

# CARTERS YARD

14 - 16 DUMBARTON ROAD, STIRLING, FK8 2LF

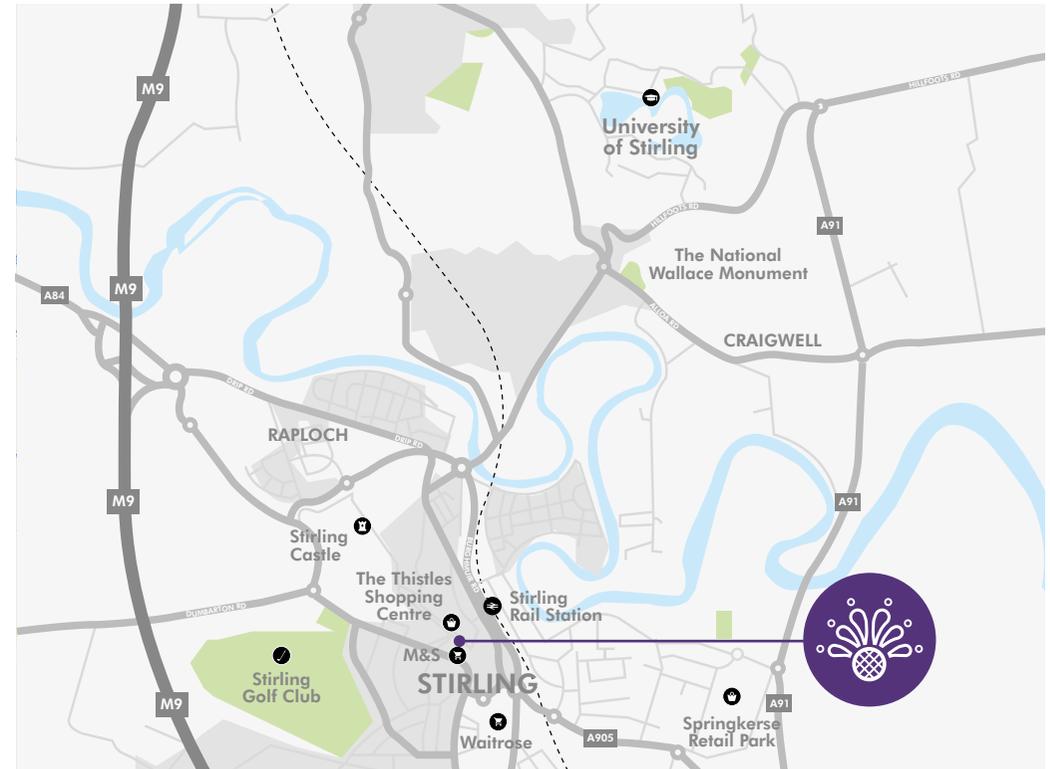
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The opportunity to forward fund a highly specified, prime located student development of 150 bed spaces in Stirling city centre



## INVESTMENT SUMMARY

- Heritable student accommodation development close to the prime retail and leisure pitches of Stirling city centre
- Planning for the scheme is due in August 2017 through delegated powers. Delivery is planned for the academic year 2019/2020
- The property is within a 5 minute walk from Stirling train station with the University campus being a short bus ride away
- The consented scheme will comprise 150 bed spaces, of which 48 beds are self contained studios with 6 accessible studios (36%) and 96 beds are single en-suites in cluster flats (64%), arranged in 4, 6 and 8 bed clusters
- The scheme will offer excellent shared space and common amenity including laundry, reception with office and communal common room, a private gym and cinema
- The developer, McLaren Property Ltd, is a long established developer in the sector. They have drawn on their extensive experience in designing the scheme
- The scheme will be developed to a high specification with sustainable credentials It is the developer's ambition for the scheme to be without doubt 'Best in Class' in Stirling
- The University of Stirling has 11,840 students, of which 9,975 (84%) are full time (HESA 15/16)
- The total purpose built student accommodation (PBSA) provision within the town stands at approximately 23% which is below levels seen at comparable UK university towns. There is no privately operated PBSA product in the city
- Only first year undergraduate students at Stirling are guaranteed a bed space. Of the 2,331 beds currently provided by the University, only circa 23% would be considered as being modern, en-suite bed spaces
- Of the modern, en-suite bed spaces undergraduates, circa 40% are reserved for the use of students studying for nursing degrees
- CRM Students have drafted a management proposal and budget for the scheme estimated at £1,853 per bed per annum (including fees) based on the 2017/18 academic year.
- Savills are instructed to seek full funding offers of **£14,600,000 (Fourteen Million, Six Hundred Thousand Pounds)** which reflects a net initial yield of 6% and full purchaser's costs of 6.35%.
- It is anticipated that LBTT will be payable on the land purchase only.



