

Student Accommodation

Liverpool, United Kingdom



Investment
Prospectus



Ray Withers
Director

The smarter asset class...

Before I introduce you to our very first product launch of 2010, may I take this opportunity to wish you all a very prosperous and exciting year ahead. Here at Property Frontiers we have been working hard to ensure we have some enticing new projects to launch in the first quarter of 2010, and I have a feeling that it's going to be a year of opportunity for us all!

With that in mind, I am very pleased to present you with an exclusive opportunity to invest in prime student accommodation in one of the leading student areas in the UK – Liverpool

Now, as many of you know, I have always been a fan of investing in student property, mainly as the core fundamentals have been and are likely to be in our favour for some time to come. I see it as almost recession-proof. Indeed, many people made a lot of money in the last recession from investing in student property.

Student halls are an asset class seldom available to individual investors, with universities tending to purchase units before they are offered to the market, and landlords not needing to sell due to the sustained high yield. Demand is always high for this particular type of product, and with student numbers increasing year on year the fundamentals driving this accommodation sector have never been stronger.

According to recently published research by Knight Frank, rental growth in this sector remains robust, recording growth of 5% per annum over the last six years, compared to 0.6% for commercial property. Substantially higher growth was achieved in key university towns over the past academic year.

It is no secret that demand for university places rise during recessions. Furthermore, the number of postgraduate students returning to university has increased to 24% of all students.

Preliminary figures for the next academic year are already posting a significant increase in applications, with UCAS reporting a 12% rise at its October deadline.

The majority of key university towns reported nearly 100% occupancy for the last academic year, with private halls targeting affluent domestic students, overseas students and mature students. Liverpool is home to more than 80,000 students in 3 highly sought-after universities: Liverpool University, Liverpool John Moores University and Liverpool Hope University.

There was a 12% growth in demand for Liverpool student accommodation in 08-09. With units available from £38,000 and yields from 10%, I see this as a great addition to any property portfolio and one that will give an immediate income and return on investment whilst providing a tangible asset and a sound exit in a few years time.

If you have any questions, please do not hesitate to contact me directly.

Once again a very happy New Year to you all.

All the best,

Ray Withers

Founding Director

Your Investment

- Purchase:** Studio rooms available from **£38,000**
- Returns:** 10.1% **Net Yields**. Tenants already in place with immediate earnings from day one.
- Location:** In the heart of Liverpool - Within **short walking distance to 2 major universities**.
- Market:** The majority of key university towns reported nearly **100% occupancy** for the last academic year, a trend likely to continue as the economic downturn encourages more people to look to higher education.
- Peace of Mind:** Complete hands free investment - Fully managed by long standing management company, units occupied 51 weeks of the year. **In 12 years since refurbishment the building has always achieved 100% occupancy.**

"The underlying fundamentals are positive, with supply restricted and strong demand underpinning rental growth. Given the lack of finance currently available for development and the constrained pipeline, rents are likely to continue to rise for the foreseeable future. There is strong demand for high quality, income producing assets and it is anticipated this will continue with increased appetite from investors for direct let stock." - Knight Frank - Student Property 2010 -

Investment Opportunity

In what we believe to be an astute addition to any portfolio Property Frontiers is pleased to present you with this fantastic opportunity to enter the student accommodation sector.

From just £38,000, investors are able to purchase an individual unit in Liverpool City centre, just a short walk from the 3 major universities. With tenants already in place, the investment will produce a return from day one. In fact since the building was converted and renovated 12 years ago it has been 100% occupied.

After the small utilities fee is paid the room will generate a net yield of 10.01%. There will be no additional costs to the investor. The management company will find the tenant/student and the student will pay the £95 set up fee and the management company will draw up the 51 week contract, meaning investors will get continuous income every year.

This opportunity offers clients an absolute turn key investment into an asset class that is rapidly becoming an important element of the wider property investment market.



