

10 April 2019

Civitas Social Housing PLC
(‘Civitas’)

Response to Encircle Housing Regulatory Announcement

Civitas, a social housing REIT, notes that the Regulator of Social Housing ("RSH") has today issued its regulatory announcement in respect of Encircle Housing, one of the 15 housing associations working with Civitas and other landlords in the sector. In line with RSH policy, Encircle has not received a grading as it leases/owns less than 1,000 homes.

As at 10 April 2019 Encircle represented 5.87% of the Civitas NAV and 4.84% of the Civitas GAV (based upon target leverage of 35%). As at 10 April 2019, Encircle remains fully up to date with all lease payments due to Civitas and this is expected to continue to be the case.

Today’s regulatory announcements are expected to have no impact on Civitas’ portfolio or financial position.

The RSH announced in May 2018 a general review of housing associations engaged in the provision of property services for vulnerable people. The announcement issued to Encircle reflects similar judgements that have been issued in respect of all other recent regulatory reviews for comparable housing associations. Encircle has indicated that it is in dialogue with the Regulator and is working to improve its position whilst continuing to deliver high quality services to its residents.

Paul Bridge, Chief Executive Officer of Civitas Housing Advisors, said:

“The announcement today is as expected and does not affect Encircle’s operations in respect of Civitas; nor do we anticipate any impact on our portfolio.

“Civitas is a firm supporter of the general review which the RSH is undertaking. It provides an opportunity for these housing associations, which provide vital homes for vulnerable people, to continue to evolve and improve, and reflects the growing maturity and sustainability of the sector as a whole.”

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Notes to Editors:

Civitas Social Housing PLC is the first Real Estate Investment Trust offering pure play exposure to social housing in England and Wales. The Company is advised by Civitas Housing Advisors Limited, who are authorised and regulated by the Financial Conduct Authority under Firms Reference Number 815699. The Company is listed on the premium listing segment of the Official List of the Financial Conduct Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in November 2016. The company is a constituent of the FTSE 250 index.