



## GFH EXITS ITS FIRST US STUDENT HOUSING PORTFOLIO



**Manama - 7 December 2023:** GFH Partners Ltd., a fully owned subsidiary of GFH Financial Group (“GFH” or “the Group”) today announced the sale and exit from its first Diversified US Student Housing Portfolio (the “Portfolio”), delivering a total proceeds of 122% to investors in the fund following a two-year investment period.

Acquired in September 2021, the Portfolio was comprised of over 1,200 beds across two assets adjacent to the University of Arkansas and Florida State University. During the hold, SQ Asset Management, GFH’s US-based specialised student housing asset management subsidiary, was able to reposition the assets through a number of value-add initiatives that resulted in increased Net Operating Income (NOI). These initiatives enabled the properties to each perform in-line with and above the original business plan, with both having occupancies at 100% and an NOI growth over the two-year hold period of ~40%. Initiatives included the signing of the master lease with the University of Arkansas to take up 40% of the total bed spaces for three academic years, along with other operational improvements, and the rebranding of the properties to improve exposure within the market. All such initiatives resulted in an improved operating income of approximately 14% compared to the original projections.

Commenting, Nael Mustafa, CEO at GFH Partners, said, “We’re delighted to announce another successful exit for the Group and our investors. Leveraging the expertise of our US-based student housing subsidiary, SQ Asset Management, we were able to add considerable value to these investments over a short hold period that enabled us to exceed targets and effectively position the portfolio for a timely sale. Furthermore, this exit underscores our ongoing commitment to delivering performance on our investments and continued ability to bring to market unique income-yielding opportunities in well-performing defensive sectors and across multiple geographies, where we have a strong and growing presence. In addition to the US student housing sector, other key areas of focus for the Group today include the medical offices sector in the US, regional education and healthcare opportunities, and investments in the global and GCC logistics industry.”



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**About GFH Financial Group B.S.C.**

GFH Financial Group is one of the most recognised financial groups in the Gulf region. Its businesses include Investment Management, Commercial Banking and Treasury & Proprietary Investments, with assets and funds under management exceeding US\$19 billion dollars. The Group's operations are principally focused across the GCC, North Africa and India, along with strategic investment in the U.S., Europe and the U.K. GFH is listed in Bahrain Bourse, Abu Dhabi Securities Exchange, Bursa Kuwait and Dubai Financial Market. For more information, please visit [www.gfh.com](http://www.gfh.com).

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