A final prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the final prospectus, and any amendment, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final prospectus and any amendments for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

All capitalized terms used but not defined herein shall have the meaning ascribed thereto in the accompanying final prospectus and any amendment.

Initial Public Offering October 14, 2016

Starlight U.S. Multi-Family (No. 5) Core Fund

Term Sheet

Issuer:	Starlight U.S. Multi-Family (No. 5) Core Fund (the "Fund")
Offering:	Class A Units and/or Class U Units and/or Class D Units and/or Class E Units and/or Class F Units and/or Class H Units and/or Class C Units
Issue Size:	Minimum Offering: US$26,500,000 of Units Maximum Offering: US$200,000,000 of Units
Price:	C$10.00 per Class A Unit US$10.00 per Class U Unit C$10.00 per Class D Unit US$10.00 per Class E Unit C$10.00 per Class F Unit C$10.00 per Class H Unit C$10.00 per Class C Unit
Minimum Subscription Amount:	Class A – C$1,000 (100 Class A Units) or Class U – US$1,000 (100 Class U Units) or Class D – C$10,000 (1,000 Class D Units) or Class E – US$10,000 (1,000 Class E Units) or Class F – C$1,000 (100 Class F Units) or Class H – C$10,000 (1,000 Class H Units)
General Partner:	Starlight U.S. Multi-Family (No. 5) Core GP, Inc. (the "General Partner")
The Manager:	Starlight Investments Ltd. (the "Manager")
Commitments:	The Fund has received commitments from the principal of the Manager to subscribe for 10% of the Offering, up to a maximum of C$5,000,000 of Class C Units pursuant to the prospectus or, at the discretion of the Fund, by way of private placement (which commitment will be reduced by the amount of any subscriptions for Class C Units received from other investors known to the Manager other than any Lead Investors). The Fund may also seek out commitments from certain institutional and other investors to subscribe for Class C Units, on a lead order or a private placement basis ("Lead Investors"). The Fund may issue additional limited partnership units, including limited partnership units of a new class, by way of private placement concurrent with the closing of the Offering at a price of C$10.00 or US$10.00, as the case may be, provided that the proceeds of any such private placements together with the proceeds of the Offering, do not exceed the Maximum Offering amount.
Investment Strategy:	The Fund was established for the primary purpose of investing indirectly in recently constructed, stabilized, Class "A", core income-producing rental properties in the U.S. multi-family real estate market. The Manager believes that the U.S. multi-family real estate sector presents a compelling investment opportunity and provides competitive long term returns when compared to other real estate asset classes.
Investment Objectives:	The Fund's investment objectives are to: (a) indirectly acquire, own, and operate a portfolio comprised of recently constructed, stabilized, Class "A", income-producing multi-family real estate properties in the primarily in the States of Arizona, Colorado, Florida, Georgia, Nevada, North Carolina, Tennessee and Texas (the "Primary Markets"); (b) make stable monthly cash distributions; and (c) enhance the operating income and property values of the Fund's assets through active management, with the goal of ultimately directly or indirectly disposing of its interests in the assets at a gain by the end of the Term. In order to meet its investment objectives, the Fund's investment strategy will be as follows: ***Core Acquisition of U.S. Multi-Family Real Estate*** (a) Identify additional acquisition opportunities in the U.S. multi-family residential market by leveraging the

Manager’s relationships with principals, operators, and brokers located in the Fund’s target markets and by its ability to source “off market” opportunities.

(b) Target multi-family assets that are:
   (i) constructed in 2008 or later, Class “A”, stabilized properties with the potential to benefit from active management;
   (ii) located in the Primary Markets, each with favourable demographics and fundamentals;
   (iii) located in mature areas with barriers to new development; and
   (iv) stabilized, with the potential to benefit from an active asset management strategy.

(c) Complete a comprehensive due diligence program, including cash flow and return modeling, operating expense reviews, and third party reports including market studies, structural and environmental assessments and appraisals.

(d) Conduct a broad canvass of the lending community, including lenders with whom the Manager enjoys long-term relationships, to secure debt financing on competitive terms.

(e) Explore, from time to time, co-investment opportunities involving the Fund and one or more co-investors.

Asset Value Enhancement Through Active Asset Management Strategy

(a) Acquire primarily from merchant builders and private equity funds (not operators).