Return on Investment

Studio Pod	
Purchase Price	£38,000
Gross Income	£4,335
Gross Yield	11.4%
Utilities	£530
Net income	£3,805
Net Yield	10.01%

Liverpool



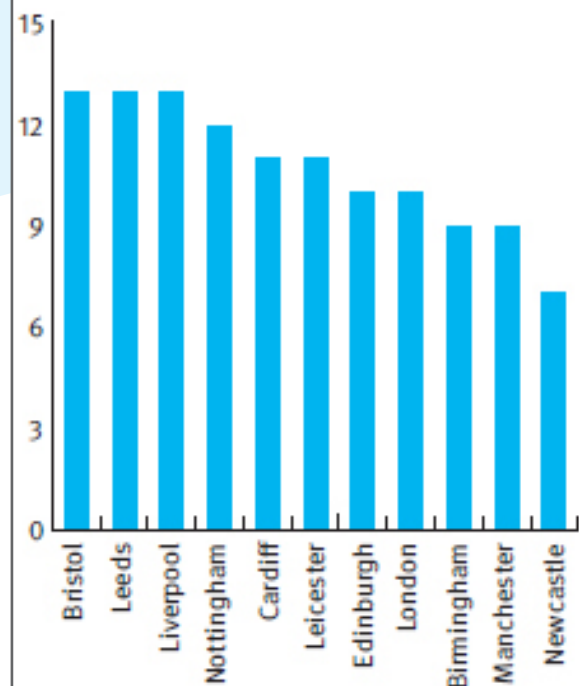
Liverpool has seen the highest growth in terms of higher education student accommodation in the past year along with Leeds and Bristol.

Whilst general student population nationwide is expected to continue to increase at 2.5% per year much of the increase is derived from other EU countries and overseas, causing a much larger increase in required accommodation.

Liverpool leads the field for excellence in education. In addition to being the Capital of Culture in 2008, the completed City Centre face lift and the new 'Liverpool One' with shops and nightlife, makes Liverpool one of the most desirable places in the world to attend university.

- More than 80,000 students in 3 highly sought after universities:
 - Liverpool University
 - John Moores University
 - Liverpool Hope University
- Over 12% growth in demand for Liverpool student accommodation in 08-09.
- Shortage of student halls and other campus style accommodation.

Student accommodation rental growth analysis (Average % increase from 2008/9 to 2009/10)



Source: Knight Frank Research

Student Accommodation

The smarter asset class...

Student numbers are continuing to rise steadily. The total number of people in higher education has grown from 1.8 million in 1996-97 to approaching 2.4 million in the academic year 2009-10

The latest UCAS application figures show an increase of 10.1% compared with the same time last year. Significantly for student accommodation, the number of overseas students is also growing, figures from Knight Frank point to a 13.6% rise relative to August 2008.

The 4 largest student accommodation providers have reported that even with current substantial development, existing supply levels mean the vast majority of students are not able to take the option of a privately operated room.

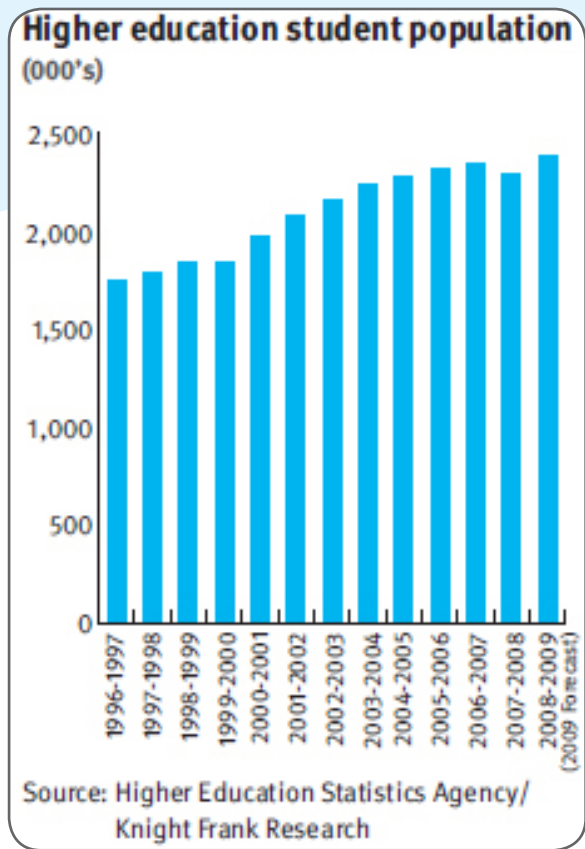
"Across the UK, there is only sufficient purpose-built accommodation for two out of three first-year or overseas students." - Joe Lister, Chief financial officer of Unite.

