

Portugal Student Housing

A GROWING MARKET

MARKET RESEARCH - FEBRUARY 2022



PORTUGAL STUDENT HOUSING

10 KEY TAKE-AWAYS.

1. Portugal brings together a set of attractive factors that have been crucial to the successful development of PBSA assets. With much potential for growth and maturity, not only in Lisbon and Porto, but also in other academic cities, Portugal is an attractive destination for investment in this so-called alternative asset class.

2. The investment market has been predominately reliant on land development transactions, while lately forward-funding and forward-purchase opportunities have gained relevance. Portugal is now an established destination for international developers and operators due to its strong market fundamentals.

3. As of the academic year 2020-2021 a total of 412,000 students are enrolled in Higher Education Institutions, 14% of which are international. In the last 5 years, the CGAR of international students was 6%.

4. There is an increasing demand for student accommodation in Portugal, however this is often dated and unable to meet the needs of modern students. Even if the PBSA supply is rapidly expanding in Lisbon and Porto, a significant portion of the market is still supplied by granular and informal traditional rental units.

5. In the cities of Lisbon and Porto, current provision rates were estimated at 4.3% and 7.5% respectively. There are currently 126 students' residences in Lisbon and Porto, totalling approximately 10,000 beds. 38% of the supply is provided by State University Student Residences.

6. Purpose-built student accommodation differs from other housing solutions in terms of quality, professional management and a range of services and amenities that provide students with a real community experience and spirit. Common lounge areas, study areas, gym, laundry services, outdoor spaces and terraces are some of

the most common features in PBSA buildings.

7. Generally speaking, a single bed is priced between 400€ - 1,100€ per month in Lisbon and between 380€ - 1,000€ in Porto.

8. The operational private PBSA supply is around 6,000 beds between Lisbon and Porto. This includes established players such as Milestone, Smart Studios, Livensa and XiorUhub, among others.

9. There is currently a pipeline (private and public) of circa 8,000 beds between Lisbon and Porto, expected to be delivered until 2024.

10. Important academic cities such as Coimbra, Braga, Aveiro, Évora and Covilhã have little or no purpose-built supply. Students are highly reliant on under supplied and outdated residences, as well as on informal residential supply.

Glossary

Private Student Housing Operators - Accommodation provided by PBSA Operators

State University Student Residences - Accommodation provided by Public Universities

Private University Student Residences - Accommodation provided by Private Universities

Student Apartments Operators - Accommodation provided by professional companies that have apartments spread around a city

Private Institutions - Accommodation provided by foundations and organizations

STUDYING IN PORTUGAL

Portugal is an attractive destination for international students due to its outstanding climate, proximity to the coast and average of more than 300 sunny days per year.

The country also has a very high english proficiency level, ranking 7th in the EF EPI. This facilitates the adaptation of foreign students and helps attract a wider range of nationalities.

Furthermore, there is also an extensive range of courses in higher education institutions offered in English, together with a large list of partner universities abroad, for programs such as Erasmus or exchange.

Currently Portugal has a total of 411,995 students, 14% of which are international, a percentage that has been increasing throughout the years.

Portugal is also ranked 4th in 2021's Global Peace Index, offering both stability and a high living standards, especially for the younger population.

% OF NATIONAL & INTERNATIONAL STUDENTS IN 2021/2022

14% INTERNATIONAL STUDENTS

86% PORTUGUESE STUDENTS

WHY DO UNIVERSITY STUDENTS CHOOSE TO STUDY IN PORTUGAL?



QUALITY OF UNIVERSITIES



GREAT CLIMATE



SAFETY & SECURITY



LOW COST OF LIVING



PRATICE-ORIENTED TEACHING SYSTEM



EXCELLENT CULTURAL OFFERING



NUMBER OF COURSES IN ENGLISH



WELCOMING POPULATION



NIGHTLIFE

TOP 5

STUDENT NATIONALITY IN PORTUGAL (2020-2021)



BRAZIL
19,413



ANGOLA
4,156



CAPE VERDE
5,612

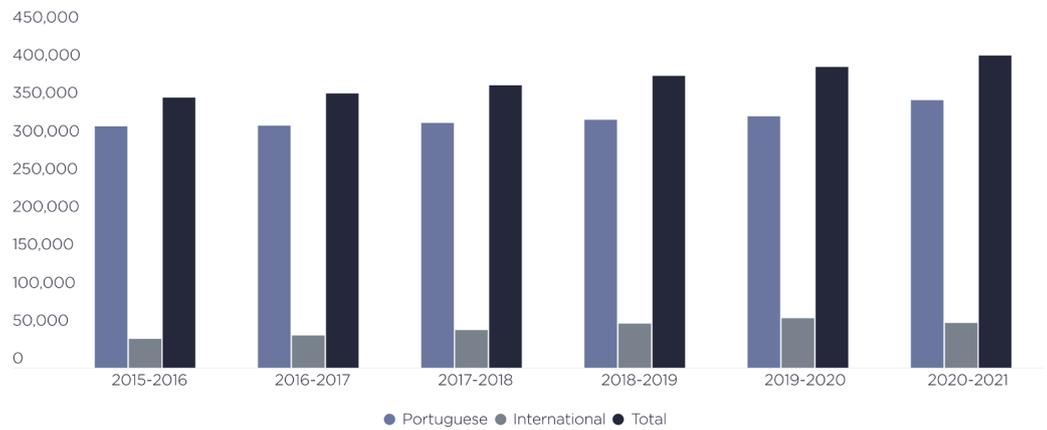


FRANCE
3,285



GUINEA BISSAU
4,978

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS ENROLLED IN PORTUGUESE UNIVERSITIES



Source: DGEEC

PORTUGAL TOP UNIVERSITIES

1. Nova School of Business and Economics
(ranked 23rd on the Financial Times Masters in Management 2021 ranking)

2. Católica Lisbon School of Business and Economics
(ranked 45th on the Financial Times Masters in Management 2021 ranking)

3. Universidade de Lisboa
(ranked 365th in the QS World University Rankings and 30th in Europe in the CWTS Leiden ranking for scientific performance)

Source: Savills

PORTUGAL TALENT RETENTION

Portuguese universities have been striving to create partnerships with companies from different sectors, depending on their course subject.

The goal is to create a win-win relationship between companies and university students so that as many work opportunities as possible can be secured in preparation for when graduates enter the labor market. Moreover, through these partnerships, universities are also able to teach with a more “hands-on” approach, participating in real-world business cases with direct connection to the activities companies carry out.

There is also an increase in expertise, as students are then able to apply the hard skills learnt at university and develop the soft skills that are created by “doing”. In addition to this, in times of recruitment, many companies recruit directly from their partner universities, they value their teaching methodologies and know what to expect from their graduates.

Portugal has also proven itself internationally through the development of unicorn companies, such as Farfetch and Talkdesk, with many job opportunities in different sectors, opening up nationally and internationally.

Portugal is ranked number 31 on the Global Innovation Index, an annual ranking that measures countries’ capacities in terms of their institutions, human capital and R&D, infrastructure, market and business model sophistication, together with the creation of new knowledge, technology and creative outputs. This excellent achievement is a result of a very qualified workforce, high quality universities and a big focus on the areas of business management and science.

- High speed internet to enable online learning

STUDENT HOUSING MARKET IN PORTUGAL

As several private and public universities have acquired excellent positions in international rankings, the number of foreign students coming to complete their university studies in Portugal has been dramatically increasing.

From the academic year 2015-2016 to 2020-2021, there was an increase of 55.5% international students in Portuguese universities, creating an abrupt change in the demand for student housing accommodation throughout the country.

Since demand for student accommodation is very strong, Portugal is now encountering a severe lack of quality supply. There is an excellent market opportunity for the student housing market, as the country’s provision rate is low and there is a clear market gap for new investments to arise.

From a public university perspective, currently, Universidade de Lisboa, Universidade Nova de Lisboa and Universidade do Porto are the state universities with the highest supply of student residences. With the covid-19 pandemic, students’ new needs have been shaping the market considerations.

The main points of change have been the following:

- Increase in the demand for larger rooms
- Double rooms being converted into single rooms
- Increased safety measures and display changes in common space, considering people’s movements and flows
- Personal instead of shared bathrooms
- High speed internet to enable online learning

POST-COVID WHAT HAS CHANGED?

The covid-19 pandemic has come to change the way people live in many different aspects, altering people’s considerations when looking for student housing solutions. Many of these trends are here to stay, making it essential to adapt to the new trends to maintain a healthy business model.

There is an increase in the demand for more flexible lease terms and agreements, together with short-term rental options. As the future is uncertain, students give a very large importance to the flexibility of their solutions, not compromising their future in the case of change. This

also applies to the need for shorter anticipation periods for students to book their accommodations. Life changes at a faster pace, and PBSA solutions must keep up with this rhythm to maintain a vigorous business.

Students are now looking for private rooms, with very comfortable and pleasant designs, not only due to the increased time spent indoors, but also thinking of the case of a possible confinement. Shared bathrooms are also something students avoid due to safety considerations. Additionally, there is an increase in the request for

studios, with private kitchenettes and cleaning appliances, so that these do not have to be shared.

Finally, it is essential to highlight the importance of high-speed internet, covering all areas of student housing facilities. Even though physical classes have returned, many classes are still opting for a hybrid model, so students must have all the needed conditions to be able to fully participate in their remote learning experiences

Sustainability is an issue that is widely talked about the world over, however it is particularly

STUDENTS PRIORITIES WHEN CHOOSING AN ACCOMMODATION



EXCELLENT LOCATION



PROXIMITY TO UNIVERSITY CAMPUS



PROXIMITY TO PUBLIC TRANSPORTS



COMMON AREAS FOR SOCIAL INTERACTION



ALL-INCLUSIVE BILLING SYSTEM



DOUBLE BEDS



MODERN DESIGN



PRIVATE BATHROOMS

important for the younger generation, as they are a very conscientious age group and adapt their lifestyles to maintain and preserve the planet. 94% of students wish to see an increase in universities' sustainable actions, and the student housing market is not an exception to this rule.

PBSA solutions that apply sustainability measures will also benefit from such actions, as they act as a cost reducer, increases their reputation, attract more students to their accommodations, decreases their overall footprint and increases their energy efficiency.

1. Encourage sustainable actions through awareness, by including signs and posters about recycling, energy efficiency and water saving habits, heating and temperature considerations, between others.
2. Increase recycling accessibility, by having a high number of recycling bins throughout both common and private spaces, all labelled to avoid their improper use.
3. Use energy efficient lightbulbs and appliances, such as washing machines or dishwashers.
4. New projects for PBSA solutions must also consider the materials and processes that they are applying in their constructions.

EUROPEAN INVESTMENT MARKET

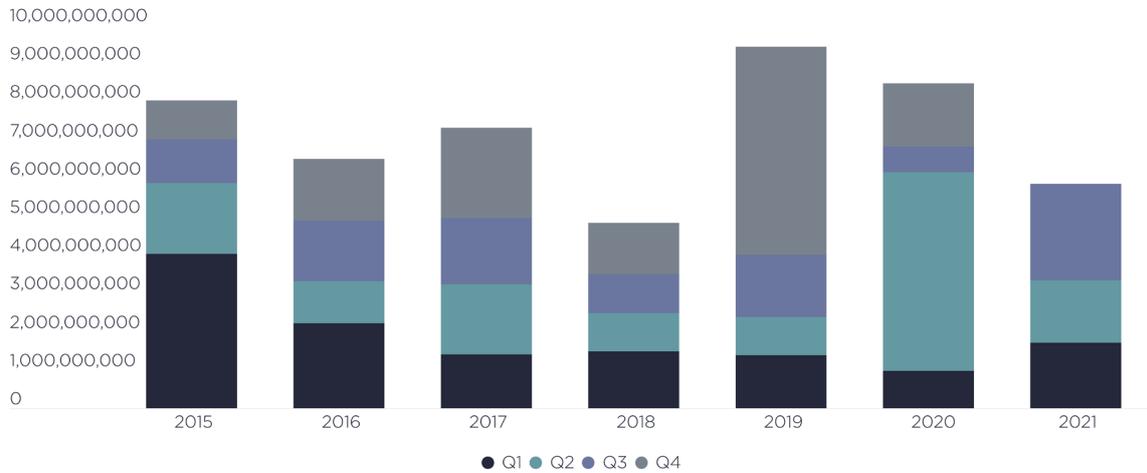
Student housing investment volume reached €5.8bn as of Q3 2021. This is 14% down compared to the first three quarters of 2020, which was particularly high due Blackstone's acquisition of the iQ student housing portfolio in the UK for £4.7bn (€5.4bn). Investment activity in the sector remains buoyant, fuelled by portfolio and single property acquisitions in the most developed markets as well as forward funding deals, particularly in emerging markets. The PBSA sector, which is traditionally very exposed to cross border capital, is increasingly attracting foreign investments. In 2020, cross border investment accounted for nearly 81% of the total volume. As of Q3 2021, the cross boarder share was, the cross border share is approximately

74% whereas on average between 2005 and 2019 it was 61%. Traditionally, the source of capital is mainly from the US, UK, France, Sweden and Belgium. Over the past 18 months, Canadian, Malaysian and Qatari funds showed a growing interest in the European PBSA market.

