

4 May 2017
AIM: SGM



Sigma Capital Group plc

("Sigma" or "the Company" or "the Group")

The private rented sector ("PRS") and urban regeneration specialist

Re: The PRS REIT PLC

Sigma is pleased to reproduce below two announcements issued by The PRS REIT plc today regarding The PRS REIT plc's intended flotation on the Specialist Fund Segment of the Main Market of the London Stock Exchange plc ("Admission") and the publication of a Prospectus providing further details on this, including an associated fund-raising of up to £250 million by way of a placing, offer for subscription and intermediaries offer of Ordinary Shares (the "Issue").

Sigma PRS Management Limited, a subsidiary of Sigma, has been appointed as the Investment Adviser.

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

Sigma 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.

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LAWS OR REGULATIONS OF SUCH JURISDICTION. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

This announcement is an advertisement and not a prospectus. Investors should not purchase or subscribe for any transferable securities referred to in this announcement except on the basis of information in the prospectus (the "**Prospectus**") expected to be published shortly by The PRS REIT plc in connection with the initial public offering and the admission of its ordinary shares of £0.01 each in the capital of the Company (the "**Ordinary Shares**") to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. A copy of the Prospectus will be available on the Company's website www.theprsreit.com, subject to certain access restrictions, and will be available for inspection at the Company's registered office, 3rd Floor, 1 St Ann Street, Manchester, M2 7LR. The Prospectus will also be available on the National Storage Mechanism and is available from the website www.morningstar.co.uk/nsm. This announcement is not an offer to sell, or a solicitation of an offer to acquire, securities in the United States or in any other jurisdiction. Neither this announcement nor any part of it shall form the basis of or be relied on in connection with or act as an inducement to enter into any contract or commitment whatsoever.

4 May 2017

THE PRS REIT PLC
(the "Company" or "The PRS REIT")

**Intention to Float on the Specialist Fund Segment of the Main Market of
the London Stock Exchange**

**Initial Public Offering to Raise Up to £250 million
via a
Placing, Offer for Subscription and Intermediaries Offer**

The PRS REIT plc, a closed-ended real estate investment trust established to invest in the Private Rented Sector ("PRS"), today announces its intention to seek admission to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange plc ("Admission") and an associated fund-raising of up to £250 million by way of a placing, offer for subscription and intermediaries offer of Ordinary Shares (the "Issue"). Sigma PRS Management Limited, a subsidiary of Sigma Capital Group plc ("Sigma" and together with its subsidiaries, "Sigma Group"), an AIM quoted private rented sector, residential development and urban regeneration specialist, has been appointed as the Investment Adviser.

The UK Government's Homes and Communities Agency ("HCA") will support the Issue with a direct investment in the Company of 9.99 per cent. of the Gross Issue Proceeds, up to £25 million. In addition, pursuant to the Prospectus, a placing programme will allow the Company to issue up to 250 million further Ordinary Shares in the 12 months from the date of publication of the Prospectus. Nplus1 Singer Advisory LLP ("N+1 Singer") is acting as financial adviser and joint bookrunner, and Stifel Nicolaus Europe Limited ("Stifel") is acting as joint bookrunner to the Company. G10 Capital Limited ("G10") is acting as the alternative investment fund manager ("AIFM") pursuant to the AIFM agreement.

The Company's investment objective is to provide investors with an attractive level of income together with the prospect of income and capital growth through investment in a portfolio of newly-constructed, residential PRS sites of multiple units. These units will comprise mainly family homes, let on Assured Shorthold Tenancies (as defined in the Housing Act 1988) to qualifying tenants. The properties will be located across sites in cities and towns in England with a focus on the main conurbations, and largest employment centres, outside London. The locations follow the main rail and road infrastructure, including the proposed HS2 and HS3 rail networks. The assets will come with the benefit of a 10 year National House Building Council or equivalent warranties, with a consequently low level of capital expenditure allied to a predictable and low cost maintenance regime.

Specifically, the Company is targeting a stabilised dividend yield of 6 per cent. or more per annum and net total shareholder returns of 10 per cent. or more per annum post stabilisation, with a target dividend yield of 5 per cent. in the period to 30 June 2018*.

