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## Harrison, Campus Crest Form \$220M Joint Venture

### *Partnership To Create 10 Student Housing Developments Near Universities With High Enrollment*

Harrison Street Real Estate Capital, a Chicago-headquartered private equity firm, and Campus Crest Communities, a Charlotte, NC-based student housing property developer and manager, created a \$220 million joint venture to develop 10 student housing communities near college campuses around the country.

Campus Crest said it wanted to meet the growing demand for student housing by expanding its development pipeline, while Harrison Street wanted to increase its reach into recession resistant assets like student housing. Harrison will use its six-month-old, \$430 million equity fund, Harrison Street Real Estate Partners II, to finance the venture.

The 10 developments, each branded as The Grove, will average 218,000 square feet of space and typically feature 504 fully furnished bedrooms with private baths, walk-in closets and a washer and dryer. The properties will include a swimming pool, a 24-hour gym, a fire pit, tanning booths and clubhouse.

The partnership targeted universities with a growing enrollment and high demand for student housing. They include Austin Peay State University in Clarksville, TN, University of Central Arkansas in Conway, AR, Sam Houston State University in Huntsville, TX, University of Kansas in Lawrence, KS, University of Idaho in Moscow, ID, University of Nevada, Reno in Reno, NV, Angelo State University in San Angelo, TX, Texas State University in San Marcos, TX, Georgia Southern University in Statesboro, GA, and California State University, Stanislaus in Turlock, CA.

The joint venture broke ground on three of the developments and five will start shortly with a completion target date of the 2009-10 school year. Two other projects will break ground the fourth quarter of next year and deliver by the 2010-11 academic year.

Campus Crest operates 18 communities with another 10 projects starting construction this year. It has a development pipeline of more than 50 projects in 12 states, and has developed more than \$100 million of student housing since 2005.

Harrison Street invests in real estate at or near universities and hospitals where tenant demand is high. Two of its funds have purchased or is in the process of developing more than 130 properties worth more than \$1.8 billion in 27 states.