

## Starlight U.S. Residential Fund Announces Achievement of Minimum Offering, Files Initial Public Offering Final Prospectus and Sets Closing Date for Offering



*Not for distribution to U.S. newswire services or for dissemination in the United States.*

Toronto, Ontario – October 28, 2021 – Starlight U.S. Residential Fund (the “**Fund**”) announced today that it has received expressions of interest and commitments that in the aggregate exceed the minimum offering amount of US\$99.3 million (approximately C\$122.9 million) and has filed with the securities commissions of each of the provinces of Canada, and obtained a receipt for, a final prospectus for an initial public offering of trust units (the “**Offering**”). The final prospectus qualifies the distribution of a minimum of US\$99.3 million and a maximum of US\$304.2 million of Class A Units, Class C Units, Class D Units, Class E Units, Class F Units, Class G Units and/or Class U Units of the Fund at a price of C\$10.00 per Class A Unit, Class C Unit, Class D Unit and Class F Unit and US\$10.00 per Class E Unit, Class G Unit and Class U Unit. It is expected that the Offering will close on November 15, 2021.

The Fund was established for the primary purpose of directly or indirectly acquiring, owning and operating a portfolio primarily composed of income-producing residential properties that demonstrate value based on pricing and local supply and demand trends to achieve the Fund’s target metrics or that can achieve significant increases in rental rates as a result of undertaking high return, value-add capital expenditures and active asset management. The Fund intends to acquire properties that are located primarily in Arizona, California, Colorado, Florida, Georgia, Idaho, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Texas, Utah and Washington. Following completion of the Offering, the Fund intends to acquire two multi-family residential properties that comprise a total of 757 suites located in the states of Florida and North Carolina in the markets of Tampa and Raleigh, respectively, and fourteen single-family properties located in the state of Georgia in the market of Atlanta (the “**Minimum Offering Portfolio**”). In the event that the gross subscription proceeds from the Offering are US\$152.1 million or greater, then the Fund also intends to acquire an additional multi-family residential property that comprises a total of 376 suites located in the state of Nevada in the market of Las Vegas (the “**Additional Closing Property**”, such Additional Closing Property, if acquired, together with the Minimum Offering Portfolio, the “**Initial Portfolio**”). The balance of the net proceeds of the Offering will be used to subsequently acquire one or more additional income-producing residential 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 an affiliate of Starlight will act as manager of the Fund. Starlight currently owns and/or manages C\$23.0 billion in assets in Canada and the United States, including more than 900 properties, approximately 70,000 multi-residential suites (of which approximately 10,000 multi-residential suites are located in the United States and primarily in Sunbelt and Mountain states spread across 26 properties and having a current value of approximately C\$3.0 billion), and approximately 8,000,000 square feet of commercial space in Canada through various entities spread across six provinces and two territories, including in partnership with several global institutional investors and family offices. Starlight has extensive experience overseeing and working with publicly listed entities and currently provides services to three publicly listed entities: True North Commercial REIT (TSX: TNT.UN), Northview Canadian High Yield Residential Fund (TSX: NHF.UN) and Starlight U.S. Multi-Family (No. 2) Core Plus Fund (TSX-V: SCPT.A and SCPT.U). Starlight has been among North America’s most active real estate investors since its inception in 1995 and employs approximately 325 professionals, including more than 25 professionals in U.S. residential real estate with expertise in investments, asset management, finance and legal. Starlight has completed transactions having an aggregate value of over C\$30.0 billion, with a transaction volume of approximately 110,000 residential suites with over C\$9.0 billion of invested capital.

The Fund has received expressions of interest from senior management of Starlight and certain investors known to the manager of the Fund to subscribe for a minimum of C\$25.0 million of Class C Units (inclusive of retained equity held by Starlight and exchangeable for Class C Units). The syndicate of agents for the Offering is being led by CIBC World Markets Inc. and includes Scotia Capital Inc., RBC Dominion Securities Inc., Wellington-Altus Private Wealth Inc., Canaccord Genuity Corp., BMO Nesbitt Burns Inc., National Bank Financial Inc., Richardson Wealth Limited, TD Securities Inc., Desjardins Securities Inc., Echelon Wealth Partners Inc., iA Private Wealth Inc., Laurentian Bank Securities Inc. and Raymond James Ltd. (collectively, the “**Agents**”). The Fund has granted to the Agents an over-allotment option, exercisable in whole or in part and from time to time for a period of 30 days following the closing of the Offering, to purchase additional Class A Units and Class U Units in a number equal to up to 15% of the aggregate

number of initial Class A Units and Class U Units distributed pursuant to the Offering at a price of C\$10.00 per Class A Unit and US\$10.00 per Class U Unit.

The Fund has received conditional approval from the TSX Venture Exchange (the “**Exchange**”) to list the Class A Units and Class U Units distributed under the Offering on the Exchange under the symbols “SURF.A” and “SURF.U”, respectively. Listing of the Class A Units and Class U Units is subject to the Fund fulfilling all of the requirements of the Exchange.

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.

This Offering is only being made to the public by prospectus. A prospectus containing important information relating to these securities has been filed with securities commissions or similar authorities in each of the provinces of Canada. Copies of the prospectus may be obtained from any of the Agents and is available on SEDAR at [www.sedar.com](http://www.sedar.com). Investors should read the prospectus before making an investment decision.

### **About Starlight U.S. Residential**

Starlight U.S. Residential was formed for the primary purpose of indirectly acquiring, owning and operating a portfolio of diversified income producing rental properties in the U.S. residential real estate market through private, public and institutional vehicles. Starlight U.S. Residential owns and asset manages a portfolio consisting of approximately 10,000 multi-residential units across the United States comprising over C\$3.0B in assets under management. Please visit us at [www.starlightus.com](http://www.starlightus.com).

## 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 commitments and expressions of interest, the subscription by senior management of Starlight and others, the closing of the Offering and the timing thereof, the use of proceeds of the Offering, the timing of the acquisition of properties by the Fund and the commencement of trading of the Class A Units and Class U Units on the Exchange. 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 ability to deploy the remaining proceeds from the Offering, if any, to acquire additional properties; the Fund’s current expectations about: the impact of COVID-19 on the properties to be acquired by the Fund as well as the impact of COVID-19 on the markets in which the Fund intends to operate; the applicability of any government regulation concerning tenants or rents at properties the Fund intends to acquire as a result of COVID-19 or otherwise; the availability of residential properties for acquisition (other than the Initial Portfolio) and the price at which such properties may be acquired; the Fund’s intention to acquire the Additional Closing Property in the event that the gross subscription proceeds from the Offering are US\$152.1 million or greater; the availability of mortgage financing and current interest rates; 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 final 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 the impact of COVID-19, 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.*

*For further information, please contact:*

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