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If you have sold or otherwise transferred all of your Shares, please pass this document (but not the accompanying personalised Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee.

This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, or otherwise dispose of, any security. This document does not constitute a prospectus or prospectus equivalent document. Any decision to acquire Shares under the Share Issuance Programme must be made only on the basis of the information contained in, and incorporated by reference into, the Prospectus of the Company which was published today. Copies of the Prospectus are available from the Company’s registered office, 6-8 James Street, London W1U 1ED.

EMPIRIC STUDENT PROPERTY PLC

(Incorporated in England and Wales with registered number 08886906 and registered as an investment company under Section 833 of the Companies Act)

NOTICE OF GENERAL MEETING

In connection with proposals for the issue of Shares pursuant to the Share Issuance Programme and related matters

This document should be read as a whole. Nevertheless, your attention is drawn to the letter from your Chairman which contains a recommendation from the Board of the Company that you vote in favour of the Resolutions to be proposed at the General Meeting.

Jefferies International Limited (“**Jefferies**”), which is authorised and regulated in the United Kingdom by the FCA is acting exclusively for the Company and for no-one else in connection with the Proposals, will not regard any other person (whether or not a recipient of this document) as a client in relation to the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Jefferies, nor for providing advice in connection with the Proposals.

Akur Limited (“**Akur**”), which is authorised and regulated in the United Kingdom by the FCA is acting exclusively for the Company and for no-one else in connection with the Proposals, will not regard any other person (whether or not a recipient of this document) as a client in relation to the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Akur, nor for providing advice in connection with the Proposals.

Notice of the General Meeting to be held at 4 More London Riverside, London SE1 2AU on 17 November 2014 at 10.30 a.m. is set out at the end of this document. The Proposals described in this document are conditional upon Shareholder approval of the Resolutions at the General Meeting.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services PLC at The Pavilions, Bridgewater Road, Bristol BS99 6ZY as soon as possible and in any event so as to arrive by no later than 10.30 a.m. on 13 November 2014.

The distribution of this document, together with accompanying documents, into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession such documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

This document is not a prospectus and is not an offer to sell or a solicitation of any offer to buy any securities in the United States or in any other jurisdiction. The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, and the Company has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended.

TABLE OF CONTENTS

EXPECTED TIMETABLE	3
PART 1 – LETTER FROM THE CHAIRMAN	4
PART 2 – FURTHER INFORMATION	14
DEFINITIONS	30
NOTICE OF GENERAL MEETING	34

EXPECTED TIMETABLE

Date of Circular	30 October 2014
Latest time and date for receipt of Forms of Proxy or transmission of CREST Proxy Instructions for the General Meeting	10.30 a.m. on 13 November 2014
General Meeting	10.30 a.m. on 17 November 2014
Initial Issue	
Initial Offer for Subscription closes	11.00 a.m. on 19 November 2014
Initial Placing and U.S. Private Placement closes	3.00 p.m. on 19 November 2014
Announcement of the results of the Initial Issue	20 November 2014
Initial Admission and crediting of CREST accounts in respect of the Initial Issue	24 November 2014
Further Tranches pursuant to the Share Issuance Programme	
Admission and crediting of CREST accounts in respect of subsequent Tranches	8.00 a.m. on the Business Day on which the Shares are issued
Share Issuance Programme closes	29 October 2015

The times and dates set out in the expected timetable and mentioned throughout this document may, in certain circumstances, be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to the UKLA and the London Stock Exchange and, where appropriate, Shareholders and an announcement will be made through a Regulatory Information Service. All references to times in this document are to London time unless otherwise stated.

PART 1

LETTER FROM THE CHAIRMAN

EMPIRIC STUDENT PROPERTY PLC

(Incorporated in England and Wales with registered number 08886906 and registered as an investment company under Section 833 of the Companies Act)

Directors:

Brenda Dean (The Rt Hon Baroness Dean of Thornton-le-Fylde) (Chairman)
Paul Hadaway (Chief Executive Officer)
Timothy Attlee (Chief Investment Officer)
Michael Enright (Chief Finance Officer)
Stephen Alston (Non-Executive Director)
Jim Prower (Non-Executive Director)
Alexandra Mackesy (Non-Executive Director)

Registered Office:

6-8 James Street
London
W1U 1ED

30 October 2014

To Shareholders

Dear Sir or Madam

Notice of General Meeting

In connection with proposals for the issue of Shares pursuant to the Share Issuance Programme and related matters

Introduction

As announced today, the Company is proposing to issue up to 300 million Shares pursuant to the Share Issuance Programme. Allotments and issuances of Shares under the Share Issuance Programme will be at the discretion of the Board and may take place at any time prior to the final closing date of 29 October 2015. Pursuant to the Share Issuance Programme, the Company is proposing to undertake an Initial Issue for up to 65 million Shares. It is expected that Initial Admission will become effective and that dealings in the Shares issued pursuant to the Initial Issue will commence at 8.00 a.m. on 24 November 2014.

The Company has published the Prospectus today containing details of the Share Issuance Programme. The Prospectus is available on the Company's website (<http://www.espreit.co.uk>) and the National Storage Mechanism of the FCA at www.morningstar.co.uk/uk/nsm and hard copies of the Prospectus can be obtained free of charge from Company's registered office, 6-8 James Street, London W1U 1ED. Subject to certain exceptions, Shareholders in the United States and the other Excluded Territories will not be permitted access to the Prospectus. You should not subscribe for any Shares referred to in this document except on the basis of information contained in or incorporated by reference into the Prospectus.

In connection with the Share Issuance Programme, Resolutions will be put to the Shareholders at the General Meeting to:

- (i) authorise the allotment of up to 300 million Shares pursuant to the Share Issuance Programme;

- (ii) obtain the consent of Shareholders to allot new Shares, pursuant to the Share Issuance Programme, to East Riding Pension Fund¹;
- (iii) obtain the consent of Shareholders to allot new Shares, pursuant to the Share Issuance Programme, to SG Private Banking¹;
- (iv) obtain the consent of Shareholders to allot new Shares, pursuant to the Share Issuance Programme, to CCLA¹;
- (v) disapply statutory pre-emption rights otherwise applicable to the allotment of Shares issued pursuant to the Share Issuance Programme such that the Shares do not first have to be offered to Shareholders in proportion to their shareholdings; and
- (vi) cancel the share premium account of the Company conditional upon the issue of the Shares by the Company pursuant to the Initial Issue.

(together the “**Proposals**”).

The Share Issuance Programme (including the Initial Issue) is therefore conditional upon the approval of the Resolutions at the General Meeting.

The background to, and the benefits of, the Proposals and the reasons why the Board is recommending that you vote in favour of the Resolutions at the General Meeting are set out below.

In particular, it is intended that all new Shares under the Share Issuance Programme will be issued at a premium to the prevailing Net Asset Value per Share, after the related costs have been deducted.

Background to and benefits of the Share Issuance Programme

Since its initial public offering on 30 June 2014, the Company has invested or committed substantially all of the net investable funds raised in accordance with its investment objective and investment policy. As at the date of this document, the Property Portfolio consists of the following investments and comprises a mix of operating properties and development and forward funded projects:

¹ A related party of the Company for the purposes of the Listing Rules being a ‘substantial shareholder’ holding 10 per cent. or more of the issued Share capital of the Company.

Operating properties

Name	Location	No. of Beds	Occupancy for 2014/2015	Date of acquisition	Title	Market value as at 29 Oct 2014 (£)
College Green	Bristol	84	100%	July 2014	Leasehold ⁽¹⁾	10,130,000
Picturehouse Apartments	Exeter	102	97%	July 2014	Freehold	11,522,000
Summit House	Cardiff	87	100%	July 2014	Freehold	9,610,000
Edge Apartments	Selly Oak, Birmingham	77	100%	August 2014	Freehold	8,940,000
The Brook	Selly Oak, Birmingham	106	100%	July 2014	Freehold	12,410,000
Centro Court	Aberdeen	56	100%	September 2014	Freehold	6,710,000
London Road	Southampton	46	100% ⁽²⁾	–	Freehold/Leasehold	4,000,000
Talbot Studios	Nottingham	98	100%	September 2014	Freehold	8,500,000
Alwyn Court	Cardiff	51	100%	October 2014	Freehold	3,740,000
Northgate House ⁽³⁾	Cardiff	67	–	–	Freehold	5,600,000
Total		774				81,162,000

(1) 150 year lease, started in August 2010.

(2) The Group has exchanged contracts to acquire London Road (Southampton). Completion of the acquisition will occur by 30 November 2014. The vendor has provided a 100 per cent. rental guarantee for the 2014/2015 academic year.

(3) The Group has exchanged contracts to acquire Northgate House parts of which are still currently under construction. Completion of the acquisition will take place on practical completion which is scheduled to occur in January 2015. The vendor has provided a 100 per cent. rental guarantee for the 2014/2015 academic year in respect of those parts of the property which are not currently let. The market value is based on the special assumption that Northgate House has reached practical completion and is fully let at the date of valuation.

Development and forward funded projects

Name	Location	Proposed no. of beds	Date of acquisition	Total investment to completion (£ million)	Estimated completion date	Market value as at 29 Oct 2014 ⁽¹⁾ (£)
<i>Forward funded projects</i>						
Buccleuch Street	Edinburgh	86	July 2014	8.5	May 2016	3,190,000
<i>Development projects</i>						
Brunswick House	Southampton	172	July 2014	6.9 ⁽³⁾	September 2015	1,800,000 ⁽²⁾
Willowbank ⁽⁴⁾	Glasgow	175	–	6.7 ⁽³⁾	September 2016	–

(1) Value based on progress of the development of the asset to 29 October 2014.

(2) This figure represents the value of the Group's 50 per cent. joint venture interest in the property.

(3) The total investment to completion figure excludes Revcap's contribution.

