

Harrison Street Real Estate Capital completed its acquisition of Campus Crest Communities as it continues its focus on expanding its student housing presence.

March 4, 2016, Chicago—[Harrison Street Real Estate Capital LLC](#), the largest private equity firm focused on real estate investments in the education, healthcare and storage sectors, is getting even bigger with its most recent acquisition. For a cool \$1.9 billion, Harrison Street has completed its acquisition of [Campus Crest Communities Inc.](#), a REIT with a portfolio of more than 38,000 high-quality student housing beds in the U.S. Harrison Street believes this is the largest acquisition of [student housing](#) properties in the industry.

The companies [entered the definitive merger agreement](#) on Oct. 16, 2015, agreeing that an affiliate of Harrison Street would acquire Campus Crest by way of merger.

“Campus Crest Communities has a strong portfolio of attractive properties that complement Harrison Street’s existing high-quality student housing assets. The need for student housing continues to grow and we believe this sector has strong long-term fundamentals that will drive sustainable returns,” Christopher Merrill, co-founder, president & CEO of Harrison Street told [Multi-Housing News](#).



Christopher Merrill, Co-Founder, President & CEO,
Harrison Street Real Estate Capital

The lack of student housing remains a prevalent issue in the U.S., as public universities can only accommodate 30 percent of students in traditional on-campus housing, leaving many students with no options aside from seeking out off-campus student housing, according to Harrison Street. To address this problem, Harrison Street’s student housing strategy focuses on providing the much-needed accommodations.

“The acquisition of Campus Crest Communities builds upon Harrison Street’s existing student housing strategy, which will continue to be a core focus for the firm going forward. Rising student enrollments at targeted universities, favorable demographics and continued state funding shortfalls drive the need for additional student housing on a national level,” Merrill added.

The company’s focus on the student housing space has paid off for the company, solidifying its place as an active investor in the space. To date, Harrison Street has acquired or developed more than 107,000 student housing beds across 85-plus universities in the U.S. As of this transaction’s closing, the company’s total student housing portfolio included more than 76,000 beds and it managed more than \$10.4 billion in assets.

To continue its growth, Harrison Street has [recently expanded into student housing in Europe](#) with the close of its first European development, Mill Street, located in Dublin. As part of a joint venture with GSA Investment Management, the partnership will invest \$285 million in the project over the next five years.

Harrison Street has tapped [Asset Campus Housing](#) as the third-party property manager for Campus Crest’s 38,000-bed portfolio. [Raymond James and Associates Inc.](#) served as financial advisor to Harrison Street and [DLA Piper LLP](#) served as Harrison Street’s legal advisor. Campus Crest’s financial advisor was [Moeleis & Co. LLC](#) and its legal advisor was [Kilpatrick Townsend & Stockton LLP](#).