

PRIME STUDENT REDEVELOPMENT OPPORTUNITY

26 Dunedin
Street

Edinburgh
EH7 4JG



EXECUTIVE SUMMARY

- Opportunity to develop a consented PBSA scheme consisting of 65 studio beds
- Full planning consent was granted for the scheme in May 2024
- Site located in the Canonmills area of Edinburgh's New Town - a vibrant and highly desirable location situated a stone's throw away from the heart of Edinburgh's city centre
- The proposed scheme will be situated in an area that is going through rapid regeneration with BTR and PBSA schemes consented within the vicinity
- Edinburgh is home to a total of 65,529 full time students of which 38% are international
- University and privately owned bedrooms in Edinburgh total 21,225. Therefore, significant undersupply exists with 68% of full-time students unable to access accommodation
- There are currently more undergraduate students at Edinburgh University alone than there are available beds
- Rental growth for PBSA across Edinburgh was 8.9% for the 2022/23 academic year this is far higher than the UK average of 5.3%.
- Reference number 24/01451/FUL.

PROPOSAL

**WE ARE INSTRUCTED TO SEEK
OFFERS ON A SITE ONLY BASIS.**



SCOTLAND'S CAPITAL CITY



Population of
550,000 with
forecasted growth
of 20% by 2037



UK's largest
regional
financial centre



Home of the
Scottish Government
and associated
agencies



Over 4.9 million
tourist visits
annually



Voted 'Time Out'
World's Best
City in 2022



Home to
over 65,000
full time students

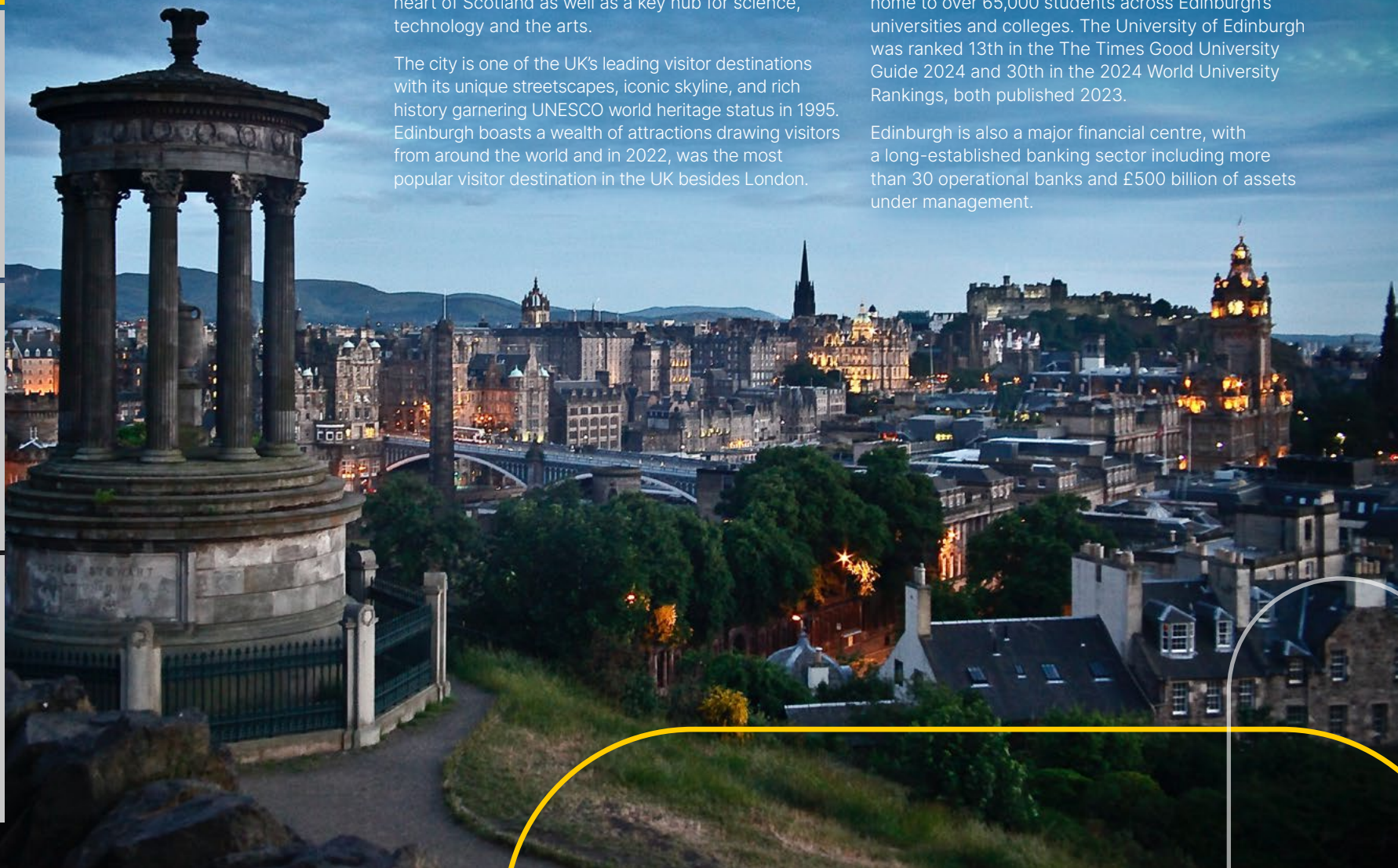
EDINBURGH

