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SUNSTONE U.S. OPPORTUNITY (NO. 4) REALTY TRUST ANNOUNCES SALE OF FINAL TWO PROPERTY INTERESTS

Vancouver, B.C. – January 10, 2017: Sunstone U.S. Opportunity (No.4) Realty Trust (“Sunstone”) announced today that it has completed the sales of both the Embassy Suites Dallas Fort Worth Hotel (“Embassy Suites Dallas Fort Worth”) in Dallas, TX and its 90% interest in Grand Parkway Apartments in Houston, TX.

Embassy Suites Dallas Fort Worth was sold on January 6, 2017 for gross proceeds of US\$35,575,000, less closing costs and adjustments. The proceeds consisted of a combination of cash and publically traded limited partnership units (the “AHIP Units”) of American Hotel Income Properties REIT LP (“AHIP”) (TSX: HOT.UN). AHIP and Sunstone have a director in common. Embassy Suites Dallas Fort Worth was acquired by Sunstone in July, 2011 for a purchase price of US\$22,295,000.

The 90% interest in Grand Parkway Apartments was sold on January 6, 2017 for US\$36,360,000, less closing costs and adjustments. The interest in Grand Parkway Apartments was acquired by Sunstone in June, 2011 for a purchase price of US\$29,250,000.

Steve Evans, a principal of Sunstone, said, “We are pleased to complete the sale of the two remaining assets, which permits us to commence the profitable wind-up of Sunstone U.S. Opportunity (No.4) Realty Trust. Additionally, investors will benefit from the re-patriation of the invested capital at an exchange rate that results in a significant currency gain.”

Sunstone intends to complete closing audits on the sales prior to distributing the net proceeds therefrom to unitholders, including a detailed summary of applicable cash or unit distributions. Sunstone anticipates this process to be completed by mid-2017. The AHIP Units are subject to a four-month hold period, during which Sunstone unitholders will benefit from any distributions paid by AHIP.

As all the properties in the fund have now been sold, and subsequent to the payment of the final distribution, Sunstone will begin processes to terminate and dissolve the fund.

Tax Information:

Please note that as these sales completed in 2017, U.S. tax filing obligations, if any, will be completed next year. In early 2018, Sunstone will create an online questionnaire that will allow unitholders of record to receive tax slips and tax returns for the 2017 tax year as required by the Internal Revenue Service. This website will be the only opportunity for unitholders to receive their U.S. tax slips. Sunstone will provide additional information in due course.



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Additional information about Sunstone is available at www.sunstoneadvisors.com or www.sedar.com.

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Forward-looking Statements

This press release may contain forward-looking statements with respect to Sunstone, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Sunstone discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the transactions contemplated herein are completed. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and other factors. These cautionary statements qualify all forward-looking statements attributable to Sunstone and persons acting on Sunstone's behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the parties have no obligation to update such statements.