STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD FUND

PROPOSED ACQUISITION BY

CLEARWATER U.S. MULTI-FAMILY (NO. 2) HOLDING LP

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

TO BE HELD ON JANUARY 7, 2020

- AND -

MANAGEMENT INFORMATION CIRCULAR

Dated: December 4, 2019

This Notice, Management Information Circular and the accompanying materials require your immediate attention. If you are in doubt as to the actions required to be taken by these documents or the matters discussed therein, please consult your professional advisors.

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NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD FUND

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**Unitholders**") of class A limited partnership units, class C limited partnership units, class D limited partnership units, class E limited partnership units, class F limited partnership units, class H limited partnership units, and class U limited partnership units (collectively, the "**Units**") of Starlight U.S. Multi-Family (No. 1) Value-Add Fund (the "**Fund**") will be held at 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario M5L 1A9 on January 7, 2020 at 10:00 a.m. (Toronto time) for the following purposes:

(a) to consider and, if thought fit, pass, with or without variation, an ordinary resolution (the "**Transaction Resolution**"), the full text of which is set forth in Appendix "A" to the accompanying management information circular (the "**Information Circular**"), approving certain transactions (collectively, the "**Transaction**") contemplated in the acquisition agreement among the Fund, Starlight U.S. Multi-Family (No. 1) Value-Add GP, Inc., Clearwater U.S. Multi-Family (No. 2) Holding LP (the "**Purchaser**"), D.D. Acquisitions Partnership and PSPIB-SDL Inc. made as of November 14, 2019, resulting in the indirect sale of the Fund's portfolio of three multi-family properties to the Purchaser, all as more particularly described in the Information Circular; and

(b) to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Unitholders are referred to the Information Circular for more detailed information with respect to the foregoing matters to be considered at the Meeting.

The Information Circular which accompanies this notice provides information regarding the business to be considered at the Meeting and includes the full text of the Transaction Resolution attached thereto as Appendix "A".

The close of business (Toronto time) on November 27, 2019 has been fixed as the record date (the "**Record Date**") for determining Unitholders entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement thereof. Each Unit entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Transaction Resolution. To be effective, the Transaction Resolution must be approved by: (i) a simple majority of the votes cast on such Transaction Resolution by Unitholders, present in person or represented by proxy at the Meeting, voting together as a single class, and (ii) a simple majority of the votes attached to the Units held by Unitholders present in person or represented by proxy at the Meeting, voting as a single class, excluding the votes attached to any Units held

by Unitholders whose votes are required to be excluded for the purposes of "minority approval" under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), as the Transaction constitutes a "business combination" for the purposes of MI 61-101.

Registered Unitholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy by mail or by personal delivery or courier to TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 Attention: Proxy Department, by fax to (416) 595-9593 or by internet at www.voteproxyonline.com, prior to 10:00 a.m. (Toronto time) on January 3, 2020 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to such adjourned or postponed Meeting. Non-registered Unitholders receiving these materials through their intermediary should complete and return the voting instruction form provided to them by their intermediary in accordance with the instructions provided therein. Failure to do so may result in a Unitholder's Units not being voted at the Meeting. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion without notice.

DATED at Toronto, Ontario, this 4th day of December, 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF THE GENERAL PARTNER OF STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD FUND, STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD GP, INC.

(Signed) "*Harry Rosenbaum*"

Harry Rosenbaum
Independent Director and Chair of the Special Committee

MANAGEMENT INFORMATION CIRCULAR

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MANAGEMENT INFORMATION CIRCULAR

Introduction

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of the Fund for use at the Meeting and any adjournment(s) or postponement(s) thereof. No person has been authorized to give any information or to make representations in connection with the Transaction or any other matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation should not be considered to have been authorized by the Fund or management of the Fund.

This Information Circular does not constitute the solicitation of an offer to acquire any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

All capitalized terms used in this Information Circular but not otherwise defined herein shall have the meanings set forth under "*Glossary of Terms*". The information contained in this Information Circular is given as at December 4, 2019, except where otherwise noted.

All summaries of, and references to, the Transaction in this Information Circular are qualified in their entirety by reference to the Acquisition Agreement, a copy of which is available under the Fund's issuer profile on SEDAR at www.sedar.com, the Fund's website at www.starlightus.com or upon request without charge to the Fund's head office located at 3280 Bloor Street West, Suite 1400, Centre Tower, Toronto, Ontario M8X 2X3, Attention: David Hanick, Corporate Secretary (telephone: (416) 234-8444). **You are urged to carefully read the full text of such document.**

You should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with your own professional advisors as to the relevant legal, tax, financial or other matters in connection herewith.

Caution Regarding Forward-Looking Statements and Information

Certain statements contained in this Information Circular or the documents referenced herein contain "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. Such forward-looking statements and information include, without limitation, statements or information with respect to the expected costs and benefits of the Transaction.

Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking information in this Information Circular includes, but is not limited in any manner to, statements with respect to: the Transaction; the meeting date for the Meeting; the intention of the Fund to complete the Transaction on the terms and conditions described herein and in the Acquisition Agreement; the expected timing for the Closing; the timing and quantum of

the proposed distribution of net proceeds of the Transaction to Unitholders; the exchange rates which will apply for the conversion of U.S. dollars to Canadian dollars for the purposes of the Transaction; the Fund's expected investment returns and performance; the tax consequences of the Transaction, including the Canadian tax treatment of the U.S. taxes required to be paid in connection with the Transaction and deducted from the Fund's proceeds on disposition; the anticipated benefits of the Transaction to the Unitholders generally; necessary approvals and other conditions required to complete the Transaction; de-listing of the Class A Units and the Class U Units from the TSX-V; the Fund ceasing to be a reporting issuer; the dissolution of the Fund in connection with the closing of the Transaction; and any other statements regarding the Fund's expectations, intentions, plans and beliefs.

With respect to forward-looking statements and information contained herein or in the documents referenced herein, the Fund has made numerous assumptions. These assumptions include, among other things: the ability to satisfy the conditions to completion of the Transaction; assumptions made in connection with the anticipated benefits of the Transaction; the anticipated closing date of the Transaction; the Fund's operations prior to the closing of the Transaction, including expenses and capital requirements of the Fund's properties; the accuracy of advice received from professional advisors; the impact of the current economic climate and the current U.S. and global financial conditions on the Fund's operations, including its financing capacity and asset value; the absence of material changes to government and environmental regulations affecting the Fund's operations; the performance of the Fund's investments; conditions in the real estate market, including competition for acquisitions; interest rates in the U.S. and Canada; and exchange rates in the U.S. and Canada. While management of the Fund considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

By their nature, forward-looking statements and information are based on assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements, or industry results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements and information. Examples of such risks and uncertainties include, but are not limited to: the occurrence of any event, change or other circumstances that could give rise to the termination of the Acquisition Agreement; the inability to complete the Transaction due to the failure to satisfy the conditions of Closing, including the failure to obtain the Unitholder Approval or the required consents from the Fund's lenders; the outcome of any legal proceedings that may be instituted against the Purchaser or the Fund related to the Acquisition Agreement; the occurrence of a Material Adverse Effect; risks related to the ability of the Fund to comply with certain interim operating covenants it has agreed to with the Purchaser; risks related to the possibility that another attractive asset sale, take-over, merger or business combination may not be available; risks related to the potential termination of the Acquisition Agreement, including fees, costs and expenses of the Transaction not being recoverable; the disruption of management's attention from the Fund's ongoing business operations due to the Transaction; risks related to the potential payment of the Termination Fee or expense reimbursement payable to the Purchaser; unexpected expenses that arise prior to Closing that reduces distributions to Unitholders; risks related to restrictions on the Fund's ability to solicit Acquisition Proposals from other potential purchasers; risks related to Unitholders no longer being able to benefit from Unit ownership after the completion of the Transaction; the effects of local and national economic, credit and capital market conditions, including changes in interest rates, foreign exchange rates, government regulations or in tax laws; risks related to the Taxes being payable by Unitholders; and the effect of the announcement of the Transaction on the Fund's relationships with its customers, operating results and business generally. For more information, see "*Risk Factors*".

Although the Fund has attempted to identify in this Information Circular important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information in this Information Circular and the documents referenced herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that the forward-looking statements and information in this Information Circular and the documents referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements and information. Accordingly, readers should not place undue reliance on forward-looking statements or information in this Information Circular, or in the documents referenced herein. Except as required by applicable law, the Fund disclaims any intention or obligation to update or revise any of the forward-looking statements or forward-looking information in this Information Circular or the documents referenced herein, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements and information. All of the forward-looking statements made, and forward-looking information contained, in this Information Circular and the documents referenced herein are qualified by these cautionary statements.

Non-IFRS Financial Measures

Certain terms used in this Information Circular and the Fund's other disclosure such as adjusted funds from operations ("**AFFO**"), funds from operations ("**FFO**") and net operating income ("**NOI**") are not measures defined under International Financial Reporting Standards ("**IFRS**") as prescribed by the International Accounting Standards Board, do not have standardized meanings prescribed by IFRS and should not be construed as alternatives to net income (loss) and comprehensive income (loss), cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. AFFO, FFO and NOI as computed by the Fund may not be comparable to similar measures as reported by other funds, trusts or companies in similar or different industries. The Fund uses these measures to better assess the Fund's underlying performance and provides these additional measures so that investors may do the same.

AFFO is defined as FFO subject to certain additional adjustments, including: (i) amortization of fair value mark-to-market adjustments on loans assumed; (ii) amortization of financing costs; (iii) deduction of a reserve for normalized maintenance capital expenditures and suite make ready costs, as determined by the Manager; and (iv) vacancy costs associated with the suite upgrade program. Other adjustments may be made to AFFO as determined by the Manager. AFFO is presented in this Information Circular as the Manager considers this non-IFRS measure to be an important performance measure to determine the sustainability of future distributions paid to Unitholders after a provision for maintenance capital expenditures. AFFO should not be interpreted as an indicator of cash generated from operating activities, as it does not consider changes in working capital. AFFO has not been calculated in accordance with the Real Property Association of Canada ("**RPAC**") definition, as the Fund adjusts for non-cash items to better measure the sustainability of future distributions. This Information Circular and the Fund's other disclosure does not include a presentation of adjusted cash flow from operations as defined by RPAC.

FFO is defined as net income (loss) and comprehensive income (loss) in accordance with IFRS, excluding fair value adjustments of the investment properties, fair value adjustments on derivative instruments, distributions to Unitholders of Units classified as financial liabilities, International Financial Reporting Interpretations Committee 21 - *Levies* ("**IFRIC 21**") adjustment for property taxes, deferred income tax expense and realized or unrealized foreign exchange

gains and losses, and provisions for carried interest. FFO payout ratio compares distributions declared to FFO. FFO is a measure of operating performance based on the funds generated from the business before reinvestment or provision for other capital needs. FFO is presented in this Information Circular and the Fund's other disclosure as the Manager considers this non-IFRS measure to be an important measure of operating performance and is calculated in accordance with RPAC.

NOI is defined as all property revenue, less direct property costs such as utilities, property taxes (normalized to remove the impact from IFRIC 21 for each reporting period), repairs and maintenance, on-site salaries, insurance, bad debt expenses, property management fees, and other property specific administrative costs. NOI is presented in this Information Circular and the Fund's other disclosure as the Manager considers this non-IFRS measure to be an important measure of the Fund's operating performance and uses this measure to assess the Fund's property operating performance on an unlevered basis. NOI (revenue less property operating costs and realty taxes) are presented in this Information Circular and the Fund's other disclosure as the Manager considers this non-IFRS measure to be an important measure of the Fund's operating performance for Properties owned by the Fund continuously for a selected reporting period and does not take into account the impact of the operating performance of the Properties acquired during or subsequent to the reporting period.

Information for U.S. Unitholders

All financial information related to the Fund included in this Information Circular and the Fund's other disclosure documents has been prepared in accordance with IFRS and is subject to Canadian auditing and auditor independence standards, which differ from U.S. generally accepted accounting principles ("**U.S. GAAP**") and U.S. auditing and auditor independence standards in certain material respects. Consequently, such financial information is not comparable in all respects to financial statements prepared in accordance with U.S. GAAP and that are subject to U.S. auditing and auditor independence standards.

The enforcement by investors of civil liabilities under U.S. securities laws may be affected adversely by the fact that the Fund is existing under Canadian laws, that some or all of its officers and directors, as applicable, are residents of countries other than the U.S., that some of the experts named in this Information Circular are residents of countries other than the U.S., and that a portion of the assets of the Fund may be located outside the U.S. As a result, it may be difficult or impossible for Unitholders to effect service of process within the U.S. upon the Fund or its directors or officers or to realize against them upon judgments of courts of the U.S. predicated upon civil liabilities under the federal securities laws of the U.S. or the securities or "blue sky" laws of any state within the U.S. In addition, Unitholders should not assume that the courts in Canada: (a) would enforce judgments of U.S. courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the U.S. or the securities or "blue sky" laws of any state within the U.S.; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the U.S. or the securities of "blue sky" laws of any state within the U.S.

Unitholders subject to U.S. federal taxation should be aware that the Transaction may have material U.S. tax consequences. Such consequences for investors who are residents in, or citizens of, the United States are not described in this Information Circular. Unitholders who are residents or citizens of the United States should consult their own tax advisors to determine the particular consequences of the Transaction to them.

Currency Presentation and Financial Principles

Unless otherwise indicated, all references to "C$" are to Canadian dollars and all references to "$" or "US$" are to U.S. dollars.

Exchange Rate Information

The following table sets forth, for the periods indicated, the high, low, average daily average exchange rates of exchange for US$1.00, expressed in Canadian dollars, published by the Bank of Canada.

	Year ended December 31, 2017 (C$)	Year ended December 31, 2018 (C$)	Nine-month period ended September 30, 2019 (C$)
Highest rate during the period	1.3743	1.3642	1.3600
Lowest rate during the period	1.2128	1.2288	1.3038
Average rate for the period	1.2986	1.2957	1.3292
Rate at the end of the period	1.2545	1.3642	1.3243

On November 13, 2019, the day immediately prior to the announcement of the Transaction, the average daily rate of exchange posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was US$1.00 to C$1.3249. On December 4, 2019, the average daily rate of exchange posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was US$1.00 to C$1.3223.

QUESTIONS AND ANSWERS

The following are some questions that you may have relating to the Meeting and the answers to those questions. These questions and answers do not provide all the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in this Information Circular. **Unitholders are urged to read this Information Circular in its entirety before making a decision related to your Units.**

Q: When and where will the Meeting be held?

A: The Meeting will be held at 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario M5L 1A9 on January 7, 2020 at 10:00 a.m. (Toronto time).

Q: What am I voting on?

A: At the Meeting, Unitholders will be asked to pass the Transaction Resolution approving the Transaction. The full text of the Transaction Resolution is set out in Appendix "A" to this Information Circular.

If the Transaction is consummated, among other things: (i) the Purchaser will indirectly acquire the Fund's portfolio of three multi-family properties totalling 1,193 suites located in the U.S.; (ii) Unitholders will receive a distribution on each of their Units, as described below; (iii) all issued and outstanding Units will be cancelled and the Class A Units and Class U Units will be delisted from the TSX-V; (iv) the Fund will be dissolved; and (v) the Fund will cease to be a reporting issuer.

For more information, see "*The Transaction*", "*The Acquisition Agreement*" and the full copy of the Acquisition Agreement, which has been filed by the Fund under its issuer profile on SEDAR at www.sedar.com.