(4) London Cornwall Property Partners Limited ("LCPP"), acting on behalf of Empiric (Glasgow) Limited, has concluded missives (equivalent to exchange of contracts under English law) with Glasgow City Council in relation to the acquisition of Willowbank. Completion of the acquisition of Willowbank will be subject to receipt of planning approval and listed building consent to redevelop the building into direct-let premium student accommodation. LCPP is a company controlled by Timothy Attlee and Paul Hadaway, Executive Directors of the Company. It has been agreed that Willowbank will be transferred from LCPP to Empiric (Glasgow) Limited shortly after completion of the purchase. LCPP will receive no economic benefit from its role in the transaction. Due to the current status of Willowbank, it has not been valued for the purposes of the Valuation Report set out in the Prospectus.

Each of the development projects is being undertaken via 50:50 joint venture arrangements with Revcap Advisors Limited.

Pipeline investments

In addition to the recent exchange of contracts in relation to Alywn Court (Cardiff) and Northgate House (Cardiff), the Company is in final stage negotiations on two forward funded assets and one standing operating property. These assets comprise an aggregate of 337 beds representing a total commitment of approximately £28.85 million. Subject to the satisfactory completion of negotiations, all of these assets are expected to be acquired by December 2014 and will be funded principally by the RBS Loan.

The Company is also in the advanced stages of negotiation in relation to a near-term pipeline comprising 15 properties across multiple locations in the UK with an aggregate of more than 1,800 beds representing a total commitment of approximately £180 million. This comprises a mix of operating properties and forward funded and development projects with a similar return profile to the current portfolio. Subject to the satisfactory completion of negotiations and available financing, the Company believes that all of the properties would be able to be acquired by the Group over the next several months, and by no later than the end of March 2015. It is anticipated that any commitments made to such pipeline assets will be financed by equity proceeds raised under the Share Issuance Programme, additional debt (whether pursuant to the RBS Loan or otherwise) or a combination of these.

Future pipeline

Beyond the identified pipeline described above, the Company has a further pipeline of assets under consideration at earlier stages of due diligence and negotiation representing an additional potential commitment of approximately £400 – 600 million.

There can be no assurance that any of these pipeline projects will be completed or will be purchased or funded by the Company. The Company will, in any event, continue to evaluate other potential acquisitions in accordance with its investment policy.

The Directors believe that the Share Issuance Programme will have the following principal benefits for Shareholders:

- (a) the Net Proceeds of the Share Issuance Programme will be used to invest further in student accommodation assets thereby further growing and diversifying the Property Portfolio;
- (b) it will allow the Company to tailor future equity issuance to its immediate pipeline, providing flexibility and minimising cash drag;
- (c) it will enable the Company to raise additional capital quickly, in order to take advantage of discrete investment opportunities;
- (d) growing the Company, will spread operating costs over a larger capital base, which should reduce the total expense ratio; and
- (e) further issues of Shares could partially satisfy market demand from time to time for Shares and improve liquidity in the market for Shares.

The Company's stated longer term objective is to grow the Property Portfolio to a target size of 8,000 to 10,000 beds. The Company is therefore launching the Share Issuance Programme to issue, in aggregate, up to 300 million Shares in order to move closer to this objective.

Details of the Share Issuance Programme

The Share Issuance Programme will open on 30 October 2014 and close on 29 October 2015 (or any earlier date on which it is fully subscribed).

It is intended that the price at which Shares are issued on a non-pre-emptive basis under the Share Issuance Programme will always represent a premium to the prevailing Net Asset Value per Share, after the related costs have been deducted. The commissions and costs for each Tranche to be met by the Company will be capped at 2 per cent. of the gross proceeds of such Tranche.

No Shares are held in treasury at the date of this document.

The allotment of Shares pursuant to each Tranche of the Share Issuance Programme is at the discretion of the Directors and may take place at any time prior to the final closing date of 29 October 2015. An announcement of each issue of new Shares pursuant to the Share Issuance Programme will be released through a Regulated Information Service, including details of the number of Shares issued and the applicable issue price. The Share Issuance Programme will be suspended at any time when the Company is unable to issue new Shares pursuant to the Share Issuance Programme under any statutory provision or other regulation applicable to the Company or otherwise at the Directors' discretion.

Shares issued pursuant to the Share Issuance Programme will rank *pari passu* with the existing Shares then in issue (save for any dividends or distributions which are declared, made or paid by reference to a record date prior to the allotment of the relevant Shares).

Details of the Initial Issue

The Company is proposing to issue up to 65 million Shares pursuant to the Initial Issue at the Issue Price of 101 pence per Share. The Initial Issue, together consists of the Initial Placing, the Initial Offer for Subscription and the U.S. Private Placement.

If the Initial Issue meets its maximum size of 65 million Shares, it is expected that the Company will receive proceeds of approximately £64.34 million from the Initial Issue, net of fees and expenses associated with the Initial Issue.

The Initial Issue, which is not underwritten, is conditional upon *inter alia*:

- (i) Initial Admission having become effective on or before 8.00 a.m. on 24 November 2014 or such later time and/or date as the Company and Jefferies may agree;
- (ii) the Placing Agreement becoming wholly unconditional (save as to Initial Admission and in respect of any condition relating to the ongoing Share Issuance Programme) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and
- (iii) the disapplication of pre-emption rights in connection with the Share Issuance Programme by Shareholders at the General Meeting.

If these conditions are not met, the Initial Issue will not proceed and an announcement to that effect will be made via a Regulatory Information Service.

Application will be made to the UKLA for all of the Shares to be issued pursuant to the Initial Issue to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Initial Admission will become effective and dealings will commence on 24 November 2014.

Shares issued pursuant to the Initial Issue will be issued in registered form and may be held either in certificated or uncertificated form and settled through CREST. It is expected that CREST accounts will be credited on 24 November 2014 in respect of Shares issued in uncertificated form and definitive share certificates in respect of Shares held in certificated form will be despatched by post on or as soon as practicable after 1 December 2014. Temporary documents of title will not be issued. Dealings in the Shares are expected to commence on 24 November 2014. Dealing in Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The Directors intend to use the Net Proceeds to acquire investments in accordance with the Company's investment policy.

Related Party Transactions

East Riding Pension Fund, SG Private Banking and CCLA (together, the "**Related Parties**" and each, a "**Related Party**") are each a related party of the Company for the purposes of the Listing Rules because they are 'substantial shareholders', each holding 10 per cent. or more of the issued Share capital of the Company.

As at 29 October 2014 (being the latest practicable date prior to the publication of this document):

- (a) East Riding Pension Fund held approximately 18 per cent. of the issued capital of the Company.
- (b) SG Private Banking held approximately 12 per cent. of the issued capital of the Company.
- (c) CCLA held approximately 10 per cent. of the issued capital of the Company.

Under the Listing Rules, unless a relevant exemption applies, when a company issues shares to a related party, there is a requirement to obtain shareholders' approval for that transaction.

If further Shares are issued to any of the Related Parties pursuant to the Share Issuance Programme (at any time during the period in which the Share Issuance Programme is open), the Company may be required to seek Shareholder approval. The Company, in consultation with Jefferies, has agreed that it would be desirable to have the ability to issue Shares to each of the Related Parties under the Share Issuance Programme without requiring a Shareholder vote on each such occasion. Accordingly, the Directors are proposing Resolutions 2, 3 and 4 at the General Meeting, the effect of which is to permit the Company to issue Shares pursuant to the Share Issuance Programme to each of the Related Parties.

Each of East Riding Pension Fund, SG Private Banking and CCLA will abstain from voting at the General Meeting in relation to Resolutions 2, 3 and 4 respectively and each of the Related Parties will take all reasonable steps to ensure that their respective associates will also abstain from voting on such resolutions.

Although it is theoretically possible that all of the Shares available for issue under the Share Issuance Programme could be issued to one of East Riding Pension Fund, SG Private Banking or CCLA, the Board will not issue new Shares to any of the Related Parties if such placing would trigger the requirement for the relevant Related Party to make a mandatory bid for the Company under Rule 9 of the UK Code on Takeovers and Mergers.

If there is a material change to the terms of the Share Issuance Programme contemplated in this document, the Company will, save as stated below, seek new Shareholder approval for any further issue of Shares to any of the Related Parties.

Shareholders should be aware that under the Listing Rules, if the transaction with a related party is sufficiently small in size, it is not necessary to obtain the approval of shareholders as referred to above in respect of it (a Small Related Party Transaction). Accordingly, in the event that Resolutions 2, 3 and/or 4 are not passed, it would still be open to the Company to issue further Shares to the relevant Related Party up to such limits as would ensure that the issue, together with any issue in the last 12 months from the date of that issue, still constituted a Small Related Party Transaction. The tests for whether a related party transaction is small are set out in the Listing Rules. In summary, if the relevant percentage ratios of the tests are less than 5 per cent., the requirement to obtain Shareholder approval will not apply.

Authority to allot Shares and disapplication of pre-emption rights in connection with the Share Issuance Programme

Should Resolution 1 be passed at the General Meeting, the Directors will have the authority to allot up to, in aggregate, 300 million Shares pursuant to the Share Issuance Programme (representing 352 per cent of the total ordinary share capital of the Company as at 29 October 2014 being the latest practicable date prior to the publication of this document). Such authority will expire on 16 November 2015.

In order for the Directors to issue Shares for cash pursuant to the Share Issuance Programme free of statutory pre-emption rights, such pre-emption rights must be disapplied. Shareholders are therefore being asked to approve, by way of Resolution 5 at the General Meeting, the disapplication of the statutory pre-emption rights in respect of the issue of up to 300 million Shares pursuant to the Share Issuance Programme (representing 352 per cent of the total ordinary share capital of the Company as at 29 October 2014 being the latest practicable date prior to the publication of this document). Such authority will expire on 16 November 2015.

