

CHC Student Housing Announces Loan Transactions

Toronto, Ontario--(Newsfile Corp. - May 17, 2018) - CHC Student Housing Corp. (TSXV: CHC) ("CHC" or the "Company") announces that it has entered into one year term loans with a group of lenders in a minimum amount of \$675,000 and up to \$750,000. Pursuant to the loan terms, the amounts advanced will be subordinated secured obligations of the Company. The Company will use the proceeds from the loans for working capital purposes.

The loans bear interest at a rate of 8% per annum payable quarterly in arrears and have a maturity date of the earlier of one year or the closing of any equity or debt financing (other than the refinancing of existing debt) or property sales. The loans will be evidenced by subordinate secured debentures with security over all of the Company's student housing properties, subordinate to existing mortgage charges currently registered against the properties.

The group of lenders includes, directly or indirectly, Craig Smith, Ronald Schwarz, Thomas Murphy and Simon Nyilassy, all of whom are directors of the Company (Mr. Nyilassy is also President and CEO of CHC). The loans provided by these individuals each constitute 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") as the lenders are insiders of the Company. The Company relied on Section 5.5(b) of MI 61-101 for an exemption from the formal valuation requirement, as the Company is not listed on specified markets, and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101, as the fair market value of the transactions does not exceed 25% of the Company'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 advances were required shortly after the terms of the loans were finalized in order to be able to meet the Company's anticipated short-term cash requirements.

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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