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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 on 4 May 2017 (the "**Prospectus**") and not in reliance on this announcement. Copies of the Prospectus may, subject to any applicable law, be obtained from 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.*

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

**Proposed Placing of up to 250 million shares
under the Placing Programme**

The PRS REIT plc, the closed-ended real estate investment trust established to invest in new build homes in the Private Rented Sector ("PRS"), is pleased to announce a proposed placing of up to 250 million new Ordinary Shares in the Company, at a placing price of 102.5 pence per share (the "Placing") to qualified investors. This follows the full commitment (ahead of schedule) of the net proceeds raised in the Company's £250 million IPO on 31 May 2017.

The Placing is in line with the Company's growth strategy, and is part of its Placing Programme detailed in its Prospectus, issued at IPO. The net proceeds of the Placing will be used to acquire PRS development sites and newly completed PRS sites. As previously announced in the Quarterly Update, published on 10 January 2018, the PRS REIT continues to make strong progress and its Investment Adviser, Sigma PRS Management Limited, has identified further attractive PRS development opportunities, with a current gross development cost ("GDC") in excess of £540 million.

In an additional statement, released today, the Company also reports its maiden dividend, net asset value, and confirms that 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.

Placing Highlights:

- The Placing, which is not underwritten, comprises a placing of up to 250 million new Ordinary Shares to be issued under the Company's existing general authority to issue shares on a non pre-emptive basis.
- The issue price per Ordinary Share of any shares issued pursuant to the Placing will be 102.5 pence per Ordinary Share (the "Placing Price"). This represents a discount of 1.0 per cent. to the

closing price per Ordinary Share of 105 pence at the close of business on 30 January 2018 net of the maiden dividend of 1.50 pence declared today, and a premium of 4.4 per cent. to the latest (cum income) NAV per Ordinary Share of 98.2 pence as at 31 December 2017 (unaudited). The Placing will be NAV accretive for existing shareholders.

- Any Ordinary Shares issued pursuant to the Placing will be subject to the terms and conditions of the Placing Programme set out in the Prospectus and which can be found in the appendix to this announcement. When issued, these Ordinary Shares will rank *pari passu* with the existing Ordinary Shares in issue, save that they will not be entitled to receive the dividend of 1.50 pence declared today for the financial period to 31 December 2017.
- The Placing will be launched immediately following this announcement. The bookbuild is expected to close at 1.00 p.m. (London time) on 1 March 2018, but may be closed earlier or later at the discretion of the Company and the Joint Bookrunners. The full timetable can be found further below.
- Application will be made to the London Stock Exchange for admission of the new Ordinary Shares in the Company to be issued pursuant to the Placing to the Specialist Fund Segment of the London Stock Exchange's Main Market for listed securities ("Admission"). It is expected that Admission of the Ordinary Shares issued pursuant to the Placing will become effective on or around 6 March 2018.

Steve Smith, Chairman, commented:

"The PRS REIT has made strong progress since its IPO eight months ago, when we raised £250 million to invest in new rental homes across the regions in England. Having fully committed these funds, we are delighted to be launching a second share placing, which is targeting up to circa £250 million. The proceeds from this placing will enable us to continue to deliver more high quality rental homes for middle-income families.

"There is an urgent need for new rental homes across the country and we see our professionally managed, well-designed, new properties playing an important part in satisfying that demand, while also creating new, vibrant communities."

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.

For further information, please contact:

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Introduction

The Company has been established to create an investment portfolio of newly-constructed, residential PRS sites of multiple units, which are aimed at providing middle-income families with professionally managed, high quality housing. At the same time, the Company intends to generate an attractive level of income for investors, together with the prospect of income and capital growth.

The Company's PRS units mainly comprise family homes, let on Assured Shorthold Tenancies (as defined in the Housing Act 1988) to qualifying tenants. The properties are predominately 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 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.

As reported in the PRS REIT's Quarterly Update, published on 10 January 2018, the Company has now fully committed (ahead of schedule) all the net proceeds from its IPO, which raised £250 million (gross). Furthermore, today, the PRS REIT has announced its maiden dividend and NAV, which was in line with management expectations, and it remains well-positioned to achieve its near term dividend and NAV targets. In addition, credit approved terms have been agreed for £200 million of debt facilities.

