

Masters House

C A M B R I D G E

Purpose-Built Student Accommodation Investment Opportunity



**Freehold PBSA
Investment Opportunity**

Cambridge



INVESTMENT SUMMARY

A rare opportunity to acquire a freehold purpose-built student accommodation (PBSA) investment asset in Cambridge, a globally recognised university city.

- Cambridge is one of the UK's most prestigious Russell Group university cities, ranking =4th in The Times Good University Guide 2027 and 6th in the QS World University Rankings
- The **current rent is £481,861 per annum** and benefits from annual CPI rent reviews with a collar of 0.5% and a cap of 2.5%, with the **next review due on 22nd August 2026 with rent due to rise to £493,908**
- 100% en-suite student accommodation asset providing 80 bedrooms**
- Situated 5-minutes' cycle or 15-minutes' walk (0.7 miles) from Cambridge city centre
- Fully let on a **25-year lease** to Cambridge Education Group Limited ("CEG"), expiring 31 August 2039, with a tenant only break option in 2029
- Cambridge has approximately 48,000 full-time students with private PBSA accounting for just 5% of total full-time student supply, with a very limited pipeline and a student-to-bed ratio of 2.53x
- Cambridge Education Group have a Dun & Bradstreet rating of **4A1**, representing a **'Minimum Risk' of Business Failure**
- Potential **value-add opportunity** through comprehensive refurbishment upon either lease break in 2029 or expiry in 2039



External elevation

LOCATION

Cambridge is one of the most internationally recognised university cities with a rich academic heritage. The city has two higher education institutions (“HEIs”) – the University of Cambridge and Anglia Ruskin University, alongside a broad network of colleges, specialist schools, and international education providers.

The University of Cambridge continues to be ranked among the UK’s leading institutions, coming in 4th in the Times Good University Guide 2027.

Cambridge is widely recognised as a major commercial centre and one of the world’s leading high-technology clusters. The city has undergone a significant transformation over the past two decades and now plays a pivotal role in the UK economy as a dynamic hub for research and development.

Cambridge is situated 62 miles north of London, with excellent transport links, providing access across the UK.



Road: M11 motorway connects Cambridge to London and the wider motorway network across the UK.



Rail: Cambridge railway station to London King’s Cross in as little as 50 minutes.



Air: Stansted Airport is ~28 miles south of the city and serves over 180 destinations across Europe and Asia.

The city’s strategic proximity to London, combined with its state-of-the-art laboratory and office infrastructure, has attracted many of the world’s most influential corporations.

This corporate presence is anchored by the AstraZeneca Global HQ and the Cambridge Biomedical Campus. These institutions have bought thousands of high-skilled professionals to the area, further cementing the city’s status as a premier destination for international investment and innovation.

KEY EMPLOYERS



Trinity Lane



King's College Chapel



DISC - AstraZeneca



Bridge of Sighs, St John's College



New Court, St John's College



Gonville & Caius College

CONNECTIVITY

Private PBSA

1	Castle Hill
2	Student Castle Cambridge
3	Anglia House
4	Queen Anne House
5	The Cam Foundry
6	CB1
7	The Railyard

Key University Colleges

1	Fitzwilliam College
2	St Edmund's College
3	Churchill College
4	Magalene College
5	St John's College
6	Lucy Cavendish College
7	Jesus College

Other Key Points of Interest

1	University of Cambridge
2	Anglia Ruskin University
3	Cambridge Market Square
4	The Fitzwilliam Museum
5	Senate House
6	Mill Road
7	The Grafton Centre
8	The Grande Arcade
9	Midsummer Common
10	Jesus Green
11	Cambridge University Botanic Garden



Map for illustrative purposes only. For a detailed map of University of Cambridge Colleges, please visit [The University Map](#)

CAMBRIDGE STUDENT MARKET

Cambridge is a globally recognised university city, home to the University of Cambridge which is ranked 6th best university globally. The city has a total of approximately 48,000 full-time students.

