JLL Student Housing
Exeter, United Kingdom | June 2025

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Clarendon House, Western Way, Exeter, Devon, EX1 2DA

Student Accommodation

Demand Assessment Report

Clarendon House, Western Way, Exeter, Devon, EX1 2DA

Prepared for: Zinc Real Estate

Report Date: 17/07/2025

JLL SEE A BRIGHTER WAY

1 INTRODUCTION

Jones Lang LaSalle (JLL) has been instructed by Zinc Real Estate (the Applicant) to produce a demand assessment report of the student housing market in Exeter. This assessment is in support of an application for full planning permission at **Clarendon House, Western Way, Exeter, Devon, EX1 2DA.**

This report provides the following analysis:

- Site location and Context
- Demand side drivers – Student population profile
- Existing supply of Purpose-Built Student Accommodation
- Development pipeline – across Exeter and within close proximity to the subject scheme

1.1 SOURCES OF INFORMATION

Our analysis has been undertaken using publicly available data. Our approach has been agreed with the Applicant. Unless otherwise stated, we have not sought to verify the information provided.

1.2 CONFIDENTIALITY

This report is confidential to the Applicant and prepared solely for the purposes set out in our proposal. No other party is entitled to rely on the report for any purpose whatsoever and we accept no duty of care or liability to any party who is shown or gains access to this report, except for parties (agreed between JLL and the Applicant) who have had such duty of care separately confirmed in writing by JLL. We have agreed that the Applicant will share this report with the Exeter City Council on a non-reliance basis as part of the planning process.

1.3 CATCHMENT

We have assessed demand across Exeter and where applicable presented demand/supply metrics at lower levels of geography based on distance/travel times from the proposed scheme. This reflects the location of the site and travel times to and from the university and other amenities.

2 EXECUTIVE SUMMARY

Subject Scheme:

The proposed development at Clarendon House, Western Way, Exeter, aims to provide 297 student bedrooms, consisting of 134 studio flats and 29 cluster flats comprising of 163 beds, along with associated student amenity space. The site is strategically located, approximately 5 minutes' walk from Exeter city centre, offering excellent access to transportation, amenities, and the University of Exeter.

Demand in Exeter:

The University of Exeter has 28,040 full-time students across all campuses, with approximately 26,000 located in Exeter itself. The student population has grown by 45% from 2013/14 to 2023/24, despite a slight decline in recent years. The university ranks 13th in The Times Good University Guide 2025 and is part of the prestigious Russell Group. There's a diverse student body across all the campuses with 18,180 undergraduates and 2,310 UK postgraduates along with a total of 7,550 international students for both undergraduate and postgraduate courses.

Supply in Exeter:

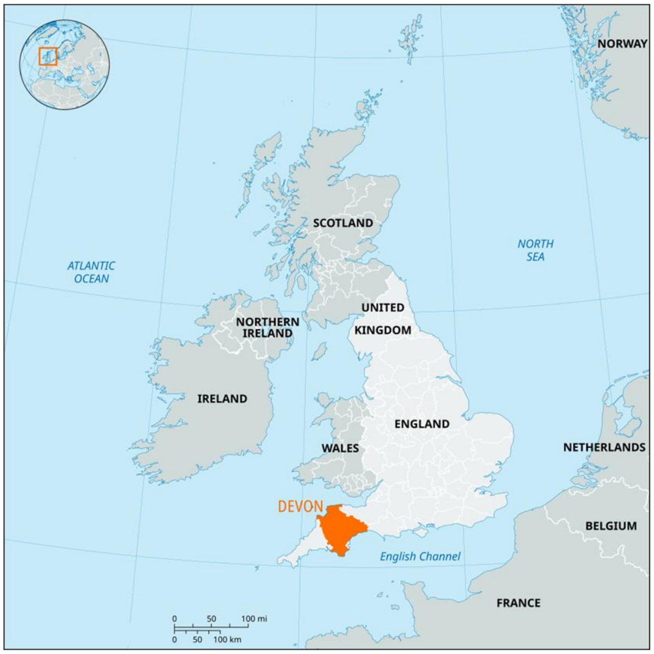
The current supply includes 6,976 beds in university halls and 5,313 beds in private halls, totaling 12,289 beds. There is a pipeline of 2,587 additional beds, with 498 having granted planning permission. Even with existing supply and pipeline beds, there's still a shortfall compared to the student population.

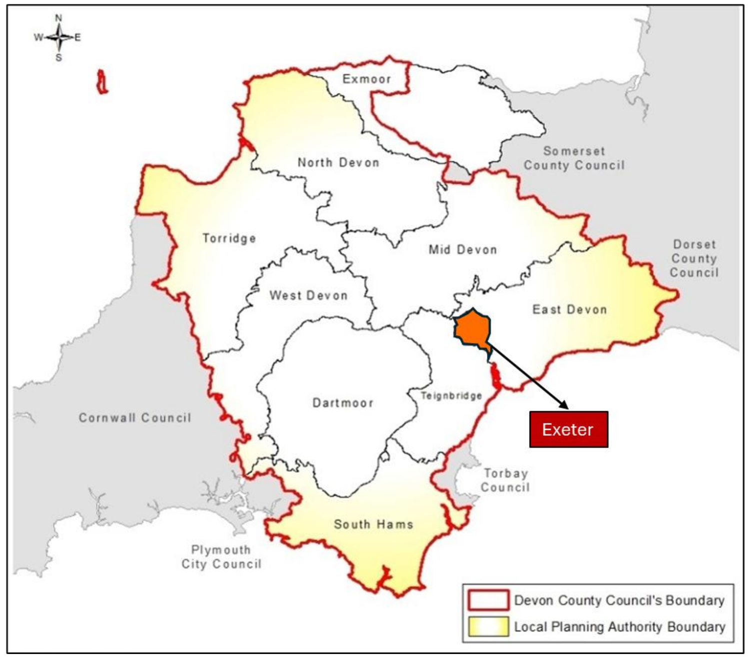
Need for Student Accommodation:

Only 24.9% of students can obtain university accommodation, leaving 75.1% to seek alternatives. The core demand for student accommodation is estimated at 15,580 beds, with a current shortfall of 3,291 beds. Even after accounting for pipeline developments, there will still be a shortfall of 704 beds. The market penetration rate has improved to about 44% in recent years, indicating an improving balance between supply and demand. The proposed 297 bed scheme at Clarendon House would help address the gap in student accommodation provision in Exeter. It would contribute to alleviating pressure on the local housing market, enhance the university's attractiveness to students (particularly international students), and potentially free up HMOs for the wider community. Given the current shortfall, there is a clear need for additional good quality purpose-built student accommodation in Exeter.

