

CHC Student Housing Sells Kingston Property VTB Mortgage

Toronto, Ontario--(Newsfile Corp. - April 18, 2019) - CHC Student Housing Corp. (TSXV: CHC) ("CHC" or the "Company") announces that it has sold the \$350,000 principal amount vendor take-back mortgage which it received from the sale of its Kingston, Ontario property in July 2018. The mortgage, which matures on July 31, 2021 and bears interest at a rate of 5% per annum, was sold for \$350,000.

The mortgage was sold to a family trust of Craig Smith, a director of the Company. Accordingly, the transaction constitutes a "related party transaction" pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101").

In addition to the purchase of the mortgage from the Company, Smycorp Investments Inc., a company owned and controlled by Mr. Smith and his family, has extended a \$150,000 loan to CHC which bears interest at a rate of 8% per annum and matures on June 30, 2019. This loan also constitutes a "related party transaction" pursuant to TSX Venture Exchange Policy 5.9 and MI 61-101.

In completing the sale of the mortgage and the extension of the loan, the Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirements of MI 61-101 and on Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirements of MI 61-101, as neither the fair market value of the mortgage and the loan, nor the fair market value of the consideration for the purchase of the mortgage and the extension of the loan, exceeds 25% of CHC's market capitalization. A material change report as contemplated by the related party transaction requirements under MI 61-101 was not filed more than 21 days prior to closing of the transaction as the transaction was only recently agreed to in order to provide the Company with needed financial resources and to improve its financial position.

The proceeds from the sale of the mortgage and the extension of the loan will be used by the Company for general corporate purposes.

About CHC Student Housing Corp.

CHC Student Housing Corp. is an owner and operator of student housing properties located in proximity to universities in primary and well understood secondary markets.

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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