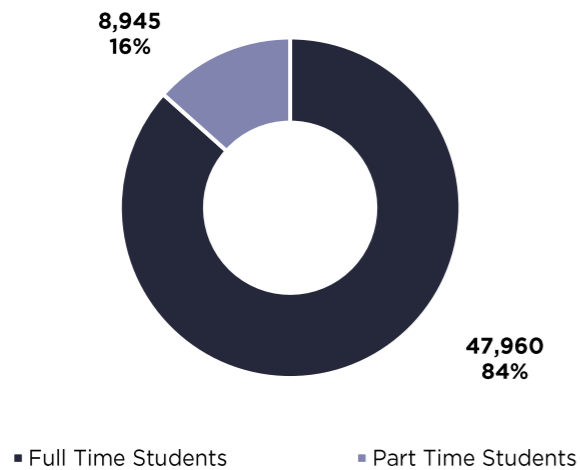
Cambridge Demand

Cambridge is considered one of the most prestigious and desirable student destinations in the world. It offers strong employment prospects, making it a destination of choice for both domestic and international students. Cambridge is home to 2 Higher Education Institutions, including University of Cambridge, member of the Russell Group. The world-renowned city has a total student population of over 56,000; 84% of which study full-time, equating to a total full-time student population of just under 48,000. 27% of Cambridge's total full-time student population are international, whilst 27% of full-time students are postgraduate, both key target groups for PBSA in the city.

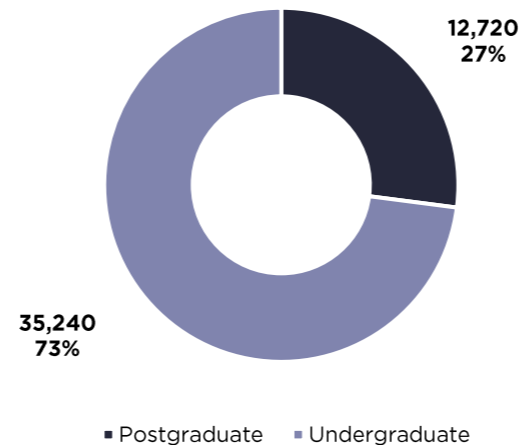
Total full-time student numbers have increased by 46% over the past 10 years. This growth has been driven by a significant increase in international students, with non-EU student numbers achieving a compounded annual growth rate of 8.00%.

There are currently just under 22,000 PBSA beds in Cambridge, resulting in 54% of the total full-time student population unable to access PBSA. There is an under supply of PBSA beds in Cambridge, with approximately 25,000 full-time students unable to access PBSA, reflecting a student-to-bed ratio of 2.18x.

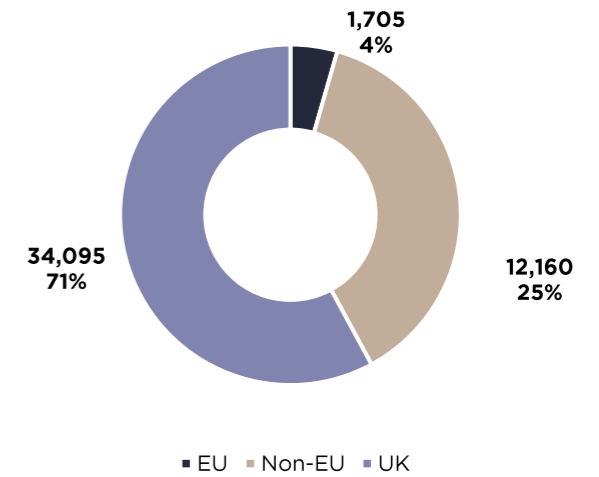
FT Student Breakdown by Type of Study



FT Student Breakdown by Type of Degree



FT Student Breakdown by Domicile



CAMBRIDGE STUDENT MARKET

Cambridge PBSA Supply

PBSA provision across Cambridge is weighted towards university provision, with a total of 19,308 university bed spaces and 2,669 private beds. This equates to 39% and 5% of the total full-time student population. Further analysis reveals that the top five private operators in the city collectively control 79% of all private beds.