(b) Prepare a property-specific asset management plan to improve NOI margins by:
   (i) increasing rental rates through rental rate mapping and the use of yield management software;
   (ii) identifying and realizing upon ancillary income opportunities;
   (iii) reducing Operating Expenses; and
   (iv) utilizing reputable best in class U.S.-based property managers.

(c) Perform targeted, discrete capital expenditures in order to increase asking rental rates.

(d) Strengthen tenant relationships and increase tenant retention through customer service initiatives and new service offerings.

(e) Implement revenue management software and seek ancillary income opportunities (e.g. door-to-door waste pick-up service).

(f) Reduce operating expenses such as staffing, maintenance contracts, advertising and insurance through economies of scale.

(g) Perform selective, discrete in-suite, capital expenditures (e.g. faux wood flooring, granite counter tops, fenced-in yards etc.) and cosmetic improvements to increase rental rates.

Arizona, Colorado, Florida, Georgia, Nevada, North Carolina, Tennessee and Texas

The Manager will target acquisitions primarily in the Primary Markets where markets feature:

(a) compelling population, economic and employment growth rates;

(b) ‘landlord friendly’ legal environments; and

(c) comfortable climates and quality of life.

The Fund expects to indirectly acquire properties primarily in the Primary Markets and the Manager believes that each of these states exhibits the characteristics above.

Value Realization Through Strategic Dispositions

(a) Asset value increases are expected by the Manager to be realized through a combination of NOI growth, Capitalization Rate compression and currency appreciation.

(b) The Manager, on behalf of the Fund, will execute dispositions throughout the Term on a single asset or portfolio basis through private and public market transactions to maximize value.

(c) The private real estate investment market and the public capital markets will be monitored to seek an exit strategy that can be executed with a view towards maximizing disposition proceeds on a tax efficient basis. In addition, the Manager may also consider a recapitalization or conversion to a new publicly listed vehicle.

The Manager, on behalf of the Fund, may also consider reducing its exposure in any one of the Primary Markets by disposing of certain Properties during the Term and by replacing such Properties with new Properties in the Primary Markets having greater potential NOI growth and value while achieving further geographical diversification of the Fund’s overall portfolio and a more balanced distribution of Properties within the Primary Markets.

Strategic U.S. Market and Asset Class Focus

The Manager believes that:

(a) multi-family fundamentals are strong, featuring both declining vacancy rates and appealing rental growth rates due to a reduction in home ownership and strong employment growth;

(b) positive demographic trends increasingly support strong demand for rental accommodation, while the U.S. housing market has shifted away from home ownership in favour of rental housing, which should enhance the sector’s performance;

(c) younger Americans prefer to rent rather than own as it provides flexibility to relocate elsewhere in the U.S. and the quality of rental accommodations and amenities are in some cases superior to what would be found in a new home, without the requirement for a down payment;

(d) new supply of multi-family product remains below historical levels;

(e) attractive mortgage debt financing rates create positive leverage;

(f) multi-family real estate provides strong, risk-adjusted, long term returns compared to other real estate asset classes; and

(g) private investors and other investment funds have focused more on older, Class "B" and "C" value add assets, which has created an opportunity on recently constructed, stabilized, Class "A" assets.

Financing Strategy

The Fund's financing strategy is to access short term financing at comparatively low interest rates, and maintain flexibility by not locking in for longer terms. The Fund is differentiated by its targeted three-year time horizon, and the goal is to align the term of debt to the investment holding period. As part of this strategy, the intent is to offer the portfolio unencumbered by any mortgages at the end of the holding period to prospective buyers.

Investment Highlights:

Optimal U.S. Submarkets

The Manager believes that Las Vegas, Atlanta and Austin exhibit optimal characteristics for targeted, core multi-family investments.

Las Vegas is the most populous city in the state of Nevada and the 29th-most populous city in the United States, with a population in the Las Vegas Metropolitan area of approximately 2.1 million people. Often referred to as the 'Entertainment Capital of the World', Las Vegas is an internationally renowned major resort city known primarily for gambling, shopping, fine dining, and nightlife and is the leading financial, commercial and cultural centre for Southern Nevada. Today, Las Vegas is one of the top tourist destinations in the world and attracts approximately 41 million tourists annually. Las Vegas is also one of the top places for business conventions and meetings, hosting over 21,000 conventions and 5.9 million convention delegates in 2015. Some of Las Vegas' major employers include MGM Resorts International, Clark County School District, Caesars Entertainment, Nellis & Creech AFB, Wynn Resorts and Stations Casinos. Las Vegas currently has an unemployment rate of 6.9%, 0.2% below the rate experienced a year prior. According to the U.S. Bureau of Labor Statistics, Las Vegas is estimated to have gained 19,600 jobs from May 2015 to May 2016, which translates to a 2.1% increase over the previous year's total employment.