The recession is having a two-pronged effect on the market. Firstly it is encouraging more people to look to higher education increasing the upwards pressure on demand. At the same time student landlords are now renting to young professionals who can no longer afford to get on the property ladder.

"Private halls are becoming increasingly popular with fourth year students and international students as they have many services and facilities on-site such as 24-hour concierge, swipe card entry offering good security, broadband, wide-screen TVs and Gyms." - Simon Thompson of Accommodation for Students

UPP, the leading on-campus provider of student accommodation, has filled 100% of the student rooms operated within its portfolio for the start of the academic year 2009/10.

Knight Frank, the estate agency, said rents from student property in London grew by an average 10% in the 2008-9 academic year, compared with a fall of 3% in the normal residential market in 2009. Student rents have consistently exceeded retail price inflation and the trend is expected to continue, according to CB Richard Ellis, the property consultancy.



Property Frontiers Service

Property Frontiers' aim is to push forward the boundaries of international property investment to encompass the markets and developments that offer the highest investment potential.

Our promise to you is that from Mongolia to Honduras, from city centres to luxury beach resorts, the investment properties we source offer some of the highest capital appreciation and rental yields available.

We assess hundreds of investment projects across the globe each month. Vigorous analysis is conducted on each development to determine how potentially profitable it is, before detailed due diligence is conducted on the legality and security of the investment.

We believe Property Frontiers is unique in this level of research and diligence and we pride ourselves in the service offered to our clients.

We believe that Property Frontiers are unique in the level of research, diligence and service we offer our investors. Below is a snap-shot of the support you will receive when purchasing through Property Frontiers:



Market Research

Each potential global investment market has undergone careful analysis by our in-house research department. After extensive research into the economic performance and growth prospects of the country, our specialist sourcing teams select the best developments available and create a detailed Investment Prospectus presenting you with the key facts, and an honest opinion of the investment opportunity.

Investment Advice

Our investment advisors can then help you through the numerous options available. Your consultant will help you assess the best investment market and property for you, then guide you through the buying process. We're with you every step of the way, from choosing which unit to buy, through to the reservation and purchase processes, and mortgage options, via Frontiers Financial Services.

After Sales

We also ensure you establish ongoing relationships with the developer, your legal representatives, and letting management firms linked to the development.



Ray Withers and David Cox
Property Frontiers' Directors

Next Steps



To reserve a unit please contact your consultant or fill in a copy of the enquiry form on the following page.

01865 202 700

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THE PROPERTY MISDESCRIPTIONS ACT 1991

The Agent has not tested any apparatus, equipment, fixtures and fittings or services and so cannot verify that they are in working order or fit for the purpose. A Buyer is advised to obtain verification from their Solicitor or Surveyor. References to the Tenure of a Property are based on information supplied by the Seller. The Agent has not had sight of the title documents. A Buyer is advised to obtain verification from their Solicitor. Items shown in photographs are NOT included unless specifically mentioned within the sales particulars. They may however be available by separate negotiation. Buyers must check the availability of any property and make an appointment to view before embarking on any journey to see a property.