

**STUDENT  
ACCOMMODATION  
INVESTMENT  
OPPORTUNITY**



**RIALTO COURT**

**PURPOSE BUILT STUDENT  
ACCOMMODATION COMPRISING  
382 EN-SUITE DOUBLE BEDROOMS**

FREEHOLD FOR SALE ON BEHALF OF RYAN GRANT,  
SIMON WILSON AND ANNE O'KEEFE AS THE JOINT  
ADMINISTRATORS OF BOURNSTON (STOCKTON)  
LIMITED (IN ADMINISTRATION)

SUBJECT TO CONTRACT

**NOVEMBER 2012**

**BRIDGE ROAD  
STOCKTON-ON-TEES  
TS18 3DG**

**GVA.CO.UK/RIALTOCOURT  
GVA.CO.UK/17152**



## INVESTMENT SUMMARY

- 382 en-suite double bedrooms set within 5 blocks of accommodation with undercroft car parking for 25 cars.
- Located in close proximity to Durham University Queen's Campus.
- Nominations agreement with Durham University securing a gross annual rent of £1,825,000 plus RPI uplifts until September 2016.
- Operating costs for 2012/2013 projected at circa £690,000.
- Rialto Court is the only private and purpose built halls of residence serving Queen's Campus.
- Durham University is consistently ranked as a top 5 university with a well established international reputation.

## LOCATION

Rialto Court is located in Stockton-on-Tees, County Durham, situated on the south side of Bridge Street and bound by the River Tees to the east.

Bridge Road is well positioned for Durham University's Queens Campus and is situated approximately 0.2 miles west of John Snow College and 0.6 miles West of Stephenson College.

Within walking distance of Stockton Town Centre and its amenities, Rialto Court is very well located for the student population. Situated approximately 0.4 miles west of Thornaby Railway Station, 1 mile North West of Stockton Railway Station and 1.5 miles North West of the A19, providing excellent mainline rail services and good access to the regional motorway network.

## DESCRIPTION

The opportunity comprises a purpose built student halls of residence including 382 en-suite double bedrooms which are arranged around an elevated courtyard. Beneath the courtyard is an undercroft car park containing 25 parking spaces.

The building ranges between 6 to 12 stories in height and was constructed in 2008. The site extends to approximately 1.07 acres (0.43 ha).





## MANAGEMENT CONTRACT

The property is managed by Mezzino Ltd on a full spectrum basis. A copy of the terms of the management agreement will be available via an online portal.

## SPECIFICATION

Rialto Court offers 382 en-suite bedrooms arranged as individual cluster apartments. Each cluster apartment contains a central corridor providing access to 2-7 bedrooms. Each bedroom is fully furnished and amongst other items includes a double bed, shower, wash basin, toilet, wardrobe, desk, and shelving unit.

Every cluster contains a communal kitchen and living / dining room area. Fittings include an electronic cooker, fridge freezer, dishwasher, breakfast bar, seating, LCD television (with inclusive TV license, Freeview and Sky Sport channels) and other items. Wider facilities include free broadband access, limited car parking and bike storage, a laundry room and a common room / bar area.

## OCCUPANCY

From the commencement of the 2012/13 academic year, the property benefits from a recently revised nominations agreement with Durham University, which now allocates all 382 rooms to the University for each academic year up until September 2016.

A summary of the key terms of the nominations agreement and a sample AST agreement under which the individual bedrooms are occupied are listed on an online information portal.

## INCOME

The guaranteed gross rent under the nominations agreement is £1,825,000 per annum + RPI linked uplifts. Sundry income is also generated through extended and summer lettings, the onsite bar, vending machines, car parking and laundry facilities, however these are accounted for as cost off-sets within the operating accounts and budgets. Extracts from the operating budgets are listed on the online portal.

Our understanding of the historic and projected occupancy and income profile is set out below:

Rialto Court	FY 9/10	FY 10/11	FY 11/12	FY 12/13
Occupancy Levels	c. 95%	100%	100%	100%*
Nominations Agreement	Unknown	£1,588,783	£1,622,249	£1,825,000
Operating Costs, including sundry income off sets	£552,003	£577,309	£675,709	£687,670**
Net Position	Unknown	£1,011,474	£946,540	£1,137,330**

\* The property is fully let through the nominations agreement, however physical student take up currently stands at circa 80% and there is capacity for further increases.

\*\* Costs are estimated and are subject to movement.





The above plan is indicative and for identification purposes only.

## TITLE

Rialto Court is held Freehold under title number TE821888. A legal pack is located on the online portal, however we would advise that interested parties undertake their own title and legal due diligence.

## PLANNING, BUILDING AND WARRANTIES

Outline planning permission for the development was granted under application 06/0709/OUT. The subsequent reserved matters approval was issued under application 06/3243/REV.

All available planning, building regulation and Warranty documentation can be accessed via the online portal.

## BASIS OF DISPOSAL AND ASKING PRICE

The property and fixtures and fittings are to be sold as seen, excluding any warranties or indemnities and without the administrators accepting any personal liability. Please make your legal advisor aware of this.

We are marketing without a guide price and invite all written offers. All offers are to be accompanied by proof of funding from a recognised bank or financial institution and accompanied by solicitor's details. Only offers received on this basis will be considered. Each party is to be responsible for their own legal costs.

## VAT

All offers should be submitted exclusive of VAT, although we understand that the property is not elected.

**Subject to Contract - November 2012**

# RIALTO COURT



The above plan is indicative and for identification purposes only.



## VIEWING

**Strictly by appointment only.**

For Further information or to request a viewing, please contact

### **Richard Rothwell**

T: 020 7911 2973

E: richard.rothwell@gva.co.uk

### **Jamie Lamond**

T: 020 7911 2123

E: jamie.lamond@gva.co.uk

### **Roger Lown**

T: 020 7911 2862

E: roger.lown@gva.co.uk

**GVA.CO.UK/RIALTOCOURT**  
**GVA.CO.UK/17152**



08820