



UNIVERSITY ROAD

Analyst/investor tour
5 October 2012

SCHEDULE

The heart of
student living

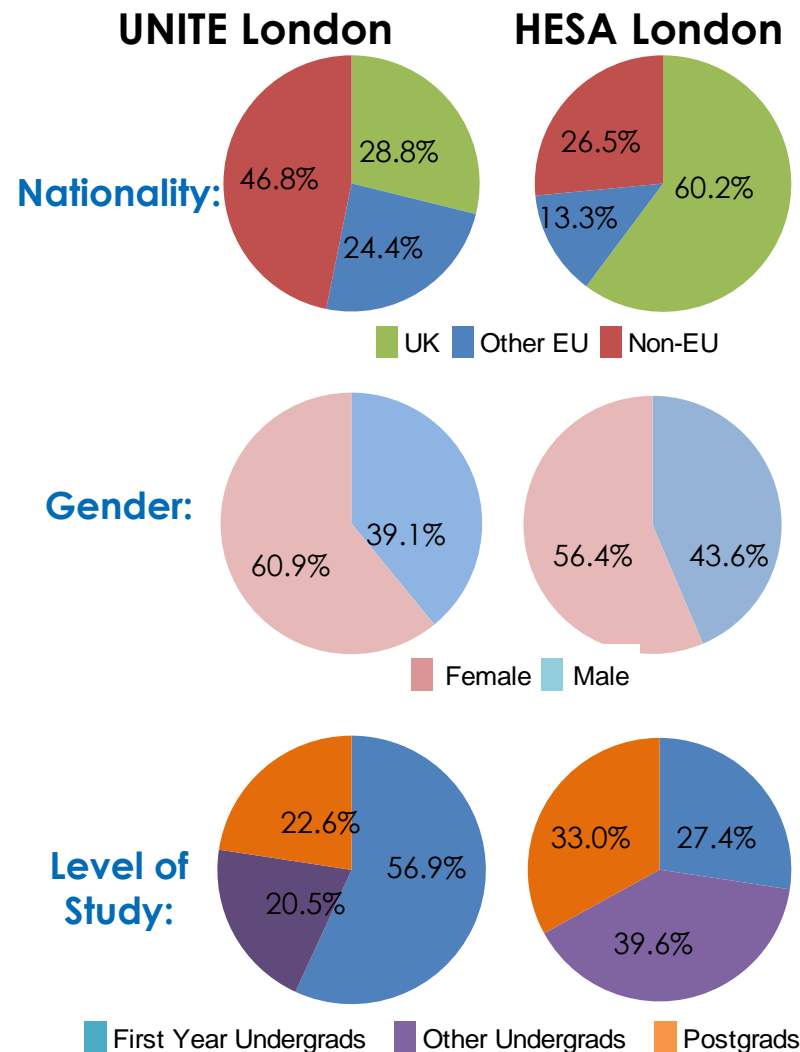


Time	Item	
09.00	Welcome and introduction	Mark Allan
	London market overview	
	Development update	Richard Simpson
09.30	Tour of Moonraker Point	
09.45	Journey to Stratford	
10.15	Overview of Stratford site	Richard Simpson
11.00	Journey to Tottenham Hale	
11.30	North Lodge tour	
12.00	Ends	

UNITE IN LONDON

KEY FACTS

- UNITE will operate 7,650 beds in London in 2012/13 (approx. 5,000 Direct Let) across 32 properties.
 - 1,348 opened for 2012/13.
 - 1,500 beds spaces already secured for delivery in London in 2014, a further 20% increase in UNITE supply.
 - LSAV targeting 3,500 – 4,000 beds for 2015-17
- UNITE London customers **71% internationals** (London HESA: 40%)
- UNITE London customers **57% first year UG** (London HESA: 27%), 37% UK and 63% international



LONDON MARKET DYNAMICS

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Broadly three categories of Purpose Built Student Accommodation:

1. Zone 1, top end mainly studios

Primarily international students, rents £300 pw and upwards – no new supply, demand stable

