



FOR IMMEDIATE RELEASE

SUN RESIDENTIAL REIT ACQUISITION OF DISTRESSED MULTI-FAMILY PROPERTY IN CAPE CORAL, FLORIDA

Toronto, June 16, 2023 – Sun Residential Real Estate Investment Trust (TSXV: SRES) has acquired 4815 Tudor Drive, a distressed multi-family property located in Cape Coral, Florida.

Robert C. Wetenhall, Jr., CEO of Sun, stated that “Our core business of owning high-quality stabilized assets, like Evergreen at Southwood in Tallahassee, Florida, is complemented by selectively pursuing value-add investment opportunities in the Sunbelt with the potential to generate attractive yields and incremental cash flow. To this end, we recently acquired a small apartment building, which had been severely damaged by Hurricane Ian, at a distressed price. Our renovation program should enable the property, which is situated in an upscale residential neighborhood, to open before year-end.”

Mr. Wetenhall added, “We have a favorable view of demand trends for rental product in the local market due to sustained population growth in Cape Coral, which is centrally located off the I-75 corridor between Tampa and Naples. We expect that Cape Coral, which is now the eighth largest city in Florida with approximately 200,000 people, will continue growing along with the rest of Lee County, which was estimated by the U.S. Census Bureau to be the sixth fastest growing county nationally in 2022 when measured in terms of absolute population growth.”

Mr. Wetenhall also noted that “the combination of tighter credit conditions, rising interest rates, and sharply higher insurance costs may aid us in sourcing additional investment opportunities that meet our acquisition criteria. Our strategy of using cash flow from stabilized assets to fund attractive investment opportunities like 4815 Tudor Drive, which has a significant value-add component, provides a template for growth that should reward unitholders.”

Highlights

- Cash acquisition of 4815 Tudor Drive, Cape Coral, Florida for \$850,000. All amounts are in United States dollars unless otherwise noted. “C\$” refers to Canadian dollars.
- Property has eight two-bedroom apartments and a pool.
- Planned capital improvements of approximately \$500,000.

Caution regarding forward-looking statements

Forward-looking statements in this news release, including the timing, nature and cost of renovations to 4815 Tudor Drive, Cape Coral, Florida and any future refinancing or sale of such property, and elsewhere reflect Sun’s current assumptions, expectations, and projections. Often, but not always, forward-looking statements can be identified by words such as “planned,” “expects,” “anticipated,” or “believes,” or variations of such words and phrases or state that certain actions, events, or results “may,” “could,” “would,” “might,” “should,” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Sun’s actual results or achievements to be materially different from those expressed or implied by the forward-looking statements. The forward-looking statements made in this news release relate only to events or information as of the date hereof. All forward-looking statements are based on assumptions that may prove to be incorrect. Furthermore, forward-looking statements are qualified in their entirety by the inherent risks, uncertainties and changes in circumstances surrounding future expectations that are difficult to predict and mostly beyond the control of Sun.

Except as specifically required by Canadian securities law, Sun undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Many factors will cause actual results to differ, perhaps materially, from results in the forward-looking statements: for a description of such factors please refer to the Management's Discussion and Analysis for the three months ended March 31, 2023 available at www.SEDAR.com or at www.sunresreit.com.

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 and operate multi-family residential properties in the Sunbelt region of the United States. Sun owns 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 and an eight two-bedroom apartment property located in Cape Coral, Florida.

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