

Friday, December 19, 2008

Campus Crest lands funds for addition of 10 projects

Charlotte Business Journal - by [Katy Finger](#)

Student-housing developer **Campus Crest Communities** has inked a \$220 million joint venture with a Chicago private-equity firm.

The partnership with **Harrison Street Real Estate Capital** will allow Charlotte-based Campus Crest to develop 10 student-housing communities around the country. Campus Crest says this is the first phase of a long-term relationship.

“This partnership will allow us to significantly expand our reach into the student-housing industry with a first-class partner,” says Christopher Merrill, co-founder and managing partner of Harrison Street. “Because of various factors, particularly the substantial growth in college admissions across the country, student housing is an especially attractive asset class for us and our investors.”

The new developments, all off campus, will be in Tennessee, Texas, Idaho, Georgia and Arkansas, among other areas. All of the properties will carry The Grove brand name. Each will include a resort-style swimming pool, 24-hour gym, fire pit, tanning booths and clubhouse. A typical Grove project has 504 bedrooms and about 218,000 square feet of heated space. Units are fully furnished and include a washer and dryer. All bedrooms have a private bathroom and walk-in closet.

Three of the projects have started construction, with five more beginning soon and expected to be completed for the 2009-10 academic year. Two projects will deliver in time for the 2010-11 school year. The joint venture plans to break ground on additional properties in fourth quarter of 2009.

“Each of these projects will serve the growing demand for student housing in their respective markets for years to come,” says Shannon King, partner and president of Campus Crest’s property-management subsidiary. “They will also serve a growing demand among college students for high-end amenities and personal safety.”

Campus Crest has 18 student-housing communities in nine states, including one in Asheville. Since its founding in 2004, the company has grown to 450 employees from two and developed more than \$500 million worth of properties. It plans to develop as many as 200 properties over the next 10 years and expand its headquarters here.

Harrison Street is a real estate private-equity firm that invests in real estate companies focusing on senior housing, medical offices, self storage, boat storage and student housing. The firm has bought or is in the process of developing more than 130 properties worth more than \$1.8 billion in 27 states.