The Investment Adviser, Sigma PRS Management Limited, will source investments and manage the assets of The PRS REIT and advise the Company on a day-to-day basis in accordance with the Company's Investment Policy. The Sigma Group is one of the leading providers of PRS properties in the UK, having already successfully delivered and let over 1,100 homes in the last 30 months.

Defined terms in this announcement have the same meaning as defined in the Prospectus, which is expected to be published later today.

KEY POINTS

Compelling market opportunity arising from structural undersupply of new housing and unprecedented demand for rental homes in the UK

- England has some of the highest rates of house price inflation and worst affordability levels in the OECD.
 - The average house now costs almost 8 times average earnings and, in nearly 30 per cent. of Local Authorities, that multiplier is 10 times, pushing more would-be buyers into rented accommodation.
 - Growth in the PRS market has been fuelled by diminishing affordability levels and lack of mortgage availability as well as population growth and an increase in the number of households.
- The private rental market is fragmented, and typically privately managed. Currently, there is a pipeline of £17 billion of rented stock with a forecast requirement of £300 billion over the next five years.
 - The rental market for family houses (rather than apartments) is believed to be particularly undersupplied.
- By 2020, the PRS market is projected to grow to 25 per cent. of all households – currently PRS is the second largest housing tenure at 19 per cent. of the market after home ownership.
 - Constraints on the buy-to-let market (through Government tax initiatives and mortgage restrictions) have led to a fall of 13 per cent. in buy-to-let transactions in 2016 with this trend expected to continue.

Long term income from investments with predictable cash flows

- 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, based on the Issue Price, post stabilisation and on full investment of the capital and associated gearing*.
- The target dividend yield in the period to 30 June 2018 is 5 per cent*.
- The Company intends to pay a quarterly dividend from 1 January 2018.
- PRS assets will be spread over geographically diverse locations, mitigating localised risk factors.

Identified and secure pipeline of assets

- Pipeline of approximately 2,535 new homes with a Total Cost of c.£375 million is already identified and contracted, including a seed portfolio of c.£72 million of assets either completed or under construction.
- Strong relationships with Local Authorities and House Building Partners (Countryside Properties plc, Keepmoat Regeneration Limited and Keepmoat Homes Limited) provide land access and development expertise.

Experienced and independent Board, supported by Investment Adviser team with a proven track record

- The Board comprises three non-executive Directors, Stephen Smith, Steffan Francis and Roderick MacRae, all of whom are independent of the Investment Adviser and AIFM.
- Sigma Capital has to date successfully built and let PRS projects in excess of £138 million (more than 1,100 new homes) with around a further £130 million of developments currently on site. This has been achieved in 30 months over 30 sites and without any cost overruns.

Homes and Communities Agency (“HCA”) Support

- Housing is at the centre of government policy, and it is recognised that institutional investment into the PRS market could help to provide much needed supply.
- The HCA has already supported Sigma Capital Group plc in the development of PRS assets and has committed to support the Issue with a direct investment in the Company of 9.99 per cent. of the Gross Issue Proceeds, up to £25 million.

**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.*

Stephen Smith, Chairman of The PRS REIT plc, commenting on the launch, said:

“We are delighted to announce the proposed IPO of The PRS REIT plc on the London Stock Exchange as well as our fund raise of up to £250 million. This IPO is also available to sophisticated retail investors via an intermediaries offer. We believe The PRS REIT will break new ground, being the first quoted real estate investment trust to address the shortage of high quality family homes in the Private Rented Sector or PRS.

“Demand for high quality, professionally managed new rental homes, especially family homes, is strong and growing. This reflects the structural undersupply of homes in the UK and the growth in the private rented sector. The PRS REIT has been formed to invest in a portfolio of newly constructed, primarily family homes, across the main conurbations and largest employment centres in England, outside London.

“We are targeting a dividend yield of 6% or more per annum and net total shareholder returns of 10% or more per annum once the REIT is fully invested and geared. The target dividend yield in the period to 30 June 2018 is 5%.*

“Sigma PRS Management Limited - a subsidiary of Sigma Capital Group plc, one of the leaders in PRS in the UK - is Investment Adviser to the REIT. Sigma Capital has a proven track record in the sector, having already successfully delivered and let over 1,100 high quality new PRS homes in the last 30 months.

