

STARLIGHT U.S. MULTI-FAMILY (NO. 2) CORE PLUS FUND ANNOUNCES Q1-2025 RESULTS INCLUDING YEAR-OVER- YEAR NOI GROWTH OF 4.1%

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Toronto – May 29, 2025 – Starlight U.S. Multi-Family (No. 2) Core Plus Fund (TSXV: SCPT.A and SCPT.U) (the “Fund”) announced today its results of operations and financial condition for the three months ended March 31, 2025 (“Q1-2025”). Certain comparative figures are included for the Fund’s financial and operational performance as at December 31, 2024 and for the three months ended March 31, 2024 (“Q1-2024”).

All amounts in this press release are in thousands of United States (“U.S.”) dollars except for average monthly rent (“AMR”) or unless otherwise stated. All references to “C\$” are to Canadian dollars.

“The Fund owns a high-quality, well located and diversified portfolio of multi-family communities which achieved net operating income growth of 4.1% for Q1-2025,” commented Evan Kirsh, the Fund’s President. “The Fund continues to focus on increasing net operating income at its properties through active asset management, navigating the current challenging capital markets environment and focusing on managing the Fund’s liquidity and loan extensions.”

Q1-2025 HIGHLIGHTS

- Revenue from property operations and net operating income (“NOI”)¹ for Q1-2025 was \$5,435 and \$3,414 (Q1-2024 - \$5,346 and \$3,279), respectively, representing an increase of 1.7% and 4.1% relative to Q1-2024 demonstrating the Fund’s resilient operating performance.
- The Fund reported a net loss and comprehensive loss attributable to unitholders for Q1-2025 of \$10,922 (Q1-2024 - \$3,370). The Fund reported a fair value loss on investment properties during Q1-2025 primarily due to the expansion of capitalization rates used to value the Fund’s investment properties (see “Future Outlook”).
- The Fund completed 5 in-suite light value-add upgrades at Summermill at Falls River (“Summermill”) during Q1-2025, which generated an average rental premium of \$212 and an average return on cost of approximately 18.4%.
- The Fund achieved economic occupancy¹ of 94.5% during Q1-2025 and as at May 28, 2025, had collected approximately 99.3% of rents for Q1-2025, with further amounts expected to be collected in future periods, demonstrating the Fund’s high quality resident base and operating performance.
- For Hudson at East (“Hudson”) and Summermill Apartments, certain extension conditions for the applicable loans payable secured by such properties were not achieved as of the initial maturity date of May 7, 2025. The Fund continues to actively engage in negotiations with the respective lenders to pursue a modification and longer-term extension of these loans (see “Future Outlook”).

¹ This metric is a non-IFRS measure. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS (see “Non-IFRS Financial Measures and Reconciliations”).



FINANCIAL CONDITION AND OPERATING RESULTS

Highlights of the financial and operating performance of the Fund as at March 31, 2025 and for Q1-2025, including a comparison to December 31, 2024 and Q1-2024, as applicable, are provided below:

	March 31, 2025	December 31, 2024
Key multi-family operational information		
Number of multi-family properties owned	3	3
Total multi-family suites	995	995
Economic occupancy ⁽¹⁾	94.5%	93.8%
Physical occupancy ⁽¹⁾⁽²⁾	94.1%	94.2%
AMR (in actual dollars) ⁽²⁾	\$ 1,732	\$ 1,734
AMR per square foot (in actual dollars)	\$ 1.72	\$ 1.72
Estimated gap to market versus in-place rents ⁽²⁾	5.2%	(0.2)%
Selected financial information		
Gross book value ⁽²⁾	\$ 282,200	\$ 290,800
Indebtedness ⁽²⁾	\$ 260,541	\$ 258,619
Indebtedness to gross book value ⁽²⁾	92.3%	88.9%
Weighted average interest rate - as at period end ⁽³⁾	6.89%	6.81%
Weighted average loan term to maturity ⁽³⁾	0.23 years	1.06 years
	Q1-2025	Q1-2024
Summarized income statement		
Revenue from property operations	\$ 5,435	\$ 5,346
Property operating costs	(1,444)	(1,403)
Property taxes ⁽⁴⁾	(577)	(664)
Adjusted Income from Operations / NOI	3,414	3,279
Fund and trust expenses	(394)	(388)
Finance costs ⁽⁵⁾	(4,979)	(5,391)
Other income and expense ⁽⁶⁾	(8,963)	(870)
Net loss and comprehensive loss - attributable to unitholders	\$ (10,922)	\$ (3,370)
Other selected financial information		
Funds from operations ("FFO") ⁽²⁾	\$ (1,720)	\$ (1,800)
FFO per unit - basic and diluted	(0.16)	(0.17)
Adjusted funds from operations ("AFFO") ⁽²⁾	(704)	(588)
AFFO per unit - basic and diluted	(0.06)	(0.05)
Weighted average interest rate - average during period ⁽²⁾	6.91%	6.53%
Interest and indebtedness coverage ratio ⁽²⁾⁽⁷⁾	0.82x	0.84x
Weighted average units outstanding - basic and diluted (000s)	10,902	10,902