Cancellation of the Company's share premium account

Should Resolution 6 be passed at the General Meeting, an application will be made to the High Court of Justice (Chancery Division) following completion of the Initial Issue for the cancellation of the Company's share premium account. The cancelled share premium will be used to create a new special reserve which will be capable of being treated as distributable profits that shall be capable of being applied in any manner which the Company's profits available for distribution are able lawfully to be applied. The Directors have no present intention of using such special reserve but the creation of such reserve will give them flexibility should appropriate circumstances arise.

Risk Factors

In considering the Resolutions to implement the Share Issuance Programme, Shareholders should take into consideration the following factors.

Issue price of Shares under the Share Issuance Programme

The issue price of the Shares issued on a non-pre-emptive basis under the Share Issuance Programme cannot be lower than the Net Asset Value per Share. The issue price of such Shares will be calculated by reference to the latest published unaudited Net Asset Value per Share. Such Net Asset Value per Share is determined on the basis of the information available to the Company at the time and may be subject to subsequent revisions. Accordingly, there is a risk that, had such issue price been calculated by reference to information that emerged after the calculation date, it could have been greater or lesser than the issue price actually paid by the investors. If such issue

price should have been less than the issue price actually paid, investors will have borne a greater premium than intended. If such issue price should have been greater than the issue price actually paid, investors will have paid less than intended and, in certain circumstances, the Net Asset Value of the Shares may have been diluted.

The Company will in the future issue new equity, which may dilute Shareholders' equity

The Company is seeking to issue new equity in the future pursuant to the Share Issuance Programme or otherwise. While the Companies Act contains statutory pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, such rights can be disapplied in certain circumstances, and will be disapplied in relation to the maximum amount of shares that may be issued pursuant to the Share Issuance Programme. Where statutory pre-emption rights are disapplied, any additional equity financing will be dilutive to those Shareholders who cannot, or choose not to, participate in such financing.

The General Meeting

The notice convening the General Meeting to be held at 10.30 a.m. on 17 November 2014 at the offices of Wragge Lawrence Graham & Co LLP, 4 More London Riverside, London SE1 2AU in connection with the Proposals is set out at the end of this document.

At the General Meeting, at which Shareholders may attend, speak and vote, the following Resolutions will be proposed:

- (1) authorise the allotment of up to, in aggregate, 300 million Shares pursuant to the Share Issuance Programme;
- (2) obtain the consent of Shareholders to allot Shares, pursuant to the Share Issuance Programme, to East Riding Pension Fund;
- (3) obtain the consent of Shareholders to allot Shares, pursuant to the Share Issuance Programme, to SG Private Banking;
- (4) obtain the consent of Shareholders to allot Shares, pursuant to the Share Issuance Programme, to CCLA;
- (5) disapply statutory pre-emption rights otherwise applicable to the allotment of Shares issued pursuant to the Share Issuance Programme such that the Shares do not first have to be offered to Shareholders in proportion to their shareholdings; and
- (6) cancel the share premium account of the Company conditional upon the issue of the Shares by the Company pursuant to the Initial Issue.

In order to be passed, the Resolutions to be proposed at the General Meeting will require, in the case of Resolutions 1 to 4 which are to be proposed as ordinary resolutions, the approval of Shareholders representing more than 50 per cent. of the votes cast at the General Meeting. As noted above, East Riding Pension Fund will abstain, and has undertaken to take all reasonable steps to ensure that its associates (as defined in the Listing Rules) will abstain, from voting at the General Meeting in relation to Resolution 2 for the approval of the proposed participation in any placing of Shares pursuant to the Share Issuance Programme by East Riding Pension Fund, SG Private Banking will abstain, and has undertaken to take all reasonable steps to ensure that its associates (as defined in the Listing Rules) will abstain, from voting at the General Meeting in relation to Resolution 3 for the approval of the proposed participation in any placing of Shares pursuant to the Share Issuance Programme by SG Private Banking and CCLA will abstain, and has undertaken to take all reasonable steps to ensure that its associates (as defined in the Listing

Rules) will abstain, from voting at the General Meeting in relation to Resolution 4 for the approval of the proposed participation in any placing of Shares pursuant to the Share Issuance Programme by CCLA.

In the case of Resolutions 5 and 6 which are to be proposed as special resolutions, the approval of Shareholders representing at least 75 per cent. of the votes cast at the General Meeting. The Articles provide that at the General Meeting each Shareholder present in person or by proxy or who (being a corporation) is present by a representative shall on a show of hands have one vote and on a poll shall have one vote for each Share of which he is a holder.

The quorum for the General Meeting shall be two persons entitled to attend and to vote, each being a Shareholder or a proxy of a Shareholder or a duly authorised representative of a corporation which is a Shareholder. In the event that the General Meeting is adjourned and the above-mentioned quorum is not present, at such adjourned General Meeting the quorum shall be one.

The formal notice convening the General Meeting is set out on pages 34 to 37 of this document.

Shareholders will find enclosed with this document a personalised Form of Proxy for use at the General Meeting. Submission of a Form of Proxy will enable your vote to be counted at the General Meeting, as the case may be, in the event of your absence. Shareholders are asked to complete and return the Forms of Proxy in accordance with the instructions printed thereon to the Registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or deliver them by hand (during office hours only) to the same address so as to be received as soon as possible and in any event by no later than 10.30 a.m. on 13 November 2014.

If you hold your Shares in uncertificated form (that is, in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (under CREST participant ID 3RA50) by no later than 10.30 a.m. on 13 November 2014. CREST members may choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Form of Proxy and the Notice of General Meeting.

Shareholders are requested to complete and return a Form of Proxy or CREST Proxy Instruction (as applicable) whether or not they wish to attend the General Meeting. The return of a Form of Proxy or the submission of a CREST Proxy Instruction will not prevent Shareholders from attending the General Meeting or any adjournment thereof, and voting in person should they so wish.

Copies of the Prospectus which supports the issue of Shares by the Company pursuant to the Share Issuance Programme are available at <http://www.espreit.co.uk> and the Prospectus is available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until Initial Admission.

Recommendation

The Board, having been so advised by Jefferies in its capacity as the Company's sponsor, considers Resolutions 2 to 4 to be proposed at the General Meeting, as set out in the Notice of General Meeting, to be fair and reasonable as far as Shareholders are concerned. In providing its advice, Jefferies has taken into account the Board's commercial assessments.

The Board considers that the Proposals are in the best interests of the Shareholders taken as a whole and accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Board intends to vote in favour of the Resolutions in respect of their holdings of Shares amounting to 2,327,261 Shares in aggregate (representing approximately 2.74 per cent. of the issued Share capital of the Company as at 29 October 2014).

Yours faithfully

The Rt Hon Baroness Dean of Thornton-le-Fylde
(Chairman)

PART 2

FURTHER INFORMATION

1. MAJOR SHAREHOLDERS

As at 29 October 2014 (being the latest practicable date prior to publication of this document) insofar as known to the Company, the following parties were known to be interested, directly or indirectly, in three per cent. or more of the Share capital of the Company:

<i>Shareholder</i>	<i>Number of Shares</i>	<i>% of issued Share Capital</i>
East Riding Pension Fund	15,000,000	17.65
SG Private Banking	9,844,353	11.58
CCLA	8,500,000	10.00
Rathbones Brothers plc	7,513,530	8.84
Charles Stanley & Co Limited	4,503,764	5.30
Smith & Williamson Holdings Limited	3,207,866	3.77
BNP Paribas Arbitrage SNC	3,000,000	3.53
Bank Morgan Stanley, Zurich	2,600,000	3.06

All Shareholders have the same voting rights in respect of the share capital of the Company.

2. SIGNIFICANT CHANGE

Save to the extent disclosed below, there has been no significant change in the financial or trading position of the Group since 31 July 2014, being the date to which the Group's audited financial information has been prepared:

- 2.1 on 22 August 2014, Empiric (Edge Apartments) Limited completed the acquisition of Edge Apartments (Birmingham) for a purchase price of £8,940,000;
- 2.2 on 2 September 2014, Empiric (Centro Court) Limited completed the acquisition of Centro Court (Aberdeen) for a purchase price of £6,500,000;
- 2.3 on 30 September 2014, Empiric (Talbot Studios) Limited completed the acquisition of Talbot Studios (Nottingham) for a purchase price of £8,200,000;
- 2.4 on 24 October 2014, RBS made available to the Group an investment term loan of up to £35.5 million, secured on a number of the Group's operating property assets;
- 2.5 on 29 October 2014, Empiric (Alwyn Court) Limited exchanged contracts to acquire Alwyn Court (Cardiff) for a purchase price of £3,500,000;
- 2.6 on 29 October 2014, Empiric (Northgate House) Limited exchanged contracts to acquire Northgate House (Cardiff) for a purchase price of £5,200,000. Completion of the acquisition is conditional on practical completion of the property; and
- 2.7 the first interim dividend of 1.5 pence per Share was today declared in relation to the period from the IPO to 30 September 2014.

3. MATERIAL CONTRACTS OF THE COMPANY

The following are the only contracts, not being contracts entered into in the ordinary course of business, which have been entered into by the Group in the two years immediately preceding the date of this document and which are, or may be, material or which have been entered into at any time by the Group and which contain any provision under which any obligation or entitlement is, or may be, material to the Group at the date of this document.

3.1 The Placing and Offer for Subscription Agreement

The Placing and Offer for Subscription Agreement dated 30 October 2014 between the Company, the Directors, Jefferies and Akur, pursuant to which, subject to certain conditions, Jefferies has agreed to use its reasonable endeavours to:

- (a) procure subscribers for Shares under the Initial Placing; and
- (b) procure subscribers for Shares made available under any further placings under the Share Issuance Programme.

In addition, under the Placing and Offer for Subscription Agreement, Akur has been appointed as joint financial adviser and Jefferies has been appointed as sponsor, joint financial adviser, sole global coordinator and bookrunner in connection with the proposed applications for Admission of new Shares issued pursuant to the Share Issuance Programme.

The Placing and Offer for Subscription Agreement may be terminated by Jefferies in certain customary circumstances prior to Admission.