Growing investor interest has put downward pressure on prime yields. In the year to Q3 2021, the average European prime student housing yield moved in by 9bps to stand at 4.2%. The prime yield ranges from 3.30% in major German cities to 5.25% in Warsaw. However, the PBSA sector still offers better returns than multifamily. In Stockholm, Oslo and Lisbon, PBSA yields are the most competitive across the living asset classes.

Due to the very positive prospects of the market, we anticipate investment activity to intensify throughout this year. We also expect to see a rising number of long-haul, cross border acquisitions in the short term as well as a growing number of market players.

EUROPEAN PBSA INVESTMENT VOLUMES



Source: Savills

A GROWING MARKET IN PORTUGAL

The investment market has been predominately reliant on land development transactions, while lately forward-funding and forward-purchase opportunities have gained relevance. In 2019 the first transactions were closed with Xior moving forward to purchase the one U.Hub portfolio comprising six student residences and two projects sold by Promiris located in Lisbon and Porto.

The PBSA investment market has increasingly attracted the interest of a wide range of international

developers and operators, presenting itself as a great opportunity due to the lack of PBSA stock.

With an estimated 150,600 students in the main university cities (Lisbon, Porto, and Coimbra) and approximately 5,400 beds in university accommodation, the existing supply can only meet 3.5% of demand.

The increase in pipeline projects, especially concentrated in the cities of Lisbon and Porto, reveals the dynamic experienced by the sector,

which now extends to new university locations such as Coimbra, Braga, Aveiro, Évora and Covilhã. Currently, Portugal is beginning to count on an increasingly large group of developers and operators: Smart Studios, Xior, Valeo Management, Temprano Capital Partners, Milestone operate more than 20 residences in Lisbon and Porto and with a pipeline that is growing exponentially as a result of new developers entering the Portuguese market or as a result of expansion plans by operators already in operation.

OPERATORS STUDENT HOUSING

STUDENT HOUSING

In the Lisbon and Porto markets, there are more than 120 student residences in operation, totalling approximately 10,000 beds, with the highest percentage (47%) being provided by student residences belonging to public Universities.

The supply of PBSA placed on the market by private operators totals 5,100 beds, with the presence of operators such as Milestone, Smart Studios, Livensa Living, LIV Student, Xior and CRM.

Between 2020 and 2021, at least 10 new student residences opened. Out of these, the largest ones are: Livensa Living Porto Campus from Temprano Capital Partners with 724 beds, Livensa Living Cidade Universitária with 595 beds and U.Hub Campus Asprela with 456 beds promoted by Xior.

PIPELINE

For the next few years, more than 4,278 beds are planned for Lisbon and more than 3,609 beds for the Porto market promoted by private operators.

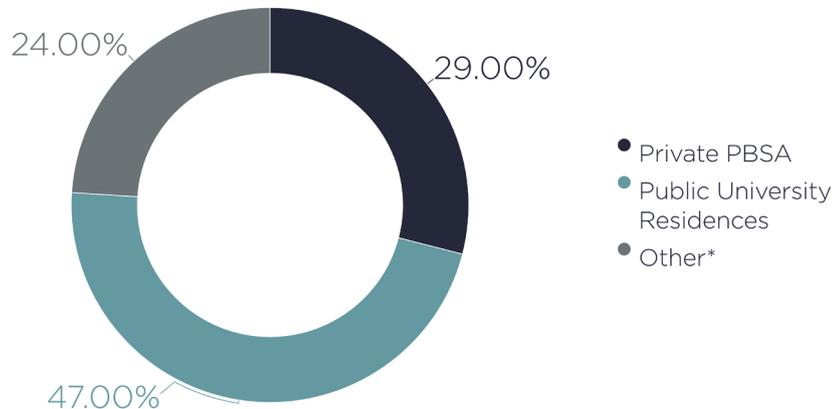
Smart Studios will be responsible for the addition of more than 1,200 beds until 2024, which will also be joined by Xior with a residence in Lumiar with nearly 500 beds and The Student Hotel at Nova SBE Campus in Carcavelos with 435 beds.

In the Porto market, it is expected that the opening of LIV Student's The Street consisting of 856 beds, Big City with 241 beds and Odalys' Granjo with 211 beds, will lead to a challenging supply pipeline.

PORTUGAL STUDENT HOUSING SUPPLY DISTRIBUTION

WHERE DO STUDENTS WANT TO LIVE

For international students coming to live in Portugal, one of the main priorities is to find an accommodation close to their university. Moreover, it is also essential to have a certain proximity to public transports, such as bus or metro stations, so that mobility around the city is facilitated. Furthermore, students value proximity to other amenities such as supermarkets, gyms and libraries.



Source: Savills Research

Other*- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

LISBON CAPITAL CITY

Lisbon is Portugal's capital city, home to an estimated population of 2.85 million (in Lisbon Metropolitan Area) and a total of 153,149 higher education students enrolled in 2021.

The capital is Portugal's financial and commercial centre, being the location to many headquarters of both multinational and national companies. As a whole, Lisbon contributes 36% towards Portugal's GDP, and provides its people with the highest Purchasing Power Standards (PPS) of the country.

87% of the city's value added to the national GDP comes from the tertiary sector, referring to commercial activities and services. Lisbon is also the city in Portugal with the highest level of tourism, being chosen amongst visitors because of its excellent cultural offering, its historic value.

WHY IS LISBON ATTRACTIVE FOR STUDENTS?

- Average of more than 300 sunny days per year
- Home to the top universities of the country

- Proximity with the beach and the ocean
- Excellent night-life
- Great choice of restaurants, bars, rooftops and cafés
- Reasonable cost of living compared to other European capitals
- Very safe city
- Lisbon is a green city
- Very cosmopolitan atmosphere with a high number of international people

BUSINESS, INNOVATIVE AND SUSTAINABILITY ENVIRONMENT

Lisbon is classified as a "Strong - Innovator" city according to the Regional Innovation Scoreboard in 2020.

As a city that values novelty, innovation and an entrepreneurial mindset, Lisbon has several start-up hubs and communities, attracting people from around the world to create and implement their companies in a place where idea generation is boosting, and where there are public incentives and access to funds for startups is increasing.

As a whole, the city totals 157

research centres and 37 higher education institutions, many of which offer innovation labs for the creation and development of new ideas.

Católica Lisbon School of Business and Economics offers an excellent innovation lab, together with a number of advanced programs in entrepreneurship, innovation management, health innovation, smart cities, between various other subjects.

Universidade Nova de Lisboa has invested a great amount of effort to create INNO, a Centre for Social Innovation, presenting a unique ground with the goal to "develop, create and improve social structures and processes, (...) contributing to the development and social harmony of the population".

In addition to this, the Faculdade de Ciências da Universidade de Lisboa also works with research and innovation labs, creating a vigorous atmosphere to develop ideas and business models adapted to the future needs of the population.

GROWING MARKETS

LISBON STUDENT HOUSING

MAIN UNIVERSITIES

1. Universidade Nova de Lisboa

(ranked 23rd in the 2021 Financial Times Masters in Management ranking)

2. Universidade Católica de Lisboa

(ranked 45th in the 2021 Financial Times Masters in Management ranking)

3. Universidade de Lisboa

(ranked 365th in the QS World university Rankings and 30th in Europe in the CWTS Leiden ranking for scientific performance)

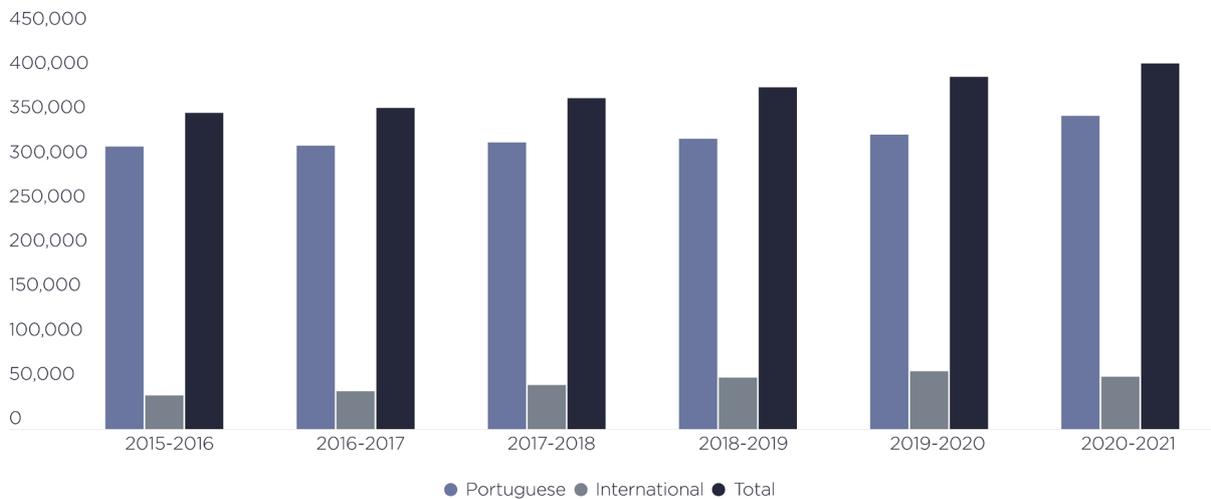
4. Instituto Superior Técnico

(part of the Universidade de Lisboa, ranked 11th in Europe in the 2020 US News Best Global Universities ranking)

5. Instituto Superior de Ciências do Trabalho e da Empresa (ISCTE)

(ranked 5th in Portugal in the "THE - World University Ranking")

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN LISBON



Source: DGEEC

TOP 5

STUDENT NATIONALITY IN LISBON (2020-2021)

