

TITANSTAR™

TitanStar Properties Inc. Completes Sale of Swanway and San Tan Properties and Purchase of 116th Street Centre

September 1, 2016. TitanStar Properties Inc. (TSX Venture: TSP) (“TitanStar” or the “Company”) is pleased to announce that, further to its news release dated April 14, 2016, it has completed the sale of two of its assets known as Swanway Plaza and San Tan Plaza. These were the first income producing assets the Company purchased.

On December 31, 2012 and January 28, 2013 respectively, the Company acquired, together with Romspen Investment Corporation (“Romspen”), a 50% interest in both Swanway Plaza in Tucson, Arizona, and San Tan Plaza in Chandler, Arizona.

On March 9, 2016 TitanStar received from Romspen a "buy/sell" notice with respect to its respective 50% interest in these properties, at property values of US\$9,750,000 for Swanway and US\$4,250,000 for San Tan respectively, for an aggregate total value of US\$14,000,000. Pursuant to the limited partnership agreements governing the properties, the Company received proceeds from the sale equal to the net worth of each partnership, for aggregate total proceeds of US\$ 2,515,512. These amounts were calculated independently.

Management of the Company believes that the notice values given and resulting net worth amounts calculated for each property are more than the Company would pay for these properties at this time. For this and other strategic reasons, the Company, with board approval, elected to sell these interests to Romspen pursuant to the partnership agreements governing each.

Upon completion of the sale, the Company’s cash on cash internal rate of return, expressed in CAD\$, on the combined equity investments of both properties over the holding period is approximately 21.00%.

The Company also announces that, further to its news releases dated May 3, 2016, August 30 and August 31, 2016, the Company, through its wholly-owned US subsidiary, has completed the acquisition of 116th Street Centre for US\$9,825,000.

The 116th Street Centre is a 44,854 square foot retail centre located at the corner of 116th Street and Guilford Road in Carmel, an affluent northern suburb of Indianapolis, Indiana. Built in two phases in 2007 and 2008, this stable, well-located centre sits on 3.97 acres and is currently 95% occupied, with a variety of tenants including Meridian Design Group, Upland Brewery, and Dentistry on 116th, among others.

FOR FURTHER INFORMATION PLEASE CONTACT:

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About TitanStar

TitanStar is a real estate issuer whose investment strategy focuses on building a portfolio of well-positioned, undervalued or underperforming stabilized assets, focusing on geographic areas. TitanStar currently holds the following assets:

- a 50% beneficial interest in the Deer Springs Crossing Shopping Center, a 22.8 acre retail development project also located in Las Vegas;
- a 38.4% beneficial interest in Adam's Dairy Landing, a 254,036 square foot retail shopping centre, located in Blue Springs, Missouri;
- a 49% beneficial interest in Martin Downs Town Center, a 36,252 square foot retail shopping centre, located in Palm City, Florida.
- A 100% beneficial interest in Metro Gateway Shopping Center, a 64,793 square foot retail shopping centre, located in Phoenix, Arizona.

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