

Condensed Interim Financial Statements
(In U.S. dollars)

**STARLIGHT U.S. MULTI-FAMILY (NO. 5)
CORE FUND**

For the period from August 26, 2016 (date of formation) to
September 30, 2016
(Unaudited)

Starlight U.S. Multi-Family (No. 5) Core Fund is filing the enclosed condensed interim financial statements in accordance with applicable Canadian securities laws. The enclosed condensed interim financial statements do not give effect to the completion of the plan of arrangement completed on October 15, 2016, whereby all of the units of Starlight U.S. Multi-Family Core Fund, Starlight U.S. Multi-Family (No. 2) Core Fund, Starlight U.S. Multi-Family (No. 3) Core Fund, Starlight U.S. Multi-Family (No. 4) Core Fund and the common shares of Campar Capital Corporation were exchanged for limited partnership units of Starlight U.S. Multi-Family (No. 5) Core Fund, the public offering of limited partnership units of Starlight U.S. Multi-Family (No. 5) Core Fund which was completed on October 18, 2016 or the acquisition of interests in three multi-family properties completed on October 18, 2016, October 20, 2016 and October 31, 2016, respectively. See "Subsequent Events".

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102 – Continuous Disclosure Obligations, if an auditor has not performed a review of interim financial statements, they must be accompanied by a notice indicating that such financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Starlight U.S. Multi-Family (No. 5) Core Fund (the “**Fund**”) have been prepared by and are the responsibility of the Fund’s management.

The Fund’s independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

STARLIGHT U.S. MULTI-FAMILY (NO. 5) CORE FUND

Condensed Interim Statement of Financial Position
(In U.S. dollars)

September 30, 2016
(Unaudited)

Assets

Cash	\$	20
Total Assets	\$	20

Partners' Equity

Partners' contributions (note 3)	\$	20
Total Partners' Equity	\$	20

See accompanying notes to condensed interim financial statements.

Commitments (note 3).

Subsequent events (note 4).

Approved by the Board of Directors of Starlight U.S. Multi-Family (No. 5) Core GP, Inc. as general partner of Starlight U.S. Multi-Family (No. 5) Core Fund on November 22, 2016, and signed on its behalf:

Daniel Drimmer Director Harry Rosenbaum Director

See accompanying notes to condensed interim financial statements.

STARLIGHT U.S. MULTI-FAMILY (NO. 5) CORE FUND

Condensed Interim Statement of Changes in Partners' Equity
(In U.S. dollars)

Period from August 26, 2016 (date of formation) to September 30, 2016
(Unaudited)

	Partners' Equity
Balance, August 26, 2016 (date of formation)	\$ -
Changes during the period:	
Issuance of partnership interests	20
Balance, September 30, 2016	\$ 20

See accompanying notes to condensed interim financial statements.

STARLIGHT U.S. MULTI-FAMILY (NO. 5) CORE FUND

Notes to Condensed Interim Financial Statements
(In U.S. dollars)

Period from August 26, 2016 (date of formation) to September 30, 2016 (Unaudited)

Starlight U.S. Multi-Family (No. 5) Core Fund (the “Fund”) is a limited partnership formed under and governed by the laws of the Province of Ontario. The registered office of the Fund is located at 3280 Bloor Street West, Centre Tower, Suite 1400, Toronto, Ontario. The Fund was established for the primary purpose of indirectly owning an aggregate of 5,882 multi-family apartment suites in 20 properties (the “Existing Portfolio”) located in the States of Florida, Georgia, North Carolina and Texas, in the United States, which properties were planned to be indirectly acquired through a plan of arrangement whereby all of the units of Starlight U.S. Multi-Family Core Fund, Starlight U.S. Multi-Family (No. 2) Core Fund, Starlight U.S. Multi-Family (No. 3) Core Fund, Starlight U.S. Multi-Family (No. 4) Core Fund and the common shares of Campar Capital Corporation were exchanged for limited partnership units of the Fund (“Plan of Arrangement”). Subsequent to the completion of the Plan of Arrangement and following completion of the Fund’s public offering of limited partnership units, the Fund planned to indirectly acquire three additional properties comprised of an aggregate of 910 multi-family apartment suites located in the States of Georgia, Nevada and Texas in the markets of Atlanta, Las Vegas and Austin, respectively, in the United States (the “New Portfolio”). See “Note 4 - Subsequent Events”.

