

STUDENT ACCOMMODATION INVESTMENT OPPORTUNITY



CGI view on Western Way

“THE HERITAGE” WESTERN WAY, EXETER, EX1 2DE

STUDENT ACCOMMODATION TURNKEY INVESTMENT OPPORTUNITY

HIGH SPECIFICATION STUDENT ACCOMMODATION

CITY CENTRE LOCATION

179 BEDS IN 144 SINGLE EN-SUITE ROOMS AND 35 STUDIOS AND 1 CONCIERGE/WARDEN'S STUDIO

ASSOCIATED AMENITY SPACE

savills.com/residentialinvestment



“THE HERITAGE”

WESTERN WAY, EXETER, EX1 2DE

INVESTMENT SUMMARY

- Estimated gross rental income of £1,321,094 per annum (11/12)
- 144 single en-suite rooms and 35 en-suite studios and 1 concierge/warden's studio
- Good supply/demand dynamics – only 37% in purpose built accommodation
- Forthcoming planning policy likely to restrict future HMO provision
- Additional revenue potential through conferencing, laundry and vending facilities
- Exeter University is 10th in The Times Good University Guide 2012

DESCRIPTION

The scheme will have frontage onto Western Way (B3212) and Verney Street. The building will reach 5 storeys in height, with accommodation also at lower ground floor level. The design is approximately 'H' shaped, with 2 courtyard spaces being formed by the building that will provide a pleasant outlook with soft landscaping features.

The development will provide a total of 179 student beds, comprising 144 single en-suite cluster beds and 35 studios. Within the clusters no more than 6 rooms will share kitchen and living facilities. The standard rooms will be circa 14-15 sq m and the studios approximately 25 sq m.

There are 2 access points on the lower ground floor, directly from Western Way and another from the courtyard south of the building, accessed from Verney Street or Western Way. Secure storage facilities for 92 bicycles will be provided.

The scheme is designed to provide the highest specification accommodation in Exeter. Residents will enjoy access to various amenities on the ground floor, including a gym, lounge area, laundry and reception desk.

The scheme will compare favourably with the existing student accommodation offer in the City, which predominately comprises HMO style terraced housing. Exeter City Council are bringing forward policies to restrict any further increase in the number of HMO properties in the areas traditionally preferred by students, such as St James and Pennsylvania. We anticipate that this will drive increased demand for purpose built accommodation.

Floor	Room Types	Total Student Rooms
Lower Ground Floor	6 x Studio Rooms	6
Upper Ground Floor	2x 6 Bed Cluster 2x 5 Bed Cluster 1x 4 Bed Cluster 5x Studios	31
1st Floor	5x 6 Bed Cluster 7x Studios	37
2nd Floor	5x 6 Bed Cluster 7x Studios	37
3rd Floor	5x 6 Bed Cluster 7x Studios	37
4th Floor	1x 6 Bed Cluster 2x 5 Bed Cluster 2x 4 bed Cluster 7x Studios	31
	Total	179



PLANNING

- The application site comprises an area of land of approx. 0.18 hectares (0.481 acres) between Verney Street and Western Way. The site comprises former factory premises extending to two storeys in height with predominantly pitched roof, except for a small section of flat roof between Kingfisher and Stag House and a single storey flat roof element fronting Western Way.
- Planning permission for the scheme was obtained from Exeter City Council in September 2011, under application number 11/0959/03: *'Redevelopment to provide student accommodation of 179 rooms, concierge studio, access to highway and associated works'*.
- Section 106 Costs are still being negotiated but will be met by the vendor.