MOST COMMON AMENITIES



PRIVATE BATHROOMS AND KITCHENETTES



COMMON LOUNGE AREAS



COMMON STUDY AREAS



LAUNDRY SERVICES



PARKING AREAS



GYMS



OUTSIDE SPACES AND TERRACES



COMMON KITCHEN SPACES



SECURITY



BRAZIL
6,701



ANGOLA
2,381



GERMANY
1,561



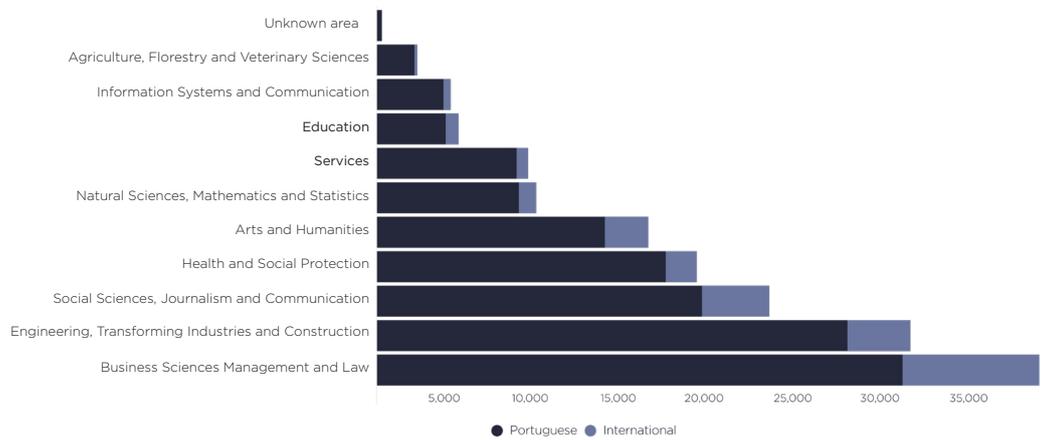
ITALY
1,292



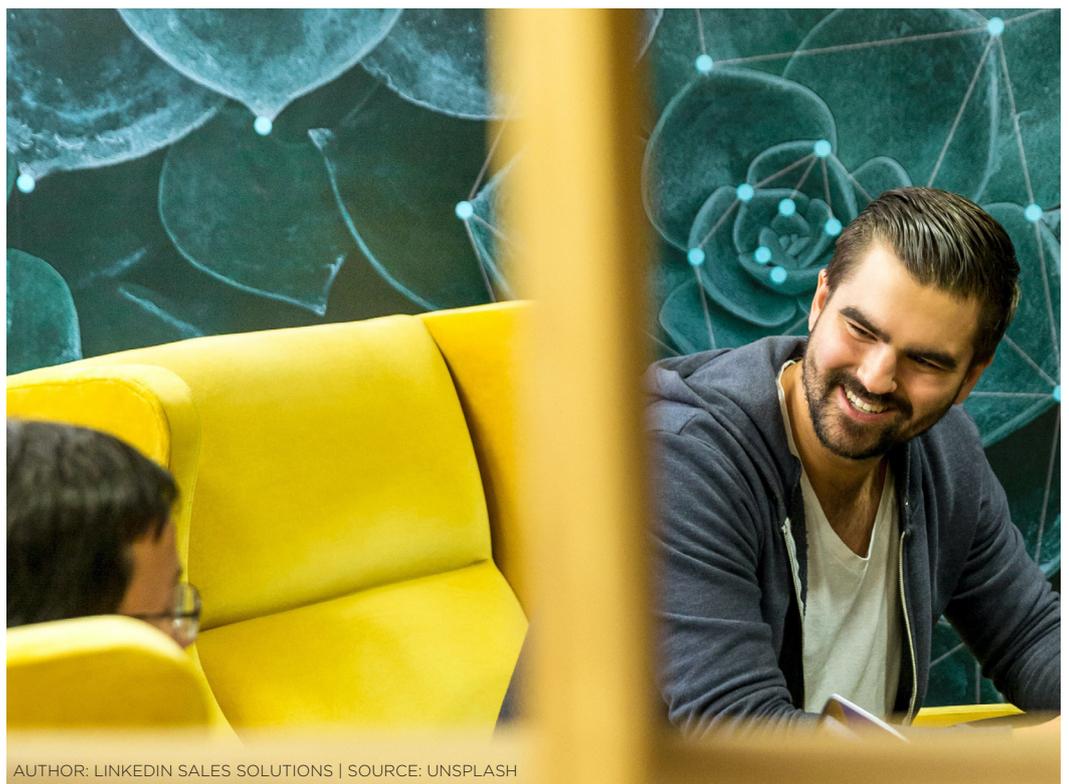
GUINEA BISSAU
1,361

FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC



AUTHOR: LINKEDIN SALES SOLUTIONS | SOURCE: UNSPLASH

153,149

TOTAL STUDENT
POPULATION

14.6%

INTERNATIONAL
STUDENTS

2,515

(400€ - 1,100€)

Nº BEDS PRIVATE PBSA

2,113

(160€ - 240€)

Nº OF BEDS |
PUBLIC UNIVERSITY
RESIDENCES

2,962

Nº OF BEDS |
OTHER*1

4.3%

CURRENT
PROVISION RATE*2

55%

DISPLACED STUDENTS*3

1 Other- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

LISBON STUDENT HOUSING

State Universities in Lisbon offer the largest supply of beds divided into 27 different residences. The majority of the offer in the market is supplied and operated by Universidade de Lisboa, spread in different locations throughout the city.

In terms of Private Student Housing Operators the majority of the market is dominated by Smart Studios, Xior (u.Hub), Milestone, Collegiate and Livensa.

All of these residences offer linen and a cleaning service once per week. Most of them have common kitchen, lounges and study areas, together with Wi-Fi and all-inclusive

expenses (water, gas and electricity). The type of rooms and studios offered by these operators are slightly more upscale than other options, with more modern designs, excellent locations and a range of different amenities.

Beyond traditional PBSA, there are private student apartment operators such as Houze Student and The ousing Concept. The difference between these and private student residences are that student apartments do not have common areas and offer small apartments rather than rooms. They also offer less services in comparison to residences. In Lisbon there is a total of 15 private houses to choose from, offering 1,646 beds.



AUTHOR: KINGA CICHEWICZ | FONT: UNSPLASH

STUDENT HOUSING SUPPLY MAP

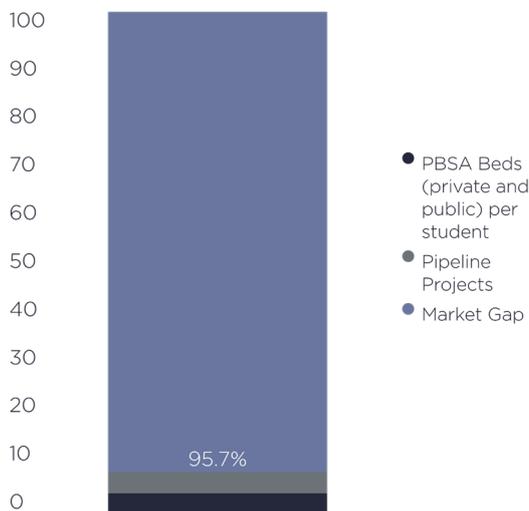
LISBON

- State University Student Residences
- Private University Student Residences
- Private Student Housing Operators
- Private Student Apartment Operators
- Private Operators
- Accessibility Motorways and Nacional Roads



Source: Savills

LISBON'S PROVISION RATE



Source: Savills Research

PIPELINE PROJECTS

14 PBSA Projects by Private Operators | 4,278 new beds by 2024

The largest scheme has been planned by Universidade de Lisboa, aiming to build the largest student residence of the country, projected to be completed by 2023 - 2026.

5 Public Projects By Public Universities | + 2,200 new beds by 2026

The residence will encompass a complex of three buildings with 5 to 6 floors and a total area of 5,000 square meters. The private operator with the largest number of beds in pipeline is Smart Studios, providing c. 1,200 new beds by 2024, split into five different residences

PORTO STUDENT HOUSING

The metropolitan area of Porto has a total population of around 1.7 million people, 84,365 of which are currently enrolled in universities.

Even though the Northern region of Portugal is known to be home to most of the country's manufacturing industry (for example in terms of textiles, clothing and footwear), it has been adapting itself to prove a vigorous environment for the growth and development of companies in other areas, especially in medium and high-tech sectors.

The city of Porto is becoming an attractive place for new companies to establish themselves, and universities are adapting their courses to create a more diverse and international environment. They are doing so not only by providing courses in English, but also by creating curricular and extra-curricular activities that are highly focused on innovation, having hubs, labs and other structures to encourage entrepreneurs, researchers and investors to come and create in the city of Porto.

ENTREPRENEURIAL INNOVATIVE AND SUSTAINABLE ENVIRONMENT

In 2018 Porto was distinguished by the World Excellence Award as The Best Start-up Friendly City of Europe, together with being the 3rd technological hub with the biggest growth.

The city's environment promotes the creation of new ideas, and has solid mechanisms to help start-ups and entrepreneurs have access to information, funding, human capital, between other essential elements to start a profitable business.

Porto is home to more than 70 Research and Development centres, more than 30 tech communities and its exports represent 60-70% of turnover by start-ups. The environment is boosting, and Porto's community is clearly taking advantage of it.

In terms of sustainability, Porto was distinguished as the European City of the Year in 2020's Urbanism Awards, a prize that recognizes cities that have gone through breakthrough transformations to increase their population's quality of life, together with the development of sustainable mechanisms running in the city.

Examples range from installing several electrical car charging spots spread throughout the city, having an excellent cleaning system, protecting and expanding green areas, and municipal constructions aligned with the LEED - Leadership in Energy and Environment Design - framework.



AUTHOR: SINCERELY MEDIA | FONT: UNSPLASH

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT PORTO?



LOWER COST OF LIVING COMPARED TO THE CAPITAL



COSMOPOLITAN CITY WITH A VERY LARGE CULTURAL OFFERING



SMALLER THAN LISBON, MAKING THE ENVIRONMENT MORE WELCOMING, BUT STILL WITH A REASONABLE SIZE AND OFFERING FOR A CITY, PRESENTING A RANGE OF DIFFERENT CHOICES FOR DAILY ACTIVITIES



PEOPLE'S HOSPITALITY AND FRIENDLINESS



EXCELLENT CHOICE OF RESTAURANTS AND GREAT LOCAL FOOD



A BEAUTIFUL CITY THAT COMBINES THE RIVER AND THE SEA



GREAT NIGHTLIFE

PORTO STUDENT HOUSING

MAIN UNIVERSITIES

1. Universidade do Porto

(ranked 295rd in the QS World University Rankings 2022)

2. Universidade Católica Portuguesa

(ranked 32th in the FT European Business Schools ranking)

3. Instituto Politécnico do Porto

(ranked 501-600th in the "THE - World University Ranking 2020" for Engineering and Technology)

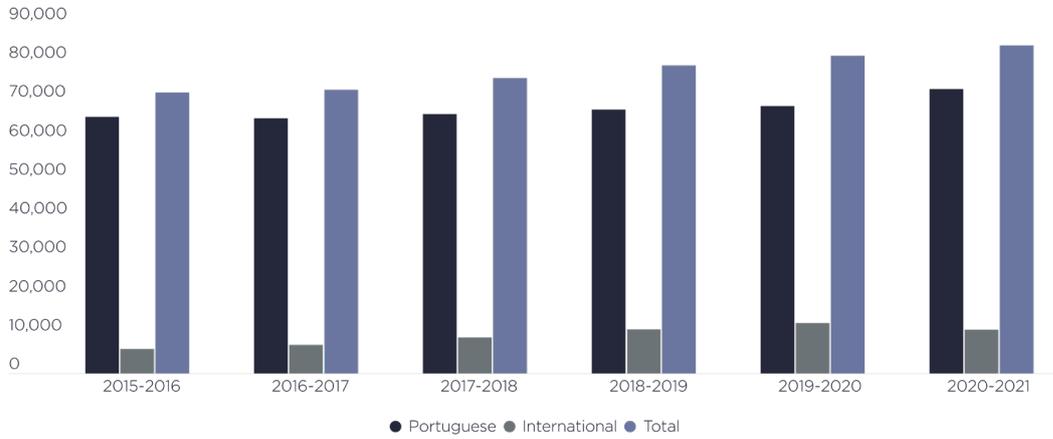
4. Universidade Fernando Pessoa

(ranked 10th Portuguese institution in the International SCIMAGO)

5. Universidade Portucalense Infante D. Henrique

(ranked 40th in Portugal in the "THE - World University Ranking")

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN PORTO



Source: DGEEC

TOP 5

STUDENT NATIONALITY IN PORTO (2020-2021)