The obligations of the Company to issue Shares under the Initial Placing and the obligations of Jefferies to use its reasonable endeavours to procure subscribers for Shares under the Initial Placing are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Initial Admission in respect of the Shares issued pursuant to the Initial Issue occurring and becoming effective by 8.00 a.m. on or prior to 24 November 2014 or such later time and/or date as the Company and Jefferies may agree; and (ii) the Placing and Offer for Subscription Agreement becoming wholly unconditional (save as to Initial Admission and in respect of any condition which relates to the ongoing Share Issuance Programme) and not having been terminated in accordance with its terms at any time prior to Initial Admission.

Similarly, the obligations of the Company and Jefferies in connection with the Share Issuance Programme are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Admission occurring in respect of the relevant placing of Shares; (ii) the Placing and Offer for Subscription Agreement becoming wholly unconditional in respect of the relevant placing of Shares (save as to Admission of those Shares) and not having been terminated in accordance with its terms at any time prior to admission; and (iii) in relation to non-pre-emptive offerings, the issue price being not less than the then current Net Asset Value per Share.

The Company and the Directors have given warranties to Jefferies and Akur concerning, *inter alia*, the accuracy of the information contained in the Prospectus. The Company has also given indemnities to Jefferies and Akur. The warranties and indemnities given by the Company and the Directors are customary for an agreement of this nature.

The Placing and Offer for Subscription Agreement is governed by the laws of England and Wales.

3.2 The RBS Facility Agreement

The RBS Facility Agreement dated 24 October 2014 between (*inter alium*) Empiric Investments (One) Limited (the “**Borrower**”), the parties listed herein as guarantors together with the borrower, the (“**Obligors**”), RBS (as arranger, agent, security trustee and original lender) (the “**Lender**”) and National Westminster Bank PLC (acting as account bank and hedge counterparty) (the “**RBS Facility Agreement**”) under which the Lender made available to the Borrower an investment term loan facility of £35.5 million (the “**RBS Loan**”).

The purpose of the RBS Loan is for refinancing the acquisition costs of the Properties (as defined in the RBS Facility Agreement), either directly or by on-lending amounts to the Obligors to enable them to refinance the acquisition costs of the Properties.

The Borrower may borrow the RBS Loan in full (or in a maximum of two drawdowns), in the period from and including the date of the RBS Facility Agreement to and including the date falling 3 months from the date of the RBS Facility Agreement (the “**Availability Period**”) by giving RBS a duly completed request (a “**Utilisation Request**”). The amount of each Utilisation Request must not exceed £35.5 million or 50 per cent. of the aggregate market value of the Properties (as determined by the most recent valuation). Each date on which the loan is borrowed must fall within the Availability Period. Any undrawn commitments under the RBS Loan will be automatically cancelled at the end of the Availability Period.

The Borrower must repay the outstanding amount of the RBS Loan, together with all other amounts due under the Finance Documents (as defined therein), in full to the relevant parties on 24 October 2019 (the “**Termination Date**”):

The rate of interest on the RBS Loan for each interest period is the percentage rate per annum equal to the aggregate of the applicable: (a) Margin; and (b) LIBOR (both as defined in the RBS Facility Agreement). The Margin is 1.9 per cent. per annum. The interest payment dates are 31 January, 30 April, 31 July, 31 October and the Termination Date, with the first interest payment date being 31 January 2015.

The RBS Loan is secured by:

- (a) a first ranking debenture over the assets of each Obligor (including the Properties acquired at the time entered into or to be entered into by an Obligor in favour of the Lender as security trustee;
- (b) a standard security over a Property located in Scotland entered into or to be entered into by an Obligor in favour of the Lender as security trustee;
- (c) the assignation of rents derived from a Property located in Scotland entered into or to be entered into by an Obligor in favour of the Lender as security trustee; and
- (d) a legal charge in respect of real property acquired after the date of the RBS Facility Agreement by an obligor.

The Company does not grant any security (including over the shares of the Borrower) to the Lender, but has entered into a subordination deed dated 24 October 2014 to regulate the ranking and payment of inter-company debts owing by the Obligors to the Company.

The RBS Facility Agreement contains undertakings, representations and warranties customary for a loan facility of this nature, including:

- (a) a negative pledge not to create or allow to exist any security interest on any assets of the Obligors (including the Shares in the Borrower); and
- (b) restrictions on the disposal of assets.

The RBS Facility Agreement includes both a loan to value covenant (“**LTV Covenant**”) and an interest cover covenant (“**ICR Covenant**”). The ICR Covenant requires interest cover will not be less than 2:1 and is tested quarterly on each interest payment date (such dates as detailed above). The LTV Covenant requires that the loan to value should not at any time exceed 55 per cent. of the market value of the Properties. The LTV Covenant may be tested at any time during the term of the RBS Loan. Any breach of the LTV Covenant (which is not remedied), and any breach of the ICR Covenant is an event of default under the RBS Facility Agreement.

In addition to the events of default arising from a breach of the LTV Covenant or the ICR Covenant, the RBS Facility Agreement includes other various events of default customary for a secured facility of this nature, including insolvency events of default which are applicable to each of the Obligors and the Company. An event of default which is continuing would entitle the Lender to:

- (a) cancel all or any part of the total commitments under the RBS Loan; and/or
- (b) declare that all or part of the amounts outstanding under the Finance Documents are: (i) immediately due and payable; and/or (ii) payable on demand; and/or
- (c) exercise or direct RBS in its capacity as security trustee to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

The RBS Facility Agreement is governed by the laws of England and Wales.

3.3 **The Brunswick House Development Facility Agreement**

The Loan Facility Agreement dated 7 August 2014 between Close Brothers Limited and Empiric (Southampton) Limited pursuant to which Close Brothers Limited has granted Empiric (Southampton) Limited a loan of £9,350,000 based on the terms and conditions set out in the agreement (the “**Facility**”).

The purpose of the Facility is to provide, (i) £8,875,200 towards building works at Brunswick House (Southampton), including professional costs and fees and non-refundable VAT due, (ii) £350,000 towards interest payments on the Facility and (iii) £124,800 towards the cost of the contribution to be made under the terms of a S.106 agreement relating to the property.

Draw down of the Facility under, paragraph (i) above will be made in tranches against certificates provided by a preferred project monitoring surveyor with the first draw down taking place no later than three months from the date of the agreement and with Empiric (Southampton) Limited funding the first £309,668 of building works. Facility drawings under paragraph (ii) above will be made in accordance with interest payment provisions (detailed below) and drawings under paragraph (iii) will be made by way of a single payment once the sum under the terms of the S.106 agreement has become due and payable.

The Facility shall expire on the earlier of 31 May 2016 or the last calendar day of the eighteenth month from drawdown under paragraph (i) above.

The Facility is secured by a legal debenture over Empiric (Southampton) Limited's assets and undertaking, a legal charge over Brunswick House, an intercreditor deed between Close Brothers Limited, the Company and Revcap, appropriate collateral warranties from the contractor and other relevant professionals involved in the development of Brunswick House, an assignment by way of first charge over the performance bond in respect of the building contract (the bond being 10 per cent. of the building contract), an assignment of rental income from Brunswick House in favour of Close Brothers Limited and all existing and future security granted by Empiric (Southampton) Limited to Close Brothers Limited.

Interest on the Facility shall accrue daily on the total outstanding balance at the rate of 4.5 per cent. per annum above one month LIBOR fixed for each interest period. The minimum effective rate of interest payable shall be 5.5 per cent. per annum. Interest is payable by Empiric (Southampton) Limited on the first day of each month and on the date of full repayment of the Facility. Empiric (Southampton) Limited can capitalise monthly interest payments up to the £350,000 stated in paragraph (ii) above and thereafter Empiric (Southampton) Limited must provide sufficient funds to meet further interest payments.

A non-refundable commitment fee of £93,500 is payable upon acceptance of the Facility. Empiric (Southampton) Limited is entitled to a release fee of £178,500 on the sale or letting of Brunswick House or upon the repayment in full, expiry or default of the Facility.

The agreement specifies various conditions precedent that must be satisfied before the Facility becomes available including the provision of certain documents and forms, an acceptable report on title relating to Brunswick House, various confirmations from Close Brothers Limited's solicitors relating to Empiric (Southampton) Limited, Brunswick House and agreements concerning the development, a detailed valuation report, written confirmation from the valuers and project monitoring surveyors that they have reviewed all appropriate documentation, satisfactory references for Empiric (Southampton) Limited and the chosen contractor and any other document that may reasonably be required.

The Loan Facility Agreement is governed by the laws of England and Wales.

3.4 **The Brunswick House Joint Venture Documents**

The following documents have been entered into in connection with the joint venture relating to Brunswick House (Southampton):

3.4.1 ***Shareholders' Agreement***

The Shareholders' Agreement dated 30 July 2014 between KH II 117 Limited ("KH II"), the Company (each a "**Shareholder**"), Empiric (Southampton) Limited, Timothy Attlee and Paul Hadaway and relating to Empiric (Southampton) Limited, pursuant to which the Shareholders have recorded the terms on which they will continue as shareholders of Empiric (Southampton) Limited.

Under the terms of the agreement, the Company, Timothy Attlee and Paul Hadaway (the "**ESP Parties**") undertake to disclose to KH II, from the date of the agreement until 7 July 2017, any Relevant Project (defined in the Revcap Development Framework Agreement the terms of which are summarised in paragraph 3.6 below) that has a total project cost of more than £3,000,000 (a "**Business Opportunity**"). The ESP Parties also undertake not to participate in any Business Opportunity unless it has first been rejected by KH II, deemed to

have been rejected by KH II not expressly notifying the ESP Parties within 10 business days that it wishes to pursue such Business Opportunity or unless KH II has provided prior written consent to the ESP Parties (each a “**Rejection**”). Following a Rejection the ESP Parties are free to pursue the Business Opportunity provided the Business Opportunity is pursued on similar (and no less favourable) terms to those originally proposed to KH II.