The Company's Investment Adviser has identified further PRS development opportunities, which it believes are attractive, with current gross development cost ("GDC") in excess of £540m, equating to approximately 3,800 new homes. These opportunities include development sites in new geographies, such as the East Midlands and South Yorkshire. Through agreements with its house building partners, strong relationships with local authorities and support from Homes England, the Company has visibility on the potential delivery of over 10,000 new rental homes. The Directors of the Company therefore consider that the PRS REIT is well-placed to deliver against its growth strategy and to deploy additional equity capital, thereby benefiting all its stakeholders.

Investment Highlights

Undersupply of Housing and Rising Demand

- The Town and Country Planning Association and the Government recognise a requirement for 300,000 new dwellings per annum to deal with the structural undersupply of housing.
 - Net new dwellings of 216,000 in 2016/17 is still well behind requirement and does not address the accumulated deficit of new dwellings.
- The UK population of 65.7 million in 2016 is projected to grow by 5.4 per cent. over the next 10 years, with the creation of new households projected to increase by 8.1 per cent. over the same period.

Lack of House Price Affordability

- 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. This has the effect of generating greater

demand for rented accommodation.

Rental Market

- Of the 23.5 million households in the UK, over 4 million are now privately rented, almost double the number ten years ago and growing.
 - The PRS market is fragmented, and typically privately managed.
 - Buy-to-let (“BTL”) is diminishing in popularity due to taxation, costs of entry and lending restrictions – BTL mortgage applications have fallen by 47 per cent. in the last 12 months; data suggests investors are shedding stock.
 - Currently, there is a pipeline of £17 billion of rented stock with a forecast requirement of £300 billion over the next five years.
 - By 2020, the PRS market is projected to grow to nearly 6 million households or 25 per cent. of all households.
 - The rental market for family houses (rather than apartments) is believed to be particularly undersupplied. 51 per cent. of renters are families, however, over 90 per cent. of new build to rent supply is apartments.
- 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. First time buyer stamp duty relief is having limited impact on growth trends in the private rented sector.

Long Term Income from Investments with Predictable Cash Flows

- As announced today, 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.*
- 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.
- PRS assets are spread over geographically diverse locations, mitigating localised risk factors.

Benefits of the Placing

The Directors believe that the Placing will offer the following key benefits to Shareholders:

- Further the Company’s growth strategy and enable additional investments in accordance with the Company’s investment criteria;
- Create additional operational efficiencies, with fixed operating expenses spread over a larger capital base, so reducing ongoing expenses per Ordinary Share;
 - additional economies of scale in the supply chain reduce delivery costs, limiting dilution for investors;
- Enhance the Company’s ability to extend its geographic coverage and to deliver larger sites;

- Improve the market profile of the Company as a key delivery partner for major local authorities and institutions; and
- Increase the size of the Company, improving liquidity and enhancing the marketability of the Company's Ordinary Shares, resulting in a broader investor base over the longer term.

Pipeline of New PRS Development Opportunities

- A pipeline of approximately 3,800 new homes with a total GDC of c.£540 million has been identified and is under active appraisal by the Company's Investment Adviser.
- Visibility on the potential delivery of 10,000 plus new homes for the PRS REIT 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);
 - strong relationships with local authorities which ensure land delivery and planning throughout the UK; and
 - support from Homes England (previously, the Homes and Communities Agency), which has already supported Sigma Capital Group plc in the development of PRS assets and participated in the PRS REIT's IPO.

Expected Timetable for Placing

Announcement of Placing	31 January 2018
Latest time and date for receipt of Placing commitments	1:00pm on 1 March 2018
Publication of the results of the Placing	2 March 2018
Admission and dealings in new Ordinary Shares	6 March 2018

Prospectus

The PRS REIT's Prospectus is available on the Company's website www.theprsreit.com, subject to certain access restrictions. It is also available for inspection at the Company's registered office, 3rd Floor, 1 St Ann Street, Manchester, M2 7LR and can be found at the National Storage Mechanism via www.morningstar.co.uk/uk/NSM.

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 target and net total shareholder returns are based on the IPO issue price of 100 pence per ordinary share.*

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. 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. The UK Government's Homes England (formerly Homes and Communities Agency) supported the launch of the PRS REIT with a direct investment of c. £25 million. The proceeds of the fundraising have now been fully committed to completed PRS sites and PRS development sites, with the objective of providing shareholders with an attractive level of income together with the potential for capital and income growth. The PRS REIT is now seeking to raise further funds via a proposed placing of new Ordinary Shares.

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.

Important Note

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 and not in reliance on this announcement. Copies of the Prospectus may, subject to any applicable law, be obtained from the registered office of the Company and at the National Storage Mechanism at <http://www.morningstar.co.uk/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 is intended to form the basis of any contract of sale, investment decision or any decision to purchase shares in the Company.