The Atlanta metropolitan area is home to approximately 5.5 million people and is the ninth largest metropolitan area in the United States. Atlanta has a diverse economic base made up of companies operating in the logistics, professional and business services, media operations and information technology industries. Job growth in the Atlanta metropolitan area was 2.7% in June 2016, reflecting over 69,000 jobs added during a 12-month period and was well above the national average of 1.8%. As the primary transportation hub to the Southeastern United States, Atlanta's Harstfield-Jackson Atlanta International Airport accommodates approximately 260,000 passengers daily and is the busiest airport in the world. Key employers in the Atlanta metropolitan area include The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, UPS and Newell-Rubbermaid. Atlanta currently has an unemployment rate of 5.3%, in line with the state average 5.1%. According to the U.S. Bureau of Labor Statistics, Atlanta is estimated to have gained 76,600 jobs from May 2015 to May 2016, which translates to a 3% increase over the previous year's total employment.

Austin is the capital of the state of Texas and is the fourth most populated city in the state. As one of the fasting growing cities in the Unites States, Austin has a population of approximately 932,000. Considered to be a major hub for high tech companies, major corporations and companies such as Apple, Dell, 3M, IBM and Hewlett-Packard all have significant operations within the Austin metropolitan area. Austin is also emerging as a hub for pharmaceutical and biotechnologies companies. Unemployment in Austin currently sits at 3.3%, below the state average of 4.5%. According to the U.S. Bureau of Labor Statistics, Austin is estimated to have gained 37,300 jobs from May 2015 to May 2016, which translates to a 3.9% increase over the previous year's total employment.

Optimal U.S. Market Conditions

The Manager believes that the U.S. multi-family real estate market exhibits conditions that are optimal for a targeted, core investment program. While the U.S. economy experiences strong growth, the Manager believes that asset pricing will remain attractive. Moreover, according to Marcus & Millichap, multi-family real estate sector fundamentals are strong, owing to a shift away from home ownership and positive demographic trends supporting rental accommodation.

According to Marcus & Millichap, since a significant decline in apartment prices began in 2007, prices have recovered across the U.S. and the market outlook remains positive. The Manager is of the view that a convergence of demographic and market factors will continue to support this sector's recovery and that now is an opportune time to invest in this asset class.

Favourable Demographic Trends

According to Green Street Advisors, the U.S. multi-family real estate market is currently supported by a larger-than-normal cohort of Americans entering the 18 to 34 year old age bracket, representing the prime renting years of many Americans. The prime renter demographic – those under 35 years old (Millennial subset) – is projected to grow at a rate above the broader population over the next decade, representing a strong tailwind for apartment demand. The population of Millennials in the U.S. is projected to surpass 75 million by 2020. Those aged 25 to 29 have a 68% propensity to rent, while those 30 to 34 display a 54% propensity to rent. In addition, the Manager believes that job growth disparity across the U.S. has caused many Americans to migrate to high-growth markets, including many communities in the Primary Markets.

According to the U.S. Census Bureau, Housing Vacancies and Home Ownership, since its peak in 2004, the U.S. home ownership rate has fallen from approximately 69.2% to its recent level of approximately 62.9% as at June 30, 2016, an all-time low, creating an increased renter pool of over 18 million people. The Manager is of the view that events in 2008 surrounding aggressive mortgage lending and the ensuing collapse of the U.S. asset-backed securities market created a relatively negative bias toward home ownership, while the proliferation of attractive, cost-effective rental communities, close to workplaces have increased demand for multi-family suite rentals.

Defensive Nature of Multi-Family Sector

The Manager believes that the multi-family real estate sector provides investors with favourable sector and industry characteristics in comparison to other asset classes. With a historically low vacancy rate compared to the office and retail asset classes, multi-family real estate investments have exhibited robust performance that has been driven by strong demand and limited new supply. Moreover, according to Investment Property Databank, multi-family real estate investments have provided some of the most attractive returns over the past 20 years, among the major income producing real estate asset classes.

