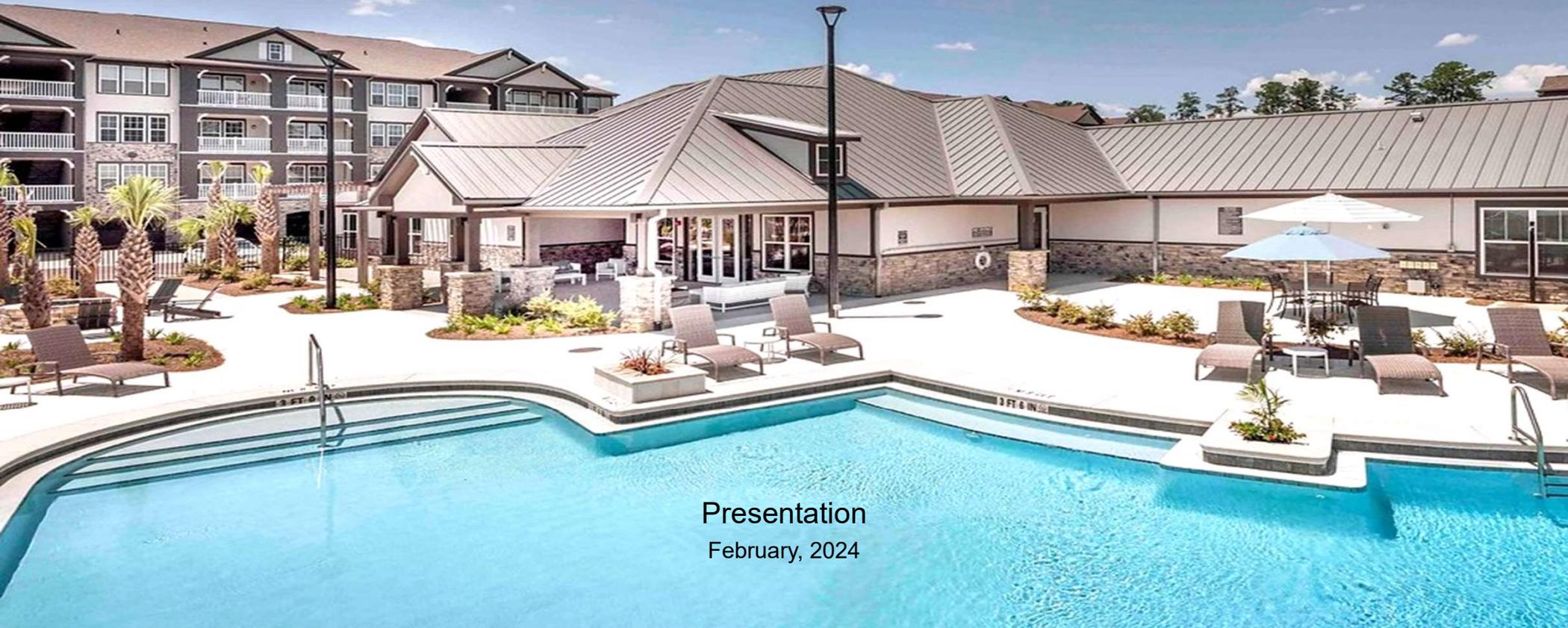




sunresidential
Real Estate Investment Trust



Presentation
February, 2024

DISCLAIMER AND CAUTIONS

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are neither historical facts nor assurance of future performance. Instead, they are based only on the current beliefs, expectations and assumptions of Sun regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Examples of such statements include, but are not limited to: statements of intention with respect to the business and operations of Sun REIT; expectations regarding the performance and market fundamentals of the multi-family asset class in the United States; expectations regarding population, employment earnings and other demographic trends in the Sun Belt region of the United States; expectations regarding the ability to raise capital and grow through acquisitions; expectations regarding the investment philosophy and growth strategy of Sun REIT; expectations regarding the anticipated joint venture with Westdale including the benefits and growth potential arising therefrom; expectations regarding other commercial opportunities and the ability of Sun REIT to carry out its stated business strategies; and sources and uses of capital of Sun REIT.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Sun REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The forward-looking statements contained in this Investor Presentation are presented for the purpose of assisting prospective investors in understanding Sun REIT’s plans and objectives and may not be appropriate for other purposes. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Investor Presentation should not be unduly relied upon. These statements speak only as of the date of this Investor Presentation. In addition, this presentation may contain forward-looking statements attributed to third party industry sources. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the information and factors discussed throughout this Investor Presentation.

