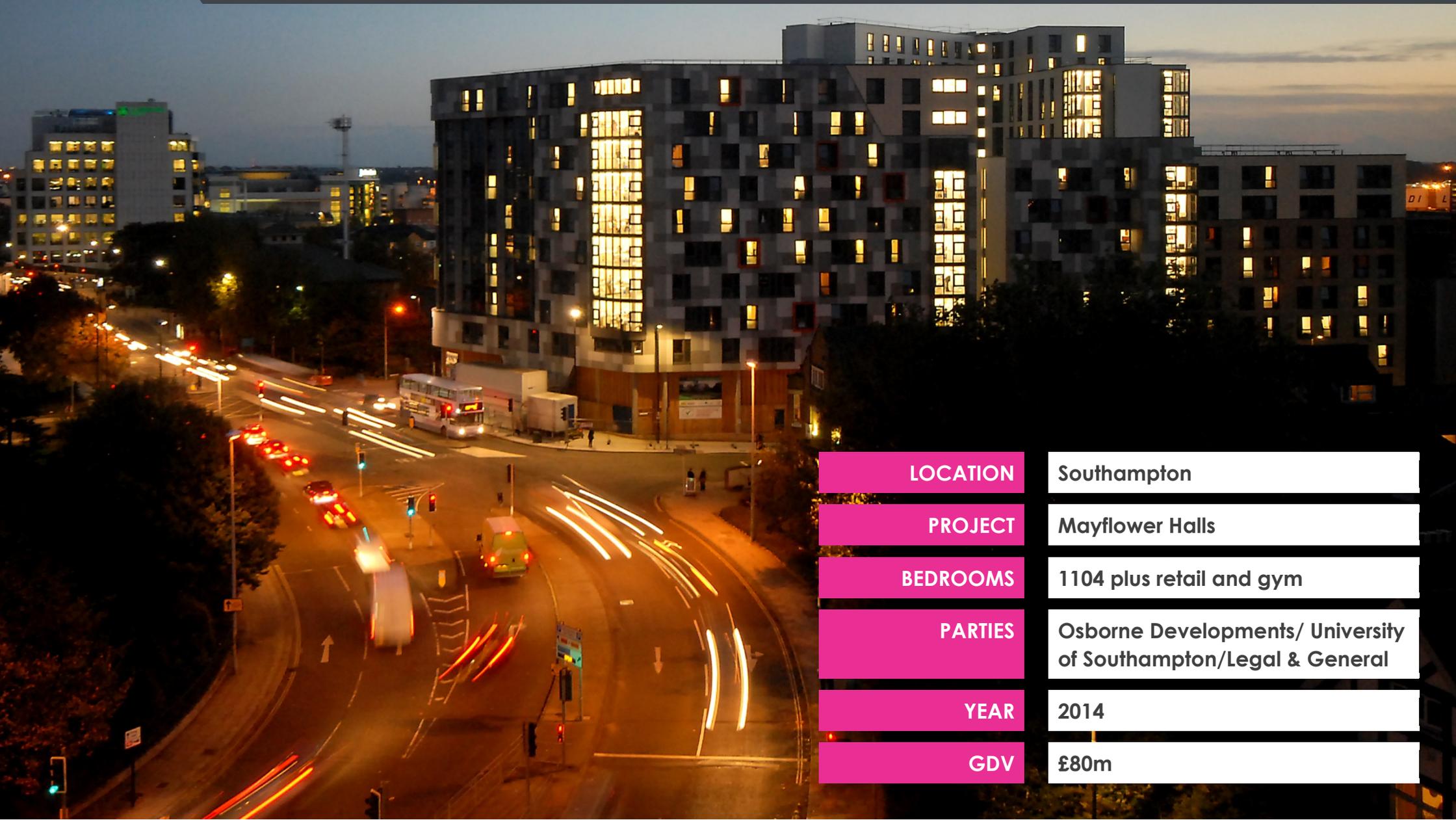




Funding and Development Risk Transfer

University of Southampton



LOCATION	Southampton
PROJECT	Mayflower Halls
BEDROOMS	1104 plus retail and gym
PARTIES	Osborne Developments/ University of Southampton/Legal & General
YEAR	2014
GDV	£80m

Need

Following a period of sustained growth the University of Southampton had identified a need for over 1,000 new bedrooms for student accommodation.

The University had multiple drivers for the scheme including the need to ensure that the University could continue to meet its accommodation guarantee; to raise the overall quality of its accommodation offering in the face of changing student expectations; and to help address local concerns around the growth of Houses in Multiple Occupancy (HMO's).

The University was looking for the new accommodation to be funded by the private sector although was prepared to underwrite the demand risk.

Solution

Following a competitive tender process, Osborne Developments were selected to design, build and fund a 'turnkey'

scheme in Southampton city centre on a prominent brownfield site next to the Grade II listed Mayflower Theatre.

Funding

Competitive forward funding was secured by Osborne Developments with Legal and General. In one of the first agreements of its kind, the University entered into a long term reversionary lease of the entire development in return for the transfer of development, funding and construction risk.

Design and Build

Designed in 3 multi-storey blocks up to 17 floors high the 1104 study bedrooms are primarily in cluster flats with a small number of studios and one bedroom flats. The residential element is complemented by a gym, convenience store, student learning centre, 3 common rooms, laundry, a 400 space cycle storage and landscaped external areas.

The building is connected to the city wide district heating system which supplies all three blocks with hot water and central heating.

Outcome

Mayflower Halls was one of the largest developments of its kind to take place in Southampton and transformed a derelict site that had been empty for over a decade into valuable student living.

The development also enabled the University to reconnect with the city centre and remains one of its most popular halls.

Against a challenging delivery programme combined with the logistics of building in a city centre location adjacent to a Grade II listed theatre, the development was completed on time for the start of the academic year.