Q: What will happen to the Units that I currently own after the Transaction?

A: In connection with the Transaction, you will be entitled to receive a distribution per Unit in the following amounts:

Class of Units[1]	Pre-U.S. Tax[2]	Pre-U.S. Tax IRR	Post U.S. Tax[3]
Class A	C$12.35	16.9%	C$11.31
Class C	C$13.11	16.8%	C$12.02
Class D	C$12.35	16.9%	C$11.31
Class E	US$12.38	17.0%	US$11.34
Class F	C$12.79	16.8%	C$11.72
Class U	US$12.38	17.0%	US$11.34

The net proceeds of the Transaction, after applicable U.S. taxes are paid, will be distributed to Unitholders as part of the cancellation of all issued and outstanding Units and dissolution of the Fund. Any U.S. taxes paid from the Fund's proceeds of disposition are generally expected to be recognized as having been paid by the Unitholders for purposes of the foreign tax credit and foreign tax deduction rules in the Tax Act, subject to the detailed rules and limitations therein. See "*Certain Canadian Federal Income Tax Considerations*" below.

Following the Closing (i) all issued and outstanding Units will be cancelled and the Class A Units and the Class U Units will be delisted from the TSX-V, (ii) the Fund will be dissolved, and (iii) the Fund will cease to be a reporting issuer in each of the provinces of Canada in which it is presently a reporting issuer. For more information, see "*The Transaction*".

Q: Will the Fund continue to pay distributions prior to the Closing Time?

A: The Acquisition Agreement permits, and the Fund expects to continue paying, monthly distributions ("**Permitted Fund Distributions**") in an amount not to exceed (i) C$0.05000

[1] There are no issued and outstanding Class H Units.

[2] The Consideration that holders of Canadian dollar denominated Units will be entitled to receive will ultimately be subject to the actual applicable rate(s) of exchange to be determined in connection with Closing. The estimated distribution amounts set out in this Information Circular are based on the Bank of Canada average daily exchange rate on November 13, 2019 of US$1.00 to C$1.3249.

[3] Each Unitholder will be allocated their portion of the foreign tax paid by the Fund in relation to the sale of the U.S. real property interests in accordance with the Limited Partnership Agreement.

per Unit in respect of each of the Class A Units, Class C Units, Class D Units and Class F Units, and (ii) US$0.05000 per Unit in respect of each of the Class E Units and Class U Units, in each case consistent with past practice. Assuming the Closing occurs in early January 2020, the Fund GP Board currently intends that its previously announced monthly distribution, in respect of November 2019 and payable on December 16, 2019, will be the Fund's final regular monthly distribution. For more information, see "*Background to the Transaction – Reasons for the Recommendation of the Fund GP Board and the Special Committee – Permitted Fund Distributions*".

Q: Was a Special Committee formed to examine the Transaction?

A: Yes. On October 7, 2019, the Fund GP Board formed the Special Committee, with Harry Rosenbaum as Chair, to consider the Transaction and other strategic alternatives available to the Fund to maximize value, including the potential to maintain the status quo for the Fund by extending the Fund's targeted three year term, scheduled to expire on June 15, 2020. For more information, see "*Background to the Transaction – The Transaction*".

Q: What was the recommendation of the Special Committee?

A: The Special Committee, after consultation with its independent financial and legal advisors and having taken into account the Fairness Opinion, together with such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Transaction – Reasons for the Recommendation of the Fund GP Board and the Special Committee*", unanimously determined that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and the Unitholders and unanimously recommended that the Fund GP Board recommend that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Q: What was the recommendation of the Fund GP Board?

A: Based on the receipt of the unanimous recommendation of the Special Committee, the Fairness Opinion and other considerations, the Fund GP Board unanimously concluded (with Daniel Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter) that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and the Unitholders. Accordingly, the Fund GP Board unanimously approved the Transaction and related matters and unanimously recommends that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Q: What are the potential benefits of the Transaction?

A: The Special Committee and the Fund GP Board have carefully considered all aspects of the Transaction and have received the benefit of advice from their respective financial and legal advisors. The Special Committee and the Fund GP Board identified a number of factors as being most relevant to their respective recommendation that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

The Special Committee and the Fund GP Board did not consider it practical to, and did not attempt to, assign relative weights to the various factors. In addition, the Special

Committee and the Fund GP Board and individual members of the Special Committee and the Fund GP Board may have given different weight to different factors. See "*Background to the Transaction – Reasons for the Recommendation of the Fund GP Board and the Special Committee*".

Q: Who is voting at the Meeting?

A: Only Unitholders of record at the close of business (Toronto time) on November 27, 2019, which has been fixed as the Record Date, are entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement thereof. Each Unit entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Transaction Resolution. At the Meeting, pursuant to the Limited Partnership Agreement and discretionary relief granted by the Canadian Securities Administrators, Unitholders will vote together as a single class. For more information, see "*Principal Legal Matters – Securities Law Matters*".

As at December 4, 2019, there were 8,186,994 Units issued and outstanding and eligible to vote for the purpose of the Meeting. The only directors and officers of the Fund GP and the Manager who beneficially own, control or direct Units are the Interested Unitholders, who beneficially own, control or direct a total of 648,100 Units representing approximately 7.92% of the Units eligible to vote at the Meeting. Each Interested Unitholder has agreed to vote in favour of the Transaction, although such votes will be excluded for purposes of the "minority approval" in accordance with MI 61-101. For more information, see "*Support Agreements"*.

Q: What is the approval level required to pass the Transaction Resolution?

A: The Transaction Resolution must be passed by at least (i) a simple majority of the votes cast by Unitholders, present in person or represented by proxy at the Meeting, voting together as a single class, and (ii) a simple majority of the votes attached to the Units cast by Disinterested Unitholders, present in person or represented by proxy at the Meeting pursuant to MI 61-101, voting together as a single class. Approval of the Disinterested Unitholders is also required pursuant to TSX-V Policy 5.3 as a result of the sale of the Interests pursuant to the Transaction.

Q: Is the completion of the Transaction subject to any other conditions?

A: Yes. In addition to requiring Unitholder Approval, completion of the Transaction will be subject to approval from the TSX-V, receipt of required lender consents and the satisfaction or waiver of the other conditions specified in the Acquisition Agreement. For more information, see "*The Acquisition Agreement – Summary of the Acquisition Agreement – Conditions*".

Q: When will the Transaction be completed?

A: Subject to the satisfaction or waiver of all other conditions specified in the Acquisition Agreement, if Unitholder Approval is obtained, it is anticipated that the Transaction will be completed on or about January 9, 2020. For more information, see "*The Transaction*".

Q: If the Transaction is completed, when can I expect to receive the Consideration?

A: You will be paid the Consideration as soon as reasonably practicable after the Closing. For more information, see "*The Transaction*".

Q: Are there risks I should consider in deciding whether to vote for the Transaction Resolution?

A: Yes. There are a number of risks you should consider in connection with the Transaction as described in this Information Circular under the heading "*Risk Factors*".

Q: What happens if the Transaction is not completed?

A: If the Transaction is not completed for any reason, the Unitholders will not receive the Consideration. The Fund will remain a reporting issuer, the Units will not be cancelled and the Class A Units and Class U Units will continue to be listed and traded on the TSX-V.

Upon termination of the Acquisition Agreement prior to the Closing Time, the Fund will be required, under certain circumstances, including failure of Unitholders to approve the Transaction Resolution, to reimburse the reasonable and documented out-of-pocket costs and expenses (up to a maximum of US$1,500,000) incurred by the Purchaser in connection with the Transaction, including reasonable fees of counsel, financial advisors, accountants and consultants or, depending on the circumstances, to pay the Purchaser a termination fee of US$10,000,000. Upon termination of the Acquisition Agreement prior to the Closing Time, under certain other circumstances, the Purchaser will be required to reimburse the reasonable and documented out-of-pocket costs and expenses (up to a maximum of US$1,500,000) incurred by the Fund in connection with the Transaction, including reasonable fees of counsel, financial advisors, accountants and consultants. For more information, see "*The Acquisition Agreement – Summary of the Acquisition Agreement – Termination*", "*The Acquisition Agreement – Summary of the Acquisition Agreement – Termination Fee*", "*The Acquisition Agreement – Summary of the Acquisition Agreement – Expense Reimbursement*" and "*Risk Factors – Risks Related to the Transaction*".

Q: Are there summaries of the material terms of the agreements relating to the Transaction?

A: Yes. This Information Circular includes a summary of the Acquisition Agreement and the terms of the Transaction. For more information, see "*The Acquisition Agreement*", "*The Transaction – Transaction Mechanics*", "*Support Agreements*" and "*Procedures for Delivery of Consideration*".

Q: Who is soliciting my proxy?

A: Management of the Fund is soliciting your proxy with respect to matters to be considered at the Meeting. Solicitation of proxies will be done primarily by mail, supplemented by telephone or other means of contact, and all of the costs associated with such solicitations will be paid by the Fund. If you have any questions, please contact TSX Trust Company, toll-free in North America at 1 (866) 600-5869 or if calling from outside North America at (416) 342-1091 or by email at TMXEInvestorServices@tmx.com.

Q: How can I vote?

A: If you are eligible to vote and your Units are registered in your name, you can vote your Units in person at the Meeting or by signing and returning your Proxy to TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 Attention: Proxy Department, by fax to (416) 595-9593 or by internet at www.voteproxyonline.com, prior to 10:00 a.m. (Toronto time) on January 3, 2020 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to such adjourned or postponed Meeting. The time limit for the deposit of Proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice. Voting procedures for Non-Registered Holders are described below.

Q: Am I a Non-Registered Holder?

A: You are a Non-Registered Holder if your Units are held in an account in the name of an Intermediary (such as a bank, trust company, securities broker or other financial institution). Many of the Units are issued in uncertificated form and such holders are considered Non-Registered Holders. If you received a certificate representing your Units, you are a registered holder and are not a Non-Registered Holder.

Q: How can a Non-Registered Holder vote?

A: If your Units are not registered in your name but are held in the name of an Intermediary (such as a bank, trust company, securities broker or other financial institution), your nominee is required to seek your instructions as to how to vote your Units. Your nominee will have provided you with a package of information, including this Information Circular and a Voting Instruction Form. Carefully follow the instructions accompanying the Voting Instruction Form.

Q: How can a Non-Registered Holder vote in person at the Meeting?

A: The Fund does not have access to the names of all of its Non-Registered Holders. Therefore, if you are a Non-Registered Holder and attend the Meeting, we may have no record of your holdings or of your entitlement to vote unless your nominee has appointed you as a proxyholder. If you wish to vote in person at the Meeting, insert your name in the space provided on the Voting Instruction Form sent to you by your nominee. In doing so you are instructing your nominee to appoint you as proxyholder. Complete the form by following the return instructions provided by your nominee. You should report to the scrutineer upon arrival at the Meeting. The Fund proposes to appoint TSX Trust Company as scrutineer of the Meeting.

Q: Who votes my Units and how will they be voted if I return a Proxy or a Voting Instruction Form?

A: By properly completing and returning a Proxy or Voting Instruction Form, you are authorizing the person(s) named in the Proxy or Voting Instruction Form to attend the Meeting and vote your Units.

The Units represented by your Proxy or Voting Instruction Form must be voted in accordance with your instructions. If you properly complete and return your Proxy or Voting Instruction Form but do not specify how you wish the votes cast, your Units will be

voted as your proxyholder sees fit. Unless contrary instructions are provided, Units represented by Proxies received by management will be voted **IN FAVOUR** of the Transaction Resolution.

Q: Can I appoint someone other than the individuals named in the enclosed Proxy or Voting Instruction Form to vote my Units?

A: Yes. You have the right to appoint a person of your choice, who does not need to be a Unitholder, to attend and act on your behalf at the Meeting. If you wish to appoint a person other than the names that appear, then insert the name of your chosen proxyholder in the space provided on the Proxy (and strike out the names that appear on the Proxy) or Voting Instruction Form sent to you by your nominee or the Transfer Agent.

Q: Can I revoke a Proxy or Voting Instruction Form?

A: A registered holder of Units who has submitted a Proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by: (a) completing, signing and delivering a Proxy bearing a later date; (b) delivering an instrument in writing, executed by the Unitholder's or by such person's attorney duly authorized in writing, either (i) to the Fund's head office at 3280 Bloor Street West, Suite 1400, Centre Tower, Toronto, Ontario M8X 2X3, Attn: David Hanick, Corporate Secretary, at any time up to and including the last Business Day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or (ii) to the Chair of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or (c) any other manner permitted by applicable law.

If you have submitted a Voting Instruction Form, please contact TSX Trust Company, toll-free in North America at 1 (866) 600-5869 or if calling from outside North America at (416) 342-1091 for assistance regarding revoking your vote.

Q: What if I have other questions?

A: Unitholders who have additional questions about the Transaction, including the procedures for voting, can contact TSX Trust Company, toll-free in North America at 1 (866) 600-5869 or if calling from outside North America at (416) 342-1091, or by email at TMXEInvestorServices@tmx.com. Unitholders who have questions about deciding how to vote should contact their professional advisors.

SUMMARY

This summary is qualified in its entirety by the more detailed information appearing elsewhere in the Notice of Meeting and this Information Circular, including the Appendices which are incorporated into and form part of this Information Circular. Terms with initial capital letters in this summary are defined in the Glossary of Terms contained in this Information Circular.

The Meeting and Record Date

The Meeting will be held on January 7, 2020 at 10:00 a.m. (Toronto time) at 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario M5L 1A9. The Fund has fixed November 27, 2019 as the Record Date for determining Unitholders entitled to receive notice of and vote at the Meeting.

Purpose of the Meeting

The purpose of the Meeting will be (i) to consider and, if thought fit, pass, with or without variation, the Transaction Resolution, and (ii) to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

Recommendation of the Special Committee

The Special Committee, after consultation with its independent financial and legal advisors and having taken into account the Fairness Opinion, together with such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Background to the Transaction – Reasons for the Recommendation of the Fund GP Board and the Special Committee*", unanimously determined that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and the Unitholders and unanimously recommended that the Fund GP Board recommend that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Recommendation of the Fund GP Board

Having received the unanimous recommendation of the Special Committee and the Fairness Opinion, and having considered a number of other factors, including those noted below, the Fund GP Board unanimously concluded (with Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter) that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and the Unitholders. Accordingly, the Fund GP Board unanimously approved the Transaction and unanimously recommends that the Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Reasons for the Recommendation of the Fund GP Board and the Special Committee

The Special Committee and the Fund GP Board have carefully considered all aspects of the Transaction and have received the benefit of advice from their respective financial and legal advisors. The Special Committee and the Fund GP Board identified a number of factors as being most relevant to their respective recommendations that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

The Special Committee and the Fund GP Board did not consider it practical to, and did not attempt to, assign relative weights to the various factors. In addition, the Special Committee and the Fund GP Board and individual members of the Special Committee and the Fund GP Board may have given different weight to different factors. The following discussion of the information and factors considered and evaluated by the Special Committee and the Fund GP Board is not intended to be exhaustive of all factors considered and evaluated by the Special Committee and the Fund GP Board. The conclusions and recommendations of the Special Committee and the Fund GP Board were made after considering the totality of the information and factors considered.

- **Premium and Returns:** The Consideration per Unit, across all Unit classes and before deducting U.S. taxes that will be required to be paid in connection with the Transaction, represents a significant and attractive cumulative pre-tax internal rate of return for Unitholders equal to approximately 17% for holders of Class A Units and holders of Class U Units. The Consideration that holders of Class A Units and holders of Class U Units are entitled to receive, before deducting U.S. taxes that will be required to be paid in connection with the Transaction, is expected to be C$12.35 per Class A Unit (based on an exchange rate of US$1.00 to C$1.3249 as of November 13, 2019, with the actual applicable exchange rate(s) to be determined in connection with the Closing) and US$12.38 per Class U Unit representing premiums of 18.1% and 21.9%, respectively, to the 20-day VWAP of such Units on the TSX-V for the period ending on November 13, 2019, the day immediately prior to the announcement of the Transaction.

- **Cash Consideration and Immediate Liquidity:** The Consideration that Unitholders are entitled to receive is payable entirely in cash and provides Unitholders with certainty of value and immediate liquidity, while removing the risks associated with the Fund remaining an independent public entity with a finite time horizon.

- **Compelling Value Relative to Alternatives Reviewed:** The Special Committee and Fund GP Board carefully considered current industry, economic and market conditions and outlooks, including their respective expectations of the future prospects of the multi-family real estate industry in the U.S., as well as the impact of the Transaction on affected stakeholders. The Special Committee and the Fund GP Board also considered the risks and potential upside associated with the Fund continuing to execute its business and strategic plan as a standalone entity, taking into account, among other things, the Fund's limited term.

- **Role of the Special Committee:** The Special Committee took an active and independent role in supervising all strategic decisions with respect to the Transaction, and provided oversight and guidance with respect to the negotiations involving the Transaction. The Special Committee and the Fund GP Board, after considering a number of factors, including the costs and complexities associated with separate asset sales, the Fund's expiring term and the Fairness Opinion, concluded that the Transaction, and the related distribution of proceeds to Unitholders, was the preferred strategic alternative reasonably available to the Fund and its Unitholders.

- **Arm's Length Negotiation:** The Acquisition Agreement is the result of a focused negotiation process that was undertaken at arm's length with the oversight and participation of the Special Committee and the Fund's outside financial and legal advisors.

- **Fairness Opinion:** The Special Committee and the Fund GP Board received the Fairness Opinion from OMP to the effect that, as of November 13, 2019, and based on and subject

to the assumptions, limitations, qualifications and other matters set forth therein, the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction was fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders. See "*Background to the Transaction – Origin Merchant Partners Fairness Opinion*" and Appendix "B" to this Information Circular.

- **Reasonable Likelihood of Completion:** PSP Investments, the controlling unitholder of the Purchaser, is one of Canada's largest pension investment managers. The Transaction is not subject to any due diligence condition and the Special Committee and the Fund GP Board believe that the closing conditions that are outside of the control of the Fund are reasonable, such that the likelihood of the Transaction being completed is high.

- **Timing for Completion:** The terms and conditions of the Acquisition Agreement, including the covenants of the Fund and conditions to completion of the Transaction, are, in the judgement of the Special Committee and the Fund GP Board, after consultation with their respective advisors, reasonable and can be achieved within the timeframe contemplated by the Acquisition Agreement, with Closing currently expected in the first half of January 2020.

- **Permitted Fund Distributions:** Under the Acquisition Agreement, Unitholders of the Fund are permitted to receive monthly Permitted Fund Distributions in an amount not to exceed (i) C$0.05000 per Unit in respect of each of the Class A Units, Class C Units, Class D Units and Class F Units, and (ii) US$0.05000 per Unit in respect of each of the Class E Units and Class U Units, in each case consistent with past practice. Assuming the Closing occurs in early January 2020, the Fund GP Board currently intends that its previously announced monthly distribution, in respect of November 2019 and payable on December 16, 2019, will be the Fund's final regular monthly distribution.

- **Ability to Respond to Superior Proposals:** Under the Acquisition Agreement, the Fund GP Board remains able to respond to and accept, in accordance with its fiduciary duties, unsolicited proposals that are more favourable from a financial point of view than the Transaction, subject to payment of a termination fee of US$10,000,000 that may be payable to the Purchaser. The Special Committee and the Fund GP Board believe that the Termination Fee payable in connection with the acceptance of a Superior Proposal is reasonable in the circumstances and is not expected to preclude other proposals.

- **Unitholder Approval:** The Transaction Resolution must be approved by (i) a simple majority of votes by Unitholders, voting as a single class, present in person or represented by proxy at the Meeting, and (ii) a simple majority of votes attached to the Units held by Disinterested Unitholders, voting as a single class, present in person or represented by proxy at the Meeting. See "*Special Business of the Meeting*".

- **Support Agreements:** The voting support agreements described under "*Support Agreements*" were entered into pursuant to which the directors and certain executive officers of the Fund GP, representing approximately 7.92% of the issued and outstanding Units, agreed, among other things, to vote in favour of the Transaction.

- **Termination of the Acquisition Agreement:** Each of Purchaser and the Fund has the right to terminate the Acquisition Agreement in certain circumstances.

In addition to the foregoing, the Special Committee and the Fund GP Board also considered a variety of risks and other potentially negative factors relating to the Transaction including those matters described under the heading "*Background to the Transaction – Reasons for the Recommendation of the Fund GP Board and the Special Committee*" and "*Risk Factors*". The Special Committee's and the Fund GP Board's reasons contain forward-looking information, and are subject to various risks and assumptions. See "*Caution Regarding Forward-Looking Statements and Information*".

OMP Fairness Opinion

The Fund retained OMP to provide the Special Committee and the Fund GP Board an opinion as to the fairness to Unitholders (other than Non-Public Unitholders) of the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction. In connection with this mandate, OMP has prepared and delivered the Fairness Opinion dated November 13, 2019 to the Special Committee and the Fund GP Board, stating that, in the opinion of OMP, as of the date thereof and based upon and subject to the assumptions, limitations, qualifications and other matters set out therein, the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction was fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders.

The full text of the written Fairness Opinion, dated November 13, 2019, setting out the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by OMP is attached as Appendix "B" to this Information Circular and should be read carefully in its entirety. The summaries of the Fairness Opinion in this Information Circular are qualified in their entirety by reference to the full text of the Fairness Opinion. The Fairness Opinion is not a recommendation as to how any Unitholder should vote with respect to the Transaction or any other matter. For more information, see "*Background to the Transaction – Origin Merchant Partners Fairness Opinion*" and Appendix "B" to this Information Circular.

Information on the Fund

The Fund is a three-year "closed-end" limited partnership, subject to two one-year extensions available by approval of the Fund GP and beyond five years by special resolution of the Unitholders and approval by the Fund GP, asset managed by the Manager. The Fund GP Board is currently comprised of Daniel Drimmer, Harry Rosenbaum and Graham Rosenberg. The Fund is governed by the laws of Ontario and was established pursuant to the Limited Partnership Agreement.

Conditions to the Transaction

As more fully described in this Information Circular and the Acquisition Agreement, the completion of the Transaction depends on a number of conditions being satisfied or waived, including, among others: (i) the Transaction Resolution being approved by the Unitholders as set out herein; (ii) receipt of approval of the Transaction by the TSX-V; (iii) the Acquisition Agreement not having been terminated in accordance with the terms thereof; and (iv) the Required Consents having been obtained. As of the date hereof, the TSX-V has conditionally approved the Fund's application for approval of the Transaction subject to the Fund fulfilling the requirements of the conditional approval. For more information, see "*The Acquisition Agreement – Summary of the Acquisition Agreement – Conditions*".

Risk Factors

The Transaction is subject to a number of risks. Unitholders should carefully consider the risks and uncertainties together with all the other information set out in, or in the documents referenced in, this Information Circular prior to making a decision as to how to vote their Units.

Risks and uncertainties relating to the Transaction are described under the heading "*Risk Factors*".

Effects of the Transaction on Unitholders

If the Transaction is consummated, among other things: (i) the Purchaser will indirectly acquire the Fund's portfolio of three multi-family properties totalling 1,193 suites located in the U.S.; (ii) Unitholders will be entitled to receive, before deducting U.S. taxes that will be required to be paid in connection with the Transaction, a distribution of US$12.38 per Class E Unit and US$12.38 per Class U Unit and estimated at C$12.35 per Class A Unit, C$13.11 per Class C Unit, C$12.35 per Class D Unit and C$12.79 per Class F Unit (based on an exchange rate of US$1.00 to C$1.3249 as of November 13, 2019, with the actual applicable exchange rate(s) to be determined in connection with the Closing);[4] (iii) all issued and outstanding Units will be cancelled and the Class A Units and Class U Units will be delisted from the TSX-V; (iv) the Fund will be dissolved; and (v) the Fund will cease to be a reporting issuer.

For more information, see "*The Transaction*", "*The Acquisition Agreement*" and the full copy of the Acquisition Agreement, which has been filed by the Fund under its issuer profile on SEDAR at www.sedar.com.

Description of the Transaction

The Transaction involves a number of steps which will occur sequentially. In summary, these steps will provide, among other things, that:

(a) prior to Closing, the Fund, through the Fund GP acting in its capacity as general partner of the Fund, will cause the following transfers to occur:

  (i) CP Acquisition LP will transfer the Veranda Property to Veranda Property LLC in consideration for the assumption by Veranda Property LLC of the Veranda Property liabilities and additional membership interests in Veranda Property LLC; and

  (ii) Investment LP will transfer the Holding LP Interest to Intermediate LP in consideration for additional limited partnership interests in Intermediate LP;

(b) at Closing, the Purchaser will acquire all of the issued and outstanding limited partnership interests and membership interests in certain of the Fund's investees (i.e., the Interests), thereby indirectly acquiring ownership of the interests in the multi-family real estate properties currently owned by the Fund, as follows:

  (i) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause Intermediate LP to sell, assign and transfer to the Purchaser, and the

[4] The Consideration that holders of Canadian dollar denominated Units will be entitled to receive will ultimately be subject to the actual applicable rate(s) of exchange to be determined in connection with Closing. The estimated distribution amounts set out in this Information Circular are based on the Bank of Canada average daily exchange rate on November 13, 2019 of US$1.00 to C$1.3249.

Purchaser will purchase from Intermediate LP, the Holding LP Interest for cash consideration in an amount equal to the Holding LP Limited Partner Interest Value. As a consequence of this step, the Purchaser will become the owner of the U.S. REIT Subsidiary;

(ii) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause CP Holding LP to sell, assign and transfer to the U.S. REIT Subsidiary, and the Purchaser will cause the U.S. REIT Subsidiary to purchase from CP Holding LP, the CP Acquisition GP LLC Interest in consideration for the CP Acquisition GP LLC Sale Proceeds; and

(iii) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause CP Holding LP to sell, assign and transfer to the U.S. REIT Subsidiary, and the Purchaser will cause the U.S. REIT Subsidiary to purchase from CP Holding LP, the CP Acquisition LP Interest in consideration for the CP Acquisition LP Sale Proceeds; and simultaneously, the Purchaser will cause Coventry Pointe Acquisition (GP) LLC to distribute its general partnership interest in CP Acquisition LP to the U.S. REIT Subsidiary such that all of the partnership interests in CP Acquisition LP will be held by the U.S. REIT Subsidiary and CP Acquisition LP will be terminated in accordance with law;

(c) the Fund, through the Fund GP, will cause the applicable Fund Entities to distribute or otherwise advance or repay the proceeds from the sale of the Interests, together with other available cash (including proceeds of any refinancing), net of applicable U.S. taxes, to the Fund, as determined by the Fund and the Fund GP;

(d) the Fund will, in its sole discretion, exchange the net proceeds from the sale of the Interests distributed to it, to the extent required to make the distribution contemplated to the Unitholders, from U.S. dollars to Canadian dollars based on the prevailing exchange rates available to the Fund; and

(e) as soon as practicable following Closing, the Fund, through the Fund GP in its capacity as general partner of the Fund, will:

(i) use the net proceeds from the sale of the Interests and any other available cash (including the proceeds of any refinancing), after applicable U.S. taxes, estimated to be an amount equal to US$81,774,487.79 in the aggregate, before deducting U.S. taxes required to be paid in connection with the Transaction and assuming a Canadian/U.S. dollar exchange rate of US$1.00 to C$1.3249, to declare and pay, or cause to be paid, a distribution to all of the Unitholders;

(ii) cancel all issued and outstanding Units and delist the Class A Units and Class U Units from the TSX-V;

(iii) dissolve the Fund and its remaining Subsidiaries following the Closing; and

(iv) cease to be a reporting issuer under applicable securities laws.

The Acquisition Agreement permits the Fund or one of its investee entities to refinance one or more of its Properties prior to Closing. The Acquisition Agreement provides that the purchase price under the Transaction will be reduced to reflect the proceeds from any such refinancing

proceeds distributed to the Fund. The completion of a refinancing will not impact the Consideration that will be received by Unitholders under the Transaction.

In order to facilitate completion of the Transaction, inter-class Unit conversions by Unitholders will not be permitted after January 3, 2020.

The foregoing constitutes a summary only of the steps contemplated by the Transaction. For more information, see "*The Transaction – Transaction Mechanics*" and "*The Acquisition Agreement*".

Unitholder Approval

The Transaction Resolution must be approved by at least (i) a simple majority of the votes cast by Unitholders, present in person or represented by proxy at the Meeting, voting together as a single class, and (ii) a simple majority of the votes attached to the Units cast by Disinterested Unitholders, present in person or represented by proxy at the Meeting pursuant to MI 61-101, voting together as a single class. Approval of the Disinterested Unitholders is also required pursuant to TSX-V Policy 5.3 as a result of the sale of the Interests pursuant to the Transaction. For more information, see "*The Transaction – Required Unitholder Approval*".

Stock Exchange Listings

The Class A Units and Class U Units of the Fund are currently listed on the TSX-V. Pursuant to the Transaction, the Class A Units and Class U Units of the Fund will be de-listed from the TSX-V following the completion of the Transaction. For more information, see "*Principal Legal Matters – Stock Exchange Matters*".

Procedure for Receiving Consideration

If the Transaction Resolution is passed and the Transaction is implemented, as soon as reasonably practicable after the Closing Time, the Fund shall cause the Transfer Agent to pay a distribution to each Unitholder. The payment to each Unitholder by the Transfer Agent will be made pursuant to such Unitholder's entitlements under the Limited Partnership Agreement. For more information, see "*Procedures for Delivery of Consideration*".

Timing of the Transaction

If the Meeting is held as scheduled and is not adjourned and the other necessary conditions of the Transaction are satisfied or waived, the Fund expects the Closing Date to be on or about January 9, 2020.

Securities Law Matters

The Transaction constitutes a "business combination" as such term is defined in MI 61-101 and therefore subject to the applicable requirements of MI 61-101. The Transaction constitutes a "business combination" under MI 61-101 because: (i) in accordance with the terms of the Limited Partnership Agreement, the sale of all of the multi-family real estate properties currently owned by the Fund will trigger a dissolution of the Fund and as a consequence of which the interest of a Unitholder may be terminated without consent of such Unitholder; and (ii) pursuant to the Transaction, "related parties" (as defined in MI 61-101) of the Fund may be considered to receive a "collateral benefit" (as defined in MI 61-101) and are party to a "connected transaction" (as defined in MI 61-101) as a result of the elimination of the "carried interest" of the Fund in exchange

for cash and the issuance of limited partnership units of the Purchaser with an aggregate equivalent value, subject to adjustment to the number of limited partnership units issuable by the Purchaser based on the terms of the arrangements between such parties and PSP Investments.

Accordingly, under MI 61-101 and subject to the discretionary relief granted by the Canadian Securities Administrators, in addition to the approval of the Transaction Resolution by at least a simple majority of the votes cast by Unitholders, voting together as a single class, at the Meeting, the Transaction Resolution must also be approved by the affirmative vote of a simple majority of the votes cast by the Unitholders, voting together as a single class, excluding the votes attached to Units beneficially owned, or over which control or direction is exercised, by any party specified in section 8.1(2) of MI 61-101.

To the knowledge of the Fund, after reasonable inquiry, the only Unitholders whose votes are required to be excluded for purposes of "minority approval" in accordance with MI 61-101, as described above, are Units beneficially owned or controlled by the Interested Unitholders. As of the close of business on December 4, 2019, the Interested Unitholders beneficially owned or controlled 648,100 Units representing 7.92% of the issued and outstanding Units. For more information, see "*Principal Legal Matters – Securities Law Matters"*.

Certain Canadian Federal Income Tax Considerations

The Transaction steps include steps that will result in taxable dispositions by the Fund's Subsidiary Partnerships for purposes of the Tax Act. Any capital gains or income realized in respect of such dispositions will generally be allocated directly or indirectly to the Fund, and ultimately by the Fund to Unitholders (and Fund GP) in accordance with the Limited Partnership Agreement. In addition, Unitholders who hold their Units as capital property may realize capital gains or capital losses on receipt of the distribution of the Fund's net proceeds from the Transaction and cancellation of the Units.

U.S. taxes payable by the Fund and its subsidiaries as a consequence of the Transaction are generally expected to be recognized as having been paid by Unitholders for purposes of the foreign tax credit and foreign tax deduction rules in the Tax Act. However, there can be no assurance that such U.S. taxes will be fully creditable against Canadian taxes that would otherwise be payable by Unitholders in respect of the Transaction.

The foregoing summary is qualified in its entirety by the more detailed summary set forth in this Information Circular under the heading "*Certain Canadian Federal Income Tax Considerations*".

Certain U.S. Federal Income Tax Considerations

As a result of the Transaction, the Investment LP and Starlight Investments Acquisition (No.6) Partnership will each be considered to dispose of a USRPI. As a result, the Transaction will be a taxable transaction for U.S. federal income tax purposes and is expected to result in material amounts of U.S. tax being payable by the Fund's subsidiaries. Such U.S. taxes will reduce the proceeds available for distribution to Unitholders as Consideration.

If a non-U.S. person disposes of a USRPI, then such non-U.S. person would generally be subject to U.S. federal income tax, withholding and U.S. income tax filing requirements. In general, the disposition by a non-U.S. partner of an interest in a partnership that owns USRPIs is treated as if the non-U.S. partner in such partnership disposed of such partner's share of the USRPI directly. Since Non-U.S. Unitholders would not be directly or indirectly disposing of any USRPIs pursuant

to the Transaction, any gain realized by such Non-U.S. Unitholders on the disposition of their Units should not be subject to U.S. federal income tax.

The foregoing summary is qualified in its entirety by the more detailed summary set forth in this Information Circular under the heading "*Certain U.S. Federal Income Tax Considerations*".

Other Tax Considerations

This Information Circular does not address any tax considerations of the Transaction other than certain Canadian federal income tax considerations for Unitholders resident in Canada and certain U.S. federal income tax considerations for Non-U.S. Unitholders. Unitholders should consult their own tax advisors regarding the tax consequences of the Transaction, including the provincial, territorial, state or foreign tax considerations applicable thereto.

Unitholders who are not resident in Canada or are otherwise taxable in jurisdictions other than Canada (including Unitholders who are not Non-U.S. Unitholders) should consult their own tax advisors with respect to the tax implications of the Transaction, including any associated filing requirements, in such jurisdictions.

GENERAL PROXY MATTERS

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management of the Fund for use at the Meeting and any adjournment or postponement thereof.

The information contained herein is as at December 4, 2019 unless otherwise stated.

Solicitation of proxies will be primarily by mail but may also be in person, by telephone, by facsimile, by email or by other form of electronic communication. All costs of solicitation will be borne by the Fund. If you have any questions about how to exercise your voting rights, please contact TSX Trust Company, toll-free in North America at 1 (866) 600-5869 or if calling from outside North America at (416) 342-1091or by email at TMXEInvestorServices@tmx.com.

The Fund has fixed the close of business (Toronto time) November 27, 2019 as the Record Date for determining the Unitholders entitled to receive notice of, and to vote at, the Meeting or any adjournment(s) or postponement(s) thereof.

The Fund will cause TSX Trust Company, the transfer agent and registrar of the Units (the "**Transfer Agent**") to make a list of all persons who are registered holders of Units on the Record Date and the number of Units registered in the name of each person on that date. Each Unitholder is entitled to one vote, for each Unit held, on each matter to be acted on by Unitholders at the Meeting registered in its name as it appears on the list.

The Fund has arranged for Intermediaries to forward meeting materials to beneficial Unitholders and the Fund, may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxies

The individuals named in the accompanying Proxy are directors or officers of the Fund GP. **Unitholders may appoint some other person or company (who need not be a Unitholder) to represent such Unitholder at the Meeting, as the case may be, either by inserting such person's or company's name in the blank space provided in the Proxy and striking out the two printed names, or by completing another proper form of Proxy, and in either case sending or delivering the completed Proxy to or at the office of the Transfer Agent.**

To be valid, the Proxy must be received by the Transfer Agent, TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 Attention: Proxy Department or by fax to (416) 595-9593 or by internet at www.voteproxyonline.com prior to 10:00 a.m. (Toronto time) on January 3, 2020 or, if the Meeting is adjourned or postponed, not less than 48 hours prior (excluding Saturdays, Sundays and holidays) to such adjourned or postponed Meeting. The time limit for the deposit of Proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.

Revocation of Proxies

A registered holder of Units who has submitted a Proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by: (a) completing, signing and delivering a Proxy bearing a later date; (b) delivering an instrument in writing, executed by the Unitholder's or by such person's attorney duly authorized in writing, either (i) to the Fund's head office at 3280 Bloor Street West, Suite 1400, Centre Tower, Toronto, Ontario M8X 2X3, Attn: David Hanick, Corporate Secretary, at any time up to and including the last Business Day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or (ii) to the Chair of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or (c) any other manner permitted by applicable law.

Execution of Proxies

The Proxy must be executed by the Unitholder or his, her or its attorney authorized in writing, or if the Unitholder is a corporation, the Proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A Proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following his, her or its signature and appropriate documentation evidencing qualification and authority to act may be required to be provided (unless such documentation has been previously filed with the Fund).

Exercise of Discretion

Where a choice with respect to any matter to be acted upon has been specified in the Proxy, the Units represented by the Proxy will be voted as directed by the Unitholder. **In the absence of such direction, the Units represented by a valid Proxy deposited in the manner described herein will be voted IN FAVOUR of the Transaction Resolution**. The enclosed form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof. At the time of printing this Information Circular, management of the Fund was not aware of any such amendment, variation or other matter to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the Units represented by Proxies will be voted on such matters in accordance with the best judgment of the named proxyholder.

Non-Registered Unitholders

Many of the Units are issued in uncertificated form. Accordingly, most Unitholders are Non-Registered Holders because the Units they own are not registered in their names but are instead registered either: (i) in the name of an intermediary with whom the Non-Registered Holder deals in respect of the Units such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans (an "**Intermediary**"); or (ii) in the name of a clearing agency (such as CDS), of which the Intermediary is a participant. Non-Registered Holders should note that only Proxies deposited by Unitholders whose names appear on the records of the Transfer Agent as the registered holders of Units can be recognized and acted upon at the Meeting. For example, if Units are listed in an account statement provided to Unitholders by a broker, then in almost all cases those Units will not be registered in such holder's name on the records of the Transfer Agent.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Fund will distribute copies of the Notice of Meeting, this Information Circular and the Proxy to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are then required to forward the materials to the appropriate Non-Registered Holders. Non-Registered Holders will be given, in substitution for the Proxy otherwise contained in the materials, a request for voting instructions (the "**Voting Instruction Form**") which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Units they beneficially own. Units held by an Intermediary may only be voted at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Units for their clients. Should a Non-Registered Holder who receives the Voting Instruction Form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should so indicate in the place provided for that purpose in the Voting Instruction Form and strike out the names that appear on the Voting Instruction Form. In any event, Non-Registered Holders should carefully follow the instructions of their Intermediary set out in the Voting Instruction Form.

Non-Registered Holders receiving a Voting Instruction Form cannot use that form to vote Units directly at the Meeting. The Voting Instruction Form must be returned as directed by the applicable Intermediary well in advance of the Meeting in order to have such Units voted. **Non-Registered Holders who wish to attend the Meeting and vote their Units in person (or have another person attend and vote on behalf of the Non-Registered Holder) should contact their Intermediaries well in advance of the Meeting**.

UNITS AND PRINCIPAL HOLDERS THEREOF

The Fund is authorized to issue an unlimited number of Units, of which 1,979,071 Class A Units, 246,880 Class U Units, 1,694,933 Class D Units, 1,061,900 Class E Units, 1,581,710 Class F Units, 0 Class H Units and 1,622,500 Class C Units are issued and outstanding as at December 4, 2019.

Except for Daniel Drimmer, no person or company owns or is known to the Fund to own beneficially, directly or indirectly, more than 10% of any class of the issued and outstanding Units. As at December 4, 2019, Mr. Drimmer beneficially owned, directly or indirectly, or exercised control or direction over 502,100 Units, representing a voting interest in the Fund of approximately 6.13% (determined on the basis of all Units voting together as a single class). The following table sets out Mr. Drimmer's ownership interest in the Fund.

Name	Number of Units	Percentage Interest in Units
Daniel Drimmer[(1)]	500,000 Class C Units	30.82% of Class C Units
	2,100 Class U Units	0.85% of Class U Units

Note:

(1) The Units beneficially owned or controlled by Mr. Drimmer are registered in the name of DDAP Parent, an entity controlled by Mr. Drimmer.

The close of business (Toronto time) on November 27, 2019 has been established at the Record Date for determining Unitholders entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement thereof. The Fund will make a list of all persons who are registered holders of Units on the Record Date and the number of Units registered in the name of each person on that date. Each Unitholder is entitled to one vote, for each Unit held, on each matter to be acted on by Unitholders at the Meeting.

SPECIAL BUSINESS OF THE MEETING

Meeting

The Meeting will be constituted as a special meeting. At the Meeting, Unitholders will be asked to consider and, if thought fit, pass the Transaction Resolution, the full text of which is set forth in Appendix "A" hereto, approving the Transaction and related transactions.

At the Meeting, pursuant to the Limited Partnership Agreement and discretionary relief granted by the Canadian Securities Administrators, Unitholders will vote on the Transaction Resolution together as a single class. For more information, see "*Principal Legal Matters – Securities Law Matters*". To be approved, the Transaction Resolution must receive the affirmative vote of not less than (i) a simple majority of the votes cast by Unitholders, present in person or represented by proxy at the Meeting, voting together as a single class; and (ii) a simple majority of the votes attached to the Units cast by Disinterested Unitholders, present in person or represented by proxy at the Meeting pursuant to MI 61-101, voting together as a single class. Approval of the Disinterested Unitholders is also required pursuant to TSX-V Policy 5.3 as a result of the sale of the Interests pursuant to the Transaction.

A quorum at the Meeting will be present if two or more Unitholders are present in person or by proxy representing not less than 10% of the issued and outstanding Units.

Interested Unitholders

The Interested Unitholders will be excluded from voting their Units at the Meeting for the purposes of determining whether minority approval for the Transaction Resolution has been obtained. As at December 4, 2019, the Interested Unitholders beneficially owned or otherwise controlled 648,100 Units, representing approximately 7.92% of the 8,186,994 Units issued and outstanding.

BACKGROUND TO THE TRANSACTION

The Fund

The Fund was established as a "closed-end" limited term fund in June 2017 to: indirectly acquire, own, and operate a portfolio primarily comprised of value-add, income-producing multi-family properties that can achieve significant increases in rental rates as a result of undertaking high return, light value-add capital expenditures and active asset management, and are located primarily in the Target Markets; make stable monthly cash distributions; and increase rental rates through light value-add capital expenditures, revenue management software, enhance revenue through ancillary income opportunities and reduce operating expenses through active asset management, best-in-class property management and economies of scale, with the goal of ultimately directly or indirectly disposing of its interests in the assets by the end of the term of the Fund.

The time horizon for the Fund was intended to be three years, with the initial term scheduled to expire in June 2020, and with two one-year extensions available subject to approval of the Fund GP. The term of the Fund may be extended beyond five years by special resolution of the Unitholders.

The Transaction

The Acquisition Agreement is a result of arm's length negotiations between representatives of the Fund and the Purchaser and their respective advisors. The following is a summary of the main events leading up to the negotiation of the Acquisition Agreement and the meetings, negotiations and discussions between the parties that preceded the execution of the Acquisition Agreement and public announcement of the Transaction on November 14, 2019.

Given the Fund's limited time horizon, since inception, the Manager and the Fund GP Board have actively monitored market conditions and trends in the Target Markets, investment market and capital markets, and have considered numerous options for the monetization of the Fund, including market update presentations from, and discussions with, the Manager at meetings of the Fund GP Board. The Manager and the Fund GP Board have focused on maximizing the value of the Fund's portfolio through transactions on a single asset sale basis, a property portfolio sale basis and by way of a sale of all of the issued and outstanding Units. During that same period, the Manager has spent significant time and gained experience in both buying and selling Class "A", institutional quality multi-family real estate properties in, among other locations, Austin, Texas, Atlanta, Georgia and Phoenix, Arizona, having owned and managed more than 13,000 suites in the Southern United States.

In July 2019, in connection with the upcoming expiry of the Fund's three-year time horizon, the Manager, on behalf of the Fund, requisitioned a broker opinion of value for each of the Properties from CBRE and Newmark Knight Frank, each of whom are active brokers in the Austin, Texas, Atlanta, Georgia and Phoenix, Arizona markets. The brokers delivered such opinions to the Manager in August 2019, which provided the Manager with each broker's general views on the potential value of the applicable Property. In addition to reviewing the broker opinions of value, the Manager engaged in discussions with each of the brokers to ensure that the values reflected current market conditions; this approach provided the Manager with background to assess the preferred process for the Fund to explore sale alternatives for its Properties and/or the Fund itself. As part of its assessment, the Manager ascertained the costs associated with a sale of the individual Properties, including brokerage fees, title costs, land transfer taxes and advisory fees, as well as the costs associated with deferred maintenance of the Properties. In addition, the Manager considered the complexity and timing of individual property sales, the risks associated with sales involving multiple purchasers and the likelihood that property-level transactions would include customary purchase price adjustments prior to completion of the purchase and sale transactions.

In August 2019, in order to determine whether the Fund could implement a transaction prior to the expiry of the Fund's term, while avoiding the costs and risks associated with a sale at the property level, the Manager, on behalf of the Fund, approached PSP Investments, who is active in the U.S. multi-family market and with whom affiliates of the Manager have co-invested in both the Canadian and U.S. multi-family sectors. After PSP Investments expressed initial interest in the Properties, on August 23, 2019, the Manager, on behalf of the Fund, commissioned Appraisals on behalf of the Fund from the Appraiser for each of the Properties. Concurrently, PSP Investments, separately and independently from the Manager and the Fund, commissioned formal appraisals from CBRE for each of the Properties. In mid-September 2019, following receipt

of the draft appraisals, the Manager and PSP Investments discussed their respective views on the value of the Properties, based on the appraisal work that each of them had commissioned.

