

Capstone and Harrison Street provide capital to student housing project

May 30, 2017 By [Iris Dorbian](#)

Capstone Development Partners and Harrison Street Real Estate Capital have provided equity financing to a student housing facility at Seattle University. The total development cost of the project is about \$50 million.

PRESS RELEASE

Birmingham, AL and Chicago – May 30, 2017 – Capstone Development Partners (www.capdevpartners.com) (“Capstone”) and Harrison Street Real Estate Capital (“Harrison Street”), one of the largest private equity firms focused on real estate investments dedicated to the education, healthcare and storage sectors, today announced they have successfully closed on an equity financing for an on-campus mixed-use student housing facility (the “Project”), including 300 student housing beds on a gateway site on the Seattle University (“SU”) campus. This financing was completed under Capstone and Harrison Street’s P3+ development model, an innovative standard of Public-Private partnership that provides colleges and universities nationwide unparalleled flexibility and control to develop on-campus, equity-based student housing facilities.

The Project will have a total development cost of approximately \$50 million. The new 143,000 sq. ft. mixed-use student housing facility, which is already under construction and scheduled to open in August 2018, will include over 16,000 sq. ft. of office space to be used as SU administrative offices, such as University Enrollment Services. This building will house SU junior and senior undergraduates and also serve as a campus gateway, serving as the starting point for all campus tours by prospective students and their families.

“We are pleased to partner with Seattle University to provide both a new space for their enrollment services’ functions as well as a high quality, on-campus, affordable housing option for students. These students would otherwise have to rent market rate housing throughout the surrounding neighborhoods around campus or long distances away in the greater Seattle area. The price point for those options continues to escalate at a rapid pace and we are pleased to offer a more stable rent structure in a beautiful, apartment style option on a gateway corner of the SU campus” said Bruce McKee Capstone Principal and SU Project Executive.

Chris Merrill, Co-Founder, President and CEO of Harrison Street, said, “We are excited to be supporting Seattle University in its efforts to bring this state-of-the-art and multi-use facility to the SU campus and community. We continue to see strong opportunities to implement the successful P3+ model across colleges and universities nationwide, and through this model, are committed to providing an innovative and flexible approach to financing and developing much-needed high-quality on-campus facilities.”

“This is an exciting project for Seattle University because it goes a long way toward meeting demand for on-campus student housing while providing a new gateway at a highly desirable intersection in one of Seattle’s most vibrant neighborhoods,” said Fr. Stephen Sundborg, President. “I’m grateful for the innovative development model that Capstone and Harrison Street offered to make this project possible.”

This represents the third Capstone-Harrison Street strategic partnership and second in Seattle, having successfully delivered a student housing development for another Seattle college in 2015. The new SU student housing project is being designed by Ankrom Moisan Architects and constructed by Howard S. Wright, a Balfour Beatty Company.

Capstone & Harrison Street have entered into a ground lease with SU. The management of the project will be a creative collaboration between SU Housing & Residence Life, which will provide residence life programming services, with Capstone-Harrison Street providing asset management, and Blanton Turner providing facility maintenance services, all in a shared governance approach.

About Capstone Development Partners

Capstone Development Partners, LLC is a Birmingham, Alabama based student-housing developer whose principals have for 26 years been leaders in the higher education student housing industry, specializing in the development of on-campus and campus-edge student housing through Public Private Partnerships. Since the Capstone Companies’ first on-campus student housing project opened in 1997, Capstone has partnered with over 60 public and private colleges and universities, delivering over 52,000 beds nationwide. For more information please visit www.capdevpartners.com.

About Harrison Street Real Estate Capital

Harrison Street Real Estate Capital LLC is one of the leading real estate investment management firms exclusively focused on the Education, Healthcare and Storage sectors. The firm has created a series of differentiated investment strategies across multiple risk/return platforms. Headquartered in Chicago with an office in London, the firm employs a 95+ person team and has approximately \$12.2 billion in assets under management. For more information, please visit www.harrisonst.com.