3 Site Location and Context

3.1 Macro Location – Exeter

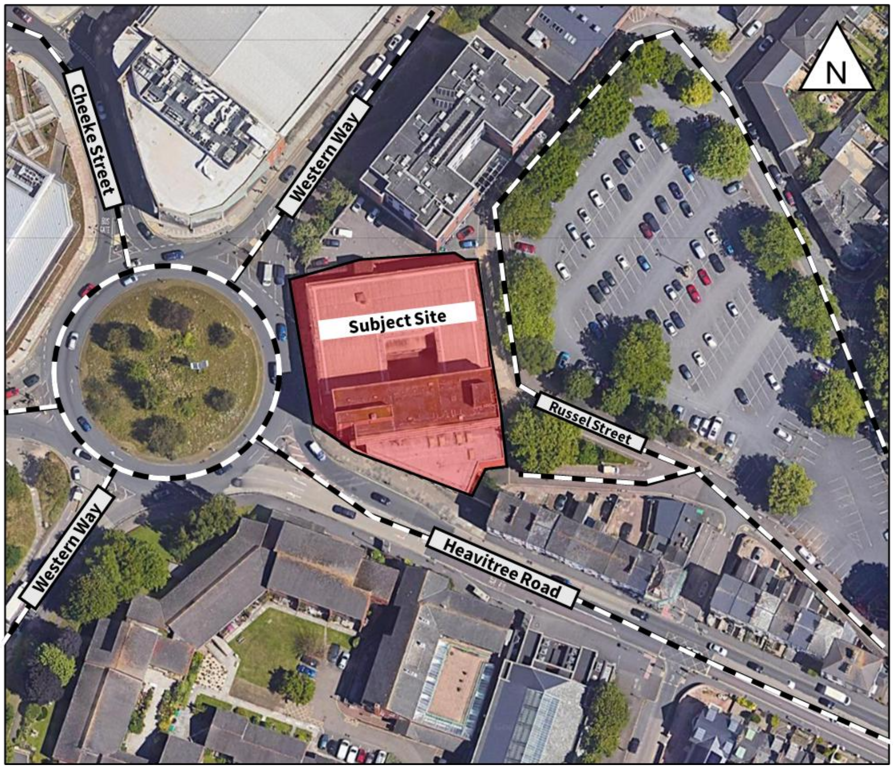




Exeter, the historic county town of Devon, is strategically located in southwest England, approximately 170 miles southwest of London and 10 miles from the English Channel coast. Situated on the River Exe, this city of around 130,000 residents serves as a key economic and cultural hub for the region. Exeter boasts excellent transportation links, including the main railway line connecting London Paddington to Penzance, the M5 motorway, and its own international airport. As home to the prestigious University of Exeter, the city has a significant student population and a growing reputation in the tech and digital sectors. Exeter's economy is primarily driven by public administration, education, health services, and tourism, benefiting from its proximity to two National Parks (Dartmoor and Exmoor) and popular coastal areas. The city's mild maritime climate, rich history, and blend of traditional and modern amenities make it an attractive location for businesses and residents alike, solidifying its position as a vital centre in the Southwest. In terms of Purpose-Built Student Accommodation (PBSA), Exeter presents a compelling market due to its strong academic presence, with the University of Exeter attracting over 28,000 students annually. This creates good demand for high-quality student housing, further supported by Exeter College and other local educational institutions. The city's compact nature and excellent transport links make it ideal for PBSA developments, particularly near the main campus or in the city centre. Recent years have seen increased PBSA investments, responding to university expansion and evolving student preferences, though the city continues to balance student housing needs with those of the local community.

3.2 Micro Location and Suitability of Site

3.2.1 Site Location

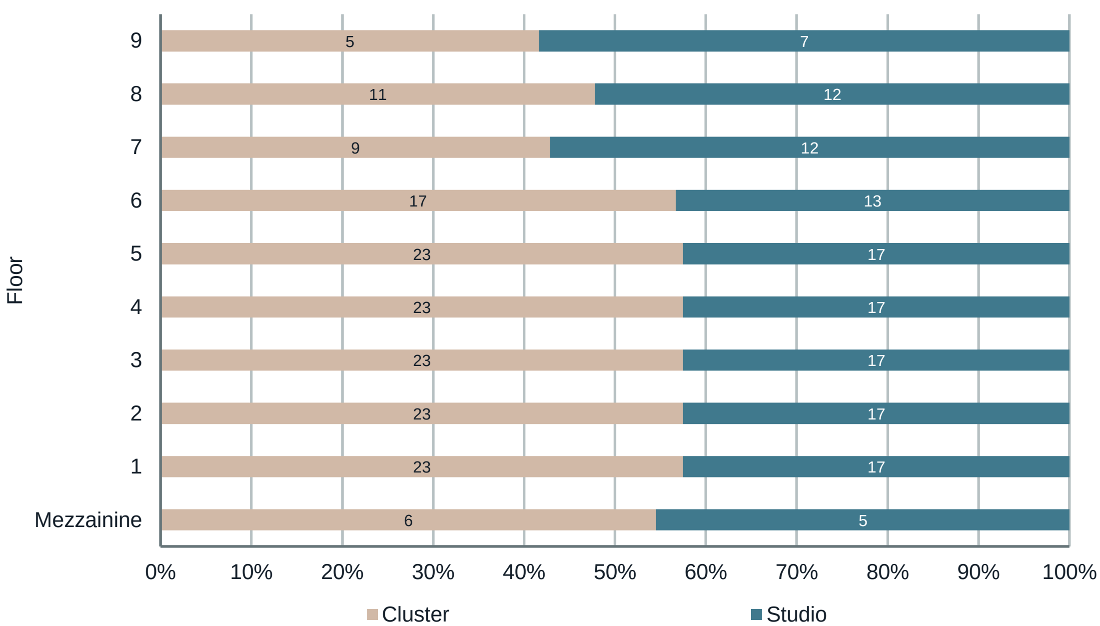


The subject site is located broadly irregular in shape and is bounded by Western Way and Heavitree Road along its northern and southern boundaries, while bordering Russel Street along its eastern periphery.

The existing structure comprises a part vacant office building. There is a current application pending consideration for the change of use of this building from office use to residential units.