## LOCATION

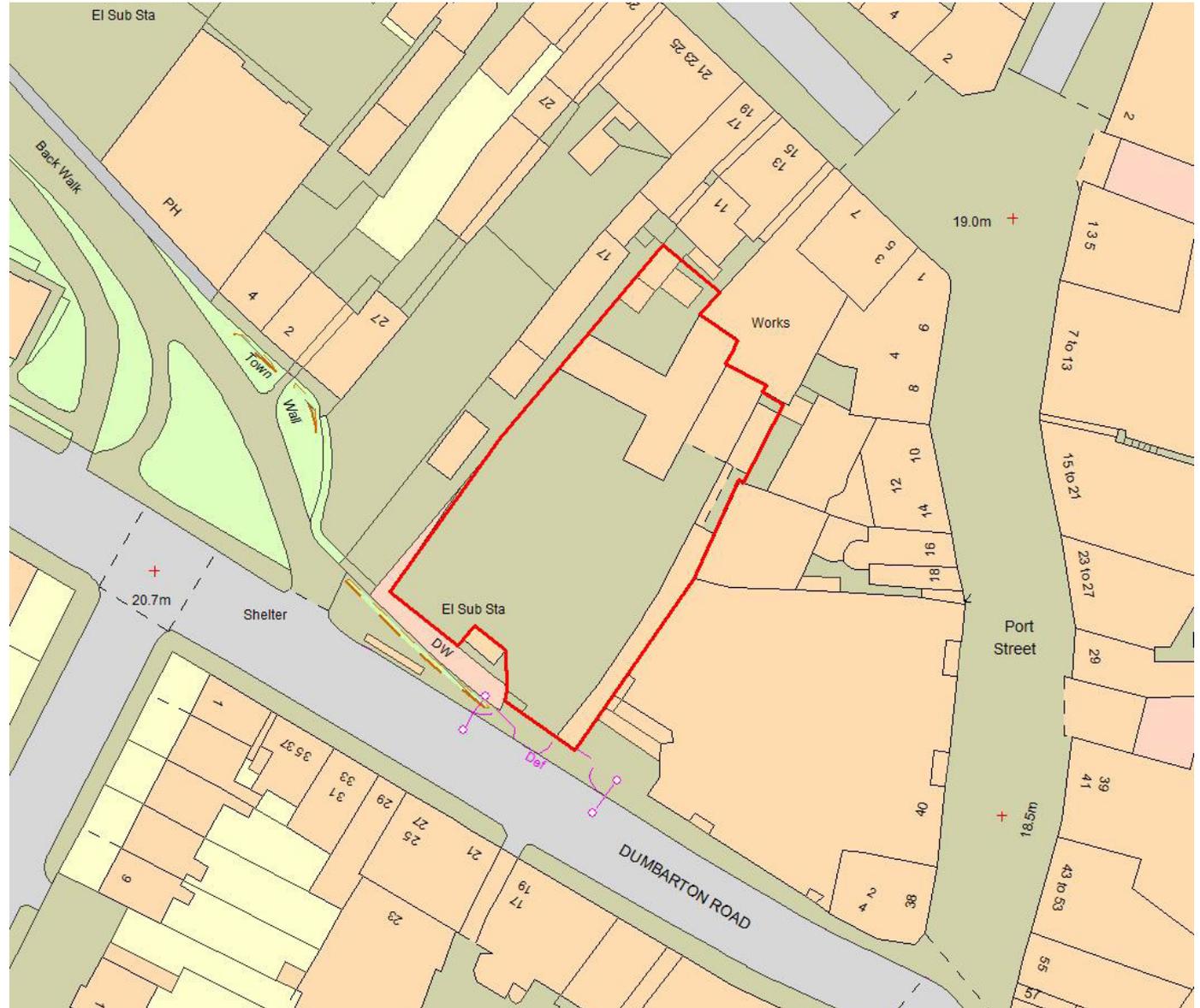
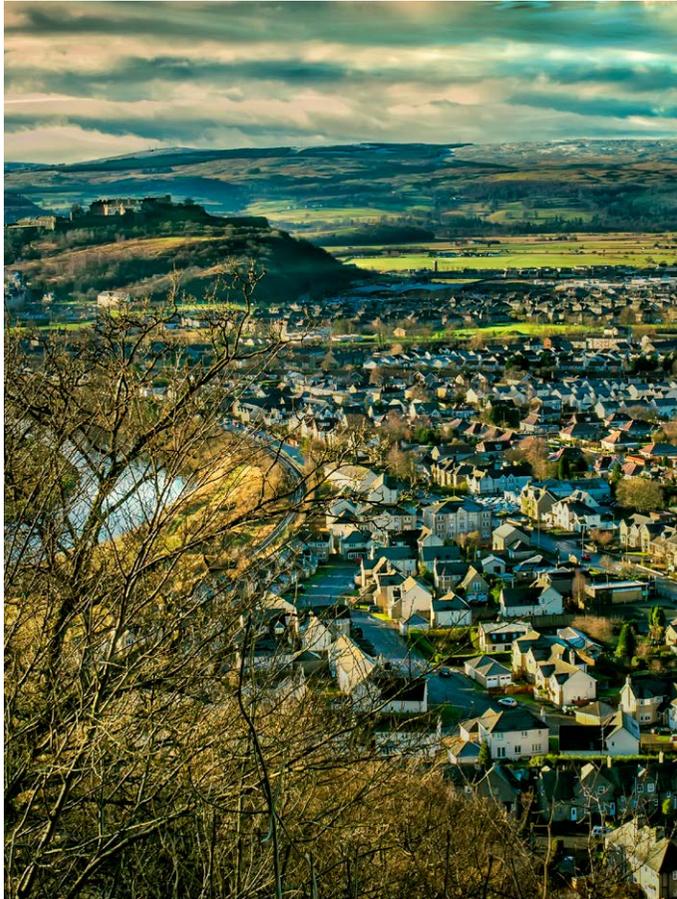
The proposed development fronts the A811 which is the main thoroughfare out of the city in a north westerly direction towards Stirling Golf Club and Stirling Castle.