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To the extent any forward-looking statement in this Investor Presentation constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated market penetration and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking statements generally, are, without limitation, based on the assumptions and subject to risks as set out above under the heading “Forward Looking Statements”. Sun REIT’s actual financial position and results of operations may differ materially from management’s current expectations. Such information is presented for illustrative purposes only and may not be an indication of Sun REIT’s actual financial position or results of operations.

NON-IFRS MEASURES AND REAL ESTATE INDUSTRY METRICS

In this presentation and supplementary materials, Sun may use certain non-IFRS financial measures, which may include “FFO”, “AFFO”, and “SNOI”, and certain real estate industry metrics, including “Payout Ratio”, “Cap Rate”, and other measurements to measure, compare and explain the operating results and financial performance of Sun REIT. These measures are commonly used by entities in the real estate industry as useful metrics for measuring performance. However, they do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS.

CURRENCY

References to \$ or “dollars” herein refer to United States dollars, unless otherwise indicated. References to C\$ refer to Canadian dollars.



Overview of Sun Residential REIT

- Sun Residential Real Estate Investment Trust (TSXV:SRES) – objective is to build a large Canadian-listed REIT focusing on quality multi-family residences in the U.S. Sunbelt.
- Sun owns a majority interest in a Tallahassee, Florida property through a joint venture with Westdale Galesi Partners, LLC, an affiliate of Westdale Properties. Sun also owns a distressed eight-unit apartment building in Cape Coral, Florida. It is being remediated with an expected completion date of June 30, 2024.
- Strong institutional investor connections:
 - 1832 Asset Management (Dynamic Funds)—19.99% ownership in two funds
 - Arch Funds—9.9%

RENTAL PROPERTY: EVERGREEN AT SOUTHWOOD

- Evergreen at Southwood located in Tallahassee, Florida
- Sun owns a majority 51% interest in the property, 49% owned by Westdale

Year built:	2018	Property valuation:	\$59.1 million
Unit count:	288	Cap rate:	5.25%
Avg. rent/unit:	\$1,662	Mortgage:	\$31.4 million
Occupancy:	94%	Sun Residential REIT ownership	51%
SNOI 2024:	\$3.1 million	Sun purchase price (51%)	\$11.0 million

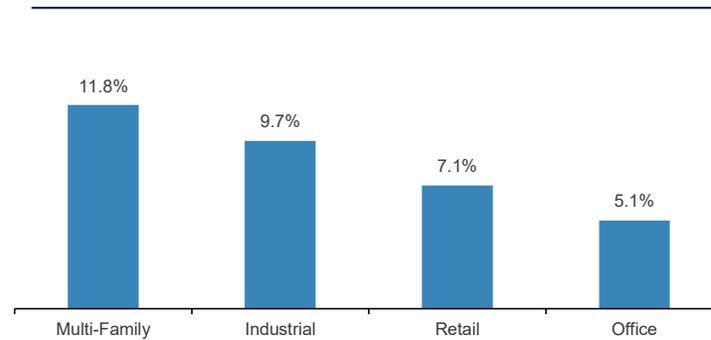


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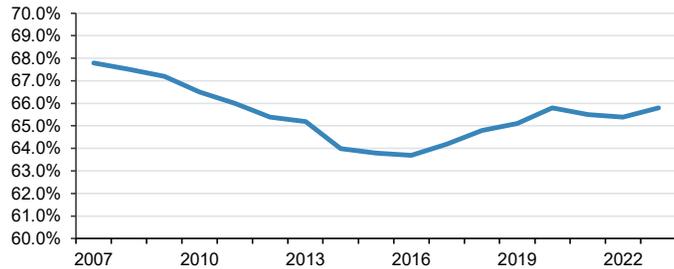
WHY U.S. MULTI-FAMILY?

