

# SOUTH WARD RD

DUNDEE

Opportunity to acquire a prime PBSA development site in Dundee City Centre, with the benefit of a full planning consent for 215 PBSA beds.

**For Sale**  
**Ryden**



# OPPORTUNITY SUMMARY

- + Prime PBSA development site with the benefit of a full planning consent for 215 PBSA beds (Planning Reference: 23/00311/FULM)
- + Scope to alter accommodation mix via a non-material variation (feasibility drawings and detailed planning note provided within the data room)
- + High quality external and internal amenity offering, comprising 2.7 sq m per bed
- + Ideal City Centre location with strong local amenity offering, and excellent transport connectivity
- + Dundee is a dual University City with 18,500+ full-time students (HESA 21/22), with an impressive 12.5% annual growth in full-time international students since 2016/17
- + Structural undersupply of PBSA in Dundee with current student to bed ratio of 4.8:1

WE ARE SEEKING OFFERS IN EXCESS OF **£1,250,000 FOR THE HERITABLE INTEREST IN THE LAND**, REFLECTING A RESIDUAL **PRICE PER BED OF £5,813.**

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RD**





# LOCATION

Dundee and the surrounding area has a population of over 150,000 people and benefits from two leading life science universities, The University of Dundee and Abertay University. The city is also home to Ninewells Hospital, the second largest hospital in Scotland. The hospital is one of the largest teaching hospitals in the UK, highly rated for medical and scientific research while Abertay University and the University of Dundee are recognised for excellence in biomedical science and information technology.

The city is highly accessible, with a regional airport, main rail station on the UK East Coast Line, and strong motorway links, all providing excellent connectivity to the rest of Scotland. The proposed scheme is within walking distance of both the bus and rail stations.

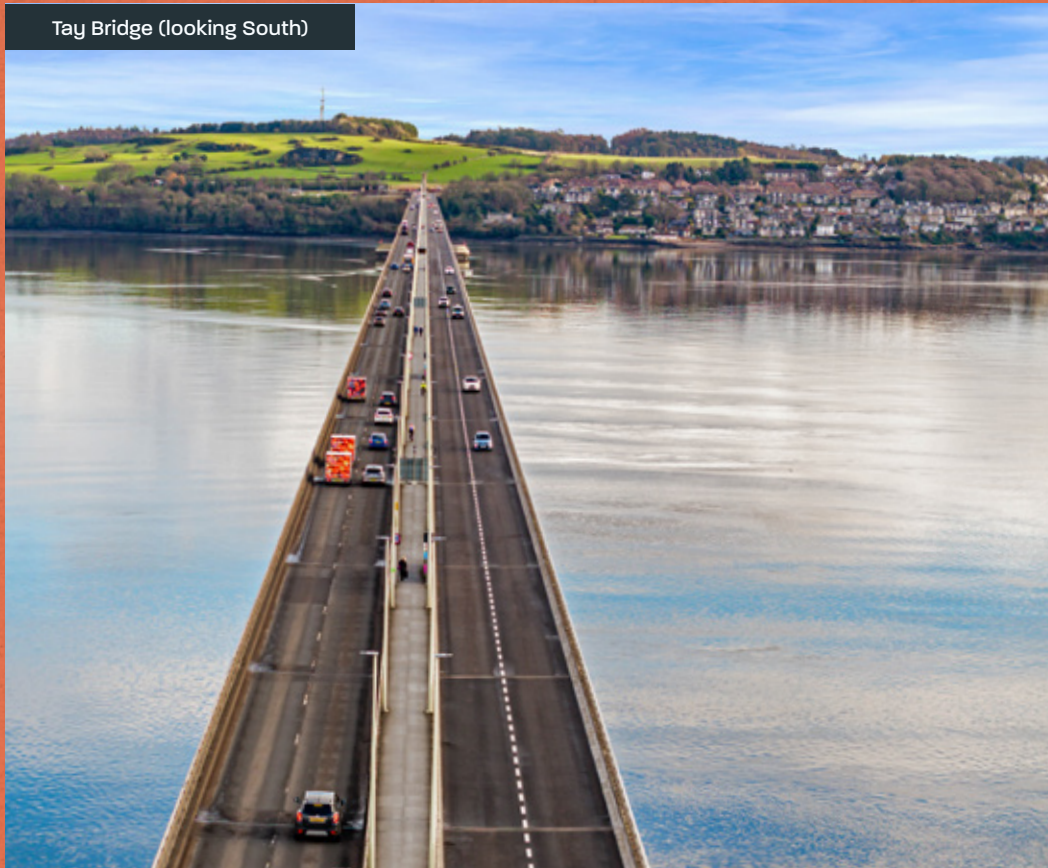
Dundee's Waterfront runs for 8km along the River Tay and is currently undergoing an impressive £1 billion regeneration programme.