“We are also delighted to have the support of the UK Government through a direct investment by the Homes and Communities Agency of up to £25 million and look forward to the flotation of The PRS REIT at the end of May.”

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

“We are delighted to be launching the first quoted PRS REIT established to address investment opportunities

in the Private Rented Sector. There is significant demand across England for new, high quality, professionally managed rental homes and Sigma Capital is recognised as a leader in PRS, having delivered and let over 1,100 new rental homes over the last 30 months through its PRS platform.

“We look forward to using our experience and expertise in our role as Investment Adviser and Development Manager to The PRS REIT to generate the attractive dividend returns and capital growth being targeted – a stabilised dividend yield of 6% or more per annum and total returns of 10% or more per annum.”*

EXPECTED TIMETABLE

Publication of the Prospectus	4 May 2017
Issue opens	4 May 2017
Latest time and date for receipt of completed application forms in respect of the Offer for Subscription	11.00 a.m. on 23 May 2017
Latest time and date for receipt of completed application forms in respect of the Intermediaries Offer	5.00 p.m. on 23 May 2017
Latest time and date for commitments under the Placing	1.00 p.m. on 24 May 2017
Publication of the results of the Issue	25 May 2017
Admission and dealings in Ordinary Shares	31 May 2017

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FURTHER DETAILS ON THE COMPANY

THE MARKET OPPORTUNITY

The PRS market has grown substantially since the 1990s and is now the second largest housing tenure type at 19 per cent. of the market. By 2020, the PRS market is projected to grow further to c.25 per cent. of all households. Growth in the PRS market has been fuelled by restricted access to other tenures, with affordability and mortgage availability limiting owner occupation and social rented funding constraining development and supply. The PRS market is also benefitting from occupiers opting to rent as a lifestyle choice with the advantages of flexibility and cash liquidity. Further market growth, created by both population and household growth, is expected as the average household size decreases. On the supply side, constraints on the buy-to-let market through Government tax initiatives and mortgage restrictions have led to a fall of 13 per cent. in buy-to-let transactions in 2016 with this trend expected to continue.

INVESTMENT OBJECTIVE

The Company will seek to provide investors with an attractive level of income together with the prospect of income and capital growth through investment in a portfolio of newly constructed residential private rented sector sites of multiple units (“PRS Units”) comprising mainly family homes, to be let on Assured Shorthold Tenancies (as defined in the Housing Act 1988) to qualifying tenants.

INVESTMENT POLICY OF THE COMPANY

Asset allocation

The Company will pursue its investment objective by investing in PRS Units in cities and towns in the UK.

The Company will invest predominantly in family housing, with the addition of some apartments, in the main conurbations, and largest employment centres in England, outside of London. The locations closely follow the main rail and road infrastructure, including the proposed HS2 and HS3 rail network. The assets will be new build which will come with the benefit of 10 year National House Building Council (“NHBC”) or equivalent warranties and the consequent low level of capital expenditure allied to a predictable and low cost maintenance regime.

The Investment Adviser will source investments on behalf of the Company in two ways:

1. The Company and its subsidiaries (together the “REIT Group”) will acquire undeveloped sites, (“PRS Development Sites”) sourced by the Investment Adviser, for development by the REIT Group managed by the Investment Adviser or another member of the Sigma Group appointed as development manager with the intention of letting new completed PRS Units (“Completed PRS Sites”) to individual qualifying tenants under Assured Shorthold Tenancies.
2. The REIT Group will acquire Completed PRS Sites from the Sigma Group pursuant to a forward purchase agreement between Sigma Capital Group plc and the REIT Group (the “Forward Purchase Agreement”). The REIT Group may also, should the opportunity arise, acquire newly built PRS Units from third party vendors, which fulfil the Company’s investment objective.

Investment restrictions

The REIT Group’s portfolio of Completed PRS Sites and PRS Development Sites (the “PRS Portfolio”) will be invested and managed with the objective of delivering a high quality, diversified portfolio through the following investment restrictions:

- The REIT Group will only invest in private rented homes and apartments located in England;

- No investment by the REIT Group in any single Completed PRS Site or PRS Development Site shall exceed 20 per cent. of aggregate value of the total assets of the REIT Group at the time of commitment as determined in accordance with the accounting principles adopted by the REIT Group from time to time (the “Gross Asset Value”); and
- The REIT Group will not invest in other alternative investment funds or closed-end investment companies.