Carters Yard sits on a vacant site backing onto King Street and adjacent to New Look. The site is very well located for transport links, being only 5 minutes walk from Stirling Train Station which provides regular services via ScotRail to Glasgow and Edinburgh or to Inverness connecting to the Virgin East Coast Mainline. Opposite the site is the Allan Park South Church Bus Stop servicing the B12 and C12A bus routes around the city

and beyond. The Stance B bus stop on King Street serves the University via route 62A in c10 minutes. The scheme is circa 15 minutes cycle to the University campus.

Surrounding uses are currently a mix of retail with residential and commercial office upper parts. The prime shopping centre, The Thistles, which is owned by Standard Life, lies in close proximity. The architect's designs for the scheme include an attractive frontage provision at ground level, which will have a positive effect on the overall streetscape.

There are no other private purpose built student accommodation schemes in the city and the existing University provision is a very broad range of quality from new builds, converted houses to timber chalet style. The majority of the University accommodation is on-campus so this scheme will provide students the ability to enjoy city centre living, benefitting from the city's amenities, whilst still being highly accessible to campus.



## PLANNING

The scheme will be consented to provide the “Proposed erection of student residences with associated access, landscaping and infrastructure works”. The application reference is 17/00247/FUL. The scheme is expected to achieve planning consent through Delegated Powers in August 2017.



## UNIVERSITY of STIRLING

### HIGHER EDUCATION IN STIRLING

There is one key higher education institution in the city – The University of Stirling, which is home to approximately 9,975 full time students (HESA 2015/16). The University of Stirling is ranked 43rd in the UK by the Times Good University Guide 2017 and has a total student intake of 11,840. In addition, there are almost 2,280 international students who equate to 23% of the full time student population. Almost half the student population in Stirling live in the private rented sector and they will be the target market for this exciting new privately operated development

The University is aiming to consistently improve student satisfaction and academic achievement to ensure good Honours degrees are achieved. Stirling is also aiming to increase its income by £50m and double its research profile. Almost three-quarters of the work submitted to the 2014 Research Excellence Framework was judged to be world-leading or internationally excellent. The best results were in agriculture, veterinary and food science, where Stirling was ranked fourth in the UK. It was also top in Scotland for health sciences and third for psychology.

A £38m expansion of student accommodation was completed in 2015 but this only provided 243 bedrooms. The University has one of the most beautiful campuses in the UK, 330 acres of parkland around a loch at the foot of the Ochil Hills. The campus architecture combines the modern with striking – and now listed – pieces of the original 1960s fabric of the University, such as the Pathfoot Building. Stirling is particularly well provided with sports facilities, having been designated Scotland’s University for Sporting Excellence. The campus is home to national swimming and tennis centres, as well as a golf course and a football academy.

Stirling was awarded the maximum five stars in the QS global rating system, which covers teaching, graduate employability, internationalisation and inclusiveness. Academic facilities include a modernised library, a dedicated study zone and more than 700 computers for student use, many available 24 hours a day. The University also has a purpose-built faith centre/ chaplaincy which is open to students and staff of all faiths.

Preparatory courses for international students are available on campus and in London through a joint venture with INTO University Partnerships.

Stirling was the pioneer in Britain of the semester system, which has now become so popular throughout higher education. The academic year is divided into two blocks of 15 weeks with short mid-semester breaks. Students have the option of starting courses in January, rather than September, and can choose subjects from across all five faculties. Accommodation is available on 38 / 42 and 50 week term lengths.