2. 'Traditional' rooms

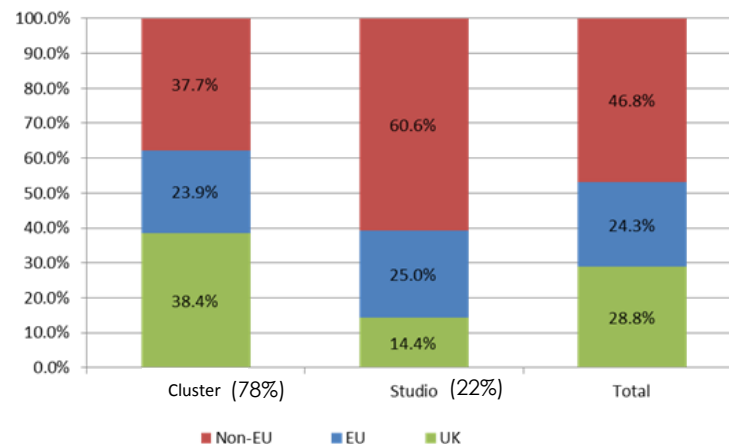
Mix of UK and international students, rents £180-£220 pw, typically zone 2 – getting congested, bulk of new supply here; location critical

3. Affordable product

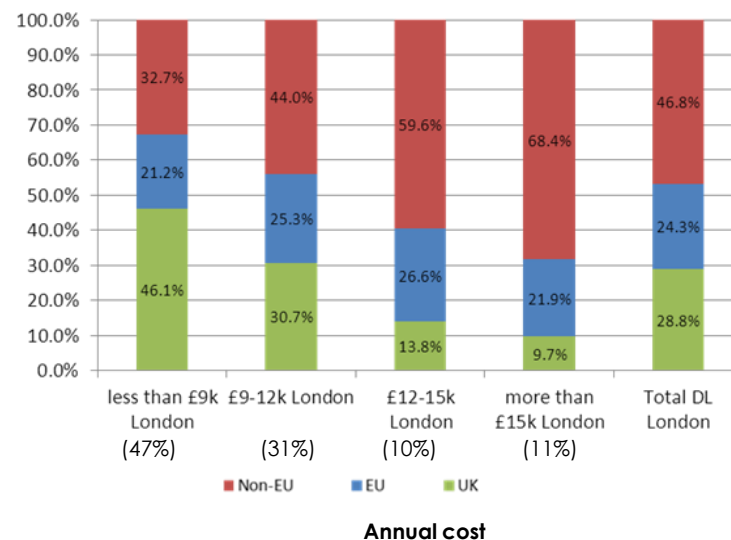
Largely UK students, rents £150-£160 pw, zones 2-3 with transport links – v little current supply; huge demand and opportunity

Overall central London demand projected to increase from 156,000 to 179,000 over 5 years (2.8% p/a, source: UNITE estimates)

Room Types by origin of occupant:



Price points by origin of occupant:



A photograph of four young women standing on a rooftop, smiling and looking towards the left. They are dressed in winter clothing, including puffer jackets and scarves. In the background, the dome of St Paul's Cathedral is visible against a cloudy sky. The woman on the far right is holding a large, light-colored paper bag.

Development Overview

Richard Simpson
Managing Director, Property

- **Proceeds of 2009 placing substantially deployed**
 - 1,348 London beds completed 2012
 - 1,514 London beds opening 2014
 - 877 Glasgow beds opened 2011/2012

- **Compelling returns achieved – significantly accretive to NAV and earnings**
 - 2012 openings 98% let
 - 9.4% average yield on cost

- **Attractive pipeline of opportunities being pursued**
 - 2014 projects starting on site
 - First LSAV projects likely to be secured in 4Q12
 - UNITE competitive advantage underpins 9% target yield on cost

2012 LONDON COMPLETIONS

	Number of beds	Occupancy AY 12/13 %	Total completed value £m	Total development cost £m	Total NAV uplift £m	NAV to book at 30 June 2012 £m	Forecast yield on cost	Typical weekly cluster rent £(12/13)
2012								
<u>London</u>								
Waterloo Road	146	100	22	16	6	2	9.0%	225
Moonraker Point	674	100	112	75	37	3	9.5%	233
North Lodge	528	96	46	30	16	-	10.3%	160
	1,348	98	180	121	59	5	9.6%	