Edinburgh is the cultural, financial, and commercial heart of Scotland as well as a key hub for science, technology and the arts.

The city is one of the UK's leading visitor destinations with its unique streetscapes, iconic skyline, and rich history garnering UNESCO world heritage status in 1995. Edinburgh boasts a wealth of attractions drawing visitors from around the world and in 2022, was the most popular visitor destination in the UK besides London.

The city has a significant student population being home to over 65,000 students across Edinburgh's universities and colleges. The University of Edinburgh was ranked 13th in the The Times Good University Guide 2024 and 30th in the 2024 World University Rankings, both published 2023.

Edinburgh is also a major financial centre, with a long-established banking sector including more than 30 operational banks and £500 billion of assets under management.



SITUATION

Canonmills is a thriving community boasting an abundance of local amenities, including a fantastic selection of independent bars, stylish restaurants, and boutique shops, making it the perfect location for students. The local area has the benefit of a large format Tesco, a Lidl and an M&S all within walking distance of the subject property.

Residents additionally benefit from the close proximity to a number of open green spaces and parks. St Marks Park, a popular area for dog walkers and runners, is located on the doorstep of the subject site, whilst Inverleith Park lies west of the site and provides over 54 acres of green space. The park is at the heart of the local community and hosts various sports clubs and over 400 events each year.