## Distance From Dundee

City	Distance
Edinburgh	60 miles (South)
Aberdeen	70 miles (North)
St Andrews	12 miles (South)

# SOUTH WARD RD

Tay Bridge (looking South)





# SOUTH WARD RD

## THE SITE

The site is located to the west of the city centre on South Ward Road which lies just off Marketgait. The wider surrounding area is predominantly residential, with a range of amenities close by, including shops, offices, cafés, restaurants, bars and art galleries.

Abertay University is within a 2 minute walk of the site and the Dundee University is within a 6 minute walk. The city centre is a 3 minute walk away.

The site extends to approximately 0.11 Hectares and is adjacent to the Central Conservation Area. The site comprises an existing, currently unoccupied, two storey nightclub building constructed in the late 20th Century and neighbouring buildings are of similar age. There are a number of listed buildings in the vicinity of the site.

The site is very well served in terms of public transport links with many bus stops within walking distance. The site is also located near the Dundee Waterfront national cycle route.



### PBSA Competition

- 1 Marketgait Apartments
- 2 The Old Mill
- 3 IQ Parker House



### Bars & Restaurants

- 1 Clarks On Lindsay Street
- 2 Duke's Corner
- 3 The Old Mill Kitchen + Coffee
- 4 Jahangir Tandoori
- 5 The West House
- 6 Old Bank Bar
- 7 German Doner Kebab
- 8 The Counting House



### Universities

- 1 University of Dundee
- 2 Abertay University
- 3 St Andrews University



### Leisure

- 1 Wellgate Shopping Centre
- 2 V&A Museum
- 3 Olympia Leisure and Culture
- 4 PureGym



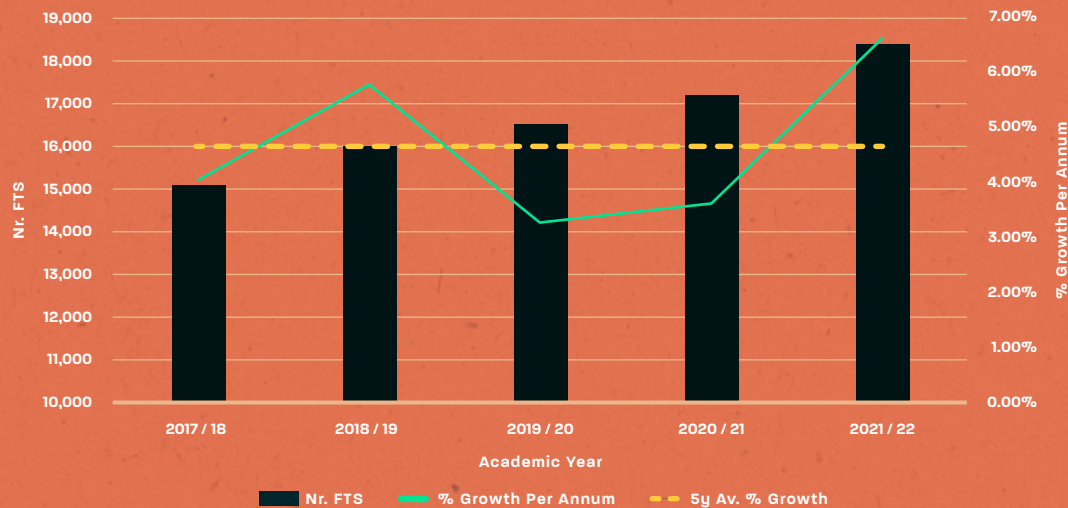
# MARKET DYNAMICS

Although Dundee is a dual University city that has demonstrated strong student number growth, recent PBSA development has been slow and the city now suffers from a severe undersupply of PBSA accommodation. At present there are only 3,847 PBSA beds available for its total combined full time student population of 18,415.