⁽¹⁾ Economic occupancy for Q1-2025 and Q1-2024 and physical occupancy as at the end of each applicable reporting period.

⁽²⁾ This metric is a non-IFRS measure. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS (see "Non-IFRS Financial Measures and Reconciliations"). The decrease in AFFO, interest coverage ratio and indebtedness coverage ratio from Q1-2024 to Q1-2025 is primarily due to the increases in interest costs (excluding any accrued interest costs payable upon maturity of the applicable loans payable), partially offset by increases in NOI. The increased interest costs noted are primarily due to the higher indebtedness outstanding. The AFFO, interest coverage ratio and indebtedness coverage ratio presented herein exclude \$793 of interest costs for Q1-2025 or debt service shortfall funding from applicable lenders which are payable upon maturity of the applicable loan payable.

⁽³⁾ The weighted average interest rate on loans payable is presented as at March 31, 2025 based on one-month term Secured Overnight Financing Rate ("Term SOFR") as at that date, subject to any interest rate caps in place. The increase in Fund's weighted average interest rate to 6.89% during Q1-2025 is primarily due to an increase in the indebtedness for the promissory note and Summermill loan payable. The weighted average term to maturity ("WATM") presented as at March 31, 2025 assumes the Fund has not utilized the one-year extension option of certain loans payable which were subject to achieving certain conditions to utilize such extension options on the initial maturity date on May 7, 2025 which the Fund did not achieve ("Future Outlook" for details on the Fund's continued negotiation of a modification and extension for these loans payable). The comparative figures as at December 31, 2024 are presented assuming the extension options available at that point in time had been utilized resulting in the WATM of 1.06 years (whereby assuming such extension options were not assumed to be exercised. The WATM as at Q4-2024 would have been 0.47 years).

⁽⁴⁾ Property taxes include the IFRIC 21 fair value adjustment and treats property taxes as an expense that is amortized during the fiscal year for the purpose of calculating NOI. These amounts have been reported under property taxes under the Fund's condensed consolidated interim financial statements for the applicable reporting periods.

⁽⁵⁾ Finance costs include interest expense on loans payable, non-cash amortization of deferred financing and fair value changes in derivative financial instruments.

⁽⁶⁾ Includes dividends to preferred shareholders, unrealized foreign exchange gain (loss), realized foreign exchange gain (loss), fair value adjustment of investment properties, provision for carried interest and deferred income taxes.

⁽⁷⁾ The Fund's interest coverage ratio and indebtedness coverage ratio were both 0.82x during Q1-2025, with the Fund's operating results offset by increases in the Fund's interest costs as a result of the Fund utilizing a variable rate debt strategy which allows the Fund to maintain maximum flexibility for the potential sale of the Fund's properties at the end of, or during, the Fund's term. These calculations exclude \$793 of interest costs or debt service shortfall funding for Q1-2025 as these amounts are accrued and payable only at maturity of the applicable loan payable. The Fund also had interest rate caps, swaps or fixed rate debt in place as at March 31, 2025 which in certain instances protect the Fund from increases Term SOFR beyond stipulated levels on its mortgages at the properties. The Fund continues to monitor interest coverage ratio and indebtedness coverage ratio with the goal of preserving liquidity.

