

Starlight™

Newsletter



3641 & 3651 Elliott Road, West Kelowna, BC

Starlight Western Canada Multi-Family (No. 2) Fund

Q4 2025 – For The Three Months Ended December 31, 2025

Starlight Western Canada Multi-Family (No. 2) Fund

Portfolio Composition as of December 31, 2025

Properties	Location	Suites
2036 South Island Highway	Campbell River	51
2338 South Island Highway	Campbell River	70
733 Goldstream Avenue	Langford	60
2699 Peatt Road	Langford	81
1085 Goldstream Avenue	Langford	166
728 Meaford Avenue	Langford	106
5477 200 Street	Langley	57
6035 Linley Valley Drive & 4800 Uplands Drive	Nanaimo	251
5085 Uplands Drive	Nanaimo	59
4745 Ledgerwood Road	Nanaimo	120
2670 Library Lane	North Vancouver	75
155 Moilliet Street	Parksville	74
3400 Centennial Drive	Vernon	60
1803 31A Street	Vernon	43
3641 & 3651 Elliott Road	West Kelowna	140

15 **1,413**

Properties

Total Suites



Investment Strategy

The Fund's investment strategy is focused on achieving stable monthly cash distributions and enhancing earnings from its properties through active asset management. The Fund delivers value based on pricing and local supply and demand trends to achieve the Fund's target metrics by increasing in-place rents to market rents, revenue enhancement through ancillary income opportunities and operating expense reductions as a result of active asset management.

West Kelowna

3641 & 3651 Elliott Road, West Kelowna, BC



Exterior

Property Information

Units	140
Site Area (Acres)	1.84
# of Storeys	4
Year Constructed	2020
# of Parking Stalls	168
Parking Ratio	1.2x
Walk Score	74
Transit Score	46

Langford

1085 Goldstream Avenue, Langford, BC



Exterior

Property Information

Units	166
Site Area (Acres)	2.15
# of Storeys	5
Year Constructed	2019
# of Parking Stalls	169
Parking Ratio	1.0x
Walk Score	40
Transit Score	64

733 Goldstream Avenue, Langford, BC



Exterior

Property Information

Units	60
Site Area (Acres)	0.86
# of Storeys	6
Year Constructed	2020
# of Parking Stalls	60
Parking Ratio	1.0x
Walk Score	83
Transit Score	95

Langford

2699 Peatt Road, Langford, BC



Exterior

Property Information

Units	81
Site Area (Acres)	0.74
# of Storeys	4
Year Constructed	2017
# of Parking Stalls	80
Parking Ratio	1.0x
Walk Score	83
Transit Score	91

728 Meaford Avenue, Langford, BC



Exterior

Property Information

Units	106
Site Area (Acres)	0.9
# of Storeys	6
Year Constructed	2018
# of Parking Stalls	102
Parking Ratio	1.0x
Walk Score	84
Transit Score	89

Langley

5477 200 Street, Langley, BC



Exterior

Property Information

Units	57
Site Area (Acres)	0.86
# of Storeys	4
Year Constructed	2016
# of Parking Stalls	77
Parking Ratio	1.4x
Walk Score	84
Transit Score	62

North Vancouver

2670 Library Lane, North Vancouver, BC



Exterior

Property Information

Units	75
Site Area (Acres)	0.67
# of Storeys	5
Year Constructed	2020
# of Parking Stalls	75
Parking Ratio	1.0x
Walk Score	85
Transit Score	78

Nanaimo Region

2036 South Island Highway, Campbell River, BC



Exterior

Property Information

Units	51
Site Area (Acres)	0.9
# of Storeys	4
Year Constructed	2019
# of Parking Stalls	82
Parking Ratio	1.6x
Walk Score	66
Transit Score	33

2338 South Island Highway, Campbell River, BC



Exterior

Property Information

Units	70
Site Area (Acres)	1.2
# of Storeys	5
Year Constructed	2020
# of Parking Stalls	88
Parking Ratio	1.3x
Walk Score	59
Transit Score	33

155 Moilliet Street, Parksville, BC



Exterior

Property Information

Units	74
Site Area (Acres)	1.5
# of Storeys	4
Year Constructed	2020
# of Parking Stalls	72
Parking Ratio	1.0x
Walk Score	60
Transit Score	89

