



Harrison Street backs student housing JV – Exclusive

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Chicago-based Harrison Street Real Estate Capital has teamed up with an Alabama-based developer on its latest student housing project, PERE has learned.

The private equity real estate firm is teaming up again with Capstone Development Partners, a Birmingham, Alabama-based student housing developer, in a joint venture to develop a mixed-use student housing project at the University of South Florida (USF) in Tampa. The project will cost about \$134 million and will be completed in two phases, the second of which will finish in August 2018.

Harrison Street declined to comment on the terms of the transaction.

The mixed-use project includes five residence halls, a dining center, wellness center, retail and office space for the university. The joint venture began planning the project in 2011, receiving approval from the Florida Board of Governors last fall. Capstone will manage maintenance for the project.

PERE understands that capital for Harrison Street's interest came from the firm's open-ended core fund, which launched in 2011. The firm, which manages \$11.5 billion in assets, has also used the vehicle to purchase real estate in education, healthcare and storage, with a focus on income-producing assets to be held for long periods, typically a decade or longer.

Capstone and Harrison Street's previous projects include a student housing property in Seattle that opened in September 2015.