NON-IFRS FINANCIAL MEASURES AND RECONCILIATIONS

The Fund's condensed consolidated interim financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS"). Certain terms that may be used in this press release such as AFFO, AMR, adjusted net income and comprehensive income, cash provided by operating activities including interest costs, economic occupancy, estimated gap in market versus in-place rents, FFO, gross book value, indebtedness, indebtedness coverage ratio, indebtedness to gross book value, interest coverage ratio and NOI (collectively, the "Non-IFRS Measures") as well as other measures discussed elsewhere in this press release, are not measures defined under IFRS as prescribed by the International Accounting Standards Board, do not have standardized meanings prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures as reported by other issuers. The Fund uses these measures to better assess its underlying performance and financial position and provides these additional measures so that investors may do the same. Information on the most directly comparable IFRS measures, composition of the Non-IFRS Measures, a description of how the Fund uses these measures, and an explanation of how these Non-IFRS Measures provide useful information to the investors are set out in the Fund's management's discussion and analysis ("MD&A") in the "Non-IFRS Financial Measures" section for Q1-2025 and are available on the Fund's profile on SEDAR+ at www.sedarplus.ca, which is incorporated by reference into this press release.

A reconciliation of the Fund's interest coverage ratio and indebtedness coverage ratio are provided below:

Interest and indebtedness coverage ratio	Q1-2025	Q1-2024
Net loss and comprehensive loss	\$ (10,922)	\$ (3,370)
Add / (deduct): non-cash or one-time items and distributions ⁽¹⁾	9,488	2,124
Adjusted net loss and comprehensive loss ⁽²⁾	(1,434)	(1,246)
Interest and indebtedness coverage ratio ⁽³⁾⁽⁴⁾⁽⁵⁾	0.82x	0.84x

⁽¹⁾ Comprised of unrealized foreign exchange gain (loss), deferred income taxes, amortization of financing costs, fair value adjustment on derivative instruments and fair value adjustment on investment properties.

⁽²⁾ This metric is a non-IFRS measure. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS (see "Non-IFRS Financial Measures and Reconciliations").

⁽³⁾ Interest coverage ratio is calculated as adjusted net loss and comprehensive loss plus interest expense, divided by interest expense.

⁽⁴⁾ Indebtedness coverage ratio is calculated as adjusted net loss and comprehensive loss plus interest expense, divided by interest expense and mandatory principal payments on the Fund's loans payable.

⁽⁵⁾ These calculations exclude \$793 of interest costs or debt service shortfall funding for Q1-2025 as these amounts are accrued and payable only at maturity of the applicable loan payable.

The Fund's interest coverage ratio and indebtedness coverage ratio were both 0.82x during Q1-2025, as there were no principal payments paid or required to be paid during the period and the Fund having the ability to defer a portion of interest costs which are excluded from the calculations above amounting to \$793 for Q1-2025 as these amounts are payable at maturity of the applicable loan. The Fund continues to actively monitor the interest rate environment and any associated impact this may have on the Fund's financial performance. Operating results for the Fund's properties have remained stable and any shortfalls in debt service ratios are funded from cash on hand, including any proceeds from financing activities as applicable.

The Fund also utilizes interest rate caps, swaps or fixed rate debt in certain instances to limit the potential impact on the Fund's financial performance from any increases in Term SOFR beyond stipulated levels. As at March 31, 2025, the Fund's weighted average rate was 6.89%.

CASH PROVIDED BY OPERATING ACTIVITIES RECONCILIATION TO FFO and AFFO

The Fund was formed as a "closed-end" limited partnership with an initial term of three years, which was extended to March 31, 2026 on November 18, 2024, a targeted yield of 4.0% and a pre-tax targeted total annual return of 11% across all classes of units of the Fund.

Basic and diluted AFFO and AFFO per unit for Q1-2025 were \$(704) and \$(0.06), respectively (Q1-2024 - \$(588) and \$(0.05)), representing a decrease in AFFO of \$116 or 19.7% and a decrease in AFFO per Unit of \$0.01 relative to Q1-2024, primarily as a result of higher interest cost, partially offset by increases in the Fund's NOI and \$793 (Q1-2024 - \$710) of accrued interest costs payable upon maturity of the applicable loan payable included in interest costs during Q1-2025 which have been added back for the purposes of calculating AFFO.

A reconciliation of the Fund's cash provided by operating activities determined in accordance with IFRS to FFO and AFFO for Q1-2025 and Q1-2024 is provided below:

	Q1-2025	Q1-2024
Cash provided by operating activities	\$ 2,919	\$ 3,313
Less: interest costs	(4,442)	(4,128)
Cash used in operating activities - including interest costs⁽¹⁾	(1,523)	(815)
Add / (deduct):		
Change in non-cash operating working capital	31	(485)
Change in restricted cash	62	57
Amortization of financing costs	(290)	(557)
FFO	(1,720)	(1,800)
Add / (deduct):		
Amortization of financing costs	290	557
Vacancy costs associated with the suite upgrade program	7	19
Sustaining capital expenditures and suite renovation reserves	(74)	(74)
Accrued interest costs ⁽²⁾	793	710
AFFO	\$ (704)	\$ (588)

⁽¹⁾ This metric is a non-IFRS measure. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS (see "Non-IFRS Financial Measures and Reconciliations").

