

## FOR IMMEDIATE RELEASE

# STARLIGHT U.S. MULTI-FAMILY CORE FUND REPORTS 6.1% REVENUE GROWTH AND 52.5% AFFO PAYOUT IN THIRD QUARTER OF 2015

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**TORONTO, November 18, 2015** – 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, 2015 (the “Third Quarter”). All amounts in this news release are in thousands of United States currency unless otherwise stated and exclude the Fund’s non-controlling interest in The Falls at Eagle Creek unless otherwise stated.

### Highlights for the Third Quarter of 2015

- Same property revenue growth was 6.1% for the Third Quarter compared to the same period last year. Rental growth since inception of the Fund has been 5.5% on an annualized basis.
- Portfolio occupancy was 95.0% during the Third Quarter and compared to 94.8% during the same period last year, both at the high end of the Fund’s targeted occupancy range.
- Net operating income (“NOI”) for the Third Quarter was \$2,837 compared to \$2,476 last year, representing a \$361 or 14.6% increase and was driven by increased rental rates as well as contributions from acquisitions. Same property NOI growth was 4.0% for the Third Quarter compared to the same period last year.
- Adjusted funds from operations (“AFFO”) was a conservative 52.5% for the Third Quarter and 44.2% for the nine months ended September 30, 2015.
- Interest coverage ratio for the Third Quarter was 2.73 times and the indebtedness coverage ratio which includes principal repayments was 2.32 times.
- Indebtedness to gross book value was 63.3%, at the lower end of the Fund’s targeted leverage range.
- The Fund recognized an additional \$1.6 million fair value increase on its investment properties during the Third Quarter driven by continued NOI growth and capitalization rate compression. For the nine months ended September 30, 2015, the Fund recognized a cumulative \$6.7 million fair value increase on its investment properties.
- The Fund acquired a 35% interest in Sorelle, a 401 suite property located in Atlanta, Georgia on September 9, 2015.

DIRECT CONTACT

T: 416 234 8444

F: 416 234 8445 E: [info@starlightus.com](mailto:info@starlightus.com)



### ***Operating Results***

For the Third Quarter, property revenues were \$5.17 million compared to \$4.41 million in the comparable period last year and NOI was \$2.84 million compared to \$2.48 million in the comparable period last year. NOI for the Third Quarter was \$361 or 14.6% higher than the three months ended September 30, 2014, primarily due to the acquisition of the Fund's interest in Sorelle, as well as due to same property rental rate increases. Portfolio occupancy was 95.0% during the Third Quarter compared to 94.8% during the three months ended September 30, 2014 and in both cases at the high end of the Fund's targeted occupancy range.

### ***Financial Position***

As of September 30, 2015, the Fund's gross book value was \$224.5 million and indebtedness was \$142.1 million or 63.3% of gross book value. Indebtedness as a percentage of gross book value is at the lower end of the Fund's target range of 60%-70%. The interest coverage ratio for the Third Quarter was 2.73 times and for the nine months ended September 30, 2015 was 2.86 times. The ratios have remained consistent and healthy throughout 2015. The weighted average interest rate on the Fund's mortgage portfolio increased slightly to 2.99% from 2.90% as of June 30, 2015 and was due to the acquisition of Sorelle. The weighted average term to maturity as of September 30, 2015 was 4.69 years.

### **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](http://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 September 2015 Newsletter which is available on the Fund's profile at [www.starlightus.com](http://www.starlightus.com).

### **Non-IFRS Financial Measures**

Certain terms used in this news release including NOI, AFFO, gross book value, indebtedness, interest coverage ratio and indebtedness coverage ratio 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](http://www.sedar.com).



To learn more about Starlight, visit [www.starlightinvest.com](http://www.starlightinvest.com) or contact:

Evan Kirsh  
President, Starlight U.S. Multi-Family Core Fund  
647-725-0417  
[ekirsh@starlightus.com](mailto:ekirsh@starlightus.com)

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