On July 27, 2016, Starlight U.S. Multi-Family (No. 5) Investment L.P. (“Investment LP”), which became a subsidiary of the Fund pursuant to an amended and restated limited partnership agreement dated as of October 14, 2016 entered into in connection with the Plan of Arrangement, registered as a limited partnership under the laws of the Province of Ontario under its predecessor name, Boardwalk Acquisition Partnership. The limited partner of Investment LP is the Fund and the general partner is Starlight U.S. Multi-Family (No. 5) Investment GP, Inc.

On July 27 2016, Starlight U.S. Multi-Family (No. 5) Core REIT Inc. (“U.S. REIT”) was formed pursuant to articles of incorporation under the laws of the State of Maryland. The shareholder of U.S. REIT is Starlight U.S. Multi-Family (No. 5) Core Holding L.P. (“Holding LP”) as of October 14, 2016.

On August 26, 2016, Starlight U.S. Multi-Family (No. 5) Core GP, Inc., as general partner, made a capital contribution of \$10.00 and owns a 0.01% interest in the Fund and the initial limited partner of the Fund, Daniel Drimmer, subscribed for one limited partnership unit of the Fund for \$10.00.

On September 28, 2016, Holding LP was formed pursuant to a limited partnership agreement and registered as a limited partnership under the laws of the State of Delaware. The limited partner of Holding LP is Investment LP and the general partner is Starlight U.S. Multi-Family (No. 5) Core Holding (GP) L.P.

Pursuant to an agency agreement dated October 12, 2016, the Fund and Starlight Investments Ltd. (the “Manager”), in its capacity as the manager of the Fund, engaged CIBC World Markets Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Raymond James Ltd., TD Securities Inc., GMP Securities L.P., Canaccord Genuity Corp. and Desjardins Securities Ltd. to offer for sale to the public, pursuant to a final prospectus dated October 12, 2016, a maximum of \$200,000,000 of limited partnership units of the Fund at a price of C\$10.00 per class A unit, class D unit, class F unit, class H unit and class C unit and \$10.00 per class U unit and class E unit (the “Offering”).

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Notes to Condensed Interim Financial Statements
(In U.S. dollars)

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Costs related to the Offering included agents' fees of C\$0.525 for each class A unit, class D unit and class H unit, C\$0.225 for each class F unit, \$0.525 for each class E unit and class U unit and no fee for each class C unit.

On October 12, 2016, the Fund's limited partnership agreement was amended and restated dated as of October 12, 2016 in order to reflect the terms and provisions of the final prospectus of the Fund in connection with the Offering.

On October 15, 2016, the Fund pursuant to a second amended and restated partnership agreement, became a partner of Starlight Investment Partnership ("SIP") through its acquisition of 100% of the class A units in connection with the Plan of Arrangement.

1. BASIS OF PRESENTATION AND CONSOLIDATION

These condensed interim financial statements of the Fund have been prepared by management in accordance with International Accounting Standards 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and note disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards, as issued by the IASB, has been omitted or condensed.

These condensed interim financial statements were authorized for issue by the Board of Directors of Starlight U.S. Multi-Family (No. 5) Core GP, Inc., as general partner of the Fund, on November 22, 2016.

As there have been no operations during the period, statements of comprehensive income (loss) and cash flows have not been prepared. These financial statements are presented in United States dollars, which is the functional currency of the Fund and its subsidiaries. These condensed consolidated interim financial statements have been prepared on a historical cost basis.

2. PARTNERS' EQUITY

The beneficial limited partnership interest in the net assets and net income of the Fund is held in one class of units. The Fund is authorized to issue an unlimited number of units in the classes as described above.

Each unitholder is entitled to one vote for each unit held. Each unit entitles the holder to the same rights and obligations as a unitholder and no unitholder is entitled to any privilege, priority or preference in relation to any other holder of units.

