



## **Press release:**

### **STAR ASIA GROUP AND GSA ANNOUNCE PARTNERSHIP FOR JAPANESE STUDENT ACCOMMODATION**

- **Star Asia Group and GSA create joint venture targeting 20,000 student beds**
- **Supporting Japanese Government's Higher Education Growth Strategy**
- **First property with 364 student accommodation beds opens in 2018**

Tokyo, 9<sup>th</sup> March 2017 – GSA, a global leader in purpose-built student accommodation, has formed a partnership with Star Asia Group, a boutique investment management group focused on Japanese real estate opportunities, to create the next generation of student accommodation in Japan. GSA Star Asia KK, a wholly-owned subsidiary of GSA Star Asia Japan Limited, has its headquarters in Tokyo and has been formed to create 20,000 beds for university students studying in Japan.

Japan is one of the most attractive higher education markets globally, with almost three million university students, one million of whom are in Tokyo and the surrounding area, making it the single largest University city in the world. The Japanese government is building on its world-class status by attracting international students and has a strategic plan to significantly increase the number of international students studying in the country to grow revenues and encourage internationalisation between students.

At present, about 80 per cent of students in Tokyo live in the private rented sector. With a global reputation for a high quality university education, growing student numbers, combined with some of the toughest market conditions for real estate, Tokyo faces a mounting challenge to address the accommodation requirements of its student population.

GSA brings its significant sector experience and management expertise alongside Star Asia Group's strong track record in Japan and together the partnership will launch a totally new accommodation product to the market, targeting Japanese and international university students.



The first property in the portfolio will be developed in Hakusan 4-chome, in Tokyo's Bunkyo-ku district, comprising 364 purpose built student accommodation beds and a total floor area of approximately 4,500m<sup>2</sup>. This project was funded with a combination of equity from Star Asia Group, GSA and two global institutional investors along with financing from a Japanese bank. The project in Hakusan will introduce GSA's global student brand "Uninest" into the market, creating a new community for Japanese and international students.

Unlike existing student dormitories, the property will feature high quality, specially designed student apartments as well as a lounge, theatre room, study space, barbecue space and other areas shared by all of the building's occupants. There will also be a communal kitchen with the whole space designed to foster community and a collaborative environment for students.

**Simon Loveridge, GSA Managing Director - Asia Pacific** said: "We're delighted to partner with Star Asia to bring a new generation of student accommodation to Japan. We have been operating student accommodation in Tokyo for several years and also provide homes for Japanese students in other parts of the world. Japanese students are ready for this new concept in student communal living, built on high quality design and aimed at building a strong community of local and international students. With Star Asia Group's track record in Japan and our 25 years' global experience in this sector, we are strongly positioned to build real scale across the Japanese market."

**Star Asia Group Co-Founder, Malcolm MacLean** commented: "I originally met Nick Porter, the founder of GSA Group, over 12 years ago when I invested in his student accommodation company. Since that time, we have closely watched the exciting growth of the GSA business globally and have been impressed by what they have accomplished and how they have executed. We are now delighted to have partnered with GSA in Japan and look forward to building a highly successful business together in this market."

**Star Asia Group Co-Founder, Taro Masuyama** further commented: "The Hakusan project is well located with its proximity to several premier universities, and is an excellent example of Star Asia's and GSA's combined effort to build this unique purpose built student accommodation platform in Japan."

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*Photography of GSA's student accommodation available on request.*



*Press enquiries relating to this press release should be addressed to:*

*Reina Endo or Keiichi Komaki*

*PR Representative Office, TrainTracks inc.*

*Tel: 03-5738-4177*

*Email: [pr@traintracks.jp](mailto:pr@traintracks.jp)*

*For GSA information, please contact:*

*Tabitha Aldrich-Smith*

*GSA Group:*

*Tel: +44 (0) 7971 919610*

*Email: [tabitha.aldrich-smith@gsa-gp.com](mailto:tabitha.aldrich-smith@gsa-gp.com)*

### **About GSA Star Asia KK**

GSA Star Asia KK is wholly owned by GSA Star Asia Japan Ltd which is a 50/50 joint venture between GSA Group and Star Asia Group. The company was originally established in 2014, and has managed student accommodation in Japan since April 2015. The company is seeking to acquire land and buildings suitable for development and conversion, and existing student accommodation with an initial focus in the Tokyo metropolitan area.

