



STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD FUND FILES PRELIMINARY PROSPECTUS FOR MAXIMUM US\$112 MILLION INITIAL PUBLIC OFFERING

First Starlight Value-Add Fund to Compliment Starlight's Existing Public Core Fund


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TORONTO, May 3, 2017 – /CNW/ - Starlight U.S. Multi-Family (No. 1) Value-Add Fund (the "**Fund**") announced today that it has filed with the securities commissions of all provinces in Canada, and obtained a receipt for, a preliminary prospectus for an initial public offering of limited partnership units (the "**Offering**"). The preliminary prospectus qualifies the distribution of a minimum of US\$56 million and a maximum of US\$112 million of Class A Units, Class U Units, Class D Units, Class E Units, Class F Units, Class H Units and/or Class C Units of the Fund at a price of C\$10.00 per Class A Unit, Class D Unit, Class F Unit, Class H Unit and Class C Unit and US\$10.00 per Class U Unit and Class E Unit.

The Fund was established for the primary purpose of indirectly acquiring, owning and operating a portfolio primarily comprised of value-add, income-producing, multi-family properties that can achieve significant increases in rental rates as a result of undertaking high return, light value-add capital expenditures and active asset management, and are located in the States of Arizona, Colorado, Florida, Georgia, Nevada, North Carolina, Tennessee and Texas. Following completion of the Offering, the Fund intends to acquire two multi-family residential properties that comprise a total of 943 suites located in the States of Arizona and Texas in the markets of Phoenix and Austin, respectively. The balance of the net proceeds of the Offering will be used to subsequently acquire one or more additional value-add income-producing, multi-family properties in the above-noted target markets within the United States, consistent with the primary purpose of the Fund.

Starlight Group Property Holdings Inc. ("**Starlight**") is the promoter of the Fund and will also act as manager of the Fund. Starlight is a privately held real estate investment and asset management company that is driven by an experienced team comprised of approximately 110 professionals. Starlight currently owns and/or asset manages C\$7.0 billion in assets in Canada and the U.S., including its partnerships with four institutional investors and a number of international family offices. Starlight currently provides asset management services to Northview Apartment REIT (TSX: NVU.UN, NVU.DB), True North Commercial REIT (TSX: TNT.UN) and Starlight U.S. Multi-Family (No. 5) Core Fund (TSX-V: STUS.A and STUS.U). Starlight has completed transactions having an aggregate value of over C\$15.0 billion, with a transaction volume of approximately 63,000 suites since its inception.

The Fund has received commitments from the principal of Starlight to subscribe for a minimum of C\$5.0 million of Class C Units (which commitment will be reduced by the amount of any subscriptions from other investors known by Starlight or institutional investors on a lead investor basis, expected to be approximately C\$1.0 million). The syndicate of agents for the Offering is being led by CIBC and includes Scotiabank, BMO Capital Markets, GMP Securities L.P., National Bank Financial Inc., Raymond James



Ltd., TD Securities Inc., Canaccord Genuity Corp., Desjardins Securities Inc. and Industrial Alliance Securities Inc. (collectively, the "Agents").

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities of the Fund in the United States, nor shall there be any sale of the securities of the Fund in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

A preliminary prospectus containing important information relating to these securities has been filed with securities commissions or similar authorities in each of the provinces of Canada. The preliminary prospectus is still subject to completion or amendment. Copies of the preliminary prospectus may be obtained from any of the Agents. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

Forward-looking Statements

This news release contains statements that include forward-looking information within the meaning of Canadian securities laws. These forward-looking statements reflect the current expectations of the Fund and Starlight regarding future events, including statements concerning the use of proceeds of the Offering, the timing of the acquisition of properties by the Fund, and the subscription by the principal of Starlight, other investors known to Starlight and institutional investors on a lead investor basis. In some cases, forward-looking statements can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Material factors and assumptions used by management of the Fund to develop the forward-looking information include, but are not limited to, the Fund's current expectations about: the availability of properties for acquisition and the price at which such properties may be acquired; the availability of mortgage financing; the capital structure of the Fund; the global and North American economic environment; foreign currency exchange rates; and governmental regulations or tax laws. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

Although management believes the expectations reflected in such forward-looking statements are reasonable and represent the Fund's internal projections, expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the Fund's control, could cause actual results in future periods to differ materially from current expectations of estimated or anticipated events or results expressed or implied by such forward-looking statements. Such factors include the risks identified in the preliminary prospectus, including under the heading "Risk Factors" therein, as well as, among other things, risks related to the availability of suitable properties for



purchase by the Fund, the availability of mortgage financing for such properties, and general economic and market factors, including interest rates, prospective purchasers of real estate, business competition, use of derivatives, changes in government regulations or income tax laws. Readers are cautioned against placing undue reliance on forward-looking statements. Except as required by applicable Canadian securities laws, the Fund undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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