



FOR IMMEDIATE RELEASE

SUN RESIDENTIAL REIT ANNOUNCES INAUGURAL QUARTERLY DISTRIBUTION FOR INVESTORS

Toronto, December 14, 2022 – Sun Residential Real Estate Investment Trust (TSXV: SRES) is pleased to announce that its Board of Trustees has approved the initiation of a quarterly distribution program and has declared an inaugural quarterly distribution of C\$0.00095 (0.095 Canadian cents) per unit to be paid during the first quarter of 2023. This distribution will be paid March 31, 2023 to unitholders of record as of the close of business on March 10, 2023, and represents an annual rate of C\$0.0038 (0.38 Canadian cents) per unit.

“We are excited to announce the initiation of a quarterly distribution,” said Gordon Wiebe, CEO of Sun. “Our intention is to now distribute approximately 90% of expected adjusted funds from operations on a quarterly basis.”

Non-IFRS Financial Measures

Sun prepares and releases unaudited consolidated interim financial statements and audited consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS). Adjusted funds from operations (AFFO) is a measure of performance commonly used by real estate investment trusts. It is not a measure recognized under IFRS and does not have standard meanings prescribed by IFRS. AFFO is calculated as net income attributable to unitholders less fair value adjustment attributable to rental properties, plus realty taxes not accounted for under IFRIC 21 net of non-controlling interest, less deferred taxes, less (plus) foreign exchange gain (loss), less capital expenditures net of non-controlling interest. AFFO as calculated by Sun may not be comparable to similar measures presented by other issuers. Please refer to Sun’s management’s discussion and analysis for the three and nine months ended September 30, 2022 for reconciliation to IFRS measures.

Forward-Looking Statements

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of Sun. Forward-looking statements are identified by words such as “expected,” “expect,” “future,” “planned,” “estimate” and other similar expressions. The forward-looking statements in this news release are based on certain assumptions. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading “Risk Factors” in Sun’s management’s discussion and analysis for the three and nine months ended September 30, 2022 which is available at www.sunresreit.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Therefore, readers should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by law, Sun assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

In particular, the planned future distribution rate based upon 90% of expected AFFO is not meant to be a measure of the sustainability of Sun's distributions. The actual amount of distributions will depend upon numerous factors including, but not limited to, occupancy levels, rental rates, operating costs including property taxes, the Canadian Dollar to United States dollar exchange rates, capital expenditures and other factors that may be beyond the control of Sun.

About Sun Residential REIT

Sun Residential Real Estate Investment Trust is an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust dated January 22, 2019, as amended and restated on March 22, 2019 and November 4, 2020. The business of Sun is to acquire multi-family residential properties in the Sunbelt region of the United States. Its business operations commenced on January 28, 2020, when it completed a financing and concurrently acquired a 51% interest in a multi-family residential property comprising 12 buildings with 288 rental units as well as various amenities for tenants located in Tallahassee, Florida.

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