

STARLIGHT U.S. MULTI-FAMILY (NO. 1) CORE PLUS FUND ANNOUNCES US\$250M CREDIT FACILITY, THREE REFINANCINGS AND A SIGNIFICANT INCREASE TO LIQUIDITY AVAILABLE FOR GROWTH INITIATIVES



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Toronto – October 16, 2020 – Starlight U.S. Multi-Family (No.1) Core Plus Fund (TSXV: SCPO.UN) (the "Fund") announced today that it has secured a U.S.\$250M credit facility (the "Credit Facility") to strategically reposition its debt capital structure. The Fund has drawn US\$127.7M on the Credit Facility to refinance outstanding mortgages secured by three of its properties. The remaining committed availability on the Credit Facility of U.S.\$122.3M provides the Fund with significant financing capacity for future acquisitions and refinancings.

The Fund has obtained an initial advance of U.S.\$127.7M under the Credit Facility and entered into a new pooled mortgage secured by each of Grand Oak at Town Park ("Grand Oak"), Southpoint Crossing ("Southpoint") and 401 Teravista ("Teravista") (the "Mortgage Refinancing"). The Credit Facility has an initial four year term and interest only payments until maturity at the U.S. 30-day Secured Overnight Financing Rate ("SOFR") + 2.35%, resulting in a weighted average interest rate on the Mortgage Refinancing as at October 15, 2020 of 2.44%. The new pooled mortgage results in an overall weighted average cost of debt for the Fund of 2.19% as at October 15, 2020.

"The Fund's Credit Facility represents a major milestone for the Fund allowing for the refinancing of the Fund's properties on very attractive terms and providing significant financing capacity for future acquisition growth," commented Martin Liddell, the Fund's Chief Financial Officer

The Mortgage Refinancing proceeds were used primarily to repay the existing mortgages payable at each of Grand Oak, Southpoint and Teravista and to repay approximately \$7.0M of the mortgage payable at the Fund's Autumn Vista property. Upon completion of the above noted transactions, the Mortgage Refinancing resulted in net proceeds to the Fund of approximately U.S.\$26.8M. Following the Mortgage Refinancing, the Fund has approximately U.S.\$51.9M of cash available to deploy. The Fund continues to evaluate opportunities to acquire additional properties which are expected to be funded through a combination of the Fund's cash position and availability under the Credit Facility.

ABOUT STARLIGHT U.S. MULTI-FAMILY CORE PLUS (NO.1) 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 value-add, income producing rental properties in the United States multi-family real estate market. The Fund currently owns interests in five properties, consisting of 1,558 suites with an average year of construction in 2003.

For the Fund's complete condensed consolidated interim financial statements and MD&A for the three and six months ended June 30, 2020 and any other information relating to the Fund, please visit www.sedar.com. Further details regarding the Fund's unit performance and distributions, market conditions where the Fund's properties are located, performance by the Fund's properties and a capital investment update are also available in the Fund's August 2020 Newsletter which is available on the Fund's profile at www.starlightus.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws and which reflect the Fund's current expectations regarding future events, including the overall financial performance of the Fund and its properties, including the impact of COVID-19 on the business and operations of the Fund and the Fund's ability to acquire additional properties with the proceeds of the initial public offering and the Credit Facility.

Forward-looking information is provided for the purposes of assisting the reader in understanding the Fund's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to future results, the impact of COVID-19 on the Fund's portfolio 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, acquisitions utilizing with the proceeds of the initial public offering and the Credit Facility, performance, achievements, events, prospects or opportunities for the Fund or the real estate industry and may include statements regarding the financial position, business strategy, acquisitions, budgets, litigation, projected costs, capital expenditures, financial results, occupancy levels, AMR, taxes and plans and objectives of or involving the Fund. In some cases, forward-looking information can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "goal", "project", "predict", "forecast",

“potential”, “continue”, “likely”, “schedule”, or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking information necessarily involves known and unknown risks and uncertainties, which 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, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. Those risks and uncertainties include: the ability to deploy the remaining proceeds from the initial public offering and the Credit Facility; the impact of COVID-19 on the Fund's portfolio 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; and the applicability of any government regulation concerning the Fund's tenants or rents as a result of COVID-19 or otherwise. A variety of factors, many of which are beyond the Fund's control, affect the operations, performance and results of the Fund and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results.

Information contained in forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, 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 ability to deploy the remaining proceeds from the initial public offering and the Credit Facility; the impact of COVID-19 on the Fund's portfolio 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 or otherwise; the inventory of multi-family real estate properties; the availability of properties for acquisition and the price at which such properties may be acquired; the availability of mortgage financing and current interest rates; the ability to complete value-add initiatives; the extent of competition for properties; the population of multi-family real estate market participants; assumptions about the markets in which the Fund operates; the ability of Starlight Investments US AM Group LP, the manager of the Fund, to manage and operate the properties; the global and North American economic environment; foreign currency exchange rates; and governmental regulations or tax laws.

The forward-looking information included in this press release relate only to events or information as of the date on which the statements are made in this press release. Except as specifically required by applicable Canadian law, the Fund undertakes no obligation to update or revise publicly any forward-looking information, 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.

To learn more about Starlight U.S. Multi-Family (No. 1) Core Plus Fund, visit www.starlightus.com or contact:

Evan Kirsh

President

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

+1-647-725-0417

ekirsh@starlightus.com

Martin Liddell

Chief Financial Officer

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

+1-647-729-2588

mliddell@starlightinvest.com

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