BRAZIL
4,747



FRANCE
1,509



ITALY
714



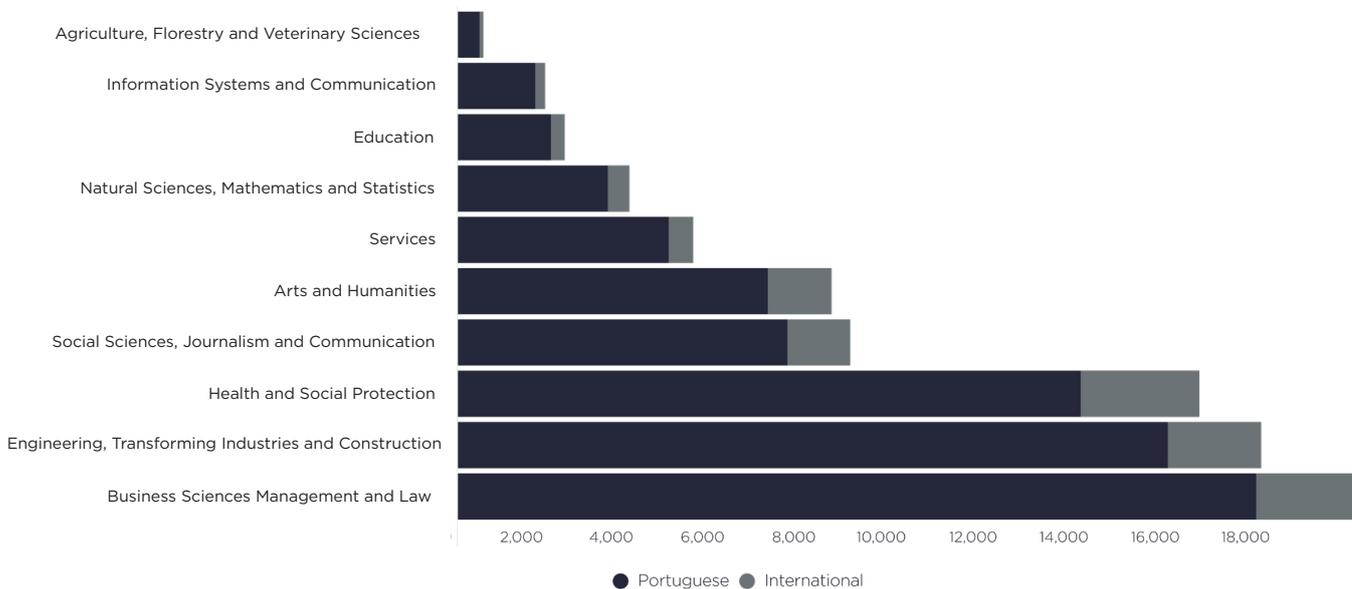
CAPE VERDE
684



SPAIN
620

FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC

MOST COMMON AMENITIES



DOUBLE AND SINGLE ROOMS WITH PRIVATE WC



GAME ROOMS



LIBRARIES



LAUNDRY SERVICES



CINEMA ROOMS



24/7 RECEPTION



OUTDOOR AREAS, ROOFTOPS AND TERRACES



COMMON KITCHEN AND CAFETERIAS



SECURITY



STUDY ROOMS

84,365

TOTAL STUDENT POPULATION

13%

INTERNATIONAL STUDENTS

2,665

(380€ - 1,000€)

Nº BEDS PRIVATE PBSA

853

Nº OF BEDS | OTHER*1

7.5%

CURRENT PROVISION RATE*2

50%

DISPLACED STUDENTS*3

1,266

(235€ - 245€)

Nº OF BEDS | PUBLIC UNIVERSITY RESIDENCES

*1 - Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

*2 - The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students

*3 - Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

PORTO STUDENT HOUSING

State universities in Porto offer 1,266 beds, with the majority offered by Universidade do Porto and the remaining by Instituto Politécnico do Porto. Porto also counts with the presence of two residences supplied by private operators, Santa Casa da Misericórdia and Casa Provincial. Unlike the Student Housing supply in Lisbon,

Private Student Housing Operators in Porto are currently supplying the highest number of beds for international students.

Porto has 10 private PBSA residences and a total of 2,665 beds, spread in different locations of the city. The main players in the market are very similar to those in Lisbon; Livensa Living, Milestone and Xior Student Housing.

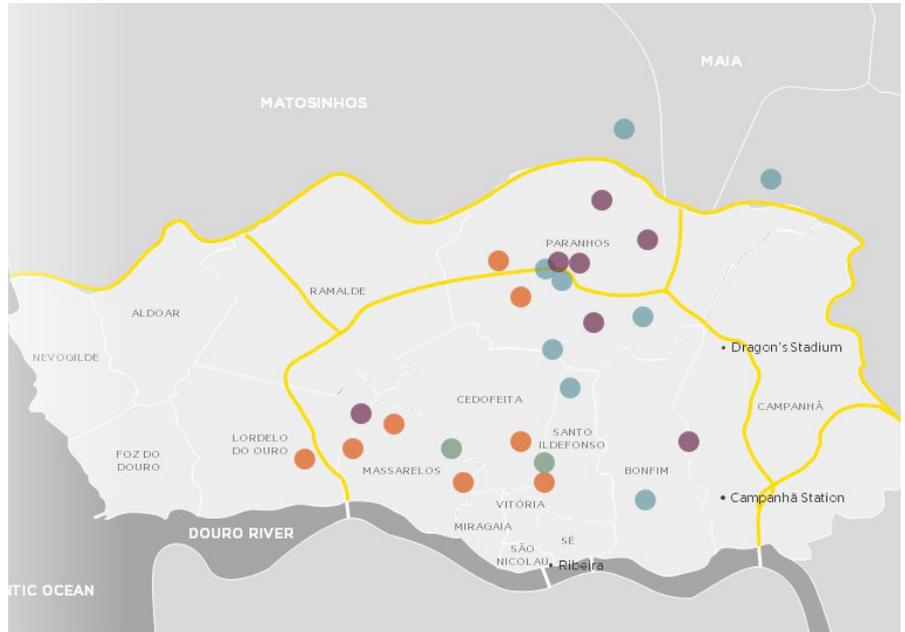
Milestone has created a large residence hall in Asprela, walking distance away to Porto's university campus. This residence offers students with living rooms, washing lounges, a gym, a rooftop terrace and other amenities. They have also adapted their residence to allow hybrid learning experiences, introducing a learning lounge and study rooms. Xior also has a residence hall in the Asprela Campus, this being one of the most sought-after places in Porto for students to live.

Porto Studios is the main Private Student Apartment operators, and the remaining beds are offered by private owners. Currently Porto does not have any offering by Private Universities.

STUDENT HOUSING SUPPLY MAP

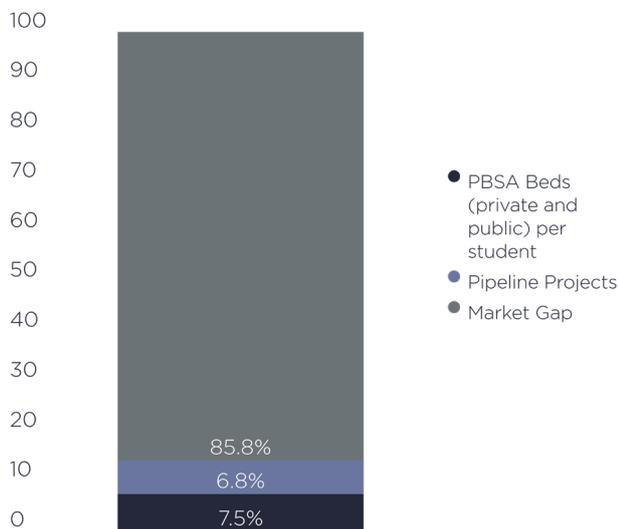
PORTO

- State University Student Residences
- Private University Student Residences
- Private Student Housing Operators
- Private Student Apartment Operators
- Private Operators
- Accessibility Motorways and Nacional Roads



Source: Savills

PORTO PROVISION RATE



Source: Savills Research

PIPELINE PROJECTS

10 PBSA Projects by Private Operators

The two largest projects in the pipeline will be delivered by Valeo and Round Hill.

3,609 new beds by 2024

Valeo with their Liv Student branded project will add 856 new beds, and Round Hill Capital will add 488 beds in their project at The Tannery.

MOST COMMON AMENITIES



LARGE STUDENT POPULATION
(ABOUT 37% OF COIMBRA'S
TOTAL POPULATION)



ACCESSIBLE COST OF LIFE
IN COMPARISON TO OTHER
LARGER CITIES IN PORTUGAL



AAC - ASSOCIAÇÃO
ACADÉMICA DE COIMBRA -
AN ACADEMIC ASSOCIATION
THAT INTREGATES
UNIVERSITY STUDENTS
BY OFFERING SEVERAL
ACTIVITIES



CULTURAL AND HISTORICAL
RICHNESS



VERY WELCOMING CITY FOR
INTERNATIONAL STUDENTS



EXCELLENT CONDITIONS
FOR STUDENTS, IN TERMS
OF STUDYING, RESEARCH,
SPORTS, BETWEEN OTHER
ACTIVITIES



"HOME-LIKE" ENVIRONMENT



24/7 RECEPTION



VERY CLOSE PROXIMITY TO
NATURE AND EXCELLENT USE
OF GREEN SPACE



VARIOUS ACADEMIC
FESTIVITIES AND TRADITIONS



SAFETY

ACADEMIC CITIES WITH GROWING POTENTIAL

COIMBRA STUDENT HOUSING

Coimbra has a population of approximately 100,000 people, 37,214 of which are students. Coimbra is a city that is very much oriented to the younger generation, having different points of interest and a type of lifestyle that attracts this age group. It is home to the oldest university of the country, Universidade de Coimbra, an institution with over 700 years of experience in the fields of education and research.

In 2013 the university was accepted as a World Heritage site by UNESCO, attracting a large inflow of tourists to the city. Coimbra is also a hub for technology, health sciences and medical care, not only in terms of education, but through the services that it offers.

MAIN UNIVERSITIES

1.

Universidade de Coimbra

(ranked 43rd in the QS World University Rankings)

2.

Escola Superior Miguel Torga

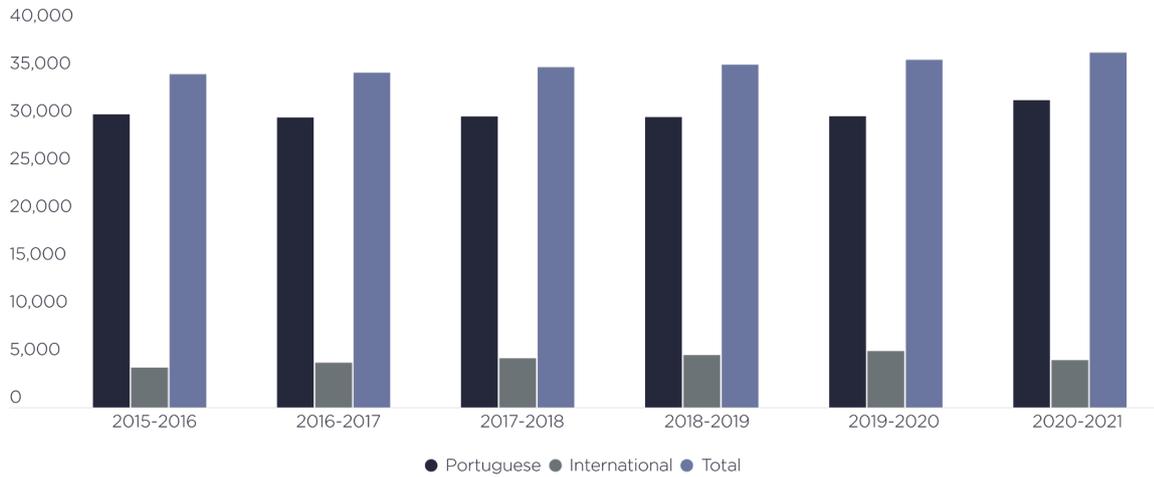
3.

Instituto Politécnico de Coimbra

4.