During the remainder of September 2019, the Manager and PSP Investments negotiated the terms of a proposed acquisition of the Fund or its Properties based on, among other things: the value of the Properties set out in the Appraisals commissioned by the Manager, on behalf of the Fund; the value of the Properties set out in the appraisals commissioned by PSP Investments; the costs associated with separate asset sales, including brokerage fees, legal costs and title costs associated with each asset sale; the net proceeds available to Unitholders on an after-tax basis upon completing separate asset sales as compared to the Transaction; and the deferred maintenance costs that the Fund would be expected to incur in respect of maintenance work required to be completed at the Properties. In addition, the Manager and PSP Investments negotiated a proposed transaction structure, transaction timing and governance rights for the post-acquisition ownership structure. On October 3, 2019, the Fund entered into a non-binding indicative term sheet providing for the acquisition of assets indirectly owned by the Fund by a joint venture between PSP Investments and Starlight Group Property Holdings Inc.

On October 4, 2019, at a duly called meeting of the Fund GP Board, the Manager presented to the Fund GP Board the proposed terms of a transaction and the anticipated benefits of such transaction to the Fund and Unitholders, as well as the proposed timing of the transaction. Following such presentation, Harry Rosenbaum and Graham Rosenberg, independent directors of the Fund GP Board, held an *in camera* session to discuss the potential transaction and to consider next steps with respect thereto.

On October 7, 2019, the Fund GP Board resolved to establish the Special Committee, with Harry Rosenbaum as Chair, to consider or reconsider strategic alternatives available to the Fund to maximize value, as well as the potential to maintain status quo for the Fund by extending the Fund's targeted three-year term, scheduled to expire on June 15, 2020, including consideration of the transaction proposed by PSP Investments and the Manager. On such date, the Special Committee briefly met by teleconference with Blake, Cassels & Graydon, LLP, counsel to the Fund, to discuss the proposed process and next steps for the Special Committee.

On October 8, 2019, the Special Committee met with OMP to consider their engagement as independent financial advisor to the Special Committee for the purposes of the Transaction. Following that meeting, the Special Committee formally engaged Wildeboer Dellelce LLP to act as independent legal counsel to the Special Committee.

On October 16, 2019, the Special Committee met with Wildeboer Dellelce LLP to review the committee's mandate, the proposed engagement of OMP and next steps.

During the course of October and early November 2019, representatives of the Fund and the Purchaser, under supervision of the Special Committee and its financial and legal advisors, negotiated the proposed terms of the Transaction, including the Transaction structure and implementation steps and the terms of the Acquisition Agreement. During this period, the Special Committee and its financial and legal advisors convened several meetings to review the status of the proposed Transaction and the terms of the Acquisition Agreement. The Special Committee held a number of meetings and conference calls with its legal counsel in attendance to, among other things, discuss the proposed terms of the Transaction, the Acquisition Agreement and the Transaction Documents. The Special Committee also considered the risks associated with the Transaction, including risks associated with the marketing of the Properties for sale by the Fund

and reliance on the Appraisals, and discussed with its advisors the carried interest payment owed to certain members of the Fund's management.

On the afternoon of November 13, 2019, the Special Committee met to review and consider the proposed transaction, with, among others, representatives from Fund GP management, its financial and legal advisors in attendance. Blake, Cassels & Graydon, LLP provided a comprehensive summary of the status and terms of the Acquisition Agreement and other Transaction Documents. The Special Committee discussed and considered the terms of the Acquisition Agreement and the proposed Transaction. The draft news release announcing the transaction was also discussed. OMP provided an update regarding its financial analysis with respect to the Transaction and related distribution. OMP also orally delivered to the Special Committee its opinion (later confirmed by delivery of a written opinion) as to the fairness to Unitholders (other than Non-Public Unitholders), from a financial point of view, of the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction. The Special Committee further reviewed and considered the proposed Transaction, including considering the interests of the Fund, the Unitholders and the Fund's other stakeholders. After discussion, the Special Committee unanimously determined, subject to the satisfactory resolution of the outstanding terms of the Acquisition Agreement and other Transaction Documents, to recommend to the Fund GP Board that it authorize and approve the Acquisition Agreement, other related matters and the Transaction Documents.

Immediately following the Special Committee meeting, the Fund GP Board (with Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter) met and considered the information provided at the meeting and prior meetings. OMP also orally delivered to the Fund GP Board its opinion (later confirmed by delivery of a written opinion) as to the fairness to Unitholders (other than Non-Public Unitholders), from a financial point of view, of the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction. The Chair of the Special Committee delivered the final report and recommendations of the Special Committee, which included reviewing the process undertaken by, and the factors and risks considered by, the Special Committee and recommending that the Fund GP Board approve the Transaction and the Acquisition Agreement. The Fund GP Board, after considering the recommendations of the Special Committee, unanimously (with Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter): (a) concluded that the Transaction is in the best interests of the Fund and that the Transaction is fair to Unitholders (other than the Purchaser and its affiliates); (b) approved the Transaction, the entering into of the Acquisition Agreement and related matters; and (c) determined to recommend that Unitholders vote **IN FAVOUR** of the Transaction, in each case, subject to the satisfactory finalization of the Acquisition Agreement and the other Transaction Documents.

The Acquisition Agreement and related Transaction Documents were finalized and executed on the morning of November 14, 2019. The Fund issued a news release announcing the Transaction on November 14, 2019.

Recommendation of the Special Committee

The Special Committee, after consultation with its independent financial and legal advisors and having taken into account the Fairness Opinion, together with such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Reasons for the Recommendation of the Fund GP Board and the Special Committee*", unanimously determined that the Transaction is fair, from a financial point of view, to the

Unitholders, other than the Non-Public Unitholders and is in the best interests of the Fund and the Unitholders and unanimously recommended that the Fund GP Board recommend that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Recommendation of the Fund GP Board

Having received the unanimous recommendation of the Special Committee and the Fairness Opinion, and having considered a number of other factors, including those noted below, the Fund GP Board unanimously concluded (with Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter) that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and the Unitholders. Accordingly, the Fund GP Board unanimously approved the Transaction and unanimously recommends that the Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Reasons for the Recommendation of the Fund GP Board and the Special Committee

The Special Committee and the Fund GP Board have carefully considered all aspects of the Transaction and have received the benefit of advice from their respective financial and legal advisors. The Special Committee and the Fund GP Board identified a number of factors as being most relevant to their respective recommendations to the Unitholders to vote **IN FAVOUR** of the Transaction Resolution.

The Special Committee and the Fund GP Board did not consider it practical to, and did not attempt to, assign relative weights to the various factors. In addition, the Special Committee and the Fund GP Board and individual members of the Special Committee and the Fund GP Board may have given different weight to different factors. The following discussion of the information and factors considered and evaluated by the Special Committee and the Fund GP Board is not intended to be exhaustive of all factors considered and evaluated by the Special Committee and the Fund GP Board. The conclusions and recommendations of the Special Committee and the Fund GP Board were made after considering the totality of the information and factors considered.

- **Premium and Returns:** The Consideration per Unit, across all Unit classes and before deducting U.S. taxes that will be required to be paid in connection with the Transaction, represents a significant and attractive cumulative pre-tax internal rate of return for Unitholders equal to approximately 17% for holders of Class A Units and holders of Class U Units. The Consideration that holders of Class A Units and holders of Class U Units are entitled to receive, before deducting U.S. taxes that will be required to be paid in connection with the Transaction, is expected to be C$12.35 per Class A Unit (based on an exchange rate of US$1.00 to C$1.3249 as of November 13, 2019, with the actual applicable exchange rate(s) to be determined in connection with the Closing) and US$12.38 per Class U Unit representing premiums of 18.1% and 21.9%, respectively, to the 20-day VWAP of such Units on the TSX-V for the period ending on November 13, 2019, the day immediately prior to the announcement of the Transaction.

- **Cash Consideration and Immediate Liquidity:** The Consideration that Unitholders are entitled to receive is payable entirely in cash and provides Unitholders with certainty of value and immediate liquidity, while removing the risks associated with the Fund remaining an independent public entity (including the challenges relating to the terminal nature of the Fund, as well as external factors such as changes in interest rates, capitalization rates,

currency exchange rates and local and capital markets conditions that are beyond the control of the Fund and the Manager).

- **Compelling Value Relative to Alternatives Reviewed:** The Special Committee and Fund GP Board carefully considered current industry, economic and market conditions and outlooks, including their respective expectations of the future prospects of the multi-family real estate industry in the U.S., as well as the impact of the Transaction on affected stakeholders. The Special Committee and the Fund GP Board also considered the risks and potential upside associated with the Fund continuing to execute its business and strategic plan as a standalone entity, taking into account, among other things, the Fund's limited term. As part of that evaluation process, the Special Committee and the Fund GP Board concluded that:

    - the Consideration represents greater value for the Unitholders than would reasonably be expected from the continued execution of the Fund's existing strategic plan, taking into account the Fund's expiring term and the capital requirements to sustain its ongoing value-add strategy;

    - conditions for sale transactions in the real estate market in the regions where the Fund operates are favourable;

    - it was unlikely that any other party would be willing to acquire the Fund or all of its Properties as a portfolio on terms that were more favourable to Unitholders, from a financial point of view, than the Transaction; and

    - soliciting other potential buyers of the Fund was unlikely to result in a transaction that was more favourable to Unitholders given, among other things, execution risk, receiving reduced sale proceeds as a result of brokerage fees, legal fees, title costs and deferred maintenance to be completed at the Properties, the complexity of the Fund's structure and the premium of the Consideration to the market trading price.

  The Special Committee and the Fund GP Board continually assessed each reasonably available alternative throughout the process of evaluating and negotiating the Transaction and ultimately concluded that entering into the Acquisition Agreement with the Purchaser was the most favourable alternative reasonably available.

- **Role of the Special Committee:** The Special Committee took an active and independent role in supervising all strategic decisions with respect to the Transaction, and provided oversight and guidance with respect to the negotiations involving the Transaction. The Special Committee and the Fund GP Board, after considering a number of factors, including the costs and complexities associated with separate asset sales, the Fund's expiring term and the Fairness Opinion, concluded that the Transaction, and the related distribution of proceeds to Unitholders, was the preferred strategic alternative reasonably available to the Fund and its Unitholders.

- **Arm's Length Negotiation:** The Acquisition Agreement is the result of a focused negotiation process that was undertaken at arm's length with the oversight and participation of the Special Committee and the Fund's outside financial and legal advisors.

- **Fairness Opinion:** The Special Committee and the Fund GP Board received the Fairness Opinion from OMP to the effect that, as of November 13, 2019, and based on and subject to the assumptions, limitations, qualifications and other matters set forth therein, the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction was fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders. See "*Background to the Transaction – Origin Merchant Partners Fairness Opinion*" and Appendix "B" to this Information Circular.

- **Reasonable Likelihood of Completion:** PSP Investments, the controlling unitholder of the Purchaser, is one of Canada's largest pension investment managers. The Transaction is not subject to any due diligence condition and the Special Committee and the Fund GP Board believe that the closing conditions that are outside of the control of the Fund are reasonable, such that the likelihood of the Transaction being completed is high.

- **Timing for Completion:** The terms and conditions of the Acquisition Agreement, including the covenants of the Fund and conditions to completion of the Transaction, are, in the judgement of the Special Committee and the Fund GP Board, after consultation with its advisors, reasonable and can be achieved within the timeframe contemplated by the Acquisition Agreement, with Closing currently expected in the first half of January 2020. The proposed timing aligns with the Fund's three-year expected target term initially marketed to investors and is expected to result in the Fund delivering on its promise to Unitholders to target a 14% pre-tax internal rate of return at or before the end of the Fund's targeted three-year investment horizon. If the Transaction is not completed, the Fund may not have sufficient time to find an alternative transaction prior to the expiry of the Fund's initial term on June 15, 2020 and the Fund GP may be required to extend the term of the Fund for an additional year.

- **Permitted Fund Distributions:** Under the Acquisition Agreement, Unitholders of the Fund are permitted to receive monthly Permitted Fund Distributions in an amount not to exceed (i) C$0.05000 per Unit in respect of each of the Class A Units, Class C Units, Class D Units and Class F Units, and (ii) US$0.05000 per Unit in respect of each of the Class E Units and Class U Units, in each case consistent with past practice, provided that distributions in respect of months ended prior to the month in which the Closing Time occurs but remain undeclared or declared and unpaid as of immediately prior to the Closing Time may be paid at or prior to the Closing Time. Assuming the Closing occurs in early January 2020, the Fund GP Board currently intends that its previously announced monthly distribution, in respect of November 2019 and payable on December 16, 2019, will be the Fund's final regular monthly distribution.

- **Ability to Respond to Superior Proposals:** Under the Acquisition Agreement, the Fund GP Board remains able to respond to and accept, in accordance with its fiduciary duties, unsolicited proposals that are more favourable from a financial point of view than the Transaction, subject to payment of a termination fee of US$10,000,000 that may be payable to the Purchaser. The Special Committee and the Fund GP Board believe that the Termination Fee payable in connection with the acceptance of a Superior Proposal is reasonable in the circumstances and is not expected to preclude other proposals.

- **Unitholder Approval:** The Transaction Resolution must be approved by (i) a simple majority of votes by Unitholders, voting as a single class, present in person or represented by proxy at the Meeting, and (ii) a simple majority of votes attached to the Units held by

Disinterested Unitholders, voting as a single class, present in person or represented by proxy at the Meeting. See "*Special Business of the Meeting*".

- **Support Agreements:** The voting support agreements described under "*Support Agreements*" were entered into pursuant to which the directors and certain executive officers of the Fund GP, representing approximately 7.92% of the issued and outstanding Units, agreed, among other things, to vote in favour of the Transaction.

- **Termination of the Acquisition Agreement:** Each of Purchaser and the Fund has the right to terminate the Acquisition Agreement in certain circumstances. The Purchaser will be required to reimburse the reasonable and documented out-of-pocket costs and expenses of the Fund (up to a maximum of US$1,500,000) in certain circumstances, and the Fund will be required to reimburse the reasonable and documented out-of-pocket costs and expenses of the Purchaser (up to a maximum of US$1,500,000) in certain circumstances, including where Unitholder Approval of the Transaction Resolution at the Meeting is not obtained.

In addition to the foregoing, the Special Committee and the Fund GP Board also considered a variety of risks and other potentially negative factors relating to the Transaction including those matters described under the heading "*Risk Factors*". The Special Committee's and the Fund GP Board's reasons contain forward-looking information, and are subject to various risks and assumptions. See "*Caution Regarding Forward-Looking Statements and Information*".

Origin Merchant Partners Fairness Opinion

The Fund retained OMP as a financial advisor to the Special Committee and the Fund GP Board for the purposes of the Transaction. As part of this mandate, OMP was requested to provide the Special Committee and the Fund GP Board an opinion as to the fairness to Unitholders (other than Non-Public Unitholders), from a financial point of view, of the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction. In connection with this mandate, OMP has prepared and delivered the Fairness Opinion dated November 13, 2019 to the Special Committee and the Fund GP Board, stating that, in the opinion of OMP, as of the date thereof and based upon and subject to the assumptions, limitations, qualifications and other matters set out therein, the consideration, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction was fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders.

