

STARLIGHT U.S. MULTI-FAMILY (NO. 1) CORE PLUS FUND COMPLETES ACQUISITION OF INITIAL THREE PROPERTIES COMPRISING 950 UNITS VALUED AT US\$187.5 MILLION



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Toronto – **February 28, 2020** – /CNW/ – Starlight U.S. Multi-Family (No. 1) Core Plus Fund (TSX.V: SCPO.UN) (the “Fund”) announced today that it has successfully completed the acquisition of three multi-family residential properties located in Tampa, Florida; Atlanta, Georgia; and Nashville Tennessee comprising 950 multi-family residential suites for an aggregate purchase price of approximately US\$187.5 million, which was satisfied by way of cash from the proceeds of the Fund’s initial public offering (“Offering”), the assumption of existing mortgages on two of the properties in the aggregate principal amount of US\$83.7 million and the proceeds of a new first mortgage in the principal amount of approximately US\$29.9 million.

The Fund indirectly acquired a 100% interest in Tuscany Bay Apartments, a property located 20 kilometres northwest of downtown Tampa at 12065 Tuscany Bay Drive, Tampa, Florida. In connection with the acquisition, the Fund indirectly assumed an existing mortgage in the amount of approximately US\$46.2 million with a maturity date of February 28, 2022 subject to two, one year extension options available. Subject to certain conditions, financing is interest only and will be payable at an annual rate of LIBOR + 1.75%. The property is comprised of 370 suites in 16 garden-style three-storey buildings on a 45.04 acre site ranging in size from one bedroom to three bedrooms, and a central clubhouse. Indoor amenities include a renovated clubhouse with business centre, screened in pool-side veranda, children’s playroom and state-of-the-art fitness centre. Outdoor amenities include resort-style outdoor swimming pool and spa, sand volleyball court, three lakes, playground and dog park. Apartment suites feature large open floorplans, white kitchen appliances, laminate countertops, in-home washer and dryer, spacious closets, nine-foot ceilings, ceramic tile entries and screened-in patios. The property will be managed by The Altman Group of Companies, a large, third party, multi-family, property manager in the U.S. with local market expertise and experience with over 24,000 multi-family suites under management.

The Fund also indirectly acquired a 100% interest in Grand Oak at Town Park, a property located 28 kilometres southeast of downtown Nashville, at 110 Townpark Drive, Smyrna, Tennessee. In connection with the acquisition, the Fund indirectly assumed an existing mortgage in the amount of approximately US\$37.5 million with a maturity date of July 23, 2020. Subject to certain conditions, financing is interest only and will be payable at an annual rate of LIBOR + 1.40%. The property is comprised of 300 suites in 12 garden-style three-storey buildings on an 18.91 acre site ranging in size from one bedroom to three bedrooms, and a central clubhouse. Indoor amenities include a cardio wellness centre and a luxurious clubhouse with an internet café and a billiards area. Outdoor amenities including a resort-style saltwater swimming pool, an entertainment area with stainless steel grills and outdoor fireplace, a dog park with an agility course and dog spa, a volleyball court, an onsite car care centre and a playground. Apartment suites feature open-concept floor plans, nine-foot ceilings with crown molding, oversized walk-in closets, faux wood flooring, gourmet kitchens with stainless steel appliances and spacious 42” cabinetry, ceiling fans, garden tubs with tile surround, in-unit washers and dryers and private patios/balconies. The property will be managed by High5 Residential Company, a boutique, third party, multi-family, property manager in the U.S. with local expertise in the Nashville market.

The Fund also indirectly acquired a 100% interest in Autumn Vista Apartments, a property located 35 kilometres northeast of downtown Atlanta at 1500 Boggs Road, Duluth, Georgia. In connection with the acquisition, new financing in the amount of approximately US\$29.9 million has been secured for a one year term. Subject to certain conditions, financing is interest only and will be payable at an annual rate of LIBOR + 1.50%. The property is comprised of 280 suites in 15 garden-style two to four-storey buildings on a 49.14 acre site ranging in size from one bedroom to three bedrooms, and a central clubhouse. Indoor amenities include a renovated clubhouse with business centre, a fitness centre and a mail room. Outdoor amenities include resort-style outdoor swimming pool with sundeck and pergolas, outdoor grilling stations, sports court, playground and car care centre. Suites feature laminate countertops, black appliances, faux wood flooring and carpeted bedrooms. The property will be managed by Alliance Residential Company (“Alliance”). Alliance is the fourth largest third party multi-residential property management company in the United States, managing over 124,607 apartment suites.

The balance of the net proceeds of the Offering will be used to acquire an interest in one or more additional income-producing, multi-family properties in targeted regions in the United States within nine months of the closing date of the Offering, consistent with the primary purpose of the Fund, and for working capital purposes. The Fund has provided notice to the TSX Venture Exchange of the completion of its acquisition of Tuscany Bay Apartments, Grand Oak at Town Park and Autumn Vista Apartments, and expects its Class A Units to commence trading on or about February 28, 2020.

About Starlight U.S. Multi-Family (No. 1) Core Plus Fund

The Fund is a limited partnership formed under the *Limited Partnerships Act* (Ontario) for the primary purpose of indirectly acquiring, owning and operating a portfolio of income producing rental properties in the United States multi-family real estate market.

Forward-looking Statements

This news release contains statements that may constitute forward-looking information within the meaning of Canadian securities laws and which reflect the Fund's current expectations regarding future events, including the commencement of trading of securities of the Fund on the TSX Venture Exchange and the acquisition of further properties. The forward-looking statements involve risks and uncertainties including those set forth in the Fund's final prospectus dated January 31, 2020, including under the section "Risk Factors", a copy of which can be obtained at www.sedar.com. Actual results could differ materially from those projected herein. Material factors and assumptions were used by management of the Fund to develop the forward-looking information. Investors 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.

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.

To learn more about the Fund, visit www.starlightus.com or contact:

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