Nanaimo Region

4745 Ledgerwood Road, Nanaimo, BC



Exterior

Property Information

Units	120
Site Area (Acres)	3.2
# of Storeys	4,5
Year Constructed	2022
# of Parking Stalls	182
Parking Ratio	1.5x
Walk Score	59
Transit Score	44

5085 Uplands Drive, Nanaimo, BC



Exterior

Property Information

Units	59
Site Area (Acres)	0.91
# of Storeys	5
Year Constructed	2019
# of Parking Stalls	65
Parking Ratio	1.1x
Walk Score	59
Transit Score	49

6035 Linley Valley Drive & 4800 Uplands Drive, Nanaimo, BC



Exterior

Property Information

Units	251
Site Area (Acres)	6.9
# of Storeys	4
Year Constructed	2020
# of Parking Stalls	344
Parking Ratio	1.4x
Walk Score	64
Transit Score	45

Vernon

1803 31A Street, Vernon, BC



Exterior

Property Information

Units	43
Site Area (Acres)	0.54
# of Storeys	5
Year Constructed	2019
# of Parking Stalls	54
Parking Ratio	1.3x
Walk Score	54
Transit Score	31

3400 Centennial Drive, Vernon, BC



Exterior

Property Information

Units	60
Site Area (Acres)	1.2
# of Storeys	5
Year Constructed	2018
# of Parking Stalls	66
Parking Ratio	1.1x
Walk Score	40
Transit Score	80

The properties feature high-quality amenities designed to enhance the tenant experience and support modern, comfortable living. These amenities provide meaningful benefits to residents by promoting convenience, wellness, and everyday enjoyment, while also fostering a strong sense of community. Thoughtfully designed shared spaces and services encourage connection among residents, creating welcoming environments that support long-term tenancy and make each property an attractive place to live.



3641 & 3651 Elliott Road, West Kelowna, BC



2699 Peatt Road, Langford, BC



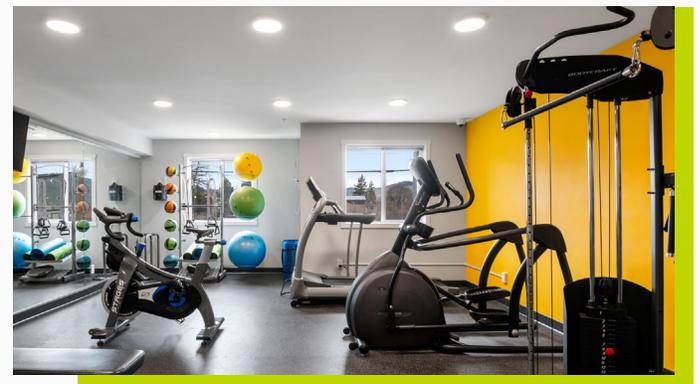
2338 South Island Highway, Campbell River, BC



6035 Linley Valley Drive & 4800 Uplands Drive, Nanaimo, BC



4745 Ledgerwood Road, Nanaimo, BC



1803 31A Street, Vernon, BC

Key Portfolio Metrics

60

Q4 New Leases
Signed

2.9%

AMR Growth
YoY

The Fund executed 60 new leases during Q4 2025. The Fund achieved a physical occupancy level of 94.8% as of December 31st, 2025, consistently at a high level.

The Fund's net operating income ("NOI")¹ margin was **68%** for Q4 2025 derived from increasing revenues year-over-year while maintaining operating expenses. The Manager continues to execute on its asset management strategy to enhance earnings by pursuing ancillary revenue opportunities and achieving operating expense reductions.



1085 Goldstream Avenue, Langford, BC



2036 South Island Highway, Campbell River, BC

(1) This metric is a Non – IFRS measure. Non – IFRS financial measures do not have standardized meanings presented by IFRS (see “Forward Looking Information”).

Highlights

Q4 2025 Highlights

The Fund concluded Q4 2025 with a total of **1,413** multi-family suites across 15 properties throughout the Province of British Columbia.