Exeter Student Rents 2011/2012 (self-catered) 40-51 week	
University en-suite bed space	£116.48 - £123.83
University Studio	£134.19 - £148.26
Private en-suite bed space	£110.25 - £149
Private Studio	£143.30 - £207

Exeter Private Operators Rents		
Operator & Scheme	En-suite	Studio
Unite, Exeter Trust House	£149, 43 weeks	£207, 43 weeks
Unite, Northernhay House	£141, 44 weeks	£203, 44 weeks
Opal, Opal 1	£129-£40, 51 weeks	£149-£163, 51 weeks
CRM, Isca Lofts	£110-£127, 48 weeks	£143, 48 weeks
Unite, Northfield	n/a	£147, 51 weeks

LOCATION

The scheme is situated on Western Way, in Exeter's City Centre. The site is within an established and vibrant area of student accommodation, with other purpose built developments nearby.

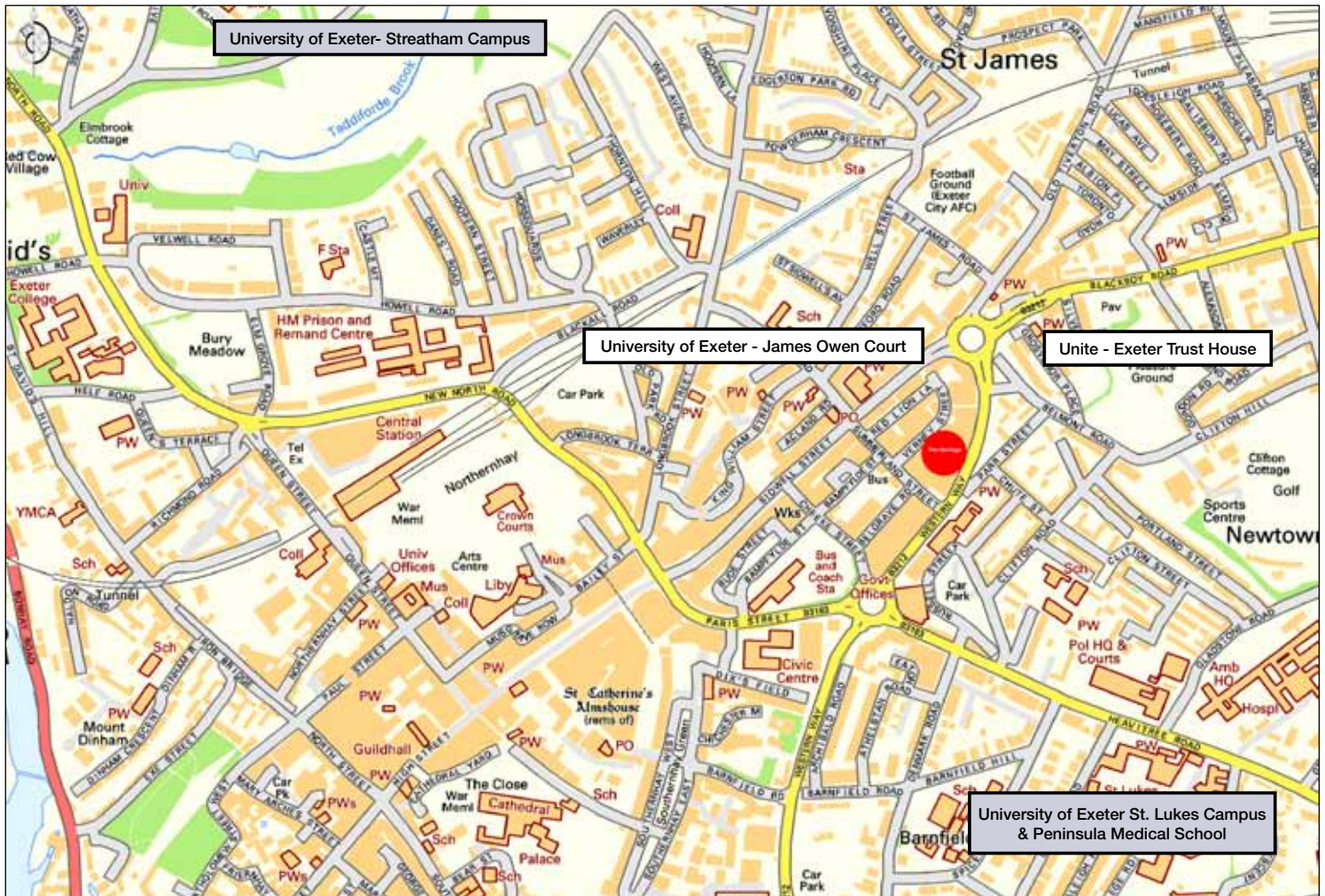
The amenities and nightlife of the City Centre are on the doorstep and the site is less than a mile from the University of Exeter's Streatham Campus. Exeter has a variety of cultural and retail attractions including Land Securities Princesshay Shopping Centre, which is approximately 0.5 miles south west of the site. Local retail and leisure amenities are nearby on Sidwell Street.