The table below clearly demonstrates the consistent year on year growth achieved in full time student numbers in Dundee.



## Student Population



# SOUTH WARD RD



Number of Chinese students has **increased by 66%** over the past 5 years



There are **18,415 full time students in Dundee** across 2 higher education institutions



The University of Dundee is **ranked 1st in Scotland**, 9th in the UK and 30th in the world in 2020, in the Times Higher Education Golden Age University Rankings



Since 2014 / 2015 the number of full-time students at the University of Dundee has **increased by 25%**, from 10,435 to 12,995



In the past 5 years, full time student numbers across the city have **increased by 27%**



The University of Dundee is ranked **28th out of 130 institutions** in the UK in the Complete University Guide 2022

# FURTHER EDUCATION

The city has experienced strong growth in international students, which have grown by 12.5% per annum over the past 5 years. Foreign students, particularly from China, generally expect a higher quality student living experience, and it is clear that Dundee has not delivered the necessary supply to meet the increasing demand.

Furthermore, in 2022/23 it was reported that St Andrews University had secured a short term nomination for c.140 beds at The Old Mill from Mears, a building located within close proximity to South Ward Road. Existing PBSA stock is generally older in nature and therefore there is a significant gap in the market to cater for foreign students who have larger accommodation budgets, and who are more likely to stay in PBSA accommodation. The private rental market in Dundee is also under severe pressure, with the quality of existing stock also very poor.

## Dundee Student Nationality Breakdown

Nationality	Total Students 2021 / 2022	Increase Since 2016 / 2017
UK	13,875	16%
EU	1,340	4%
China	645	66%
India	595	739%
Rest of World	1,955	155%
<b>Total</b>	<b>18,415</b>	<b>27%</b>

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According to HESA, in the 2021/22 academic year, the full-time student population was 18,415, which is the highest on record. Over the past 5 years, the number of full-time students in the city has increased by 4.9% per annum, which compares favourably with a number of other UK universities.

## Dundee Undergraduate v Postgraduate Growth

Type	Total Students 2021 / 2022	Increase Since 2016 / 2017
Undergraduate	14,620	17.30%
Postgraduate	3,795	88.30%
<b>Total</b>	<b>18,415</b>	<b>27.20%</b>

Existing PBSA stock is generally older in nature and therefore there is a significant gap in the market to cater for foreign students who have larger accommodation budgets, and who are more likely to stay in PBSA accommodation. The private rental market in Dundee is also under severe pressure, with the quality of existing stock also very poor resulting in a limited choice of suitable accommodation for students. Furthermore, should all of the detailed pipeline schemes be completed this still only represents a small proportion of additional supply in the context of 18,415 full time students studying within the city and a shortfall of c. 13,564 beds.

## Total PBSA Supply

PBSA Type	Number of Beds	Student to Bed Ratio (based on full time student numbers)
Operational	3,847	4.8
Operational / Under Construction	4,049	4.5
Operational / Under Construction / Consented	4,851	3.8



# UNIVERSITY OF DUNDEE

The University of Dundee was established in 1881 as University College Dundee with an initial intake of 370 students. It was formally granted independent university status in 1967 and has grown considerably since, becoming a key anchor institution for the region. The University is located across three campuses with most teaching and research activity takes place at the City Campus in the centre of Dundee. The University of Dundee is well reputed for its quality of teaching and research.

**Ranked in the top 10 universities**  
in the UK for the following subjects:

Forensic Science	(2nd)
Education	(3rd)
Medicine	(3rd)
Biomedical Sciences	(3rd)
Pharmacology & Pharmacy	(5th)
Dentistry	(6th)
Medical Technology & Bioengineerin	(7th)
Biological Sciences	(7th)
Art & Design	(7th)

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# ABERTAY UNIVERSITY

Abertay University was the first university in the UK to offer a suite of Computer Games degrees as well as the first to offer Ethical Hacking. Abertay is regarded as the gold standard for the Cybersecurity offering. The University also has 39 world class degrees that cover subjects such as Biomedical Science, Forensic Science, Food Science, Law, Sports, Psychology and Accounting, with many degrees ranking highly in the UK for quality, academics, teaching, assessment and student satisfaction.



