

STERLING

REAL ESTATE TRUST

CODE OF ETHICS

The following Code of Ethics (the “Code”) applies to all Trustees and Officers of Sterling Real Estate Trust d/b/a Sterling Multifamily Trust (the “Trust”) as well as Governors, Officers and Employees of the Trust’s external advisor, Sterling Management, LLC (the “Advisor”). The Trust’s Trustees and Officers and the Advisor’s Governors, Officers and Employees are sometimes collectively referred to throughout the Code as “you”, “we”, or “us” or similar words.

Employees of the Advisor are also subject to the policies and procedures reflected in the Team Member Handbook.

COMPLIANCE

The Trust is committed to observing the spirit and letter of the laws and regulations that apply to its business. Compliance with the law is not considered optional or a compromise. Rather, it is an essential condition of the performance of the Trust and Advisor.

In your role as a Trustee, Governor, Officer and/or Employee of the Trust or Advisor, you are responsible to acquire appropriate knowledge of the requirements relating to your duties sufficient to enable you to recognize potential risks and to know when and how to seek advice. You are expected to execute the duties and responsibilities of your position in full compliance with this Code of Ethics, all policies of the Trust and Advisor applicable to your position, and all applicable laws, rules, and regulations. If you have questions or need additional training, please contact the Officers of the Trust and Advisor. The Trust and Advisor are committed to providing you with the tools you need to ensure compliance with this Code, all applicable laws, rules and regulations, and all other policies of the Trust and Advisor.

FINANCIAL RECORDS and PERIODIC REPORTING

In your role with the Trust and/or Advisor, you are responsible for full, fair, accurate, timely and understandable disclosure in the reports and documents that the Trust files with, or submits to, the Securities and Exchange Commission (the “SEC”) and in other public communications made by the Trust. Accordingly, it is your responsibility to promptly bring attention to any material information of which you may become aware that affects the disclosures made by the Trust in its public filings or statements.

For example, you shall also promptly bring attention to any information you may have concerning:

- (a) significant deficiencies in the design or operation of internal controls which could adversely affect the Trust’s ability to record, process, summarize and report financial data or
- (b) any fraud, whether or not material, that involves or could affect the Trust’s financial reporting, disclosures, or internal controls.

Please see the section of this Code below entitled “Reporting Procedures” for instructions on how to report such matters.

TRUST ASSETS

The Trust is dedicated to creating value for its shareholders. Theft, carelessness, and waste have a direct impact on profitability. We are obligated and committed to enhancing and protecting the Trust’s assets and ensuring their efficient use.

You must vigilantly protect the Trust’s physical property, as well as tangible, intangible, intellectual and other proprietary property or information, including trade secrets. Moreover, you must use the Trust’s assets only for legitimate business purposes.

CONFLICTS of INTEREST

The Trustees and Officers of the Trust owe a duty of undivided business loyalty to the Trust and should take particular care to avoid a conflict of interest with regard to the Trust's interests. The Advisor's Governors, Officers and Employees owe this same duty of loyalty and attention to avoidance of conflicts of interest with respect to both the Trust and Advisor.

Situations may arise where your personal interest conflicts, either actually or in appearance, with the interests of the Trust or Advisor. A conflict of interest occurs when one's personal interest interferes in any way – or even appears to interfere – with the interests of the Trust or Advisor, as applicable. Some examples may include:

- engage in a significant personal business transaction involving the Trust for profit or gain;
- accept money, gifts of other than nominal value, excessive hospitality, loans, guarantees of obligations, or other special treatment from any supplier, customer or competitor of the Trust or Advisor; or
- Competes with the Trust or Advisor.

Conflicts of interest can arise if you take actions or have interests that make it difficult to perform your duty objectively or efficiently. Conflicts of interest can also arise when you or a member of your family receives improper personal benefits due to your role with the Trust or Advisor. In all instances, you should not enter into situations that could result in even the appearance of a conflict of interest.

The Trust and Advisor recognize that you may take part in legitimate financial business and other activities outside of your role, but any potential conflict of interest raised by those activities must be promptly disclosed.

In many cases, a potential conflict of interest may be avoided by disclosing the facts to the CEO, CFO, Chair of the Audit and Disclosure Committee, or legal counsel of the Trust prior to completing a transaction so the Trust can make an informed, independent decision regarding the implications of the proposed transaction. The Trust reserves the right to condition the approval of any transaction on any terms and conditions the Trust may require, including specific financial reporting and audit requirements.

CORPORATE OPPORTUNITIES

You may not take for yourself opportunities that are discovered through the use of property or information of the Trust or Advisor or your role therewith. You also may not use such property, information, or your role for personal gain. Your obligation is to advance the legitimate interests of the Trust and Advisor when the opportunity arises.