Favourable Foreign Exchange Exposure

After trading close to or above par with the U.S. dollar due to high commodity prices and a relatively sound Canadian financial system, the Canadian dollar has recently lost ground to the U.S. dollar, which the Manager believes is at least partially attributable to improved growth prospects in the U.S. In prior decades, the Canadian dollar has typically traded significantly below the U.S. dollar; in January 2016, the Canadian dollar reached its lowest value since 2003. The average retail investor in Canada has been historically limited to the stock market for U.S. exposure and recent capital markets volatility has rendered this option potentially less desirable. The Manager believes that an investment in Units will allow retail investors to take advantage of opportunities in the U.S. multi-family real estate market, while (other than in the case of Class E Units and Class U Units) also providing exposure to the U.S. dollar.

Attractive Mortgage Debt Financing Rates

Interest rates on mortgage debt have continued to decline and remain well below historical levels, providing strong, positive leverage and enhancing levered returns for property owners that are able to obtain financing. Current mortgage rates are in the 2% to 3% range.

Constraints on Development

According to the U.S. Census Bureau, new residential construction, multi-family housing starts are still below historical levels, albeit recovering, since declining substantially in 2009. The Manager believes that now is an opportune time for landlords to target higher rents and improve NOI margins amid lower supply and increased demand for the existing supply, just as housing starts and supply begins to pick up.

The Existing Portfolio: The Fund will indirectly own a portfolio comprising an aggregate of 5,882 multi-family residential apartment suites in 20 properties (the "Existing Portfolio"). The Properties comprising the Existing Portfolio are located in the States of Florida, Georgia, North Carolina and Texas in the markets of Orlando, Tampa, Atlanta, Charlotte, Raleigh, Houston, Dallas, Austin, and San Antonio, respectively. The Manager believes the Properties comprising the Existing Portfolio are in desirable geographic locations, well-tenanted and indicative of the types of properties that the Fund intends to continue to cause the U.S. REITs to acquire as part of its business strategy.

Combined operating results for the Existing Starlight Funds as at June 30, 2016 included:

(a) Overall NOI margin of approximately 55.8%.
(b) Weighted average occupancy of approximately 93.5%.
(c) AFFO payout ratio of approximately 50.9%.
(d) Leverage of approximately 62.9% of Gross Book Value.
(e) Interest Coverage Ratio for the second quarter of 2016 of 2.46x and Indebtedness Coverage Ratio of 2.33x.

The following table highlights certain information about the Existing Properties:

Property	Year Completed	Fund Ownership Interest	Total Suites	Rentable Area (Sq. Ft.)	Average Suite Size (Sq. Ft.)	Land Area (Acres)	Purchase Price ($US)	Purchase Price Per Suite ($US)	Purchase Price Per Sq. Ft. ($US)	Average Occupancy[1]	Average Monthly In Place Rent Per Sq. Ft.[2] ($US)	Average Monthly In Place Rent Per Suite[2] ($US)
Falls at Copper Lake	2008	100%	374	375,396	1,004	18.179	$60,300,000	$161,230	$161	94.39%	$1.19	$1,197
Villages at Towne Lake	2008	100%	126	123,140	977	14.529	$19,100,000	$151,587	$155	96.83%	$1.35	$1,318
Greenhaven Apartments	2009	100%	216	191,540	887	11.24	$32,300,000	$149,537	$169	94.91%	$1.26	$1,121
Falls at Eagle Creek	2009	100%	412	380,756	924	22.13	$56,600,000	$137,379	$149	89.56%	$1.23	$1,127
Soho Parkway Apartments	2008	100%	379	364,383	961	15.04	$56,300,000	$148,549	$155	94.46%	$1.11	$1,066
The Villages at Sunset Ridge	2013	100%	257	235,465	916	11.45	$31,200,000	$121,401	$133	90.66%	$1.17	$1,077
Belle Haven Apartments	2014	100%	176	193,204	1,098	12.89	$29,100,000	$165,341	$151	90.34%	$1.00	$1,101
Sorelle Apartments	2009	100%	401	352,347	879	5.09	$75,800,000	$189,027	$215	94.01%	$1.49	$1,304
Marquee Station	2013/2014	100%	265	263,940	996	17.69	$45,600,000	$172,075	$173	95.09%	$1.13	$1,129
Palm Valley Apartments	2009	100%	340	330,300	971	18.6	$50,200,000	$147,647	$152	92.94%	$1.13	$1,099
Travesia Apartments	2008	100%	396	343,332	867	19.4	$60,700,000	$153,283	$177	97.22%	$1.27	$1,106
The Allure	2012	100%	334	329,104	985	19.97	$59,300,000	$177,545	$180	94.31%	$1.27	$1,248
Residences at Cinco Ranch	2009	100%	300	287,502	958	16.34	$38,200,000	$127,333	$133	93.00%	$1.15	$1,099
Yorktown Crossing	2009	100%	312	278,292	892	12.18	$38,500,000	$123,397	$138	92.95%	$1.23	$1,094
The Reserve at Jones Road	2013	100%	114	104,961	921	4.225	$15,600,000	$136,842	$149	89.47%	$1.23	$1,118
Altis at Grand Cypress	2013/2014	100%	304	303,426	998	62.11	$56,900,000	$187,171	$188	95.72%	$1.25	$1,256
Verano Apartments	2008	100%	384	390,936	1,018	21.94	$59,000,000	$153,646	$151	93.23%	$1.09	$1,113
Pure Living	2009	100%	252	307,230	1,219	28.53	$50,500,000	$200,397	$164	91.27%	$1.15	$1,404
The Reserves at Alafaya	2014	100%	264	278,124	1,054	46.26	$47,200,000	$178,788	$170	94.70%	$1.21	$1,281
Boardwalk Med Center	2011/2014	100%	276	241,236	874	11.91	$38,100,000	$138,043	$158	97.10%	$1.25	$1,092
Total			**5,882**	**5,674,614**	**965**	**389.703**	**$920,500,000**	**$156,494**	**$162**	**93.71%**	**$1.21**	**$1,168**