- A historically top-performing asset class among the major U.S. real estate sectors
- Declining rental vacancy rate trends
- Falling home ownership rates and rising propensity to rent

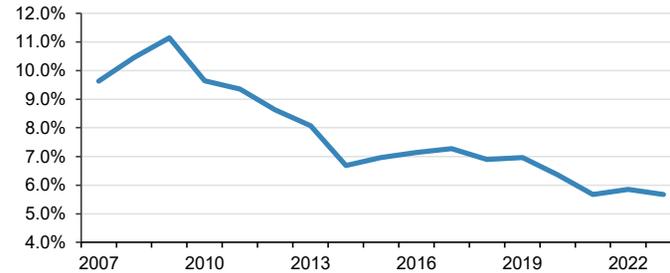
20-Year Avg. Annual REIT Returns¹



U.S. Home Ownership Rate²



U.S. Rental Vacancy Rates Inside MSAs²



Historically top performing asset class with favorable market fundamentals

Source: FactSet, U.S. Census Bureau.

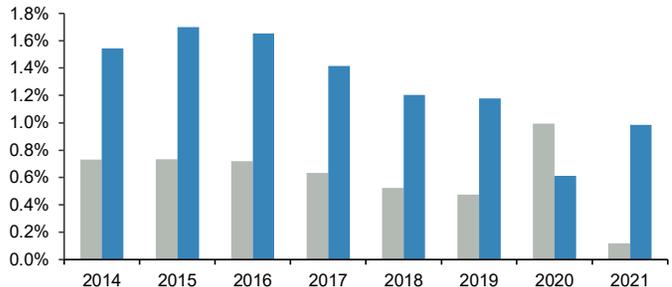
¹ S&P Global U.S. REIT Sector Indices (Total Gross Return, CAGR September 2002 – September 2022).

² Reflects Q4 rate for each year. For 2022, CIBC included the Q1 and Q2 rate.

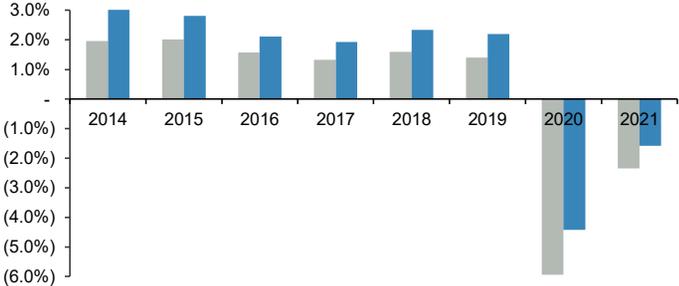
WHY THE U.S. SUN BELT REGION?

- The southern U.S. states have experienced population and employment fundamentals consistently above the U.S. national average in recent years
- Southern U.S. states typically have more landlord friendly legal environments

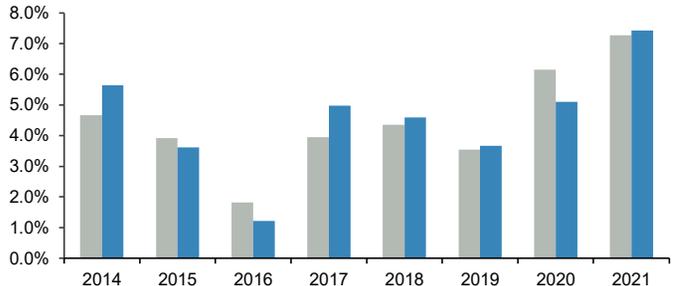
Population Growth Rates¹



Employment Growth Rates



Median Personal Income Growth²



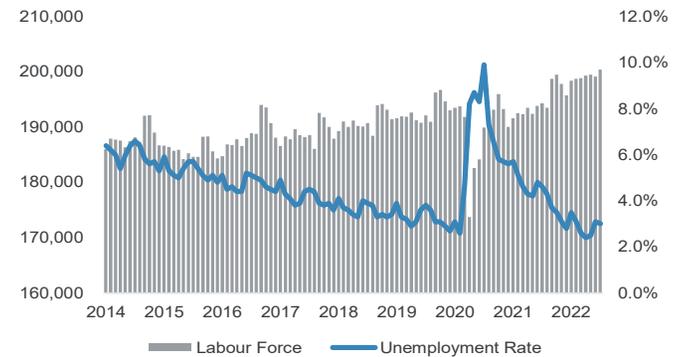
■ U.S. Average ■ Southeast / Southwest U.S.

