

QUARTERLY UPDATE

Q4 – three months to 30 June 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: 3,984 at 30 June 2021 with ERV of £37.5m p.a.

Rent collected in the period was 98.4% 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. £505m (30 June 2021)

Shares in issue: 495,277,294

Share price: 102p at 30 June 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

Q4 2021

Construction activity continues to progress well, with 394 new rental homes added to the portfolio in the quarter. This took total housing delivery over the financial year to 1,902, compared with 909 homes delivered in the previous financial year. A further 1,096 homes were contracted at the year-end, and are at varying stages of the construction process.

In total, the Company's portfolio at 30 June 2021 stood at 3,984 completed homes, with an estimated rental value ("ERV") of £37.5m per annum (30 June 2021: 2,082 homes, with an ERV of £19.1m per annum).

The PRS REIT is now over three-quarters of the way towards its initial target of 5,200 homes, with an ERV of c. £50.0m per annum**. The balance of homes will be delivered from existing contracted sites and further development opportunities in the Investment Adviser's pipeline.

RENTAL INCOME

- > Rent collection remained strong. Rent collected in the period (relative to rent invoiced in the period) was 98.4%.
- > Total arrears continue to remain very low at £0.4m at 30 June 2021 despite the growth of the portfolio
- > Demand for rental homes remains strong. At 30 June 2021 3,888 of the Company's 3,984 completed homes (97.6%) were occupied, and a further 30 homes were reserved for qualified applicants with rental deposits paid

DIVIDEND

- > An interim dividend of 1.0p pence per ordinary share was paid on 18 June 2021. Details of Q4 2021 dividend will be declared at the end of July 2021.
- > The Board continues to target a minimum total dividend of 4p per share for the year ended 30 June 2021**.

| | At 30 June 2021 | At 31 March 2021 | At 30 June 2020 |
|---|-----------------------|------------------------|-----------------------|
| Completed Homes | | | |
| Number of completed homes | 3,984 | 3,590 | 2,802 |
| Estimated rental value ("ERV") per annum | £37.5m | £33.3m | £19.1 |
| Contracted Homes | | | |
| Number of contracted homes | 1,096 | 1,536 | 2,750 |
| ERV per annum | £10.8m | £15.8m | £27.1m |
| Completed and contracted sites | 64 | 65 | 65 |
| ERV per annum of completed and contracted homes | £48.3m | £48.8m | £46.2m |
| Rent collected in period | Q4 2021 | Q3 2021 | Q4 2020 |
| | 98.4% | 99.2% | 98.0% |

* 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 ended 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 |
| Q3 2021 (1 Jan to 31 Mar 2021) | 1.0p |

MARKET OPPORTUNITY

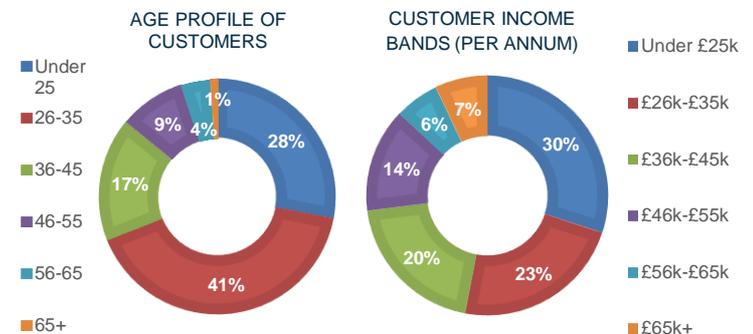
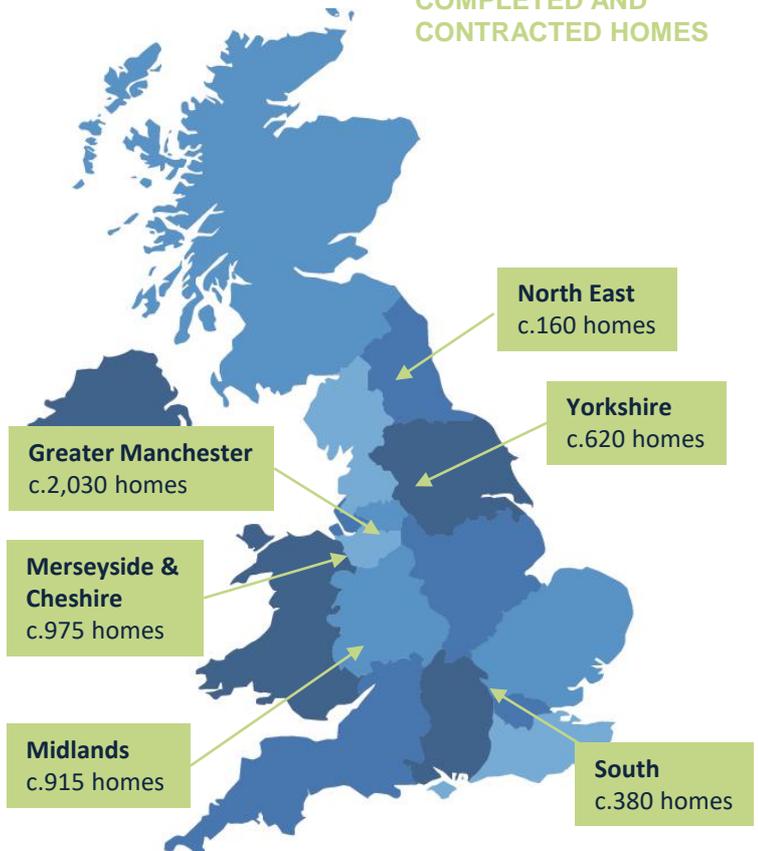
Demand for rental homes in the UK is growing and c. 25% of all households are now living in the rental sector. Factors driving this demand include population growth, deposit affordability constraints, house price inflation and supply issues in the ailing traditional buy-to-let sector.

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

In April 2021, we held our annual 'Peace of Mind' month, organising a series of events for residents themed around health and wellbeing. These included resident-run workshops on baking, mindfulness, exercise and music.

We also held our 'Peace of Mind' competition, which saw residents nominate other residents for a spa break and a tailored peace of mind prize worth up to £500.

We received over 100 nominations, with nominees ranging from NHS workers, to those suffering from illness, and those who have helped friends during trying times.

