# Fusion Group secures £500 million loan to develop over 3,100 student beds across UK cities



Privately owned student accommodation developer and operator Fusion Group has secured a substantial £500 million whole-loan facility from pan-European real estate financier Maslow Capital to fund the development of five purpose-built student accommodation (PBSA) schemes across key UK cities. This financing package is among the largest single-lender debt arrangements in the UK PBSA sector, reflecting the robust demand for well-located student housing amid a market where supply continues to lag behind demand.

The five schemes, with a combined total of 3,138 beds, are located in Birmingham, London, Loughborough, Glasgow, and Cardiff. All have secured planning permissions and are slated for completion between 2027 and 2028. Fusion Group will operate these assets under its management platform, which promises well-appointed environments featuring dedicated study spaces, fitness and wellness zones—including padel courts, gyms, and yoga studios—private dining facilities, and landscaped outdoor areas. Such amenities underscore a growing trend in the sector prioritising not only accommodation but also lifestyle and wellbeing facilities for students.

Maslow Capital, part of the Arrow Global Group with more than £8.7 billion funded across real estate projects, played a pivotal role in structuring the facility. Senior Director of Origination, Sky Mapson, highlighted that packaging a single £500 million facility across multiple schemes provided Fusion with the necessary financial leverage to deliver an ambitious development pipeline. Fusion itself has a strong track record, having delivered over 6,000 beds and holding a secured pipeline valued at £2.2 billion in gross development value, with plans expected to finally deliver upwards of 11,000 PBSA beds across London and wider UK locations.

The UK PBSA sector continues to flourish despite broader market challenges, with investment reaching £3.5 billion in 2024—marking a 13% rise from the previous year and close to an average of £4.9 billion annually over the past five years, according to Savills. This steady investment flow is fuelled by significant transactions, such as the sale of the 1,014-bed One Medlock in Manchester and the acquisition of the 836-bed Triangle site in Selly Oak by Greystar. London has also witnessed notable deals, including the sale of Kings Place (444 beds) to Unite Group, and the acquisition of Blackfriars Crown Court by iQ Student Accommodation and Blackstone. Regionally, portfolio sales in Bournemouth and Cardiff to Generation Partners, backed by Goldman Sachs, further illustrate ongoing investor confidence.

These developments tap into growing student populations in their respective cities. For instance, the Cardiff scheme—Longcross Court—with planning approval for 706 beds, is designed to meet a rising demand driven by a 73% increase in international students since 2012/13. The scheme aims for BREEAM Outstanding certification, incorporating renewable energy technologies such as air source heat pumps and photovoltaic panels, reflecting increasing environmental standards within the sector. Longcross Court will also enhance the public realm by replacing a largely vacant commercial building, adding a café and creating landscaped spaces to integrate with the local community.

In Glasgow, Fusion's £76 million Sauchiehall Street development, which received a ‘minded to grant’ approval, will provide 619 beds while supporting the regeneration of a key city centre location. The project will restore the historic arcade route through to Renfrew Street and add 9,500 square feet of commercial space. Adjustments were made to respond to community concerns by reducing the building’s height and increasing affordable accommodation to 15%, signalling a commitment to local integration and sustainability.

Meanwhile, in London’s Brent Cross Town, Fusion Group has partnered with Cheyne Capital on a £275 million PBSA scheme due to submit its planning application soon. This development will offer around 650 student beds and exceptional amenities, including study areas, a digital competitive gaming zone, fitness facilities, yoga studios, and a health kitchen with a zero-waste shop. Positioned near Brent Cross West station, which boasts rapid connections to central London universities and St Pancras International, the project benefits from excellent transport links and proximity to the first university campus outside Yorkshire for Sheffield Hallam University.

Across Birmingham and Loughborough, Fusion’s forthcoming schemes continue the high standard of design and sustainability, with BREEAM Excellent targets complementing fitness centres, social hubs, and outdoor recreational amenities. These developments underscore a consistent strategy to combine high-quality living environments with holistic student experiences.