Source: U.S. Census Bureau, Bureau of Economic Analysis, Bureau of Labour Statistics.
 Note: "Southeast/Southwest U.S." includes: Florida, Georgia, South Carolina, and Texas.
¹ U.S. Census Bureau provides population estimates as of July 1 for each year.
² U.S. Census Bureau reports personal income per capita by dividing total personal income by total midyear population. All estimates provided are in current dollars and not adjusted for inflation. 2021 data is preliminary and not final.

TALLAHASSEE, FL MARKET

- Located in Northwest Florida, Tallahassee is the state’s capital city and home to Florida State University
- Population of over 385,000
 - Highly educated with 47% of adults holding a college degree or higher
 - Median household income US\$72,800
- Workforce of over 184,000 with a significant portion employed in stable government, education and healthcare positions
 - State government: 44,800
 - Education and health services: 24,800
 - Local government: 14,700
 - Federal government: 2,100

Employment Trends



Educated population base and stable employment opportunities

Source: U.S. Census Bureau, Bureau of Labor Statistics



Funds from Operations

	12 months to December 31	
	2023	2022
Funds from operations (FFO)		
\$ 000s	725	601
\$ per unit	0.0036	0.0030
Adjusted funds from operations (AFFO)		
\$ 000s	637	355
\$ per unit	0.0031	0.0018
NAV, December 31	0.087 (C\$0.114) ¹	0.107 (C\$0.145) ¹

Note:

¹ Converted at Bank of Canada rate on date indicated)

US\$ unless otherwise indicated. Please refer to MD&A for definition of non-IFRS measurements.



Distributions

C ¢ 0.095 per unit, paid quarterly on the last business day of the quarter

Annual rate of C ¢ 0.38, US ¢ 0.29

Yield (based upon C\$0.05-C\$0.06 trading range) – 6.3% - 7.6%





Balance sheet and capitalization

December 31	2023	2022
	<i>\$ millions</i>	
Properties	60.3	70.6
Cash and other	4.0	<u>4.9</u>
Total assets	<u>64.3</u>	<u>75.5</u>
Mortgage	<u>31.4</u>	31.4
Other	<u>1.3</u>	<u>2.8</u>
Total liabilities	<u>32.7</u>	<u>34.2</u>
Non-controlling interest	<u>13.9</u>	<u>19.5</u>
Equity	<u>17.6</u>	<u>21.81</u>
NAV/unit	0.087 (C\$0.114) ¹	0.107 (C\$0.145) ¹

US\$ unless otherwise indicated.

Three year summary

	Years ended December 31		
	2023	2022	2021
Investment property revenue	\$ 5,780,485	\$ 5,460,233	\$ 4,946,475
Property operating expenses	2,729,829	2,459,512	2,078,018
Net rental income	3,050,656	3,000,721	2,868,457
General and administrative expenses	413,607	394,746	399,325
Interest	1,122,057	1,122,059	1,122,059
Other expense (income)	(155,263)	(37,316)	10,340
Fair value loss (gain) on investment properties	11,648,437	(5,170,123)	(12,432,980)
Loss (gain) on foreign currency translation	(14,888)	3,465	350
	13,013,950	(3,687,169)	(10,900,906)
Income (loss) before income taxes	(9,963,294)	6,687,890	13,769,363
Deferred income taxes	(1,415,253)	751,649	1,647,950
Net income (loss) and other comprehensive			
Income (loss) before income taxes	\$ (8,548,041)	\$ 5,936,241	\$ 12,121,413
Distributions to unitholders (per unit)	\$ 0.0038	\$ -	\$ -

