

STARLIGHT WESTERN CANADA MULTI-FAMILY (NO. 2) FUND ANNOUNCES Q4-2025 OPERATING RESULTS INCLUDING YEAR-OVER-YEAR RENT GROWTH OF 2.9%

Toronto – March 6, 2026 – Starlight Western Canada Multi-Family (No. 2) Fund (the “Fund”) announced today its results of operations and financial condition for the three months ended December 31, 2025 (“Q4-2025”) and year ended December 31, 2025 (“YTD-2025”). Certain comparative figures are included for the Fund’s financial and operational performance as at December 31, 2024, for the three months ended December 31, 2024 (“Q4-2024”) and for the year ended December 31, 2024 (“YTD-2024”).

All amounts in this press release include amounts attributable to any non-controlling interests and are in thousands of Canadian dollars except for average monthly rent (“AMR”)¹, or unless otherwise stated.

“After completion of the amalgamation of our Western Canada Multi-Family Funds, we are pleased to announce strong quarterly results with the Starlight Western Canada Multi-Family (No. 2) Fund achieving 2.9% year-over-year rent growth” commented Neil Fischler, Executive Vice President. “Management continues to focus on increasing net operating income at its properties through potential synergies and active management strategies”

Q4-2025 HIGHLIGHTS

- On December 17, 2025, the Fund completed the acquisition of Starlight Western Canada Multi-Family Limited Partnership (“SW1”), 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 Vancouver Island and the mainland of the Province of British Columbia (“BC”) (collectively, the “Primary Markets”), with an aggregate value of \$639,400 (the “Transaction”). 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.
- The Fund achieved AMR growth of approximately 5.0% between Q4-2025 and Q4-2024 including the impact of acquisition of SW1 properties. The growth continues to be driven by sustained demand for multi-family suites due to continuing economic resilience and overall immigration levels in Canada and the Primary Markets.
- Revenue from property operations and net operating income (“NOI”)¹ for Q4-2025 were \$6,094 and \$4,151 (Q4-2024 - \$5,484 and \$3,834), respectively, representing an increase in revenue of 11.1%, primarily due to the difference in the number of properties owned and number of operating days during each period (“Primary Variance Driver”), higher economic occupancy¹ and AMR growth achieved in Q4-2025 relative to Q4-2024 and resulting in an increase in NOI of 8.3% relative to Q4-2024.
- The Fund reported physical occupancy¹ of 94.8%% for the fifteen multi-family properties owned (the “Properties”) as at December 31, 2025.
- The Fund reported a net loss and comprehensive loss for Q4-2025 of \$1,439 (Q4-2024 - loss of \$8,697). The loss in Q4-2025 was primarily driven by non-cash items including a higher provision for carried interest, partially offset by fair value gain on investment properties during Q4-2025 primarily attributable to NOI growth.
- The Fund had approximately \$36,549 of available liquidity as at December 31, 2025, including \$20,000 of availability under the Fund’s credit facilities.
- As at March 5, 2026, the Fund had collected approximately 99.3% of rents for Q4-2025, with further amounts expected to be collected in future periods, demonstrating the Fund’s high quality resident base and operating performance.

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”).



- Adjusted funds from operations (“AFFO”)¹ for Q4-2025 was \$1,196 (Q4-2024 - \$1,004), representing an increase of \$192 or 19.1% relative to Q4-2024, primarily due to the increase in NOI described above as well as lower fund and trust expenses, partially offset by finance costs due to Primary Variance Driver.

YTD-2025 HIGHLIGHTS

- Revenue from property operations and NOI for YTD-2025 were \$22,483 and \$15,614 (YTD-2024 - \$21,611 and \$15,008), respectively, representing an increase of 4.0% for both figures relative to YTD-2024, primarily due to the Primary Variance Driver as well as AMR growth described above, partially offset by lower economic occupancy during YTD-2025 relative to YTD-2024.
- The Fund reported a net loss and comprehensive loss for YTD-2025 of \$893 (YTD-2024 - \$373). The loss in YTD-2025 was primarily attributable to non-cash items including a higher provision for carried interest and distributions paid as compared to YTD-2024, partially offset by higher fair value gain on investment properties and lower finance costs and fund and trust expenses as compared to YTD-2024.
- AFFO for YTD-2025 was \$4,183 (YTD-2024 - \$2,851), representing an increase of \$1,332 or 46.7% relative to YTD-2024 primarily due to an increase in NOI as well as lower finance costs and fund and trust expenses as well as the impact of the acquisition of SW1.

