



FOR IMMEDIATE RELEASE

SUN RESIDENTIAL REIT CONTINUES TO REPORT EXCELLENT RESULTS – AND ANNOUNCES INVESTOR CONFERENCE CALL ON MAY 4

Toronto, May 3, 2022 – Sun Residential Real Estate Investment Trust (TSXV: SRES) today released its financial results for the three months ended March 31, 2022. All amounts are in United States dollars, unless shown as C\$ which refers to Canadian dollars.

Revenue for the three months ended March 31, 2022 was \$1,289,831 (same period, prior year – \$1,176,066), net rental income was \$908,741 (prior year – \$864,401), and the net income was \$476,787 (prior year – \$473,795).

At March 31, 2022, Sun had total assets of \$69.9 million (December 31, 2021 – \$69.7 million), and cash and cash equivalents of \$4.4 million (December 31, 2021 – \$4.5 million). Working capital at December 31, 2021 was \$4.7 million (December 31, 2021 – \$4.5 million).

“We continue to be very pleased with the performance of our property,” said Gordon Wiebe, CEO of Sun.

Highlights (at March 31, 2022 unless otherwise noted)

- Weighted average leased rate –96%.
- FFO (funds from operations) for three months ended March 31, 2022 – \$122,527 (same period, prior year – \$100,104).
- AFFO (adjusted funds from operations) for three months ended March 31, 2022 – \$119,569 (same period, prior year – \$100,104).
- Rent collection for March 2022 – approximately 99%
- Lease renewals for three months ended March 31, 2022 at an average rent increase of 10.2% compared to the previous lease rate; average new leases at a 7.6% increase.
- Net operating income margin (three months ended March 31, 2022) – 56%
- Debt to gross book value – 45%

A reconciliation to non-IFRS measures is set out below. For further information on the financial results as well as analysis of operational statistics, please refer to Sun’s consolidated financial statements and its management’s discussion and analysis for the year ended December 31, 2021, available on SEDAR at www.sedar.com and on Sun’s website at www.sunresreit.com.

Conference Call

Interested parties are invited to participate in a Zoom call with management on May 4. The investor call will follow our Annual Meeting at 9:00 a.m. EDT. Please click on the following link: <https://us02web.zoom.us/j/82986341177?pwd=eGpxSzUxS0YxSnpldGI4R1pyUTVlZz09>. (Meeting ID: 829 8634 1177, Passcode: 297216)

Non-IFRS Financial Measures

Weighted average occupancy rate, FFO, AFFO, rent collections, net operating income margin and debt to gross book value are key measures of performance commonly used by real estate investment trusts. They are not measures recognized under International Financial Reporting Standards (IFRS) and do not have

standardized meanings prescribed by IFRS. Weighted average leased rate, FFO, AFFO, rent collection for March 2022, net operating income margin and debt to gross book value 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 months ended March 31, 2022 for reconciliations to standardized IFRS measures.

	Three months ended	
	March	
	2022	2021
Net income (loss) attributable to unitholders	\$ 169,915	\$ 185,808
<i>Adjustments to arrive at FFO</i>		
Fair value adjustment to investment properties	5,800	-
Realty taxes not accounted for under IFRIC 21	(190,200)	(190,800)
Non-controlling interest	90,356	93,492
Deferred income taxes	45,042	13,930
Loss on foreign currency translation	1,614	(2,326)
Funds from operations (FFO)	122,527	100,104
<i>Adjustments to arrive at AFFO</i>		
Capital expenditures	(5,800)	-
Non-controlling interest	2,842	-
Adjusted funds from operations (AFFO)	\$ 119,569	\$ 100,104
Weighted average number of units	203,338,999	203,338,999
FFO per unit	0.0006	0.0005
AFFO per unit	0.0006	0.0005

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 “target”, “believe”, “anticipate”, “expect”, “plan”, “will”, “may”, “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 year ended December 31, 2021 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.

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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