Accordingly, unless approved by the Trust's CEO or the Board of Trustees after disclosing all relevant facts, no Trustee, Governor, Officer or Employee of the Trust or Advisor, or immediate family members of such individuals shall:

- own an interest in one of the suppliers, contractors, subcontractors, customers or competitors of the Trust or Advisor;
- own or acquire property knowing that its value is likely to increase as a result of an action by the Trust or Advisor that the individual knows the Trust or Advisor is considering;
- Own or acquire property where confidential or unpublished information regarding the ownership, acquisition or potential acquisition by the Trust has been obtained through the Trust or Advisor, whether or not obtained in the course of performing duties for the Trust or Advisor;
- Give to others any business opportunity in which the individual knows or could reasonably anticipate the Trust or Advisor would be interested; or
- Use the property or information of the Trust or Advisor, or your role therewith, for personal gain.

This policy is not intended to prohibit the passive ownership of publicly traded securities of a corporation or entity that does business with the Trust, nor is it intended to prohibit ownership of other security holdings of any other entity that could not be used to exert influence, whether because of their relatively small size or because of the insignificance of the entities dealing with the Trust.

GIFTS and ENTERTAINMENT

You shall also not ask for or accept any business courtesy offered in a real or perceived attempt to obtain favorable treatment, motivate misconduct, or to garner undue influence with respect to the business of the Trust or Advisor.

You may, however, accept gifts of insubstantial value as long as they are given as a gesture of professional friendship and do not involve an expectation that the Trust or Advisor will transact business with the giver. Additionally, you may accept or offer entertainment or a meal as part of a business relationship that is of value to the Trust or Advisor, as applicable, provided the entertainment or meal is (1) related to a legitimate business purpose; (2) consistent with marketplace practices, (3) infrequent in nature, and (4) not lavish or extravagant.

You are prohibited from offering or giving gifts (including tickets to sporting, recreational, or other events) having a market value of \$500.00 or more, to personnel or an entity with which the Trust or Advisor does or seeks to do business, unless specifically approved by the CEO of the Trust.

FAIR DEALING

The Trust and Advisor are committed to competing fairly and complying with all applicable antitrust and competition laws. The term “Antitrust” is used to describe the laws and regulations that protect free enterprise and promote open and fair competition. Antitrust laws are vigorously enforced. Violations can result in severe penalties and fines against the Trust or Advisor. Violations can also result in fines and prison sentences for individuals.

If you are involved in any discussion with competitors that concern a project in which the competitor will be an alliance partner, a joint venturer, or subcontractor of the Trust or Advisor, you should pre-clear the arrangement with the Trust’s CEO or legal counsel.

The Trust and Advisor are committed to fair and competitive sales practices. You shall not engage in practices that would unfairly limit trade or exclude competitors from the marketplace. The Trust and Advisor strictly prohibit communicating formally or informally with competitors to fix or control prices, allocate markets, boycott customers or suppliers, or limit the sale of products. You shall not make false statements regarding competitors of the Trust or Advisor, nor conspire to gain or use their proprietary information improperly. You may access publicly available information such as annual reports, company web sites and publications, public presentations and public marketing documents, journal and magazine articles, stockbroker analyses, advertisements and other public media filings and offerings. Particular care must be taken when dealing with a competitor’s present and former clients, vendors, and employees. Never ask for, accept, or use confidential or proprietary information of our competitors unless specifically authorized in writing. Never ask any person to violate a non-compete or non-disclosure agreement or to reveal confidential or proprietary information.

INSIDER INFORMATION and SECURITIES TRADING

You are prohibited from buying or selling the Trust’s securities when you have material information that is not publicly known. Information is generally considered “material” if (a) there is a substantial likelihood that a reasonable investor would find the information important in determining whether to trade in a security, or (b) the information, if made public, would likely affect the market price of a Trust security.

For the Trust’s specific policy and procedures concerning trading in the trust’s securities please consult the Trust’s Insider Trading and Disclosure Policy and Procedure.

REPORTING PROCEDURES

Part of your role and your ethical responsibility to the Trust and Advisor is to help enforce compliance efforts. You should be alert to possible violations of law, regulation, this Code and other policies and procedures of the Trust and Advisor. We expect you to report possible violations promptly. Self-policing is encouraged. All conversations, calls, and reports made in good faith will be taken seriously and an appropriate investigation into such matters will be conducted.

If you believe in good faith that someone associated with the Trust or Advisor has violated the standards set forth in this Code, you should bring the matter to the attention of the CEO of the Trust or any other Officer of the Trust or Advisor, the Chair of the Trust's Audit and Disclosure Committee, the Trust's legal counsel, and/or, as an Employee of the Advisor, your supervisor, so the matter can be reviewed and corrective actions can be taken as appropriate. You can make reports by telephone, through e-mail, or by making an appointment. You can also make an anonymous report through the Trust's Ethics Hotline. Please see "Ethics Hotline" below.