Notes:
(1) As at August 8, 2016 for each Existing Property, excluding Boardwalk Med Center which is as of July 7, 2016.
(2) Based on units occupied or leased, net of concessions as at August 8, 2016, excluding Boardwalk Med Center which is as of July 7, 2016.

The New Portfolio: Following completion of the Offering, the Fund will indirectly acquire the New Portfolio, being a portfolio comprising an aggregate of 910 multi-family residential apartment suites in three properties located in the States of Georgia, Nevada and Texas in the markets of Atlanta, Las Vegas and Austin, respectively. The Manager believes the Properties are in desirable geographic locations, well-tenanted and indicative of the types of properties that the Fund intends to continue to cause the U.S. REITs to acquire as part of its business strategy.

The following table highlights certain information about the New Portfolio:

Property	Year Completed	Fund Ownership Interest	Total Suites	Rentable Area (Sq. Ft.)	Average Suite Size (Sq. Ft.)	Land Area (Acres)	Purchase Price ($US)	Purchase Price Per Suite ($US)	Purchase Price Per Sq. Ft. ($US)	Average Occupancy[1]	Asking Rent Per Sq. Ft. ($US)	Average Monthly In Place Rent Per Sq. Ft.[2] ($US)	Average Monthly In Place Rent Per Suite[2] ($US)
Sunrise Ranch	2009	100%	384	364,432	949	20.56	$52,200,000	$135,938	$143	92.96%	$1.18	$1.10	$1,046
South Blvd Apartments	2012	100%	320	333,576	1,097	14.25	$53,600,000	$167,500	$161	94.06%	$1.11	$1.04	$1,089
Coolray Field	2015	100%	206	169,455	823	2.51	$35,600,000[3]	$172,816	$210	92.72%	$1.63	$1.58	$1,292
Totals			**910**	**867,463**	**953**	**40.68**	**$141,400,000**	**$155,385**	**$163**	**93.29%**	**$1.24**	**$1.17**	**$1,117**

Notes:
(1) As at July 14, 2016 for Sunrise Ranch, July 18, 2016 for South Blvd Apartments, and August 9, 2016 for Coolray Field.
(2) Based on suites occupied or leased, net of concessions as at July 14, 2016 for Sunrise Ranch, July 18, 2016 for South Blvd Apartments, and August 9, 2016 for Coolray Field.
(3) Based on a closing date of October 20, 2016 for Coolray Field.

The New Properties have an aggregate Canadian equivalent Capitalization Rate of 5.39% based on the Manager's calculation of NOI.

Each of the three New Properties is a well-located and well-maintained apartment property with a wide array of amenities to attract and retain residents.