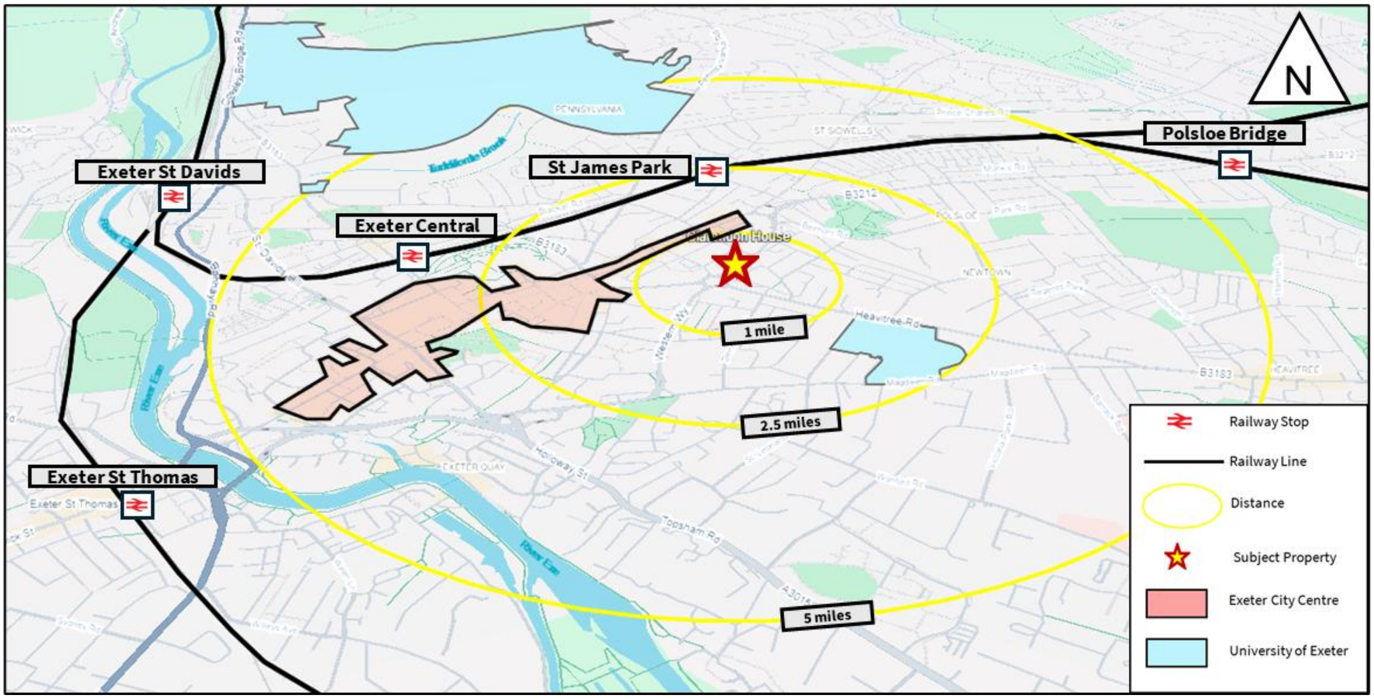
The new development proposes the demolition of the existing building to provide 297 student bedrooms split across 134 studio flats and 29 cluster flats comprising of a total of 163 beds in the format of 4, 5, 6 and 7 bedroom ensuites, together with associated student amenity space. The property is proposed to be developed to a very high standard, incorporating high quality finishes and fixtures and fittings and would be spread across a Lower Ground, Upper Ground and Nine Upper Floors. The amenities proposed for the scheme include Bike Storage, Laundry, Communal Area and Dining, Study Area, Games Room.

Proposed Elevation and Room Mix



The scheme will also feature commercial and/or community space which is to be situated within the Upper Ground Floor and measuring an area of 210 sqm or 2,260 sq ft.

3.2.2 Proximity to transportation and HEI's



The property is approximately 5 minutes' walk from the centre of Exeter, which provides retail and leisure venues, together with a number of pubs and bars enjoyed by the student population. The property is located in an established location for PBSA, with a number of competing schemes in the immediate vicinity. The surrounding area is mixed use and comprises commercial and residential uses.

In terms of transportation, the property is situated 0.2 miles or a 4-minute walk to the Exeter Bus Station. Furthermore, the railway station of St James Park is located approximately 0.6 miles or a 15 minute walk from the site while Exeter Central is accessible within a 20 minute walk.

The major HEI within Exeter is the University of Exeter with approximately 28,040 full time students across all campuses (source: HESA 2023/24). The Streatham Campus is located 1.2 miles north of the subject site and is accessible by a 30 minute walk, whereas the St Lukes Campus is situated 0.6 miles south of the site within a 5 minute walk.

In summary, the micro location of the subject property would be considered prime for access to HEI's and to city centre amenities. The property occupies a strong position within the main PBSA cluster, towards the city centre and is particularly well located for the University of Exeter.

4 Demand Profile

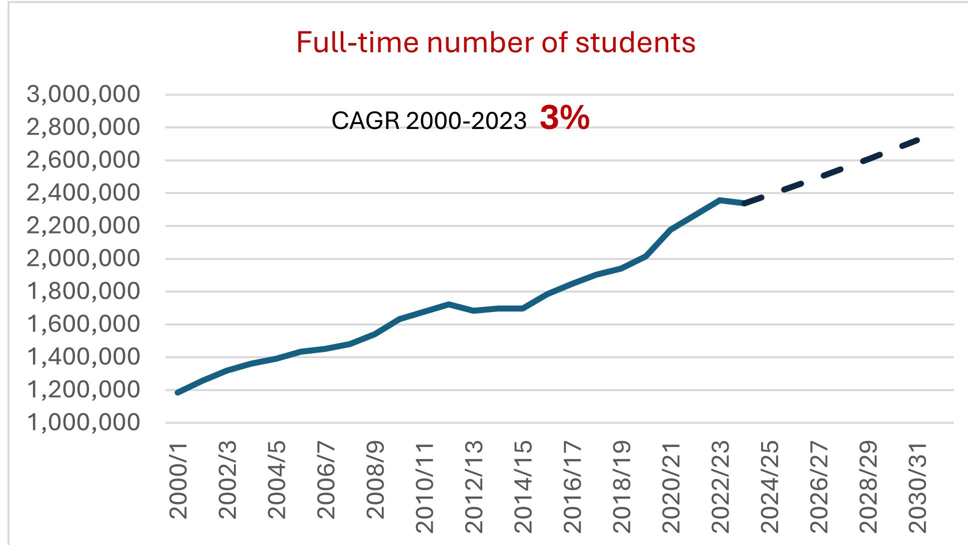
4.1 Student Profile – UK

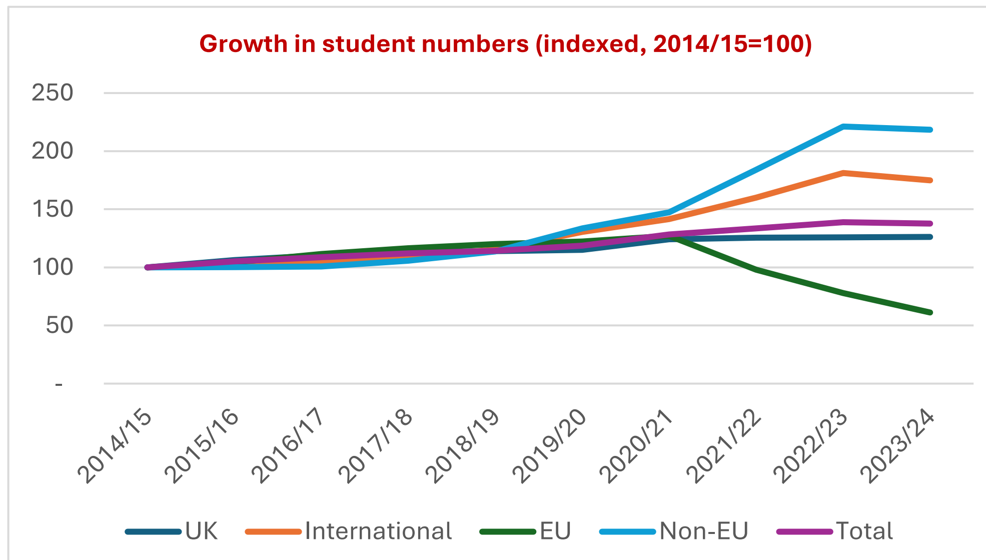
The UK benefits from a number of world-leading universities that attract students from across the UK and from around the world. Aside from a slight dip in 2012/13 following the introduction of the £9,000 tuition fees, full-time student numbers have been growing steadily since then, especially from full-time international students, which has seen a 13% increase between 2021/22 and 2022/23. As per the data released by the Higher Education Statistics Agency (HESA), during the same period the overall full time students have increased by 40%. Despite the significant growth until the academic year (AY) 2022/23, the student numbers have slightly dipped by 0.8% for the AY 2023/24 as per the latest available information.

The international reputation of many UK universities is a key factor in the Higher Education sector's ability to attract prospective students from around the world. The International Student Survey for UK (QS Enrolment Solutions, 2024) suggested that the most important considerations for international students are high quality teaching, availability of reputed courses and university rankings.

The latest research by Higher Education Policy Institute (HEPI) has found that the total net impact on the UK economy of the cohort of first-year international students enrolled at UK HEI's in the 2021/22 academic year was estimated at £37.4bn across the duration of their studies. This demonstrated the huge positive impact that attracting international students have on the UK.

The UK higher education landscape has undergone substantial transformation over the past decade, as evidenced by a 38% increase in total student numbers since 2014/15, with domestic student enrollment growing by 26% and non-EU international student numbers more than doubling with a 118% surge, effectively counterbalancing the sharp 39% decline in EU students likely attributable to Brexit-related policy changes; this shift underscores the sector's resilience and successful pivot towards non-EU markets, while highlighting the ongoing challenges in attracting EU students in the post-Brexit era, all of which points to a dynamic and evolving higher education ecosystem that continues to attract a diverse global student body despite recent fluctuations, including a slight 1% overall decrease in the past year.





4.2 Student Profile - Exeter

There is one university located within Exeter, namely the University of Exeter, which has a total of 28,040 full time students across all campuses (source: HESA 2023/24).

The University of Exeter has four campuses, Streatham Campus and St Luke's Campus that are in Exeter, and Penryn and Truro campuses which are in Cornwall. Approximately 2,500 full time students are located within the Penryn and Truro campus and therefore not within Exeter. Our understanding of full-time student numbers located in Cornwall is based on information provided on the University of Exeter website as HESA does not provide student numbers broken down by campus. We understand that there is c.26,000 full time students located in Exeter itself, with the remaining students located in Cornwall. The University has also seen steady growth of full-time student numbers.

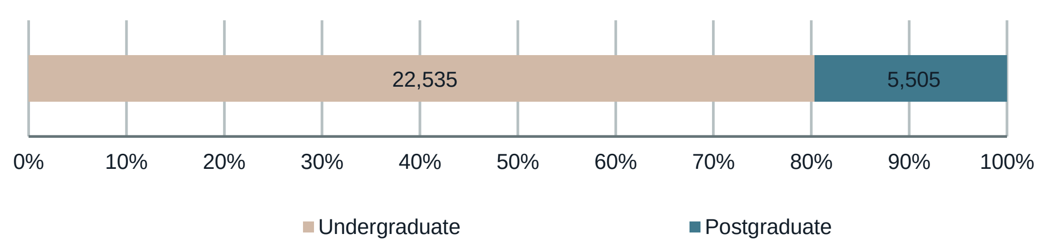
The total of full-time students within Exeter includes 5,500 postgraduate students and 22,535 undergraduate students, accounting for 20% and 80% of full-time students respectively.

The University has experienced a 45% increase in students from the academic year 2013/14 to 2023/24. Over the past three years, the University of Exeter has experienced a slight decline in its full-time student numbers, followed by a period of stabilization which has resulted in an almost flat growth. After reaching a peak enrolment of 28,615 students in the 2021/22 academic year, the university saw a small decrease to 28,000 students in 2022/23, representing a drop of about 2.1% and remaining stable at 28,040 for 2023/24.

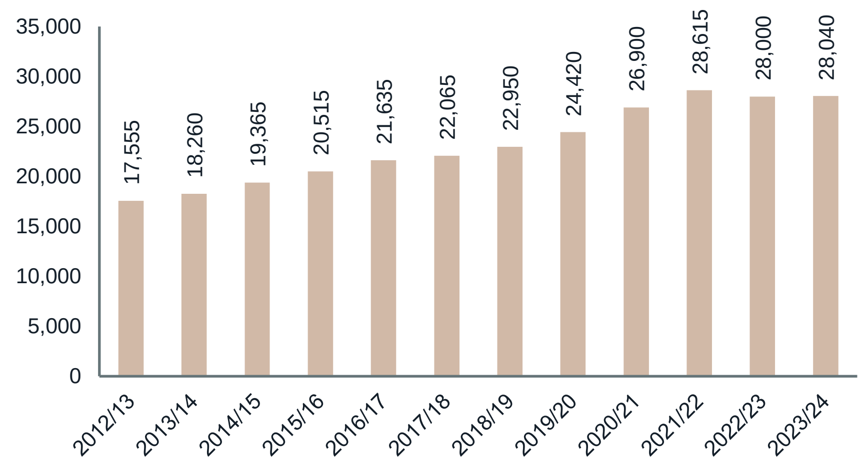
The University of Exeter is a member of the prestigious Russell Group of Universities and is ranked in 13th place by The Times Good University Guide 2025. The University has consistently ranked in the top 20 universities in the UK with the exception of 2022 when it ranked 21st. The latest addition to the campus is the £30 million Centre for Resilience in Environment, Water and Waste; a joint facility between the University of Exeter, South West Water and Research England, it is the first "net-zero in operation" research centre in the water sector.

We further comment on the student domicile, application and acceptance below:

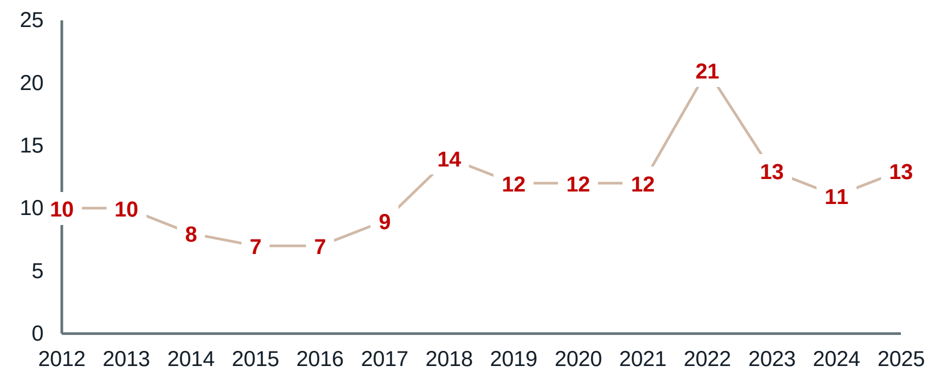
Full Time Students - Degree Type



Full Time Demand



Times Good University Guide Historical Ranking
University of Exeter



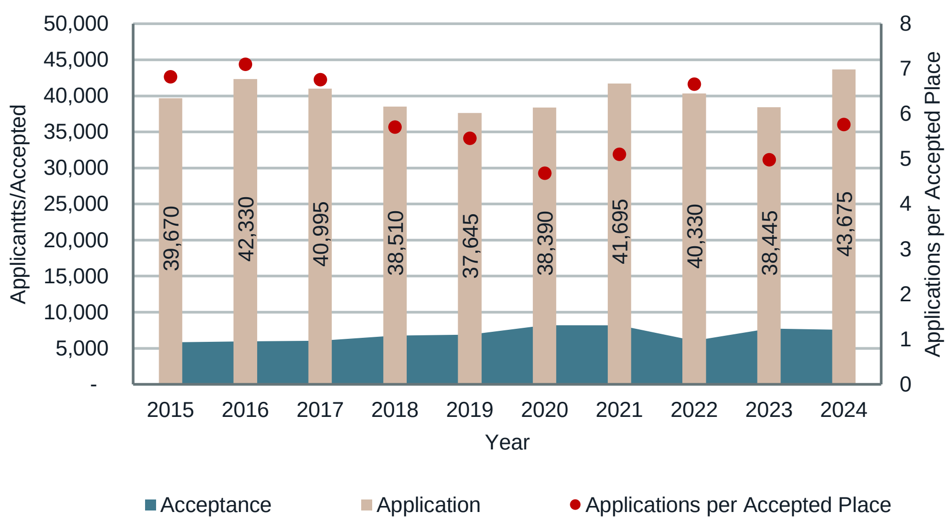
4.2.1 Domicile

The University of Exeter's student body in the 2023/24 academic year comprises 28,040 students, with a majority of 18,180 UK undergraduates, complemented by a significant international presence of 3,705 non-UK undergraduates and 3,080 non-UK postgraduates, while EU student numbers remain comparatively low at 650 undergraduates and 115 postgraduates, reflecting a diverse educational community with a strong domestic base and global appeal, particularly evident in the postgraduate programs where international students nearly match UK enrollment.