The Hakusan project is GSA Star Asia Japan's first independent development project in Japan. In August 2016, GSA acquired a site measuring approximately 1,100m<sup>2</sup> at Hakusan 4-chome, in Tokyo's Bunkyo-ku, and began developing a purpose built student accommodation building with a total floor area of approximately 4,500m<sup>2</sup>. The project will deliver 175 rooms and a total of 364 beds over nine above-ground floors and will be completed in 2018.

The new building will be operated as mixed accommodation, housing Japanese and foreign students together. Occupants will pay a fixed monthly price that takes account of local rent levels (covering furnishings, management fee, water, gas, electricity, Internet, etc.) and there will also be an emphasis on customer service such as bilingual concierge providing support, maintenance and in-house events to encourage communication between students.

GSA Star Asia Japan was set up to address the huge shortage of student accommodation for domestic and international students and to support the



Japanese Government's Top Global University Project. This is the Japanese government's global strategy to increase the number of foreign students enrolled at Japanese universities. The project is already having a positive impact. As of May 2015, there were 208,379, a 13.2% increase on 2014. The number of foreign students enrolled at universities selected for the Top Global University Project is set to double over the next few years.

## **About GSA**

GSA  
Space to Grow  
[www.gsa-gp.com](http://www.gsa-gp.com)

GSA develops, manages and invests in best-in-class purpose-built student accommodation in locations proximate to world-class universities. GSA's portfolio of operational, in development and secured future assets totals 20,000 beds. Operational student residences are managed under the brands Uninest and The Student Housing Company.

Nicholas Porter has been pioneering the purpose-built student accommodation sector for over 25 years. He founded The UNITE Group plc in the UK in 1991 and grew the company to become a FTSE-250 listed company and the largest owner of student accommodation in the UK. Alongside Nicholas Porter, the GSA management team has also played leading roles at predecessor companies that have defined the industry.

With several long-time colleagues, Porter went on to found GSA in 2007, building the new venture into the leading innovator and developer globally and creating the Urbanest brand in London and Australia, which was subsequently sold in 2014. GSA also launched in Dublin and Tokyo (2014) and moved quickly into the UK, Dubai and China (2015) and more recently into Australia and Germany (2016).

Over this timeframe, the sector has grown from its infancy to an asset class attracting tens of billions of dollars of investment from institutional capital sources attracted to the healthy supply-demand dynamics and the stable income characteristics of the Higher Education sector. As pioneers in the sector's evolution, GSA's senior management team has been responsible for developing or investing in over \$8 billion worth of student accommodation assets totaling over 60,000 beds in 44 cities. GSA's team has acquired an unrivalled expertise, a formidable track



record and a reputation for innovation. GSA combines industry-leading end-user research, long-standing partnerships with universities, a commitment to operational excellence, a passion for design, a focus on customer service, and an integrated approach to technology to create exceptional communities for students - making a real difference in their lives.

### **About Star Asia:**

[www.starasiamanagement.com](http://www.starasiamanagement.com)

Star Asia is a privately owned, independent investment management group focused on delivering superior investment returns to its clients by investing primarily in Japanese real estate related opportunities.

Star Asia was co-founded in 2006 by Malcolm F. MacLean IV and Taro Masuyama who each have over 20 years of experience in real estate, credit, corporate finance, capital markets and securitization. The group currently has a team of 25 professionals in Japan and the United States. Star Asia's partners and employees share a long-term perspective and always operate under their guiding principles which continuously drive the group to become and remain as one of the leading real estate investment management firms in Japan.

Since its inception, Star Asia has invested over JPY500 billion in real estate related opportunities including properties, loans, securitized assets, and companies. The group's strong track record and long-term partnership approach with our investors have been integral in attracting significant capital from sophisticated global investors, including large U.S. university endowments and foundations, Japanese and European pension funds, U.S. and Asia based family offices as well as other global real estate investors. The group is committed to its disciplined investment philosophy with a single goal of meeting and exceeding its clients' expectations for the mandates we are given.