**84th** in the Times University Guide 2024



**84th** in the Guardian University Guide 2024



Abertay is **UK University of the Year** for Teaching Quality - The Sunday Times 2021



Abertay is **Top in Europe** for Videogame Education for the 6th Year Running - Princeton Review 2021






**Top 10 in the UK** and No.3 in Scotland for Student Satisfaction - National Student Survey2021



# COMPARABLE SCHEMES

The following properties are located in close proximity to South Ward Road:

Scheme	Operator	Comments	Beds	Ensuite Clusters (pw)	Studios (pw)
Marketgait Apartments		Converted and refurbished in 2017. Of existing supply this is one of the better quality schemes in the city. Located within 250m of the subject property.	119	£186	£228 - £249
The Old Mill		A former Mill building that was converted 10+ years ago. Quality of accommodation is average. South Ward Road would represent a far superior product.	409	£128 - £156	£238 - £254
IQ Parker House		The second largest PBSA scheme in Dundee, the property was built 15+ years ago. Situated on the edge of the city centre, the property is not as well located as South Ward Road.	498	£154 - £196	£238 - £285



# SOUTH WARD RD

## Pipeline Schemes

Pipeline Supply	Beds	Status
56 Brown Street	147	Under Construction
Greenmarket	55	Under Construction
63 Brown Street	361	Consented
4 South Ward Road	242	Consented
West Marketgait	179	Consented
16 Constitution Terrace	20	Consented
30 Constitution Road	409	Planning Application Lodged
19 South Ward Road	215	Planning Application Lodged
Caledonia House Greenmarket	202	Planning Application Lodged
10 Douglas Street	98	Planning Application Lodged
56 Barrack Street	c. 200	Pre-App
19 Guthrie Street	524	Pre-App
Brown Street	110	Pre-App
Telephone House	417	Pre-App
<b>Total</b>	<b>3,179</b>	

Should all of the detailed pipeline schemes be completed this still only represents a small proportion of additional supply in the context of 18,415 full time students studying within the city and a shortfall of c. 13,564 beds.



## Existing Operational Schemes in Dundee

Scheme	Operator	Beds
01 The Hub	CRM STUDENTS	507
02 IQ Parker House	iQ	498
03 Heathfield	Sanctuary Students	426
04 Seabraes Court 1-32	Sanctuary Students	411
05 The Old Mill	MEARS	409
06 Belmont Flats	Sanctuary Students	340
07 Campus Apartments	CAMPUS	200
08 Peterson Hall	CRM STUDENTS	191
09 West Park Villas	Sanctuary Students	160
10 Kingsway Apartments	KINGSWAY APARTMENTS	144
11 West Park Flats	Sanctuary Students	140
12 Keiller Court	MEZZINO	128
13 Marketgait Apartments	PRESTIGE	119
14 Belmont Tower	Sanctuary Students	106
15 Merry Hall	WESTPORT PROPERTY	68
<b>Total</b>		<b>3,847</b>

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## PROPOSED DEVELOPMENT

### Planning Consent

(Planning Reference: 23/00311/FULM)

Erection of purpose built student accommodation with ancillary amenity space, associated landscaping and cycle parking.

### The Scheme

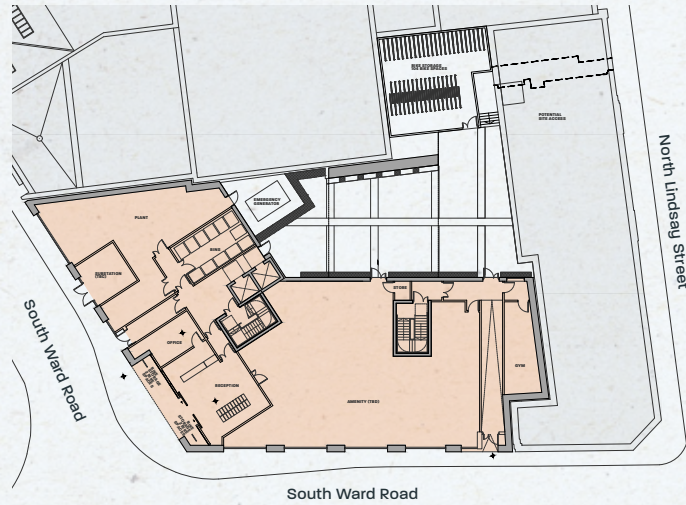
The proposed scheme will comprise a 9 storey PBSA building containing 215 beds, with a mix of studio and cluster accommodation. The property will also provide a range of external and internal amenity spaces including a gymnasium, café, communal break out space and private roof terraces. The proposals include for 2.7 sq m amenity space per bed. The proposal has been designed with the view to deliver a best class PBSA asset.

