

QUARTERLY UPDATE

Q1 – three months to 30 September 2019

The PRS REIT plc is the UK's first listed real estate investment trust to focus on the Private Rented Sector ("PRS"). Launched in May 2017, the Company is creating a portfolio of newly-built, high-quality, professionally-managed rental homes across the main conurbations of England, outside London.



Completed & contracted* development: c. £740m at 30 September 2019
Completed homes: 1,361 at 30 September 2019
Annualised rental income: £12.3m at 30 September 2019
Full deployment of net proceeds of £900m (gross) equates to c. 5,400 new rental homes providing an estimated rental income of c. £55m p.a.
Dividend declared for the quarter ended 30 September 2019: 1.0p per share
Equity raised to date: £500m
Debt secured to date: £400m
NAV at 30 June 2019: 95.8p per share
Launch date: 31 May 2017
Year end: 30 June
Market capitalisation: £441m at 31 October 2019
Shares in issue: 495,277,294
Share price: 89p at 31 October 2019
Board of Directors:
Steve Smith, Chairman
Steffan Francis, Non-executive Director
Roderick MacRae, Non-executive Director
Jim Prower, Non-executive Director
Investment adviser: Sigma PRS Management Ltd, a subsidiary of Sigma Capital Group plc
Registered address: 1 St Ann Street, Manchester, M2 7LR
Fund Structure: UK Real Estate Investment Trust
SEDOL: BF01NHS
ISIN: GB008F01NH51

	At 30 Sept 2019	At 30 June 2019	At 30 Sept 2018	Year-on-year change
Completed homes				
Total number of completed homes	1,361	1,173	595	129%
Rental income per annum	£12.3m	£10.7m	£5.7m	116%
Contracted homes				
Total number of contracted homes	3,422	3,196	1,935	96%
Estimated rental value per annum	£33.7m	£30.3m	£18.4m	83%
Total number of sites (completed or contracted)				
Gross development cost of sites	60	54	25	140%
Estimated rental value of homes per annum (completed and contracted)	£740m	£661m	£384m	92%
	£46.0m	£41.0m	£24.1m	91%

Q1 2019-20

A further 188 new homes were added in the first quarter of the PRS REIT's new financial year. This takes the total number of homes in the PRS REIT's portfolio to 1,361 as at 30 September 2019. These homes are located across 26 fully and part completed sites and generate an annual revenue income stream of £12.3m.

A further 3,422 homes were under construction across 43 sites at 30 September.

The gross development cost of the homes under construction and those already completed, together 4,783 homes, amounts to c. £740m.

RENTAL INCOME

- > Rental income at 30 September 2019 was up 116% year-on-year to £12.3m per annum, and demand remains strong.
- > The 3,422 homes that were under construction at the end of the quarter are estimated to have a estimated rental value of

£33.7m per annum.

- > Therefore the combined estimated rental value of completed homes and homes under construction is estimated at c. £46m per annum. This is a 91% rise against the same point a year ago.

DEPLOYMENT OF FUNDING

- > Approximately 91% of the PRS REIT's total net funding (c.£900m gross) was in deployment at 30 September 2019.
- > Activity over the coming months is fully focussed on deploying the balance of funds, delivering existing development sites and rental income growth as homes complete

DIVIDEND

- > A Q1 dividend of 1.0p per share has been declared and the PRS REIT continues to target a total dividend for the current financial year of 5p per share.

* Contracted refers to sites under construction (under a design & build contract) that have been purchased by the PRS REIT or by Sigma (with a forward purchase contract in place with the PRS REIT).

** Committed refers to development sites that have been approved or are under formal appraisal by the Investment Adviser, and where planning consent is being sought, and/or are in the process of being acquired.

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INVESTMENT OBJECTIVES

- > provide investors with an attractive level of income, and the prospect of income and capital growth
- > target* a stabilised covered dividend of 5.5p per share and total return of 10%+ on stabilisation (based on the issue price of 100p). The Company is targeting a total dividend of 5.0p per share each year until that point, expected in 2022

** There is no guarantee that these targets can or will be achieved and they should not be taken as indications of the Company's expected and actual returns.*

ORDINARY DIVIDENDS PAID

Per Share

Period from IPO to 30 June 2018	5.0p
FY ended 30 June 2019	5.0p
Q1 2020 (1 July to 30 Sept 2019)	1.0p

MARKET OPPORTUNITY

Demand for rental homes in the UK is growing and, by 2020, c. 25% of all households are predicted to be living in the sector. Factors driving this demand include population growth, deposit affordability constraints, house price inflation and supply issues in the ailing traditional buy-to-let sector.

