

Billionaire Fridman to Buy Luxury Student Dorms in London — Report

By [The Moscow Times](#)

February 15, 2015



Mikhail Fridman

An investment group of Russian billionaires led by tycoon Mikhail Fridman is set to spend \$824 million on elite student accommodation in London, according to a report by real estate news website [propertyweek.com](#).

Fridman's LetterOne is looking to buy the 2,150-bed Pure Student Living portfolio — which consists of five luxury student housing blocks — from Carlyle Group and Generation Estates, [propertyweek.com](#) reported Thursday.

Luxembourg-based LetterOne was set up in 2013 to invest the billions made by Fridman and his partner German Khan from the sale their stake in private oil firm TNK-BP to state-owned Rosneft. But the Russian-led firm has run into problems with previous British investments amid deteriorating relations between Moscow and London.

LetterOne said last month that it had agreed to complete the purchase of German utility firm RWE, which has energy operations in British coastal waters, for 5 billion euros (\$5.7 billion) by March.

The deal, originally announced in March 2014, reportedly ran into problems because the British authorities were reluctant to give approval amid escalating tensions over the Ukraine crisis.

In 2013, LetterOne reportedly completed a real estate financing deal in London, providing financing for the redevelopment of several houses in an elite London area.

Fridman, Russia's second-richest person, is worth about \$17.6 billion, according to Forbes magazine. His partner in LetterOne, Khan, is valued at \$10.2 billion.

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