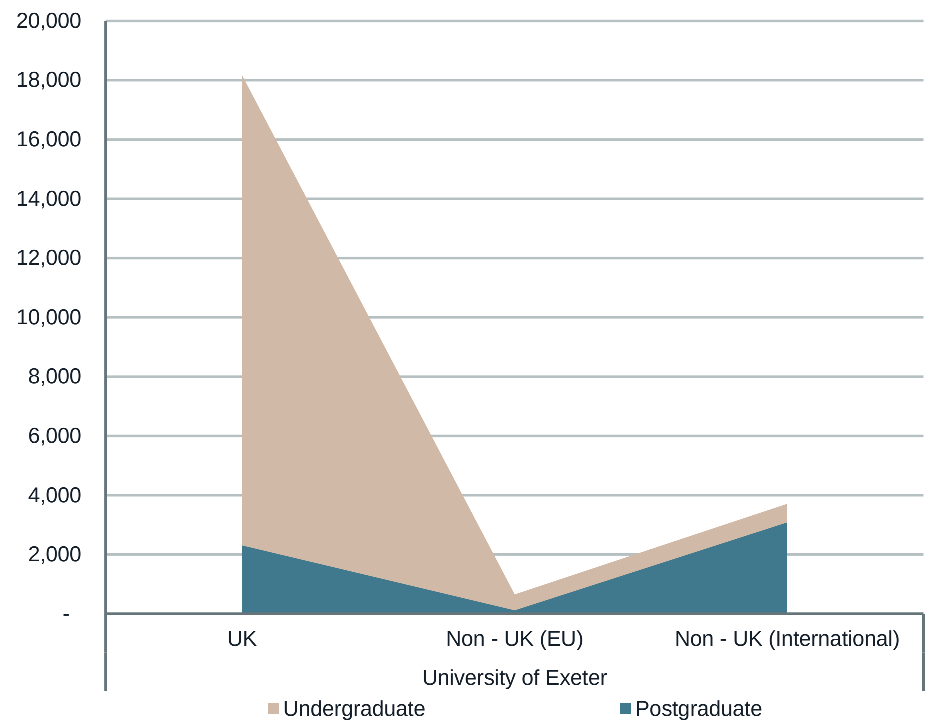
4.2.2 Application and Acceptances

The University of Exeter's undergraduate data from 2015 to 2024 reveals significant trends: total applications peaked at 43,675 in 2024, with a gradual decline in EU applications post-2020 likely due to Brexit, steady growth in non-EU applications despite COVID-19 disruptions, and fluctuating UK applications culminating in a 2024 surge; acceptance numbers varied across categories, with total acceptances reaching 7,575 in 2024 from a high of 8,195 in 2020; the acceptance ratio fluctuated from 7.1 applications per acceptance in 2016 to a low of 4.7 in 2020, before settling at 5.8 in 2024.

Application vs Acceptance

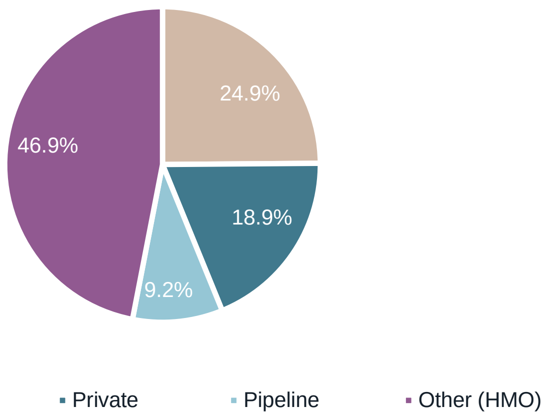


Full Time Demand – Domicile & Degree

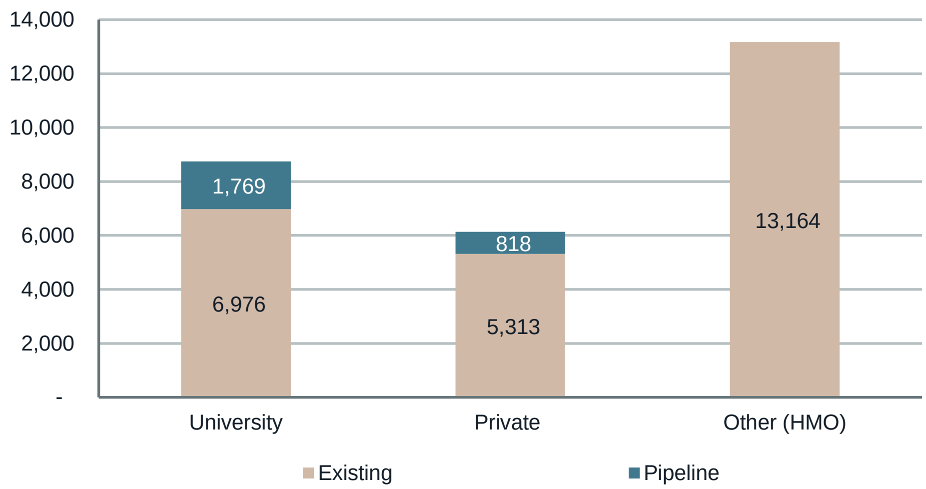


Domicile	University of Exeter
Undergraduate	**22,535**
UK	18,180
Non - UK (EU)	650
Non - UK (International)	3,705
Postgraduate	**5,505**
UK	2,310
Non - UK (EU)	115
Non - UK (International)	3,080
Total Full Time Demand	**28,040**

Supply Breakdown – Existing and Future



Market Supply (incl. Future Pipeline)



5 SUPPLY

Exeter has only 6,976 bedrooms in university halls of residence. This indicates that 75.12% of students cannot obtain university accommodation.

