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Toronto – **May 25, 2022** – Starlight U.S. Residential Fund (TSXV: SURF.A / SURF.U) (the “**Fund**”) announced today that, further to its initial announcement on April 18, 2022, it has acquired a 90% interest in The Ventura at a purchase price of approximately US\$117.5 million. The Ventura is a 272-suite Class “A” institutional quality multi-family property completed in 1995 and located in the Chandler submarket of Phoenix, Arizona (the “**Property**”).

The remaining 10% interest in the Property has been indirectly acquired by Daniel Drimmer, a Director and the Chief Executive Officer of Starlight U.S. Residential Fund GP, Inc., the Fund’s general partner, and the principal of the Fund’s manager, Starlight Investments US AM Group LP. All decision making in respect of the Property, including day-to-day and material decisions, will be proportionately made by Mr. Drimmer and the Fund through established governance practices.

The purchase price for the Property was satisfied with: (i) cash on hand; (ii) a new first mortgage financing on the Property; and (iii) net proceeds from the refinancing of Bainbridge Sunlake. In addition, a corporate loan has been secured by the Fund. On an aggregate basis, the new debt totals approximately US\$172.8 million and as of May 25, 2022, carries a weighted average interest rate of approximately 4.29% and a weighted average term of approximately 2.4 years.

The Ventura

The Ventura consists of 22 garden-style buildings on a 32-acre site comprised of one, two and three-bedroom suites. Currently, suites feature nine-foot ceilings and walk-in closets. Upgraded suites include wood vinyl plank flooring, updated cabinets, quartz countertops, stainless steel appliances, undermount sinks, kitchen backsplash, smart thermostats, full-size washers and dryers, and upgraded nickel hardware, plumbing and lighting fixtures.

“We are excited to add another high-quality apartment community to the Fund and to complete the deployment of the proceeds from the Fund’s initial public offering within seven months. The Fund is very well diversified geographically with interests in multi-family properties located in six cities, all with strong growth prospects. The Ventura is located in Chandler, one of Phoenix’s strongest submarkets, and is positioned to experience positive operational results through organic market rent growth and the continuation of the suite renovation program,” explained Evan Kirsh, President of the Fund.

The Fund has selected Mark Taylor to property manage The Ventura. Mark Taylor currently manages 977 units for Starlight U.S. Residential in Phoenix.

Forward-looking Statements

This news release contains statements that may constitute forward-looking statements within the meaning of Canadian securities laws and which reflect the Fund’s current expectations regarding future events, including the financial performance of the Fund and its properties including the Property. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for Fund or the real estate industry are forward-looking statements. 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.

The forward-looking statements in this news release involve risks and uncertainties, including those set forth in the Fund’s materials filed with the Canadian securities regulatory authorities from time to time at www.sedar.com. Actual results could differ materially from those projected herein. Those risks and uncertainties include, among other things, risks related to: the impact of COVID-19 on the Fund’s portfolio, including the Property, as well as the impact of COVID-19 on the markets in which the Fund operates and the trading price of the Fund’s listed units; the applicability of any government regulation concerning the Fund’s tenants or rents as a result of COVID-19; reliance on the Fund’s manager; the expected benefits of the ownership of the Property; the experience of the Fund’s officers and directors; substitutes for residential real estate rental suites; reliance on property management; competition for real property investments and tenants; and United States market factors.

Information contained in forward-looking statements is based upon certain material assumptions that were applied in developing such forward-looking statements including management’s perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the following: the overall financial performance of the Fund’s

portfolio including as a result of the acquisition and financing of the Property; the impact of COVID-19 on the Fund's portfolio, including the Property, as well as the impact of COVID-19 on the markets in which the Fund operates and the trading price of the Fund's listed units; the applicability of any government regulation concerning the Fund's tenants or rents as a result of COVID-19; the ability of the manager of the Fund to manage and operate the Fund's properties; the ability of the property managers selected to manage the Fund's properties; the population of multi-family real estate market participants; assumptions about the markets in which the Fund operates; the global and North American economic environment; foreign currency exchange rates; and governmental regulations or tax laws. Readers are cautioned against placing undue reliance on forward-looking statements. Except as required by applicable Canadian securities laws, none of the Fund or its manager undertake any 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.

About Starlight U.S. Residential Fund

The Fund is a trust formed under the laws of Ontario for the primary purpose of indirectly acquiring, owning, and operating a portfolio of income producing multi-family and single-family residential rental properties in the U.S. residential real estate market located primarily in Arizona, California, Colorado, Florida, Georgia, Idaho, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Texas, Utah, and Washington. The Fund currently has interests in and operates a portfolio comprising interests in 1,973, Class "A" stabilized, income producing multi-family residential suites located in Austin, Texas, Tampa, Florida, Las Vegas, Nevada, Raleigh, North Carolina, Orlando, Florida and Phoenix, Arizona and 94 single-family residential rental homes in Atlanta, Georgia.

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

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