Cash management

Until the REIT Group is fully invested and pending re-investment or distribution of cash receipts, the REIT Group will invest in cash, cash equivalents, near cash instruments and money market instruments.

Gearing

The REIT Group will seek to use gearing to enhance equity returns. The level of borrowing will be on a prudent basis for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the PRS Portfolio and the REIT Group. The REIT Group may raise debt from banks, the HCA and/or the capital markets and the aggregate borrowings of the REIT Group will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 45 per cent. of the Gross Asset Value (although the Investment Adviser expects actual gearing to be around 35 per cent. to 40 per cent. following stabilisation of the PRS Portfolio). Debt will be secured at asset level, whether over particular Completed PRS Sites or PRS Development Sites or holding entities for any Completed PRS Sites or PRS Development Sites, without recourse to the Company.

Derivatives

The REIT Group may utilise derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the gearing limits as part of the management of the PR Portfolio.

REIT status

The Company will at all times conduct its affairs so as to enable it to remain qualified as a REIT for the purposes of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).

DIVIDEND POLICY AND TARGETED RETURNS

It is the Directors' intention to pay dividends to Shareholders on a quarterly basis and in accordance with the REIT Regime, subject to market conditions and the Company's level of net income. Upon full investment of Net Issue Proceeds and the net issue proceeds of any Subsequent Placings under the Placing Programme and associated gearing, the Company is targeting a dividend yield of 6 per cent. or more per annum* based on the Issue Price, which the Company expects to increase broadly in line with inflation.

In addition, the Company is targeting a net total shareholder return of 10 per cent. or more per annum* post stabilisation of the PRS Portfolio. It is anticipated that the Company will reach stabilisation by the third anniversary of First Admission.

Following First Admission, the Company is targeting a dividend yield of 5 per cent*. based on the Issue Price for the period from Admission to 30 June 2018 and the Directors expect to declare the first dividend in relation to the period ending 31 December 2017. The Directors will seek to maintain the dividend over the long term. Subject to cash not being required for ongoing operations or organic investment, the Board will consider returning excess cash to Shareholders over time, for example by way of special dividends which would supplement ordinary dividends.

THE BOARD OF DIRECTORS

The Directors of The PRS REIT are listed below:

Stephen Smith, Non-Executive Chairman

Stephen Smith has over 40 years of experience in the real estate industry. Stephen is currently Non-Executive Chairman of Starwood European Real Estate Finance Limited and Non-Executive director of Gatehouse Bank Plc and of Tritax Big Box REIT Plc. Previously, he was the Chief Investment Officer of British Land Company PLC, the FTSE 100 real estate investment trust from January 2010 to March 2013 with responsibility for the group's property and investment strategy. He was formerly Global Head of Asset Management and Transactions at AXA Real Estate Investment Managers, where he was responsible for the asset management of a portfolio of more than €40 billion on behalf of life funds, listed property vehicles, unit linked and closed-end funds. Prior to joining AXA in 1999 he was Managing Director at Sun Life Properties for five years.

David Steffan Francis, Non-Executive Director

Steffan Francis has almost 40 years of experience in the real estate industry and is a fellow of the Royal Institution of Chartered Surveyors. Until early 2016, Steffan was a Director at M&G Real Estate where he was responsible for the £6 billion "Long Income" business. He was also involved in creating and ensuring the long term success of a number of real estate funds, including the M&G Secured Property Income Fund, which within 10 years of being launched, became the largest property fund on the AREF/IPD UK Quarterly Property Fund Index.

Currently Steffan acts as a consultant to M&G Real Estate and advises the investment committee of the British Steel Pension Fund.

Roderick MacRae, Non-Executive Director and Chairman of Audit Committee

Rod has over 20 years' experience in the financial services sector and is currently an Executive Director at Aberdeen Asset Management PLC as the Group Head of Risk with responsibility for UK and Global operational risk and regulatory compliance. He is also chairman of the Aberdeen group executive risk management committee, the senior risk oversight function of the group. He has extensive involvement in corporate activity including transformational acquisitions and defence strategies.

