



“

Sheffield's answer
to 63,000
students

”

ST MARYS HOUSE

Sheffield, UK

“

In 2011 The Times
awarded Sheffield

'University of the Year'

”

INTRODUCTION

After months of negotiations we are excited to announce the launch of St Marys House Sheffield, and it has been well worth the wait.

With a student population in excess of 63,000, Sheffield provides extraordinary demand and we'd like to present an opportunity in the heart of the city, St Marys House. Walking distance to Sheffield Hallam University (33,000 students), and within easy reach of Sheffield city centre, St Marys House will offer luxury living for the modern student in the city. Unlike other university owned halls, St Marys House will boast a range of facilities from social and leisure rooms, and it's very own fitness gym.

The project is expected to face such demand that a waiting list will be in place, and the developer is offering a rental guarantee for owners for the first 3 years. Sheffield has been tipped as one of the top centres in the UK to invest and, as a result, has been the location choice of many large institutions and investment funds. This is an opportunity to benefit from the same returns.

UK'S NUMBER 1 ASSET CLASS

The student accommodation sector now outperforms every other asset class in the UK and last year witnessed a staggering £2.7 billion invested, a 125% increase on investments in 2011.

In spite of increased tuition fees, UCAS continues to report record numbers of applications, with over 600,000 applying for just 400,000 places for the 2013/14 academic year.

This extraordinary demand shows no sign of slowing down which means universities across the UK are now facing the problem of housing students. Many institutions fail to house all of their first year intake and accommodation for years 2 and 3 is even scarcer.

It is of no surprise that most purpose built student accommodations face occupancy rates of 99% or higher and are consistently delivering impressive yields in excess of 9 and 10%.

The highest yielding student properties appear to be in the north, where property prices are low but still command impressive rents.

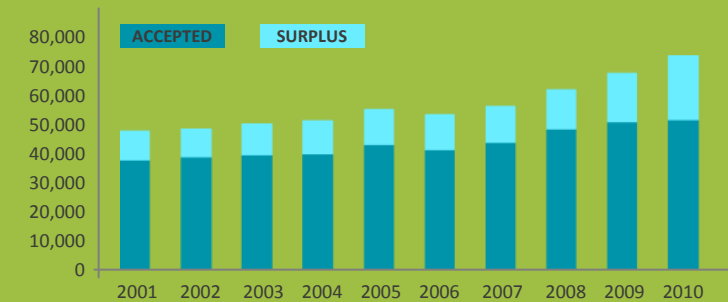


INCREASING DEMAND

Some university centres have virtually no private purpose built student accommodation and so the entire reliance is on university halls which are often old, of lower standard and offer no facilities.

This creates a unique opportunity whereby investors can tap into an extremely lucrative rental market and at the same time help solve the on-going housing shortages for today's student population.

DEMAND CONTINUES TO OUTSTRIP SUPPLY FOR STUDENT PLACES



Source: UCAS

INCOME GENERATING ASSETS

Purpose built student accommodation as an investment is a relatively new idea for many investors. The concept has historically been the venture of choice for investment funds and financial institutions due to the above average yields.

Capitalising on a purpose built residence is just like a buy to let investment because you buy the unit and "let" it out to paying students. The most successful income generating assets (IGA's) have been those that use a well-established operator with a substantial track record and well forged connections within the student sector.

Our student accommodation is fully managed and marketed by the operator, providing investors with the opportunity to achieve a great return whilst being completely 'hands off'. It's in the best interests of the operator to ensure the properties they manage are occupied, so investors can rest assured that the investment they make will be a lucrative one. On average, the yields generated from student residencies are far greater than those accrued within the traditional buy to let market.

“

The student property sector is now worth £200 billion globally, growing faster than ever before

[The Financial Times 2012]

”



LUCRATIVE EXIT STRATEGY

Once a student residence is operating and a proven income stream can be shown, the investor can then take advantage of the resale market.