⁽²⁾ These amounts represent interest costs that are deferred and payable only at maturity of the applicable loan payable.

FUTURE OUTLOOK

Since early 2022, concerns over elevated levels of inflation have resulted in a significant increase in interest rates with the U.S. Federal Reserve raising the Federal Funds Rate by approximately 525 basis points. During the third quarter of 2024, the U.S. Federal Reserve reduced the Federal Funds Rate by 50 basis points and in November and December 2024, respectively, reduced the rate by a further 25 basis points during each such period leading to a rate of approximately 425 basis points as at the date of this press release. Short-term interest rate increases typically lead to increases in borrowing costs for the Fund, reducing cash flow, given that the Fund primarily employs a variable rate debt strategy due to the Fund's initial three-year term in order to provide maximum flexibility upon the eventual sale of the properties during or at the end of the Fund's term. Similarly, as interest rates drop, the Fund's floating rate debt can benefit from such reductions. Historically, investments in multi-family properties have provided an effective hedge against inflation given the short-term nature of each resident lease which has been somewhat reflected in the rent growth achieved at the properties.

Although inflation has reduced significantly from its peak, markets and the Federal Reserve continue to closely monitor inflation and unemployment figures as well as the potential impacts of anticipated changes to legislation and regulation resulting from the current U.S. administration that may impact the future outlook for interest rates. Although operating fundamentals have been favourable as evidenced by the operating results achieved by the Fund since 2023 and although short-term rates began declining in 2024 providing some benefit to the short-term cash flow of the Fund, long-term U.S. treasuries have continued to be volatile, increasing from approximately 3.80% as at September 30, 2024 to 4.57% as at December 31, 2024, before decreasing to 4.23% as at March 31, 2025. Capitalization rates typically correlate over time to changes in long-term interest rates with the noted increase in long-term U.S. treasury yields reducing investment transaction volumes throughout 2024 and into Q1-2025 which negatively impacted the Fund's Q4-2024 appraised values for the investment properties and also resulted in a reduction in the reported values for the Fund's investment properties for Q1-2025 due to an expansion in capitalization rates.

The Fund strives to maintain strong and collaborative relationships with its lenders but the elevated level of interest rates and associated impact on capitalization rates mentioned above had a negative impact on the Fund's overall leverage position and debt service coverage ratios, both of which are typical financial benchmarks required to extend certain loans and as a result, these changes have impacted the Fund's ability to exercise certain extension options available under existing loans payable. As at March 31, 2025, \$260,541 of the Fund's loans payable (relating to the three properties owned) had contractual maturity dates within twelve months of March 31, 2025 whereby the Fund has the option to extend such loans with the existing lenders subject to such loans achieving certain conditions (including maximum leverage and minimum debt service

coverage ratios as noted). For Hudson and Summermill, certain of these extension conditions were not achieved as of the initial maturity date of May 7, 2025. The Fund continues to actively engage in negotiations with the respective lenders to pursue a modification and longer-term extension of these loans. Under the terms of each applicable loan agreement, the Fund has the right to make a principal repayment towards such loan in order to achieve the extension tests that otherwise may not be achieved. Given the Fund was formed as a "closed-end" investment vehicle, the Fund is restricted from raising any additional equity, which may have otherwise assisted in making any principal repayments of the loans payable in order to meet certain extension conditions. In the event the Fund is not able to refinance the loan or if the Fund does not have sufficient liquidity or other sources of capital sufficient to make any such principal repayments required to achieve the applicable loan extension tests and the Fund is not able to otherwise negotiate an extension of such loan, the applicable lender may provide formal notice of an event of default expressing its right to demand repayment of the borrowings relating to such property. Under this scenario, the Fund may be obligated to sell such properties which may not be able to be completed on terms that are acceptable to the Fund or may be required to explore other options in the best economic interests of the Fund in order to discharge its obligations under any of the applicable loan agreements. The Fund's loans payable also do not carry cross-default provisions other than the unsecured loan whereby if one of the Fund's lenders associated with its loans payable declared an event of default that is not remedied by the Fund, the unsecured loan lender may provide formal notice of an event of default expressing its right to demand repayment of the outstanding borrowings on the unsecured loan.

