

COMPANIES

US student housing investor makes European push

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The biggest private equity investor in the US student housing market is making a push into Europe.

Harrison Street Real Estate Capital, a Chicago-based PE firm with \$7.7bn under management, has bought its first European property, **writes US financial correspondent Mary Childs.**

The Mill Street building is aimed at students of Trinity College Dublin and Royal College of Surgeons, which have about 17,000 and 3,800 students respectively,

The firm closed the first round for its first European Student Housing Opportunity Fund in June with €135m in equity capital, of a €300m target. Its "initial pipeline" in Europe has projects in the UK, Ireland and Germany.

For the past ten years, Harrison Street has focused on education, healthcare and storage in the US, areas where it sees "need-based or demographic investing" opportunities.

While now, more than 4m students study outside their native country, that's projected to grow to 8m in the next 10 years, so "the opportunity exists really to replicate what's happened in student housing over here," according to Christopher Merrill, Harrison Street's co-founder and CEO.

"The UK and Europe, they're behind in this type of asset class," as local operators and developers haven't spent the time to grow their expertise in it and develop projects, he said.

Harrison's buildings range from catering to the masses to high-quality, and are leased "by the bed," often guaranteed by parents, said Mr Merrill.

"It's becoming a replacement for where kids have been housed, whether at home or in a small house or apartment," he said. "You're really becoming an extension of the university."