SUMMARY OF QUARTERLY RESULTS

	Three months ended December 31, 2023	Three months ended September 30, 2023	Three months ended June 30, 2023	Three months ended March 31, 2023
Rental revenue	\$ 1,443,032	\$ 1,466,573	\$ 1,475,527	\$ 1,395,353
Property operating expenses	1,385,348	449,450	486,649	408,382
Net rental income	57,684	1,017,123	988,878	986,971
General and administrative expenses	103,265	94,094	89,978	126,270
Interest expense	282,820	282,819	279,745	276,672
Other income	(35,558)	(38,222)	(46,192)	(35,291)
Fair value loss on investment properties	892,258	10,658,017	46,493	51,669
Gain on foreign currency translation	(14,825)	8,296	(8,048)	(310)
	\$ 1,227,960	\$ 11,005,004	\$ 361,976	\$ 419,010
Income (loss) before Income taxes	(1,170,276)	(9,987,881)	626,902	567,961
Deferred income taxes	(180,424)	(1,323,819)	45,087	43,903
Net income (loss) and other comprehensive income (loss)	\$ (989,852)	\$ (8,664,062)	\$ 581,815	\$ 524,058

	Three months ended December 31, 2023	Three months ended September 30, 2023	Three months ended June 30, 2023	Three months ended March 31, 2023
Net income (loss) attributable to:				
Unitholders	\$ (430,630)	\$ (3,801,441)	\$ 257,120	\$ 201,329
Non-controlling interest	(559,222)	(4,862,621)	324,695	322,729
Net income (loss)	\$ (989,852)	\$ (8,664,062)	\$ 581,815	\$ 524,058
Net income (loss) attributable to unitholders	\$ (430,630)	\$ (3,801,441)	\$ 257,120	\$ 201,329
Fair value loss on income producing investment property	916,134	10,658,017	46,493	51,669
Realty taxes not accounted under IFRIC21	653,400	(217,800)	(217,800)	(217,800)
Non-controlling interest	(769,072)	(5,115,706)	83,940	81,404
Fair value loss on property underdevelopment	(23,876)	-	-	-
Deferred income taxes	(180,424)	(1,323,819)	45,087	43,903
Loss (gain) on foreign currency translation	(14,825)	8,296	(8,048)	(310)
FFO	\$ 150,707	\$ 207,547	\$ 206,792	\$ 160,195
Capital expenditures	(16,134)	(58,017)	(46,493)	(51,669)
Non-controlling interest	7,906	28,428	22,782	25,318
AFFO	\$ 142,479	\$ 177,958	\$ 183,081	\$ 133,844
FFO per unit	\$ 0.0007	\$ 0.0010	\$ 0.0010	\$ 0.0008
AFFO per unit	\$ 0.0007	\$ 0.0009	\$ 0.0009	\$ 0.0007

US\$ unless otherwise indicated.



Financing history

	Units	\$
Seed round, March 2019 (C\$0.05)	10,000,000	372,578
IPO, August 2019 (C\$0.10)	5,000,000	378,186
Private placement, August 2019 (C\$0.10)	40,000,000	3,025,490
Private placement, January 2020 (C\$0.115)	<u>148,338,999</u>	12,944,068
Unitholders' equity, June 30, 2023	203,338,999	17,593,803

US\$ unless otherwise indicated. C\$ refers to Canadian dollars.



Management Team

Robert Wetenhall – Chief Executive Officer

- Florida-focused real estate developer of luxury residential and multi-family properties
- President of two private real estate development companies, Blue River Capital and Miami Venture Partners.
- From 2018 to 2022, Executive Vice President of Capital Markets for Five Point Holdings, LLC (NYSE: FPH), one of the largest mixed-use developers in California.
- From 2006 to 2017, Managing Director in Equity Research for RBC Capital Markets covering home builders and building products.
- Previously, at Deutsche Bank and Lehman Brothers.
- In 2017, ranked fourth in the Institutional Investor All-America Research Poll.

Jeffrey Sherman – Chief Financial Officer

- Seasoned financial executive with experience as director or CFO of many public and private companies
- From 2012 to 2017, CFO Atrium Mortgage Investment Corp. (TSX:AI) - public mortgage lender with an investment portfolio over \$700M, and of Canadian Mortgage Capital Corp. - Commercial mortgage brokerage and advisory firm and manager of Atrium Mortgage Investment Corp.
- Written over 20 books, presents executive development courses for CFOs and financial executives across Canada.