Escola Superior de Enfermagem de Coimbra

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN COIMBRA



Source: DGEEC

TOP 5

STUDENT NATIONALITY IN COIMBRA (2020-2021)



BRAZIL
2,129



FRANCE
364



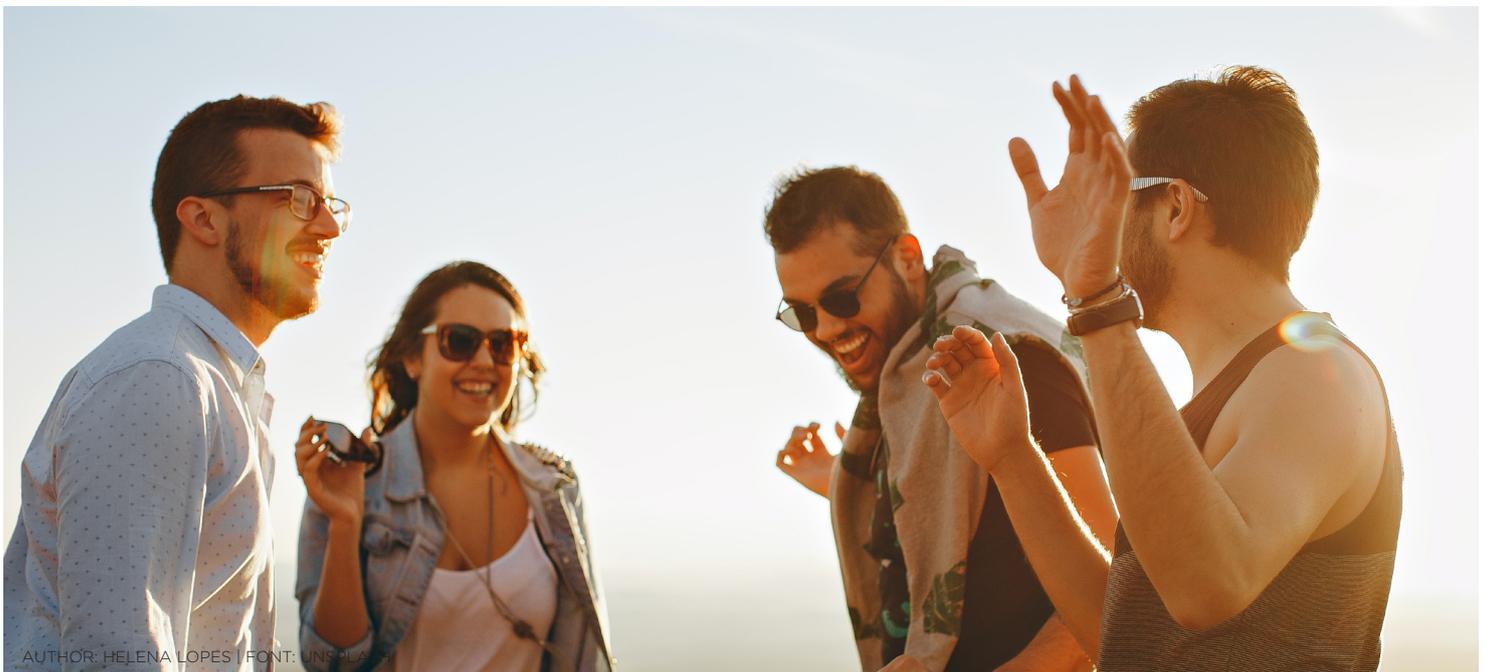
SPAIN
342



GUINEA BISSAU
310



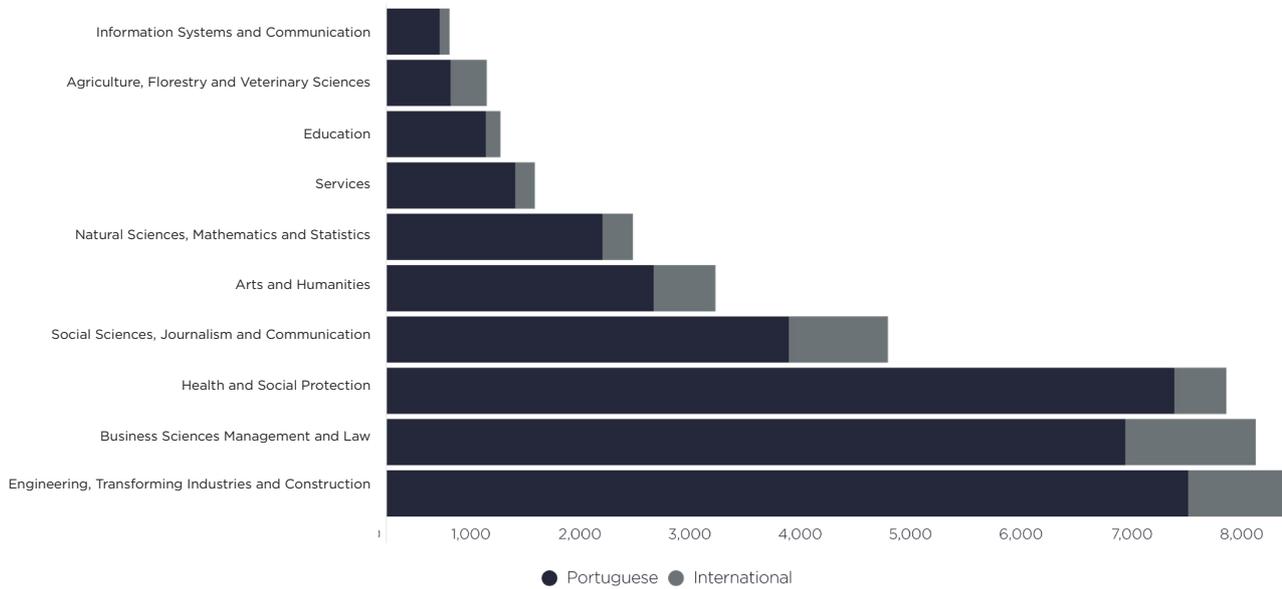
CAPE VERDE
295



AUTHOR: HELENA LOPES | FONT: UNESLA

FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC

37,214

TOTAL STUDENT POPULATION

13.4%

INTERNATIONAL STUDENTS

609

(300€ - 750€)

Nº BEDS PRIVATE PBSA

65%

DISPLACED STUDENTS*3

1,665

(80€ - 150€)

Nº OF BEDS | PUBLIC UNIVERSITY RESIDENCES

320

Nº OF BEDS | OTHER*1

7.8%

CURRENT PROVISION RATE*2

Other*- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

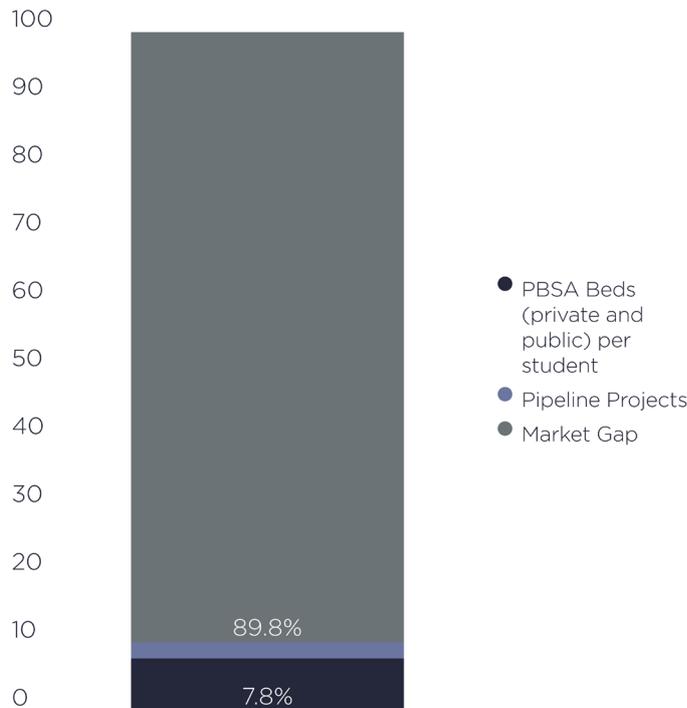
*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.



AUTHOR: JESWIN THOMAS | FONT: UNSPLASH

COIMBRA PROVISION RATE



Source: Savills

COIMBRA STUDENT HOUSING

In Coimbra, the highest number of beds is supplied by Universidade de Coimbra, with a total of 1,313 beds for displaced and international students. The Polytechnic Institute of Coimbra offers 352 beds for their students, spread in two different residence halls, both located on the same street. In Coimbra there is only one private institution (religious), Lar Teresiano, offering 33 single beds.

For students looking for Private Student Housing Operators, they will find three private PBSA operators, Student Ville, Be Coimbra and the larger one, Livensa Living, who opened a residence in 2021 with 446 beds.

PIPELINE PROJECTS

1 PBSA Projects by Private Operators

700+ new beds by 2024

U Loft coimbra is the only identified possible project to be delivered in Coimbra, comprising c. 700 beds.

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT BRAGA?



Lower cost of living



Excellent price/quality balance



Quite a large international community (especially from Brazil)



Very welcoming to foreign people



Excellent health services



Historic city, very well maintained both in historic and in new areas

BRAGA STUDENT HOUSING

Braga is Portugal's 3rd largest city, located in the north of the country, with roughly 190,000 inhabitants. Braga has the youngest population in the North, and is home to many expats living in Portugal, having around 18,000 immigrants, of which around 6,000 are Brazilian. In 2019 Braga was ranked third in the Bloom Consulting Portugal City Brand ranking, showing how well the city is able to attract and retain new talent, tourism and businesses to its area.

Braga offers its people a unique combination of leisure options, from a great cultural offering to a large diversity of restaurants, bars and cafes. According to the European Commission, in 2020 Braga was ranked 5th out of

European cities in terms of quality of life, a ranking that takes into account aspects such as people's satisfaction with their neighbourhood, security, access to housing, employment, healthcare and transport. These factors attract many young people to live in Braga, as career prospects are solid and growing throughout the years.

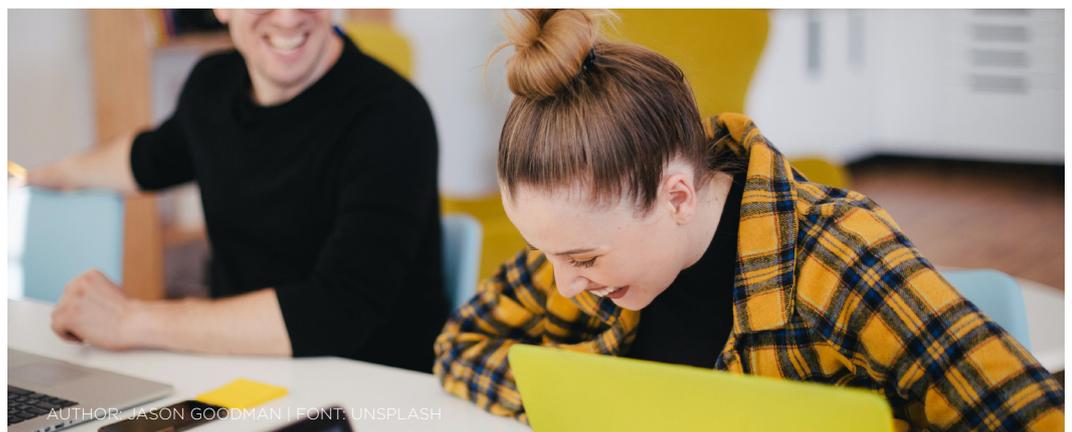
BRAGA INNOVATION ENVIRONMENT

According to the OECD Cities' Innovation Report, Braga is a city with an excellent innovative capacity, showing a bright future in sectors where they are focusing their investments.

Braga allocates quite a large proportion of the municipal budget for innovation to co-operate private projects with public enterprises. The four areas in the innovation field where the highest percentage of municipal budget goes to is on launching and sustaining new projects, idea generation, and investing in digital systems and physical infrastructure.

The Universidade do Minho has also demonstrated excellent efforts in the fields of research and development for R&D, having 32 units of investigation in the areas of exact, social and natural sciences, health, engineering, technology, art and humanities.

The innovative environment in Braga is gradually growing, but still has space for new ideas and developments, as it is not yet a very consolidated and dense market. Future prospects are bright and areas such as technology and business development are growing vigorously.