Each of the Shareholders is obliged to enter into the Shareholders’ Loan Agreement (the terms of which are summarised in paragraph 3.4.2 below) as a mechanism for providing funding for Brunswick House and its development (as set out in the relevant business plan). If any additional and/or emergency funding is needed by Empiric (Southampton) Limited then this would require the unanimous approval of the directors which, if given, would mean each Shareholder is entitled, but not obliged, to increase their Shareholders’ loan in order to provide the additional and/or emergency funding. If the additional and/or emergency funding is not provided by both Shareholders in their relevant proportions then whichever has not provided their proportion shall have 45 days to advance its share which shall be repaid to the funding Shareholder. If that Shareholder still declines to contribute their share of the additional and/or emergency funding then that Shareholders’ capital investment shall be *pro rata* diluted accordingly. The additional and/or emergency funding shall be made by way of an additional Shareholders’ loan, earning a priority return of a 25 per cent. IRR per annum and repayment shall include payment of the 25 per cent. IRR per annum coupon.

After the expiration of the period of 36 months from the date of the agreement (the “**Lock in Period**”), either Shareholder will have the option to terminate the agreement by giving notice in writing (a “**Trigger Notice**”) to the other. The Shareholders may not create an artificial deadlock. If a Trigger Notice is served, then there is a 1 month negotiation period during which the parties would enter into good faith discussions with a view to agreeing a mutually acceptable exit and failing successful resolution the Shareholders would trigger an auction process including a “Texas Shootout”, the particulars of which are set out in the summary to the Revcap Development Framework Agreement (the terms of which are summarised in paragraph 3.6 below).

The agreement contains certain transfer limitations namely that a Shareholder may not assign, transfer or dispose of its shareholding before the Lock-in Period ends except for KH II who may make certain inter-group transfers and no transfer, assignment or disposal shall occur without repayment in full of any advances under the Shareholders’ Loan Agreement and any additional and/or emergency funding made by the Shareholders including all interest accrued. However a Shareholder may transfer all (but not part) of its shareholding and shareholder loans to a third party provided that prior written notice has been given to the remaining Shareholder for purchase by them at a specified price and the remaining Shareholder has, within 15 business days, indicated whether or not it accepts such offer. If the remaining Shareholder does not wish to purchase the departing Shareholders’ interest, then the departing Shareholder may transfer their interest to a third party with the prior written consent of the remaining Shareholder (not to be unreasonably withheld)

The agreement contains certain termination provisions whereby Empiric (Southampton) Limited shall be wound up upon the sale of its assets, upon the unanimous consent of the Shareholders or if Empiric (Southampton) Limited needs additional capital and no Shareholder is forthcoming. In an event of default

by either Shareholder then the non-defaulting Shareholder shall be entitled to terminate the agreement and may purchase the defaulting Shareholders' shareholding for no less than 85 per cent. of the fair value of the shareholding.

The Shareholders' Agreement is governed by the laws of England and Wales.

3.4.2 **Shareholders' Loan Agreement**

The Shareholders' Loan Agreement dated 30 July 2014 between KH II, the Company (each a "**Shareholder**") and Empiric (Southampton) Limited and relating to Empiric (Southampton) Limited pursuant to which each Shareholder has agreed to make loan facilities available to Empiric (Southampton) Limited to fund the business. Under the agreement Empiric (Southampton) Limited can request, in writing, for a specified amount (an "**Advance**") not exceeding the maximum amount (£2,500,000 for each of KH II and the Company) for the purposes of meeting its business objectives and each Shareholder will provide this Advance within 10 business days. The Advance made by the Company shall be on an interest free basis. The Advance made by KH II shall attract interest reflecting a 2 per cent. IRR. Each Advance shall be repayable in accordance with the provisions of the Shareholders' Agreement and immediately upon the sale of Brunswick House, Southampton. On repayment of the Advance, Empiric (Southampton) Limited shall pay KH II a repayment fee calculated in accordance with the formula set out in the agreement.

The Shareholders' Loan Agreement is governed by the laws of England and Wales.

3.4.3 **Asset Management Agreement**

The Asset Management Agreement dated 30 July 2014 between Empiric (Southampton) Limited, Empiric (Developments) Limited, Timothy Attlee and Paul Hadaway and relating to Empiric (Southampton) Limited. Under this Agreement Empiric (Developments) Limited as Asset Manager will carry out certain services in relation to the management and operation of Empiric (Southampton) Limited on a day to day basis including under the terms of such appointment, co-ordinating and being responsible for payments owed by Empiric (Southampton) Limited for third party costs.

The Asset Manager shall collaborate with Empiric (Southampton) Limited to develop, update and implement the business plan, appoint third party consultants and/or professionals, maintain the accounts and books, prepare and provide Empiric (Southampton) Limited with agreed management reports, prepare budgets and act as general tenant liaison including for the collection of rents and the maintenance of repairs. If appropriate, Empiric Developments' duties may also extend to assisting with the management of the development including the preparation of appropriate planning applications and entering into agreements with a building contractor in respect of any development works.

In consideration for the performance of its obligations, Empiric Developments shall be paid an amount equal to 3.5 per cent. of the building contract price in relation to the development of Brunswick House (Southampton) (the building contract to be in a form and price agreed by Empiric (Southampton) Limited). The fees shall be paid in quarterly instalments to Empiric Developments for the duration of the development period. The fees can be withheld by Empiric (Southampton) Limited

(acting by Revcap alone) if Empiric Developments fails to deliver the management report as and when it falls due.

The appointment of Empiric Developments will continue unless terminated in accordance with the terms of the agreement or if Empiric (Southampton) Limited ceases to own Brunswick House, Southampton (and any other properties acquired by it).

The agreement includes key man provisions whereby if Timothy Attlee or Paul Hadaway (as directors of Empiric Developments) cease being a director then Empiric Developments has to find a suitable replacement within 45 days and if it fails to do so then Empiric (Southampton) Limited may terminate the agreement.

The agreement may also be terminated by Empiric (Southampton) Limited (acting by the Revcap directors alone) on three months prior written notice or on termination of the Shareholders' Agreement (the terms of which are summarised in paragraph 3.4.1 above). Empiric (Southampton) Limited (acting by the Revcap directors alone) may terminate the agreement without cause if the Shareholders' Agreement terminates due to an event of default on the part of the Company, if a trigger event occurs, if there is any mismanagement or negligence by Empiric Developments, a material breach of the agreement by Empiric Developments or if the Company ceases to be a shareholder of Empiric (Southampton) Limited.

The Asset Management Agreement is governed by the laws of England and Wales.

3.4.4 **Reimbursement Agreement**

The Reimbursement Agreement dated 30 July 2014 between KH II, the Company and Empiric (Southampton) Limited to reflect the reimbursement of certain costs from KH II to the Company and the recognition of such payments by Empiric (Southampton) Limited pursuant to the Shareholders' Loan Agreement (the terms of which are summarised in paragraph 3.4.2 above).

In connection with the acquisition of Brunswick House the Company paid the sum of £3,558,978.37 for and on behalf of Empiric (Southampton) Limited. Under the agreement, KH II agreed that within five business days it would pay to the Company the sum of £1,779,489.19, being its proportionate share of the acquisition costs.

Upon this payment, Empiric (Southampton) Limited will attribute KH II's amount of £1,779,489.19 and the Company's amount of £1,779,489.18 as having been drawn down as Advances pursuant to the terms of the Shareholders' Loan Agreement (summarised at paragraph 3.4.2 above).

The Reimbursement Agreement is governed by the laws of England and Wales.

3.5 **The Willowbank Joint Venture Documents**

The following documents have been entered into in connection with the joint venture relating to Willowbank (Glasgow):

3.5.1 **Shareholders' Agreement**

The Shareholders' Agreement dated 28 August 2014 between KH II, the Company, Empiric (Glasgow) Limited, Timothy Attlee and Paul Hadaway and relating to

Empiric (Glasgow) Limited. The terms of the Shareholder's Agreement are in materially identical form to the Shareholders' Agreement relating to Empiric (Southampton) Limited, the terms of which are summarised in paragraph 3.4.1 of this Part 3.

3.5.2 **Shareholders' Loan Agreement**

The Shareholders' Loan Agreement dated 28 August 2014 between KH II, the Company and Empiric (Glasgow) Limited, and relating to Empiric (Glasgow) Limited. The terms of the Shareholder's Loan Agreement are in materially identical form to the Shareholders' Loan Agreement relating to Empiric (Southampton) Limited, the terms of which are summarised in paragraph 3.4.2 of this Part 2.

3.5.3 **Asset Management Agreement**

The Asset Management Agreement dated 28 August 2014 between Empiric (Glasgow) Limited, Empiric Developments, Timothy Attlee and Paul Hadaway and relating to Empiric (Glasgow) Limited. The terms of the Asset Management Agreement are in materially identical form to the Asset Management Agreement relating to Empiric (Southampton) Limited, the terms of which are summarised in paragraph 3.4.3 of this Part 3.

3.5.4 **The Fronting Agreement**

The Fronting Agreement dated 28 August 2014 between Empiric (Glasgow) Limited, LCPP and the Company pursuant to which LCPP as trustee agreed to conclude a conditional contract (the "**Missives**") to acquire Willowbank, implement the instructions of Empiric (Glasgow) Limited as beneficiary concerning any due diligence relevant to Willowbank, submit and conduct any planning appeal or proceedings as may be requested by Empiric (Glasgow) Limited and if various preconditions are completed or waived, to allow Empiric (Glasgow) Limited to take title of Willowbank.

Under the agreement LCPP has agreed to hold the Missives on trust for Empiric (Glasgow) Limited until such time as it can transfer title to Willowbank to Empiric (Glasgow) Limited subject to Empiric (Glasgow) Limited complying with any obligations of a new purchaser in terms of the Missives.