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2. PARTNERS' EQUITY (continued)

Carried Interest

The Manager and the President of the Fund, as holders of the class B partnership units of SIP, are entitled to 25% of the excess distributable cash after returning: (i) 6.5% per annum on the initial investment amount contributed, less the aggregate agents fees payable, if any, in respect of the limited partnership units of the Fund calculated on a cumulative basis from the effective date of the Plan of Arrangement (the "Minimum Return"); and (ii) the return of the initial investment amount contributed for limited partnership units of the Fund pursuant to the Plan of Arrangement and the Offering, less the aggregate agents fees payable.

In the event that the Minimum Return is not received by unitholders of the Fund, an amount of up to 20% of the deemed value, net of taxes payable, paid as a carried interest in connection with the Plan of Arrangement shall be payable to the Fund.

3. COMMITMENTS

The Fund, the U.S. REIT, together with other subsidiaries of the Fund, entered into a management agreement (the "Management Agreement") with the Manager dated October 15, 2016. Pursuant to the terms of the Management Agreement, the Manager was appointed as the sole and exclusive manager of the affairs of the Fund to provide the Fund, the U.S. REIT and other Fund subsidiaries, with the strategic, advisory, asset management, property management, leasing, construction management and administrative services necessary to manage the day-to-day operations of the Fund and its properties.

The services to be provided by the Manager under the terms of the Management Agreement include: (i) the structuring of the Fund and its subsidiaries; (ii) liaising with legal and tax counsel; (iii) identifying properties for acquisition; (iv) maintaining ongoing relationships with the lenders in respect of the mortgage loans for the Fund's properties; (v) conducting continuous analysis of market conditions to monitor the Fund's indirect investment in its properties; (vi) advising subsidiaries of the Fund with respect to the disposition of its properties; (vii) providing investor communication and reporting services to the Fund; and (viii) doing all such other acts or things and entering into agreements or documents on behalf of the Fund to seek to achieve the investment objectives of the Fund.

In connection with the provision of the services to be provided, the Fund or a subsidiary of the Fund will pay the following fees to the Manager:

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3. COMMITMENTS (continued)

- (a) a base annual management fee calculated monthly and payable in arrears in an amount that is equal to 0.35% of the sum of: (i) the appraised values of the properties acquired in connection with the Existing Portfolio, or in the case of the New Portfolio or future acquisitions, the purchase price of such properties in U.S. dollars; and (ii) the cost of any capital expenditures in respect of the Fund's properties since the date of their indirect acquisition by the Fund, plus an amount for each fiscal quarter equal to the service fee paid by the Manager;
- (b) an acquisition fee to be paid in full upon the completion of the purchase of each Fund property and equal to: (i) 1.00% of the purchase price paid by the applicable Fund subsidiary for the purchase of a property on the first \$100,000,000 of properties acquired in each calendar year; (ii) 0.75% of the purchase price paid by the applicable Fund subsidiary for the purchase of a property, on the next \$100,000,000 of properties acquired in each calendar year; and (iii) 0.50% of the purchase price paid by the applicable Fund subsidiary for the purchase of a property, on properties in excess of \$200,000,000 acquired in each calendar year; and
- (c) in consideration for providing any financing guarantees in connection with the amount borrowed by the Fund or a Fund subsidiary to indirectly acquire interests in properties, an annual amount equal to 0.15% of the then-outstanding amount of such guaranteed funds, which guarantee fee shall be calculated and payable on a monthly basis in arrears on the first day of each month.

In addition, if there occurs any amalgamation, merger, arrangement, take-over bid, material transfer or sale of units or rights or other securities of the Fund or interest therein or thereto, or sale of all or substantially all of the properties indirectly held by the Fund, or similar transaction involving the Fund or a subsidiary of the Fund (other than in connection with an internal reorganization, an initial public offering of all or substantially all of such properties, or a transaction with the Manager or any of its affiliates as the purchaser), whether in one transaction or series of transactions (collectively, the "Disposition Transaction"), the Manager will be entitled to a disposition fee equal to 0.50% of the value of such Disposition Transaction up to a maximum of \$5,500,000, provided that no such disposition fee is payable unless the value of such Disposition Transaction is greater than the aggregate appraised value, at the time of acquisition by the Fund, of the Existing Portfolio and the New Portfolio, converted into Canadian dollars using the effective exchange rate.