The Fund's presentation currency used in the highlights are expressed in thousands of Canadian dollars.

- In Q4 2025, the Fund generated **\$6,094** in revenue from operations, which was sourced from rental income, parking income and other ancillary income.
- The Fund continued to deliver strong rent collections of approximately **99.3%** in Q4 2025 validating the Fund's strong resident base and operating performance.
- Total NOI¹ for Q4 2025 was **\$4,151**.
- The Manager continued to deploy its asset management strategy delivering strong monthly cash flows and monitoring market trends to yield high rents.



3641 & 3651 Elliott Road, West Kelowna, BC



2670 Library Lane, Vancouver, BC



5085 Uplands Drive, Nanaimo, BC



728 Meaford Avenue, Langford, BC

(1) This metric is a Non – IFRS measure. Non – IFRS financial measures do not have standardized meanings presented by IFRS (see “Forward Looking Information”).

Environmental, Social & Governance

The Manager is committed to a comprehensive approach to environmental, social and governance (“ESG”) practices for all its affiliates, embedding these principles into every aspect of the Manager’s business, with the intention of driving long-term value.

The Manager’s ESG strategy and programs are aligned with external standards and best practices, including the Global Reporting Initiative Sustainability Reporting Standards, and the Global Real Estate Sustainability Benchmark. These standards help shape the Fund’s commitments and ensure accountability in its data, initiatives and goals.

ESG Commitment

Starlight’s core ESG commitments are as follows:

People & Culture	Social Impact	Operations & Development	Transparency & Accountability
To attract and retain top talent and foster a diverse and inclusive culture where individuals can thrive	To bring value to local communities, enhance resident well-being and provide healthy and equitable living and working spaces.	To create and maintain low-carbon, resource efficient, resilient spaces and complete communities.	To demonstrate transparency in its governance practices and proactively respond to existing and future risks.

The Fund’s initiatives extend beyond the financial success to encompass the well-being of its employees, communities and the environment. During Q4 2025, some of these initiatives included social initiatives, ESG workshops, resident relief programs, partnerships with humanitarian aid agencies, and other programs.

Resident Engagement:

Some resident social engagements from Q4 2025 include:

- October– Blue Jays World Series Watch Party
- December – Christmas Events



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Forward Looking Information

This Newsletter is intended for informational purposes only and is not, and should not be construed, as investment advice to any individual. Particular investments should be evaluated relative to each individual's circumstances and individuals should seek the advice of professionals, as appropriate, regarding any particular investment. Past performance may not be repeated and nothing in this Newsletter should be construed as an indication of future values of the Fund or future returns on any investment in the Fund.

This Newsletter is not intended for distribution in any jurisdiction that would require the filing of a prospectus, registration statement, offering memorandum or similar document under the applicable laws of such jurisdiction or would result in the Fund having any reporting or other obligation in such jurisdiction. Accordingly, neither the Fund nor the Manager has done anything that would permit the possession or distribution of this Newsletter in any jurisdiction where action for that purpose is required.

The Fund's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Certain terms used in this Newsletter do not have a standardized definition prescribed by IFRS such as NOI and 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 Management Discussion & Analysis and are available on the Fund's profile at www.sedarplus.ca.

Forward-looking information may relate to future results, the impact of inflation levels and interest rates, 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 of 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; 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; the extent to which favorable 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 realization of property value appreciation and the timing thereof; the extent and pace at which any changes in interest rates that impact the Fund's weighted average interest rate may occur; and the availability of debt financing. 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, risks related to the Fund and its business including inflation and changes in interest rates. 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, 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 impact of inflation, the availability of mortgage financing and the interest rates for such financing, and general economic and market factors, including interest rates, business competition and changes in government regulations or in tax laws.

