

DFI sells Canterbury Student Manor (GB)



Deutsche Finance International has sold Canterbury Student Manor in an off-market transaction to a private investor. This disposal is the first exit for DFI's inaugural fund, DFI European Value Add Fund (DFI EVAF), which closed in July this year with €436m of equity, including co-investment. The asset, which was purchased by DFI in an off-market transaction in 2017, comprises 386-beds and is located in Canterbury, in the UK's south-east. The purchase price was not disclosed.

Since acquiring Canterbury Student Manor in 2017, DFI has undertaken a programme of active asset management to increase occupancy from 79% to 100%, delivering a corresponding uplift in the property's income profile. This included re-classifying rents, reducing operating cost leakage and focussing on new marketing initiatives while closely working with the property manager. The Fund's business plan for the asset has been completed two years ahead of schedule, facilitating the sale of the property to a core investor.

Gavin Neilan, Co-Founder and Co-Managing Partner at DFI, commented: *"To have sold this property two years ahead of our business plan, having already successfully repositioned it for long term investors, illustrates our capacity to actively create value in operational real estate and unlock the full potential of our portfolio. Additionally, the ability to acquire and dispose of this asset off-market, as well as undertaking all asset management activity in house, demonstrates the strength of our outstanding team."*

Paul Nearchou, Director at DFI, commented: *"The favourable dynamics we identified as part of our investment thesis that underpin the Canterbury market, including a growing student population and an undersupply of quality accommodation, enabled us to maximise the quality of this property and, ultimately, to crystallise attractive returns on behalf of our investors ahead of schedule."*