

Starlight U.S. Multi-Family (No. 5) Core Fund Sells Apartment Complex In Houston, Texas



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Toronto – **October 27, 2017** – Starlight U.S. Multi-Family (No. 5) Core Fund (TSX.V: STUS.A, STUS.U) (the “Fund”) announced today it has sold the property located at 11925 Jones Road, Houston, Texas (“The Reserve at Jones Road”), a class “A”, garden-style apartment community in the Tomball submarket in Northwest Houston. The property consists of 114 multi-family units and was constructed in 2013.

Pursuant to a purchase and sale agreement, Jones Road Acquisition LLC, an indirect wholly owned subsidiary of the Fund, sold The Reserve at Jones Road unencumbered for the purchase price of approximately US\$14.35 million. The proceeds from the sale will be used to repay the outstanding mortgage balance of approximately US\$9.20 million, with the remainder expected to be utilized on a tax-deferred basis to acquire a property with a greater number of multi-family units creating operational economies of scale and that is also expected to improve the Fund’s geographical diversification, average portfolio vintage, and net operating income (“NOI”) growth opportunities.

“The sale of The Reserve at Jones Road once again highlights the Fund’s execution of its business plan to divest smaller assets and reduce its exposure in any one market,” commented Evan Kirsh, the Fund’s President. “We intend to use the proceeds to acquire a replacement property on a tax-deferred basis in a market that will enhance the Fund’s geographical diversity and position the Fund to capitalize on enhanced economies of scale.”

About Starlight U.S. Multi-Family (No. 5) Core 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 diversified income producing rental properties in the U.S. multi-family real estate market. The Fund currently owns 22 properties, consisting of 6,866 multi-family units with an average year of completion of 2011.

Non-IFRS Financial Measures

NOI does not have a standardized definition prescribed by International Financial Reporting Standards (“IFRS”) and is, therefore, unlikely to be comparable to similar measures presented by other reporting issuers. The Fund uses this measure to better assess the Fund’s underlying performance and financial position and provides this additional measure so that investors may do the same. Details on non-IFRS measures are set out in the Fund’s management’s discussion and analysis for the period ended June 30, 2017 that is available on the Fund’s profile on SEDAR at www.sedar.com.



Forward-Looking Information

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 statements concerning future acquisitions and their impact on the Fund's geographical diversification, average portfolio vintage and NOI growth opportunities. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the 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 reliance on the Fund's manager, the experience of the Fund's officers and directors, substitutes for residential real estate rental units, reliance on property management, competition for real property investments and tenants, and U.S. 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 ability of the Fund to complete future acquisitions and their impact on the Fund's geographical diversification, average portfolio vintage, and NOI growth opportunities; the inventory of multi-family real estate properties; the availability of mortgage financing and current interest rates; 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 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. 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.

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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