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 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 ability of the Fund to benefit from any asset management initiatives at certain Properties; the price at which the Properties may be disposed and the timing thereof; closing and other transaction costs in connection with the disposition of the Properties; availability of mortgage financing and current rates and market expectations for future interest rates; the capital structure of the Fund; the extent of competition for residential properties; the growth in NOI generated from asset management 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 the Properties; the ability of the Manager to manage and operate the Properties; the global and Canadian economic environment; the impact, if any, of inflation on the Fund's operating costs; and governmental regulations or tax laws. There can be no assurance regarding: (a) inflation or changes in interest rates on the Fund's business, operations or performance; (b) the Fund's ability to mitigate such impacts; (c) credit, market, operational, and liquidity risks generally; (d) that 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 statements relate only to events or information as of the date on which the statements are made in this newsletter. Except as specifically required by applicable law, the Fund undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Accordingly, the accuracy, currency and completeness of this information cannot be guaranteed.

Future Outlook

Since 2022, concerns over rising inflation contributed to a significant increase in interest rates with the Bank of Canada raising its target interest rate from 0.25% in early 2022 to 5.0% as of Q1-2024. Increases in target interest rates typically lead to increases in borrowing costs. Inflation in Canada has declined from its peak in June 2022 of 8.1% to 2.40% in December 2025 with improvements in global supply chains and the effects of higher interest rates moving through the economy. As a result, the Bank of Canada has reduced its target interest rate by a total of 275 basis points since June 2024, bringing it down to 2.25% as of March 6, 2026.

The Fund benefits from the availability of Canada Mortgage and Housing Corporation insured financing to the Canadian residential sector, which provided a stable, competitively priced source of financing. Operating fundamentals continue to be favorable as evidenced by the operating results achieved by the Fund and the Fund has made steady progress in mitigating the significant increases in interest rates by increasing the amount of fixed rate debt to 91.8% of its total debt as at December 31, 2025. This capital structure is intended to support cash flow stability and mitigate exposure to future interest rate volatility.

According to Statistics Canada, the December 2025 unemployment rate in Canada was 6.3%, as compared to an unemployment rate of 5.7% in the BC, including Vancouver Island and the Coast Region. BC gained approximately 19,400 jobs between December 2024 and December 2025, demonstrating the economic strength of Vancouver Island and the mainland of BC (the "Primary Markets").

Each year, the Federal Department of Immigration, Refugees and Citizenship Canada ("IRCC") releases a new Immigration Levels Plan to guide its operations. In 2024, IRCC welcomed a record of 464,000 immigrants to Canada with a target of 395,000 immigrants for 2025. However, in November 2025, these targets were further adjusted down from 395,000 to 380,000 for 2026, 2027 and 2028. Throughout 2025, the United States imposed certain tariffs on steel, aluminum and other imported components, with further tariffs enacted and continuing to be in effect between Canada and the U.S. and the various other jurisdictions. These tariffs may result in increased construction or renovation costs for multi-family projects in Canada and the Primary Markets.

While recent interest rate reductions have improved borrower sentiment and affordability, the timing and extent of any further reductions by the Bank of Canada remain uncertain, reflecting relatively strong labor market conditions, evolving economic factors, and the potential impacts of new or expanded U.S. trade measures. Notwithstanding these uncertainties, management does not currently expect changes in interest rates, immigration levels, or trade conditions to have a material adverse impact on the Fund's operating results, as affordability challenges, limited housing supply, and a continued slowdown in new residential construction are expected to sustain demand for multi-family rental housing. The Fund will continue to closely monitor these developments and adjust its strategy as appropriate.

On December 17, 2025, the Fund completed the acquisition of Starlight Western Canada Multi-Family Limited Partnership, comprising of six multi-family properties to create a single investment platform comprising of fifteen multi-family properties totaling 1,413 suites, including the Fund's existing portfolio of nine multi-family properties across Primary Markets, with an aggregate combined value of \$639,400. The transaction is expected to enhance diversification, operational efficiency, and access to capital, while positioning the combined entity to pursue a broader range of strategic alternatives and synergies, including a potential future capital raise and reduced cost of borrowing. In connection with the transaction, the Fund has extended its term by two years to December 16, 2027 with two additional one-year extension options and permit a one-time re-opening within 18 months to raise up to 25% of the combined market capitalization. The combined entity is expected to target an annual yield of 2.0 to 3.0%.

The Fund believes that the transaction will strengthen its long-term positioning by enhancing financing flexibility and creating additional avenues for liquidity, while maintaining exposure to high-quality multi-family assets in strong growth markets across Primary Markets.