



GREENVIEW COURT

Winchester Place, Highgate, London N6 5HJ

London Student Accommodation Investment Opportunity

The heart of
student living



Greenview Court



LMU Campus

Holloway Rd

NIDO

King's Cross / St Pancras

UAL Campus

Archway

Middlesex University
Campus

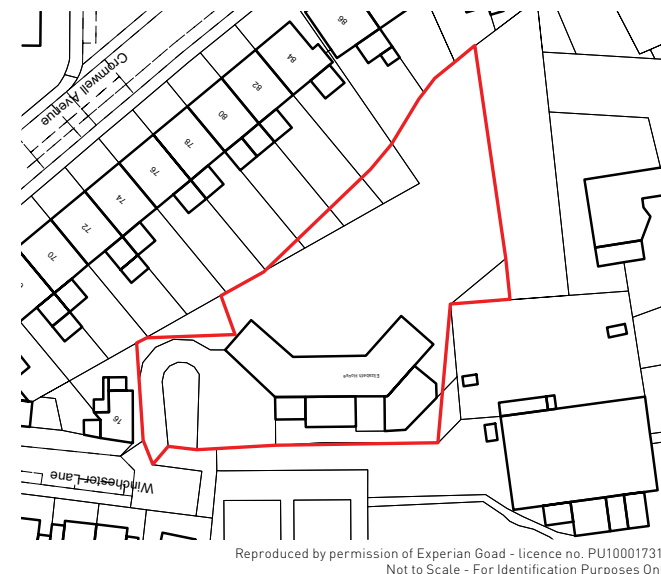
UCL Whittington
Hospital Campus



Investment Summary

- An excellent opportunity to acquire a freehold London student accommodation block
- Excellent location within the affluent Highgate Village, 10 minutes walk from Highgate and Archway London Underground Tube Stations (Northern Line)
- Close proximity to Middlesex University and Whittington Hospital (UCL) benefitting from over 6,000 full time students in the immediate vicinity
- London has a large supply / demand imbalance with c.285,000 full time students and only c.55,000 purpose built bed spaces equating to circa c.19% provision
- Attractive Grade II listed, newly-refurbished property over lower ground, ground and 3 upper floors
- The property comprises 87 letting rooms in a variety of room types with shared bathroom and kitchen facilities
- An income producing asset with long-term refurbishment and change of use potential, subject to the necessary consents
- Let to Britannia Travel Services Ltd on a new 10 year FRI lease (subject to a Schedule of Condition) from 17 September 2011 at an initial rent of £515,000 per annum subject to annual RPI rental increases, capped at 3.50%. The tenant has a break option after 5 years on 9 months notice
- Seeking offers in excess of **£7,250,000 (seven million two hundred and fifty thousand pounds)** reflecting a net initial yield of 6.71 % after acquisition costs of 5.80%





Location

Greenview Court is superbly located in a quiet cul-de-sac within the leafy suburb of Highgate Village. The surrounding area is predominantly private residential housing in a mix of types. The property lies between Highgate Underground Station (zone 3 Northern Line) which is 0.5 miles or 8 mins walk and Archway Underground Station (zone 2 Northern Line) which is 0.6 miles or 10 mins walk.

The location is well situated for many universities, including UCL's Whittington Hospital campus, the University of London's Institute of Education and Middlesex University, all within 0.6 miles or 12 mins walk. Archway underground station is 13 mins from Euston (via Northern Line), 21 mins from Russell Square (Northern & Piccadilly Lines) and 20 mins from London Bridge or Waterloo (Northern Line).

Both Highgate Village and Archway benefit from an extensive mix of retail and leisure amenities including food and non-food retail, bars and restaurants which combine to create a vibrant social environment for students and young professionals alike.

Description

The former Metropolitan Police [Sui Generis use class] residence is a detached Grade II listed building built of brick and concrete construction in 1928. It is a neo-Georgian building situated in a very attractive private residential family housing area, with a large private landscaped garden, veranda and balcony.

The accommodation comprises c1,618 sq m (17,409 sq ft) GIA over a 5-storey building incorporating lower ground, ground and 3 upper floors. The property provides 87 student rooms within a butterfly shape plan and is of concrete framed construction with red brick external walls, metal framed crittal windows with leaded panes and hipped mansard tiled roofs. To the rear elevation there is a prominent colonnaded veranda with 6 pairs of concrete piers. Internally, the floors have been partitioned to provide bedrooms, with shared kitchen and toilet facilities. Access is provided by two open well staircases with metal balustrades.

