



**FOR IMMEDIATE RELEASE**

**STARLIGHT U.S. MULTI-FAMILY (NO. 2) CORE FUND ANNOUNCES EXCEPTIONAL PROPERTY PORTFOLIO APPRECIATION OF 48.2% OVER GROSS PROCEEDS OF INITIAL PUBLIC OFFERING**

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**TORONTO, December 8, 2014** – Starlight U.S. Multi-Family Core Fund (TSX.V: SUD.A, SUD.U) (the “**Fund**”) today announced that its property portfolio, comprising interests in 1,131 multi-family units situated in Austin, Dallas and Houston, Texas, has been valued by an independent appraiser, CBRE, Inc., at US\$110.3 million in connection with the Fund’s 2014 year-end performance review. The appraised value represents a 48.2% increase over the US\$32.7 million gross equity proceeds raised in the Fund’s initial public offering.

The increase in appraised value of the Fund’s property portfolio is due to net operating income (“**NOI**”) growth and capitalization rate compression and reflects underlying fundamentals and market conditions as well as the Manager’s active asset management strategy. The increase to the Fund’s appraised portfolio value does not reflect any currency appreciation or property portfolio premium and does not take into consideration the carried interest to be paid to the manager of the Fund, Starlight Investments Ltd., in certain circumstances, as described in the Fund’s consolidated financial statements and management’s discussion and analysis for the period ended September 30, 2014 and available on the Fund’s website and at [www.sedar.com](http://www.sedar.com). There is no guarantee that the Fund will be able to sell its properties for their aggregate appraised value.

The Fund also announced today that its NOI margin from inception to September 30, 2014 was 56.0% and annualized rental growth was 4.7%. In addition, if the refinancing of the Falls at Eagle Creek was in place on July 1, 2014 as opposed to during the fourth quarter of 2014, the Fund’s adjusted funds from operations (“**AFFO**”) and AFFO payout ratio for the three months ended September 30, 2014 would have been US\$886,000 and 62.4%, respectively.

“We are pleased with the Fund’s strong performance since formation. The strong underlying market fundamentals and the implementation of our active asset management strategy have driven a material increase in the Fund’s property portfolio,” indicated Evan Kirsh, President of the Fund.

The Bank of Canada exchange rate at the close of business on December 5, 2014 was US\$1.00: CDN\$1.14, which compared to the weighted average exchange rate of US\$1.00: CDN\$1.05 at the time of closing of the Fund's initial public offering, represents additional appreciation of 8.6% in the unitholders' equity of the Fund.

### **About Starlight U.S. Multi-Family (No. 2) 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 has five classes of Units. The Fund's Class A Units and Class U Units are listed on the TSX Venture Exchange under the symbols SUD.A and SUD.U, respectively, and Class C Units, Class D Units, and Class F Units are convertible into Class A Units. As at November 28, 2014, there were 3,400,483 issued and outstanding Units of the Fund.

### **Non-IFRS Measures and Values**

Certain terms used in this news release including NOI, NOI margin and AFFO 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 ended September 30, 2014 on the Fund's profile at [www.sedar.com](http://www.sedar.com). All amounts in this news release are approximate values.

For further information:

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