



## 819 bed PBSA scheme in Bristol forward sold to KKR

May 24, 2023

**Watkin Jones plc**  
(‘Watkin Jones’ or the ‘Group’)

Watkin Jones, the UK’s leading developer and manager of residential for rent, is pleased to announce that the Group has exchanged contracts with funds managed by KKR, a leading global investment firm, to forward fund an 819-bed purpose-built student housing (PBSA) scheme in Dalby Avenue located in Bedminster, Bristol. The consideration will be payable to Watkin Jones over the course of the development, which is due for completion in August 2024, and includes an initial net cash receipt for Watkin Jones of c. £25 million. KKR is making the investment through its European Core Plus Real Estate strategy, which focuses on thematic investments in high-quality, substantially stabilised assets with long-term growth potential.

Upon completion, the 819-bed scheme will be fully leased to The University of Bristol on a long-term basis. The development will deliver a mix of 5-12 bed cluster flats together with c.15,000 sq.ft. of internal amenity space and considerable external amenity space including a private terrace, courtyard, and gardens. The site has excellent transport links to the University campuses and is conveniently located close to Bedminster train station and within walking distance to Bristol’s city centre.

With two established universities in the city, Bristol continues to be a leading destination of choice for students in higher education. However, accommodation in the UK’s eighth largest city is stretched across both the build-to-rent (BtR) and PBSA markets. The creation of this new major PBSA development in Bedminster is important in helping the city to address the on-going and increasing demand for student accommodation. The PBSA scheme is located in one of the five key sites identified in Bristol City Council’s Bedminster Green Framework as a priority for redevelopment.

Bristol is the UK’s greenest city, and the scheme is sustainably designed, and is targeting BREEAM ‘excellent’ rating. Additionally, best-in-class delivery and execution for residents will be available when it comes to enjoying a technology-enabled experience as the development is targeting WiredScore Silver. Attractive landscaping will support and encourage local biodiversity and residents will enjoy outdoor communal amenity space including a courtyard, high quality public realm and access to the newly restored Malago River corridor.

**Alex Pease, Chief Investment Officer, Watkin Jones, said:** “We are delighted to have secured our second deal with KKR, and would like to thank them for their efforts and partnership approach in reaching this agreement. This is an exciting opportunity to develop a key area of regeneration in the Bedminster area of Bristol for the ever-growing student needs in the city.

The sale is further evidence of the attractive investment and operational fundamentals of both PBSA as a sector and Bristol as a city and a good sign of investment markets re-opening.

Watkin Jones has a strong track record of developing PBSA schemes in Bristol as rising demand continues, including work recently completed at Wilder Street and Unity Street last year, in addition to work currently underway on a PBSA site on Gas Lane.

We are really excited as Bristol is widely regarded as one of the UK’s top university towns for education but also it represents one of the most vibrant and inclusive cities for students to live. Offering a wide range of bars, shops, and restaurants, it is a city for students to enjoy.”

**Seb d’Avanzo, Managing Director and Head of Real Estate Acquisitions for KKR in Europe, commented:** “We’re delighted to be investing in this well-located PBSA scheme which will deliver exceptional-quality accommodation for one of the UK’s top universities. Watkin Jones is a leading developer and manager in the sector, and we are pleased to undertake another attractive venture with Alex and his team. The student housing market has compelling and resilient fundamentals and this property benefits from a long-term lease, making it a good fit for our Core Plus Real Estate strategy and our growing ambitions in the student housing sector.”

Watkin Jones were advised by Cushman & Wakefield and Addleshaw Goddard LLP. KKR were advised by Bryan Cave Leighton Paisner LLP.

- Ends -

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**Notes to Editors**

Watkin Jones is the UK's leading developer and manager of residential for rent, with a focus on the build to rent, student accommodation and affordable housing sectors. The Group has strong relationships with institutional investors, and a reputation for successful, on-time-delivery of high-quality developments. Since 1999, Watkin Jones has delivered 48,000 student beds across 143 sites, making it a key player and leader in the UK purpose-built student accommodation market, and is increasingly expanding its operations into the build to rent sector. In addition, Fresh, the Group's specialist accommodation management business, manages over 22,000 student beds and build to rent apartments on behalf of its institutional clients. Watkin Jones has also been responsible for over 80 residential developments, ranging from starter homes to executive housing and apartments.

The Group's competitive advantage lies in its experienced management team and capital-light business model, which enables it to offer an end-to-end solution for investors, delivered entirely in-house with minimal reliance on third parties, across the entire life cycle of an asset.

Watkin Jones was admitted to trading on AIM in March 2016 with the ticker WJG.L. For additional information please visit [www.watkinjonesplc.com](http://www.watkinjonesplc.com)

**About KKR**

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life, and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at [www.kkr.com](http://www.kkr.com) and on Twitter [@KKR\\_Co](https://twitter.com/KKR_Co).