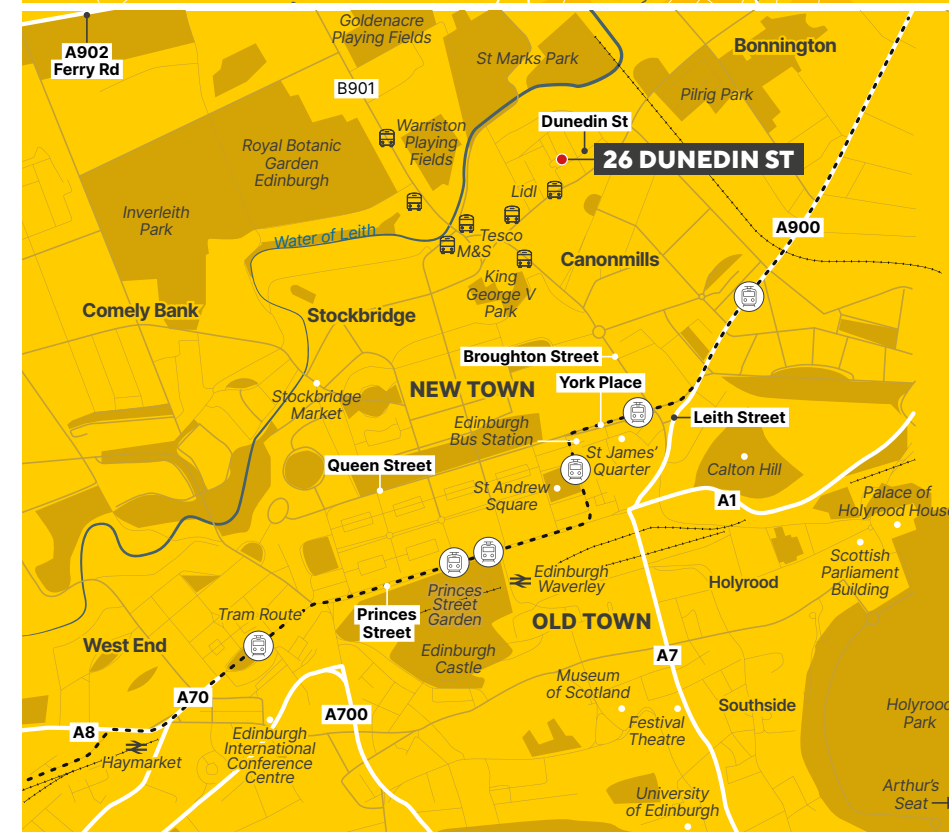


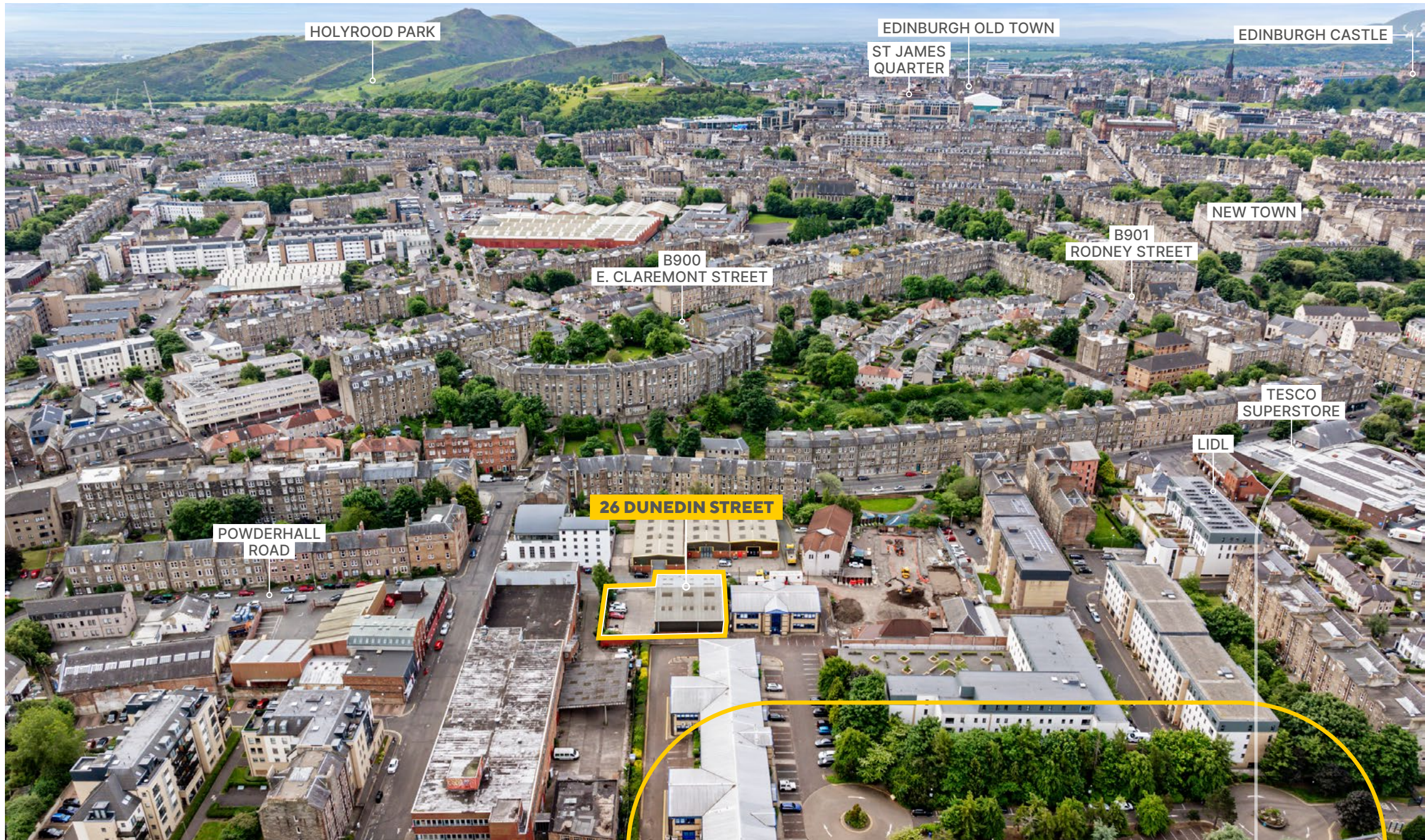
ST ANDREW SQUARE



ST JAMES QUARTER

NEW TOWN







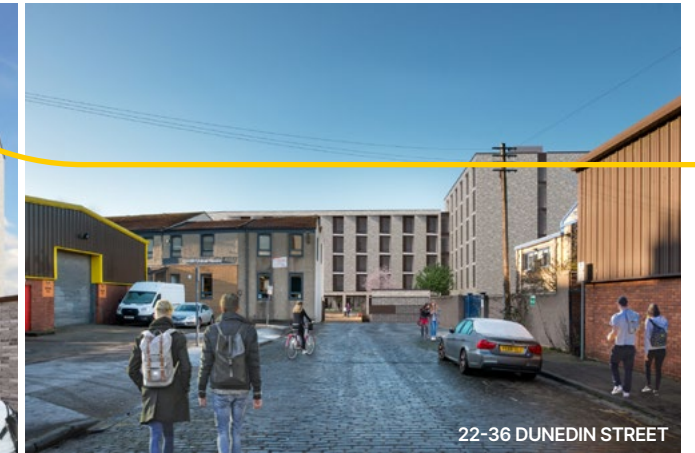
Subject property

Proposed development
of 205 BTR units that
has achieved planning

Proposed development of 155 PBSA beds which has achieved planning and broken ground

Industrial estate with
the benefit of future
alternative use

FUTURE DEVELOPMENTS



THE PROPERTY

The property is a purpose built industrial unit benefitting from steel portal frame construction with profile metal cladding beneath pitched roofs incorporating translucent roof lights. To the eastern side of the site there is ample parking for the building in it's current use.

The property is let on an 18-month licence to Taza Food Group Ltd (SC768423) from 2nd June 2023 expiring on 1st December 2024. Thereafter the licence rolls on a monthly basis unless terminated by either party by giving not less than one month's notice. The annual rent is agreed at £35,000 per annum.

The licence gives the purchaser flexibility and reduces any vacant rates liability whilst the tenant is in occupation.



DEVELOPMENT OVERVIEW







The proposed Purpose Built Student Accommodation (PBSA) development covers a total area of 0.093 hectares (0.23 acres) and represents a unique opportunity to develop much needed homes for students in an attractive PBSA location. The wider area is going through rapid regeneration with an array of other PBSA and Build to Rent developments proposed.

The proposed PBSA scheme will total 65 studio bedrooms arranged over ground and 5 upper floors. The rooms average 18.6m² complete with en-suites, kitchenette and study areas.

The proposed scheme will provide a wide variety of internal and external amenities, carefully designed to cater to the modern needs of its residents. The variety and contemporary design of amenities combined with an attractive and unique roof terrace provide a sense of openness and community within the scheme.

PBSA AMENITY SPACES

The internal and external amenity space totals 837m² a generous 12.88m² per room. The internal amenity represents 5.03m² per room and the external amenity represents 7.85m².

 Games Room	 Lounge & Communal Kitchen	 Private Dining Space
 Cycle Parking	 Roof Terrace	 Internal amenity on every floor