Overall, Fusion Group’s recent financing milestone and project pipeline exemplify the resilience and growth potential of the UK’s PBSA sector, which remains attractive to institutional investors and developers alike due to demographic trends and evolving student expectations.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993), [[2]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993)
* Paragraph 2 – [[1]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993), [[2]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993), [[5]](https://www.thebusinessdesk.com/eastmidlands/news/2092092-student-housing-developer-seeks-funding-partners-for-450m-portfolio)
* Paragraph 3 – [[1]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993), [[2]](https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993)
* Paragraph 4 – [[3]](https://www.fusion-group.co.uk/2024/09/06/fusion-group-secures-planning-on-706-bed-cardiff-student-housing-scheme/)
* Paragraph 5 – [[6]](https://www.fusion-group.co.uk/2024/05/03/76million-plans-to-regenerate-glasgows-sauchiehall-street-minded-to-grant/)
* Paragraph 6 – [[4]](https://www.fusion-group.co.uk/2024/08/12/fusion-and-cheyne-capital-acquire-second-site-in-brent-cross-town-to-deliver-275m-pbsa-development/)
* Paragraph 7 – [[5]](https://www.thebusinessdesk.com/eastmidlands/news/2092092-student-housing-developer-seeks-funding-partners-for-450m-portfolio)