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 December 31, 2025, for Q4-2025 and YTD-2025, including a comparison to December 31, 2024, Q4-2024 and YTD-2024, as applicable, are provided below:

	December 31, 2025		December 31, 2024	
Key multi-family operational information				
Number of multi-family properties owned	15		9	
Total multi-family suites	1,413		944	
Economic occupancy ⁽¹⁾	91.8%		91.3%	
Physical occupancy ⁽¹⁾	94.8%		94.9%	
AMR (in actual dollars)	\$	2,100	\$	2,000
AMR per square foot (in actual dollars)	\$	2.64	\$	2.56
Selected financial information				
Gross book value ⁽²⁾	\$	639,400	\$	414,480
Indebtedness ⁽²⁾	\$	410,899	\$	269,546
Indebtedness to gross book value ⁽²⁾	64.3%		65.0%	
Weighted average interest rate - as at period end ⁽³⁾	2.92%		3.28%	
Weighted average loan term to maturity	4.14 years		5.09 years	
	Q4-2025		Q4-2024	
Summarized income statement				
Revenue from property operations	\$	6,094	\$	5,484
Property operating		(1,453)		(1,229)
Property taxes		(490)		(421)
Adjusted income from operations / NOI		4,151		3,834
Fund and trust expenses		(520)		(522)
Finance costs ⁽⁴⁾		(2,879)		(2,585)
Other income and expense ⁽⁵⁾		(2,191)		(9,424)
Net (loss) income and comprehensive (loss) income	\$	(1,439)	\$	(8,697)
			\$	(860)
			\$	373
Other selected financial information				
Funds from operations ("FFO") ⁽²⁾	\$	752	\$	727
FFO per Unit - basic and diluted ⁽⁶⁾		0.05		0.06
AFFO		1,196		1,004
AFFO per Unit - basic and diluted ⁽⁶⁾		0.08		0.08
Weighted average interest rate - average during period		2.92%		3.31%
Interest coverage ratio ⁽²⁾		1.59x		1.49x
Indebtedness coverage ratio ⁽²⁾		1.09x		1.04x
Distributions ⁽⁶⁾	\$	1,294	\$	1,133
Weighted average Units outstanding - basic and diluted (000s) ⁽⁶⁾		14,287		12,949
				13,271
				12,963

⁽¹⁾ Economic occupancy for Q4-2025 and Q4-2024 and physical occupancy as at the end of each applicable reporting period. The Fund's economic occupancy for Q4-2025 was 91.8% including the impact of any concessions to residents and is presented as an average throughout the reporting period. Physical occupancy as at the end of the period was 94.8% as the Fund focused on increasing the physical occupancy at the 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⁾ The weighted average interest rate on loans payable is presented as at December 31, 2025 and December 31, 2024, respectively.

⁽⁴⁾ Finance costs include interest expense on loans payable as well as non-cash amortization of deferred financing costs and other financing costs.

⁽⁵⁾ Includes distributions to the unitholders of the Fund and non-controlling interests ("Unitholders"), fair value adjustment of investment properties, provision for carried interest and one time interest income.

⁽⁶⁾ Weighted average Units outstanding, FFO per Unit and AFFO per Unit include all of the Fund's Units including any Units of the Fund's subsidiaries relating to the non-controlling interests. Distributions also include amounts declared to all Unitholders.