The 87 bedspaces consist of a mixture of standard singles, single en-suites and studios and had previously been let directly to the student market, until the commencement of the lease to Britannia Travel Services Ltd in September 2011. Some of the rooms may be capable of double occupancy.

Prior to letting the building to Britannia Travel Services Ltd, UNITE spent over £200,000 on refurbishment works, decoration of rooms, renewal of carpets and electrical works.

The total site area is c0.66 acres (0.26 hectare). External areas comprise an insitu concrete car park with 5 spaces and access road to the front, a cycle storage area and soft landscaping to the rear. Concrete retaining walls are constructed to the basement floor areas.

London Student Market

The student accommodation market continues to demonstrate strong underlying supply and demand fundamentals and has shown a degree of counter-cyclical resilience to the wider property market movements.

Aside from the supply / demand dynamics, other factors supporting the student sector, particularly when compared against other residential investment asset classes, include the potential to secure a commercially driven income stream with annual rent reviews, strong rental growth and the 'granular' nature of the income / tenant profile. The sector continues to deliver strong returns compared to other mainstream asset classes.



London is one of the most vibrant, cosmopolitan places in the world to be a student and has more international students than any other city. 30,000 courses are on offer from over 40 universities (source: Study London).

There are c.285,000 full time higher education students studying in Greater London and c.55,000 purpose built bed spaces, accounting for only c.19% level of provision for all full time students. We understand London institutions are only able to accommodate circa 50% of their 1st year students.

London is a unique destination in that students will commonly travel up to 45 minutes between their place of study and their accommodation. This has been driven by the ongoing significant supply / demand imbalance being experienced in London.

Planning

The property was built in 1928, originally as a training centre for nurses, and since has been used by the Metropolitan Police, The Church of England and The Catholic Church. The property is used, and it is believed has been used since its construction, for an open hostel use (sui generis). Whilst evidence of the original planning consent for the construction and subsequent hostel use is not available, indemnity insurance is in place in respect of the current hostel use. The property is located in the Highgate Conservation Area.

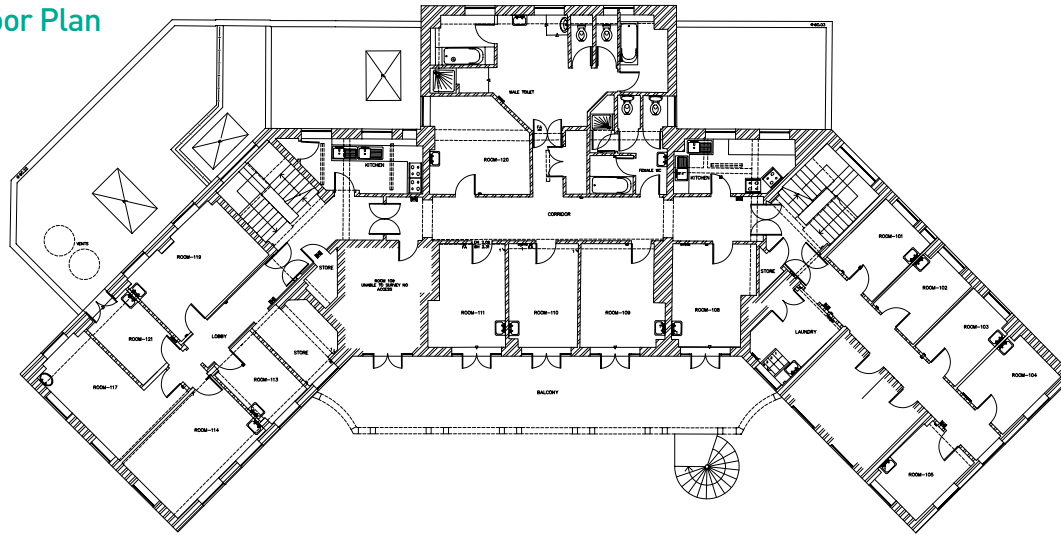
The recent planning history reveals a permission granted in 2001 permitting a full height extension to the south west and north east elevations, and conversion to form 18 self contained flats and car parking spaces. This permission was not implemented, but a further application was then made to demolish the existing buildings and implement the 2001 consent. As a result of this application, English Heritage listed the property in August 2005 as Grade II for its 'notable architecture, specific and original design and national historical importance'. Listed Building consent was obtained in 2008 in respect of some external and internal alterations, principally to the main entrance to the property.

There is evidence of residential use consent having been granted for a similar nearby property, Furnival House, which is a Grade II listed property located 100m from the property. It is of a similar size and age, and was similarly listed following an application to convert to residential use, preventing demolition. Permission was subsequently granted for change of use from hostel to residential (C3) permitting conversion to 15 residential units. There is therefore potential to obtain a similar consent for the property, involving a change of use.