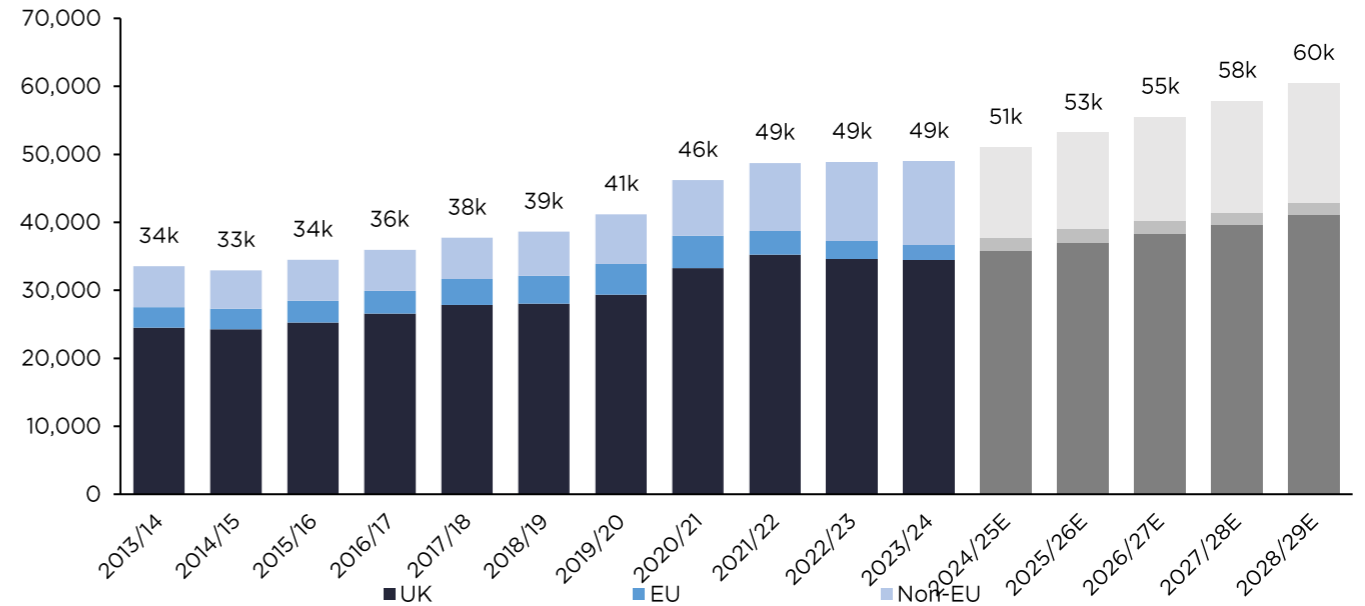
Cambridge Pipeline

There are currently 927 beds in the planning pipeline throughout Cambridge, which represents a potential increase of 2% compared to existing supply. However, even if all these beds were completed, 52% of current full-time students would still be unable to access PBSA in Cambridge.

The PBSA development pipeline is separated into various stages. 47.5% are at planning application stage, 37.6% have obtained planning permission and the remaining 14.9% are currently under construction.

Looking forward, even if all the beds in the pipeline are delivered, there is still expected to be an increase in the student-to-bed ratio to 2.60x by 2028/29, compared to 2.18x currently.

Full Time Student Growth - Historic & Forecast



Cambridge Planning Pipeline

Site Name	No. Beds	Status	Estimated PC	Applicant / Owner	Comments
Mount Pleasant, St Johns College	132	Under Construction	2026	St John's College	Opening in Sept-26
Scholars View, Neal Drive, CB4 2WS	138	Under Construction	2026	Marchingdale Developments Limited	Opening in Sept-26
Barnwell Gate, 444 Newmarket Road, CB5 8JL	154	Permission	2028	Future Generation	Secured permission in 2019
Huntingdon Road, Girton College, CB3 0JG	405	Outline Permission	2029	Girton College	Outline application

PROPERTY DESCRIPTION



ACCOMMODATION:

80 ensuite bedrooms with shared kitchens, private courtyard and on-site laundry



EXTERNAL AREAS:

Brick-paved throughout with timber-framed shelters and bike storage



LOCATION:

