

## **PRESS RELEASE**

19 February 2024

### **THE UNITE GROUP PLC**

('Unite Students', 'Unite', the 'Group', or the 'Company')

#### **NEW UNIVERSITY PARTNERSHIP - UNITE STUDENTS ENTERS JOINT VENTURE FRAMEWORK AGREEMENT WITH NEWCASTLE UNIVERSITY TO DEVELOP 2,000 BEDS**

Unite Students, the UK's leading owner, manager and developer of student accommodation, today announces that it has entered into a joint venture ('JV') framework agreement with Newcastle University for the development of 2,000 new student beds.

#### **Highlights**

- Long-term strategic partnership with a Russell Group university
- Total development costs of c.£250 million (Unite share: £128 million)
- Unite to act as development and asset manager to the JV with 51% ownership share

Unite Students and Newcastle University have contracted to form a JV to develop 2,000 beds at the University's Castle Leazes site in Newcastle for delivery in 2027 and 2028. The Castle Leazes site currently provides c.1,250 beds and was built in 1969. Newcastle University has committed to close the existing accommodation on the site and commence demolition in the summer of 2024.

#### **Joe Lister, Unite Students Chief Executive Officer, commented:**

"Partnering with Newcastle University to redevelop Castle Leazes and deliver 2,000 beds of high-quality, affordable accommodation for students is a hugely exciting step for Unite Students. The partnership will provide further support to Newcastle University in meeting their accommodation needs at a time of real housing shortage, so that they can focus on providing a world-class experience for their students.

"Unite Students is uniquely positioned to help address the shortage of student homes through our long-standing and trusted university relationships, best-in-class operating platform and in-house development capability. There is a significant opportunity to become the partner-of-choice for universities as they seek to unlock the potential of their campuses to deliver new accommodation and access new funding."

#### **Nick Collins, Executive Director of Finance, Newcastle University, commented:**

"We are delighted to partner with Unite Students to redevelop Castle Leazes. This joint venture will provide high-quality, affordable accommodation for our students and help us continue to attract students from across the UK and around the world to Newcastle University and our city."

#### **Joint venture framework agreement**

Newcastle University is a founding member of the research-led Russell Group of Universities and was ranked 37<sup>th</sup> in the UK by the Times & Sunday Times Good University Guide in 2024 and 110<sup>th</sup> in the QS World University Rankings 2024. The JV deepens our existing 20-year relationship with Newcastle University. To support the University's accommodation requirements during the development phase, the Company has separately entered into a four-year nomination agreement for 1,600 beds in other Unite Students properties in the city.

Total development costs are c.£250 million, with main construction expected to commence in early 2025. Newcastle University will own a 49% stake in the JV and contribute the Castle Leazes site on a 150-year lease. Unite's equity commitment is expected to be c.£70 million for a 51% stake with the remaining funding coming from debt secured against the JV. The project is expected to deliver returns comparable with developments in regional cities. This also reflects the fees Unite will receive as development and asset manager to the JV.

Entry into the JV is subject to planning approval. Planning submission is expected by the end of Q1 2024, which would support formation of the JV before the end of 2024.

**ENDS**

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**About Unite Students**

Unite Students is the UK's largest owner, manager and developer of purpose-built student accommodation (PBSA) serving the country's world-leading higher education sector. We provide homes to 70,000 students across 157 properties in 23 leading university towns and cities. We currently partner with over 60 universities across the UK.

Our people are driven by a common purpose: to provide a 'Home for Success' for the students who live with us. Unite Students' accommodation is safe and secure, high quality, and affordable. Students live predominantly in en-suite study bedrooms with rents covering all bills, insurance, 24-hour security and high-speed Wi-Fi. We also achieved a five-star British Safety Council rating in our last audit.

We are committed to raising standards in the student accommodation sector for our customers, investors and employees. This is why our Sustainability Strategy, launched in 2021, includes a commitment to become net zero carbon across our operations and developments by 2030.

Founded in 1991 in Bristol, the Unite Group is an award-winning Real Estate Investment Trust (REIT), listed on the London Stock Exchange. For more information, visit Unite Group's corporate website [www.unitegroup.com](http://www.unitegroup.com) or the Unite Students' site [www.unitestudents.com](http://www.unitestudents.com)

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