For one of the Fund's three properties, the fair value reported for such property as at March 31, 2025 was lower than the principal outstanding under the loan payable secured by such property and as a result, the sale of this property may not be sufficient to repay the loan in full if such sale was required. In certain instances, the lender also holds restricted cash as part of the security for such loans which in a liquidation event may be used to repay any indebtedness required to be repaid by the Fund. The Fund's secured loans are non-recourse subject to standard limited recourse provisions and are entered into by the subsidiaries of the Fund that own only the associated secured property. As a result, the liability for any such loan would typically be limited to the value of the associated secured property, including any restricted cash reserves or other amounts held by the applicable lenders, other than in certain instances which may obligate the Fund to incur certain costs or other amounts subject to certain performance conditions. Under the terms of the unsecured loan, the net proceeds from the sale of any of the Fund's properties are required to be used towards the repayment of the unsecured loan, after the repayment of the associated secured loans for such property.

The primary markets of the Fund, which include Arizona, California, Colorado, Florida, Georgia, Idaho, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Texas, Utah and Washington ("Primary Markets") have seen an elevated level of new supply delivered during 2023 and 2024 which contributed to the deceleration in rent growth in the Primary Markets during late 2023, relative to levels achieved in 2022 and earlier in 2023. Interest rates also continue to remain elevated which, along with higher levels of inflation and a softening in market conditions in late 2023, has significantly disrupted active and new construction of comparable communities in the Primary Markets that would otherwise have been delivered in the second half of 2025 or 2026. This potential reduction in construction may create a temporary imbalance in the supply of comparable multi-suite residential properties in future periods. This imbalance, alongside the continued economic strength and solid fundamentals may be supportive of favourable supply and demand conditions for the properties in future periods and could result in future increases in occupancy and rent growth.

The Fund is actively pursuing negotiations on the extension of each of the Fund's loans payable with the respective lenders and certain modifications noted above as the Fund continues to focus on managing its liquidity position, including having extended the Fund's term to March 2026, in order to provide the Fund the opportunity to capitalize on potential improvements in the investment market that are anticipated in future periods, but may not materialize. Furthermore, the Fund continues to focus on liquidity management as the Fund previously amended several of its loan agreements, deferred the payment of asset management fees and has continued to focus on maximizing NOI at the properties to preserve as much liquidity as possible. There are no assurances that the above aforementioned financing activities and property dispositions will be successfully completed which indicates the existence of a material uncertainty that may cast doubt upon the Fund's ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Fund's condensed consolidated interim financial statements for the three months ended March 31, 2025 do not reflect the

adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that may be necessary if the Fund were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments, if required, may be material.

During this period of capital markets uncertainty, the Fund may also enter into additional financing, evaluate potential asset sales to allow the Fund to maintain sufficient liquidity or evaluate other alternatives in the best economic interests of the unitholders.

Further disclosure surrounding the Future Outlook is included in the Fund's MD&A in the "Future Outlook" section for Q1-2025 under the Fund's profile, which is available on www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws and which reflect the Fund's current expectations regarding future events, including the overall financial performance of the Fund and its properties, the impact of elevated levels of inflation and interest rates, uncertainty surrounding U.S. tariffs, the ability of the Fund to repay indebtedness when due, the Fund's ability to negotiate further extensions with its lenders, the potential implications of a default under loans payable and the Fund's capital management and liquidity measures. Forward-looking information is provided for the purposes of assisting the reader in understanding the Fund's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes.

