

Starlight Western Canada Multi-Family (No. 2) Fund Files Preliminary Prospectus for Maximum \$100 Million Initial Public Offering



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Toronto, Ontario – December 1, 2021 – Starlight Western Canada Multi-Family (No. 2) Fund (the “**Fund**”) announced today that it has filed with the securities commissions of each of the provinces of Canada, other than Québec, and obtained a receipt for, a preliminary prospectus for an initial public offering of limited partnership units (the “**Offering**”). The preliminary prospectus qualifies the distribution of a minimum of \$42 million and a maximum of \$100 million of Class A Units, Class B Units and/or Class C Units of the Fund at a price of \$10.00 per Class A Unit, Class B Unit and Class C Unit. The Fund will be the first limited-term, public vehicle launched by Starlight Group Property Holdings Inc. (“**Starlight**”) targeting properties in Canada to raise funds through a prospectus offering.

The Fund was established on November 12, 2021 pursuant to an initial declaration of trust. The Fund was established for the primary purpose of directly or indirectly acquiring, owning, operating and stabilizing a portfolio of newer vintage and newly-constructed income-producing, multi-family real estate properties that demonstrate value based on pricing and local supply and demand trends to achieve the Fund’s target metrics by increasing in-place rents to market rents, revenue enhancement through ancillary income opportunities and operating expense reductions as a result of active asset management. The Fund intends to acquire properties that are geographically diversified across Vancouver Island and the mainland of the Province of British Columbia (the “**Primary Markets**”). In particular, following completion of the Offering, the Fund intends to acquire (i) 60 multi-family suites located at 733 Goldstream Avenue in Langford, British Columbia and (ii) 251 multi-family suites located at 6035 Linley Valley Drive and 4800 Uplands Drive in Nanaimo, British Columbia (the “**Initial Portfolio**”). The balance of the net proceeds of the Offering will be used to subsequently acquire one or more additional income-producing, multi-family real estate properties in the Primary Markets, consistent with the primary purpose of the Fund.

Starlight is the promoter of the Fund and an affiliate of Starlight will act as manager of the Fund. Starlight currently owns and/or manages \$23.0 billion in assets in Canada and the United States, including more than 900 properties, approximately 70,000 multi-family suites (of which approximately 60,000 multi-family suites are located in Canada spread across seven provinces and all three territories, with a current approximate value of \$18.0 billion), and approximately 8,000,000 square feet of commercial space in Canada through various entities spread across six provinces and two territories, including in partnership with several global institutional investors and family offices. Starlight has significant expertise in Western Canada with 9,500 multi-family suites under management with a value of approximately \$3.2 billion. Starlight has extensive experience overseeing and working with publicly listed entities and currently provides services to four publicly listed entities: True North Commercial REIT (TSX: TNT.UN), Northview Canadian High Yield Residential Fund (TSX: NHF.UN), Starlight U.S. Multi-Family (No. 2) Core Plus Fund (TSX-V: SCPT.A and SCPT.U) and Starlight U.S. Residential Fund (TSX-V: SURF.A and SURF.U). Starlight has been among North America’s most active real estate investors since its inception in 1995 and employs approximately 325 professionals. Starlight has completed transactions having an aggregate value of over \$30.0 billion, with a transaction volume of approximately 125,000 residential suites with over \$9.0 billion of invested capital.

The Fund has received expressions of interest from senior management of Starlight and certain investors known to the manager of the Fund to subscribe for a minimum of \$6.0 million of Class C Units. The syndicate of agents for the Offering will be led by CIBC World Markets Inc. (the “**Lead Agent**”).

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities of the Fund in the United States, nor shall there be any sale of the securities of the Fund in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

A preliminary prospectus containing important information relating to these securities has been filed with securities commissions or similar authorities in each of the provinces of Canada, other than Québec. The preliminary prospectus is still subject to completion or amendment. Copies of the preliminary prospectus may be obtained from the Lead Agent and are available on SEDAR at www.sedar.com. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

Forward-looking Statements

This news release contains statements that include forward-looking information within the meaning of Canadian securities laws. These forward-looking statements reflect the current expectations of the Fund and Starlight regarding future events, including statements concerning the use of proceeds of the Offering, the timing of the acquisition of properties by the Fund and the subscription by senior management of Starlight. 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.

Material factors and assumptions used by management of the Fund to develop the forward-looking information include, but are not limited to: the ability to deploy the remaining proceeds from the Offering, if any, to acquire additional properties; the Fund’s current expectations about: the impact of COVID-19 on the properties to be acquired by the Fund as well as the impact of COVID-19 on the markets in which the Fund intends to operate; the applicability of any government regulation concerning tenants or rents at properties the Fund intends to acquire as a result of COVID-19 or otherwise; the availability of residential properties for acquisition (other than the Initial Portfolio) and the price at which such properties may be acquired; the availability of mortgage financing and current interest rates; the capital structure of the Fund; the economic and political environment in British Columbia; and governmental regulations or tax laws. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

Although management believes the expectations reflected in such forward-looking statements are reasonable and represent the Fund’s internal projections, expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties that 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, that assumptions may not be correct and that objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the Fund’s control, could cause actual results in future periods to differ materially from current expectations of estimated or anticipated events or results expressed or implied by such forward-looking statements. Such factors include the risks identified in the preliminary prospectus, including under the heading “Risk Factors” therein, as well as, among other things, risks related to the availability of suitable properties for purchase by the Fund, the availability of mortgage financing for such properties, and general economic and market factors, including the impact of COVID-19, interest rates, prospective purchasers of real estate, business competition, use of derivatives, changes in government regulations or income tax laws, as well as environmental risks. Readers 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.

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