



Derwent living develops scheme in the capital

Housing provider Derwent Living has announced its first push into London's expanding student market – sealing a £17 million deal to build 136 studio flats near the capital's City University.

The Derby-based provider has purchased land in Wakley Street opposite the university and work has already started on site – with completion ready for students in September 2010. The new scheme will be called Derwent Point.

Derwent Living commercial director Paul Wisher said: "Our development of Derwent Point builds on our success as a student accommodation provider. The gross asset value of the scheme, which is our first development in the capital, is around £26 million."

This is a strategic plan for Derwent Living to move beyond its traditional territories of the Midlands, South Yorkshire and the South East. The organisation already owns and manages large scale student villages in Sheffield, Nottingham, Leicester and Derby. It is a well known provider of quality student accommodation, being one of just three housing providers which have made Savills' list of the top 11 providers of purpose build student housing.

"Derwent Living continues to develop at a time when the market is static," said Paul. "We are continuing to build in this difficult time, and continuing to gain support from the banks, which is testament to our reputation as a key provider of both student accommodation and affordable housing."

James Pullan, partner in the Knight Frank London student property team carried out the deal. He said: "This is a well engineered and attractive scheme. It is a well designed exemplar scheme in zone one."

"There is a growing need for good quality student accommodation in London, and this is one scheme which is very much needed in this area."

Tony Boyle, operations director of Infrastructure Investments Ltd which helped seal the deal said: "The joint venture between Derwent Living and IIL has got off to a flying start by making such a deal in these difficult times."

James Boyle of IIL said added: "It's great to be working with such an established player in the student accommodation market and we're actively discussing future schemes across England."

Steven Gardner said of the current scheme: “Derwent Point will offer a high quality specification, which is important in today’s post graduate market. Its location will make it attractive for both City University students and students at the Cass Business School.”

Derwent Living, which manages 4,000 student rooms in total, is also in negotiations to buy another 160 student homes near Derwent Point.