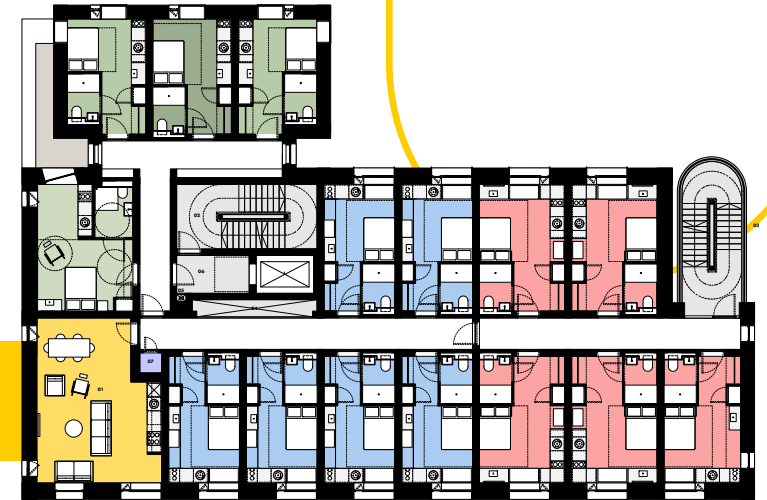


FLOOR PLANS

GROUND FLOOR



1ST-4TH FLOOR

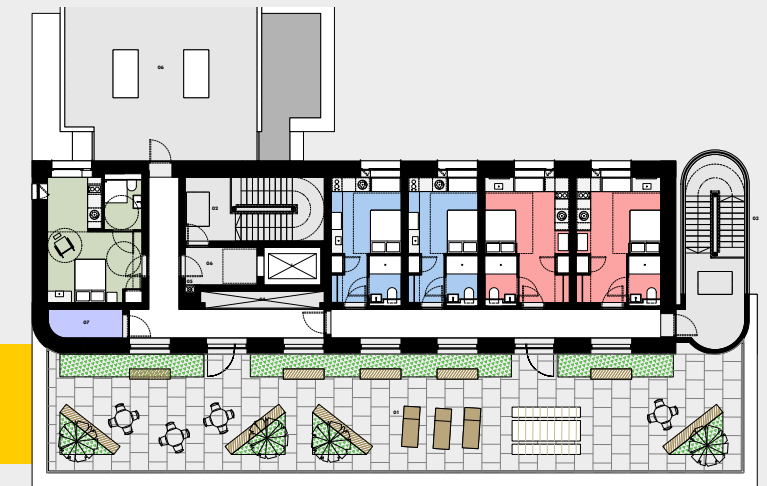


TENURE

Heritable Interest (Scottish equivalent to English Freehold).



5TH FLOOR



ACCOMMODATION SCHEDULE

Room Type	Number of Rooms	Net Internal Area (m²)
Studio Type 1	26	17
Studio Type 2	22	20.5
Studio Type 3	8	16.5
Studio Type 4	4	17
WCA Studio	5	23
Total	65	1,208



RENTAL COMPARABLES

The following rents are quoted on operator websites for nearby comparable schemes for the 2024/25 academic year.

COMPARABLE SCHEMES

Scheme	Operator	Room Type	2024/25 Rent per Week
Vita Student Edinburgh - Iona Street	Vita Student	Deluxe - Lower Ground Restricted View Drum Building	£546
Vita Student Edinburgh - Iona Street	Vita Student	Deluxe - Lower Ground Restricted View Drum Building	£546
Vita Student Edinburgh - Iona Street	Vita Student	Ultimate Vita	£457 - £489
Vita Student Edinburgh - Iona Street	Vita Student	Accessible Room	£431 - £466
Vita Student Edinburgh - Iona Street	Vita Student	Premium - Lower Ground Floor Courtyard View Drum Building	£426
Vita Student Edinburgh - Iona Street	Vita Student	Premium - Lower Ground Floor Courtyard View Drum Building	£426
Kingsford Residence	Kingsford	Studio Apartment	£350 - £442
Panmure Court	Student Roost	Studio	£200 - £406
Norton's Student Living	CRM	Diamond Studio	£400
Vita Student Edinburgh - Iona Street	Vita Student	Classic	£338 - £389
New Park	Downing Students	Studio Apartment	£275 - £355
Vita Student Edinburgh - Iona Street	Vita Student	Lite	£292 - £354
Norton's Student Living	CRM	Superior Plus Studio	£350
Norton's Student Living	CRM	Superior Studio	£340
Shrubhill House	Unite Students	Classic Studio	£335
Haddington Place	CRM	Superior Studio	£320
Haddington Place	CRM	Superior Studio Accessible	£320
Haddington Place	CRM	Standard Studio	£315
Haddington Place	CRM	Standard Studio	£315
Haddington Place	CRM	Lower Ground Studio	£315
Haddington Place	CRM	Lower Ground Studio	£315
Norton's Student Living	CRM	Deluxe Plus Studio	£295
Haddington Place	CRM	Lower Ground Studio Accessible	£290
Norton's Student Living	CRM	Premium Plus Studio	£290
Norton's Student Living	CRM	Deluxe Studio	£285
Norton's Student Living	CRM	Premium Studio	£280
Norton's Student Living	CRM	Standard Plus Studio	£275