Previously he was Chief Operating Officer at Edinburgh Fund Managers, which he joined in 1991 and was acquired by Aberdeen in 2003. Rod is a member of the Institute of Chartered Accountants of Scotland having qualified with Coopers & Lybrand and is Chairman of the Audit Committee.

THE INVESTMENT ADVISER AND ALTERNATIVE INVESTMENT FUND MANAGER

Sigma PRS Management Limited, a subsidiary of AIM quoted Sigma Capital Group plc, has been appointed as Investment Adviser to The PRS REIT plc and this subsidiary or another member of the Sigma Group has been appointed as Development Manager to manage the development of PRS Development Sites. Graham Barnet, Chief Executive Officer and Founder of the Sigma Group, and Graeme Hogg, Chief Operating Officer of the Sigma Group, will be primarily responsible for the management of the Company's portfolio. They will be supported by a team of around 20 property professionals.

G10 (part of the Lawson Conner Group) has been appointed as alternative investment fund manager ("AIFM") to the Company, pursuant to the AIFM Agreement, under which it is responsible for overall portfolio management and compliance with the Company's investment policy providing alternative investment fund manager services, ensuring compliance with the requirements of the AIFMD that apply to the Company and undertaking all risk management.

ADMISSION

The Company will seek admission of its ordinary shares to trading on the Specialist Fund Segment of the London Stock Exchange's Main Market for listed securities. The Company was incorporated in England and Wales and intends to become a real estate investment trust to which Part 12 of the UK Corporation Tax Act 2010 applies ("REIT") and to invest in PRS sites located in England.

Important Note

This is a financial promotion and is not intended to be investment advice. The content of this announcement, which has been prepared by and is the sole responsibility of the Company, has been approved by G10 Capital Limited, an entity which is authorised and regulated by the Financial Conduct Authority (FCA) of the United Kingdom (reference number 648953) solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended). The information in this announcement has not been approved by the Financial Conduct Authority of the United Kingdom.

This announcement is an advertisement and does not constitute a prospectus and investors must subscribe for or purchase any shares referred to in this announcement only on the basis of information contained in the Prospectus to be published by the Company in due course (and in any supplementary prospectus) and not in reliance on this announcement. When made generally available, copies of the Prospectus may, subject to any applicable law, be obtained from the registered office of the Company and will be made available for viewing at the National Storage Mechanism at <http://www.morningstar.co.uk/NSM> and on the Company's website. This announcement does not constitute, and may not be construed as, an offer to sell or an invitation to purchase investments of any description or a recommendation regarding the issue or the provision of investment advice by any party. No information set out in this announcement or referred to in other written or oral form is intended to form the basis of any contract of sale, investment decision or any decision to purchase shares in the Company.

The information contained in this announcement is given at the date of its publication (unless otherwise marked) and is subject to updating, revision and amendment when the Prospectus is published.

N+1 Singer and Stifel, which are authorised and regulated by the Financial Conduct Authority, are acting for the Company only in connection with the matters described in this announcement and are not acting for or advising any other person, or treating any other person as their client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of N+1 Singer or Stifel or advice to any other person in relation to the matters contained herein.

The shares of the Company have not been, and will not be, registered under the U.S. Securities Act of 1933 (as amended) (the "Securities Act") or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold into or within the United States. Moreover, the shares of the Company have not been, nor will they be, registered under the applicable securities laws of Australia, Republic of Ireland, Canada, the Republic of South Africa, Japan or any member state of the EEA (other than the United Kingdom). Further, the Company is not, and will not be, registered under the US Investment Company Act of 1940, as amended. The shares of the Company will be offered outside of the United States pursuant to the provisions of Regulation S of the Securities Act. Subject to certain exceptions, the shares of the Company may not be offered or sold in the United States, Australia, Republic of Ireland, Canada, the Republic of South Africa, Japan or any member state of the EEA (other than the United Kingdom) or to professional investors in certain EEA member states for which marketing passports have been obtained) or to, or for the account or benefit of, any national, resident or citizen of the United States, Australia, Republic of Ireland, Canada, the Republic of South Africa, Japan or any member state of the EEA (other than the United Kingdom) or to professional investors in certain EEA member states for which marketing passports have been obtained). The Issue and any subsequent placing under the placing programme, and the distribution of this announcement, in other jurisdictions may be restricted by law and the persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of such jurisdictions.