North of Central Cambridge, accessed from Greengate Road and adjacent to ALDI supermarket



HISTORY:

Understood to have originally been constructed in 1997, refurbished in 2015



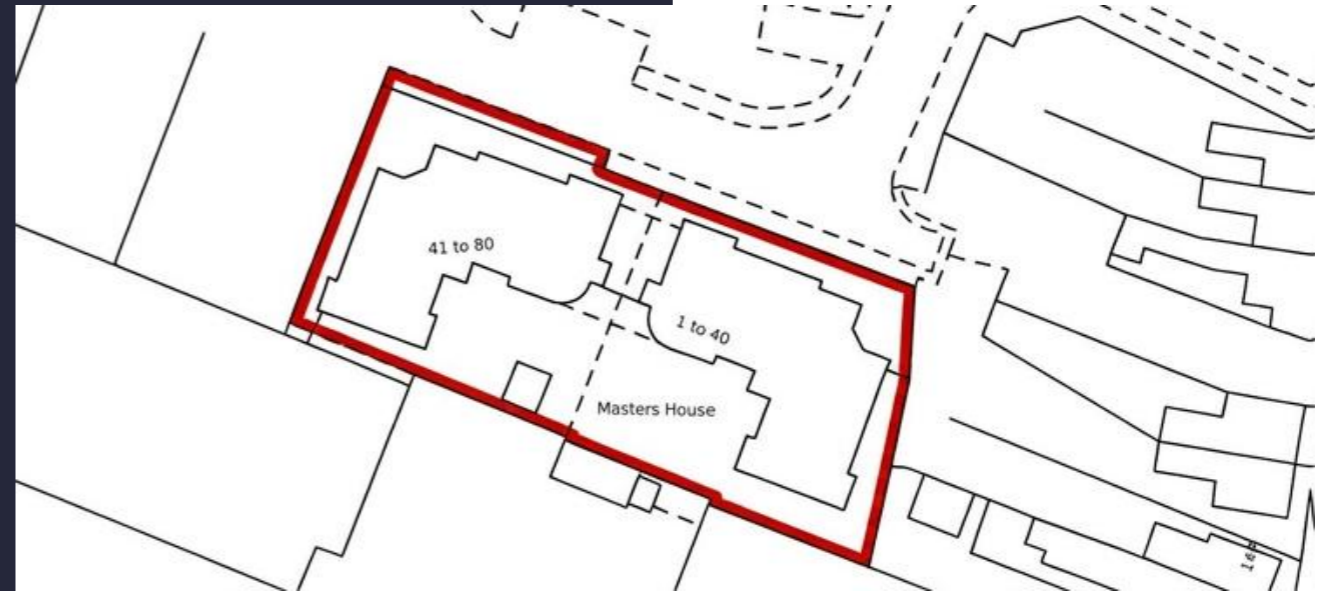
LAYOUT:

Ground plus two upper floors, divided into east and west wings with external access to the rear (below 18m in height)



LEASE:

Fully let on a lease to Cambridge Education Group. Expires 2039 with a 2029 tenant only break option



Outdoor Bike Shelter

80

Bedrooms

2015

Refurbished

2029

Tenant Only
Break Option

8

Minutes from
City Centre¹

1,852

Sq. M

2039

Lease Expiry



Single Ensuite Bedroom



Single Ensuite Bedroom



Shared Cluster Kitchen



Shared Cluster Kitchen



Outdoor Courtyard



Single Ensuite Bedroom

INCOME SUMMARY

The property is let on a 25-year lease to Cambridge Education Group Limited with lease expiry in 2039 and tenant-only break option in 2029.

Cambridge Education Group (“CEG”) is a UK-based private education services company, specialising in international access to higher education, pathway programmes and university services. CEG is not a conventional university itself, instead provides many international students a route into partner universities.



Cambridge Education Group (“CEG”) is an international education business that has been partnering with universities and institutions around the world since 1952. It delivers academic services tailored to the needs of international students.

