

9 February 2022

## **Grainger plc**

("Grainger", the "Group", or the "Company")

### **TRADING UPDATE**

## **Strong performance, occupancy ahead of expectations, underpins growth momentum**

- Private Rented Sector ("PRS") occupancy at 97%
- Rental growth at +3.2% (like-for-like)

Grainger plc, the UK's largest listed provider of private rental homes, today provides an update on trading for the first four months of its financial year to the end of January 2022, alongside its AGM which is being held today. The Company will announce its half year financial results on 12 May 2022.

### **Helen Gordon, Chief Executive, said:**

"We have delivered a strong performance for the start of our financial year. We have achieved occupancy in our PRS portfolio of 97%, an improvement since the year end. Rental growth is strengthening further at 3.2%, having remained positive throughout the pandemic. This performance is testament to our strong operational platform. Our customers recognise the value in our high-quality homes and great service."

### **Strong rental performance**

Our market-leading operational platform continues to deliver value:

- Occupancy on our PRS portfolio at 97%
- Total like-for-like rental growth continues to accelerate to +3.2%,
  - PRS like-for-like rental growth of +3.0%, in line with our expectations of returning to the long-term trend of 3-3.5% this year and having remained positive throughout the pandemic
  - Regulated tenancy like-for-like rental growth of +3.9%
- Rent collection remains strong at 98%
- Our PRS portfolio represents c.75% of total net rental income, and the regulated tenancy portfolio the remainder

### **Strong growth momentum**

- Our £1.9bn pipeline is expected to deliver growth in recurring earnings, as net rental income, by approximately 2.5 times over the medium term
- FY21 launches continue to lease up ahead of expectations and underwriting
  - Gatehouse Apartments, Southampton (132 homes), 100% let
  - The Filaments, Manchester (376 homes), 98% let or reserved
  - Windlass Apartments, London (108 homes), 86% let or reserved
  - Apex Gardens, London (163 homes), 73% let or reserved

- The Headline, Leeds (242 homes), 99% let or reserved
- Four new assets will be launched this year, comprising 1,174 new rental homes

### **Strong sales performance**

- Sales performance from our regulated tenancy portfolio, as we recycle out of these assets into our PRS investment pipeline, remains strong across all regions with an acceleration in London
- Sales prices achieved remain ahead of valuations by between 1-2%

### **Fire safety and cladding**

- Grainger takes a market-leading approach to fire safety through our Live.Safe programme
- The significant proportion of our PRS portfolio has been developed post-Grenfell and we have minimal exposure to cladding with no material costs expected
- The UK Government has excluded build-to-rent, PRS development activity from the Residential Property Developer Tax due to the fact that as a landlord we already cover building-related costs and do not pass this onto our residents. We continue to advocate the same approach to excluding build-to-rent from the forthcoming Building Safety Levy and proposed Orphan Fund

### **External awards and benchmarks**

- Grainger was awarded Residential Asset Manager of the Year at the RESI Awards

**-ENDS-**

### **For further information:**

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