The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. Figures refer to past performance and past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. Capital is at risk and investors need to understand the risks of investing. Please refer to the Prospectus for further information, in particular in the risk section.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, strategy, plans, proposed acquisitions and objectives, are forward-looking statements.

Forward-looking statements are subject to risks and uncertainties and, accordingly, the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those described in the Prospectus. These forward-looking statements speak only as at the date of this announcement and cannot be relied upon as a guide to future performance. The AIFM, the Company, the Investment Adviser, N+1 Singer and Stifel expressly disclaim any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Prospectus Rules of the Financial Conduct Authority, the EU Market Abuse Regulation or other applicable laws, regulations or rules.

None of the AIFM, the Company, the Investment Adviser, N+1 Singer or Stifel, or any of their respective affiliates, accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to this announcement, including the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. The AIFM, the Company, the Investment Adviser, N+1 Singer and Stifel, and their respective affiliates, accordingly disclaim all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of this announcement or its contents or otherwise arising in connection therewith.

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This announcement is an advertisement and does not constitute a prospectus and investors must subscribe for or purchase any shares referred to in this announcement only on the basis of information contained in the prospectus published by The PRS REIT plc (the "Prospectus") and not in reliance on this announcement. A copy of the Prospectus will, subject to certain access restrictions, shortly be available for inspection on the Company's website: www.theprsreit.com, and at the registered office of the Company. This announcement does not constitute, and may not be construed as, an offer to sell or an invitation to purchase, investments of any description, or a recommendation regarding the issue or the provision of investment advice by any party. No information set out in this announcement or referred to in other written or oral form is intended to form the basis of any contract of sale, investment decision or any decision to purchase share in the Company.

THE PRS REIT PLC

(the "Company" or "The PRS REIT")

Publication of Prospectus

Further to the announcement made by The PRS REIT on 4 May 2017, the Board of Directors of the Company announces the publication of the Prospectus in connection with the target fundraise of £250 million through the issue of 250 million ordinary shares of 100 pence per share ("Ordinary Shares") by way of a placing, offer for subscription and intermediaries offer of Ordinary Shares (the "Issue"). In addition, pursuant to the Prospectus, a placing programme will allow the Company to issue up to 250 million further Ordinary Shares in the 12 months from the date of publication of the Prospectus (the "Placing Programme").

The PRS REIT will seek to provide investors with an attractive level of income together with the prospect of income and capital growth through the investment in a portfolio of newly constructed residential private rented sector ("PRS") properties comprising mainly family homes, to be let on Assured Shorthold Tenancies (as defined in the Housing Act 1988) to qualifying tenants. The properties will be located across multiple sites in cities and towns in England with a focus on the main conurbations, and largest employment centres, outside of London. The locations follow the main rail and road infrastructure, including the proposed HS2 and HS3 rail network. The UK Government's Homes and Communities Agency ("HCA") will support the Issue with a direct investment in the Company of 9.99 per cent. of the Gross Issue Proceeds up to £25 million.

The Prospectus relates to the Issue and Placing Programme and to the admission of the Company's Ordinary Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange.

Further details of the Issue and the Placing Programme are set out in the Prospectus which will shortly be available on the Company's website www.theprsreit.com, subject to certain access restrictions, and will be available for inspections at the Company's registered office, 3rd Floor, 1 St Ann Street, Manchester, M2 7LR.

The Prospectus will also be submitted to the National Storage Mechanism.

Expected Timetable

Publication of the Prospectus	4 May 2017
Latest time and date for receipt of completed application forms in respect of the Offer for Subscription	11.00am, 23 May 2017
Latest time and date for receipt of completed application forms in respect of the Intermediaries Offer	5.00pm, 23 May 2017
Latest time and date for commitments under the Placing	1.00pm, 24 May 2017
Publication of the results of the Issue	25 May 2017
Admission of and dealings in Ordinary Shares	8.00am, 31 May 2017

Nplus1 Singer Advisory LLP ("N+1 Singer") is acting as financial adviser and joint bookrunner and Stifel

Nicolaus Europe Limited (“Stifel”) is acting as joint bookrunner to the Company. G10 Capital Limited (“G10”), part of the Lawson Conner Group, is acting as alternative investment fund manager (AIFM) pursuant to the AIFM agreement.

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