CEG operates through four key divisions: **OnCampus**, which provides pathway programmes giving international students access to undergraduate and postgraduate degrees at UK and European universities; **CEG Digital**, which partners with UK universities to deliver flexible online and blended courses globally; **iheed**, which specialises in online medical education developed with leading medical universities; and **CEG Services**, which offers campus management, recruitment, admissions support, and accommodation services to educational institutions. The group’s university partners include institutions such as King’s College London and the University of Southampton.

CEG has a Dun & Bradstreet rating of 4A1, indicating a minimum risk of business failure. The most recent financial groups are summarised as follows:

	Fiscal Consolidated 31 Aug 2024	Fiscal Consolidated 31 Aug 2023	Fiscal Consolidated 31 Aug 2022
Sales Turnover	£72,072,000	£69,270,000	£50,823,000
Underlying EBITDA	£41,279,000	£41,566,000	£30,748,000
Profit / (Loss) Before Taxes	£3,340,000	£5,823,000	£3,253,000

Key Lease Terms

Landlord	Cambridge Masters Limited (a Jersey company)
Tenant	Cambridge Education Group Limited (Company No.: 06020370)
Property	147A and 149A Histon Road, Cambridge, CB4 3GY (Masters House)
Permitted Use	Residential accommodation for school pupils or students in higher/further education only
Term	25 years
Start Date	1 August 2014
End Date	31 August 2039
Initial Rent (Sept 2014)	£375,000 per annum (subject to RPI review)
Current Passing Rent (Sep 2025)	£481,861.17 per annum (as of August 2025, Index Rent equals 375,000 * (406.2 / 256) = £595,019.53)
Rent Payment	Monthly in advance
Rent Review	RPI-linked, upward only, collar of 0.50% and cap of 2.50%
Break Clause	Tenant only, 1 September 2029, on 12 months' notice, subject to vacant possession and no rent arrears
Insurance – Building	Landlord’s responsibility
Insurance – Contents	Tenant’s responsibility (minimum £3m public liability)
Repairs	Tenant responsible throughout the term
Decoration	Tenant must redecorate in last 3 months of term to Landlord’s satisfaction
Alterations	Internal non-structural alterations permitted; structural/external require Landlord consent
Assignment/Underletting	Permitted with Landlord consent (not to be unreasonably withheld)
Group Sharing	Permitted without Landlord consent
Security of Tenure	Excluded from Landlord and Tenant Act 1954 (no right to renew)
Yielding Up	Good repair, vacant possession, all chattels removed

COMPARABLE RENTS

	Operator	Year Opened	No. Beds	Room Type	AWR AY26/27	Av. Room Size	
1	Castle Hill	Abodus	2017	102	Classic Ensuite	£265	12sqm
2	Student Castle	Student Castle	2016	212	Classic Ensuite	£299	16sqm
3	Anglia House	Yugo	2019	219	Standard Ensuite	£240	14.5sqm
					Classic Ensuite	£255	14.5sqm
					Premium Ensuite	£260	15sqm
					Deluxe Ensuite	£270	-
4	Stellaris	Prestige Student Living	2026	140	Classic Ensuite	£207	13.6sqm
					Classic Plus Ensuite	£217	13.5sqm
					Premium Ensuite	£260	13.6sqm
					Premium Plus Ensuite	£270	17.1sqm
5	Scholars View	Prestige Student Living	2026	145	Classic 8-Bed Ensuite	£200	15.4sqm
					Accessible Ensuite	£225	17.4sqm
					Classic 5-Bed Ensuite	£240	16sqm
					Premium 8-Bed Ensuite	£240	14.5sqm
					Premium 8-Bed Plus Ensuite	£250	20.6sqm
6	Queen Anne House	YMCA Trinity Group	2017 (refurb)	33	Ensuite	£185	-
					Non-Ensuite	£171	-