Board of Trustees

Trustees

Experience

Daniel Argiros
*Chair of the
Board of Trustees*

- Founder and CEO of Arch Corporation, real estate investment and management
- Founder and CEO of former Continuum Residential REIT, Canadian multi-family REIT (Acquired by Starlight Investments in 2019)
- Trustee of Inovalis REIT (TSX:INO.UN), real estate investment trust

Robert Wetenhall, Jr.
*CEO,
Acquisition team*

- Florida-focused real estate developer of luxury residential and multi-family properties
- President of two private real estate development companies, Blue River Capital and Miami Venture Partners.
- From 2018 to 2022, Executive Vice President of Capital Markets for Five Point Holdings, LLC (NYSE: FPH), one of the largest mixed-use developers in California.
- From 2006 to 2017, Managing Director in Equity Research for RBC Capital Markets covering home builders and building products.

Robert Goodall

- CEO and founder of Atrium Mortgage Investment Corp. (TSX:AI), commercial mortgage lending
- President and founder of Canadian Capital Mortgage Corp., commercial mortgage brokerage and advisory services with C\$1.6 billion of assets under management
- Trustee of Dream Impact Trust (TSX: MPCT.UN), real estate investment trust

Gordon Vollmer
Acquisition Team

- President of Camreal European Management
- Former EVP Asset Management at Morguard Investments

Gordon Wiebe

- Extensive experience in U.S. real estate
- President of Corpin Services, real estate asset management services firm with advisory mandates on over 4 million square feet in properties across the U.S.
- Prior commercial real estate fee management experience with over US\$1 billion AUM including over 4,000 residential units throughout Canada and parts of the U.S.



Relationship with Westdale

Benefits to Sun

- ✓ Experienced property management
 - 30+ year track record with 31,000+ multi-family units currently managed
 - Extensive experience in the Sun Belt Region
- ✓ Aligned through joint venture interest in existing property, Evergreen at Southwood

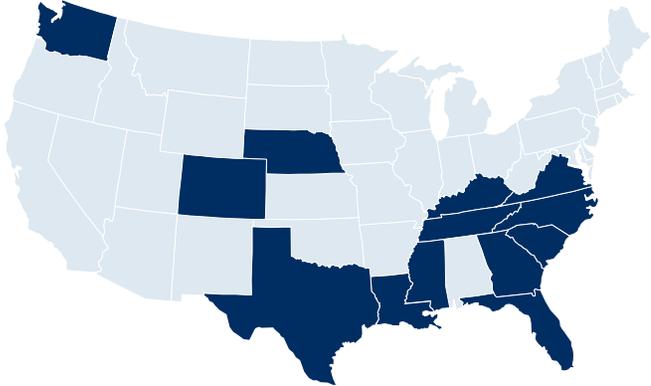
WESTDALE AT A GLANCE

A leading U.S. multi-family owner and manager

- Over 30 year track record
- Deep value-add expertise

Large portfolio with Southern U.S. focus

- Over \$6 billion in multi-family assets
- Over 31,000 units managed, including over 28,000 units owned



Relationship with a leading U.S. multi-family owner and manager

US\$ unless otherwise indicated.



Investment Highlights

- ✓ Experienced management team and internalized asset management functions
- ✓ Insiders collectively own 15.5% of Sun REIT, with all members of the management team and board holding a significant ownership stake
- ✓ Simple balance sheet with no options or warrants issued or outstanding
- ✓ U.S. multi-family is historically a top-performing asset class with favorable fundamentals
- ✓ Focus on fast growing U.S. Sunbelt markets with emphasis on working populations experiencing income and population growth
- ✓ High quality property management by Westdale
- ✓ Strong institutional investor support: 1832 Asset Management (Dynamic Funds)—19.9% ownership between two funds, Arch Funds—9.9%
- ✓ **ADDITIONAL INFORMATION:** latest financial statements and md&a: www.sunresreit.com