- 2012 programme completed to time, cost and quality targets
- Portfolio effectively fully let
- North Lodge forward sold to LSAV, sale likely to complete 4Q12
- Option to sell Waterloo Road to UCC Joint Venture before Dec 2016

MOONRAKER POINT, SOUTHWARK



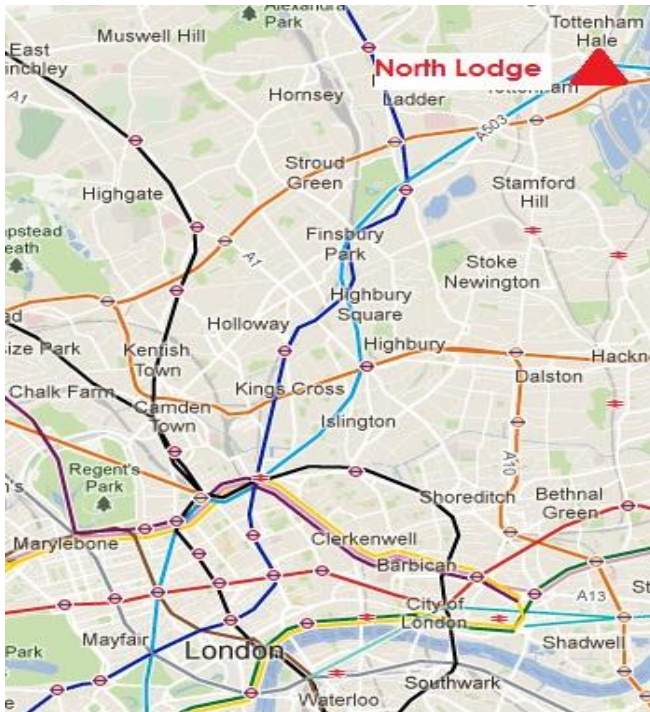
- 674 bedrooms
- 15 year agreement with Kings College
- £112 million GDV (49% profit on cost)
- Site initially acquired with 'broken' planning consent
- Open book approach to letting of various construction packages resulted in £1 million of savings.

NORTH LODGE, TOTTENHAM HALE

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- 528 bedrooms
- £46 million GDV (53% profit on cost) – forward sale to LSAV
- Highly accessible location at attractive rents
- 2nd scheme within Hale Village regeneration site
- ‘Showcase’ approach by team led to construction cost of £39k per room (value engineering and construction management).



University	Tube Station	Travel Time
London Metropolitan University	Holloway Rd	12 minutes
University of Arts, RVC	Kings Cross	14 minutes
UCL, SOAS	Euston	17 minutes
UCL, SOAS, LSE	Holborn	19 minutes
City University	Angel	21 minutes
Kings College London	Waterloo	28 minutes
Queen Mary University	Mile End	30 minutes

WELLINGTON LODGE, SOUTHWARK



- 146 bedrooms
- Agreement with LSE
- £22 million GDV (37% profit on cost)
- Option to sell to UCC
- 'Distressed' site purchase
- Use of innovative building techniques in response to site constraints.



2014 DEVELOPMENT PROGRAMME

	Number of beds	Total completed value £m	Total development cost £m	Total NAV uplift £m	Forecast NAV remaining £m	Forecast yield on cost	Typical weekly cluster rent £(12/13)
2014							
<u>London</u>							
Camden	563	82	59	23	23	9.5%	219
Stratford 1	951	83	60	23	15	9.3%	166
	1,514	165	119	46	38	9.4%	

- 2014 programme committed – funding and planning consents in place
- Stratford forward sold to LSAV, likely to complete in 4Q14