The Existing Starlight Funds directly or indirectly own entities that are party to mortgage loans with a U.S. Affiliate of a Canadian chartered bank that is an Affiliate of the Lead Agent. In addition, U.S. REIT5 will be indirectly assuming a first mortgage loan with a U.S. Affiliate of a Canadian chartered bank that is an Affiliate of the Lead Agent. Further, the Canadian chartered bank affiliate of the Lead Agent will be (i) the counterparty to the derivative instruments to be acquired by the Fund in connection with the Class H Unit Liquidation Hedge, and to hedge, in whole or in part, against the Fund's foreign currency and interest rate risk and (ii) the lender under the Fund's credit facility. Consequently, the Fund may be considered a "connected issuer" of the Lead Agent, as such term is defined in National Instrument 33 105 – *Underwriting Conflicts.*

Leverage: The Manager believes the current U.S. multi-family rental property debt financing market offers debt financing at attractive interest rates that the Manager intends to utilize in order to seek an increased return on equity. The Manager will target an overall loan-to-value ratio of the Mortgage Loans between 60% to 70% of the asset value of the Properties as a whole, plus the amount of any property improvement reserve account approved by the lenders. Notwithstanding the foregoing, the Fund LP Agreement limits total indebtedness of the Fund to no more than 75% of the Investable Funds (or, at the discretion of the General Partner, the appraised value of the Properties).

Distributions: The Fund will target an annual pre-tax distribution yield of 6.5% (based on the original subscription price under the Offering and calculated in the currency of the Units held) across all Unit classes and aim to realize a targeted 12% pre-tax, investor internal rate of return across all Unit classes upon disposition (directly or indirectly) of the Fund's interests in its assets at or before the end of the targeted three-year investment horizon, although each of these figures will necessarily vary as between classes of Units based on the proportionate entitlements of each class of Unit, applicable Unit Class Expenses and any unhedged exposure to Canadian/U.S. dollar exchange rates. See "Risk Factors" in the Prospectus. An annual pre-tax distribution yield of 6.5% would represent an expected AFFO payout ratio of approximately 83.2% in the first year, assuming the Minimum Offering is achieved, exchange rates remain constant and based on the applicable Agents' Fee and costs of the Offering.

The *pro rata* monthly distribution on the Units will commence following the end of the Fund's first calendar month after the Closing Date. Thereafter, the Fund intends to declare monthly cash distributions no later than seven Business Days prior to the end of each month, payable within 15 days following the end of the month (or the next Business Day if not a Business Day) in which the distribution is declared to Unitholders as at month-end.

Although the Fund intends to distribute its available cash to Unitholders in accordance with its distribution policies, unlike fixed-income securities, there is no obligation of the Fund to distribute fixed dollar amounts to Unitholders and, as such, the amount of cash distributions is not guaranteed and may be reduced, including to zero, resulting in a reduction in yield based on the Offering Price of the Fund's Units. The ability of the Fund to make cash distributions on the Units and the actual amount distributed will depend on the ability of the Fund to indirectly acquire Properties as well as the ongoing operations of the Properties, and will be subject to various factors including those referenced in the "Risk Factors" section of the Prospectus or otherwise described in the Prospectus. The aggregate Minimum Return receivable by the Fund for distribution to the Unitholders after payment of all Fund expenses, (i) is based on a 6.5% per annum return on the net subscription proceeds received, or deemed to have been received, by the Fund from the issuance of each Unit, (ii) is calculated in the currency of issuance of

each such Unit, and (iii) is a preferred return, payable to the Fund for distribution to the Unitholders prior to payment of any amounts pursuant to the Carried Interest, but (iv) is not guaranteed and may not be paid on a current basis in each year or at all.

The return on an investment in the Units is not comparable to the return on an investment in a fixed income security. Cash distributions, including a return of a Unitholder's original investment, are not guaranteed and the anticipated return on investment is based upon many performance assumptions. It is important for purchasers of Units to consider the particular risk factors that may affect the real estate investment markets generally and therefore the availability and stability of the distributions to Unitholders.

