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7 July 2017

**Residential Secure Income plc**

(the "Company" or "ReSI")

**Successful Fundraising of £180 million**

Residential Secure Income plc is pleased to announce that it has successfully raised gross proceeds of £180 million pursuant to the placing and offer for subscription (the "Issue") of ordinary shares in the capital of the Company (the "Ordinary Shares") as described in the prospectus published by the Company on 22 June 2017 (the "Prospectus").

The Company intends to invest the net proceeds of the Issue in acquiring portfolios of Homes across residential asset classes that comprise the stock of Housing Associations and Local Authorities. Homes acquired by the Company will predominantly be on a freehold or long leasehold basis (typically 99 years or more to maturity) and benefit from long term (typically 20 years plus) inflation-adjusted cash flows. Acquisitions by the Company will be limited to Homes with sufficient cashflows, counterparty credit quality and property security that allow the Fund Manager to arrange long-term investment grade equivalent debt.

The Company is targeting, on a fully invested and geared basis, a dividend yield of 5 per cent. per annum based on the Issue Price, which the Company expects to increase broadly in line with inflation, and a total return in excess of 8 per cent. per annum<sup>1</sup>.

**Commenting on today's announcement, Rt. Hon Baroness Dean of Thornton le Fylde, Chairman of Residential Secure Income plc, said:**

"We are delighted with the strong response from a broad range of high quality investors to our Initial Public Offering. We have a robust, identified pipeline of target assets and the net proceeds of the Issue will enable the Company to deploy over £350 million into these investment opportunities. We now expect accelerated deployment of net proceeds providing our new shareholders with secure, long-dated, inflation-linked income returns with the potential for capital growth."

**Ben Fry, Managing Director of ReSI Capital Management Limited commented:**

"ReSI is the only listed REIT able to invest across the full spectrum of UK Housing Association assets and will select investments capable of supporting investment grade equivalent debt, emphasising the strength of our Housing Association partners and the quality of our assets. We have worked with Housing Associations to generate an exciting pipeline of predominately large scale investment opportunities and expect to make a meaningful contribution to the UK housing shortage by allowing Housing Associations and Local Authorities to recycle capital into socially and economically beneficial new housing."

Applications have been made in respect of 180 million Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities and to listing on the Premium Listing segment of the Official List of the UK Listing Authority ("Admission"). It is expected that Admission will become effective and dealings in the new ordinary shares will commence at 8.00 a.m. (London time) on 12 July 2017. The Ordinary Shares will trade under the ticker RESI (ISIN: GB00BYSX1508).

Jefferies International Limited ("Jefferies") is acting as sole sponsor, financial adviser and bookrunner in relation to the Issue.

Save to the extent otherwise defined herein, terms used in this announcement shall, unless the context otherwise requires, bear the meanings given to them in the Prospectus.

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Notes:

1. This is a target only and not a profit forecast and there can be no assurance that it will be met.

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Any purchase of Ordinary Shares in the proposed initial public offering should be made solely on the basis of the information contained in the Prospectus.

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