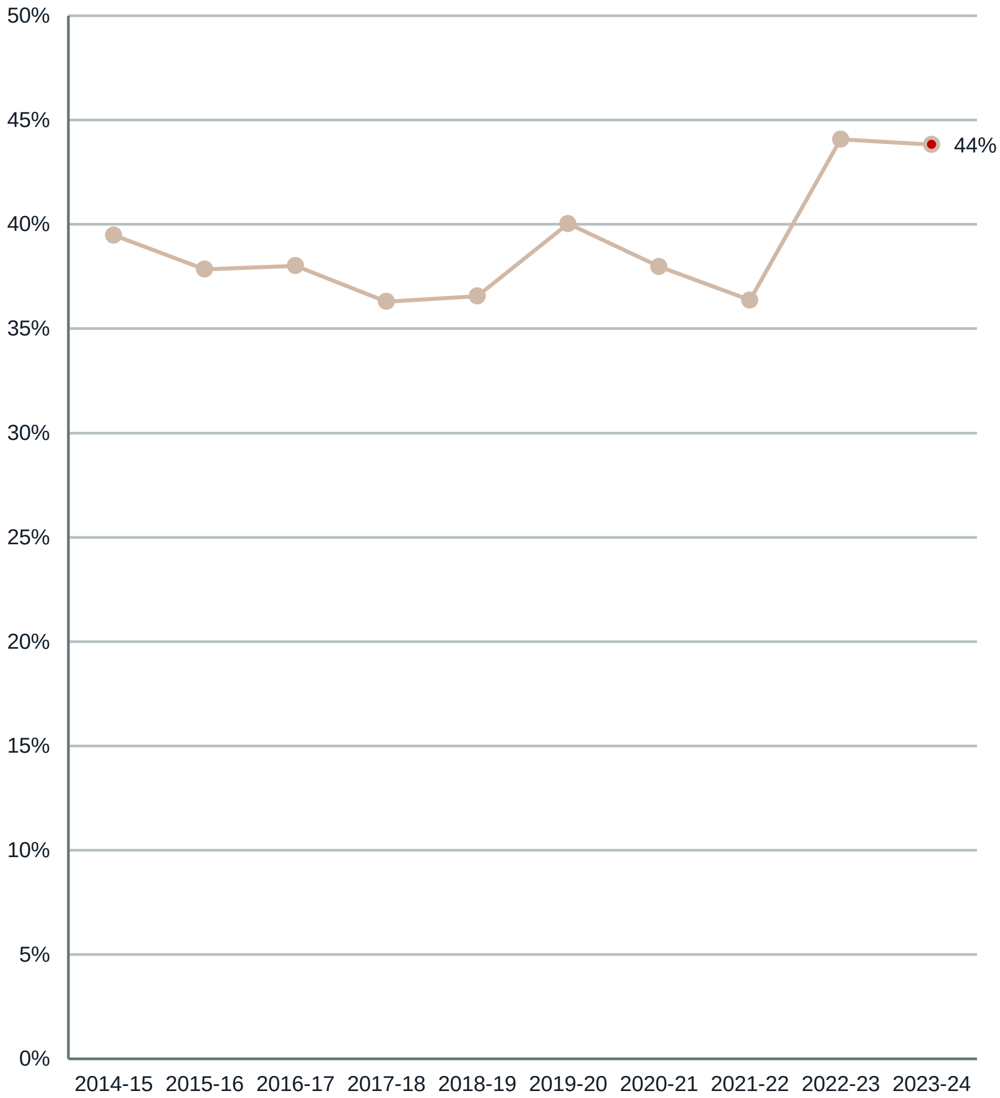
The existing shortfall in supply of university accommodation is supported by private halls which contribute to about 5,313 beds (18.9% of Full Time Demand) while the remaining 15,751 students (56.17%) are dependent on other accommodation types such as House of Multiple Occupancy (HMO's). According to Council Tax data, in 2024 there were 5,267 homes occupied by students within Exeter City Council. HMO and BTR accommodation occupied by students may be considered a burden to the local community as they reduce the stock available to local residents. Houses of Multiple Occupation (HMO's) are the most popular alternative to student accommodation, as they allow students to live with friends, but in form of accommodation that is typically considered a more affordable alternative to student accommodation.

Inclusive of current development and potential pipeline activity that we are aware of, it is estimated that the private sector operators will increase their amount of accommodation to a total of circa 6,131 beds, while accommodation from university halls would increase to 8,745 beds. Based on these figures, the total provision from private sector and university operators are therefore estimated to increase to approximately 21.9% and 31.22 of full-time students. The remaining 13,164 full-time students, approximately 46.9%, will still have to rely on HMO or the parental home for accommodation.

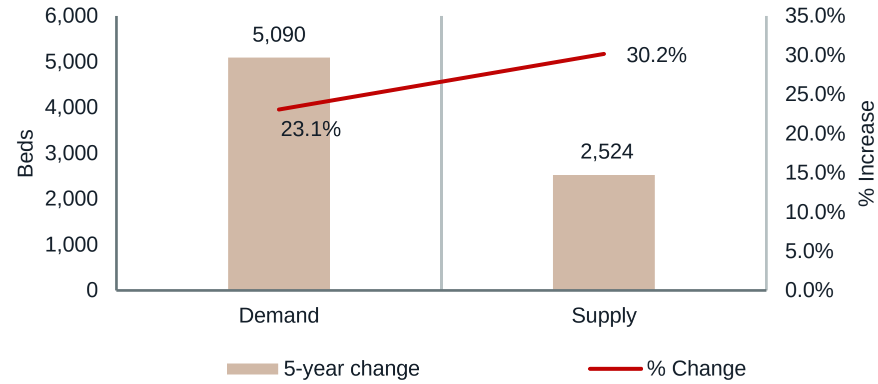
Between the academic years 2019/20 and 2023/24, the supply of student accommodation increased by 2,524 beds (30.2% growth), from 9,765 to 12,289, while the demand, represented by student numbers, grew by 5,090 (23.1% increase), from 22,950 to 28,040 between academic years 2018/19 to 2023/24. In 2023/24, the ratio of students to beds was approximately 2.27:1. As such there is a significant shortfall between available accommodation and the student population.

This imbalance could lead to various market effects such as increased pressure on existing accommodation, potential rise in rental prices, and opportunities for further development in the student housing sector

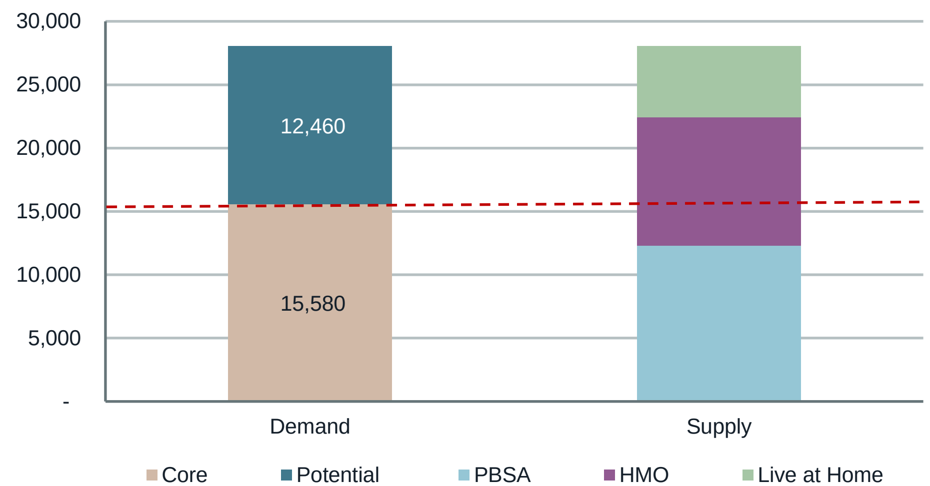
Exeter - Historical Market Penetration Rate



