

Transaction Announcement

Wiesbaden

6 October 2026

Aareal Bank provides €173 million in financing for high-quality PBSA portfolio in Milan

Aareal Bank AG has provided a €172.7 million loan to Proprium Capital Partners to refinance two high-quality purpose-built student accommodation (PBSA) properties in Milan. Both properties have qualified for green loan financing under Aareal Bank's Green Finance Framework.

This transaction marks Aareal Bank's first financing for Proprium Capital Partners, an experienced alternative asset manager specialising in operational real estate, with €3.7 billion in equity under management. Proprium is part of L&G's Asset Management business, a major global investor across public and private markets, with €1.3 trillion in assets under management.

The properties are managed by Collegiate, a leading PBSA developer and operator with a proven track record across the UK and continental Europe. Collegiate has been involved in the delivery and management of over 22,000 beds across more than 50 schemes.

A premium student accommodation portfolio

Together, the two properties offer nearly 1,200 beds and are positioned at the premium end of the market. The assets compete directly with Milan's highest-quality private rental accommodation. A comprehensive amenity offering – including swimming pools, spas, gyms, cinemas, dedicated study spaces and communal lounges – delivers a best-in-class student living experience.

Demand is underpinned by the assets' proximity to leading STEM, business, fashion and art universities, which offer highly regarded programmes and attract domestic and international students.

"We are delighted to establish a new client relationship with Proprium through this transaction," said **Benjamin Walter**, Head of Alternative Living Properties at Aareal Bank. "PBSA remains an attractive asset class, supported by strong structural demand and a continued shortage of high-quality student accommodation in key European cities."

“Aareal Bank’s deep commercial real estate financing expertise and clear understanding of local markets made Aareal Bank a valuable partner for the refinancing of this portfolio,” said **Lorenzo Marcone**, Principal, Proprium Capital Partners. “The tailored financing solution supports a portfolio of well-positioned assets in one of Europe’s key student markets.”

Aareal Bank acted as arranger, facility agent, and security agent. Legal advice was provided by Chiomenti and JLL acted as valuation advisor for both assets.

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About Aareal Bank

Aareal Bank AG, headquartered in Wiesbaden, is a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage and to exploit them for the benefit of its stakeholders. It provides financing, banking services and payment solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia. Aareal Bank’s business strategy focuses on sustainable business success, with environmental, social and governance (ESG) aspects forming an integral part of this strategy.

Aareal Bank comprises the business segments Structured Property Financing and Banking & Digital Solutions. The Structured Property Financing segment contains the property financing and funding activities. Here, the Bank assists its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank serves the needs of businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking.