STARLIGHT U.S. MULTI-FAMILY (NO. 5) CORE FUND ANNOUNCES FOURTH QUARTER AND 2017 FINANCIAL RESULTS, SAME PROPERTY NOI GROWTH OF 4% FOR 2017 AND ENHANCED PORTFOLIO GEOGRAPHICAL DIVERSIFICATION

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Toronto – **March 7, 2018** – Starlight U.S. Multi-Family (No. 5) Core Fund (TSX.V: STUS.A, STUS.U) (the "Fund") announced today its results of operations and financial condition for the three months ended December 31, 2017 (the "Fourth Quarter") and for the year ended December 31, 2017 ("2017"). The Fund commenced operations on October 18, 2016 after the exchange of limited partnership units ("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, and Starlight U.S. Multi-Family (No. 4) Core Fund (collectively the "Arrangement Funds") and common shares of Campar Capital Corporation for units of the Fund following the closing of its initial public offering (the "Offering").

All amounts in this press release are in thousands of United States (U.S.) dollars except for average market rent ("AMR") or unless otherwise stated. All references to "C$" are to Canadian dollars. The forecast figures represent the financial forecast (the "Forecast") as set out in Fund's final long form prospectus dated October 12, 2016.

Highlights for the Fourth Quarter and 2017

- Overall, the Fund continued its program to strategically recycle capital into new properties intended to improve the vintage of its portfolio and enhance its geographical diversification:
  - Disposed of three properties in Houston, Texas (including two smaller assets of 126 and 114 suites), totaling 540 suites with an average vintage of 2010 and one smaller property (176 suites) in Charlotte, North Carolina, for a total of 716 suites.
  - Reinvested the proceeds of sales on a tax-deferred basis to acquire properties in Denver, Colorado (2014 vintage, 228 suites), Phoenix, Arizona (2012 vintage, 274 suites), Nashville, Tennessee (2015 Vintage, 288 suites) and Dallas, Texas (2016 vintage, 261 suites), totaling 1,051 suites.
  - Increased the Fund's portfolio by 335 suites, with the fund making its first investments in the high growth markets of Denver, Phoenix and Nashville.

- Entered into a variable rate collar contract to provide protection from the impact of any potential weakening of the U.S. dollar on the Fund's Canadian dollar distributions. The 12-month contract that began in March of 2017 allows the Fund to exchange U.S. funds each month within a range of C$1.33 to C$1.3850 to fund Canadian dollar distributions.

- Recognized a $100,670 fair value increase on its properties during 2017. The increase was driven by capitalization rate compression and net operating income ("NOI") increases across the portfolio.

- Extended the term of its credit facility to October 19, 2018 and reduced the interest rate to prime rate plus 2.15% or the banker's acceptance stamping fee plus 3.15%. The Fund completed several mortgage refinancing's 2017, resulting in additional net proceeds of $34,310.

- Revenue from property operations during the Fourth Quarter was $25,486 (three months ended December 31, 2016 - $19,679) reflecting growth from acquisitions and revenue growth across the portfolio and revenue from property operations for 2017 was $99,872 (period from August 26, 2016 to December 31, 2016 - $19,679).

- Same property AMR as at December 31, 2017 increased by 1.5% to $1,187 from $1,170 at December 31, 2016, reflecting strong growth in Orlando / Tampa (4.4%), Raleigh (2.8%) and Atlanta (2.1%). Same property economic occupancy for 2017 decreased by 30 basis points to 93.0%, compared to the same period in 2016.

- Same property NOI for 2017 at $39,448 was a 4.0% increase over the corresponding period in 2016 and the NOI margin at 57.3% was a 100-basis point improvement.

- Net income (loss) and comprehensive income (loss) for the Fourth Quarter was $45,307 (three months ended December 31, 2016 – ($7,898)) primarily due to a deferred tax recovery during the Fourth Quarter.

- Net income and comprehensive income for 2017 was $93,860, largely driven by fair value increases during the year.

- Adjusted funds from operations ("AFFO") for the Fourth Quarter was $6,634 (three months ended December 31, 2016 – $5,649) and for the 2017 was $26,817 (period from August 26, 2016 to December 31, 2016 – $5,649). AFFO payout ratio was 92.7% for the Fourth Quarter (three months ended December 31, 2016 – 90.4%) and 91.6% for 2017 (period from August 26, 2016 to December 31, 2016 – 90.4%).

Reconciliation of cash provided by operating activities determined in accordance with International Financial Reporting Standards ("IFRS") to AFFO for the Fourth Quarter and 2017 along with comparative 2016 periods was as follows**:**

	Fourth Quarter	Three months ended December 31, 2016	2017	Period from August 26 to December 31, 2016
Cash provided by operating activities	$ 11,222	$ 8,306	$ 49,880	$ 8,306
Less: interest paid	(6,725)	(4,099)	(23,651)	(4,099)
Cash provided by operating activities - including interest paid	4,497	4,207	26,229	4,207
Add / (Deduct):				
Change in non-cash operating working capital	(1,084)	(5,918)	(1,719)	(5,918)
Change in restricted cash	1,122	(3,148)	4,367	(3,148)
One-time Plan of Arrangement costs	-	6,633	152	6,633
Fair value adjustment of investment properties including IFRIC 21	2,627	4,629	(634)	4,629
Realized foreign exchange gain	(114)	(444)	(18)	(444)
Current taxes - U.S. withholding taxes	12	10	48	10
Amortization of financing costs (1)	6	-	6	-
Service fees related to class A and class U units	154	134	628	134
Sustaining capital expenditures and suite renovation reserve	(586)	(454)	(2,242)	(454)
AFFO	$ 6,634	$ 5,649	$ 26,817	$ 5,649

(1) For portion relating to held for sale properties, The Reserve at Jones Road and Villages at Sunset Ridge only.

Property Highlights for the Fourth Quarter and 2017 include the comparative period in which the properties were owned by the Arrangement Funds:

- Portfolio AMR as at December 31, 2017 increased by 2.5% to $1,196 from $1,167 at December 31, 2016, driven by the strong increases in Dallas (6.3%), Charlotte / Raleigh (5.5%) and Orlando / Tampa (4.4%). Economic occupancy for 2017 decreased by 80 basis points to 92.3%, compared to the same period in the 2016.

- Same property NOI at $11,075 for the Fourth Quarter was a 1.2% increase over the corresponding period in 2016 and the same property NOI margin at 57.6% was a 30-basis point decrease from the period in 2016.

- NOI at $15,030 for the Fourth Quarter was a 10.8% increase over the corresponding period in 2016 and the same property NOI margin at 59.0% represented a 110-basis point increase from the same period in 2016.

- NOI for 2017 at $57,213 was a 21.8% increase over the corresponding period in 2016 and the NOI margin at 57.3% was a 120-basis point improvement.

Evan Kirsh, President of Starlight U.S. Multi-Family commented, "The Fund achieved its strategic goal of enhancing geographical diversification and improving the overall vintage of its assets in 2017. We successfully entered three new markets, Phoenix, Denver and Nashville while ensuring that all properties in the portfolio are economically sized to maximize operating efficiencies.

Financial Condition and Operating Results

		As at December 31, 2017	As at December 31, 2016
Operational Information			
Number of properties		23	23
Total suites		7,127	6,792
Weighted average portfolio occupancy %		91.8%	93.1%
AMR (in actual dollars)		$ 1,196	$ 1,167
AMR per square foot (in actual dollars)		$ 1.25	$ 1.21
Summary of Financial Information			
Gross book value [(1)]		$1,267,840	$1,056,414
Indebtedness		$808,989	$691,090
Indebtedness to gross book value [(2)]		63.81%	65.42%
Weighted average mortgage interest rate		3.60%	2.90%
Weighted average mortgage term to maturity		4.16 years	4.23 years
	Fourth Quarter [(3)]	**2017 [(3)]**	**Period from August 26 to December 31, 2016 [(4)]**
Summary of Financial Information			
Revenue from property operations	$25,486	$99,872	$19,679
Property operating costs	$6,997	$26,760	$5,241
Property taxes [(5)]	$3,459	$15,899	$3,027
NOI	$15,030	$57,213	$11,411
Net income (loss) and comprehensive income (loss)	$45,307	$93,860	($7,898)
Funds from operations ("FFO")	$6,592	$23,209	($1,854)
FFO per unit - basic and diluted	$0.13	$0.47	($0.04)
AFFO	$6,634	$26,817	$5,649
AFFO per unit - basic and diluted	$0.14	$0.55	$0.11
Interest coverage ratio	2.06 x	2.19 x	2.99 x
Indebtedness coverage ratio	1.89 x	2.00 x	2.84 x
FFO payout ratio	93.3%	105.8%	n/a
AFFO payout ratio	92.7%	91.6%	90.4%
Weighted average units Outstanding (000s) - basic and diluted	49,024	49,101	49,469

