NAV, Portfolio Update and Dividend

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GCP Student Living PLC
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GCP Student Living plc

("GCP Student" or the "Company", together with its subsidiaries the "Group")

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NAV, portfolio update and dividend

GCP Student, the only UK REIT focused on modern, purpose-built private student accommodation in and around London, today announces its EPRA Net Tangible Assets (NTA) per ordinary share, portfolio update and dividend in respect of the quarter ended 30 June 2021.

Net Asset Value

The Company's EPRA Net Tangible Assets (NTA) per ordinary share as at 30 June 2021 is 195.05 pence (31 March 2021: 179.07 pence).

As announced on 16 July 2021, the key movement in the Company's NTA was the uplift in the 30 June 2021 valuation of the Company's portfolio to £1.14 billion.

The valuation uplift is an increase of 6.8% during the quarter and has primarily been driven by the ongoing strong investment demand for private student accommodation in the Company's core London market. This has resulted in yield compression in addition to the expectation of the independent valuer, Knight Frank, of higher rents in the 2021/22 academic year. The valuation net initial yield on the operational portfolio was 4.30% (31 March 2021: 4.44%).

At 30 June 2021 the portfolio comprised eleven operational assets with c.4,100 beds. Approximately 81% by value of the Group's portfolio is located in and around London.

Bookings and market update

The Group's buildings remain operational with the Directors and Investment Manager remaining focused on ensuring the wellbeing of residents and staff by providing a safe and secure environment in-line with government regulations.

Bookings for the 2021/22 academic year are currently at 42%, compared with 83% at the same point in 2019, the most recent pre-pandemic year. The Company notes the relaxation of restrictions in the UK and anticipates the 2021/22 booking season being condensed and back-ended.

Debt facilities

On 25 July 2018 the Company entered into a three year redrawable credit facility (the "RCF") with Wells Fargo & Company for an aggregate amount of up to £45 million.

The Company has now entered into an agreement with Wells Fargo & Company to extend the facility to January 2023. The facility has a prevailing margin of 2.10% above three month SONIA, reducing to 1.95% where the debt yield is equal to or higher than 9.0%. The debt yield is calculated as property net operating income divided by the amount of drawn facility.

The Group has an average weighted maturity on its drawn debt of approximately four years from the date of this announcement. The Group's Loan to Value ("LTV"), calculated as borrowings net of cash as a proportion of the Group's total portfolio value, was 21% at 30 June 2021.

Dividend

Following the recommended cash offer for the Company by Gemini Jersey JV L.P, the Directors have decided to suspend the Company's quarterly dividend until further notice.

Additional information on the Company's portfolio can be found in the factsheet for the period ended 30 June 2021, which will be published shortly and will be available at:

www.gcpstudent.com/literature

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About GCP Student

The Company is the only UK REIT focused on modern, purpose-built private student accommodation in and around London.

Its investments are located where the Investment Manager believes the Company is likely to benefit from supply and demand imbalances for student residential accommodation. GCP Student's property portfolio comprises eleven operational assets with c.4,100 beds. At 30 June 2021, its property portfolio was valued at £1.14 billion.

The Company's Economic Net Asset Value at 30 June 2021, being the prevailing Net Asset Value without any adjustment for the fair value mark-to-market valuation of financial derivative instruments used to manage interest rate movements, was £887.4m.

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