Assumption of Deferred Tax Liability: As a consequence of the Reorganization, the tax cost of the Properties in the Existing Portfolio to the Fund and its Subsidiaries is expected to be significantly less than their fair market value. When one or more of such properties are disposed of, including upon the termination of the Fund at the end of the Term, any gain recognized by the Fund (or its applicable Subsidiary) for tax purposes is expected to be in excess of that which would have been realized if it had acquired such Properties at a tax cost equal to their fair market value. Any tax payable by an applicable Subsidiary on any such excess gain as determined for tax purposes, if crystallized, will reduce the amount of the proceeds from such a disposition that will be available for distribution to Unitholders. The amount of such excess gain could be material. For purposes of the foregoing, the aggregate appraised value of the Existing Properties and the New Properties is approximately US$1.0619 billion and the pro forma equity value of the Fund (without giving effect to any deferred tax and assuming completion of a minimum offering of Units) is approximately US$364.6 million (being the aggregate appraised value noted above, plus the pro forma net working capital of the Fund of approximately US$14.5 million as at September 30, 2016, less total pro forma outstanding debt of the Fund of approximately US$711.8 million as at September 30, 2016). In addition, as a result of the Reorganization, all liabilities for deferred taxes of the Existing Starlight Funds and Campar, in the amount of approximately US$73.6 million as at June 30, 2016 (representing US$1.09 per Unit on a pro forma fully diluted basis assuming completion of a maximum offering of Units), became liabilities of the Fund and will be included as liabilities on the consolidated financial statements of the Fund.

Currency Hedging: In connection with the closing of the Offering, the Fund intends to acquire, in respect of the Class H Units issued pursuant to the Offering and the Reorganization, derivative instruments which are intended to provide the holders of Class H Units with some protection against any weakening of the U.S. dollar as compared to the Canadian dollar between the Closing Date and the target date for termination and liquidation of the Fund (the "Class H Unit Liquidation Hedge"). There can be no assurance that the exercise date and underlying notional amount of the derivative instruments effecting the Class H Unit Liquidation Hedge will match the date, or the amount, of any distributions of proceeds to holders of Class H Units upon the termination or liquidation of the Fund. The Manager may, at its sole discretion, discontinue the Class H Unit Liquidation Hedge in the event derivative instruments are not available on an economical basis or the Manager determines that the continuation of the Class H Unit Liquidation Hedge is no longer in the best interests of the applicable class or classes of Unitholders. The cost of the Class H Unit Liquidation Hedge will be allocated exclusively to the Class H Units as a Unit Class Expense.

Term: The term of the Fund is targeted to be three years (the "Term"), subject to earlier termination as described below. The Term may also be extended (including following the exercise of the two one-year extensions by the General Partner) by Special Resolution of the Unitholders, subject to approval by the General Partner.

Notwithstanding the Term of the Fund outlined above, the Fund will be wound down and terminated as soon as practicable following the direct or indirect disposition of all of the assets of the Fund.

Use of Proceeds: Assuming that the Minimum Offering is sold, the Gross Subscription Proceeds will be US$26,500,000 (net proceeds of approximately US$25,340,890) and assuming that the Maximum Offering is sold, the Gross Subscription Proceeds will be US$200,000,000 (net proceeds of approximately US$190,523,000). Funds remaining following the indirect acquisition of the New Portfolio may be used to repay existing indebtedness of the Fund or its Subsidiaries, acquire additional Properties or otherwise used by the Fund to acquire units of any of the Investment LPs. The Fund may also temporarily hold cash and investments for the purposes of paying its expenses and liabilities and making distributions to Unitholders. The Manager is targeting deployment of the unallocated portion of the Net Subscription Proceeds (after completion of the acquisition of the New Portfolio) to fund the acquisition of one or more additional Properties within nine months following the Closing Date.

Investment LP5 will invest the proceeds from the issuance of Investment LP5 Units to the Fund to acquire Holding LP5 Units. Holding LP5 will invest the proceeds from such issuance to acquire U.S. REIT5 Common Stock and U.S. REIT5 ROC Shares. Holding LP5 may also acquire U.S. REIT5 Notes. U.S. REIT5 will use the proceeds from the issuance of U.S. REIT5 Common Stock, U.S. REIT5 ROC Shares and U.S. REIT5 Notes (if any) to directly or indirectly acquire, from time to time, one or more additional Properties. The New Portfolio will be acquired indirectly by the Fund through its investment in Investment LP5 with the Investable Funds flowing down to U.S. REIT5. As a result, an investment in Units will be an indirect investment in the acquisition, ownership and operation of the Properties, and the returns on and of capital payable in respect of U.S. REITs Common Stock and U.S. REITs ROC Shares and any interest and repayment of principal on U.S. REITs Notes will ultimately flow through to Unitholders after payment of Fund expenses, including taxes and any shortfall payments required to be made to SIP in accordance with the SIP Agreement (and, where applicable, any other Persons having a direct or indirect interest in such amounts, including Starlight and Mr. Kirsh through their respective partnership interests in SIP).