In return Empiric (Glasgow) Limited and the Company shall ensure that LCPP complies fully with its obligations and Empiric (Glasgow) Limited undertakes to pay all professional fees incurred on behalf of it in relation to the conclusion of the Missives, make all payments to be paid by LCPP in terms of the Missives (including the price of Willowbank) to LCPP and make all payments to be paid by the Company in terms of the Guarantee (the terms of which are summarised in paragraph 3.5.5 below).

The total aggregate financial liability of the Company to LCPP under the Guarantee and the Fronting Agreement shall not exceed £4 million.

The Fronting Agreement is governed by Scots Law.

3.5.5 **The Guarantee**

The Guarantee dated 15 August 2014 by the Company in favour of Glasgow City Council (the "**Council**") to guarantee payment of the purchase price of Willowbank

in full by LCPP under the Missives and the obligations undertaken by LCPP in terms of the appended minute of agreement in relation to the Council.

The Company, as guarantor, irrevocably and unconditionally guarantees to the Council full and punctual payment and/or performance by LCPP of all of LCPP's present and future obligations (the "**Obligations**") up to a maximum liability of £4 million and failing payment and/or performance of the Obligations, the Company will make payment or effect performance of the Obligations, together with all costs and expenses reasonably incurred by the Council in connection with the enforcement of the Guarantee together with interest but excluding other liabilities and expenses incurred by the Council by reason of such failure.

Interest is due on the sum in question at 4 per cent. per annum above the base rate from time to time of the Royal Bank of Scotland plc from the date that such sum is due for payment.

The Obligations are primary obligations and if any cease to be valid or enforceable the Company will still be liable to the Council in respect of the Obligations as if they were fully valid and enforceable.

The Guarantee will be enforceable so long as any liability on the part of LCPP in relation to the Missives or the minute of agreement, or on the part of the Company under this Guarantee, remains unfulfilled and will not be discharged or prejudiced by any release or neglect of an obligation by the Council or any variation of the terms of the minute of agreement or the Missives.

The Council has the right to assign or transfer the Guarantee to any statutory successor of the Council but not to anyone else. The Company has no right to assign or transfer their rights or obligations under this Guarantee. If LCPP sells Willowbank then the Company must provide a replica guarantee to the Council in respect of the obligations of any new owner at which point, provided that the new owner is of sound financial standing and can perform their obligations under their guarantee, the Council shall grant the Company a valid discharge of the Guarantee.

The obligations of LCPP survive liquidation of LCPP and other insolvency events and will continue to be due and outstanding until fully paid or performed by the Company or until it reaches its maximum liability.

The Guarantee is governed by Scots law.

3.6 **The Revcap Development Framework Agreement**

The Revcap Development Framework Agreement dated 16 June 2014 between Revcap and the Company. The Revcap Development Framework Agreement sets out a framework under which the Company and Revcap agree to cooperate through a joint venture to identify, acquire, secure planning and develop suitable properties and sites that can be developed or converted into prime student residential accommodation across Russell Group (or similar quality) university cities (a "**Relevant Project**").

The joint venture parties will seek to secure senior debt on a deal by deal basis at a loan-to-value basis of no greater than 60 per cent. Each project will be acquired via a separate joint venture company and will be owned 50/50 between the Company (or a subsidiary of the Company) and an affiliated Revcap company. For a period of 36 months (the "**Lock up Period**"), both the Company and Revcap will each contribute a maximum of up to

£15 million in capital to all such joint venture projects. Such capital will be drawn down from the Company and Revcap, in equal proportion, into development joint ventures as required.

In connection with each joint venture development with Revcap, Empiric Developments will enter into an asset management agreement pursuant to which Empiric Developments will be responsible for the day-to-day project management of each joint venture development. During the construction period, Empiric Developments will receive a fee equal to 3.5 per cent. of the pre-agreed construction cost, payable quarterly. In this role, Empiric Developments will, amongst other things, be responsible, for sourcing investments; business plan implementation; advising on planning matters and managing the planning process; short listing, selection and appointment of third party contractors, architects, engineers and other service providers; contract procurement, construction and development management; managing the construction process and managing the unit leasing and marketing process.

Revcap, as joint venture funding partner alongside the Company, will have monitoring and control rights under the terms of the applicable joint venture agreement that are typical for funding partners in development transactions, including acquisition and disposal decisions; final approval of building contractors; approval of major expenditure items and approval of senior debt terms.

Empiric Developments will also be entitled to receive an incentive profit share from each joint venture development, based on the IRR achieved. Distributions relating to a joint venture project will be distributed in the following order of priority: (i) first, *pari passu* between the joint venture parties until each has received an IRR of 20 per cent. on invested capital, and (ii) second 20 per cent. to Empiric Developments and 80 per cent. *pari passu* between the Company and Revcap.

The Company will have a right to procure repayment by a joint venture company of the Revcap shareholder loan and to purchase Revcap's interest in the joint venture company. At any time following practical completion of each property's development, the Company will be able to convene a board meeting of the joint venture company to seek approval for the joint venture company to repay the Revcap's shareholder loan. The Company would present to the board an offer based on a new valuation of the property and an audited balance sheet of the joint venture company. This valuation would be prepared by a suitably qualified valuation firm and would include full details of appropriate comparable transactions which support the level of the valuation. If the offer is approved by unanimous approval of the members' board, the Company would procure that the joint venture company repays Revcap's shareholder loan and pays a repayment fee equal to Revcap's agreed profit share for the project. If this right is exercised, the IRR incentive profit share (if any) due to the Company (as described above) would be reflected in an adjustment to the amount due on repayment of the Revcap shareholder loan.

If, for whatever reason, the joint venture company did not repay the Revcap shareholder loan and repayment fee pursuant to this process, it is intended that the relevant property would be held for investment jointly by both the Company and Revcap. This pre-emption process would be capable of being triggered only once in relation to each relevant transaction. For the avoidance of doubt if the Company did procure that the Revcap shareholder loan is repaid the Company would purchase Revcap's ordinary shares in the joint venture company at par value.

After expiration of the period of 36 months from the entry into the joint venture (the "**Lock-in Period**"), either the Company or Revcap will have the option of winding up the joint

venture by providing notice (a “**Trigger Notice**”) to the other. If a Trigger Notice were to be served, the following provisions are intended to apply:

- There would be a negotiation period of 3 months during which the parties would discuss in good faith the future of the joint venture and seek a mutually acceptable exit;
- failing successful resolution of the future of the joint venture in the negotiation period, either the Company or Revcap may trigger a “Texas Shootout” under which each shareholder would make a sealed bid for the other shareholder’s interest in the joint venture. Each shareholder would have 30 days in which to provide a “sealed bid” to the joint venture’s auditors stating a value for 100 per cent. of the equity capital (the “**Equity Value**”), as well as evidence of ability to pay in the event the bidder is required to acquire the other shareholder’s shares;
- after evaluation by the auditors, the higher bidder would then be entitled by notice to either (i) acquire the other shareholder’s interest in the joint venture at the consideration derived from its own bid or (ii) require the other shareholder to acquire its interest at the consideration derived from the bid level made by that party;
- if the higher bidder fails to exercise either option, the lower bidder would be entitled to buy at the consideration derived from its bid price or require the higher bidder to complete the purchase at the consideration derived from its bid price;
- the consideration payable from one party to the other would be calculated by applying the relevant Equity Value successively to the agreed distribution waterfall.

In all cases where a Texas Shootout is possible, there will be incorporated a period under which “without prejudice” price indications may be exchanged or given in order to identify the other parties’ views (and potentially avoid the full procedure). It is intended that the Texas Shootout can be used prior to the Lock-in Period only in the event of a prolonged, irresolvable and genuine deadlock between the shareholders on a defined major decision.

The Company, Paul Hadaway or Timothy Attlee (or any associates of Paul Hadaway or Timothy Attlee) (together the “**ESP Parties**”), undertake to disclose any Relevant Project to Revcap for a period of 3 years from the date of the agreement that has a total project cost of more than £3,000,000.

Revcap shall have a period of 10 working days after receipt of the final business plan for a Relevant Project to decide whether the opportunity is of interest. In the event that Revcap has not confirmed its intention in writing to joint venture with the Company in relation to a disclosed Relevant Project within the 10 day period noted above, the Company will be free to disclose the opportunity to another party or to undertake the transaction independently (the “**Release Date**”). The ESP Parties undertake not to disclose any particulars of a Relevant Opportunity to any other potential investment partner other than Revcap and not to complete the deal independently until the Release Date.

Save as is required to adjust the agreements to reflect changes to the commercial or legal structure as set out in the Revcap Development Framework Agreement, the individual joint venture agreements for each joint venture company will be based on agreements previously signed between companies advised by Revcap and companies owned and managed by LCPP and its directors unless otherwise agreed by the Company and Revcap.

The Revcap Development Framework Agreement is governed by the laws of England and Wales.

3.7 The Investment Support Agreement

The Investment Support Agreement dated 16 June 2014 (as amended) between Revcap and the Company pursuant to which Revcap was appointed by the Company to provide certain investment support services to the Board in connection with the operation of its business including; providing the Board with interpretation of market analysis of the student accommodation sector utilising Revcap's proprietary knowledge and experience of the sector and the broader real estate market in general; providing high level strategy support, development and monitoring functions to the Board in relation to the development and implementation of the Company's investment strategy as the Board may request from time to time; providing oversight of, and administrative support in relation to, the due diligence process for the acquisition by the Company of new investments; and providing such other investment support and administrative services as may be agreed between Revcap and the Company from time to time. The agreement with Revcap is non-exclusive.

Under the Investment Support Agreement, the Company has agreed to pay Revcap as consideration for the provision of its services a fee which shall accrue annually at a rate of 0.2 per cent of the Net Asset Value (but, with effect from the first anniversary of the IPO, adjusted to exclude any cash balances held by the Company from time to time), which fee shall be payable in arrears each quarter based on the last published Net Asset Value (calculated before deduction of any accrued fee for that quarter) but subject always to a minimum annual payment of £170,000 (which minimum payment shall be increased to £200,000 with effect from the first date on which the Company shall have either, (i) raised in aggregate new equity funds of at least £100 million, or (ii) achieved a published Net Asset Value of at least £100 million) and a capped maximum annual payment of £300,000. Fees payable will be subject to VAT.

