

QUARTERLY UPDATE

Q4 – three months to 30 June 2020

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 homes: 2,082 at 30 June 2020 with ERV of £19.1m p.a.

Annualised rental income: £16.1m at 30 June 2020 from 1,753 occupied homes

Q4 collection of invoiced rent: 98%

Equity raised to date: £500m

Debt secured to date: £400m

NAV at 31 December 2019: 95.0p

Launch date: 31 May 2017

Year end: 30 June

Market capitalisation: £370m at 30 June 2020

Shares in issue: 495,277,294

Share price: 74.4p at 30 June 2020

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

Q4 2020

The quarter ended 30 June included an eight week period when construction activity was suspended or disrupted due to COVID-19 related restrictions, and only 135 homes were completed (Q3 2020: 330 homes). This took the Company's total portfolio at 30 June 2020 to 2,082 completed homes, with an estimated rental value ("ERV") of £19.1m p.a.

Construction activity has resumed across all sites. The pace of construction is necessarily slower than before the COVID-19 outbreak due to social distancing measures required to maintain a safe working environment.

At the end of Q4, 2,750 homes with an ERV of £27.1m p.a. were under way, at various stages of development.

This takes total ERV of completed and contracted* homes at 30 June 2020 to c. £46.2m p.a.

RENTAL INCOME

- > Rent collection was not materially impacted by the national lockdown, and 98% of Q4 rent has been collected (Q3: 99%).
- > Rental demand has remained strong and prices steady at pre-COVID levels – 429 reservations at 30 June 2020.
- > Lockdown-related rent arrears constituted just 0.49% of passing rent.
- > Payment plans have been agreed for those households that have required assistance.

DIVIDEND

- > As previously announced, Q3 dividend of 1p per share became payable on 17 July 2020.
- > Details of Q4 dividend will be declared at the end of July; the Board continues to target a total dividend of 4p for the financial year and a minimum of 4p for the year ending 30 June 2021.**

	At 30 June 2020	At 31 March 2020	At 30 June 2019
Completed Homes			
Total number of completed homes	2,082	1,947	1,173
Total rental income per annum	£19.1m	£17.9m	£10.7m
Contracted Homes			
Total number of contracted homes	2,750	2,885	3,196
Estimated rental value per annum	£27.1m	£28.3m	£30.3m
ERV per annum of completed and contracted homes	£46.2m	46.2m	£41.0m
	Q4 2020	Q3 2020	Q4 2019
Rent collected as a percentage of rent due	98%	99%	99%

* Contracted sites 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).

** This is a target only and there can be no assurance that the target can or will be met and should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on this target in deciding whether or not to invest in the Company or assume that the Company will make any distributions at all and should decide for themselves whether or not the target dividend yield is reasonable or achievable.

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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 minimum total dividend of 4.0p per share for the financial year ending 30 June 2021

** 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 2019	10.0p
Q1 2020 (1 July to 30 Sep 2019)	1.0p
Q2 2020 (1 Oct to 31 Dec 2019)	1.0p
Q3 2020 (1 Jan to 31 March 2020)	1.0p

MARKET OPPORTUNITY

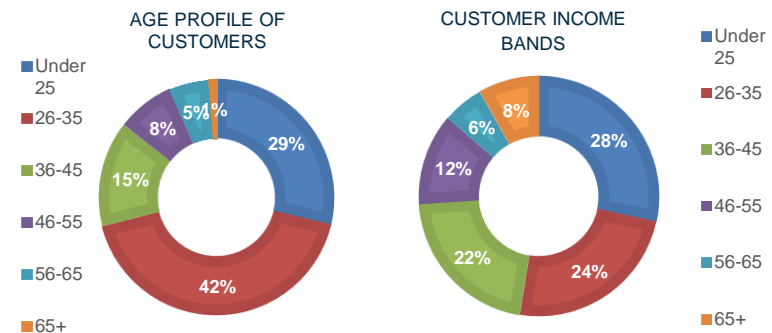
Demand for rental homes in the UK is growing and c. 25% of all households are now living in the rental homes. Factors driving this demand include population growth, deposit affordability constraints, house price inflation and supply issues in the ailing traditional buy-to-let sector.

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.

COMPLETED AND CONTRACTED HOMES



CHARITABLE DONATIONS – SIGMA ON BEHALF OF THE PRS REIT PLC

£100,000 was donated to four selected charities during the quarter. Each charity was given £12,500, with the remaining £50,000 split between them according to a resident poll:



School: Mills Hill Primary
Location: Middleton, Greater Manchester
Donation: £5,000
Project: 'Daily Mile' running track around the school grounds



School: River View Primary
Location: Salford, Greater Manchester
Donation: £5,000
Project: Pond regeneration for children to learn about wildlife