As an Employee of the Advisor, any issues relating to employment should be reported to the appropriate channels as listed in the Team Member Handbook. The Ethics Hotline is intended for violations specifically regarding the Trust and its business.

The Trust and Advisor expect you to cooperate in any legal or regulatory investigation of violations, suspected violations, and compliance review. It is a serious violation for any Trustee, Governor, Officer or Employee of the Trust or Advisor to knowingly raise a false allegation or initiate/encourage action against any person who in good faith reports known or potential violation.

CONFIDENTIAL CONVERSATIONS

The Trust will attempt to protect the identity of anyone who makes a good faith report or inquiry consistent with the Trust's legal obligations. You will be told if your identity is needed to address your question or concern satisfactorily. Calls to the Trust's Ethics Hotline are confidential and will not be traced. You may remain anonymous when you call. Be advised that anonymous communications sometimes make it very difficult to report back to you and may limit the thoroughness of any investigation.

ETHICS HOTLINE

You can always call the Trust's Ethics Hotline to express a concern, or report a possible violation of laws, regulations, or policies. When reporting a concern, you may be asked to provide the time, location, names of the people involved, and other details so that the Trust can investigate your concerns. Every call to the Hotline is handled promptly, discreetly, and professionally. The Ethics Hotline can be reached as follows:

ETHICS HOTLINE
866-886-5362
24 hours a day, 7 days a week

PROHIBITION AGAINST RETALIATION

The Trust and Advisor will not retaliate against any person who brings to their attention, in good faith, an ethics or compliance issue. Individuals who raise concerns or who help the Trust or Advisor to resolve reported matters are protected against retaliation. Anyone who spreads falsehoods, threatens others, or in bad faith damages another person's reputation will be subject to disciplinary action. Discouraging others from making a report or getting the help they need is prohibited and could result in disciplinary action.

DISCIPLINARY ACTION

Trustees, Governors, Officers or Employees of the Trust and Advisor who violate the laws, regulations, these standards, or the policies of the Trust or Advisor are subject to disciplinary action and might also be breaking a law that could expose themselves to substantial criminal fines, prison terms and civil damages. Disciplinary measures which may be invoked include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, termination of employment and restitution. For employees, disciplinary action up to and including termination of employment may be taken in accordance with the Team Member Handbook and associated employment policies and practices. Violations can jeopardize relationships the Trust and Advisor have with customers, suppliers, and investors, and could result in loss of the privilege to do business in the United States or in other countries.

MODIFICATIONS and WAIVERS

The Trust may modify this Code and this Code supersedes and replaces all other codes, policies, or verbal representations to the extent they are inconsistent. Only the Trust's Board of Trustees or a Board Committee may waive this Code of Ethics.

REQUEST A COPY

To order a hard copy of this Code, please contact the Trust's Advisor, Sterling Management, at (701) 353-2720 or by writing to:

Sterling Management, LLC
4340 18th Avenue South
Suite 200
Fargo, North Dakota 58103

**STERLING REAL ESTATE TRUST
D/B/A STERLING MULTIFAMILY TRUST**

CODE OF ETHICS CERTIFICATION

Sterling’s Board of Trustees adopted this Code of Ethics (the “Code”) to:

- Promote honest and ethical conduct, including fair dealing and the proactive evaluation and handling of actual and apparent conflicts of interest;
- Ensure compliance with applicable laws and governmental rules and regulations;
- Ensure the protection of the Trust’s business interests, including corporate opportunities, assets, and confidential information; and
- Encourage reporting of illegal and unethical behavior regarding the Trust and deter wrongdoing.

The Code is intended to supplement, not replace, any established policies or procedures.

Your signature below confirms that you have read, understand, and agree to comply with the materials put forth in this Code in your capacity as a Trustee and/or Officer of the Trust, and/or as a Governor, Officer and/or Employee of the Advisor.

CERTIFICATION

I understand that in my role as a Trustee and/or Officer of the Trust and/or a Governor, Officer, or Employee of the Advisor, I will be informed, from time to time, formally or informally, of various policies and procedures regarding the Trust and Advisor. I also understand that the Trust and Advisor reserve the right to amend, supplement, modify, suspend, eliminate, or terminate any or all such policies or procedures at any time, with or without advance notice, and that such policies or procedures are not a condition of employment.

I acknowledge that I have received a copy of the Trust’s Code of Ethics, read it thoroughly, fully understand its contents, and agree to adhere to the principles and standards referenced therein. Any questions I have about any section of the Code have been answered to my satisfaction.

Printed Name: _____

Signature: _____

Date: _____