



FOR IMMEDIATE RELEASE

STARLIGHT U.S. MULTI-FAMILY (NO. 3) CORE FUND FILES PRELIMINARY PROSPECTUS FOR INITIAL PUBLIC OFFERING

Not for distribution to U.S. newswire services or for dissemination in the United States

TORONTO, May 30, 2014 - Starlight U.S. Multi-Family (No. 3) Core Fund (the “**Fund**”) announced today that it has filed with the securities commissions of all provinces in Canada, 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 approximately US\$27 million and a maximum of US\$60 million of Class A Units, Class U Units, Class D Units, Class F Units and/or Class C Units of the Fund at a price of C\$10.00 per Class A Unit, Class D Unit, Class F Unit and Class C Unit and US\$10.00 per Class U Unit.

The Fund was established for the primary purpose of indirectly acquiring, owning and operating a portfolio of income producing rental properties in the U.S. multi-family real estate market. On completion of the Offering, the Fund intends to acquire interests in a portfolio of three multi-family residential properties that comprise a total of 891 suites located in the state of Texas in the markets of Houston and Austin. The balance of the net proceeds of the Offering, if any, will be used to acquire one or more additional income producing multi-family properties in the United States within nine months of the closing date of the Offering, consistent with the primary purpose of the Fund, and for working capital purposes.

Starlight Investments Ltd. (“**Starlight**”) is the promoter of the Fund and will also act as manager of the Fund. Starlight is a privately held real estate investment and asset management company that is driven by an experienced team comprised of more than 100 professionals. Starlight currently manages \$3.5 billion of multi-residential and commercial properties for a joint venture partnership with an institutional investor, True North Apartment REIT (TSX: TN.UN), True North Commercial REIT (TSX: TNT.UN), Starlight U.S. Multi-Family Core Fund (TSX-V: UMF.A and UMF.U), and Starlight U.S. Multi-Family (No. 2) Core Fund (TSX-V: SUD.A and SUD.U) and for private investors. Starlight’s portfolio consists of approximately 27,000 multi-residential units across Canada and the United States and nearly two million square feet of commercial properties.

The Fund has received commitments from an affiliate of Starlight and principals of Starlight to subscribe for a minimum of the Canadian dollar equivalent of US\$7 million of Class C Units pursuant to the Offering. The syndicate of agents for the Offering is being led by CIBC and includes National Bank Financial Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., Raymond James Ltd., Dundee Securities Ltd., GMP Securities L.P., Canaccord Genuity Corp. and Desjardins Securities Inc. (collectively, the “**Agents**”).

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. The preliminary prospectus is still subject to completion or amendment. Copies of the preliminary prospectus may be obtained from any of the Agents. 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 subscriptions by an affiliate of Starlight and principals 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 Fund’s current expectations about: the availability of properties for acquisition and the price at which such properties may be acquired; the availability of mortgage financing; the capital structure of the Fund; the level of participation in the Offering by other purchasers of Class C Units; the global and North American economic environment; foreign currency exchange rates; and governmental regulations and tax laws. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

Although management believes that 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 will 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 interest rates, prospective purchasers of real estate, business competition, changes in government regulations or income tax laws. 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.

For further information:

Evan Kirsh
President, Starlight U.S. Multi-Family (No. 3) Core Fund
647-725-0417
ekirsh@starlightus.com