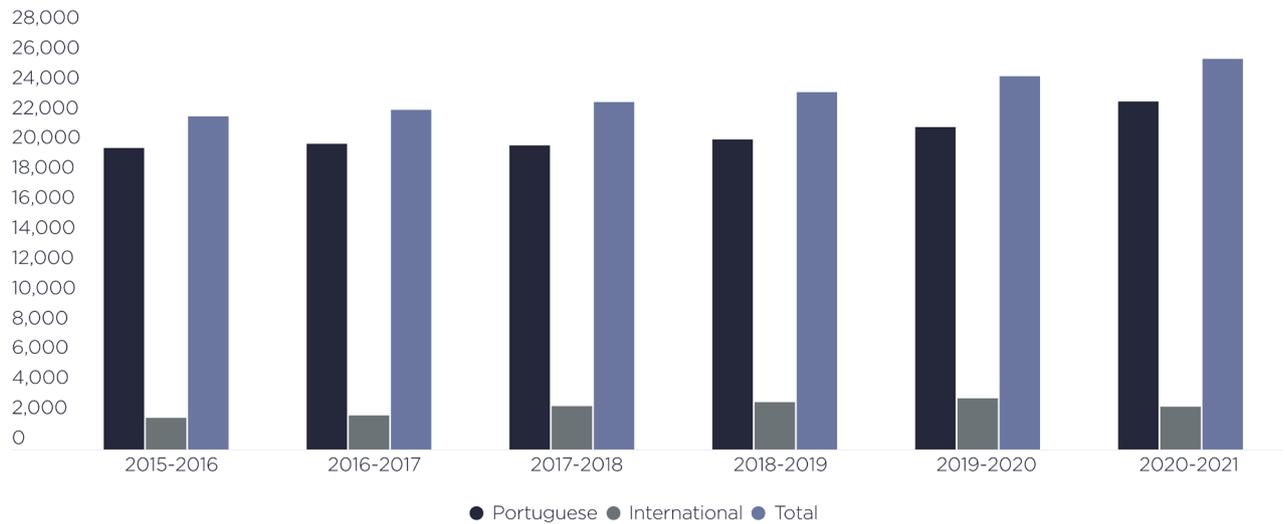


AUTHOR: JASON GOODMAN | FONT: UNSPLASH

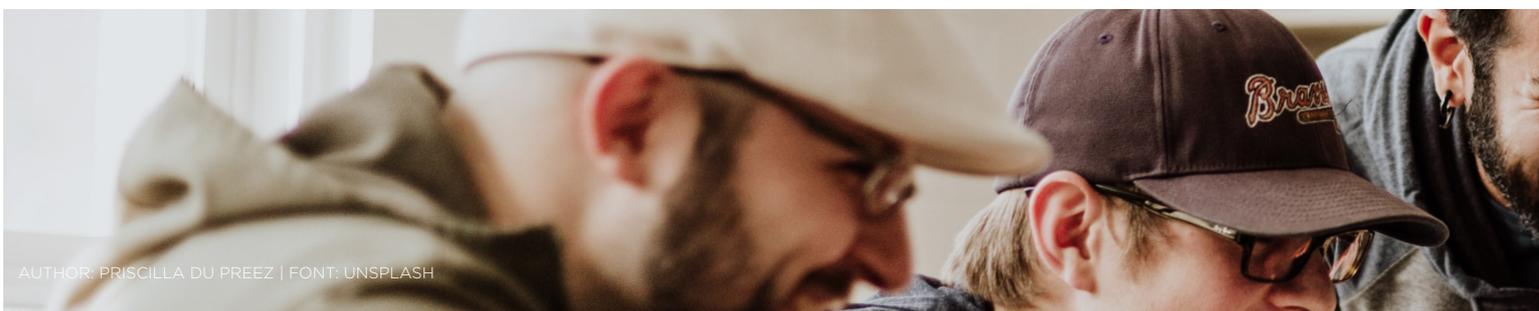
MAIN UNIVERSITIES

1. Universidade do Minho
2. Escola Católica Portuguesa
3. Universidade Lusíada
4. Instituto Politécnico do Cávado e do Ave
5. Escola Superior de Educação de Fafe

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN BRAGA



Source: DGEEC



AUTHOR: PRISCILLA DU PREEZ | FONT: UNSPLASH

TOP 5

STUDENT NATIONALITY IN BRAGA (2020-2021)



BRAZIL
1,396



CAPE VERDE
196



GUINEA BISSAU
167



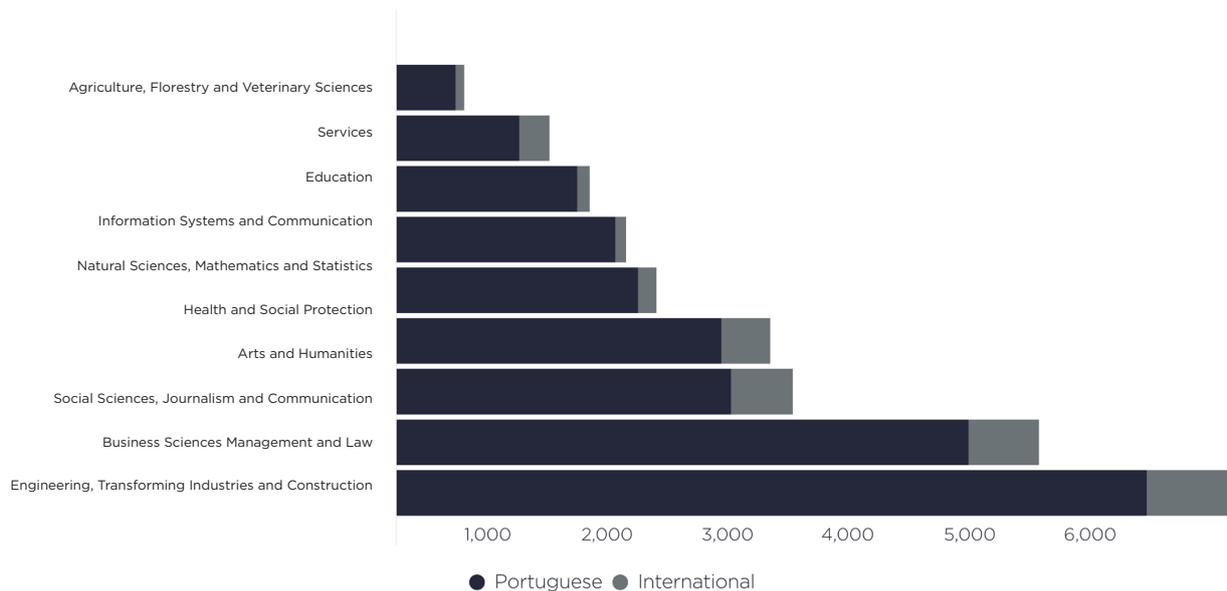
ANGOLA
154



ITALY
84

FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC



26,025

TOTAL STUDENT POPULATION

10.9%

INTERNATIONAL STUDENTS

811

(80€ - 95€)

Nº OF BEDS | PUBLIC UNIVERSITY RESIDENCES

284

Nº OF BEDS | OTHER*1

5.3%

CURRENT PROVISION RATE*2

48%

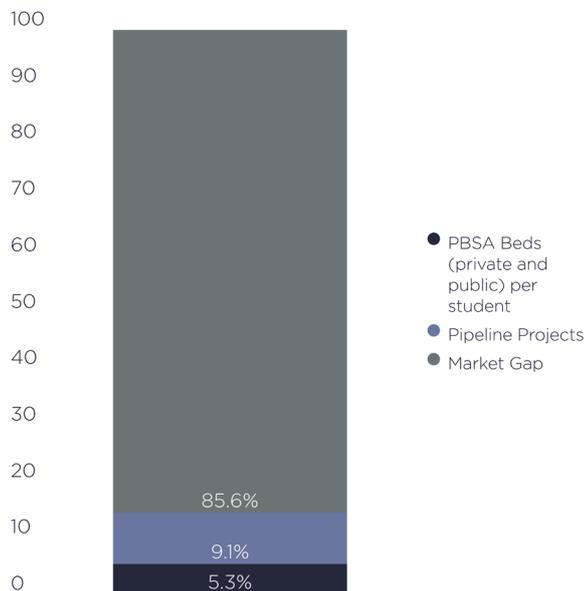
DISPLACED STUDENTS*3

Other*1 - Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

BRAGA PROVISION RATE



Source: Savills

BRAGA STUDENT HOUSING

Compared to the other cities mentioned in this report, Braga has a relatively small supply of student housing, generating a lower provision rate in relation to the number of international students. The only two operators offering student accommodations are state universities and private institutions (religious), having a total of 1,112 beds including free market rooms and apartments.

Universidade do Minho has two residence halls for their students, and Pastoral Universitária offers the remaining 14 beds. As the residence offered by Universidade do Minho is exclusively for the use of their students, most of the international students that come to study in Braga have to look for rooms or apartments in the free market.

PIPELINE PROJECTS

4 new projects to be completed by 2022

1,394+ beds in the coming years

From the four potential projects in Braga, three are the result of private operators' investments and one is being developed by the city council in partnership with the Universidade do Minho. The largest project in Braga will supply 600+ beds.

AVEIRO STUDENT HOUSING

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT AVEIRO?



GREAT CHOICE OF BARS AND NIGHTLIFE



EXCELLENT SUPPLY OF PUBLIC TRANSPORTS



GREAT COMMERCE OFFERING, WITH BOTH NATIONAL AND INTERNATIONAL STORES



VERY CHARACTERISTIC BEAUTY



SMALLER CITY



A CULTURE OF UNIVERSITY EVENTS, ESPECIALLY FOR NEWCOMERS



SAFETY

Located between Lisbon and Oporto, slightly closer to the North, Aveiro is known for being Portugal's Venice. It currently has a population of about 80,000 people, counting with 5 higher education universities and institutes and a total of 14,941 students, 14.7% of which are international. The city has excellent infrastructure in terms of road, train and maritime links. Being a very flat city, it is easy to walk or bike around the city, increasing people's quality of life and decreasing the cost of living.

The main industries in Aveiro are commerce and manufacturing. The city is very strong in the industrial sector and boasts a growing quantity of exports. Aveiro's municipality has strong objectives to develop projects such as the Parque da Ciência e Inovação da UA (the Scientific and Innovation Park, from the Universidade de Aveiro) and develop start-ups and incubators for new ideas to have a strong competitive advantage in the areas of technology, entrepreneurship and innovation.

AVEIRO TECH-CITY

Aveiro Tech city is an initiative created to develop innovative technologies to redefine people's work and daily lives in the city of Aveiro.

The goal is to join people, companies and investigation solutions to create a more connected and smarter city. Ultimately this initiative created by the city's municipality strives to design an economically competitive city, that is environmentally sustainable and where its inhabitants maintain their high quality of life.

One of their latest projects is "Aveiro STEAM City", whose goal is to create a smart city, attract and retain new talent, promote the update of current enterprises and develop the city's socioeconomic structure.

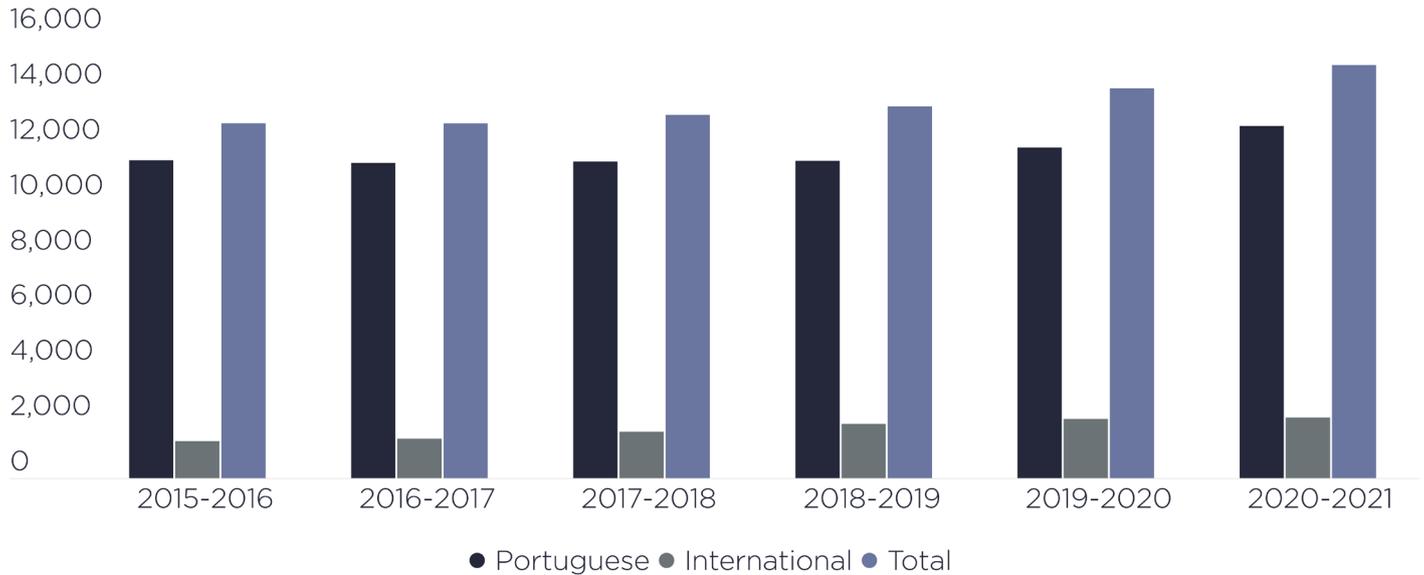
MAIN UNIVERSITIES

1. Universidade de Aveiro

2. Instituto Superior de Ciências da Informação e da Administração

3. Instituto Superior de Entre o Douro e Vog

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN AVEIRO



Source: DGEEC

TOP 5

STUDENT NATIONALITY IN AVEIRO (2020-2021)