Two-thirds of the students are from Scotland, but the remainder come from more than 100 different countries across the world. The campus has been described by police as one of the safest in Britain and there is a Safe Taxi Scheme. A counselling and wellbeing service offers support for mental and emotional health, while the disability service supports a full range of student needs.



## DESCRIPTION

The scheme will comprise 150 bed spaces, of which 48 beds are self contained studios with 6 accessible studios (36%) and 96 beds are single en-suites in cluster flats (64%), arranged in 4, 6 and 8 bed clusters. The clusters will range between 12.5-14.4sqm, the studios will be 17.9-27.2sqm.

The scheme will be developed in a single rectangular block, to a height of 6 storeys, facing southwards onto Dumbarton Road. The main entrance is accessed off Dumbarton Road on the ground floor via a central lobby, into the main reception and office area to welcome students as they arrive.

The ground floor provides a 60sqm common room, 41sqm gym, cinema, plant, laundry, accessible WC as well as accommodation space. Internal bike storage is accessed via the back of the scheme on the King Street entrance.





## ACCOMMODATION SCHEDULE

The configuration of the property is shown below.

Floor	Room type	No. Beds	Sq m
<b>Ground Floor</b>	Clusters	6	13.7-12.5
	Studios	8	17.9-18.1
	Accessible	1	27.2
<b>First Floor</b>	Clusters	18	12.5-14.4
	Studios	8	18
	Accessible	1	25.2
<b>Second Floor</b>	Clusters	18	12.5-14.4
	Studios	8	18
	Accessible	1	25.2
<b>Third Floor</b>	Clusters	18	12.5-14.4
	Studios	8	18
	Accessible	1	25.2
<b>Fourth Floor</b>	Clusters	18	12.5-14.4
	Studios	8	18
	Accessible	1	25.2
<b>Fifth Floor</b>	Clusters	18	12.5-14.4
	Studios	8	18
	Accessible	1	25.2

There are 5 x eight bed clusters, 6 x six bed clusters and 5 x four bed clusters, 48 studios and 6 accessible studios. There are 70 flats overall.





**COMPARABLE UNIVERSITY RENTS IN STIRLING**

Scheme	Beds	Year Opened	Room Type	Term	2017/18 Weekly Rent
<b>Alexander Court - Stirling</b>	531	2013	Family Flat 2 bed (non e/s)	50	£184.00
		2013	Family Flat 3 bed (non e/s)	50	£211.00
		2013	Standard Single (non e/s)	38	£95.00
		2013	Townhouse En-suite	38	£145.00
		2013	Townhouse Single (non e/s)	38	£138.00
<b>Beech Court (nurses only)</b>	296	2014	Single En-Suite	38	£145.00
		2014	Single En-Suite	50	£145.00
		2014	Studio Flat	38	£163.00
		2014	Studio Flat	50	£163.00
<b>Friarscroft</b>	9	2016	Single En-Suite	50	£145.00
		2016	Standard En-suite	50	£166.00
<b>Juniper Court</b>	243	2015	Single En-Suite	38	£145.00
		2015	Studio	38	£163.00
<b>Willow Court</b>	136	2013	Single En-Suite	38	£145.00
		2015	Studio	38	£163.00



**INCOME**

We set out below the income schedule for the proposed scheme based on 2017/18 academic year.

Bedroom Type	Beds	Contract Length (weeks)	Current Rent Per Week	Total Gross Rent
Cluster	96	44	£165	£696,960
Studio	54	51	£190	£523,260
Gross Term Income (after 3% void / bad debt allowance)				£1,183,613
Holiday income – 20% occupancy on available rooms for 6 weeks				£19,008
Sundry Income				£4,800
Operating and Management Costs at £1,853 per bed per annum (as provided by CRM Students)				<b>-£277,950</b>
<b>Total Net Student Income</b>				<b>£929,545</b>

## OTHER INFORMATION

### Tenure

Our clients are selling their absolute heritable interest.

### Dataroom

A dataroom including all relevant planning, construction, legal and technical information is available at [www.savills.com/cartersyard](http://www.savills.com/cartersyard)

### VAT

The land is opted for VAT.

### Price

Savills are instructed to seek full funding offers of **£14,600,000 (Fourteen Million, Six Hundred Thousand Pounds)** which reflects a net initial yield of 6% and full purchaser's costs of 6.35%.

### Project Team

Service	Company
Planning	Muir Smith Evans
Environmental Consultant	Arcadis
Architect	3D Reid
QS / PM	Arcadis
Engineer	Will Rudd Davidson
M&E	ESP Ltd
Solicitor	Shepherd & Wedderburn
Student Management	CRM Students
Main contractor	TBC

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Designed and produced by Savills Commercial Marketing: 020 7499 8644

August 2017