



FOR IMMEDIATE RELEASE

**SUN RESIDENTIAL REIT RELEASES SOLID RESULTS –
AND ANNOUNCES INVESTOR CONFERENCE CALL ON FEBRUARY 11**

Toronto, February 10, 2021 – Sun Residential Real Estate Investment Trust (TSXV: SRES) today released its financial results for the three months and the year ended December 31, 2020. All dollar amounts are in United States dollars.

Revenue for the year December 31, 2020 was \$4,356,819 (prior year – nil), net rental income was \$2,477,207 (prior year – nil), and the net income and comprehensive income for the year was \$234,660 (prior year – loss of \$681,372). Revenue for the three months ended December 31, 2020 was \$1,178,338 (prior year – nil), net rental income was \$322,806 (prior year – nil), and the net loss for the three months was \$11,669 (prior year – loss of \$530,186). Operations commenced January 28, 2020 when Sun acquired its first property, so the results for the prior year are not comparable. At December 31, 2020, Sun had total assets of \$56.6 million (December 31, 2019 – \$3.4 million), and cash and cash equivalents of \$3.9 million (December 31, 2019 – \$3.3 million).

“We are very pleased that our operations and cash flow continue to be positive, and we are actively exploring options to resume our expansion,” said Gordon Wiebe, CEO of Sun.

Highlights (at December 31, 2020 unless otherwise noted)

- Weighted average occupancy rate – 95%
- FFO (funds from operations) for Q4 2020 – \$122,567
- FFO (funds from operations) for the year December 31, 2020 – \$159,322
- AFFO (adjusted funds from operations) for the year December 31, 2020 – \$146,358 (prior year – loss of \$681,372).
- Rent collection for December 2020 – 99%
- Lease renewals for Q4 2020 at an average rent increase of 2.0%.
- Net operating income margin (year-to-date) – 57%
- Debt to gross book value – 56%

Cash flow, FFO and AFFO continue to be positive in Q4 2020, as they were in the previous two quarters. For further information on the financial results as well as analysis of operational statistics, please refer to Sun’s audited consolidated financial statements and its management’s discussion and analysis for the year ended December 31, 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, February 11, 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/85785585283?pwd=M3VxdTIKWVo1KzdRT01hcVJkZktVUT09>. Alternatively, audio only by telephone: 1 647 374 4685, Meeting ID: 857 8558 5283, Passcode: 344568.

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.

Non-IFRS Financial Measures

Weighted average occupancy rate, FFO, AFFO, rent collection for December 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, rent collection for December 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. Please refer to Sun's Management's Discussion and Analysis for the year ended December 31, 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 year ended December 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. 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.

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