The Company has given certain market standard indemnities in favour of Revcap in respect of Revcap's potential losses in carrying on its responsibilities under the Investment Support Agreement.

The Investment Support Agreement and the appointment of Revcap shall continue in force unless and until terminated by the Company or Revcap giving to the other not less than 12 months' written notice, such notice not to be served before the second anniversary of the IPO. The agreement may also be terminated immediately by the Company on the occurrence of certain events.

The Investment Support Agreement is governed by the laws of England and Wales.

3.8 The Collegiate Property Management Agreement

The Collegiate Property Management Agreement dated 16 June 2014 between the Company and Collegiate AC. Under this agreement, Collegiate AC undertakes property and facilities management services in relation to certain of the Group' current properties and agreed future properties owned by the Group including, collaborating with the Company in relation to the marketing and letting of the units in each property, rent collection and credit control services, payment of agreed capital expenditure (at the request of the Group), preparation of operating budgets for approval, overseeing building maintenance, maintenance of tenancy records, acting as tenant liaison and provision to the Company of agreed management reports and performance measures for the properties. These services are provided under the supervision of the Company.

In consideration for its property and asset management and reporting and performance measurement services, Collegiate AC is paid a percentage (ranging between 4.5 and 5.5 per cent.) of the income collected by them on each property, or aggregation of properties, depending on the size and location of each property. In addition, in relation to mobilisation services for new properties (i.e. preparing them for letting), the Company pays Collegiate AC a fixed payment of £150 per bed (subject to a minimum of £15,000 per property). All fees are exclusive of VAT. If occupation of a property is delayed and Collegiate AC is required to manage interim arrangements, it is paid a fixed fee of £4,500 per month plus other direct expenses incurred.

The Collegiate Property Management Agreement may be terminated by the Company on six months' written notice prior to 31 August each year, such notice not to take effect prior to 31 August 2018 and is also terminable on 30 days' notice in the event of breach of a material provision of the agreement (which has not been remedied within twenty working days' notice of such breach) and in certain other circumstances including insolvency and dissolution.

The Company has given certain market standard indemnities in favour of Collegiate AC in respect of the Collegiate AC's potential losses in carrying on its responsibilities under the Collegiate Property Management Agreement.

The Collegiate Property Management Agreement is governed by the laws of England and Wales.

3.9 IPO Placing and Offer Agreement

The IPO Placing and Offer Agreement dated 16 June 2014 between the Company, the Directors, LCPP, Dexion Capital plc and Akur pursuant to which, subject to certain conditions, Dexion Capital plc agreed to use reasonable endeavours to procure subscribers for Shares at the issue price of £1.00 per Share. In addition, under the IPO Placing and Offer Agreement, Akur was appointed as joint financial adviser and Dexion Capital plc was appointed as sponsor, joint financial adviser, sole global coordinator and bookrunner in connection with the proposed applications for Admission and the Issue. The IPO Placing and Offer Agreement was terminable by Dexion Capital plc in certain customary circumstances prior to admission. The Company, LCPP and the Directors gave warranties to Dexion Capital plc and Akur concerning, *inter alia*, the accuracy of the information contained in the IPO prospectus. The Company also gave indemnities to Dexion Capital plc and Akur. The warranties and indemnities given by the Company, LCPP and the Directors were standard for an agreement of this nature.

The IPO Placing and Offer Agreement is governed by the laws of England and Wales.

3.10 Executive Directors Subscription and Lock-up Agreements

The Executive Directors Subscription and Lock-up Agreements dated 16 June 2014 (as amended by way of amendment agreements dated 26 June 2014) between the Company, Dexion Capital plc and each of the Executive Directors, pursuant to which each of the Executive Directors irrevocably agreed to subscribe for certain Shares pursuant to the IPO. The Executive Directors also agreed pursuant to the terms of their respective Executive Directors Subscription and Lock-up Agreement not to transfer, dispose of or grant any options over any of the Shares held at IPO for a period of 18 months following the IPO. The Executive Directors Subscription and Lock-up Agreements contain exceptions customary for agreements of this nature including transfers pursuant to: the acceptance of a takeover offer, participation in any tender offer by the Company or any similar transaction, an order of a court of competent jurisdiction and the prior written

approval of the Company and Dexion Capital plc (which approval may be granted or declined at their absolute discretion).

The Executive Directors Subscription and Lock-up Agreements are each governed by the laws of England and Wales.

3.11 **Revcap Subscription and Lock-up Agreement**

The Revcap Subscription and Lock-up Agreement dated 16 June 2014 (as amended by way of an amendment agreement dated 26 June 2014) between the Company, Dexion Capital plc and Revcap pursuant to which Revcap irrevocably agreed to subscribe (or to procure that an affiliate or fund advised by it subscribes) for certain Shares in the IPO. Revcap also agreed it will not (and agreed to procure that any affiliate or fund advised by it that subscribes for Shares will not) transfer, dispose of or grant any options over any of the Shares held at IPO for a period of 18 months following the IPO. The Revcap Subscription and Lock-up Agreement contains exceptions customary for agreements of this nature including transfers pursuant to: the acceptance of a takeover offer, participation in any tender offer by the Company or any similar transaction, an order of a court of competent jurisdiction and the prior written approval of the Company and Dexion Capital plc (which approval may be granted or declined at their absolute discretion).

The Revcap Subscription and Lock-up Agreement is governed by the laws of England and Wales.

3.12 **The Administration and Company Secretarial Agreement**

The Administration and Company Secretarial Agreement dated 16 June 2014 between the Company and IOMA Fund and Investment Management Limited pursuant to which the Administrator agreed to act as company secretary and administrator to the Company and its subsidiaries.

Under the terms of the Administration and Company Secretarial Agreement, the Administrator is entitled to a fee of £30,000 per annum (exclusive of VAT). This fee is subject to review annually.

The Administration and Company Secretarial Agreement contains provisions whereby the Company indemnifies and holds harmless the Administrator, its affiliates and their directors, officers, employees and agents from and against any and all losses incurred by such parties resulting or arising from the Company's breach of the Administration and Company Secretarial Agreement except to the extent that any such claims have resulted from the negligence, fraud, breach of the Administration and Company Secretarial Agreement.

The Administration and Company Secretarial Agreement is terminable, *inter alia*, (a) upon six months' written notice or (b) immediately upon the occurrence of certain events including the insolvency of the Company or the Administrator or a party committing a material breach of the Administration Agreement (where such breach has not been remedied within thirty days of written notice being given).

The Administration and Company Secretarial Agreement is governed by the laws of England and Wales.

3.13 The Registrar Agreement

The Registrar's Agreement dated 16 June 2014 between the Company and Computershare Investor Services PLC pursuant to which the Registrar agreed to act as registrar to the Company.

Under the agreement, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

The Registrar Agreement may be terminated on six months' notice by either party, such notice not to expire prior to the end of the second year of appointment and is also terminable on shorter notice in the event of breach of the agreement or insolvency.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar's Agreement. The Registrar's liabilities under the Registrar's Agreement are subject to a cap.

The Registrar Agreement is governed by the laws of England and Wales.

3.14 The Receiving Agent Agreement

The Receiving Agent Agreement dated 30 October 2014 between the Company and Computershare Investor Services PLC pursuant to which the Receiving Agent has agreed to act as receiving agent in connection with the Initial Offer for Subscription and the U.S. Private Placement. Under the terms of the agreement, the Receiving Agent is entitled to a fee at an hourly rate, plus a processing fee per application. The Receiving Agent will also be entitled to reimbursement of all out of pocket expenses reasonably incurred by it in connection with its duties.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent's liabilities under the Receiving Agent Agreement are subject to a cap.

The Receiving Agent Agreement is governed by the laws of England and Wales.

4. CONSENT OF THE SPONSOR

Jefferies, which is authorised and regulated in the UK by the Financial Conduct Authority, has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

5. DOCUMENTS ON DISPLAY

5.1 Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until Initial Admission:

5.1.1 the memorandum of association of the Company and Articles; and

5.1.2 this document.

DEFINITIONS

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

Admission	admission of any Shares to the premium listing segment of the Official List of the UKLA and admission of any Shares to trading on the main market for listed securities of the London Stock Exchange
Akur	Akur Limited
Articles	the articles of association of the Company
Board	the board of directors of the Company
Business Day	a day on which the London Stock Exchange and banks in London are normally open for business
CCLA	CCLA Investment Management Limited
CREST	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
CREST Manual	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
CREST Proxy Instructions	allowing holders of Shares in uncertificated form (that is, in CREST) to appoint a proxy by completing and transmitting a CREST Proxy Instruction
Companies Act	the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force
Company	Empiric Student Property Plc
Jefferies	Jefferies International Limited
Directors	the directors of the Company
Disclosure and Transparency Rules	the disclosure and transparency rules made by the Financial Conduct Authority under Part VI of FSMA
East Riding Pension Fund	East Riding of Yorkshire Council Pension Fund
Euroclear	Euroclear UK & Ireland Limited, being the operator of CREST
Excluded Territories	the United States, Australia, the Republic of South Africa, the Republic of Ireland or Japan and any other jurisdiction where the extension or availability of the Share Issuance Programme would breach any applicable law