The full text of the written Fairness Opinion, dated November 13, 2019, setting out the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by OMP is attached as Appendix "B" to this Information Circular and should be read carefully in its entirety. The summaries of the Fairness Opinion in this Information Circular are qualified in their entirety by reference to the full text of the Fairness Opinion. The Fairness Opinion is not a recommendation as to how any Unitholder should vote with respect to the Transaction or any other matter.

The Fairness Opinion was one many factors considered by the Special Committee and the Fund GP Board in evaluating the Transaction (with, in the case of the Fund GP Board, Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter) in determining that that the Transaction is fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders, and is in the best interests of the Fund and

the Unitholders, and recommending that Unitholders vote **IN FAVOUR** of the Transaction Resolution.

Pursuant to the terms of OMP's engagement letter with the Fund dated October 16, 2019 (the "**Engagement Agreement**"), it is to be paid a fee for the Fairness Opinion. The Fund has also agreed to indemnify OMP, each of its subsidiaries and affiliates and each of their respective trustees, officers, employees, principals, agents, shareholders and advisors from and against certain liabilities and to reimburse OMP for its expenses incurred in connection with OMP's mandate. The compensation to OMP under the Engagement Agreement does not depend, in whole or in part, on the conclusion reached in the Fairness Opinion or the successful completion of the Transaction. Furthermore, OMP has not been asked to prepare and has not prepared a formal valuation or appraisal of any of the assets or securities of the Fund and the Fairness Opinion should not be construed as such. OMP provided the Fairness Opinion for the use of the Special Committee and the Fund GP Board in connection with their evaluation of the Transaction, and the Fairness Opinion may not be used by any other person or relied upon by any other person other than the Special Committee and the Fund GP Board without the express prior written consent of OMP.

In the ordinary course of its business and unrelated to the Transaction, OMP or its affiliates may provide financial advisory and other financial services to the Fund, the Purchaser, the Manager and/or other interested parties in the Transaction in the future, for which OMP or its affiliates may receive compensation.

OMP has not been engaged to provide any financial advisory services with respect to the Transaction, other than to the Fund pursuant to the Engagement Agreement.

In deciding to recommend and approve the Transaction, the Special Committee and the Fund GP Board considered, among other things, the Fairness Opinion. The Fairness Opinion was only one of many factors considered by the Special Committee and the Fund GP Board in evaluating the Transaction and should not be viewed as determinative of the views of the Special Committee or the Fund GP Board with respect to the Transaction or the Consideration to be received by Unitholders in connection with the Transaction. In assessing the Fairness Opinion, the Special Committee and the Fund GP Board considered and assessed the independence of OMP, taking into account that no portion of the fees payable to OMP is contingent upon the determination made in the Fairness Opinion or upon the completion of the Transaction.

Appraisals

A copy of each Appraisal has been filed by the Fund under its issuer profile on SEDAR at www.sedar.com and are available for inspection at, or will be sent to a Unitholder without charge upon request to the Fund's head office located at 3280 Bloor Street West, Suite 1400, Centre Tower, Toronto, Ontario M8X 2X3, Attention: David Hanick, Corporate Secretary (telephone: (416) 234-8444). The following is a summary of the Appraisals but is not intended to be complete and is qualified in its entirety by reference to the full text of each Appraisal. Please refer to the Appraisals for a full description of the terms and conditions thereof.

The Manager, on behalf of the Fund, retained the Appraiser to provide Appraisals of each of the Properties. Drafts of the Appraisals were delivered to the Fund in September 2019 with the final Appraisals dated between November 20 and November 22, 2019 with valuation dates ranging from September 3, 2019 to September 8, 2019.

The Appraisals were prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation (United States). The current economic definition of "market value" agreed upon by various agencies that regulate federal financial institutions in the U.S. and as used in the Appraisals is, "the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus." Implicit in this definition of market value is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (i) buyer and seller are typically motivated; (ii) both parties are well informed or well advised, and acting in what they consider their own best interests; (iii) a reasonable time is allowed for exposure in the open market; (iv) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (v) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. The Appraiser was not given any limiting instructions by the Manager.

Based on the Appraisals, the estimated market value of each Property is as follows:

Property	**Estimated Value (US$)**
The Landing at Round Rock	118,400,000
The Veranda	46,000,000
Spectra South	77,000,000
Total	**241,400,000**

In valuing the Properties (including the estimated market value of each Property), the Sales Comparison Approach and the Income Capitalization Approach (as such terms are defined below) were utilized by the Appraiser. The Sales Comparison Approach is founded upon the principle of substitution that holds that the cost to acquire an equally desirable substitute property without undue delay ordinarily sets the upper limit of value. At any given time, prices paid for comparable properties are construed by many to reflect the value of the property appraised. The validity of a value indication derived by this approach is heavily dependent upon the availability of data on recent sales of properties similar in location, size, and utility to the appraised property (the "**Sales Comparison Approach**"). The Income Capitalization Approach is based on the principle of anticipation that recognizes the present value of the future income benefits to be derived from ownership in a particular property. The Income Capitalization Approach is most applicable to properties that are bought and sold for investment purposes, and is considered very reliable when adequate income and expense data are available. Since income-producing real estate is most often purchased by investors, this approach is valid and is generally considered the most applicable when the property being appraised was designed for, or is easily capable of producing a rental income (the "**Income Capitalization Approach**").

The Appraiser visited each Property to assess location and general physical characteristics and estimated the highest and best use for each Property. In appraising each Property, the Appraiser assumed that title to such Property was clear and marketable and that there were no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value, each Property was not affected by any hazardous substances that may be present on or near such Property, structural components and facilities on each Property were

adequate and in working condition and that each Property was in full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the respective Appraisal. The Appraiser further assumed that all factual data furnished by the Manager, the Fund and the Fund's representatives, or persons designated by the Manager or the Fund to supply such data, was accurate and correct.

Caution should be exercised in the evaluation and use of appraisal results. An appraisal is an estimate of market value based on a subjective comparison of related activity taking place in the real estate market. An appraisal is not a precise measure of value. The Appraisals are based on various assumptions of future expectations and while the Appraiser's internal forecasts of NOI for the Properties are considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.

THE TRANSACTION

Required Unitholder Approval

The Transaction Resolution must be approved by at least a simple majority of the votes cast by Unitholders, voting together as a single class, present in person or represented by proxy at the Meeting. As the Transaction constitutes a "business combination" for the purposes of MI 61-101, the Transaction Resolution must also be approved by a simple majority of the votes attached to the Units cast by Disinterested Unitholders, voting together as a single class, present in person or represented by proxy at the Meeting pursuant to MI 61-101. Approval of the Disinterested Unitholders is also required pursuant to TSX-V Policy 5.3 as a result of the sale of the Interests pursuant to the Transaction. For more information, see "*Principal Legal Matters – Securities Law Matters*".

To the knowledge of the Fund, after reasonable inquiry, as at December 4, 2019, there were 7,538,894 Units beneficially owned or controlled or directed by Disinterested Unitholders, representing approximately 92.08% of the 8,186,994 Units issued and outstanding.

Transaction

The Transaction is valued at approximately US$239,600,000 and includes gross cash consideration of approximately US$92,100,000 payable to the Fund, with the Purchaser also indirectly assuming all of the Fund's existing debt in the amount of approximately US$147,500,000.

If the Transaction is consummated, among other things: (i) the Purchaser will indirectly acquire the Fund's portfolio of three multi-family properties totalling 1,193 suites located in the U.S.; (ii) Unitholders will be entitled to receive, before deducting U.S. taxes that will be required to be paid in connection with the Transaction, a distribution per Unit in the amounts set forth in the table below; (iii) all issued and outstanding Units will be cancelled and the Class A Units and Class U Units will be delisted from the TSX-V; (iv) the Fund will be dissolved; and (v) the Fund will cease to be a reporting issuer.

In connection with the Transaction, Unitholders will be entitled to receive a distribution per Unit in the following amounts:

Class of Units[5]	Pre-U.S. Tax[6]	Pre-U.S. Tax IRR	Post U.S. Tax[7]
Class A	C$12.35	16.9%	C$11.31
Class C	C$13.11	16.8%	C$12.02
Class D	C$12.35	16.9%	C$11.31
Class E	US$12.38	17.0%	US$11.34
Class F	C$12.79	16.8%	C$11.72
Class U	US$12.38	17.0%	US$11.34

The net proceeds of the Transaction, after applicable U.S. taxes are paid, will be distributed to Unitholders as part of the cancellation of all issued and outstanding Units and dissolution of the Fund. Any U.S. taxes paid from the Fund's proceeds of disposition are generally expected to be recognized as having been paid by the Unitholders for purposes of the foreign tax credit and foreign tax deduction rules in Tax Act, subject to the detailed rules and limitations therein. The Fund GP will not receive any of the net proceeds of the Transaction as a result of the dissolution of the Fund. See "*Certain Canadian Federal Income Tax Considerations*" below.

Following the Closing, all issued and outstanding Units will be cancelled and the Class A Units and the Class U Units will be delisted from the TSX-V, the Fund will be dissolved and the Fund will cease to be a reporting issuer in each of the provinces of Canada in which it is presently a reporting issuer.

Transaction Mechanics

The following summarizes the steps which will occur under the Transaction, if all conditions to the implementation of the Transaction have been satisfied or waived. The following description of steps is qualified in its entirety by the full text of the Acquisition Agreement, a copy of which has been filed by the Fund under its issuer profile on SEDAR at www.sedar.com. Capitalized terms used in this section but not defined have the meanings given in the Acquisition Agreement.

The Transaction involves a number of steps which will occur sequentially. In summary, these steps will provide, among other things, that:

(a) prior to Closing, the Fund, through the Fund GP acting in its capacity as general partner of the Fund, will cause the following transfers to occur:

(i) CP Acquisition LP will transfer the Veranda Property to Veranda Property LLC in consideration for the assumption by Veranda Property LLC of the Veranda Property

[5] There are no issued and outstanding Class H Units.

[6] The Consideration that holders of Canadian dollar denominated Units will be entitled to receive will ultimately be subject to the actual applicable rate(s) of exchange to be determined in connection with Closing. The estimated distribution amounts set out in this Information Circular are based on the Bank of Canada average daily exchange rate on November 13, 2019 of US$1.00 to C$1.3249.

[7] Each Unitholder will be allocated their portion of the foreign tax paid by the Fund in relation to the sale of the U.S. real property interests in accordance with the Limited Partnership Agreement.

liabilities and additional membership interests in Veranda Property LLC (the "**Veranda Transfer**"); and

(ii) Investment LP will transfer the Holding LP Interest to Intermediate LP in consideration for additional limited partnership interests in Intermediate LP (the "**Holding LP Interest Transfer**", and together with the Veranda Transfer, the "**Pre-Closing Transfers**");

(b) at Closing, the Purchaser will acquire all of the issued and outstanding limited partnership interests and membership interests in certain of the Fund's investees (i.e., the Interests), thereby indirectly acquiring ownership of the interests in the multi-family real estate properties currently owned by the Fund, as follows:

(i) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause Intermediate LP to sell, assign and transfer to the Purchaser, and the Purchaser will purchase from Intermediate LP, the Holding LP Interest for cash consideration in an amount equal to the Holding LP Limited Partner Interest Value. As a consequence of this step, the Purchaser will become the owner of the U.S. REIT Subsidiary;

(ii) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause CP Holding LP to sell, assign and transfer to the U.S. REIT Subsidiary, and the Purchaser will cause the U.S. REIT Subsidiary to purchase from CP Holding LP, the CP Acquisition GP LLC Interest in consideration for the CP Acquisition GP LLC Sale Proceeds; and

(iii) the Fund, through the Fund GP in its capacity as general partner of the Fund, will cause CP Holding LP to sell, assign and transfer to the U.S. REIT Subsidiary, and the Purchaser will cause the U.S. REIT Subsidiary to purchase from CP Holding LP, the CP Acquisition LP Interest in consideration for the CP Acquisition LP Sale Proceeds; and simultaneously, the Purchaser will cause Coventry Pointe Acquisition (GP) LLC to distribute its general partnership interest in CP Acquisition LP to the U.S. REIT Subsidiary such that all of the partnership interests in CP Acquisition LP will be held by the U.S. REIT Subsidiary and CP Acquisition LP will be terminated in accordance with law;

(c) the Fund, through the Fund GP, will cause the applicable Fund Entities to distribute or otherwise advance or repay the proceeds from the sale of the Interests, together with other available cash (including proceeds of any refinancing), net of applicable U.S. taxes, to the Fund, as determined by the Fund and the Fund GP;

(d) the Fund will, in its sole discretion, exchange the net proceeds from the sale of the Interests distributed to it, to the extent required to make the distribution contemplated to the Unitholders, from U.S. dollars to Canadian dollars based on the prevailing exchange rates available to the Fund; and

(e) as soon as practicable following Closing, the Fund, through the Fund GP in its capacity as general partner of the Fund, shall, pursuant to the provisions of the Limited Partnership Agreement:

(i) use the net proceeds from the sale of the Interests and any other available cash (including the proceeds of any refinancing), after applicable U.S. taxes, estimated to be an amount equal to US$81,774,487.79 in the aggregate, before deducting U.S. taxes required to be paid in connection with the Transaction and assuming a Canadian/U.S. dollar exchange rate of US$1.00 to C$1.3249, to declare and pay, or cause to be paid, a distribution to all of the Unitholders;

(ii) cancel all issued and outstanding Units and delist the Class A Units and Class U Units from the TSX-V;

(iii) dissolve the Fund and its remaining Subsidiaries following the Closing; and

(iv) cease to be a reporting issuer under applicable securities laws.

The Acquisition Agreement permits the Fund or one of its investee entities to refinance one or more of its Properties prior to Closing. The Acquisition Agreement provides that the purchase price under the Transaction will be reduced to reflect the proceeds from any such refinancing proceeds distributed to the Fund. The completion of a refinancing will not impact the Consideration that will be received by Unitholders under the Transaction.

In order to facilitate completion of the Transaction, inter-class Unit conversions by Unitholders will not be permitted after January 3, 2020.

THE ACQUISITION AGREEMENT

Summary of the Acquisition Agreement

The Acquisition Agreement has been filed on the Fund's issuer profile on SEDAR at www.sedar.com. The following is a summary of certain provisions of the Acquisition Agreement but is not intended to be complete. Please refer to the Acquisition Agreement for a full description of the terms and conditions thereof. Capitalized terms used in this section but not defined have the meanings given in the Acquisition Agreement.

Conditions

Mutual Conditions Precedent

The Parties are not required to complete the Transaction unless each of the following conditions is satisfied on or prior to the Closing Time, which conditions may only be waived, in whole or in part, with the mutual consent of each of the Parties:

1. The Transaction Resolution received the Unitholder Approval at the Meeting.

2. No Law is in effect that makes the consummation of the Transaction illegal or otherwise prohibits or enjoins the Fund or the Purchaser from consummating the Transaction.

3. The Required Consents have been obtained.

4. Approval of the Transaction from the TSX-V pursuant to TSX-V Policy 5.3 and the other policies, rules and regulations of the exchange, to the extent required by the TSX-V has been obtained.

