



FOR IMMEDIATE RELEASE

**SUN RESIDENTIAL REIT RELEASES VERY GOOD THIRD QUARTER RESULTS –
AND ANNOUNCES INVESTOR CONFERENCE CALL ON NOVEMBER 5**

Toronto, November 4, 2020 – Sun Residential Real Estate Investment Trust (TSXV: SRES) today released its financial results for the three and nine months ended September 30, 2020. All dollar amounts are in United States dollars.

Revenue for the three months ended September 30, 2020 was \$1,176,957, net rental income was \$812,764, and the net income and comprehensive income for the quarter was \$404,520. Revenue for the nine months ended September 30, 2020 was \$3,178,481 (prior year – nil), net rental income was \$2,154,401 (prior year – nil), and the net income for the nine months was \$246,329 (prior year – loss of \$151,186). 2021 is the first year of operations, so the results for the prior year are not comparable. At September 30, 2020, Sun had total assets of \$57.0 million (December 31, 2019 – \$3.4 million), and cash and cash equivalents of \$3.8 million (December 31, 2019 – \$3.3 million).

“Our property is producing consistently favourable results even in light of the challenges presented by the Covid-19 pandemic,” said Gordon Wiebe, CEO of Sun. He continued, “We are pleased to be generating positive returns despite the delays in our acquisition program due to the pandemic and the impact on our ability to access funding in the capital markets. We are exploring options to resume expansion as soon as possible.”

Highlights (at September 30, 2020 unless otherwise noted)

- Weighted average occupancy rate: 95%
- FFO (funds from operations) for Q3 2020: \$87,728
- AFFO (adjusted funds from operations) for Q3 2020: \$68,603
- AFFO for Q3 2020 divided by unitholders’ equity (annualized): 1.9%
- Rent collection for Q3 2020: 98%
- Lease renewals for Q3 2020 at an average rent increase of 2.1%.
- Net operating income margin (year-to-date): 55%
- Debt to gross book value: 55%

Cash flow, FFO and AFFO continue to be positive in Q3 2020, as they were in Q2 2020. AFFO for Q3 2020 divided by unitholders’ equity (annualized) has declined from 3.2% in the previous quarter due to the normal seasonal fluctuation of expenses which has a disproportionate impact due to the small size of the property portfolio. 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 and nine months ended September 30, 2020, available on SEDAR at www.sedar.com and on the trust’s website at www.sunresreit.com.

Conference Call

Interested parties are invited to participate in a Zoom call with management on Thursday, November 5, at 4:00 p.m. Eastern Time to discuss the results. To participate or listen to the call, please click on this link: <https://us02web.zoom.us/j/84568038320?pwd=YzVDN0FqaWdYVlhNWXBwcVg1Zm1FQT09>

Alternatively, go to www.zoom.us and use meeting ID: 845 6803 8320, passcode: 308808

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 a multi-family residential property comprising 12 buildings with 288 rental units as well as various amenities for tenants located in Tallahassee, Florida.

Non-IFRS Financial Measures

Weighted average occupancy rate, FFO, AFFO, AFFO divided by unitholders' equity, Rent collection for September 2020, 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 occupancy rate, FFO, AFFO, AFFO divided by unitholders' equity, Rent collection for June 2020, 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. Note that AFFO divided by unitholders' equity is calculated based upon the results of the third quarter alone which may not be representative of future returns. Please refer to Sun's Management's Discussion and Analysis for the three and nine months ended September 30, 2020 for reconciliations to standardized 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 "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 three months and six ended June 30, 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. 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.

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