The room would be valued on a commercial basis according to the level of rental income and the quality of operator. It's reasonable to assume that if the rental income achieved rises by 10%, then the room value will rise by a similar amount, as it's typically the yield percentage that the new investor is seeking.

Investors should look to buy a residence off-plan and take advantage of the early years' greater than average rental income. Experts predict an annual increase of 3-5% in the student sector. When the rental income has a solid track record then you have a proven IGA to resell.

There are now a number of dedicated resell companies coming online preparing for a lucrative new sector in the years to come.

IGA's



INVESTMENT SNAPSHOT:

- » 10% NET RETURN FOR 3 YEARS
- » 5% INTEREST ON DEPOSITED FUNDS
- » OVER 63,000 STUDENTS
- » FULLY FURNISHED HIGH-SPEC UNITS
- » PRICES FROM JUST £55K
- » COMPLETION SUMMER 2014

WHY SHEFFIELD?

A prime player in the Industrial Revolution, Sheffield was viewed as the steel capital of the world. Although the manufacturing plants have now declined, the city has retained a strong economy and attracts businesses globally with its high employment rate and strong performance in both its business and manufacturing sectors.

A Thriving Commercial Centre

With branches of some of the world's most famous organisations located in the city (IBM, Rolls Royce and Boeing etc), Sheffield is well placed to attract international interest due to its accessible location, key industrial sites and large retail outlets including Meadow Hall, the largest shopping centre in Yorkshire.



A BEAUTIFUL PLACE TO LIVE

One of the cheapest places to live and study in the UK, Sheffield is also one of the greenest, with over 200 areas of woodlands and public parks within the city, not to mention the beauty of the Peak District National Park, which is only 10 minutes from the university.



“

Today the economy
is worth over £7 billion
to the UK a year

”

Sheffield
Hallam
University



STUDENT LIFE

One of the most popular places to study in the UK, Sheffield is renowned for its eclectic nightlife, live music venues and good food. Both universities have active Students Unions and there are a multitude of amenities and venues in the immediate area, including cinemas, shopping centres and sporting arenas. Regularly reported as being one of the safest cities in the UK, there is no better place to live, work or study.



THE UNIVERSITIES

Over 63,000 students choose to study in Sheffield every year, including more than 7,000 international students (rated number 3 for experience), making the city a prime site for investment in the provision of high-end student accommodation.

SHEFFIELD UNIVERSITY

- Founded in 1905, it is one of the original ‘red brick’ universities
- Named UK University of the Year in 2011 Times Higher Education Awards
- Produced five Nobel Prize winners
- Over 25,000 students, including more than 3,700 international students
- Renowned for its research programs and ranked highly around the world
- A founding member of the Worldwide Universities Network (WUN)
- Ranked as one of the Top 100 universities in the world
- Has 84 specialised research centres / institutes