The contents of this announcement have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 (as amended) ("FSMA").

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 Specialist Fund Segment is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk of investing in companies admitted to the Specialist Fund Segment. The information contained within this announcement (and in particular the Appendix hereto) is directed only at (i) persons outside the United Kingdom to whom it is lawful to communicate, (ii) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), or (iii) high net worth companies, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; provided that in the case of persons falling into categories (ii) or (iii), the communication is only directed at persons who are also “qualified investors” as defined in section 86 of FSMA (each a “**Relevant Person**”). Any investment or investment activity to which the information contained within this announcement relates is available only to and will be engaged in only with such Relevant Persons. Persons within the United Kingdom (other than persons falling within (ii) and (iii) above) should not rely on or act upon the information contained within this announcement.

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 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.

Appendix – Terms and Conditions of Application under the Placing Programme

All capitalised terms, unless otherwise defined, shall have the meanings ascribed to them in the Prospectus.

1. Introduction

- 1.1. Ordinary Shares are available under the Placing at the Placing Price. The Ordinary Shares will, when issued and fully paid, include the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.
- 1.2. Each Placee which confirms its agreement to N+1 Singer and Stifel to subscribe for Ordinary Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3. The Company, N+1 Singer and/or Stifel may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as they (in their absolute discretion) see(s) fit.
- 1.4. The commitment to acquire Ordinary Shares under the Placing will be agreed orally with N+1 Singer and/or Stifel as agent for the Company and further evidenced in a contract note ("Contract Note") or placing confirmation ("Placing Confirmation").

2. Agreement to subscribe for ordinary shares and conditions

- 2.1. A Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by N+1 Singer and/or Stifel at the Placing Price, conditional on:
 - 2.1.1. the Placing and Offer Agreement becoming unconditional in respect of the Placing (save for any condition relating to Admission) and not having been terminated on or before the date of Admission;
 - 2.1.2. Admission by no later than 4 April 2018 or such later date as may be agreed between the Company, N+1 Singer and Stifel and, in any event, not being later than 3 May 2018; and
 - 2.1.3. The Placing Price being determined by the Directors.
- 2.2. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. Payment for Ordinary Shares

- 3.1. Each Placee must pay the Placing Price for the Ordinary Shares issued to the Placee in the manner and by the time directed by N+1 Singer and Stifel. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Ordinary Shares may, at the discretion of N+1 Singer, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.
- 3.2. Each Placee is deemed to agree that if it does not comply with its obligation to pay the Placing Price for the Ordinary Shares allocated to it in accordance with paragraph of these terms and conditions and N+1 Singer or Stifel elects to accept that Placee's application, N+1 Singer or Stifel may sell all or any of the Ordinary Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for N+1 Singer's or Stifel's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Ordinary Shares on such Placee's behalf.

4. Representations and Warranties

- 4.1. By agreeing to subscribe for Ordinary Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant and acknowledge to each of the Company, the AIFM, the Investment Adviser, the Registrar, N+1 Singer and Stifel that:
 - 4.1.1. in agreeing to subscribe for Ordinary Shares under the Placing, it is relying solely on the Prospectus and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company and/or the Placing. It agrees that none of the Company, the AIFM, the Investment Adviser, N+1 Singer, Stifel or the Registrar, nor any of their respective officers, agents, or employees, will have any liability for any

other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

4.1.2. if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the AIFM, the Investment Adviser, N+1 Singer, Stifel or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

4.1.3. it has carefully read and understands the Prospectus in its entirety and acknowledges that it is acquiring Ordinary Shares on the terms and subject to the conditions set out herein and the Articles as in force at the date of Admission of the relevant Ordinary Shares;

4.1.4. it has not relied on N+1 Singer or Stifel or any person affiliated with N+1 Singer or Stifel in connection with any investigation of the accuracy of any information contained in the Prospectus;

4.1.5. the content of the Prospectus is exclusively the responsibility of the Company and its Directors and neither N+1 Singer nor Stifel nor any person acting on their respective behalf nor any of its respective affiliates are responsible for or shall have any liability for any information, representation or statement contained in the Prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Placing based on any information, representation or statement contained in the Prospectus or otherwise;

4.1.6. it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in the Prospectus and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Adviser, N+1 Singer or Stifel;

4.1.7. it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);

4.1.8. if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Ordinary Shares may otherwise lawfully be offered under such Order and/or is a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;

