

QUARTERLY UPDATE

Q3 – three months to 31 March 2021

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: 3,590 at 31 March 2021 with ERV of £33.3m p.a.

Annualised rental income: c.£31.8m at 31 March 2021 from 3,433 occupied homes

Rent collected in the period was 99.2% of rent invoiced over the same period

Equity raised to date: £500m

Debt facilities (investment and development): £450m

Gearing restricted to maximum 45% of gross asset value

NAV at 31 December 2020: 96.2p

Launch date: 31 May 2017

Year end: 30 June

Market capitalisation: c. £433m (31 March 2021)

Shares in issue: 495,277,294

Share price: 87.5p at 31 March 2021

Board of Directors:

Steve Smith, Chairman

Steffan Francis, Non-executive Director

Roderick MacRae, Non-executive Director

Geeta Nanda, 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

Q3 2021

Construction activity has continued to progress well, with 427 new rental homes added in Q3. This took total housing delivery over the first three quarters to 1,508, including 175 homes acquired from BlackRock Real Assets and Sigma Capital Group plc, and is significantly above the 909 homes added over the whole of the last financial year.

In total, the Company's portfolio at 31 March 2021 stood at 3,590 completed homes, providing an estimated rental value ("ERV") of £33.3m per annum (31 December 2020: 3,163 homes, with an ERV of £29.4m).

The portfolio of completed homes now stands approximately 70% of the Company's fully optimised target of an initial 5,200 homes, providing an ERV of approximately £50.0m per annum**.

RENTAL INCOME

- > Rent collection in Q3 remained strong. Rent collected in the period was 99.2% of rent invoiced over the same period.
- > While rent roll has grown by 96% over the last nine months, total arrears has remained very low at £0.2m at 31 March 2021. This is less than 1% of annualised ERV on completed units.
- > Demand for rental homes has remained high. At 31 March 2021, 3,433 homes of the Company's 3,590 completed homes were occupied, and a further 74 homes were reserved for qualified applicants, with rental deposits paid.

DIVIDEND

- > Details of Q3 2021 dividend will be declared at the end of April 2021.
- > The Board continues to target a minimum total dividend of 4p for the year ending 30 June 2021**.

	At 31 Mar 2021	At 31 Dec 2020	At 31 Mar 2020
Completed Homes			
Number of completed homes	3,590	3,163	1,617
Estimated rental value ("ERV") per annum	£33.3m	£29.4m	£17.9m
Contracted Homes			
Number of contracted homes	1,536	1,963	2,885
ERV per annum	£15.8m	£19.4m	£28.3m
Completed and contracted sites	65	65	60
ERV per annum of completed and contracted homes	£48.8m	£48.8m	£46.2m
Rent collected in period relative to rent invoiced over the same period	Q3 2021	Q2 2021	Q3 2020
	99.2%	100%	100%

* Contracted sites refers to sites under construction (under a design & build contract) that have been purchased by the PRS REIT or the PRS REIT's Investment Adviser (forward sold to 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
- > 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
FY ended 30 June 2020	4.0p
Q1 2021 (1 June to 30 Sept 2020)	1.0p
Q2 2021 (1 Oct to 31 Dec 2020)	1.0p

MARKET OPPORTUNITY

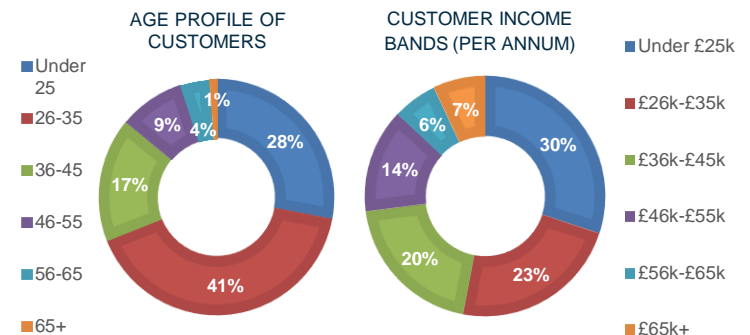
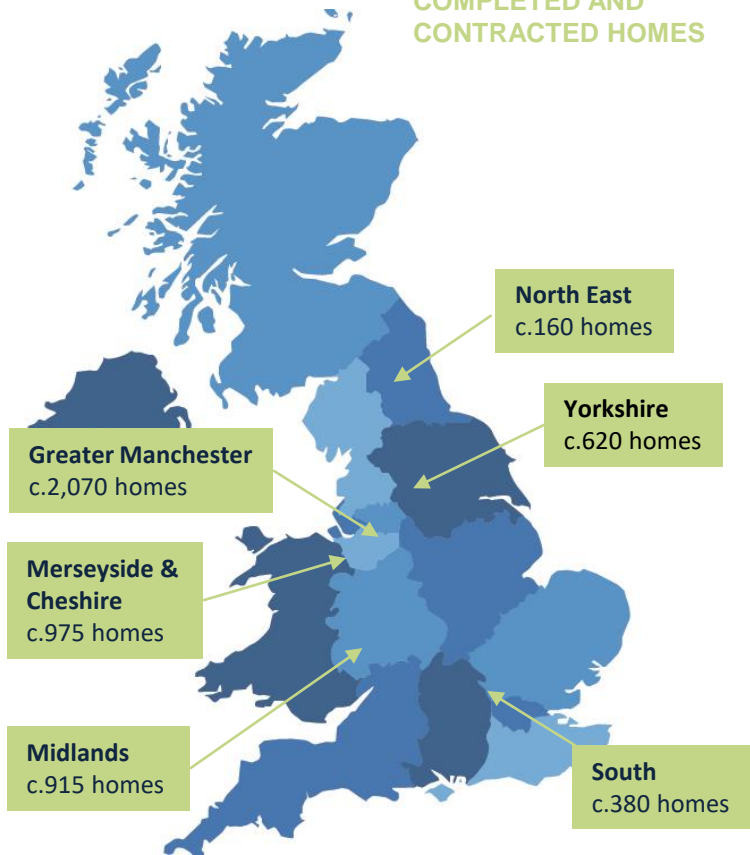
Demand for rental homes in the UK is growing and c. 25% of all households are now living in the rental sector. Factors driving this demand include population growth, deposit affordability constraints, house price inflation and supply issues in the ailing traditional buy-to-let sector.

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.

COMPLETED AND CONTRACTED HOMES



COMMUNITY ENGAGEMENT

We have continued to promote social engagement and a sense of community across our developments, organising a number of safe and fun activities for residents. Our support for community causes has also continued.

We hosted our second virtual Easter Egg Hunt through the *Simple Life* website, and were delighted that 146 residents joined us, with ten lucky winners receiving an Easter hamper, and others *Simple Life* branded chocolate bars.

We were delighted to sponsor two new youth sports teams in the quarter, Sale United Girls Football Club and Upton Junior Football Club in Chester.