There is also scope to alter the accommodation mix via a non-material variation. A full feasibility study showing a 80/20 studio/cluster mix is included within the data room, alongside a detailed planning note provided by Scott Hobbs planners. The planning note suggests the NMV to the original planning consent represents a low level of risk.

# FLOOR PLANS

# SOUTH WARD RD

## Ground Floor



## First - Third Floor



## Fourth - Seventh Floor



## Eighth Floor



## Accommodation Schedule

LEVEL	Cluster Rooms	Studios Total	Internal Amenity (m2)	External Amenity (m2)
Ground Floor			353	246
Level 1	14	14	0	0
Level 2	14	14	0	0
Level 3	14	14	0	0
Level 4	14	14	0	0
Level 5	14	14	0	0
Level 6	14	14	0	0
Level 7	14	14	0	0
Level 8	12	7	0	0
Subtotals				
<b>TOTAL</b>	<b>110</b>	<b>105</b>	<b>353</b>	<b>246</b>

A more detailed accommodation schedule is available within the data room.

# ANTICIPATED INCOME PROFILE

# SOUTH WARD RD

Based on the consented scheme, Fresh Student Living have provided the following income projections for Academic Year 2024/25. Three year projections are available in the data room.

Accommodation Type	Beds	Size (sq m)	%	Period	Rent per week	Total Rent	Occupancy	Less Voids / Bad Debt	Incentives	Rent
Ensuite Cluster (4-5 beds)	110	14	51%	51	£201	£1,129,854	99.0%	£1,118,555	1.5%	£1,101,777
Studio	98	18	46%	51	£250	£1,250,250	99.0%	£1,237,747	1.5%	£1,219,181
Studio DDA	7	20+	3%	51	£250	£89,250	99.0%	£88,358	1.5%	£87,032
<b>Total</b>	<b>215</b>		<b>100%</b>			<b>£2,469,354</b>		<b>£2,444,660</b>		<b>£2,407,990</b>



A full breakdown of income and expenditure has been provided by Fresh Student Living. This is available to review in the data room. Note, Fresh have also provided an NOI budget for the 80 / 20 studio / cluster scheme that could be achieved through the NMV.

	Summer Income	£0
	Sundry Income	£9,116
	Operational Cost (per bed)	£2,755
26.10%	Total Operational Cost	£592,325
	Net Operational Income	£1,824,781

## THE PROJECT TEAM

The project team that has successfully delivered the planning consent for the site is detailed alongside:



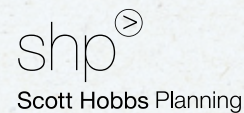
Project Manager



M&E Engineer



Structural Engineer



Planning Consultants



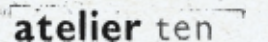
Architects



Acoustic Engineer



Quantity Surveyor



Fire Engineer

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## FURTHER INFORMATION & PROPOSAL

### Tenure

Outright ownership / Heritable interest (Scottish equivalent to English Freehold).

### Price

Our client is seeking offers in excess of £1,250,000 (One Million, Two Hundred and Fifty Thousand Pounds) for the Heritable interest in the site, which reflects a residual price per bed of £5,813.

Our client will also consider offers on the basis of a forward funding transaction, and has an experienced development team in place to deliver the proposed scheme. Further information is available should this be a preferred option.

### VAT

It is expected that the land will be elected for VAT.

### Anti-Money Laundering

To comply with anti-money laundering regulations we are legally required to undertake due diligence on prospective purchasers which will at the minimum include proof of identity / address and funding.

Applicable documentation will therefore be required on agreement of Heads of Terms.

### Further Information

Further information and access to the data room can be gained by contacting the sole selling agent.

# Ryden

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