NON-IFRS FINANCIAL MEASURES AND RECONCILIATIONS

The Fund's consolidated 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, physical occupancy, 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 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 Q4-2025 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	Q4-2025	Q4-2024	YTD-2025	YTD-2024
Net (loss) income and comprehensive (loss) income	\$ (1,439)	\$ (8,697)	\$ (860)	\$ 373
Add: non-cash or one-time items and distributions ⁽¹⁾	2,686	9,749	5,236	4,518
Adjusted net income and comprehensive income ⁽²⁾	1,247	1,052	4,376	4,891
Interest coverage ratio ⁽³⁾	1.59x	1.49x	1.54x	1.57x
Indebtedness coverage ratio ⁽⁴⁾	1.09x	1.04x	1.05x	1.12x

⁽¹⁾ Non-cash or one-time items consist of amortization of deferred financing costs, fair value adjustment on investment properties, interest income and provision for carried interest.

⁽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 income and comprehensive income plus interest expense, divided by interest expense.

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

For Q4-2025, the interest coverage ratio and the indebtedness coverage ratio were 1.59x and 1.09x (Q4-2024 - 1.49x and 1.04x), respectively. The increase in both ratios during Q4-2025 relative to Q4-2024 was primarily due to higher NOI and reduction in interest costs.

CASH PROVIDED BY OPERATING ACTIVITIES RECONCILIATION TO FFO and AFFO

The Fund was formed as a "closed-end" fund with an initial term of three years and a targeted minimum 12% pre-tax total investor internal rate of return across all classes of Units. Following the acquisition of SW1 and the resulting larger portfolio of the Properties, the Fund has targeted distribution yield to a range of 2.0% to 3.0% across all classes of Units.

Basic and diluted AFFO and AFFO per Unit for Q4-2025 were \$1,196 and \$0.08 (Q4-2024 - \$1,004 and \$0.08), respectively, representing an increase in AFFO of \$192 or 19.1% and a consistent AFFO per Unit relative to Q4-2024, primarily due to an increase in NOI as a result of the Primary Variance Driver as well as lower fund and trust expenses.



A reconciliation of the Fund's cash provided by operating activities determined in accordance with IFRS to FFO and AFFO for Q4-2025, Q4-2024, YTD-2025 and YTD-2024 is provided below:

	Q4-2025	Q4-2024	YTD-2025	YTD-2024
Cash provided by operating activities	\$ 5,341	\$ 3,588	\$ 14,721	\$ 12,921
Less: interest and finance costs	(2,384)	(2,260)	(9,130)	(9,702)
Cash provided by operating activities - including interest costs⁽¹⁾	2,957	1,328	5,591	3,219
Add / (deduct):				
Change in non-cash operating working capital	(1,809)	(266)	(1,342)	(220)
Change in restricted cash	99	(10)	127	41
Amortization of financing costs	(495)	(325)	(1,497)	(1,333)
FFO	752	727	2,879	1,707
Add / (deduct):				
Amortization of financing costs	495	325	1,497	1,333
Sustaining capital expenditures and suite renovation reserves	(51)	(48)	(193)	(189)
AFFO	\$ 1,196	\$ 1,004	\$ 4,183	\$ 2,851

⁽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").

The Fund's cash provided by operating activities, including interest and finance costs for Q4-2025 was \$2,957 (Q4-2024 - \$1,328), which was higher than distributions declared to Unitholders by \$1,663 (Q4-2024 - higher by \$195). The Fund covers any shortfall between cash provided by operating activities including interest costs and distributions using cash generated from operating activities of the Fund in certain periods where applicable, or through cash on hand, including any proceeds from financing activities as applicable or availability on the Fund's credit facilities.

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 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 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 (the "U.S.") 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 SW1, 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.

Further disclosure surrounding the Future Outlook is included in the Fund's MD&A in the "Future Outlook" section for Q4-2025 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 the Properties, the impact of elevated levels of inflation and interest rates and uncertainty surrounding U.S. tariffs. 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, 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; 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 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 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. 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 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 Starlight Investments CDN AM Group LP (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 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 WESTERN CANADA MULTI-FAMILY (NO. 2) FUND

The Fund is a trust formed under the laws of Ontario for the primary purpose of indirectly acquiring, owning and operating a portfolio of income producing multi-family rental properties located in BC. The Fund has interests in and operates a portfolio comprising interests in 1,413 income producing multi-family suites located in the Primary Markets.

For the Fund's complete consolidated financial statements and MD&A for the year ended December 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 March 2026 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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