GCP Student Living Plc - New debt facility

GCP Student Living plc
("GCP Student" or the "Company", together with its subsidiaries the "Group")

LEI: 2138004J4ID66FK38H25

New debt facility

GCP Student, the UK's first REIT focused on student residential assets, today announces that on 20 December 2018 the Company entered into an agreement with Wells Fargo Bank N.A. in respect of a new borrowing facility (the "Development Facility").

The Development Facility is for an amount of up to £55 million which is currently intended will be drawn over time to partly fund the construction of the Group's forward funded Scape Brighton. This is expected to become operational for the 2020/2021 academic year. The Development Facility has a margin during the construction phase of Scape Brighton of 3.1% per annum above LIBOR (reducing to 2% once the asset is operational and stabilised). It is repayable on 21 December 2021 with an option to extend by a further 12 months (at the Company's discretion, subject to certain conditions being met) and will be solely secured against Scape Brighton.

Accordingly, the Group's available banking facilities total £335 million. These facilities include the drawn fixed interest rate term facilities with PGIM Real Estate Finance for an aggregate amount of £235 million which are secured against certain of the Group's operational assets and has a weighted average term of 7 years. In addition, the Group has £100 million of floating rate borrowing facilities with Wells Fargo Bank N.A,. (which are undrawn as at the date of this announcement) comprising the Development Facility and the Group's £45 million redrawable credit facility. The redrawable credit facility is expected to be used mainly to complete the construction of the Group's Circus Street asset, which remains on track for completion in September 2019 and for general corporate purposes from time to time.

The Group's current blended cost of borrowing on its drawn debt is 2.96% with an average weighted maturity of 7 years. The loan-to-value of the Group is approximately 25%.

For further information please contact:

Gravis Capital Management Limited +44 020 3405 8500

Tom Ward

Nick Barker

Dion Di Miceli

Stifel Nicolaus Europe Limited +44 020 7710 7600

Neil Winward

Mark Young

Tom Yeadon

Buchanan / Quill +44 020 7466 5000

Helen Tarbet

Henry Wilson

About GCP Student

The Company was the first student accommodation REIT in the UK, investing in modern, purpose-built, private student residential accommodation and teaching facilities. Its investments are located primarily in and around London where the Investment Manager believes the Company is likely to benefit from supply and demand imbalances for student residential accommodation.

GCP Student's property portfolio comprises ten assets with c.3,600 beds, including one asset which is expected to complete construction for the 2019/20 academic year. At 30 September 2018, its property portfolio was valued at £816.8 million.

The Company's standing properties are predominantly occupied by international students and offer high specification facilities and hotel-level concierge type services which the Investment Manager believes are attractive to overseas students.