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## SUN RESIDENTIAL REAL ESTATE INVESTMENT TRUST ANNOUNCES COMPLETION OF QUALIFYING TRANSACTION AND CONCURRENT PRIVATE PLACEMENT

**Toronto, Ontario** (January 28, 2020) – Sun Residential Real Estate Investment Trust (“**Sun**”) (TSXV: SRES.P), a capital pool company (as such term is defined in Policy 2.4 (the “**CPC Policy**”) of the Corporate Finance Manual of the TSX Venture Exchange (the “**TSXV**”)), is pleased to announce that it has closed its previously announced Qualifying Transaction (as such term is defined in the CPC Policy).

The Qualifying Transaction involved the acquisition by a Delaware-based subsidiary of Sun, SunResREIT US Inc., of a 51% interest in a Tallahassee, Florida-based multi-family residential property (the “**QT Property**”) from Westdale Galesi Partners, LLC (the “**QT Property Vendor**”) for an aggregate purchase price of approximately US\$11.0 million (the “**Acquisition**”).

The QT Property was built in 2018 and is located one mile from Southwood, a master-planned community centred around the Southwood Golf Club and the 127-acre Central Park. The QT Property comprises a total of 12 buildings having three or four floors each and a total of 288 units, with 278,664 sq ft of net rentable area. The average apartment is 968 sq ft and the average rent per unit is US\$1,209 per month. The QT Property currently has a 98.3% occupancy. The purchase price in respect of the Acquisition was satisfied in cash from the proceeds of the brokered and non-brokered private placements (as described further below).

Further information regarding the QT Property and the Qualifying Transaction is available in the filing statement of Sun dated January 24, 2020, which is accessible under Sun’s SEDAR profile at [www.sedar.com](http://www.sedar.com). As disclosed in the filing statement, Sun intends to carry on business as a real estate investment trust focused on acquiring additional multi-family residential properties located in the “Sunbelt” region of the United States.

Sun has submitted to the TSXV final documentation with respect to the Qualifying Transaction and, subject to the TSXV’s final approval, anticipates that it will be listed as a Tier 1 Real Estate Issuer on or about February 3, 2020.

In connection with the Acquisition, Sun completed a private placement of 148,338,999 trust units of Sun for gross proceeds of C\$17,058,985. The private placement consisted of: (a) a brokered offering of 102,048,130 trust units on a best-efforts agency basis at a price of C\$0.115 per trust unit for gross proceeds of C\$11,735,535; and (b) a non-brokered offering of 46,290,869 trust units at a price of C\$0.115 per trust unit for gross proceeds of C\$5,323,449.94. The brokered portion of the private placement was led by Raymond James Ltd., together with a syndicate of agents which included Canaccord Genuity Corp., Desjardins Securities Inc., Echelon Wealth Partners Inc. and Industrial Alliance Securities Inc. (collectively, the “**Agents**”). In consideration for their services, the Agents were paid a cash commission of 10% of the gross proceeds raised under the brokered portion of the private placement, being C\$1,173,554, plus reasonable fees and expenses. All trust units issued in connection with the brokered and non-brokered private placements are subject to a statutory four-month-and-one-day hold period.

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*The information in this press release includes certain information and statements about management’s view of future events, expectations, plans and prospects that constitute forward looking statements.*

*These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward-looking statements. Forward-looking statements in this press release include, but are not limited to, final approval of the TSXV in respect of the Qualifying Transaction, Sun's listing on the TSXV as a Tier 1 Real Estate Issuer and Sun's future business intentions. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although Sun believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, Sun disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise. The reader is referred to the filing statement for a more complete discussion of risk factors relating to Sun and their potential effects, copies of which may be accessed through Sun's profile on SEDAR at [www.sedar.com](http://www.sedar.com).*

*Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.*

*Investors are cautioned that, except as disclosed in the filing statement, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the Acquisition and has neither approved nor disapproved the contents of this press release.*