

Starlight Western Canada Multi-Family (No. 2) Fund Raises \$130,000,000 Maximum Size Initial Public Offering with Capacity to Acquire Approximately \$425 Million of British Columbia Multi-Family Real Estate and Announces Monthly Cash Distributions



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Toronto, Ontario – February 22, 2022 – Starlight Western Canada Multi-Family (No. 2) Fund (the “**Fund**”) announced today that it has raised its maximum offering size and completed its initial public offering (the “**Offering**”). Pursuant to the Offering and a concurrent private placement, the Fund issued \$130,000,000 of trust units, consisting of 4,207,395 Class A Units, 5,404,905 Class B Units and 3,387,700 Class C Units of the Fund at a price of \$10.00 per Class A Unit, Class B Unit and Class C Unit (collectively, the “**Units**”). The Fund will have the capacity to acquire approximately \$425 million of British Columbia multi-family real estate.

The Fund is the first limited-term, public vehicle launched by Starlight Group Property Holdings Inc. (“**Starlight**”) to raise funds through a prospectus offering targeting Canadian multi-residential rental properties.

“We are extremely pleased with the successful completion of the maximum size offering, the result of which is the formation of Starlight’s first public, Canadian multi-family fund which will focus on newly constructed and newer vintage properties in British Columbia,” said Daniel Drimmer, Chief Executive Officer of the Fund. “We welcome both new investors and long-time supporters to our newest investment vehicle and look forward to delivering on the Fund’s objectives and creating value.”

The Units were offered to the public through a syndicate of agents led by CIBC World Markets Inc. and included Wellington-Altus Private Wealth Inc., Scotia Capital Inc., Canaccord Genuity Corp., BMO Nesbitt Burns Inc., National Bank Financial Inc., Richardson Wealth Limited, Desjardins Securities Inc., Echelon Wealth Partners Inc., iA Private Wealth Inc., Laurentian Bank Securities Inc. and Raymond James Ltd.

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**”).

As disclosed in the Fund’s final prospectus, the Fund is currently in the process of acquiring (i) 60 multi-family suites located at 733 Goldstream Avenue in Langford, British Columbia, (ii) 251 multi-family suites located at 6035 Linley Valley Drive and 4800 Uplands Drive in Nanaimo, British Columbia, (iii) 81 multi-family suites located at 2699 Peatt Road in Langford, British Columbia, (iv) 60 multi-family suites located at 3400 Centennial Drive in Vernon, British Columbia and (v) 43 multi-family suites located at 1803 31A Street in Vernon, 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 \$25.0 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 \$19.0 billion), and approximately 9,000,000 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 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 339 professionals. Starlight has completed transactions having an aggregate value of over \$38.0 billion, with a transaction volume of approximately 130,000 residential suites with over \$9.0 billion of invested capital.

The Fund also announced today the initial, prorated distribution on its outstanding Units for the period from February 22, 2022 through March 31, 2022 is expected to be paid on April 15, 2022 to unitholders of record on March 31, 2022. The distribution amount will cover the period from the closing of the Offering to March 31, 2022 and will be as follows:

- \$0.03224 per Class A Unit, representing approximately \$0.30950 per Class A Unit on an annualized basis;
- \$0.03125 per Class B Unit representing approximately \$0.30000 per Class B Unit on an annualized basis; and
- \$0.03298 per Class C Unit representing approximately \$0.31662 per Class C Unit on an annualized basis.

After the initial distribution, the Fund expects to declare monthly distributions on the Units until further notice as follows:

- \$0.02579 per Class A Unit, representing approximately \$0.30950 per Class A Unit on an annualized basis;
- \$0.02500 per Class B Unit representing approximately \$0.30000 per Class B Unit on an annualized basis; and
- \$0.02639 per Class C Unit representing approximately \$0.31662 per Class C Unit on an annualized basis.

The monthly cash distributions will be as set out above until such time as the Fund announces any changes to the distributions. Any such announcement will be by way of a further press release.

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.

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 capacity of the Fund to acquire British Columbia multi-family real estate, the timing of the acquisition of properties by the Fund and the acquisition of the Initial Portfolio and the ongoing distributions by the Fund. 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; 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 multi-family properties for acquisition (other than the Initial Portfolio) and the price at which such properties may be acquired; the Fund’s ability to acquire all of the properties comprising the Initial Portfolio; 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 final 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.

About Starlight Western Canada Multi-Family (No. 2) Fund

The Fund is a trust formed under the laws of Ontario for the primary purpose of indirectly acquiring, owning and operating a portfolio of income producing multi-family rental properties located in British Columbia.

For further information, please contact:

Daniel Drimmer
President and Chief Executive Officer
Starlight Western Canada Multi-Family (No. 2) Fund
+1- 416-234-8444
ddrimmer@starlightinvest.com

Martin Liddell
Chief Financial Officer
Starlight Western Canada Multi-Family (No. 2) Fund
+1-647-729-2588
mliddell@starlightinvest.com