5. The Acquisition Agreement has not been terminated in accordance with the terms thereof.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Transaction unless each of the following conditions is satisfied on or before the Closing Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

1. The representations and warranties of the Fund set forth in Section 7 (*Capitalization*), Section 8 (*Subsidiaries*) and Section 9 (*Unitholders' and Similar Agreements*) of Schedule B of the Acquisition Agreement are true and correct in all respects (except for *de minimis* inaccuracies) as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date).

2. The Fundamental Fund Representations are true and correct in all material respects as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date and, provided that, for the purpose of this paragraph, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties are ignored).

3. All other representations and warranties of the Fund and the Fund GP set forth in the Acquisition Agreement are true and correct in all respects as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect (provided that, for the purpose of this paragraph, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties are ignored).

4. Each of the Fund and the Fund GP have fulfilled or complied in all material respects with each of the covenants of the Fund and the Fund GP contained in the Acquisition Agreement to be fulfilled or complied with by them on or prior to the Closing Time.

5. The Fund has delivered a certificate to the Purchaser, executed by a senior officer of the Fund GP, without personal liability, addressed to the Purchaser and dated the Closing Date, that the foregoing conditions have been satisfied.

6. There has not been or occurred a Material Adverse Effect.

7. The Fund has caused (i) Intermediate LP to deliver a Non-Foreign Status Certificate to the Purchaser, and (ii) CP Holding LP to deliver a Non-Foreign Status Certificate to the U.S. REIT Subsidiary.

8. The Fund has delivered to the Purchaser each purchase and sale agreement duly executed by each applicable Fund Entity that is a party thereto.

9. The Fund has delivered to the Purchaser an opinion of Clark Hill PLC, addressed to the Purchaser, dated as of the Closing Date, together with copies of any supporting representation letters delivered in connection with such opinion, regarding the U.S. REIT Subsidiary's organization and operation in conformity with the requirements for qualification

and taxation as a Real Estate Investment Trust pursuant to Sections 856 and 857 of the *United States Internal Revenue Code of 1986* at all times beginning on the first day of the U.S. REIT Subsidiary's first tax year through December 31, 2018 and for the period from January 1, 2019 until immediately prior to the Closing.

Additional Conditions Precedent to the Obligations of the Fund

The Fund is not required to complete the Transaction unless each of the following conditions is satisfied on or before the Closing Time, which conditions are for the exclusive benefit of the Fund and may only be waived, in whole or in part, by the Fund in its sole discretion:

1. The Fundamental Purchaser Representations, the Fundamental DDAP Parent Representations and the Fundamental PSP Parent Representations are true and correct in all material respects as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date and provided that, for the purpose of this paragraph, any reference to "material" or other concepts of materiality in such representations and warranties are ignored).

2. All other representations and warranties of the Purchaser and each of the Parents set forth in the Acquisition Agreement are true and correct in all respects as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the Purchaser's or the Parents' ability to complete the Transaction (and provided that, for the purpose of this paragraph, any reference to "material" or other concepts of materiality in such representations and warranties are ignored).

3. The Purchaser and each of the Parents have fulfilled or complied in all material respects with each of their respective covenants contained in the Acquisition Agreement to be fulfilled or complied with by them on or prior to the Closing Time.

4. Each of the Purchaser and the Parents have delivered a certificate to the Fund, executed by a senior officer of the Purchaser or each of the Parents, as applicable, without personal liability, addressed to the Fund and dated the Closing Date, that the foregoing conditions in respect of the Purchaser or the Parent, as applicable, have been satisfied.

5. The Purchaser has delivered to the Fund each purchase and sale agreement duly executed by the Purchaser or the applicable Subsidiary of the Purchaser that is a party thereto.

Representations and Warranties

The Acquisition Agreement contains a number of customary representations and warranties of the Fund, the Fund GP, the Purchaser and each of the Parents relating to, among other things: organization and legal status; valid authorization; compliance with laws and constating documents; subsidiaries; capitalization and listing; and the validity, binding nature and enforceability of the Acquisition Agreement. Those representations and warranties were made solely for purposes of the Acquisition Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the Parties in connection with negotiating its terms and as set out in public filings of the Fund and the Disclosure Letter delivered in connection with the Acquisition Agreement. In particular, some of the representations and warranties are subject to a

contractual standard of materiality or Material Adverse Effect different from that generally applicable to public disclosure, or are used for the purpose of allocating risk between the Parties to the Acquisition Agreement. For the foregoing reasons, you should not rely on the representations and warranties contained in the Acquisition Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties made by the Fund and the Fund GP in favour of Purchaser relate to, among other things, organization and qualification, authorization, execution and binding obligation, organizational documents, governmental authorization, non-contravention, capitalization, subsidiaries, absence of unitholder and similar agreements, financial statements, auditors, books and records, undisclosed liabilities, absence of certain changes or events, related party transactions, compliance with laws, material Fund contracts, personal property, real property, intellectual property, litigation, environmental matters, employment matters, employee plans, insurance, taxes, other fees, brokers, collateral benefits, money laundering, anti-corruption, and matters related to the *Investment Company Act of 1940* (United States), the *Competition Act* (Canada) and the *Hart-Scott Rodino Antitrust Improvements Act of 1976* (United States), each as may be amended from time to time.

The representations and warranties made by the Purchaser in favour of the Fund relate to, among other things, organization and qualification, authorization, execution and binding obligation, governmental authorization, non-contravention, financing, litigation, brokers, money laundering and anti-corruption.

The representations and warranties made by each of the Parents in favour of the Fund relate to, among other things, organization and qualification, authorization, execution and binding obligation, governmental authorization, non-contravention, litigation and brokers.

Covenants

Interim Period Covenants

The Acquisition Agreement includes interim period covenants whereby: (a) the Fund GP shall cause the Fund, and the Fund is required to cause each its of Subsidiaries to, conduct its business in the ordinary course and in accordance with Law; (b) the Fund GP shall cause the Fund to, and the Fund shall, use commercially reasonable efforts to maintain and preserve its and its Subsidiaries' business organization, assets, properties, employees, goodwill and business relationships with customers, suppliers, partners and other Persons with which any of the Fund Entities has business relations; and (c) the Fund GP shall prevent the Fund from, and the Fund shall prevent any of its of Subsidiaries from, engaging in certain kinds of transactions or taking certain actions during the interim period without the prior consent of the Purchaser, subject to specified carve-outs and negotiated exceptions.

Covenants of the Parties Relating to the Transaction

Each of the Parties shall use its commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things required or necessary under Law to consummate the Transaction as soon as practicable, including:

1. using its commercially reasonable efforts to satisfy, or cause the satisfaction of, each of the conditions set forth in the Acquisition Agreement to the extent the same is within its control;

2. complying with all material requirements imposed by Law on it or its Subsidiaries with respect to the Acquisition Agreement or the Transaction;

3. using its commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are necessary or advisable under the Contracts of the Fund Entities to permit the consummation of the transactions contemplated by the Acquisition Agreement or required in order to maintain the Contracts of the Fund Entities in full force and effect following completion of the Transaction, in each case on terms satisfactory to the Fund and the Purchaser, each acting reasonably;

4. using its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from it and its Subsidiaries relating to the Acquisition Agreement or the Transaction;

5. using its commercially reasonable efforts to obtain all necessary exemptions, consents, approvals and authorizations as are required by it under all applicable Laws;

6. using its commercially reasonable efforts to, upon reasonable consultation with the other Parties, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Transaction and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers (or, if applicable, the directors or officers of the Fund GP) challenging the Transaction or the Acquisition Agreement or the transactions contemplated thereby, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reserved, so as to enable Closing to occur as soon as reasonably practicable in accordance with the Acquisition Agreement; provided that none of the Parties nor any of their respective Subsidiaries shall consent to the entry of any judgment or settlement with respect to any such proceeding without the prior written approval of the other Parties, not to be unreasonably withheld, conditioned or delayed; and

7. not taking any action, or refrain from taking any action, or permitting any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Transaction or the transactions contemplated under the Acquisition Agreement.

Each Party is required to promptly notify the other Parties of (i) any material written notice or other material written communication from any Governmental Entity in connection with the Acquisition Agreement (and shall contemporaneously provide a copy of any such written notice or communication to the other Party), (ii) any material filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving such Party or any of its Subsidiaries that relate to the Acquisition Agreement or the Transaction, and (iii) any notice or other written communication from any Person (A) alleging that a material consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the Acquisition Agreement or the Transaction, or (B) to the effect that such Person is terminating or otherwise materially adversely modifying its relationship with such Party or any of its Subsidiaries as a result of the Transaction or the Acquisition Agreement.

Without limiting the generality of the foregoing, the Fund must use its commercially reasonable efforts to obtain the exemptive relief contemplated by the Unitholder Approval.

Non-Solicitation Covenants

Except as expressly provided in the Acquisition Agreement, the Fund must not, directly or indirectly, through any of its Representatives or otherwise, and must not cause its Subsidiaries to, directly or indirectly, through any of their Representatives or otherwise:

1. solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Fund Entities) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

2. enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser or the Parents) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, or otherwise knowingly co-operate with, or participate in, any effort or attempt by any Person to make or complete, an Acquisition Proposal; provided that, for greater certainty, the Fund is permitted to advise any Person making an Acquisition Proposal that it is subject to the negative covenants imposed hereby and that the Fund GP Board has determined that such Acquisition Proposal does not constitute a Superior Proposal;

3. make a Change in Recommendation; or

4. enter into, approve, recommend, endorse or accept, or publicly propose to enter into, approve, recommend, endorse or accept any letter of intent, term sheet, memorandum of understanding, merger agreement, acquisition agreement, exchange agreement or any other agreement, understanding or arrangement in respect of an Acquisition Proposal (other than a confidentiality agreement permitted by and in accordance with the Acquisition Agreement).

Notwithstanding the foregoing, if at any time prior to obtaining the Unitholder Approval in respect of the Transaction Resolution, the Fund or any of its Subsidiaries or any of their respective Representatives receives an unsolicited, *bona fide* written Acquisition Proposal, the Fund may (i) engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and (ii) subject to entering into a confidentiality and standstill agreement with such Person (a copy of which must be provided to the Purchaser prior to providing such Person with any such copies, access or disclosure) and the Fund promptly providing the Purchaser with any non-public information concerning the Fund Entities provided to such Person which was not previously provided to the Purchaser or its affiliates, provide copies of, access to or disclosure of information, properties, facilities, books or records of the Fund Entities, if and only if in the case of each of (i) and (ii):

1. the Fund GP Board first determines in good faith, after consultation with its financial advisors and its legal counsel, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal;

2. such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction with any of the Fund Entities; and

3. the Fund has been, and continues to be, in compliance with its obligations under the non-solicitation provisions of the Acquisition Agreement.

If the Fund receives an Acquisition Proposal that constitutes a Superior Proposal prior to receipt of the Unitholder Approval in respect of the Transaction Resolution, the Fund GP Board may make a Change in Recommendation and enter into a definitive agreement with respect to such Superior Proposal, if and only if:

1. the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;

2. the Fund has been, and continues to be, in compliance with its obligations under the non-solicitation provisions of the Acquisition Agreement;

3. the Fund GP Board has determined, after consultation with its outside legal and financial advisors, that such Acquisition Proposal is a Superior Proposal and that the failure to take the relevant action would be inconsistent with its fiduciary duties;

4. the Fund or its Representatives have delivered to the Purchaser a written notice of the determination of the Fund GP Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Fund GP Board to enter into such definitive agreement with respect to such Superior Proposal, together with a written notice from the Fund GP Board regarding the value and financial terms that the Fund GP Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Superior Proposal (the "**Superior Proposal Notice**");

5. the Fund or its Representatives have provided to the Purchaser a copy of the proposed definitive agreement for the Superior Proposal and all supporting materials, including any financing documents, supplied to or made available to the Fund in connection therewith;

6. at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement for the Superior Proposal;

7. during any Matching Period, the Purchaser has had the opportunity (but not the obligation) to offer to amend the Acquisition Agreement and the Transaction in order for such Acquisition Proposal to cease to be a Superior Proposal;

8. after the Matching Period, the Fund GP Board has determined in good faith, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal; and

9. prior to or concurrently with entering into such definitive agreement the Fund terminates the Acquisition Agreement and pays the Termination Fee.

Other Covenants

The Acquisition Agreement includes additional covenants relating to title insurance; required consents; access to information; confidentiality; public communications; notice and cure

provisions; insurance and indemnification; the Pre-Closing Reorganization; allocation of partnership income; and tax elections.

Termination

Termination by either the Fund or the Purchaser

The Acquisition Agreement may be terminated prior to the Closing Time by: (i) the mutual written agreement of the Parties; and (ii) either the Fund or the Purchaser if:

1. the Transaction Resolution does not receive Unitholder Approval at the Meeting;

2. after November 14, 2019, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Transaction illegal or otherwise prohibits or enjoins the Fund or the Purchaser from consummating the Transaction, and such Law has, if applicable, become final and non-appealable, provided that the Party seeking to terminate the Acquisition Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Transaction and provided further that the enactment, making, enforcement or amendment of such Law was not primarily due to the fault of such Party to perform any of its covenants or agreements under the Acquisition Agreement; or

3. the Closing Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Acquisition Agreement if the failure of the Closing Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Acquisition Agreement.

Termination by the Fund

The Acquisition Agreement may be terminated prior to the Closing Time by the Fund if:

1. a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser or the Parents under the Acquisition Agreement occurs that would cause any condition in Section 6.3(1) (*Purchaser and Parents Representations and Warranties Condition*) or Section 6.3(2) (*Purchaser and Parents Covenants Condition*) of the Acquisition Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.9(3) of the Acquisition Agreement; provided that any Wilful Breach shall be deemed to be incapable of being cured and provided further that the Fund is not then in breach of the Acquisition Agreement so as to cause any condition in Section 6.2(1) (*Fund Representations and Warranties Condition*) or Section 6.2(2) (*Fund Covenants Condition*) of the Acquisition Agreement not to be satisfied; or

2. prior to receipt of the Unitholder Approval in respect of the Transaction Resolution, the Fund GP Board authorizes the Fund to enter into a written agreement (other than a confidentiality agreement permitted by and in accordance with Section 5.3 of the Acquisition Agreement) with respect to a Superior Proposal in accordance with Section 5.4 of the Acquisition Agreement, provided the Fund is then in compliance with the non-solicitation provisions of the Acquisition Agreement and that prior to or concurrent with such termination the Fund pays the Termination Fee.

Termination by the Purchaser

The Acquisition Agreement may be terminated prior to the Closing Time by the Purchaser if:

1. a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Fund or the Fund GP under the Acquisition Agreement occurs that would cause any condition in Section 6.2(1) (*Fund Representations and Warranties Condition*) or Section 6.2(2) (*Fund Covenants Condition*) of the Acquisition Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.9(3) of the Acquisition Agreement; provided that any Wilful Breach will be deemed to be incapable of being cured and provided further that the Purchaser is not then in breach of the Acquisition Agreement so as to cause any condition in Section 6.3(1) (*Purchaser Representations and Warranties Condition*) or Section 6.3(2) (*Purchaser Covenants Condition*) of the Acquisition Agreement not to be satisfied;

2. prior to the receipt of the Unitholder Approval in respect of the Transaction Resolution, a Change in Recommendation has occurred;

3. the Fund breaches the non-solicitation provisions of the Acquisition Agreement in any material respect; or

4. a Material Adverse Effect occurs after November 14, 2019.