Forward-looking information may relate to future results, the impact of inflation levels and interest rates, the ability of the Fund to make and the resumption of future distributions, the trading price of the Fund's TSX Venture Exchange listed units being class A units and class U units of the Fund ("Listed Units") and the value of the Fund's unlisted units, which include all units other than the Listed Units, acquisitions, financing, performance, achievements, events, prospects or opportunities for the Fund or the real estate industry and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, occupancy levels, AMR, taxes, and plans and objectives of or involving the Fund. Particularly, matters described in "Future Outlook" are forward-looking information. In some cases, forward-looking information can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "goal", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking statements involve known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities may not be achieved. Those risks and uncertainties include: the extent and sustainability of potential higher levels of inflation and the potential impact on the Fund's operating costs; the impact of any tariffs and retaliatory tariffs on the economy; the pace at which and degree of any changes in interest rates that impact the Fund's weighted average interest rate may occur; the ability of the Fund to make and the resumption of future distributions; the trading price of the Listed Units, changes in government legislation or tax laws which would impact any potential income taxes or other taxes rendered or payable with respect to the properties or the Fund's legal entities; the impact of elevated interest rates and inflation as well as supply chain issues have on new supply of multi-family communities; the realization of property value appreciation and the timing thereof; the extent to which favourable operating conditions achieved during historical periods may continue in future periods; the applicability of any government regulation concerning the Fund's residents or rents; the Fund's ability to continue as a going concern; and the availability of debt financing or ability of the Fund to extend loans as loans payable become due during the Fund's term including any impact such extensions may have on the Fund's ability to hold such properties until Starlight Investments US AM Group LP or its affiliates (the "Manager") desires to sell such properties. A variety of factors, many of which are beyond the Fund's control, affect the operations, performance and results of the Fund and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results.

There are numerous risks and uncertainties which include, but are not limited to, risks related to the units and risks related to the Fund and its business. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as there can be no assurance actual results will be consistent with such forward-looking statements. Although the Fund believes the expectations reflected in such forward-looking information are reasonable and represent the Fund's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Fund's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially from the Fund's expectations include, among other things, the availability of suitable properties for purchase by the Fund, the availability of mortgage financing including the ability of the Fund to refinance or extend existing loans payable on favourable terms including any impact such extensions may have on the Fund's ability to hold such properties until the Manager desires to sell such properties, and general economic and market factors, including interest rates, inflation, business competition and changes in government regulations or in tax laws. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

Information contained in forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the following: the impact of elevated levels of inflation on the Fund's operating costs; the impact of future interest rates on the Fund's financial performance; the availability of debt financing as loans payable become due during the Fund's term and any resulting impact on the Fund's liquidity; the trading price of the Listed Units, the applicability of any government regulation concerning the Fund's residents or rents; the realization of property value appreciation and the timing thereof; the inventory of residential real estate properties; the availability of residential properties for potential future acquisition, if any, and the price at which such properties may be acquired; the ability of the Fund to benefit from any value add program the Fund conducts at certain properties; the price at which the Fund's properties may be disposed and the timing thereof; closing and other transaction costs in connection with the acquisition and disposition of the properties; the extent of competition for residential properties; the impact of interest costs, inflation and supply chain issues have on new supply of multi-family communities; the extent to which favourable operating conditions achieved during historical periods may continue in future periods; the growth in NOI generated from its value-add initiatives; the population of residential real estate market participants; assumptions about the markets in which the Fund operates; expenditures and fees in connection with the maintenance, operation and administration of Fund's properties; the ability of the Manager to manage and operate the properties or achieve similar returns to previous investment funds managed by the Manager; the global and North American economic environment; foreign currency exchange rates; the ability of the Fund to realize the estimated gap in market versus in-place rents through future rental rate increases; and governmental regulations or tax laws. Given this period of uncertainty, there can be no assurance regarding: (a) operations and performance or the volatility of the units; (b) the Fund's ability to mitigate such impacts; (c) credit, market, operational, and liquidity risks generally; (d) the Manager or any of its affiliates, will continue its involvement as asset manager of the Fund in accordance with its current asset management agreement; and (e) other risks inherent to the Fund's business and/or factors beyond its control which could have a material adverse effect on the Fund.

The forward-looking information included in this press release relates only to events or information as of the date on which the statements are made in this press release. Except as specifically required by applicable Canadian securities law, the Fund undertakes no obligation to update or revise publicly any forward-looking information, whether because of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

ABOUT STARLIGHT U.S. MULTI-FAMILY (NO. 2) CORE PLUS FUND

The Fund is a limited partnership formed under the Limited Partnerships Act (Ontario) for the primary purpose of directly or indirectly acquiring, owning and operating a portfolio of value-add, income producing rental properties located in the U.S. multi-family real estate market. The Fund owned interests in three properties, consisting of 995 suites with an average year of construction in 2013.

For the Fund's condensed consolidated interim financial statements and MD&A for the three months ended March 31, 2025 and any other information related to the Fund, please visit www.sedarplus.ca. 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 May 2025 Newsletter which is available on the Fund's profile at www.starlightinvest.com.

Please visit us at www.starlightinvest.com and connect with us on LinkedIn at www.linkedin.com/company/starlight-investments-ltd-.

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