Financial Conduct Authority or FCA	the UK Financial Conduct Authority
Form of Proxy	the personalised form of proxy provided with this document for use by Shareholders in connection with the General Meeting
FSMA	the Financial Services and Markets Act 2000 (as amended)
General Meeting	the general meeting of the Company to consider the Proposals, convened for 10.30 a.m. on 17 November 2014 or any adjournment thereof, notice of which is set out on pages 34 to 37 of this document
Group	the Company and the other companies in its group for the purposes of Section 606 of the Corporate Taxes Act 2010
Initial Admission	Admission pursuant to the Initial Issue
Initial Issue	together, the Initial Placing, the Initial Offer for Subscription and the U.S. Private Placement
Initial Offer for Subscription	the first offer for subscription of Shares pursuant to the Share Issuance Programme (and forming part of the Initial Issue) which is expected to close on or around 19 November 2014
Initial Placing	the first placing of Shares pursuant to the Share Issuance Programme (and forming part of the Initial Issue) which is expected to close on or around 19 November 2014
Listing Rules	the listing rules made by the UKLA under section 74 of FSMA
London Stock Exchange	London Stock Exchange plc
Net Asset Value	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
Net Asset Value per Share	at any time the Net Asset Value attributed to the Shares divided by the number of Shares in issue (other than Shares held in treasury) at the date of calculation
Net Proceeds	the aggregate net cash proceeds of the issue of Shares pursuant to the Initial Issue (after deduction of all expenses and commissions relating to the Initial Issue and payable by the Company)
Notice of General Meeting	the notice of the General Meeting as set out on pages 34 to 37 of this document
Official List	the Official List maintained by the UKLA
Placee	a person who subscribes for Shares pursuant to the Initial Placing

Placing and Offer for Subscription Agreement	the placing and offer for subscription agreement relating to the Share Issuance Programme between the Company, the Directors, Jefferies and Akur
Property Portfolio	the investment portfolio of the Company, the current property portfolio as at the date of this document as set out in the Prospectus
Proposals	the approval of existing Shareholders to: <ul style="list-style-type: none"> (i) authorise the allotment of up to 300 million Shares pursuant to the Share Issuance Programme; (ii) allot Shares, pursuant to the Share Issuance Programme, to East Riding Pension Fund; (iii) allot Shares, pursuant to the Share Issuance Programme to SG Private Banking; (iv) allot Shares, pursuant to the Share Issuance Programme, to CCLA; (v) disapply statutory pre-emption rights otherwise applicable to the allotment of Shares issued pursuant to the Share Issuance Programme; and (vi) cancel the share premium account of the Company conditional upon the issue of the Shares by the Company pursuant to the Initial Issue
Prospectus	the prospectus published by the Company on 30 October 2014 in connection with the Share Issuance Programme
RBS	The Royal Bank of Scotland Plc
RBS Loan	the investment term loan facility of up to £35.5 million pursuant to the RBS Facility Agreement
RBS Facility Agreement	the facility agreement dated 24 October 2014 between (<i>inter alium</i>) Empiric Investments (One) Limited, RBS (acting as agent for National Westminster Bank Plc) and the financial lenders listed therein
Receiving Agent	Computershare Investor Services PLC, in its capacity as the Company's receiving agent
Receiving Agent Agreement	the receiving agent agreement between the Company and the Receiving Agent
Regulated Information Service	a regulated information service approved by the Financial Conduct Authority and on the list of Regulated Information Services maintained by the same
Resolutions	together, resolutions 1 to 6 as set out in the Notice of General Meeting and Resolution shall be construed accordingly

SG Private Banking	SG Hambros Bank Limited
Shareholder	a holder of Shares and Shareholders shall be construed accordingly
Shares	ordinary shares of £0.01 each in the capital of the Company
Share Issuance Programme	the programme under which the Company intends to issue Shares in Tranches on the terms set out in the Prospectus
Tranches each a Tranche	a tranche of Shares issued under the Share Issuance Programme
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UKLA	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of admissions to the Official List
United States	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and any other area subject to its jurisdiction
U.S. Person	any person who is a U.S. person within the meaning of Regulation S adopted under the U.S. Securities Act of 1933, as amended
U.S. Private Placement	the limited private placement by the Company to certain U.S. Persons to subscribe for Shares and forming part of the Initial Issue

NOTICE OF GENERAL MEETING

EMPIRIC STUDENT PROPERTY PLC

(Incorporated in England and Wales with registered number 08886906 and registered as an investment company under Section 833 of the Companies Act)

Notice is hereby given that a General Meeting of Empiric Student Property plc (the “**Company**”) will be held at 4 More London Riverside, London SE1 2AU on 17 November 2014 at 10.30 a.m. to consider and, if thought fit, approve the following Resolutions, in the case of Resolutions 1 to 4 as ordinary resolutions and, in the case of Resolutions 5 and 6, as special resolutions:

ORDINARY RESOLUTIONS

1. **THAT**, the Directors are generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot up to 300,000,000 ordinary shares of £0.01 each in the capital of the Company (“**Shares**”) in connection with the Share Issuance Programme (as such term is defined in the circular to Shareholders in the Company dated 30 October 2014, the “**Circular**”), such authority to expire on 16 November 2015, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Shares in pursuance of such an offer or agreement as if such authority had not expired. This Resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
2. **THAT**, conditionally upon the passing of Resolutions 1 and 5, notwithstanding that the proposed participation by East Riding Pension Fund (as defined in the Circular) in any issue of Shares pursuant to the Share Issuance Programme is a related party transaction of the Company for the purposes of the listing rules made by the UKLA under section 74 of FSMA (“**Related Party Transaction**”), the Company’s proposal to issue and allot Shares to East Riding Pension Fund pursuant to the Share Issuance Programme be approved.
3. **THAT**, conditionally upon the passing of Resolutions 1 and 5, notwithstanding that the proposed participation by SG Private Banking (as defined in the Circular) in any issue of Shares pursuant to the Share Issuance Programme is a Related Party Transaction, the Company’s proposal to issue and allot Shares to SG Private Banking pursuant to the Share Issuance Programme be approved.
4. **THAT**, conditionally upon the passing of Resolutions 1 and 5, notwithstanding that the proposed participation by CCLA (as defined in the Circular) in any issue of Shares pursuant to the Share Issuance Programme is a Related Party Transaction, the Company’s proposal to issue and allot Shares to CCLA pursuant to the Share Issuance Programme be approved.

SPECIAL RESOLUTIONS

5. **THAT**, conditionally upon the passing of Resolution 1, the Directors are generally empowered (pursuant to section 570 of the Act) to allot Shares for cash pursuant to the authority referred to in Resolution 1 above as if section 561 of the Act did not apply to any such allotment, such power to expire 16 November 2015, save that the Company may, at

any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Shares to be allotted after the expiry of such power and the Directors may allot Shares in pursuance of such an offer or agreement as if such power had not expired. This Resolution revokes and replaces all unexercised powers previously granted to the Directors to allot Shares as if section 561 of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

6. **THAT**, conditionally upon the issue of Shares by the Company pursuant to the Initial Issue (as such term is defined in the Circular) and the payment up in full thereof, the amount standing to the credit of the share premium account of the Company following completion of the Initial Issue be cancelled.

BY ORDER OF THE BOARD

30 October 2014

IOMA Fund and Investment Management Limited
Secretary

Registered Office:
6-8 James Street
London
W1U 1ED

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

- (i) A member entitled to attend and vote at the General Meeting convened by the above Notice of General Meeting is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the General Meeting, each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the member.
- (ii) To appoint a proxy you may use the Form of Proxy enclosed with this Notice of General Meeting. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or delivered by hand during office hours only to the same address to be received as soon as possible and in any event by not later than 10.30 a.m. on 13 November 2014. Alternatively, you can vote or appoint a proxy electronically by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the Form of Proxy. The latest time for the submission of proxy votes electronically is 10.30 a.m. on 13 November 2014.
- (iii) Completion of the Form of Proxy will not prevent you from attending and voting in person.
- (iv) Any person receiving a copy of this Notice of General Meeting as a person nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "**Nominated Person**") should note that the provisions in Notes (i) to (iii) above concerning the appointment of a proxy or proxies to attend the General Meeting in place of a member, do not apply to a Nominated Person as only Shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the General Meeting.
- (v) Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.
- (vi) Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only Shareholders registered in the register of members of the Company by not later than 6.00 p.m. 48 hours (excluding non-business days) prior to the time fixed for the General Meeting shall be entitled to attend and vote at the General Meeting in

respect of the number of Shares registered in their name at such time. If the General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned General Meeting is 6.00 p.m. 48 hours (excluding non-business days) prior to the time of the adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

- (vii) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (viii) Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar not later than 48 hours before the start of the meeting. Instructions on how to vote through CREST can be found by accessing the following website: www.euroclear.com/CREST. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.
- (ix) If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare (ID number 3RA50) not later than 48 hours before the time appointed for holding the General Meeting excluding non-working days. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (x) Any corporation which is a member may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same Shares. It is, therefore, no longer necessary to nominate a designated corporate representative. Representatives should bring to the General Meeting evidence of their appointment, including any authority under which it is signed.
- (xi) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- (xii) Any question relevant to the business of the General Meeting may be asked at the General Meeting by anyone permitted to speak at the General Meeting. A holder of Shares may alternatively submit a question in advance by a letter addressed to the Company's registered office. Under section 319A of the Companies Act 2006, the Company must answer any question a Shareholder asks relating to the business being dealt with at the General Meeting, unless (i) answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
- (xiii) Further information regarding the General Meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the General Meeting can be accessed at www.espreit.co.uk.
- (xiv) As at 29 October 2014 (being the last Business Day prior to the printing of this Notice of General Meeting) the Company's issued capital consisted of 85,000,001 Shares carrying one vote each. Therefore, the total voting rights in the Company as at 29 October 2014 are 85,000,001.
- (xv) You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
- (xvi) East Riding Pension Fund will not vote on Resolution 2 to be proposed at the General Meeting and has undertaken to take all reasonable steps to ensure that its associates will not vote on such resolution.

- (xvii) SG Private Banking will not vote on Resolution 3 to be proposed at the General Meeting and has undertaken to take all reasonable steps to ensure that its associates will not vote on such resolution.
- (xviii) CCLA will not vote on Resolution 4 to be proposed at the General Meeting and has undertaken to take all reasonable steps to ensure that its associates will not vote on such resolution.

