



FOR IMMEDIATE RELEASE

SUN RESIDENTIAL REIT PROVIDES OPERATIONAL UPDATE

Toronto, May 28, 2020 – Sun Residential Real Estate Investment Trust (TSXV: SRES) today provided an update regarding its operations.

Although the ultimate impact of the coronavirus epidemic cannot be determined at this point, high quality multi-family residential properties such as Sun’s Evergreen at Southwood property appear to be less severely affected than other types of real estate. As of the date hereof, occupancy of 93% and collections of 98.8% for May are in line with results from previous months. Net rental income (which corresponds to net operating income, a non-IFRS measure) for May 2020 has also remained at levels consistent with previous months, in part due to the absence of tenant concessions. Finally, the company’s capital expenditure program for the property remains unchanged.

“We are very pleased with the performance of our property to date, which reflects its high quality and excellent demographics.” said Gordon Wiebe, CEO of Sun. “Multi-family residential continues to perform as one of the best asset classes even during the current pandemic. There is evidence that the solid performance of multi-family residential real estate during the pandemic may lead the resumption of capital markets activity, which will play an important role in funding Sun’s acquisition program.”

Sun continues to have a strong cash position, with a total of US\$3.5 million of cash and cash equivalents on hand at April 30, 2020. Sun expects to continue its acquisition program and is reviewing opportunities to resume its expansion.

For further information on the financial results as well as analysis of operational statistics, please refer to Sun’s unaudited interim consolidated financial statements and its management’s discussion and analysis for the three months ended March 31, 2020, available on SEDAR at www.sedar.com and on the trust’s website at www.sunresreit.com. Sun does not expect to provide disclosure related to rent collections, occupancy rates, or monthly operating results on a regular basis.

Sun expects to release its results for the three and six months ended June 30, 2020 on August 5, 2020.

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, which was amended and restated on March 22, 2019. 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 Evergreen at Southwood, a multi-family residential property comprising 12 buildings with 288 rental units as well as various amenities for tenants located in Tallahassee, Florida.

.../2

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 “believe,” “anticipate,” “expect,” “appear,” “plan,” “will,” “may,” “resume,” “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 months ended March 31, 2020, and its filing statement dated January 24, 2020, both of which are available at www.sedar.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. May rent collections, net operating income, and occupancy levels may not be indicative of results in future periods, particularly if the adverse economic impacts of the novel coronavirus epidemic continue. 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 applicable 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.

For further information, please contact:

Gordon Wiebe,
Chief Executive Officer
gwiebe@sunresreit.com

Jeffrey Sherman,
Chief Financial Officer
jsherman@sunresreit.com