

CHC Student Housing Announces Sale of London and Trois-Rivieres Properties

Toronto, Ontario--(Newsfile Corp. - November 26, 2019) - CHC Student Housing Corp. (TSXV: CHC) ("CHC" or the "Company") announces that it has entered into a binding agreement with an arm's length party for the sale of its London property for total gross proceeds of \$55.0 million. The Company has also entered into a binding agreement with a separate arm's length party for the sale of its Trois-Rivieres property for total gross proceeds of \$3.15 million.

The closing of the sale of the Trois-Rivieres property is subject to certain conditions which are customary for a transaction of this nature. Subject to the satisfaction of all required conditions, the transaction is expected to close on or before December 3, 2019.

The sale of the London property will constitute a "Reviewable Disposition" as defined in Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets* of the TSX Venture Exchange ("TSXV"), as well as a sale of all or substantially all of the assets of CHC. As a result, the completion of the transaction is subject to approval by the Company's shareholders and acceptance by the TSXV. The Company intends to seek shareholder approval at an annual and special meeting of its shareholders which is expected to be held on January 20, 2020. Closing is also subject to certain other conditions which are customary for a transaction of this nature. Subject to the satisfaction of all required conditions, the transaction is expected to close on February 5, 2020.

The London and Trois-Rivieres properties are the sole operating assets of the Company. Given the financial position of the Company, the terms of the mortgages on the properties and the lack of alternatives available to the Company after a lengthy strategic review process, the Company has determined that it is necessary to sell the properties and cease the student housing business conducted by the Company. The Company will use the net proceeds from the sale of the properties to settle its debts, return capital to its shareholders in an amount to be determined, and seek out alternative business opportunities which could potentially result in additional value for shareholders.

As previously disclosed by the Company, the board of directors initiated a strategic review process in April 2017 following Dundee Acquisition Ltd.'s failed transaction with the Company to identify, examine and consider strategic and financial alternatives potentially available to the Company, including a recapitalization, a merger or other business combination, a sale of the Company or all or a portion of its assets, or any combination thereof. During this process, the Company sold its properties in Windsor and Kingston and was able to refinance mortgage debt which was due on its London and Trois-Rivieres properties with near term debt. The Trois-Rivieres property's debt was refinanced in June 2018 with a \$2.57 million mortgage which matured on September 30, 2019 and has been extended pending the sale of the property. The London property's debt was refinanced in July 2018 with an assumption of the existing \$33.0 million first mortgage on the property, now maturing on June 30, 2021, and a new second mortgage for \$14.0 million maturing on June 30, 2021. Under the terms of the second mortgage, the Company deferred interest payments on \$6.0 million of this mortgage until December 31, 2019, which it is currently seeking to extend further pending the sale of the property. The Company has been unable to secure longer term financing for the properties or source additional equity financing or strategic partners on acceptable terms and conditions to stabilize and grow its student housing business.

Following the sale of the properties, unless near term alternative business opportunities arise, the Company will cease to have active operations. As a result, it will not meet the continued listing requirements for the TSXV and will be required to transfer its shares from trading on the TSXV and transition to the NEX. The NEX is a separate board of the TSXV that provides a trading forum for listed companies that have fallen below the TSXV's continued listing requirements.

Forward Looking Information

Certain statements contained in this news release may constitute forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and other similar expressions. Forward-looking statements in this news release include statements regarding the expected sale of the Company's London and Trois-Rivieres properties. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. The forward-looking statements contained in this news release represent the Company's expectations as of the date hereof, and are subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

Neither the TSX Venture Exchange ("TSXV") nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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