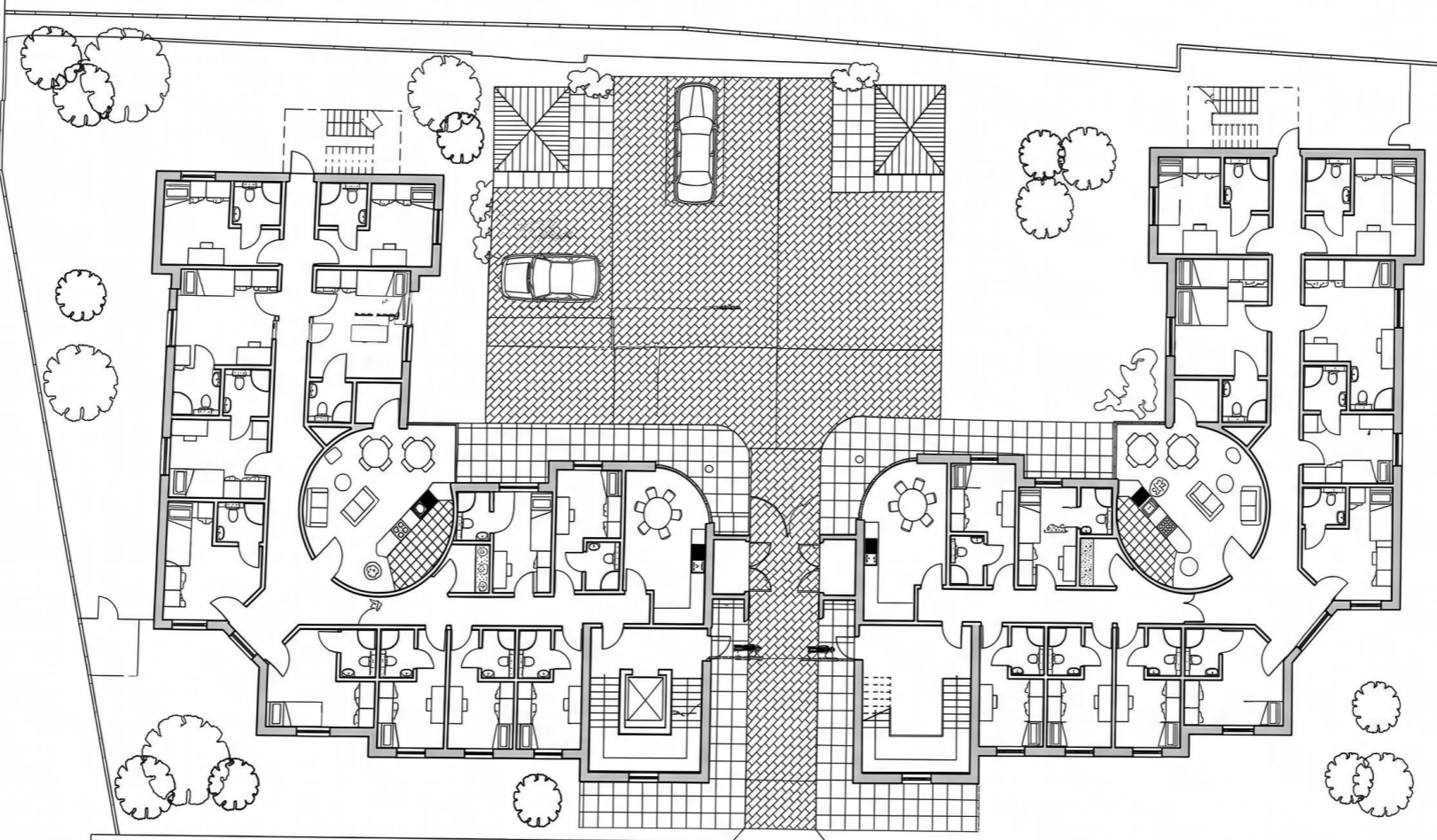


Aerial view of property



External Courtyard

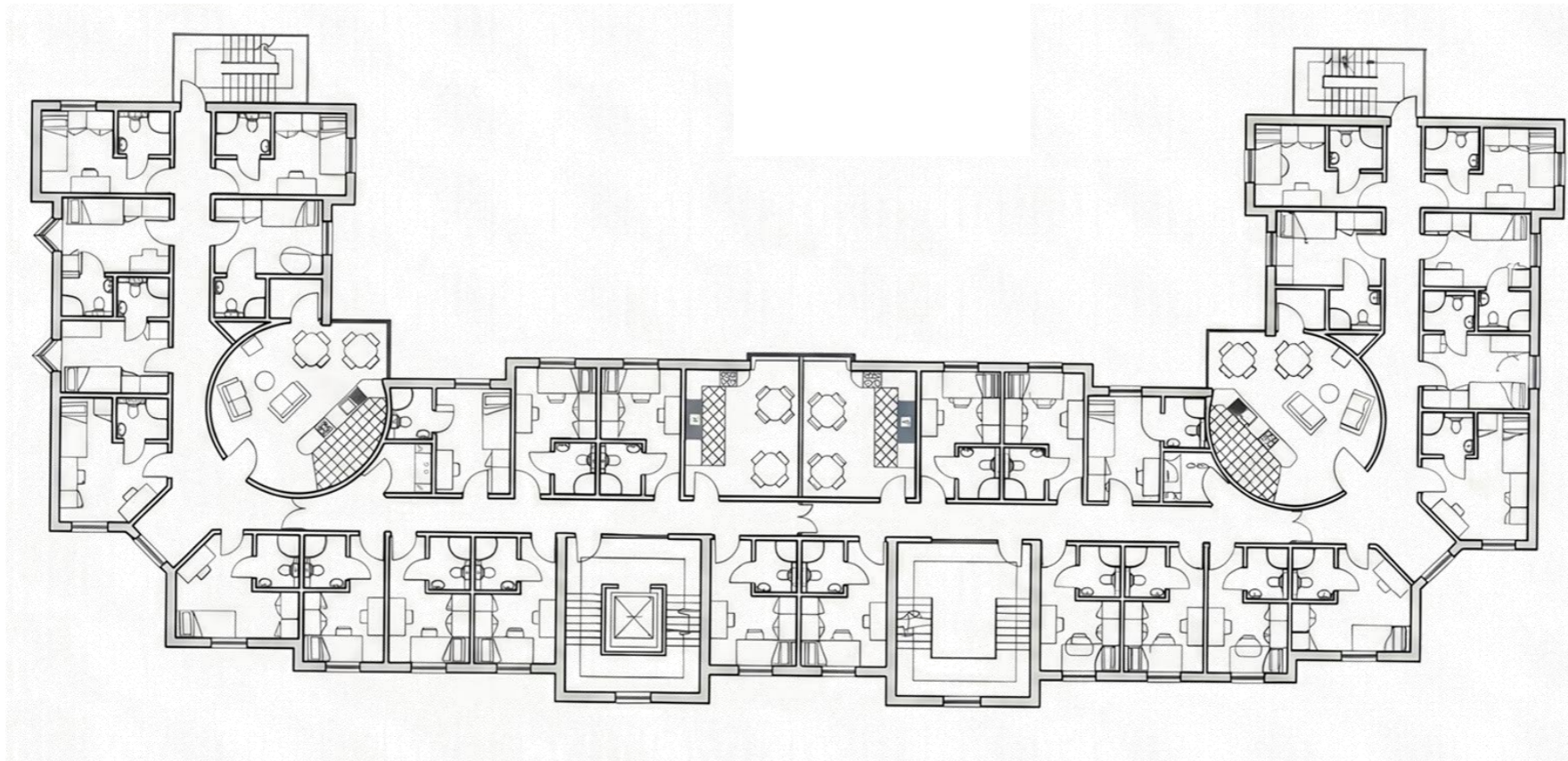
FLOORPLANS



GROUND FLOOR

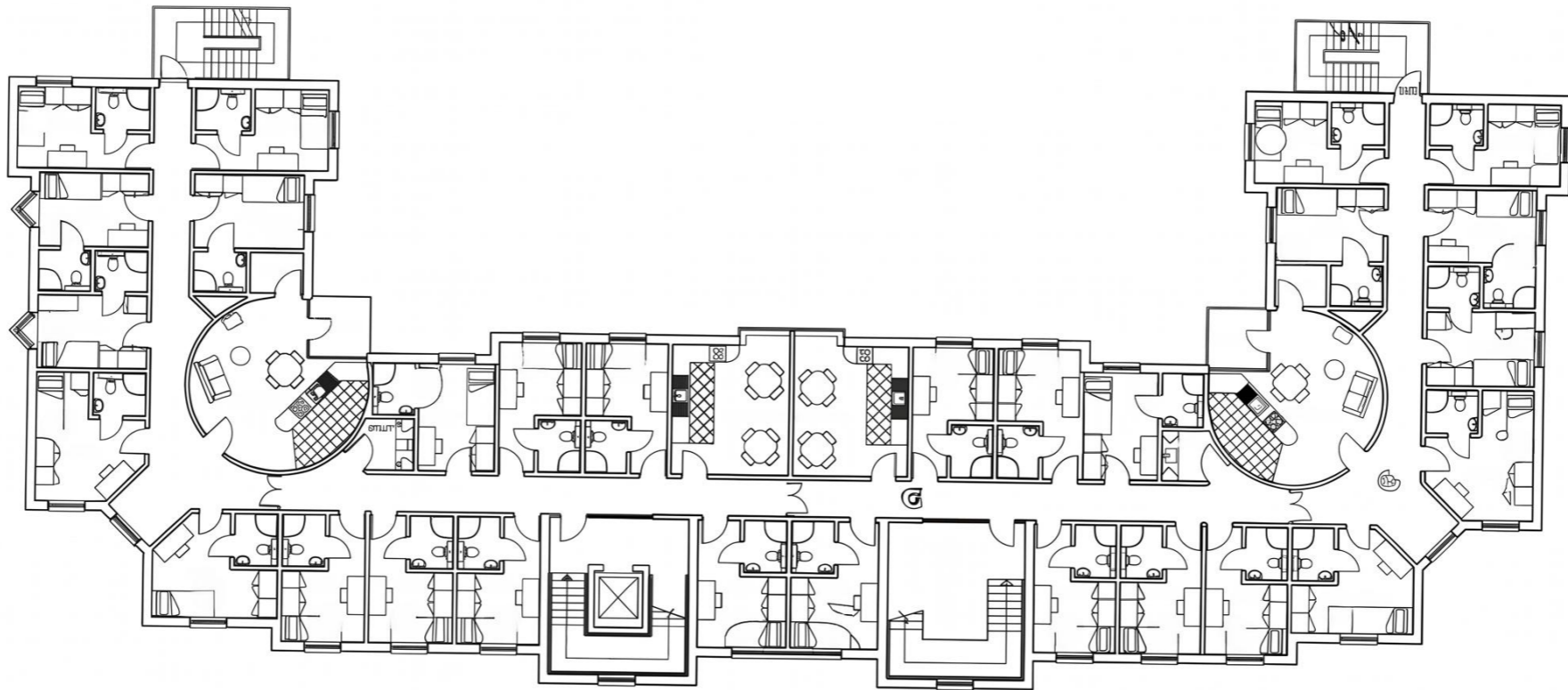
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FLOORPLANS



FIRST FLOOR

FLOORPLANS



SECOND FLOOR

PROCESS INFORMATION

TENURE

The Property is held freehold.
The Property is held in a Jersey based SPV.

ENERGY PERFORMANCE CERTIFICATES

EPCs can be viewed and downloaded from the data room.

VAT

The Property is not elected for VAT.

METHOD OF SALE

The Property is for sale by way of Private Treaty; however, we reserve the right to conclude the marketing process by way of an Informal Tender process.

AML

A successful bidder will be required to provide information to satisfy the Anti Money Laundering requirements when Heads of Terms are agreed.

VIEWING INFORMATION

Viewings can be made by contacting a member of the team at Savills.

DATA ROOM

Further information can be found in the data room using the following link: [Masters House Data Room](#)

PROPOSAL

Offers are invited in excess of £7,500,000 (Seven Million Five Hundred Thousand Pounds) which reflects a low capital value per bed of £93,750, subject to contract and exclusive of VAT.

A purchase at this level reflects an attractive net yield of 6.47% based on the 26/27 income assuming 1.80% purchaser costs.



CONTACT

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