

The PRS REIT plc

(the “Company” or the “PRS REIT”)

Result of Placing and Total Voting Rights

The PRS REIT plc, the closed-ended real estate investment trust established to invest in new build, private rented sector (“PRS”) homes, is pleased to announce that it has successfully raised gross proceeds of £250 million pursuant to the placing (the “Placing”) of 243,902,440 ordinary shares of £0.01 each (“Ordinary Shares” and “Placing Shares”) in the Company at a placing price of 102.5 pence per share to qualified investors as described in the announcement released on 31 January 2018 (the “Announcement”). The UK Government’s Homes England (formerly known as Homes and Communities Agency) continues to be supportive of the PRS REIT’s objectives, and participated in the Placing.

Highlights

- The gross proceeds of £250 million will be used to continue the Company’s investment in PRS Development Sites and newly-completed PRS sites to create a large scale portfolio of newly-built, high quality homes, mainly focused on families, across the regions in the UK.
 - The Company is targeting a dividend yield of 6 per cent.* or more per annum and net total shareholder returns of 10 per cent.* or more per annum following stabilisation and based on the IPO Issue Price of 100 pence per Ordinary Share.
 - The target dividend yield in the period to 30 June 2018 is 5 per cent.* and the target dividend yield in the period from 1 July 2018 to 30 June 2019 is 5 per cent.*
- Through its Investment Adviser, Sigma PRS Management Limited (a subsidiary of Sigma Capital Group plc), the Company has visibility on the potential delivery of over 10,000 new homes through a combination of:
 - construction framework agreements in place with current house building partners, Countryside Properties plc, Keepmoat Homes Limited and Engie Regeneration Limited (previously Keepmoat Regeneration Limited); and
 - strong relationships with local authorities which ensure land delivery and planning throughout the UK
- A pipeline of approximately 3,800 new homes with a total GDC of c.£540 million has been identified and is under active appraisal.
 - This is in addition to the current committed investment to create c.1,720 new homes in North West, Midlands and South Yorkshire
- The Company will seek to use gearing as it pursues its growth strategy as outlined in its Prospectus, and credit approved terms have been agreed for £200 million of debt facilities

Nplus1 Singer Advisory LLP and Nplus1 Singer Capital Markets Limited (together "N+1 Singer") and Stifel Nicolaus Europe Limited ("Stifel") are acting as Joint Bookrunners to the Company in connection with the Placing. G10 Capital Limited ("G10") is acting as Alternative Investment Fund Manager ("AIFM").

Application has been made in respect of 243,902,440 Ordinary Shares to be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange plc ("Admission"). It is expected that Admission will become effective and dealings in the Placing Shares will commence at 8.00 a.m. (London time) on 22 February 2018.

Total Voting Rights

The total number of Ordinary Shares in the Company in issue immediately following Admission is 494,348,018, each with equal voting rights. The Company does not hold any Ordinary Shares in treasury. This total voting rights figure can be used by shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interest in the Company under the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

Steve Smith, Chairman of the Company, said:

"We are delighted to have raised £250m in this second round of funding for the PRS REIT, some eight months after its IPO last May, when we raised £250m. The placing has been supported by existing shareholders and we are pleased to welcome new investors."

"We are aiming to create a very substantial portfolio of high quality new houses, mostly focused on middle-income families and these new funds are a key step towards this objective. We believe we are the only PRS operator building new family houses to this scale across England."

Graham Barnet, Founder and Chief Executive of Sigma Capital Group plc, said:

"After fully committing the IPO funds ahead of schedule, it is very satisfying to have raised an additional £250m for The PRS REIT to invest in thousands more newly-built family rental houses."

"Family rental houses remain a critically undersupplied area of the rental market and we are creating well-designed high quality houses near good schools and transport links, which will be professionally managed and offer families security of tenure. Homes England's involvement, following on from IPO, is also a tremendous signal and we would like to thank the agency for its committed support."

"We look forward to the next phase of development as the PRS REIT's Investment Adviser."

Terms not otherwise defined in this announcement have the same meanings given to them in the Prospectus.

**This is a target only and not a profit forecast. 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. Target dividend yield and net total shareholder returns are based on the IPO issue price of 100 pence per ordinary share.*

This announcement is released by The PRS REIT plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("MAR"), encompassing information relating to the Placing described herein, and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

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NOTES TO EDITORS

About The PRS REIT plc
(www.theprsreit.com)

The PRS REIT is a closed-ended real estate investment trust established to invest in the Private Rented Sector and to provide shareholders with an attractive level of income together with the potential for capital and income growth. In its Initial Public Offering, on 31 May 2017, the Company raised £250 million gross equity capital via a Placing, Offer for Subscription and Intermediaries Offer and today has raised a further £250m through an additional Placing. Both fundraisings were supported by the UK Government's Homes England (formerly Homes and Communities Agency), with direct investments totaling c. £30 million.

About Sigma PRS Management Limited

Sigma PRS Management Limited is a wholly owned subsidiary of AIM-quoted Sigma Capital Group plc and is the Company's Investment Adviser. It sources investments and manages the assets of The PRS REIT plc and advises the Alternative Investment Fund Manager ("AIFM") and the Company on a day-to-day basis in accordance with the Company's Investment Policy. The Investment Adviser is an appointed representative (reference number: 776293) of the AIFM.

About Sigma Capital Group plc
(www.sigmacapital.co.uk)

Sigma Capital Group plc is a private rented sector, residential development, and urban regeneration specialist, with offices in Edinburgh, Manchester and London. Sigma's principal focus is on the delivery of large scale housing schemes for the private rented sector. It has a well-established track record in assisting with property-related regeneration projects in the public sector, acting as a bridge between the public and private sectors. Its subsidiary, Sigma PRS Management Limited, is Investment Adviser to The PRS REIT plc.