

# Campus Living to enrol partners

Ben Wilmot

Student-housing provider Campus Living Villages, backed by the private Transfield Holdings, is exploring ways to tap major superannuation funds as it expands in Australia and the US.

The private group has substantial property holdings as part of its student accommodation business that could be securitised in order to free up capital.

Campus Living Villages chairman Guido Belgiorno-Nettis said the group had "pretty deep pockets" but was also investigating other equity sources.

"We're exploring, and will continue to explore, whether there are institutions interested in joining with us," he said.

Campus Living Villages is mulling options after undergoing dramatic growth. In Australia and New Zealand its portfolio has jumped from 800 beds under management last September to 6210 beds now, either under management or under construction. It also has about 20,000 student beds managed by its Campus Living Villages Century venture in the US.

Mr Belgiorno-Nettis said the company planned to expand development operations in the US. He said there was rising acceptance of private accommodation operators in the tertiary sector locally.

In Australia and New Zealand,



Student accommodation is enjoying strong growth.

Photo: TAMARA VONINSKI

Campus Living Villages works in partnership with eight universities and is in talks with others.

"There have been some universities who have recognised that they're not expert at running on-campus accommodation and have decided to outsource," Mr Belgiorno-Nettis said.

He said others had decided against going down this path and there was no guarantee the rapid growth for private operators would continue.

"There's just an early wave of activity. I wouldn't want to say there's a frenzy," he said.

Campus Living Villages owns the property of about half its portfolio, locally and offshore.

Most of the other owners are the universities themselves, and Campus Living Villages also

operates a facility in New Zealand for an ING-listed fund.

He sees student accommodation as a distinct asset class from either property or infrastructure.

Campus Living Villages has just appointed two external directors to its board: John Niland, who was a vice-chancellor at the University of NSW, as non-executive chairman; and Steve Burden, a professor at University of Technology Sydney. The group has finalised a deal to build and operate accommodation for Queensland University of Technology students at Kelvin Grove in Brisbane. The student complex will be located next to a campus of the university and accommodate 455 students. The student village will have two main apartment blocks of six to eight stories.