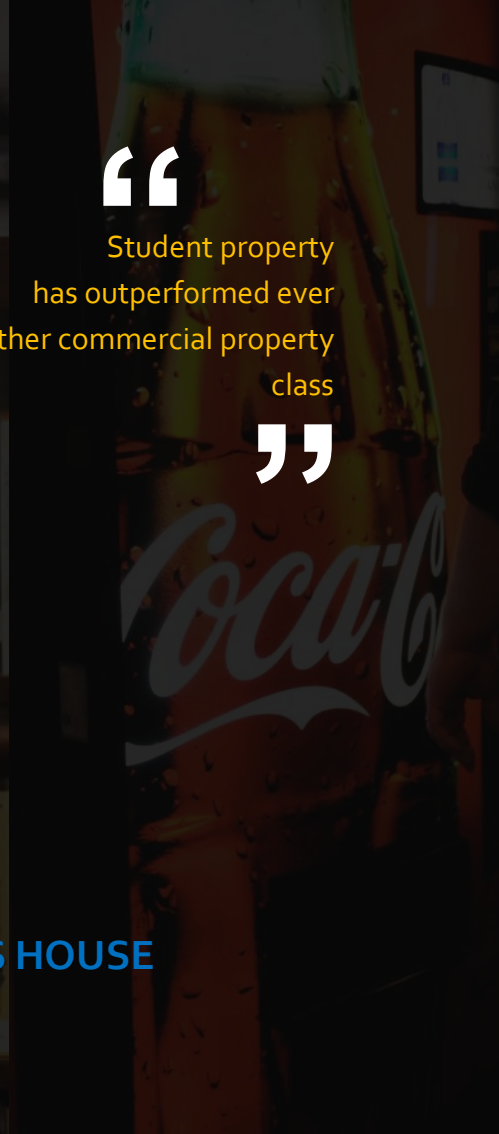


TIMES HIGHER EDUCATION STUDENT EXPERIENCE SURVEY

RANK 2012	RANK 2011	UNIVERSITY
1	6	University of East Anglia
2	4	University of Oxford
3	3	University of Sheffield
4	5	University of Cambridge
5	2	Loughborough University

SHEFFIELD HALLAM UNIVERSITY

- More than 33,000 students study on 572 courses
- Home to over 4,000 international students from 120 countries
- Fourth largest university in the UK
- Spread over two main campuses – City Campus and Collegiate Campus
- Business partners include; Sony, BP, the NHS, Network Rail, SAP and Microsoft
- Awarded over £2 million from the HEFCE Science Research Fund
- England’s largest provider



“

Student property
has outperformed ever
other commercial property
class

”

ST MARYS HOUSE

Sheffield, UK



FOR THE MODERN STUDENT

Spread over 2 floors, each level is comprised of three different room types, with additional communal facilities for students to share which include an air-conditioned gym, cinema room, games room and common room. Each room also comes with an LCD TV.

Every floor follows an identical layout, containing a mixture of standard rooms, superior rooms and superior plus rooms, as well as numerous communal living spaces with kitchen facilities and lounge areas.

A truly modern concept in student living, St Marys House has complete disabled access between all floors, including a standard and platform lift at ground level, allowing for full manoeuvrability throughout the building.

Students can also be reassured by the presence of an experienced management company, who will ensure the smooth running of the building from the moment they move in.

FINANCIALS

St Marys House is comprised of 68 individual units split over 2 floors. Each room contains a bed, work station, internet access, wardrobe and en-suite facilities. There are also two communal lounge/ diner areas on each floor with Sky TV, common room with pool table and an air conditioned gymnasium.

“

The student accommodation sector is expected to see investment growth of over £2billion in 2012, inclusive of the £600 million already traded to the end of April 2012 . . . nearly 30,000 more international students can be expected to join courses in the UK within the next decade

”

“
More than 8,000 overseas students in Sheffield are reportedly worth £120 million per year to the local economy
”

5 YEAR GROWTH FORECAST

	3% Conservative	5% Expected	7% Buoyant
Purchase Price	£54,950	£54,950	£54,950
Net Annual Income (over 5 years)*	£26,437	£27,219	£28,041
Projected Future Asset Value	£63,705	£70,135	£80,750
Projected Total Value (Asset Value + 5 Yr Rental Income)	£90,142	£97,354	£108,791

* Includes 10% guarantee years 1 to 3

FINANCIAL EXAMPLE

Below is an investment example for a studio:

Unit 5 - Studio	
Purchase Price	£54,950
Gross Annual Income	£6,500
Maintenance	£800
Management Fees	£400
Ground Rent	£250
Net Income	£5,050
Net Yield	9.2%

5%
INTEREST PAID
ON DEPOSITED
FUNDS

10%
GUARANTEED
3 YEARS

DISCLAIMER AND NOTICE

The material contained within this document has been prepared for information purposes only. Information contained herein is not to be relied upon as a basis of any contract or commitment.

The information is not to be construed as an offer, invitation or solicitation to invest and opinions expressed are subject to change without prior notice. Information contained herein is believed to be correct, but cannot be guaranteed.

In case of queries or doubt you should consult an independent investment adviser. No personal recommendation is being made to you and the past is not necessarily a guide to the future.

All images used are for illustrative purposes only.