4. SUBSEQUENT EVENTS

On October 15, 2016, the Plan of Arrangement was completed.

On October 18, 2016, the Fund completed the Offering for aggregate gross proceeds of \$47,019,569 by issuing limited partnership units comprised of 1,995,760 class A units, 500,000 class C units, 1,461,100 class D units, 436,500 class E units, 1,488,850 class F units and 120,450 class U units at a price of C\$10.00 per class A unit, class C unit, class D unit and class F unit and

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4. SUBSEQUENT EVENTS (continued)

\$10.00 per class E and class U unit. In connection to the Offering, agents' fees of \$1,928,753 were incurred. The class A units and class U units distributed under the Offering were listed on the TSX Venture Exchange (the "Exchange") under the symbols STUS.A and STUS.U, respectively.

On October 18, 2016, the Fund completed the acquisition of South Blvd Apartments located in Las Vegas, Nevada which property is comprised of 320 multi-family residential units for \$53,600,000, which was satisfied by approximately \$18,800,000 in cash from the proceeds of the Offering and new mortgage financing in the amount of \$34,800,000.

On October 19, 2016, the Fund entered into a credit facility agreement (the "Credit Facility") with a Canadian chartered bank with a maturity date of October 19, 2017 and which is secured by a general charge over all of the Fund's properties, assets and undertakings which is subordinate to any permitted liens. The Credit Facility has two tranches: Tranche A allows the Fund to borrow up to C\$10,000,000 Canadian dollars; and Tranche B allows the Fund to borrow up to C\$13,000,000 Canadian dollars. Both tranches consist of interest and fees payable on the first day of every month in arrears, up to and including the maturity date, at either the prime rate plus a weighted average of 3.39% over the life of the Credit Facility or the banker's acceptance ("BA") stamping fee plus a weighted average of 4.39% over the life of the Credit Facility. As at November 22, 2016, the Fund had utilized the BA stamping fee option to draw down C\$10,000,000 Canadian dollars from Tranche A and C\$2,000,000 Canadian dollars from Tranche B.

On October 20, 2016, the Fund completed the acquisition of The Views at Coolray Field located in Atlanta, Georgia which property is comprised of 206 multi-family residential units for \$35,600,000, which was satisfied by approximately \$12,525,000 in cash from the proceeds of the Offering and new mortgage financing in the amount of \$23,075,000.

On October 26, 2016, the Fund announced that the Exchange had accepted the Fund's notice of intention to make a normal course issuer bid (the "Issuer Bid"). Under the Issuer Bid, the Fund may purchase for cancellation up to a maximum of 2,042,526 class A units and 268,912 class U units, representing 10% of the Fund's public float of class A units and class U units, respectively. The Fund may not purchase more than 2% of the issued and outstanding class A units or class U units during any 30 day period, which as at October 21, 2016 represented 417,231 class A units and 54,066 class U units, respectively. The Issuer Bid commenced on November 1, 2016 and will remain in effect until the earlier of (i) October 31, 2017 and (ii) the date on which the Fund has purchased the maximum number of units permitted under the Issuer Bid. As of November 22, 2016 the Fund had purchased 111,300 class A units of the Fund through the Issuer Bid at a total cost of C\$981,144 Canadian dollars.

On October 31, 2016, the Fund completed the acquisition of City North at Sunrise Ranch located in Austin, Texas which property is comprised of 384 multi-family residential units for \$52,200,000, which was satisfied by approximately \$9,204,000 in cash from proceeds of the Offering, approximately \$7,500,000 drawn from the Credit Facility and new mortgage financing in the amount of \$35,496,000.

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4. SUBSEQUENT EVENTS (continued)

On November 21, 2016, the Fund completed a pooled refinancing on five of its properties for gross proceeds of \$171,679,000, at a rate of one-month LIBOR plus 2.40% (effectively as of November 21, 2016 – 2.95%). The proceeds were used to repay all of the existing debt on the five properties, as well as to repay additional mezzanine loans on three other properties. The total loans repaid were approximately \$166,542,000 and had a weighted average interest rate of 3.89%. The weighted average term of all loans repaid was approximately eleven months and the pooled refinancing has a term of five years plus a one year extension at the option of the Fund.