- 4.1.9. if it is a resident in the EEA (other than the United Kingdom): (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive 2003/71/EC; and (b) if that relevant Member State has implemented the AIFMD, that it is a person to whom the Ordinary Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that relevant Member State;
- 4.1.10. in the case of any Ordinary Shares acquired by a Placee as a financial intermediary within the EEA (other than the United Kingdom) as that term is used in Article 3(2) of the Prospectus Directive: (a) the Ordinary Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive 2010/73/EU, or in circumstances in which the prior consent of N+1 Singer and Stifel has been given to the offer or resale; or (b) where Ordinary Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- 4.1.11. it does not have a registered address in, and is not citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a nondiscretionary basis for any such person;
- 4.1.12. if it is outside the United Kingdom, neither the Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.1.13. if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Ordinary Shares under the Placing and will not be any such person on the date any such agreement to subscribe under the Placing is accepted;
- 4.1.14. it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus or any other offering materials concerning the Placing or the Ordinary Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.1.15. it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States purchase and transfer restrictions" in paragraph 7, below;
- 4.1.16. it acknowledges that neither N+1 Singer nor Stifel nor any of its affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of N+1 Singer or Stifel and that N+1 Singer or Stifel do not have any duties or responsibilities to it for providing

the protections afforded to their clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Placing;

4.1.17. it acknowledges that where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:

- (a) to subscribe for the Ordinary Shares for each such account;
- (b) to make on each such account's behalf the representations, warranties and agreements set out in this Appendix and in the Prospectus; and
- (c) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company, N+1 Singer and/or Stifel;

and it agrees that the provisions of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;

4.1.18. it irrevocably appoints any director of the Company and any member of N+1 Singer or director of Stifel to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

4.1.19. it accepts that if the Placing does not proceed or the conditions to the Placing and Offer Agreement are not satisfied or the Ordinary Shares for which valid applications are received and accepted are not admitted to trading on the Specialist Fund Segment of the London Stock Exchange's main market for listed securities for any reason whatsoever then neither of N+1 Singer nor Stifel nor the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

4.1.20. in connection with its participation in the Placing it has observed all relevant legislation and regulations;

4.1.21. it acknowledges that N+1 Singer, Stifel and the Company are entitled to exercise any of their rights under the Placing and Offer Agreement or any other right in their absolute discretion without any liability whatsoever to it;

4.1.22. the representations, undertakings and warranties contained in this Appendix and in the Prospectus are irrevocable. It acknowledges that N+1 Singer, Stifel and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Ordinary Shares are no longer accurate, it shall promptly notify N+1 Singer, Stifel and the Company;

4.1.23. where it or any person acting on behalf of it is dealing with N+1 Singer or Stifel, any money held in an account with N+1 Singer or Stifel on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the

relevant rules and regulations of the FCA which therefore will not require N+1 Singer or Stifel to segregate such money, as that money will be held by N+1 Singer or Stifel under a banking relationship and not as trustee;

4.1.24. any of its clients, whether or not identified to N+1 Singer or Stifel, will remain its sole responsibility and will not become clients of N+1 Singer or Stifel for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

4.1.25. it accepts that the allocation of Ordinary Shares shall be determined by the Company in its absolute discretion (in consultation with N+1 Singer and Stifel) and that the Company may scale down any commitments for this purpose on such basis as it may (in consultation with N+1 Singer and Stifel) determine;

4.1.26. time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing;

4.1.27. its commitment to acquire Ordinary Shares will be agreed orally with N+1 Singer or Stifel as agent for the Company and that a Contract Note or Placing Confirmation will be issued by N+1 Singer and Stifel as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and N+1 Singer or Stifel to subscribe for the number of Ordinary Shares allocated to it at the Placing Price on the terms and conditions set out in herein and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of N+1 Singer and Stifel, such oral commitment will not be capable of variation or revocation after the time at which it is made; and

4.1.28. its allocation of Ordinary Shares under the Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming:

- (a) the number of Ordinary Shares that such Placee has agreed to subscribe for;
- (b) the aggregate amount that such Placee will be required to pay for such Ordinary Shares; and
- (c) settlement instructions to pay N+1 Singer or Stifel as agents for the Company. These terms and conditions will be deemed to be incorporated into that Contract Note or Placing Confirmation.

The Company reserves the right to reject all or part of any offer to purchase Ordinary Shares for any reason. The Company also reserves the right to sell fewer than all of the Ordinary Shares offered under the Placing or to sell to any purchaser fewer than all of the Ordinary Shares a purchaser has offered to purchase.