Planning and/or Building Regulations insurance is in place in respect of the continued use of the property as student residential accommodation covering the costs of defending enforcement action, costs of required alterations to the property and/or any diminution in value of the property arising from enforcement action taken by the Local Planning Authority. The benefit of this insurance policy will be passed to the purchaser.



Typical Floor Plan



Not to Scale - For Indicative Purposes Only

Accommodation

The property provides the following mixture of accommodation types:

Rental Type	No. of Rooms
Classic Non Ensuite	43
Classic Studio	4
Classic Ensuite	5
Classic One Bed Flat	1
Premium Ensuite	22
Premium Non Ensuite	12
Total	87

The 87 bedrooms provide 96 bed spaces

Contents

Amenities supplied for the occupiers include;

- Broadband internet access
- Fully equipped kitchens
- On-site coin-operated laundry
- Resident staff
- Communal TV lounge
- Private landscaped garden
- CCTV
- Bike racks and limited off street parking
- A weekly cleaning and linen service included within the rent.



Bedrooms

Furniture is modern in style. The current tenant provides bedroom cleaning, linen and towels (provided free of charge) which are changed weekly. Most rooms have a small fridge freezer and wash basin.

Bathrooms

There are shared bath or shower rooms on every floor and some rooms and studios have en-suite bathrooms.

Kitchen Facilities

There are kitchens on every floor and appliances include hob, oven, fridge/freezer, microwave, toaster and electric kettle. The current tenant provides cooking utensils, pots, pans, crockery and cutlery free of charge and kitchens are cleaned regularly. Irons and ironing boards can be provided.



Tenancy Details

The entire property is let to Britannia Travel Services Ltd on an FRI lease, subject to a Schedule of Condition, for a term of 10 years from 17th September 2011, subject to a tenant's only break option after 5 years on 9 months notice. The passing rent is £515,000 per annum, subject to annual increases to the higher of the base rent or RPI, capped at 3.50%. The rent is payable quarterly in advance on the usual quarter days.

The tenant has a right of pre-emption to acquire the freehold interest which must be exercised within 20 working days of an offer being made and at the price offered. This right is personal to UNITE and Britannia Travel Services Ltd and would not bind a purchaser.

The tenant currently operates from 9 other locations across London and is opening a further 270 beds in Brighton in 2012. For further information, visit www.britanniatravel.com/halls.

Tenure

The property is sold freehold.

VAT

The property is not elected for VAT.

Rents 2011 / 12

The property was let to Britannia Travel Services Ltd from 17th September 2011 and despite the proximity to the start of the academic year, all bed spaces were let within a few weeks. There was 100% occupancy achieved before the start of the academic year. The tenant was advertising the different rooms at the following rates for the 2011/12 academic year:

Standard single room	£180.00
Large single room	£190.00
Double room with single occupancy	£200.00
Double room with double occupancy	£115.00
Twin with single occupancy	£205.00
Twin with double occupancy	£120.00
Mini-studio	£215.00
Studio with single occupancy	£225.00
Studio with double occupancy	£125.00
Twin studio with single occupancy	£270.00
Twin studio with twin occupancy	£145.00
Olympic Supplement (July & August 2012)	£35.00

Source: www.Britanniatravel.com as at 09/11

On the basis of these rents, we understand that Britannia Travel Services Ltd are deriving a total gross rental income for the 2011/2012 year of approximately £800,000, adequately supporting their current rental commitment of £515,000 and underpinning the underlying investment value.

Local Occupational Demand

The location of the property for those studying at Whittington and Middlesex Hospitals is excellent, being located 5 minutes walk from The Whittington NHS Hospital which is a general teaching hospital, employing 2,000 staff. Furthermore, The Whittington NHS Hospital is a main campus for University College London (UCL) and Middlesex University, educating circa 2,500 and 3,500 students respectively. The hospital provides clinical placements for undergraduates for UCL and other health professionals including nurses, midwives, radiographers and dieticians for Middlesex University. The campus is also UCL's centre for post-graduate training in multi professional education, Informatics, clinical research and health services research.

Price

We are instructed to seek offers in excess of **£7,250,000 (seven million two hundred and fifty thousand pounds)** representing a net initial yield of 6.71%

Website

There is further information on the property via a separate website and access can be obtained through contacting Lizzie Whetman 0207 016 3863 or lwhetman@savills.com

Contact Details

For further information and to arrange inspections, please contact:

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UNITE