Currently, the private rental market is typically privately managed and fragmented, with the market for new family houses (rather than flats) under-served.

The Company's high-quality, professionally managed homes at key economic hubs represents an attractive option for middle-income families.

Both local and central Government recognise that the build-to-rent sector can help to accelerate housing delivery as a whole.

THE MODEL – A DE-RISKED APPROACH

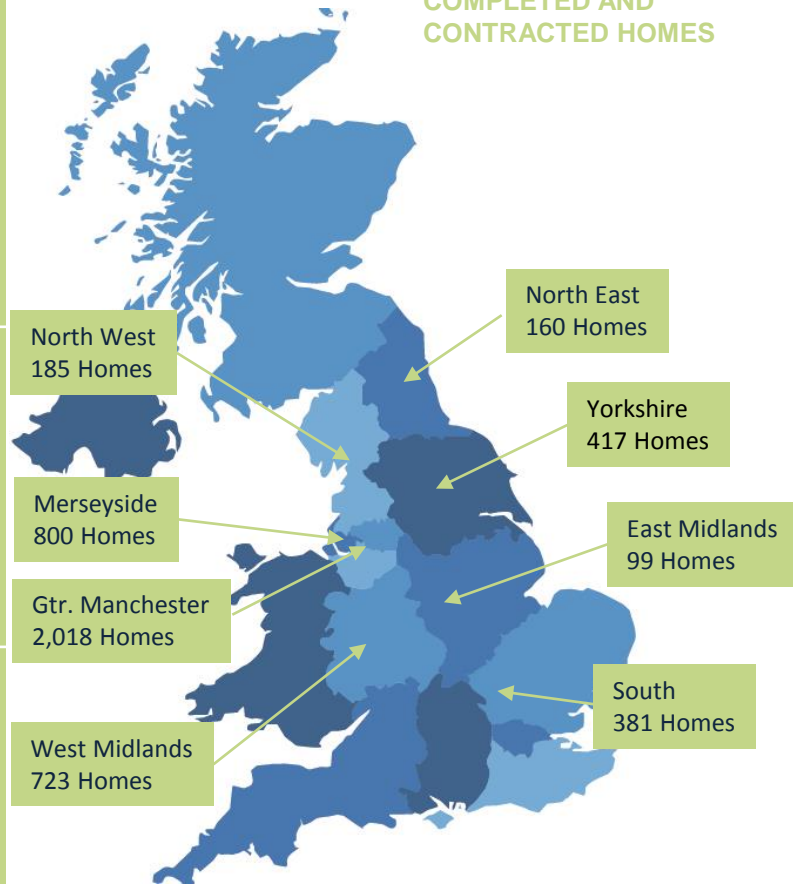
- > exclusive access to Investment Adviser's proven PRS Delivery Platform
- > range of standard family house types
- > fixed price design and build contracts allow for build cost predictability
- > standardised specification – aids maintenance cost predictability
- > properties are located near employment centres, with good transport links and close to well-performing primary schools.

The construction of the majority of new homes will be funded by the Company

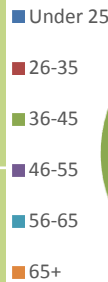
- > Investment Adviser procures planning, Certificate of Title, D&B contracts and underwrites pre-development costs

The Company will also acquire portfolios of newly-completed homes

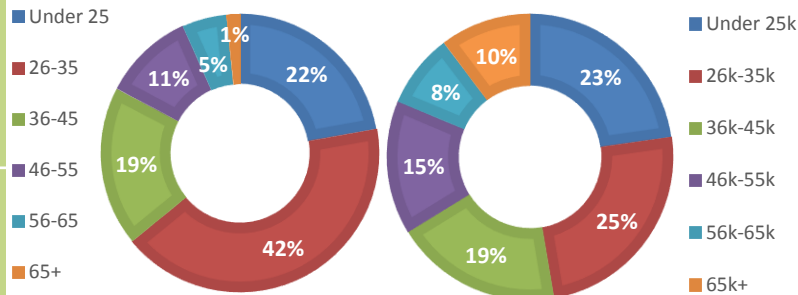
COMPLETED AND CONTRACTED HOMES



AGE PROFILE OF CUSTOMERS



CUSTOMER INCOME BANDS



COMMUNITY EVENTS

Neighbourhood events are organised throughout the year to create a greater sense of community.