Historical 5-year change in demand and supply of PBSA beds



Core Demand Profile - Exeter - AY 2023-24



5.1 PIPELINE

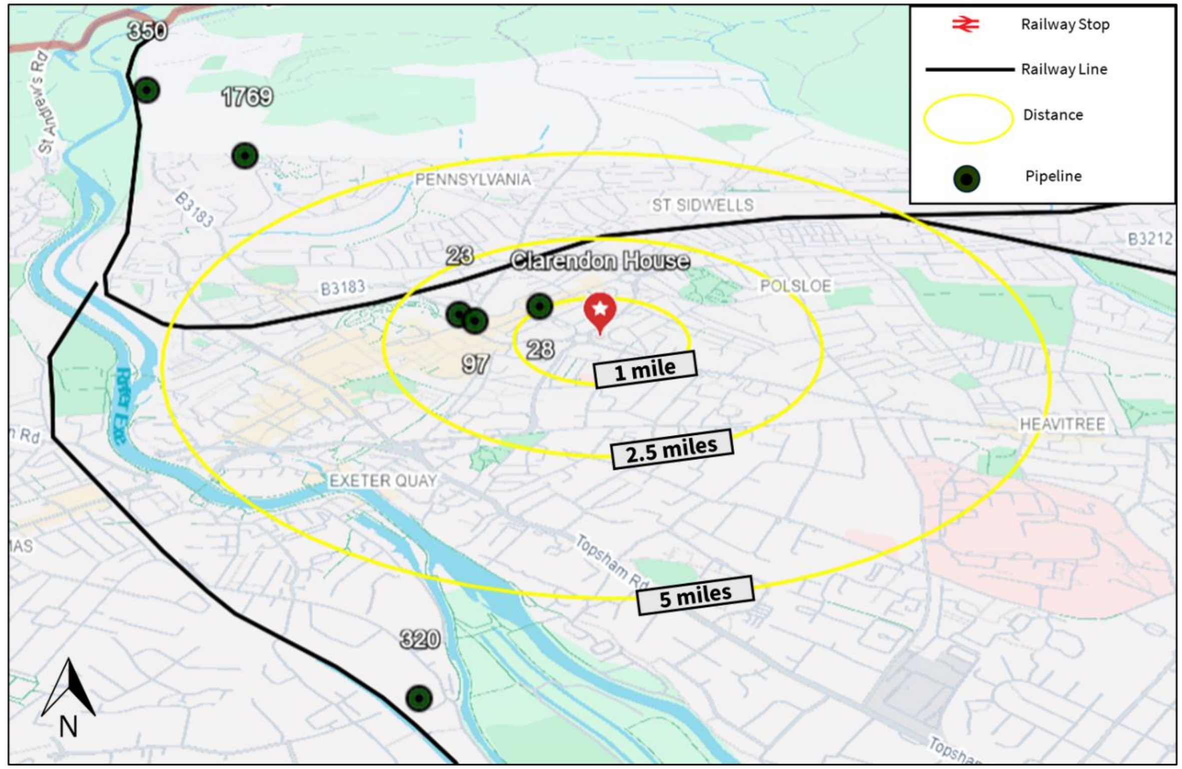
Whilst we consider it unlikely that all of the schemes in the pipeline will be built out due to deliverability issues, such as the rising build costs in the current market, the development pipeline for Exeter represents 5.3% of the existing market demand which is quite small and presents a potential challenge to achieve higher occupancy levels and rental growth within the city. Of the 2,587 beds in the pipeline, 498 beds have granted planning permission.

In terms of pipeline schemes relevant to the subject property, we note that several sites have been granted consent for PBSA within 2.5-mile radius to the subject. These include:

- 28 beds at 35 - 37 Sidwell Street, being developed by Sheet Anchor Evolve Ltd. The project is expected to be completed by March 2026.
- 97 beds at 26 - 28 Longbrook Street developed by ACE Student Living Limited. The project is expected to be completed by December 2026
- 23 beds at Beaufort House, 51 New North Road developed by Lexeter LLP. The project is expected to be completed by May 2025.

The larger 2 upcoming pipeline schemes within the market which are located more than 5 miles away are as follows.

- 320 of PBSA beds at Water Lane developed by Cilldara Group (Exeter) Ltd. The approved outline plans encompass a comprehensive development scheme, featuring also a residential component of 900 to 980 dwellings, academic facility for Exeter College and a hotel.
- 350 beds at Cowley Bridge Roadx developed by MDS (Exeter) Ltd split into 151 studios and 199 cluster bedrooms spread out across five blocks and ranging from three to six storeys in height. The scheme is expected to be completed by April 2027.
- 1,769 beds at the Streatham Campus being developed by the University of Exeter. The outline plans have been granted permission and the scheme is expected to be delivered for the 2028/29 academic year.



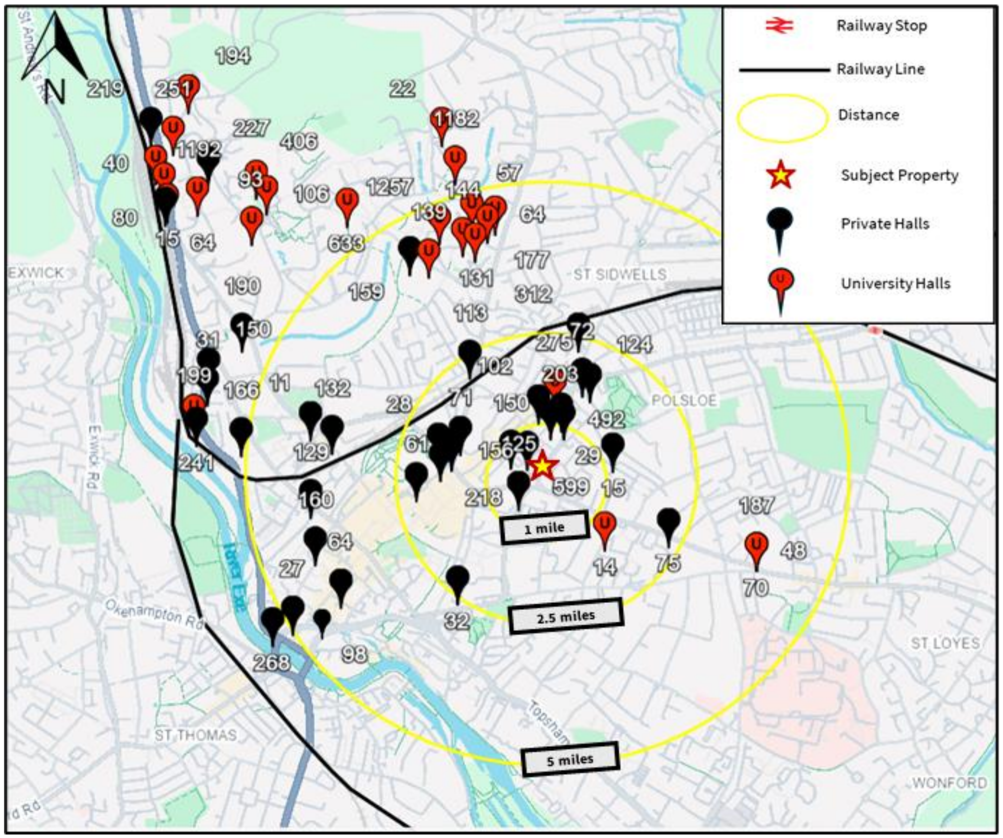
2,587 beds in pipeline

498 beds with detailed planning permission

5.2 EXISTING SUPPLY

Out of the existing supply of *12,289 beds, 6,976 beds are university halls which are spread mainly towards the University of Exeter's - Streatham Campus.

