

GCP Student Living easily beats £50m placing target

By Sean Butters 20 May, 2016 at 10:22



Gravis Capital Partners' share placing for its Student Living plc has exceeded its £50 million target by more than 20%.

The placing, launched 10 May, saw investors snap up 44,085,232 shares in [GCP Student Living](#) valued at 136.10p per share or a gross £60 million, taking the trust's total AUM to around £357 million.

The proceeds of the raise will go towards acquiring a London student accommodation asset secured by a long-term agreement with Royal Holloway university – a deal which GCP says 'guarantees' underlying rental income following completion of the property, slated for September 2017.

GCP said that the improved liquidity of the trust following the admission leaves it better positioned to target opportunities in the secondary market.

Nick Barker, investment manager, added: 'We continue to see high-quality opportunities in the student residential accommodation market which we believe are strongly positioned to benefit from the core supply/demand imbalance characteristics which the company seeks to identify in potential investments, and which should support rental growth from its assets over the long term.'

Launched in May 2013, in the 12 months to 30 April the trust's share price return totalled 14.1% versus the MSCI ACWI index's 3.1%. The trust trades at a 1.8% premium to net asset value.