STRATFORD 1, STRATFORD

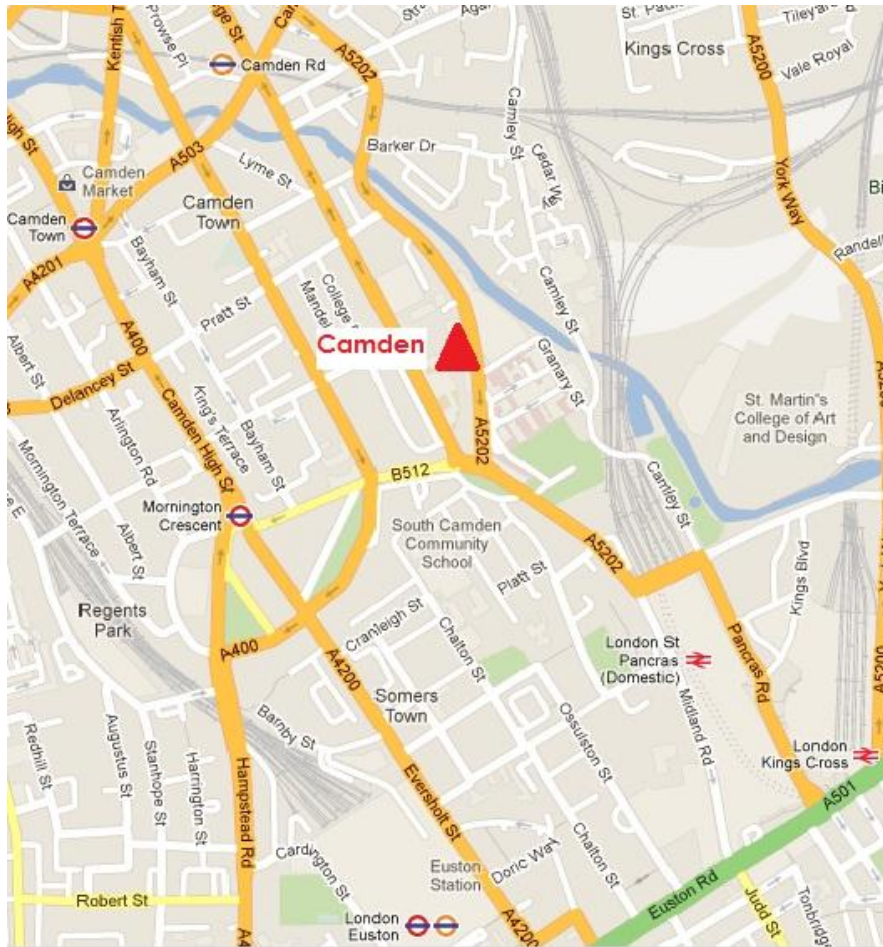


- 951 bedrooms, opening 2014
- Excellent transport links, adjacent to Westfield shopping centre
- £83 million GDV, forward sale to LSAV, 38% profit on cost
- 26 storey tower with views across Olympic park
- Site acquired from Westfield, who are also main contractor



University	Tube Station	Travel Time
University of East London	N/A	2 minutes
University of Arts, RVC	Kings Cross (overland)	6 minutes
Queen Mary University	Mile End	6 minutes
UCL, SOAS, LSE	Holborn	17 minutes
London Metropolitan University	Holloway Rd	23 minutes
Kings College London	Waterloo	23 minutes
City University	Angel	24 minutes
London South Bank University	Elephant & Castle	24 minutes

ST PANCRAS WAY, CAMDEN



- Rare cluster led scheme in prime zone 1, Camden location
- 563 bedrooms, opening 2014
- £82 million GDV, 39% profit on cost
- Adj. existing UNITE scheme and Royal Veterinary College
- Mansell are main contractor; 22nd UNITE London project
- Site acquired from Travis Perkins, who will reoccupy commercial unit

- **LSAV 50:50 joint venture with GIC established September 2012**
 - De-risks development
 - Greater visibility of returns and financing
 - Largely self-funding through forward sale arrangements

- **Targeting 3,500-4,000 additional beds in London by 2017**
 - 9% yield on cost target maintained
 - Focus on affordable locations with strong transport links
 - First projects to be secured 4Q12
 - c.75% of target pipeline identified

- **Weak economic environment continuing to keep development costs low**
 - Zone 2/3 land pricing has not recovered as strongly as prime Zone1 locations
 - Build cost inflation limited by low cyclical demand and improving building design efficiency

- **London development programme has proven successful**
 - 2012 completions exceeded target returns
 - 2014 programme substantially de-risked
 - Significantly accretive to earnings and NAV

- **Future pipeline of opportunities remains compelling**
 - LSAV formation enhances visibility of returns and financing
 - Focus on affordable locations with strong transport links
 - Underpins earnings and NAV growth longer term