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## Bibliography

1. <https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993> - Please view link - unable to able to access data
2. <https://www.bisnow.com/london/news/student-housing/fusion-group-agrees-500m-finance-deal-with-maslow-for-five-schemes-129993> - Fusion Group, a privately owned student accommodation developer and operator, has secured a £500 million whole-loan facility from Maslow Capital. This substantial financing will support five purpose-built student accommodation (PBSA) schemes in Birmingham, London, Loughborough, Glasgow, and Cardiff, collectively providing 3,138 beds. The developments are scheduled for completion between 2027 and 2028, with planning permissions already in place. Each scheme will feature dedicated study spaces, fitness and well-being zones, including padel courts, gyms, and yoga studios, private dining facilities, and landscaped outdoor areas. Maslow Capital's Senior Director of Origination, Sky Mapson, highlighted the strong demand for well-located PBSA and the strategic advantage of structuring a single £500 million facility across multiple projects to empower Fusion's ambitious pipeline. Maslow Capital, part of the Arrow Global Group, has funded over £8.7 billion in real estate projects. Fusion Group has delivered more than 6,000 beds and has a secured pipeline worth £2.2 billion in gross development value, aiming to deliver over 11,000 PBSA beds across London and the UK. The UK PBSA sector saw investments reach £3.5 billion in 2024, marking a 13% increase from 2023, according to Savills. Over the past five years, the sector's annual investment volumes have averaged £4.9 billion, demonstrating its resilience despite ongoing market challenges. Notable transactions include the sale of the 1,014-bed One Medlock scheme in Manchester and Greystar's acquisition of the 836-bed Triangle site in Selly Oak from Apsley Capital and Galliard Homes. In London, significant deals include the sale of the 444-bed Kings Place to Unite Group and iQ Student Accommodation/Blackstone's acquisition of Blackfriars Crown Court. Regionally, Corebridge Financial sold assets in Bournemouth and Cardiff to Generation Partners, supported by new capital partner Goldman Sachs.
3. <https://www.fusion-group.co.uk/2024/09/06/fusion-group-secures-planning-on-706-bed-cardiff-student-housing-scheme/> - Fusion Group has secured planning approval for its purpose-built student accommodation (PBSA) scheme in Cardiff. The Longcross Court development, located on Newport Road near the city centre, will deliver 706 beds across 488 units. The development will also include 750 square metres of internal amenities, including a wellbeing studio, juice bar, and fitness suite, as well as landscaped outdoor spaces. Designed by Corstorphine & Wright, Fusion aims to achieve a BREEAM Outstanding certification for the scheme and will install renewable energy facilities through air source heat pumps and photovoltaic panels. The planning application was supported by Pearce Planning, ensuring the proposed development reflects community needs and adheres to high standards. Replacing a largely empty commercial building, Fusion's scheme will be an anchor public space at the City Road-Newport Road junction, providing improved public realm with a 143 square metre café to activate the space and better integrate the development into the wider neighbourhood. In 2023, Fusion entered into a forward purchase agreement with UK listed REIT, Picton Property Income, to acquire the site upon receipt of planning permission. Completion is expected before the end of the year, with construction starting in Q1 2025 and completing in time for the 2028/29 academic year. Cardiff has 43,000 full-time students, with the majority of growth stemming from international students—a cohort which has increased by more than 73% since 2012/13. The Cardiff student market is relatively under-supplied, with just 15,800 beds in the city and no new developments delivered since 2022. Julian Evans, Land and Planning Director at Fusion Group, stated, "Longcross Court is designed for positive impact: to enhance the wellbeing and student experience of its residents, to improve the public realm for the community, and to create and unlock much-needed housing for the city of Cardiff."
4. <https://www.fusion-group.co.uk/2024/08/12/fusion-and-cheyne-capital-acquire-second-site-in-brent-cross-town-to-deliver-275m-pbsa-development/> - Fusion Group and global alternative investment manager Cheyne Capital have jointly acquired a second site for purpose-built student accommodation (PBSA) in Brent Cross Town, London. Brent Cross Town is a 180-acre, £8 billion mixed-use development being delivered by Related Argent and Barnet Council, which, when complete, will comprise 6,700 new homes, workspace for 25,000 people, schools, a high street, leisure spaces, and over 50 acres of parks and playing fields. The £275 million gross development value (GDV) scheme, designed by PRP, will deliver approximately 650 student beds and associated amenities. The planning application for this development is expected to be submitted in Q4 2024. The scheme will include expansive study areas, a digital competitive gaming zone where residents can play virtual sports including football, padel, and tennis, as well as a health kitchen that includes a zero-waste shop, private dining, a yoga studio, a herb garden, and relaxation pods. The development will be located just minutes from Claremont Park and close to Brent Cross West station on the Thameslink line, which connects with St Pancras International in as little as 12 minutes. Alongside excellent connections to central London universities, Brent Cross Town has its own university offer, with Sheffield Hallam University set to open its first campus outside Yorkshire there. This is the seventh development on which Fusion and Cheyne have partnered and their second in Brent Cross Town. The new scheme will bring the value of the investment partnership’s assets in Brent Cross Town to approximately £500 million in GDV. Fusion and Cheyne’s first PBSA scheme in Brent Cross Town, which was designed by Glenn Howells Architects and acquired in June 2022, is expected to complete in Q2 2025. In total, over 930 homes, including affordable, market sale, and rental homes are on-site, alongside the first 662 student rooms in partnership with Fusion and Cheyne. The first office building, 3 Copper Square, is underway and will be completed in 2026. In total, over 930 homes, including affordable, market sale, and rental homes are on-site, alongside the first 662 student rooms in partnership with Fusion and Cheyne. The first permanent public park, Claremont Park, opened in June 2022 and Brent Cross West mainline station, which opened in December 2023, connects with St Pancras International in as little as 12 minutes. Brent Cross Town already boasts a selection of local retail and leisure offerings, and Sheffield Hallam University will open its first campus outside Sheffield at Brent Cross Town.
5. <https://www.thebusinessdesk.com/eastmidlands/news/2092092-student-housing-developer-seeks-funding-partners-for-450m-portfolio> - Fusion Group is seeking funding partners for a £450 million portfolio of purpose-built student accommodation (PBSA) assets. The developer and operator has appointed JLL to secure partners for four assets in Birmingham (622 beds), Loughborough (541 beds), Glasgow (619 beds), and Cardiff (706 beds). Fusion’s Birmingham site on the Bristol Road and the Loughborough site on Limehurst Avenue are expected to open in 2027. The former 'The Trees' public house site in Birmingham will comprise four linked blocks of 17, 10, 10, and eight storeys, arranged around a private courtyard. All assets are targeting BREEAM Excellent ratings and will feature state-of-the-art facilities including fitness centres, communal study spaces, social hubs, and outdoor recreational areas.
6. <https://www.fusion-group.co.uk/2024/05/03/76million-plans-to-regenerate-glasgows-sauchiehall-street-minded-to-grant/> - Fusion Group has received a 'minded to grant' approval from Glasgow City Council for its £76 million development on Sauchiehall Street. The plans involve constructing a student-led, mixed-use development on the site of the former Marks & Spencer store. The development will provide 619 beds for the city's growing student population and aims to regenerate Sauchiehall Street by re-establishing the historic arcade link route through to Renfrew Street and creating 9,500 square feet of new commercial space at street level. The revised plans address previous concerns by reducing the overall height by one storey and increasing the inclusion of affordable accommodation to 15%. The approval is subject to the conclusion of a Section 75 Agreement between Fusion and Glasgow City Council. Brodie Berman, Senior Acquisitions Associate at Fusion Group, expressed delight at the approval, stating, "We are delighted that our proposals for Sauchiehall Street have been minded to grant by Glasgow City Council. Having held longstanding ambitions to operate in the city, we are delighted to have reached this milestone, which will see £76m of investment injected directly into Sauchiehall Street, at the heart of Glasgow’s city centre."