The number of beds at Private Halls is around 5,313 beds out of which 366 beds are Part Nominated schemes. The list of schemes above 150 beds have been highlighted in the table below:



Type	Scheme	Operator	# Be
part nominated	Point Exe	Collegiate	241
private	The Depot	Here! Students	599
	The Printworks	Homes for Students	492
	Clifford House	Prestige Student Living	312
	Renslade House	Prestige Student Living	268
	Hill View Place	Prestige Student Living	227
	Exeter One	Homes for Students	219
	Northernhay House	Host	218
	The Kingfisher	Downing Students	203
	The Northfield	Host	190
	Study Inn Exeter - Walnut Gardens	Study Inn	166
	Canvas Exeter Elm	Canvas Student	160
	Cricket Field Court	Fresh	159
	Vita Student Exeter - Portland House	Vita Student	156
university	Lafrowda	University of Exeter	1257
	Birks Grange Village	University of Exeter	1192
	East Park	University of Exeter	1182
	INTO	University of Exeter	633
	Holland Hall	University of Exeter	406
	James Owen Court	University of Exeter	275
	Moberly House	University of Exeter	251
	St David's	University of Exeter	199
	Duryard	University of Exeter	194
	Rowancroft	University of Exeter	187
	Pennsylvania Court	University of Exeter	177

5,313 beds in Private Halls

6,976 beds in University Halls

**The list of the existing supply within the Exeter Market has been included in the Appendix*

6 THE NEED FOR FURTHER STUDENT ACCOMMODATION

Since the removal of the student numbers cap in 2015, competition between universities has increased, with each seeking to maximise its competitive advantage, and mitigate against any disadvantages. Universities' student housing offer is one area which is widely considered to be an integral part of an institution's attractiveness to students, with the majority choosing to offer some kind of guarantee of accommodation to certain cohorts.

Considering the increasing cost of living and the limited supply of affordable housing, it is a value benefit to students for institutions to be able to make any guarantee as wide and inclusive as possible. While it is often difficult to measure the impact on student recruitment of not having this guarantee, as many top-ranking institutions do not suffer from a lack of demand, it is reasonable to assume that some high-calibre candidates are put off from applying to certain institutions if they lack good-quality student housing. This would be of particular concern to international students who are more likely to seek all-inclusive rents, which is the norm with Purpose-Built Student Accommodation (PBSA), unlike Houses in Multiple Occupation (HMOs).

Currently, the full-time student demand in Exeter stands at 28,040 within an existing stock of 12,289 beds out of which university halls provide 6,976 beds whereas the stock from private sector operators is around 5,313 beds. The remaining full-time demand of 56.17% or 15,751 students rely on HMO's. With an additional 2,587 beds excluding the subject scheme in the pipeline over the medium to long term. The current and planned student accommodation would increase to 14,876 beds, which means that around 13,164 full time students (46.9%) would still have to rely on HMOs. The HMO market across the UK is diminishing as landlord requirements become prohibitive, further adding to pressure on students to find local accommodation. According to Council Tax data in 2024, 5,267 homes were occupied by students in Exeter demonstrating a greater demand for student accommodation.

Considering the growing demand for full-time students within Exeter and the shortfall of PBSA supply, the proposed 297 beds that would be provided by the subject scheme would help meet the growing demand. Furthermore, the scheme is located in a strong micro location towards the city centre of Exeter in close proximity to several leisure spots and amenities preferred by students along with strong transportation links. The Streatham and St Lukes Campuses of the University of Exeter are accessible within a 30 minute walk from the subject scheme, further enhancing the appeal for the proposed development.

In summary the proposed scheme would contribute to narrowing this gap in student accommodation provision. It would not only help alleviate pressure on the local housing market but also enhance the university's ability to attract and retain students, particularly international students who often prefer PBSA. Furthermore, by increasing the supply of purpose-built accommodation, the scheme could potentially free up HMOs in the local area, benefiting the wider community and helping to balance the housing market for both students and local residents.

Appendix

Type	Scheme	Operator	Beds
university	Nancherrow	University of Exeter	14
university	King Edward Court	University of Exeter	15
university	Garden Hill House	University of Exeter	22
university	Llewellyn Mews	University of Exeter	40
university	Rowancroft Court	University of Exeter	48
university	Lopes Hall	University of Exeter	57
university	Ransom Pickard	University of Exeter	64
university	Rowancroft Mews	University of Exeter	70
university	Cook Mews	University of Exeter	80
university	Nash Grove	University of Exeter	93
university	Mardon Hall	University of Exeter	106
university	Spreytonway	University of Exeter	131
university	Rowe House	University of Exeter	139
university	St German's	University of Exeter	144
university	Pennsylvania Court	University of Exeter	177
university	Rowancroft	University of Exeter	187
university	Duryard	University of Exeter	194
university	St David's	University of Exeter	199
university	Moberly House	University of Exeter	251
university	James Owen Court	University of Exeter	275
university	Holland Hall	University of Exeter	406
university	INTO	University of Exeter	633
university	East Park	University of Exeter	1,182
university	Birks Grange Village	University of Exeter	1,192
university	Lafrowda	University of Exeter	1,257

Type	Scheme	Operator	Beds
part_nominated	Central Living	CRM Students	125
part_nominated	Point Exe	Collegiate	241

Type	Scheme	Operator	Beds
private	New North Road	Almero Student	11
private	Blockyard Apartments	Almero Student	15
private	The Leat Apartments	The Leat	27
private	48on New North	48on New North	28
private	Verney Street Studios	Project Student	29
private	Bonhay House	Collegiate	31
private	Dean Clarke Lofts	Hello Student	32
private	Library Lofts	Hello Student	61
private	King Edward Studios	Collegiate	64
private	The City Arcade	CRM Students	64
private	Isca Lofts	Student Cribs	71
private	Boutique Student Living - Exeter	CRM Students	72
private	Atlas House	Homes for Students	75
private	West Gate	Prestige Student Living	98
private	Picturehouse Apartments	Hello Student	102
private	Bishop Blackall School	Student Cribs	113
private	Trust House	Host	124
private	Iron Bridge Studios	Homes for Students	129
private	Queen Street Studios	Fresh	132
private	Clifton Place	Hello Student	150
private	The Barn	Fresh	150
private	Vita Student Exeter - Portland House	Vita Student	156
private	Cricket Field Court	Fresh	159
private	Canvas Exeter Elm	Canvas Student	160
private	Study Inn Exeter - Walnut Gardens	Study Inn	166
private	The Northfield	Host	190
private	The Kingfisher	Downing Students	203
private	Northernhay House	Host	218
private	Exeter One	Homes for Students	219
private	Hill View Place	Prestige Student Living	227
private	Renslade House	Prestige Student Living	268
private	Clifford House	Prestige Student Living	312
private	The Printworks	Homes for Students	492
private	The Depot	Here! Students	599

Value and Risk Advisory

We are value and risk advisory experts supporting you through the changing world of real estate.

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