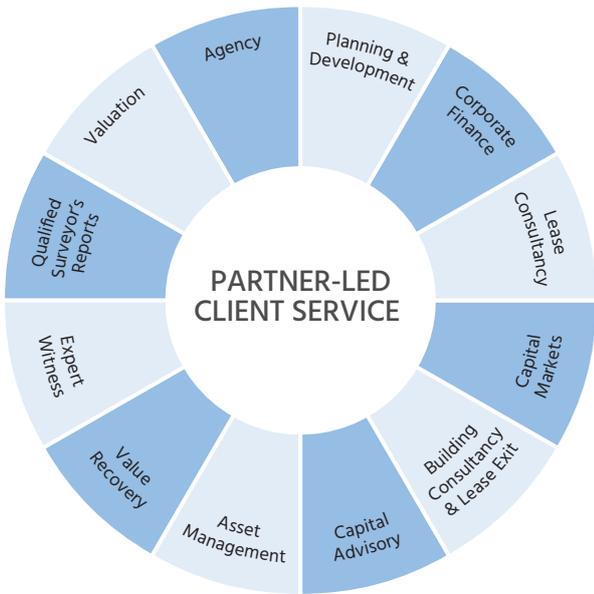


Advise 37 lenders



Valued PBSA
assets worth over
£400 million in 2022

SERVICES AND ASSET TYPES



Operational Development
Forward funded/commitment



Privately operated
University operated
Partnerships



Direct Let
Leased
Nomination agreement

LOCATIONS THAT WE HAVE ADVISED ON PBSA



KEY THEMES, CHALLENGES AND OPPORTUNITIES



MARKET THEMES

- Flight to quality – universities and accommodation
- Affordability / value for money
- Community and wellbeing
- ESG



OPPORTUNITIES

- Favourable demographics and strong fundamentals compared to other asset classes
- High rental growth achievable in locations with low supply and increasing student numbers
- Partnerships with universities to improve their own accommodation offering
- Potential crossover to other rental models such as BTR and co-living



CHALLENGES

- Viability of new developments due to increasing build costs
- Pressure on net operating income due to increasing operational costs
- Constrained supply due to restrictive planning policy including affordable rent requirements
- Future proofing new developments and improving older stock
- Fewer transactions due to increased cost of finance



CASE STUDIES

Our clients benefit from access to a seamless advisory team of expert consultants and agents who understand the principal challenges and solutions for the different stages of a project lifecycle, and how these affect the different market players.

The case studies below provide a selection of our expertise within the PBSA sectors across the different stages of the property lifecycle. Please click on the icons below to access further information on these and other case studies.

As a trusted advisor, Gerald Eve seeks to identify and prioritise all of our client’s requirements, whether this be attitudes to risk, timescales or return requirements. This enables us to adopt tailored and successful solutions.



LOAN SECURITY VALUATION

ASSET VALUATION

STRATEGIC ADVICE

DISPOSAL



OAKNORTH BANK PLC LIME HURST DEPOT, LOUGHBOROUGH

THE UNIVERSITY OF SHEFFIELD STUDENT RESIDENCES AT ENCLIFFE AND RANMOOR

THE UNIVERSITY OF BRIGHTON VARLEY PARK, BRIGHTON

AMPLEFORTH ABBEY TRUSTEES 11 NORHAM GARDENS & ST BENET'S HALL, OXFORD

Provided valuation report to determine whether a proposed development of 566 student beds on a former industrial depot provided suitable security for lending purposes.

Provide an annual asset valuation of the University's 4,205 student bedrooms for Financial Reporting Purposes in accordance with FRS 102.

Advised on the options being considered by the University in relation to the 764 student bedrooms as part of their long term estates strategy. We advised on the value of the Freehold interest and the implications of putting a lease or nominations agreement in place.

Advised on the sale of two student accommodation buildings comprising 59 bedrooms which had become surplus to the Charity's requirements. We jointly marketed the properties and sold them in excess of the guide prices whilst also ensuring compliance with the Charities Act.

[Contact: Charlotte Hooper](#)

[Contact: William Arkell](#)

[Contact: William Ray](#)

[Contact: Ben Gilbey](#)



ACQUISITION DUE DILIGENCE

PLANNING

FINANCIAL VIABILITY

LEASE EXIT



WAYPOINT INVESTMENT MANAGEMENT COTTON MILLS, NOTTINGHAM

Provided a purchase report to assist with the potential acquisition of 274 student beds on a forward funded basis. The property was pre-let to Unipol on a 25 year lease and was fitted-out to Unipol's brand specification.

SPIRITBOND AND SCHRODER UK REAL ESTATE FUND STRATFORD ASSEMBLY, STRATFORD

Planning permission was achieved for a new school and PBSA block providing 716 bedrooms, including 35% affordable bedrooms. The scheme was refined through extensive pre-application engagement with the LLDC, Newham, Network Rail, TfL, the Department of Education, the LAE and others, as well as two rounds of community engagement.

URBANEST 2 TRAFALGAR WAY

Determined an appropriate S106 package (including a Payment in Lieu) that would be acceptable in planning and viability terms in relation to the planning permission granted for 1,700 student rooms in partnership with UCL.

UNIVERSITY OF BEDFORDSHIRE BLOCKS 1-11 LEA HALLS, LUTON, BEDFORDSHIRE

Originally instructed to advise on lease surrender options and negotiation strategy. Subsequently, provided Section 18 valuation advice. Assisted our client successfully exit c.80,000 sq ft of student accommodation and secure c.£4 million in savings from contractual liabilities.

 [Contact: Charlotte Hooper](#)

 [Contact: Peter Edgar](#)

 [Contact:
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YOUR DEDICATED STUDENT ACCOMMODATION TEAM

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LEASE EXIT

BUILDING CONSULTANCY

For further information on all our Student Accommodation sectors, visit our website [here](#)

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Gerald Eve is a firm of chartered surveyors and property consultants based in the UK, operating from nine offices with over 600 professionals. As a Newmark company, we offer expansive reach through a global platform.

Gerald Eve provides independent, intelligent and relevant advice based on detailed market knowledge and sector understanding. Our expertise covers capital markets, corporate real estate advisory, asset management, tenant representation, landlord leasing, planning and development and building consultancy, property management, valuation and business rates services.

Whether you are a property owner, investor, occupier or developer, together we have the expertise and relationships to deliver the best property solutions for your business.

Gerald Eve joined Newmark Group, Inc. (Nasdaq: NMRK) ("Newmark") in 2023. A world leader in commercial real estate, Newmark's company-owned offices, together with its business partners, operate from approximately 180 offices with nearly 6,700 professionals around the world. Learn more about Newmark, our relationship and service offerings