5. MONEY LAUNDERING

5.1 Each Placee acknowledges and agrees that:

5.1.1 its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person:

- (a) subject to the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in force in the United Kingdom; or

(b) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the “Money Laundering Directive”); or

(c) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive; and

5.1.2 due to anti-money laundering requirements, N+1 Singer, Stifel and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, N+1 Singer, Stifel and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify N+1 Singer, Stifel and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it.

6. THE DATA PROTECTION ACT

6.1 Each Placee acknowledges and agrees that, pursuant to The Data Protection Act 1998 (the “DP Act”) the Company and/or the Registrar and/or the Administrator, may hold personal data (as defined in the DP Act) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used. The Registrar and the Administrator will only process such information for the purposes set out below (collectively, the “Purposes”), being to:

6.1.1 process its personal data (including sensitive personal data as defined in the DP Act) to the extent and in such manner as is necessary for the performance of their obligations under their respective service contracts, including as required by or in connection with its holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;

6.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;

6.1.3 provide personal data to such third parties as the Registrar and/or the Administrator may consider necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares or as the DP Act may require, including to third parties outside the European Economic Area;

6.1.4 without limitation, provide such personal data to their affiliates, the Company or the AIFM or the Investment Adviser and their respective associates for processing, notwithstanding that any such party may be outside the European Economic Area; and

6.1.5 process its personal data for the Registrar’s and/or the Administrator’s internal administration.

6.2 By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the Company, the Registrar or the Administrator of any personal data relating to them in the manner described above. In providing the Registrar and the Administrator with information, it hereby represents

and warrants to the Registrar and the Administrator that it has obtained the consent of any data subject to the Registrar and the Administrator, and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 6).

7. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

7.1 By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the AIFM, the Investment Adviser, the Registrar and N+1 Singer and Stifel that:

7.1.1 it is either:

(a) not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person; or

(b) a US Person to whom Ordinary Shares may be offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States;

7.1.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with all applicable state securities laws and under circumstances that would not require the Company to register under the US Investment Company Act;

7.1.3 it acknowledges that the Company has not and will not be registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;

7.1.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of:

(a) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA;

(b) a “plan” as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or

(c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and

disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

7.1.5 if any Ordinary Shares are issued to it in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law: "THE PRS REIT PLC (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE US SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. IN ADDITION, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON USING THE ASSETS OF (I) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA; (B) A "PLAN" AS DEFINED IN SECTION 4975 OF THE US CODE, INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE US CODE; OR (C) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY OF THE FOREGOING TYPES OF PLANS, ACCOUNTS OR ARRANGEMENTS THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE US CODE OR (II) A GOVERNMENTAL, CHURCH, NON-US OR OTHER EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE US CODE UNLESS THE PURCHASE, HOLDING OR DISPOSITION OF THE SECURITIES WILL NOT RESULT IN A VIOLATION OF APPLICABLE LAW AND/OR CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 503 OF THE US CODE OR ANY SUBSTANTIALLY SIMILAR LAW.";

7.1.6 if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

7.1.7 it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;

7.1.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;

7.1.9 it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;

7.1.10 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, the Investment Adviser, the Registrar, N+1 Singer, Stifel or their respective members, directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;

7.1.11 it has received, carefully read and understands the Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus or any other presentation or offering materials concerning the Ordinary Shares to within the United States or to any US Persons, nor will it do any of the foregoing; and

7.1.12 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

7.2 The Company, the AIFM, the Investment Adviser, the Registrar, N+1 Singer, Stifel and their respective members, directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

7.3 If any of the representations, warranties, acknowledgments or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company, N+1 Singer and Stifel.

8. SUPPLY AND DISCLOSURE OF INFORMATION

If N+1 Singer, Stifel, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares under the Placing, such Placee must promptly disclose it to them.

9. NON UNITED KINGDOM INVESTORS

9.1 If the Placee is outside the United Kingdom, neither the Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements.

9.2 None of the Ordinary Shares has been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Ordinary Shares

may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa or Japan or to any US Person or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan unless an exemption from any registration requirement is available.

10. MISCELLANEOUS

10.1 The rights and remedies of the Company, the AIFM, the Investment Adviser, N+1 Singer, Stifel and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

10.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

10.3 Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the Placing and the appointments and authorities mentioned in the Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Investment Adviser, N+1 Singer, Stifel and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

10.4 In the case of a joint agreement to subscribe for Ordinary Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

10.5 N+1 Singer, Stifel and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing and Offer Agreement and the Placing and Offer Agreement not having been terminated. Further details of the terms of the Placing and Offer Agreement are contained in paragraph 7.5 of Part 12 of the Prospectus.