BRAZIL
753



CHINA
142



CAPE VERDE
133



GUINEA BISSAU
123



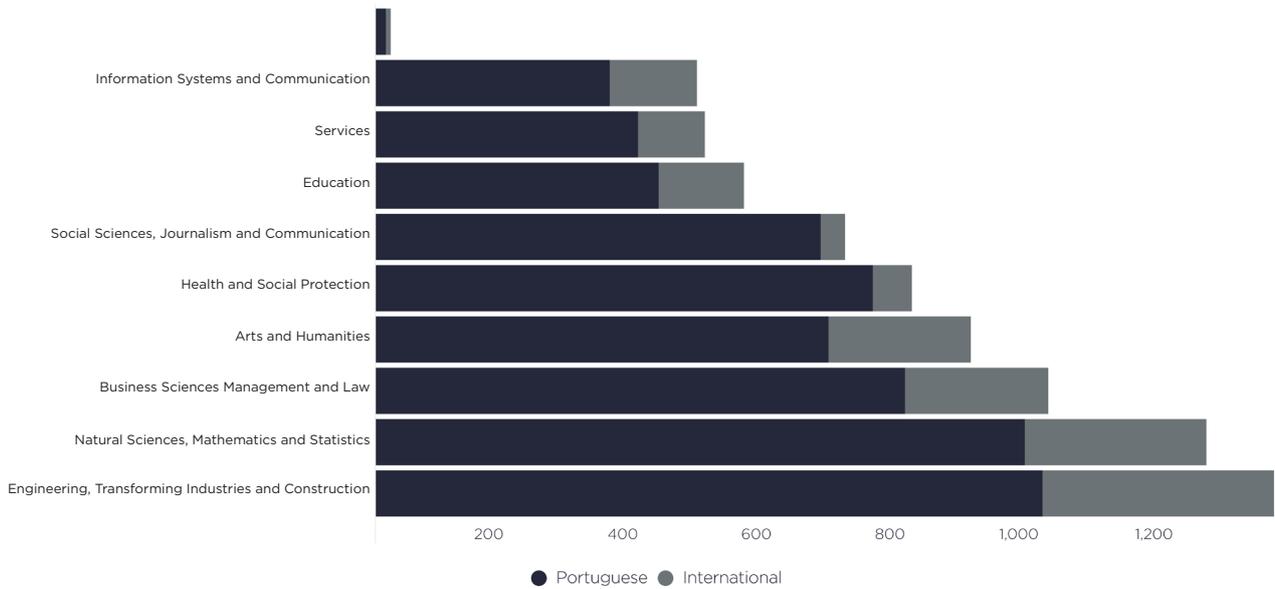
ANGOLA
107



AUTHOR: GREEN CHAMELEON | FONT: UNSPLASH

FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: INE

14,941

TOTAL STUDENT POPULATION

15%

INTERNATIONAL STUDENTS

54

Nº OF BEDS | PRIVATE PBSA

1,559

(80€ - 95€)

Nº OF BEDS | PUBLIC UNIVERSITY RESIDENCES

108

Nº OF BEDS | OTHER*1

14.4%

CURRENT PROVISION RATE*2

60%

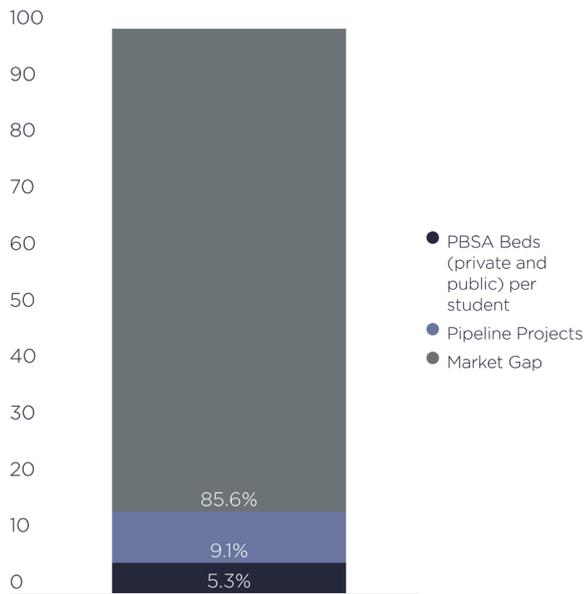
DISPLACED STUDENTS*3

Other*- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

AVEIRO PROVISION RATE



Source: Savills

PIPELINE PROJECTS

243 new beds supplied by private operators (PBSA)

Aveiro has only one confirmed project in the pipeline, a 243 units building to be developed by a private student housing operator.



AUTHOR: JESWIN THOMAS | FONT: UNSPLASH

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT ÉVORA?



MORE THAN 150 PROGRAMS IN TERMS OF BACHELORS, MASTERS' DEGREES, DOCTORATES AND POST-GRADUATE DEGREES IN THE AREAS OF ARTS, SOCIAL SCIENCES, SCIENCES AND TECHNOLOGY



EXCELLENT CONDITIONS FOR RESEARCH



PEOPLE'S HOSPITALITY



MORE THAN 1,500 INTERNATIONAL STUDENTS OF



EXCELLENT GEOGRAPHIC LOCATION



GREAT CLIMATE



HISTORIC CITY, WITH A VERY RICH CULTURAL OFFERING

ÉVORA STUDENT HOUSING

Founded in 1559, Évora is a small rural city located in Alentejo, with roughly 50,000 inhabitants. Its rich cultural offerings as well as preserved buildings have enabled it to gain the distinction of one of UNESCO'S World Heritage Sites since 1986, attracting many tourists to visit one of the most emblematic locations of Portugal. Located just 1h30m from Lisbon, Évora presents a very calm environment, where people are incredible welcoming to newcomers.

The Universidade de Évora was founded in 1537, being the 2nd University in Portugal.

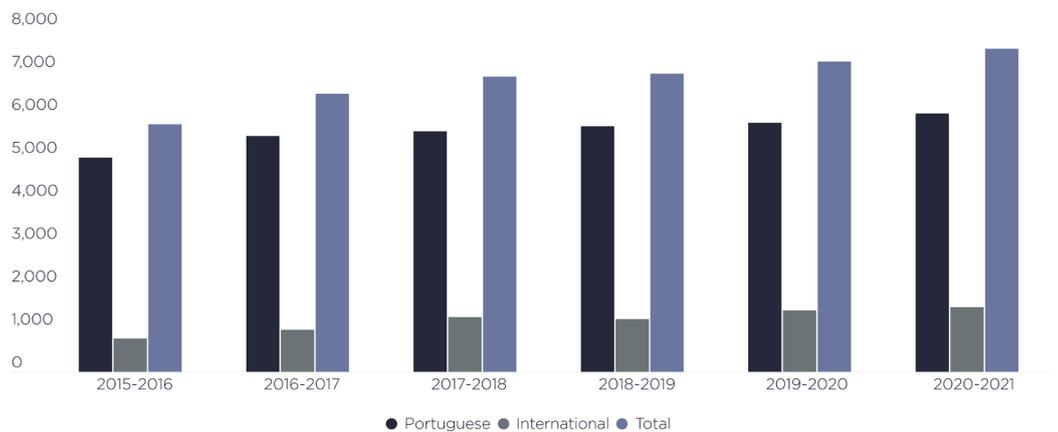
With an immense historical background, the university strives to maintain its past alive, praising its story and valuing its traditions.

Currently, the Universidade de Évora has 7,526 students, 1,507 of which are international, from 70 with different internship opportunities, together with a total of 18 units of investigation in several different fields, attracting not only international students, but also professors and researchers.

The Universidade de Évora has made several efforts through the years to attract foreign talent, creating alliances with international companies, research labs and other initiatives with the goal of building a strong and dynamic environment, attracting students from other countries into their campus.

The scientific faculty of the university is incredibly strong, having an excellent scientific corporation network in a range of different areas, from aeronautics to sustainability, to climate or health sciences.

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN ÉVORA



Source: DGEEC

Currently, there are only 7 residences in the market, supplied by the Universidade de Évora, with a total of 527 beds split into single and double rooms, and 20 rooms offered by Montepio ULive, both all assets are managed by private institutions. The residences offered by the university are part of the Ação Social da Universidade de Évora, a program that gives priority to the students with the SASUE scholarship.

They are all very close to the university campus and offer amenities such as study rooms, common rooms, shared kitchens, common spaces and self-service laundry rooms.

Montepio's residences have the same amenities. In terms of free market, Évora has 36 rooms available for university students to rent.

One of the main problems in Évora right now is the lack of supply and the lack of quality of the current offering, as residence halls have not yet been able to adapt themselves to the new needs of students, not only in terms of amenities and new considerations, but also in terms of design. There is a large gap in the market for new projects.

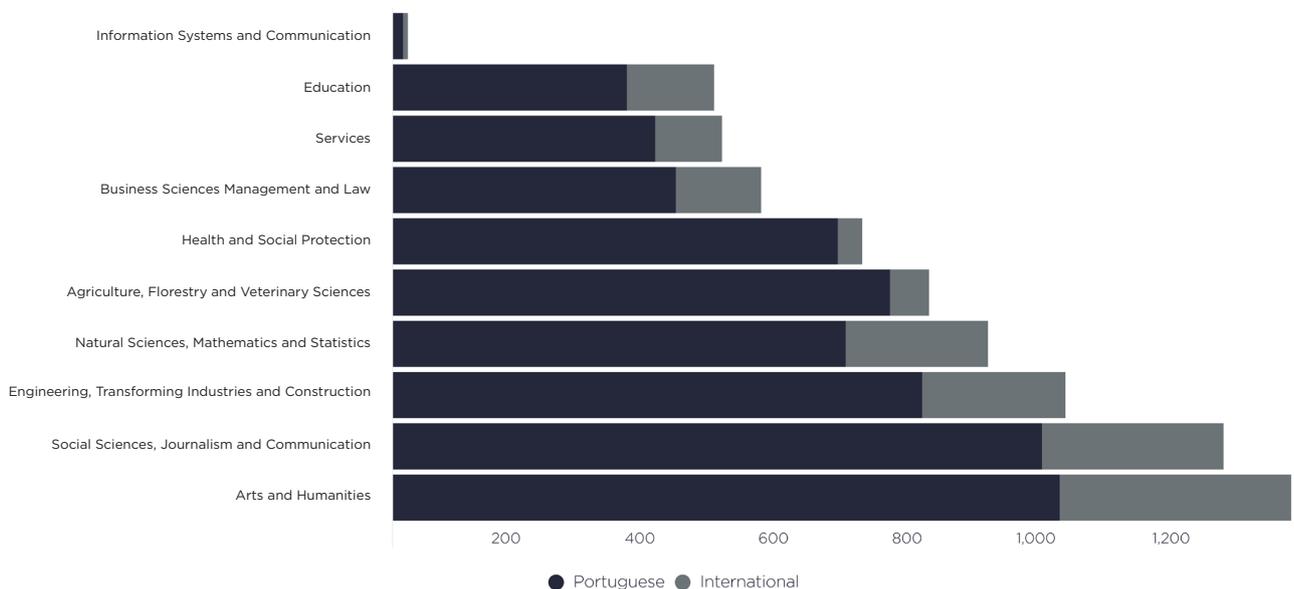
TOP 5

STUDENT NATIONALITY IN ÉVORA (2020-2021)