EDINBURGH ANNUAL RENTAL GROWTH

Academic Year	Non en-suite	En-suite	Studio	Market
2022/23	9%	9%	8%	9%
2021/22	2%	3%	3%	3%
2020/21	1%	2%	3%	2%
2019/20	3%	3%	3%	3%
2018/19	3%	4%	5%	4%
2017/18	4%	3%	2%	4%
2016/17	3%	1%	0%	2%
2015/16	2%	4%	2%	3%



EDINBURGH STUDENT MARKET

Edinburgh is considered one of the UK’s most desirable student cities containing four Higher Education Institutions (HEIs), leading to record levels of undersupply with a total of 68% of full-time students unable to access either university or privately owned accommodation. The high full-time student population in Edinburgh currently levels at 65,529 across all four HEIs. This places significant pressure on the universities and private operators to meet the demand.

Currently the student:bed supply ratio is considerably stark at 3.14. Accommodation supply levels total 20,901 in the city. Private, direct-let student accommodation bedrooms total 8,359 (40%), whilst university accommodation bedrooms total 12,542 (60%). The strength of Edinburgh as a city and the impressive higher education offering has resulted in international attraction, with 36% of the full-time student market being international.

Edinburgh has a significantly constrained PBSA development pipeline with only 6,299 incoming beds with submitted or consented planning permission in the pipeline.

Even with the full development pipeline complete, the percentage of existing Students unable to access either university or privately owned accommodation would change from 68% to 58%, further demonstrating the stark undersupply in the city. This would shift the student:bed ratio from 3.14 to 2.41. This projection is dependent on a number of implicit assumptions, in particular that the student population remains unchanged. The development pipeline of consented bedrooms in Edinburgh totals 4,824 across 19 schemes.

STUDENT POPULATION GROWTH

Edinburgh has experienced significant student growth since 2016. The rate of this increase has resulted in supply levels not being able to match the demand of students across the city’s universities.

The table below details student numbers from Higher Education Statistics Agency (HESA) and the growth since the 2017/18 academic year. International growth has fuelled the total growth figures with a 43% increase in international students since 2017/18.

With the low levels of supply and increasing student population the current student to bed ratio stands at 3.1:1.

Academic Year	2017/18	2018/19	2019/20	2020/21	2021/22
EU Students	6,331	6,454	6,375	6,573	6,199
Non EU Students	11,815	13,178	15,097	16,392	19,160
UK Students	36,352	36,598	36,630	39,013	40,170
Total Students	54,498	56,230	58,102	61,978	65,529



EDINBURGH STUDENT MARKET

The city is home to five higher education institutions: The University of Edinburgh, Heriot-Watt University, Edinburgh Napier University, Queen Margaret University and The Scottish Rural College.

Institution	Full-time Undergraduates	Full-time Postgraduates	% Non UK students	Total Full-time HE Students	% Growth since 2017/18	3 Year CAGR
Edinburgh Napier University	10,334	3,239	26%	13,573	25%	8%
Heriot-Watt University	7,216	3,004	36%	10,220	10%	3%
Queen Margaret University, Edinburgh	3,432	820	22%	4,252	21%	6%
SRUC	1,274	-	2%	1,274	3%	1%
The University of Edinburgh	25,208	11,002	45%	36,210	22%	7%
Total	47,464	18,065	38%	65,529	20%	6%



FURTHER INFORMATION

DATA ROOM

Access available upon request.

VAT

We understand the property has been elected for VAT and anticipate the sale will be treated as a transfer of a going concern (TOGC).

ANTI-MONEY LAUNDERING

Prior to an exchange of contracts all parties acknowledge and agree to fully co-operate to ensure anti-money laundering regulations are fully satisfied.

PROPOSAL

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ONLY BASIS.**

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