



FOR IMMEDIATE RELEASE

STARLIGHT U.S. MULTI-FAMILY CORE FUND ANNOUNCES CONTINUED CAPITAL APPRECIATION DRIVEN BY STRONG PERFORMANCE

Third Quarter Highlighted By Investment Property Value Increases

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TORONTO, November 6, 2014 – Starlight U.S. Multi-Family Core Fund (TSX.V: UMF.A, UMF.U) (the “**Fund**”) today announced its results of operations and financial condition for the three months ended September 30, 2014 (the “**Third Quarter**”). The results and financial condition reflect operations for the Fund’s initial portfolio, comprised of three properties that were acquired on April 23, 2013, as well as the subsequent acquisitions of Greenhaven Apartments (“**Greenhaven**”), a 35% interest in Falls at Eagle Creek (“**Eagle Creek**”), a 25% interest in Soho Parkway Apartments (“**Soho Parkway**”) and a 50% interest in the Villages of Sunset Ridge (“**Sunset Ridge**”).

All dollar amounts set out in this news release are in thousands of United States currency.

HIGHLIGHTS FOR THE THIRD QUARTER 2014

- The Fund recognized a \$4.0 million fair value increase on its investment property portfolio (excluding the Fund’s 65% non-controlling interest in Eagle Creek) driven by net operating income (“**NOI**”) growth. Year-to-date, the Fund has recognized \$15.7 million in fair value appreciation on its portfolio, being equal to 35.1% of initial public offering proceeds.
- Occupancy increased sequentially to 94.8% from 94.5% in the three months ended June 30, 2014 (the “**Second Quarter**”) and average monthly rent (“**AMR**”) increased to \$1,070 at the end of the Third Quarter compared to \$1,059 at the end of the Second Quarter.
- NOI was \$2.5 million, a 7.3% increase compared to \$2.31 million for the Second Quarter.
- Adjusted Funds from Operations (“**AFFO**”) payout ratio was 70.4%, a significant improvement when compared to the Second Quarter AFFO payout ratio of 80.0%.
- Revenues were \$4.4 million, representing an 8.4% increase compared to the Second Quarter.
- The Fund’s leverage was 60.8% of gross book value as at September 30, 2014 and the Fund had a weighted average interest rate of 3.14%.
- The Fund had an interest coverage ratio of 2.8 times and total indebtedness coverage ratio of 2.3 times. Both ratios represent improvements from the Second Quarter.

Evan Kirsh, President of the Fund commented, “The Fund continued to post strong results with improvements in all key operating metrics resulting in continued capital appreciation. Importantly, we continue to identify opportunities to add further value going forward.”

Operating Results

For the Third Quarter, property revenues and NOI, excluding the Fund's non-controlling interest in Eagle Creek, were \$4.41 million and \$2.48 million, respectively. Management initiatives resulted in increased portfolio occupancy to 94.8% during the Third Quarter compared to 94.5% during the Second Quarter, and also in increased AMR from \$1,059 during the Second Quarter to \$1,070 during the Third Quarter. The Fund continues to improve performance on both newly acquired assets in the case of Soho Parkway and Sunset Ridge, as well as on the Fund's initial properties.

Financial Position

As of September 30, 2014, the Fund's gross book value was \$198.10 million and indebtedness was \$123.05 million, or 62.11% of gross book value. Excluding the Fund's non-controlling interest in Eagle Creek, gross book value was \$167.71 million and indebtedness was \$101.92 million, or 60.8% of gross book value. Both indebtedness percentages relative to gross book value are well within the Fund's target range of 60% to 70%. The interest coverage ratio for the Third Quarter was 2.81 times after removing the Fund's non-controlling interest in Eagle Creek. The weighted average interest rate on the Fund's mortgage portfolio was 3.14%, and the weighted average term to maturity was 3.67 years after removing the Fund's non-controlling interest in Eagle Creek.

Subsequent Events

On November 5, 2014, the Fund refinanced two of its properties, Greenhaven and Eagle Creek, and obtained financing of \$4,174 (\$3,316 excluding the Fund's non-controlling interest in Eagle Creek) after paying off the existing mortgages payable and satisfying deferred financing costs. The Fund also paid off an existing mortgage payable of \$1,460 secured by Sunset Ridge with the net proceeds. The refinancing and mortgage repayment reduced the Fund's weighted average interest rate to 2.81% from 3.14%, calculated assuming the refinancing and mortgage repayment took place on September 30, 2014 and excluding the Fund's non-controlling interest in Eagle Creek.

About Starlight U.S. Multi-Family 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.

For complete consolidated financial statements and management's discussion and analysis for the period, 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 2014 Newsletter which is available at <http://starlightinvest.com/starlight-u-s-multi-family-core-fund>.

Non-IFRS Financial Measures

Certain terms used in this news release including AFFO, gross book value, indebtedness, interest coverage ratio, indebtedness coverage ratio and NOI are not measures defined under International Financial Reporting Standards (“**IFRS**”) as prescribed by the International Accounting Standard Board. Details on non-IFRS financial measures are set out in the Fund’s management’s discussion and analysis for the period available on the Fund’s profile at www.sedar.com.

For further information:

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