FIELDS OF STUDY

BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC

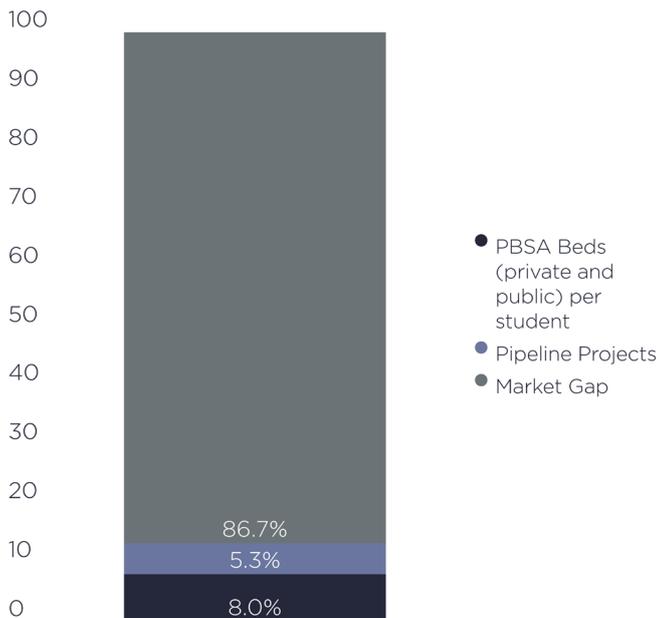
7,526	20%	71%	527 (80€ - 145€)	70	8%
TOTAL STUDENT POPULATION	INTERNATIONAL STUDENTS	DISPLACED STUDENTS*3	Nº OF BEDS PUBLIC UNIVERSITY RESIDENCES	Nº OF BEDS OTHER*1	CURRENT PROVISION RATE*2

Other*- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, per the number of mobile students.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

ÉVORA PROVISION RATE



Source: Savills Research

PIPELINE PROJECTS

ÉVORA
private operators

300+
new beds

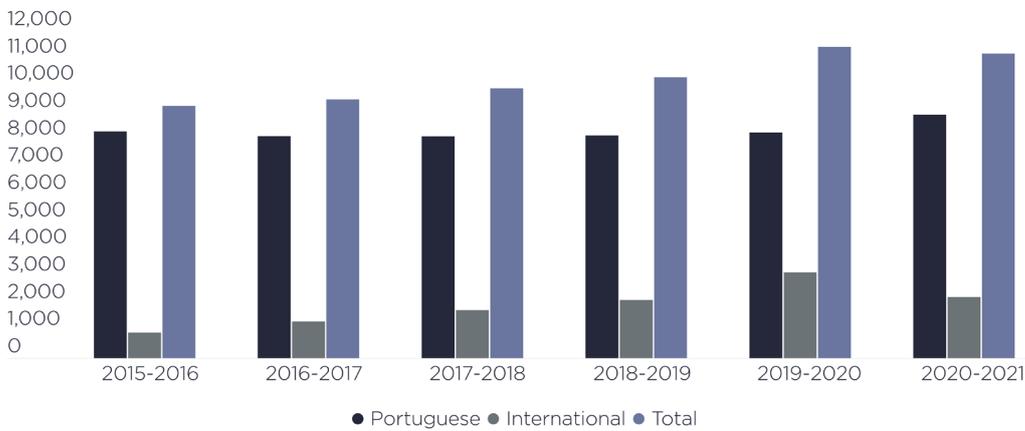
ÉVORA
Campus Residence

COVILHÃ STUDENT HOUSING

Covilhã is located in the North of Portugal, in the Castelo Branco district, close to the Serra da Estrela. It's proximity to nature and contact with the natural environment is one of its most attractive features for newcomers and tourists. It has a population of 26,000 people, 7,851 of which are enrolled in the Universidade da Beira Interior. One of Covilhã's main industries is wool manufacturing, mostly controlled by Translana, bringing many tourists to visit the "Rota da Lã" (wool

route), a project created to demonstrate and honour the industry throughout time. Even though Covilhã strives to maintain industries that make history come alive, they have also carried out several efforts to update themselves, attracting the younger population and achieving remarkable developments in areas such as research and development of new sectors, and technology.

EVOLUTION OF NATIONAL & INTERNATIONAL STUDENTS IN COVILHÃ



Source: DGEEC



AUTHOR: BROOKE CAGLE | POINT: UNSPLASH

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT COVILHÃ



STUDENTS FROM THE UNIVERSIDADE DA BEIRA INTERIOR HAVE A LARGE SENSE OF COMMUNITY, AND THE UNIVERSITY PROMOTES ACTIVITIES THAT SUPPORT STUDENTS' INCLUSION



ACCESSIBLE TUITION COST AND COST OF LIVING



STRONG TECHNOLOGICAL AND INNOVATIVE CAPACITY



CULTURAL OFFERING OF THE CITY



PARKURBIS AND THE OPPORTUNITIES THAT IT PRESENTS

WHAT IS ATTRACTIVE FOR STUDENTS ABOUT COVILHÃ



SAFE - SISTEMA DE APOIO A FUTUROS ESTUDANTES - A LARGE NETWORK THAT SUPPORTS INCOMING STUDENTS, MAKING THEIR ADAPTATION EASIER BY HELPING THEM FIND A PLACE TO LIVE AND INTEGRATE IN THE UNIVERSITY COMMUNITY



EXCELLENT ACADEMIC ENVIRONMENT, WITH A HIGH NUMBER OF STUDENTS ENROLLED IN UNIVERSITY, AND MANY ACTIVITIES THAT PROMOTE THE UNIVERSITY'S SPIRIT



GREAT GEOGRAPHIC LOCATION, CLOSE TO SERRA DA ESTRELA AND IN CLOSE PROXIMITY TO NATURE



GREAT UNIVERSITY CAMPUS, WITH HIGH-TECH LABS AND STUDYING FACILITIES

TOP 5

STUDENT NATIONALITY IN COVILHÃ (2020-2021)



BRAZIL
706



CAPE VERDE
389



GUINEA BISSAU
284



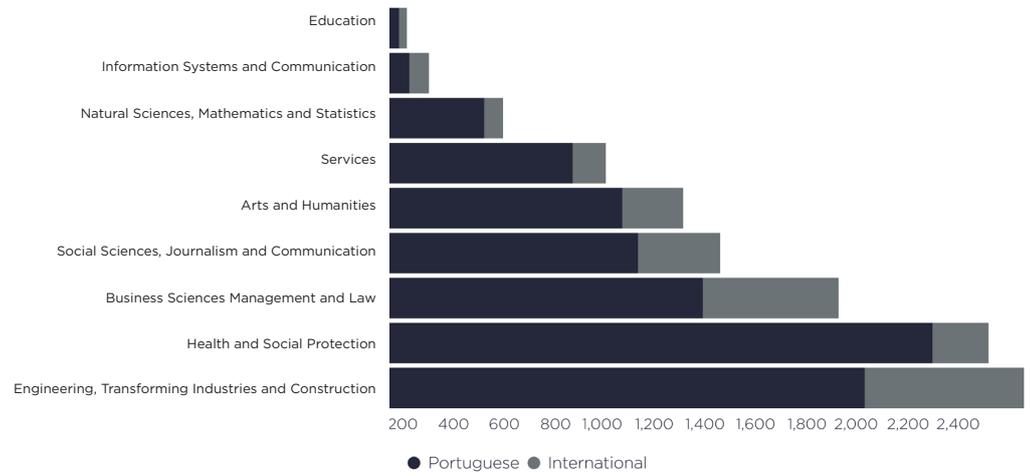
ANGOLA
286



SÃO TOMÉ E PRÍNCIPE
241

FIELDS OF STUDY

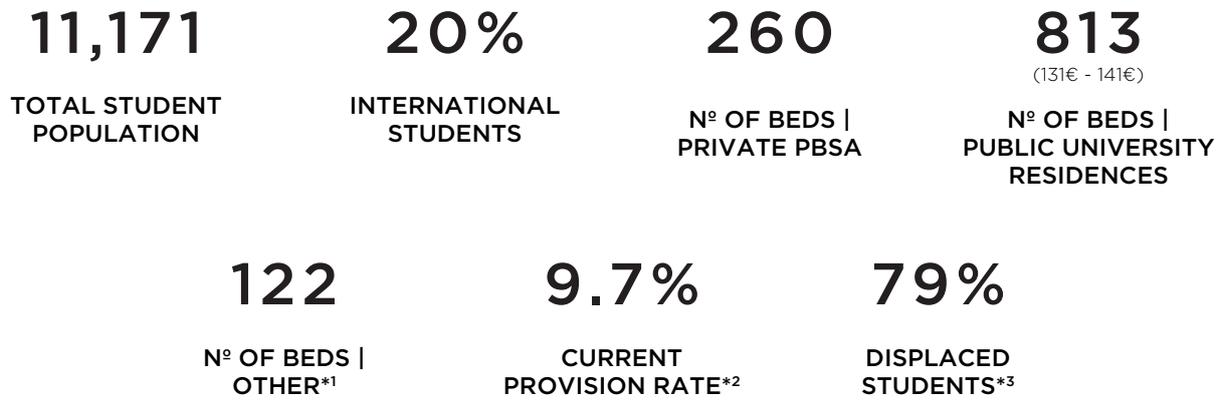
BY NUMBER OF NATIONAL AND INTERNATIONAL STUDENTS (ACADEMIC YEAR 2020-2021)



Source: DGEEC



AUTHOR: BROOKE CAGLE | FONT: UNSPLASH



Other*- Include the following categories: Private Institutions; Private University Student Residences; Student Apartments Operators; Private rooms of entire flats placed in the traditional rental market.

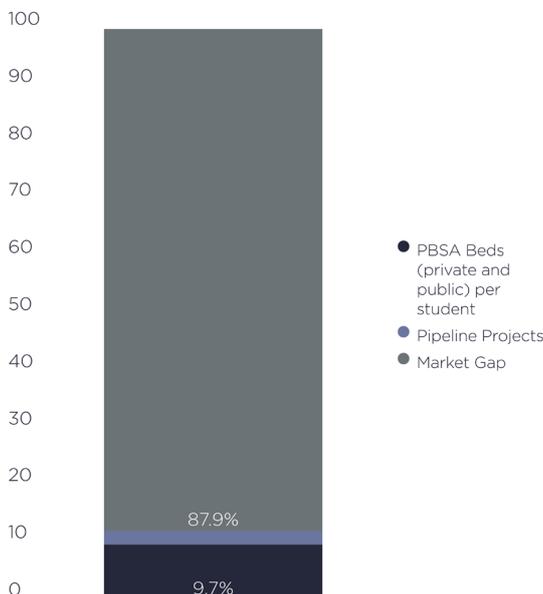
*2 The current provision rate only considers the number of beds in private PBSA's and in public university residences, not considering the other supply.

*3 Total number of students attending educational establishments that are located more than 50 km away from the household's permanent residence.

29M€ investment
260+ beds
COVILHÃ
Royal Prime private operator

There is currently one project in Covilhã's pipeline, aiming to provide more than 260 beds in a 25,000 sqm complex, in front of the Faculdade de Ciências e Saúde. The residence isn't exclusively for students, as Royal Prime's goal is also to provide housing for teachers, investigators and people that come to the university for shorter periods of time. Its amenities will include a library, cafeteria, washing room and a cinema room, as well as much more.

COVILHÃ PROVISION RATE



Source: Savills Research



Savills Commercial Research

We provide bespoke services for landowners, developers, occupiers and investors across the lifecycle of residential, commercial or mixed-use projects. We add value by providing our clients with research-backed advice and consultancy through our market-leading global research team.

Patrícia de Melo e Liz
Chief Executive Officer
+351 21 313 9000
patricia.liz@savills.pt

Paulo Silva
Head of Country
+351 21 313 9000
paulo.silva@savills.pt

Paula Sequeira
Director Consultancy
+351 21 313 9000
paula.sequeira@savills.pt

Horacio Blum
Associate Director, Investment
+351 21 313 9000
horacio.blum@savills.pt

Alexandra Portugal Gomes
Head of Research
+351 21 313 9000
alexandra.gomes@savills.pt

Eri Mitsostergiou
Commercial
+30 (0) 694 650 0104
emitso@savills.com

Lydia Brissy
Commercial
+33 (0) 624 623 644
lbrissy@savills.fr

Marcus Roberts
Director, Operational
Capital Markets
+44 (0) 207 016 3799
mike.barnes@savills.com

Dominic Orchard
Senior Surveyor, Operational
Capital Markets
+44 (0) 20 7330 8611
dominic.orchard@savills.com