The timing of such investment will depend, among other things, upon the identification of Properties meeting the Fund's criteria for acquisition. Pending its investment in the acquisition of Properties, the unallocated portion of the Net Subscription Proceeds and other funds not fully invested in the Properties from time to time will be held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, deposits with a savings institution, trust company, credit union or similar financial institution that is organized or

	chartered under the laws of the U.S. or a state of the U.S., short-term government debt securities or money market instruments maturing prior to one year from the date of issue and otherwise as permitted pursuant to the Investment Restrictions and Operating Policies of the Fund, under the supervision of the General Partner and the Manager. Further, the Fund may, in the interim, use the unallocated portion of such net proceeds to repay indebtedness incurred on the acquisition and/or ownership of the Properties comprising the Existing Portfolio.
Eligibility for Investment:	Based on the current provisions of the Tax Act, in the opinion of Blake, Cassels & Graydon LLP, counsel to the Fund, and McCarthy Tétrault LLP, counsel to the Agents, provided that, at all relevant times, the Class A Units and Class U Units are listed on a "designated stock exchange" as defined in the Tax Act (which includes Tier 1 and Tier 2 of the Exchange), the Class A Units and Class U Units will be qualified investments for trusts governed by Plans (which includes RRSPs, RESPs, RRIFs, deferred profit sharing plans, registered disability savings plans and TFSAs). The Class D Units, Class E Units, Class F Units, Class H Units and the Class C Units likely are not qualified investments for Plans. Prospective Purchasers of Class D Units, Class E Units, Class F Units, Class H Units and Class C Units should consult with their own tax advisors in this regard.
Liquidity:	The Fund will not be required to redeem the Units at any time. There is currently no market through which the Units may be sold, and such a market may not develop, and Purchasers may not be able to resell securities purchased under the Prospectus. This may affect the pricing and liquidity of the securities in the secondary market, the transparency and availability of trading prices, and the extent of issuer regulation. The Fund has received conditional approval from the Exchange to list the Class A Units and Class U Units distributed under the Offering and any concurrent private placements on the Exchange under the symbols "SUA.A" and "SUA.U", respectively. Listing of the Class A Units and Class U Units is subject to the Fund fulfilling all the requirements of the Exchange on or before December 30, 2016. As at the date of the Prospectus, the Fund does not have any of its securities listed or quoted and has not applied to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or any other marketplace within or outside Canada and the U.S.
Commission:	5.25% per Class A Unit, Class D Unit, Class E Unit, Class H Unit and Class U Unit. 2.25% per Class F Unit.
Closing:	On or about October 18, 2016 or such later date as the Fund and the Agents may agree, but in any event not later than December 15, 2016.
Fees:	The Fund will be subject to various fees and expenses, including an asset management fee, an acquisition fee, a disposition fee, a guarantee fee, property management and capital expenditure fees, and in respect of the Class A Units and Class U Units, a service fee, as well as the Carried Interest of a subsidiary of the Manager in Holding LP. Prospective investors should refer to the description of fees and expenses included under the heading "Summary of Fees and Expenses" in the Prospectus and any amendment for further details.

An investment in the securities offered by the Prospectus and any amendments thereto must be considered speculative as the securities are subject to certain risk factors as set out under the heading "Risk Factors" in the Prospectus or otherwise described in the Prospectus and any amendments thereto. An investment in Units is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. Investors should also review the financial statements included in the Prospectus for each of the Existing Starlight Funds and Campar Capital Corporation.

There will be no closing of the Offering unless the Minimum Offering is achieved. The closing of the Offering will not proceed unless all preconditions to the closing of the acquisitions of the Properties comprising the New Portfolio have been satisfied or waived. The distribution under the Offering will not continue for a period of more than 90 days after the date of the receipt obtained from the principal securities regulatory authority for the final prospectus for the Offering. If one or more amendments to the final prospectus are filed and the principal securities regulatory authority has issued a receipt for any such amendment, the distribution under this Offering will not continue for a period of more than 90 days after the latest date of a receipt for any such amendment. In any case, the total period of distribution under the Offering will not continue for a period of more than 180 days from the date of the receipt for the final prospectus. If the Minimum Offering is not achieved during the 90 day period, subscription funds received by the Agents will be returned to subscribers without any deductions, unless the subscribers have otherwise instructed the Agents. Completion of the Reorganization is a pre-condition to the closing of the Offering. Therefore, if the Reorganization is not completed, the Offering will not close, and any subscription funds received by the Agents will be returned to subscribers without any deductions, unless the subscribers have otherwise instructed the Agents.