Notes:
(1) Includes Villages at Sunset Ridge held for sale as of December 31, 2017.
(2) Defined as indebtedness divided by gross book value.
(3) Revenue from property operations, property operating costs and property taxes include amounts relating to The Reserve at Jones Road and Villages at Sunset Ridge which were held for sale during 2017.
(4) Includes the properties included in the Arrangement Funds from October 18, 2016 and properties acquired from the date of acquisitions (South Blvd Apartments - October 18, 2016, The Views at Coolray Field - October 20, 2016 and City North at Sunrise Ranch - October 31, 2016).
(5) Property taxes were adjusted to exclude the IFRIC 21 adjustment and treat property taxes as an expense that is amortized during the fiscal year for purposes calculating NOI.

Financial Position

As at December 31, 2017, the Fund's indebtedness to gross book value was 63.8%, a reduction from 65.4% as at December 31, 2016. The Fund maintained a strong interest coverage ratio and indebtedness coverage ratio of 2.19 times and 2.00 times respectively for 2017 representing a reduction from 2.99 times and 2.84 times for the period from August 26, 2016 to December 31, 2016 due mainly to increases in U.S. 30-day London Interbank Offering Rate ("LIBOR") throughout 2017. The weighted average interest rate on the Fund's mortgages payable was 3.60% and the weighted average term to maturity was 4.16 years as at December 31, 2017.

Subsequent Events

On January 31, 2018, the Fund refinanced five properties for gross proceeds of $36,477 through a revolving credit facility secured by the properties with a term of five years with a one-year extension option at the Fund's discretion and at an interest rate of U.S. one-month LIBOR plus 2.00%. The revolving credit facility allows for up to $350,000 of proceeds of which the Fund has utilized $258,614.
The Fund utilized the proceeds to repay the mezzanine loan on The Callie Apartments of $6,418 and acquire Altis at Sand Lake for $69,300, a 315-suite property completed in 2016 and located in Orlando, Florida. The acquisition of Altis at Sand Lake was from an affiliate of Starlight Group Property Holdings Inc., a related party and the manager of the Fund. The acquisition of Altis at Sand Lake was financed with proceeds from the new revolving credit facility.

On February 13, 2018, the Fund sold The Villages at Sunset Ridge for $29,500 less transaction costs of $342. The proceeds from the sale were used to repay the outstanding mortgage balance of $21,695 with the remainder expected to be utilized on a tax-deferred basis for a future acquisition.

Subsequent to the acquisition of Altis at Sand Lake and the disposition of Sunset Ridge, the Fund's portfolio had an average year of completion of 2012.

On March 2, 2018 the Fund entered into a new variable rate collar contract to provide protection from the impact of any potential weakening of the U.S. dollar on the Fund's Canadian dollar distributions. The 9-month contract which will begin in April 2018 allows the Fund to exchange U.S. funds each month within a range of C$1.2700 to C$1.3220.

About Starlight U.S. Multi-Family (No. 5) 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 currently owns 23 properties, consisting of 7,185 suites with an average year of completion in 2012.

For the Fund's complete consolidated financial statements and management's discussion and analysis ("MD&A") for the Fourth Quarter and 2017, and any other information relating to the Fund, please visit 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 March 2018 Newsletter which is available on the Fund's profile at www.starlightus.com.

Non-IFRS Financial Measures

The Fund's consolidated financial statements are prepared in accordance with IFRS. Certain terms used in this press release including AFFO, AFFO payout ratio, AMR, economic occupancy, FFO, FFO payout ratio, gross book value, indebtedness, indebtedness coverage ratio, indebtedness to gross book value, interest coverage ratio, NOI, same property AMR, same property economic occupancy, same property NOI and same property NOI margin (collectively, the "non-IFRS measures") as well as other measures discussed elsewhere in this press release, do not have a standardized definition prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other reporting issuers. The Fund uses these measures to better assess the Fund's underlying performance and financial position and provides these additional measures so that investors may do the same. Details on non-IFRS measures are set out in the Fund's MD&A for 2017 and are available on the Fund's profile on SEDAR at www.sedar.com.

To learn more about Starlight U.S. Multi-Family (No. 5) Core Fund, visit www.starlightus.com or contact:

Evan Kirsh	**Martin Liddell**
President	Chief Financial Officer
Starlight U.S. Multi-Family	Starlight U.S. Multi-Family
+1-647-725-0417	+1-647-729-2588
ekirsh@starlightus.com	mliddell@starlightinvest.com

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