The site is ideally positioned for public transport provision. Exeter Central and St. James Park Rail Stations are both less than a mile away and Exeter Bus Station is just a 3 minute walk south.

Other purpose built student accommodation schemes in the immediate vicinity include Unite's Exeter Trust House and the University of Exeter's James Owen Court.



Ordnance Survey © Crown Copyright 2011. All rights reserved. Licence number 100020449. Plotted Scale - 1:750



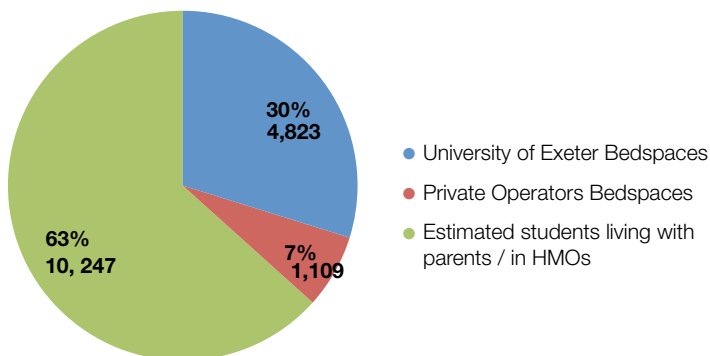
Ordnance Survey © Crown Copyright 2011. All rights reserved. Licence number 100020449. Plotted Scale - 1:7500



HERITAGE DEVELOPMENTS

- Heritage Developments are traditionally high end private residential housebuilders based in the South West, focusing mainly on the market around Exeter
- Their principal focus is on really high specification homes and they hope to bring this strength into the student sector
- They hold an A1 NHBC rating
- More detail can be found on Heritage Developments at: www.heritagenewhomes.co.uk

EXETER STUDENT ACCOMMODATION FIGURES



EXETER STATISTICS

- The University has a total of 16,179 full time students
- 12,336 are undergraduates and 3,842 postgraduates
- 4,823 University operated bed spaces
- 1,109 privately operated bed spaces
- 37% purpose built accommodation provision, with 63% of students living in HMO style accommodation
- Approximately 1,729 rooms currently in the pipeline
- Approximately 24%, (3,875) students are international

VAT

Provided that the purchaser signs a declaration that the use of the building is for student accommodation, the property will not be elected for VAT.

TENURE

125 year lease with circa 118 year remaining to Exeter City Council at a peppercorn ground rent.

VIEWING

Strictly by appointment with Savills.

Important notice

Savills, their clients and any joint agents give notice that: 1: they are not authorised to make or give any representations or warranties in relation to the property either here or elsewhere, either on their own behalf or on behalf of their client or otherwise. They assume no responsibility for any statement that may be made in these particulars. These particulars do not form part of any offer or contract and must not be relied upon as statements or representations of fact. 2: Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all the necessary planning, building regulation or other consents and Savills have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise. 11/11 267461

Lizzie Whetman MRICS
020 7016 3863
07807 999174
lwhetman@savills.com

Sean Cooper MA
020 7016 3734
scooper@savills.com

