

Starlight U.S. Multi-Family (No. 1) Value-Add Fund Receives Unitholder Approval of Proposed Transaction



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Toronto, Ontario – January 7, 2020 – Starlight U.S. Multi-Family (No. 1) Value-Add Fund (TSXV: SUVA.A, SUVA.U) (the “Fund”) is pleased to announce the voting results from the special meeting of Fund unitholders (“Unitholders”) held on January 7, 2020 (the “Meeting”).

At the Meeting, Unitholders voted in favour of a resolution (the “Transaction Resolution”) approving the indirect acquisition of the Fund’s portfolio of three multi-family properties totaling 1,193 suites located in the southern United States by Clearwater U.S. Multi-Family (No. 2) Holding LP, a Delaware limited partnership formed by the Public Sector Pension Investment Board and Daniel Drimmer, Chief Executive Officer and Director of the general partner of the Fund, in an all-cash transaction valued at approximately US\$239.6 million (the “Transaction”). The Transaction Resolution required approval of a simple majority of the votes cast by Unitholders, as well as a simple majority of the votes cast by disinterested Unitholders, in each case, voting as a single class.

The Transaction Resolution was approved by the affirmative vote of approximately 99.91% of all votes represented at the Meeting, and by approximately 99.87% of the votes cast by disinterested Unitholders represented at the Meeting.

The Fund has obtained required consents from its lenders with respect to the Transaction and the Transaction is expected to be completed on or around January 14, 2020, subject to the satisfaction or waiver of certain customary closing conditions. The Class A Units and the Class U Units are expected to be delisted from the TSX Venture Exchange effective as of the close of trading on January 14, 2020.

About Starlight U.S. Multi-Family (No. 1) Value-Add 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 U.S. multi-family real estate market. The Fund currently owns three properties, consisting of 1,193 suites, with an average year of construction of 2003.

For the Fund’s complete consolidated financial statements and management’s discussion and analysis (“MD&A”) for the fiscal quarter ended September 30, 2019 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 November 2019 Newsletter which is available on the Fund’s profile at www.starlightus.com.

Forward-looking Statements

This press release contains forward-looking statements and information relating to expected future events, including statements regarding the closing of the Transaction. Such forward-looking information is typically indicated by the use of words such as “will”, “may”, “expects” or “intends”.

The forward-looking statements and information contained in this press release include, without limitation, statements regarding the Transaction and the expected timing for closing of the Transaction. Such forward-looking information and statements involve risks and uncertainties and are based on Fund management's current expectations, intentions and assumptions in light of its understanding of relevant current circumstances. If unknown risks arise, or if any of the assumptions underlying the forward-looking statements prove incorrect, actual results may differ materially from management expectations as projected in such forward-looking statements. Examples of such risks and uncertainties include, but are not limited to, the occurrence of any event, change or other circumstances that could give rise to the termination of the acquisition agreement in respect of the Transaction; the outcome of any legal proceedings that may be instituted against the Fund related to such acquisition agreement; the inability to complete the Transaction due to the failure to satisfy the conditions to closing of the Transaction; and other risk factors described in the Fund's continuous disclosure materials from time to time, available on SEDAR at www.sedar.com. Accordingly, although the Fund believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information. The Fund disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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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