Termination Fee

A termination fee of US$10,000,000 will be payable to the Purchaser (or as the Purchaser may direct by notice in writing) by the Fund if:

1. the Purchaser terminates the Acquisition Agreement in connection with a Change in Recommendation having occurred prior to the receipt of the Unitholder Approval in respect of the Transaction Resolution;

2. the Fund terminates the Acquisition Agreement in order to enter into an agreement in respect of a Superior Proposal prior to the receipt of the Unitholder Approval in respect of the Transaction Resolution; or

3. the Acquisition Agreement is terminated by either the Fund or the Purchaser as a result of a failure to receive Unitholder Approval of the Transaction Resolution or the Outside Date having occurred, or by the Purchaser as a result of the Fund breaching the non-solicitation provisions of the Acquisition Agreement in any material respect, provided that:

    A. following the date of the Acquisition Agreement and prior to such termination, a *bona fide* written Acquisition Proposal is made to the Fund or an Acquisition Proposal, or intention to make an Acquisition Proposal, is publicly announced by any Person (other than by the Purchaser or any of its affiliates); and

    B. within 12 months following the date of such termination (i) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to above) is consummated, or (ii) any of the Fund Entities enters into a

definitive agreement in respect of any Acquisition Proposal and such Acquisition Proposal is subsequently consummated,

provided that for purposes of the foregoing, the term "Acquisition Proposal" has the meaning ascribed to it in the Acquisition Agreement, except that references to "20% or more" is deemed to be references to "50% or more".

Expense Reimbursement

The Fund has agreed to reimburse the reasonable and documented out-of-pocket costs and expenses (up to a maximum of US$1,500,000) incurred by the Purchaser prior to the termination of the Acquisition Agreement in connection with the entering into of the Acquisition Agreement, the Transaction, and the carrying out of any and all acts contemplated in the Acquisition Agreement, including reasonable fees of counsel, financial advisors, accountants and consultants, in the event that the Acquisition Agreement is terminated (i) by either the Fund or the Purchaser as a result of the failure to obtain Unitholder Approval of the Transaction Resolution by Unitholders, or (ii) by the Purchaser as a result of the failure to satisfy any condition in Section 6.2(1) (*Fund Representations and Warranties Condition*) or Section 6.2(2) (*Fund Covenants Condition*) of the Acquisition Agreement.

The Purchaser has agreed to reimburse the reasonable and documented out-of-pocket costs and expenses (up to a maximum of US$1,500,000) incurred by the Fund prior to the termination of the Acquisition Agreement in connection with the entering into of the Acquisition Agreement, the Transaction and the carrying out of any and all acts contemplated in the Acquisition Agreement, including reasonable fees of counsel, financial advisors, accountants and consultants, in the event that the Acquisition Agreement is terminated by the Fund, as a result of the failure to satisfy any condition in Section 6.3(1) (*Purchaser and Parents Representations and Warranties Condition*) or Section 6.3(2) (*Purchaser and Parents Covenants Condition*) of the Acquisition Agreement.

Notwithstanding the foregoing, if Fund has already paid the Termination Fee then no expense reimburse shall be payable by the Fund. Additionally, if the Fund has made an expense reimbursement payment to the Purchaser in accordance with the foregoing and then the Termination Fee subsequently becomes payable, the Termination Fee shall be reduced by the amount of any such expense reimbursement.

SUPPORT AGREEMENTS

The Support Agreements have been filed on the Fund's issuer profile on SEDAR at www.sedar.com. The following is a summary of certain provisions of the Support Agreements but is not intended to be complete. Please refer to the Support Agreements for a full description of the terms and conditions thereof. Capitalized terms used in this section but not defined have the meanings given in the Support Agreements.

Concurrently with the Acquisition Agreement, each of the directors and executive officers of the Fund GP and the Manager (collectively, the "**Supporting Persons**") each entered into a support agreement (collectively, the "**Support Agreements**") with the Purchaser. Each Support Agreement sets forth, among other things, the terms and conditions upon which the Supporting Persons have agreed to vote all of the Units owned or controlled by such Supporting Persons (the "**Subject Securities**"), in favour of the approval of the Transaction Resolution to be voted on at

the Meeting in connection with the Transaction. The Supporting Persons hold, collectively, approximately 7.92% of the Units.

The Supporting Persons have agreed that they will (subject to certain qualifications), among other things:

(a) cause the Subject Securities to be counted as present for the purposes of establishing quorum at the Meeting and to exercise all voting rights attached to the Subject Securities in favour of the Transaction Resolution;

(b) not option, sell, transfer, pledge, encumber, assign, gift-over, grant a security interest or participation interest in, hypothecate or otherwise convey or enter into any forward sale, repurchase agreement or other monetization transaction with respect to any of the Subject Securities or any right or interest therein, to any person or group of persons or agree to do any of the foregoing;

(c) not deposit any Subject Securities into any voting trust or enter into any voting trust arrangement with respect to any of the Subject Securities (other than pursuant to the Acquisition Agreement); and

(d) not to take any other action of any kind that would reasonably be expected to prevent, materially delay or materially impede the timely consummation of the Transaction.

The Support Agreements and the obligations of the Supporting Persons set out in the Support Agreements shall terminate upon the earlier to occur of (i) the Closing Time, provided that certain provisions will survive such termination; (ii) the date upon which the Acquisition Agreement is terminated in accordance with its terms; and (iii) the date upon which the Purchaser and the applicable Supporting Person agree in writing to terminate the applicable Support Agreement.

PROCEDURES FOR DELIVERY OF CONSIDERATION

Payment of the Consideration

If the Transaction Resolution is passed and the Transaction is implemented, the Purchaser will pay the purchase price required to acquire the Interests pursuant to, and in accordance with, the Acquisition Agreement.

The Transfer Agent will administer the distribution to be paid to Unitholders in connection with the Transaction. As soon as practicable following the Closing, the Fund will deposit, or cause to be deposited, with the Transfer Agent sufficient cash to pay the Consideration to Unitholders in U.S. dollars and Canadian dollars, as applicable.

The payments to each of Unitholders by the Transfer Agent will be made pursuant to such Unitholder’s entitlements under the Limited Partnership Agreement.

Withholding

All payments payable pursuant to the Acquisition Agreement will be subject to the applicable withholding rights of the Fund or the Transfer Agent, as applicable.

Currency

Payments to be made to Unitholders in connection with the Transaction, may be made in U.S. dollars or Canadian dollars, depending on the class of Units held.

Holders of the Class A Units, the Class C Units, the Class D Units and the Class F Units will be entitled to receive their distributions in Canadian dollars. Holders of the Class E Units and Class U Units will be entitled to receive their distributions in U.S. dollars.

The Fund will use commercially reasonable efforts to pay Unitholders designated to receive their Consideration in Canadian dollars based on the prevailing market rate(s) available to the Fund at the Closing, in a manner consistent with the past practice of the Fund in the ordinary course of business. The risks, obligations and liabilities relating to changes in foreign exchange rates will be borne solely by the Unitholder receiving any distribution in Canadian dollars and not by the Fund, any Subsidiary of the Fund or the Purchaser.

PRINCIPAL LEGAL MATTERS

Competition Law Matters

The Transaction is not notifiable under the *Competition Act* (Canada); however, the Commissioner of Competition may challenge a merger before the Competition Tribunal at any time before, or within one year following, its completion where the merger prevents or lessens, or is likely to prevent or lessen, competition substantially in Canada. There is no guarantee that a challenge to the Transaction under the *Competition Act* (Canada) will not be made or, if a challenge is made, that it would not be successful.

The Transaction is not reportable under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* (United States), as amended, however, the Federal Trade Commission or the U.S. Department of Justice may challenge the Transaction on antitrust law grounds at any time before or after the completion of the Transaction. Accordingly, the Federal Trade Commission or the U.S. Department of Justice could take action under antitrust laws, including seeking to prevent the Transaction, to rescind or dissolve the Transaction, or to require the divestiture of assets of the Purchaser and/or the Fund. There can be no assurance that a challenge to the Transaction on competition law grounds will not be made or, if a challenge is made, that it would not be successful.

Securities Law Matters

As a reporting issuer (or its equivalent) in all the provinces Canada, the Fund is subject to MI 61-101.

MI 61-101 is intended to regulate certain transactions to ensure the protection and fair treatment of securityholders by requiring enhanced disclosure, approval by a simple majority of securityholders (excluding interested or related parties) and, in certain circumstances, a formal valuation. The Transaction constitutes a “business combination” as such term is defined in MI 61-101 and therefore subject to the applicable requirements of MI 61-101. The Transaction constitutes a “business combination” under MI 61-101 because: (i) in accordance with the terms of the Limited Partnership Agreement, the sale of all of the multi-family real estate properties currently owned by the Fund will trigger a dissolution of the Fund and as a consequence of which the interest of a Unitholder may be terminated without consent of such Unitholder; and (ii)

pursuant to the Transaction, "related parties" (as defined in MI 61-101) of the Fund may be considered to receive a "collateral benefit" (as defined in MI 61-101) and are party to a "connected transaction" (as defined in MI 61-101) as a result of the elimination of the "carried interest" of the Fund in exchange for cash and the issuance of limited partnership units of the Purchaser with an aggregate equivalent value, subject to adjustment to the number of limited partnership units issuable by the Purchaser based on the terms of the arrangements between such parties and PSP Investments. For more information, see "*Background to the Transaction*".

Despite the fact that the Transaction constitutes a "business combination", the Fund is not required to obtain a formal valuation under MI 61-101 since the listed securities of the Fund are only listed on the TSX-V and no securities of the Fund are listed or quoted on the specified markets set out in section 5.5(b) of MI 61-101.

MI 61-101 also provides that, in addition to any other required securityholder approval, a business combination is subject to "minority approval" (as defined in MI 61-101) of every class of affected securities of the issuer, in each case voting separately as a class. The Fund has received discretionary exemptive relief from the Canadian Securities Administrators from this requirement, such that minority Unitholder Approval will be required, but only from the Unitholders voting together as a single class. The relief was granted, among other reasons, because: (i) the Limited Partnership Agreement provides that Unitholders vote as a single class unless the nature of the business to be transacted at the meeting affects holders of one class of Units in a manner materially different from its effect on holders of another class of Units, and the Manager of the Fund and Fund GP have determined that the Transaction does not affect holders of one class of Units in a manner materially different from its effect on holders of another class of Units of the Fund; (ii) since the relative returns are fixed pursuant to a formula established in the Limited Partnership Agreement that was set at the time of the Fund's initial public offering when investors selected their preferred class and purchased their Units, the interests of the holders of each class of Units of the Fund are aligned in respect of the Transaction; (iii) negotiation of the Transaction was overseen by the Special Committee; (iv) both the Special Committee and the Fund GP Board have received the Fairness Opinion; (v) the Fund GP Board believes that providing a class vote would provide disproportionate power to a potentially small number of Unitholders; and (vi) to the best of the knowledge of the Manager and the Fund GP, there is no reason to believe that Unitholders of any particular class would not approve the Transaction.

As a result, under MI 61-101, in addition to the approval of the Transaction Resolution by at least a simple majority of the votes cast by Unitholders, voting together as a single class, at the Meeting, the Transaction Resolution must also be approved by the affirmative vote of a simple majority of the votes cast by the Unitholders voting together as a single class other than Units held by each "interested party" (as defined in MI 61-101), any "related party" of an "interested party", unless the related party meets that description solely in its capacity as a director or senior officer of one or more persons that are neither "interested parties" nor "issuer insiders" (in each case within the meaning of MI 61-101), and any "joint actor" (as defined in MI 61-101) with any of the foregoing persons. For more information, see "*Special Business of the Meeting – Interested Unitholders*".

To the knowledge of the Fund, after reasonable inquiry, the only Unitholders who may be considered to be "interested parties" whose votes are required to be excluded for purposes of "minority approval" in accordance with MI 61-101, as described above, are Units beneficially owned or controlled by the Interested Unitholders. As of the close of business on December 4, 2019, the Interested Unitholders beneficially owned or controlled 648,100 Units representing 7.92% of the 8,186,994 issued and outstanding Units.

Stock Exchange Matters

The Class A Units and the Class U Units are currently listed on the TSX-V under the symbols "SUVA.A" and "SUVA.U", respectively. The Class C Units, the Class D Units, the Class E Units the Class F Units and the Class H Units are not listed on any exchange. Pursuant to the Transaction, all issued and outstanding Units will be cancelled, and the Class A Units and the Class U Units will be de-listed from the TSX-V following the completion of the steps set out in the Transaction.

The Transaction constitutes a "reviewable disposition" (as defined in TSX-V Policy 5.3) and will result in the disposition of more than 50% of the Fund's assets. As a result, under TSX-V Policy 5.3, in addition to the approval of the Transaction Resolution by at least a simple majority of the votes cast by Unitholders, voting together as a single class, at the Meeting, the Transaction Resolution must also be approved by the affirmative vote of a simple majority of the votes cast by Disinterested Unitholders voting together as a single class. For more information, see "*Special Business of the Meeting – Interested Unitholders*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Blake, Cassels & Graydon LLP, counsel to the Fund, the following is a summary, as of the date hereof, of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a Unitholder in respect of the Transaction, including the distribution by the Fund of the net consideration received in the Transaction and the disposition of Units on their cancellation pursuant to the Transaction. This summary is applicable only to a holder who, for purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm's length with the Fund and the Purchaser, is not affiliated with the Fund or the Purchaser, and holds the Units as capital property (a "**Holder**").

Generally, Units will be considered to be capital property to a holder provided that the holder does not hold the Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. The Units are not "Canadian securities" for purposes of the election under subsection 39(4) of the Tax Act to deem every "Canadian security" (as defined in the Tax Act) owned by a taxpayer in the taxation year of the election and in each subsequent taxation year to be capital property and therefore no such election will apply to the Units. Holders who do not hold their Units as capital property should consult with their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Holder: (i) that is a "financial institution" for purposes of the mark-to-market rules in the Tax Act; (ii) an interest in which is a "tax shelter investment"; (iii) that has elected to report its "Canadian tax results" in a currency other than Canadian currency; (iv) of which any affiliate of the Fund is or was at any relevant time a "foreign affiliate" for purposes of the Tax Act (including for purposes of any "specified provision" thereof listed in paragraphs 93.1(1.1)(a) through (d) of the Tax Act); or (v) that has entered or will enter into a "derivative forward agreement" with respect to the Units (in each case, as those terms are defined in the Tax Act). In addition, this summary does not address the possible application of the "foreign affiliate dumping" rules that may be applicable to a Holder that is a corporation resident in Canada (for purposes of the Tax Act) and is or becomes, or does not deal at arm's length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the Transaction, controlled by a non-resident person or a group of non-resident persons not dealing with each other at arm's length for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Any such holders should consult their own tax

advisors with respect to the consequences of the Transaction. This summary also does not address the deductibility of interest on money borrowed to acquire Units.

This summary assumes that: (i) neither the Fund (nor its Units) is a "tax shelter" or "tax shelter investment", each as defined in the Tax Act, (ii) Units that represent more than 50% of the fair market value of all interests in the Fund are held at all relevant times by Unitholders that are not "financial institutions" as defined in the Tax Act, and (iii) no interest in any Unitholder is a "tax shelter investment" as defined in the Tax Act. However, no assurances can be given in this regard.

This summary is of a general nature only and is based upon the facts set out in this Information Circular, certain representations as to factual matters made in a certificate signed by an officer of the Fund and provided to counsel (the "**Tax Certificate**"), the provisions of the Tax Act in force at the date hereof, all specific proposals to amend the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and counsel's understanding of the current administrative policies and assessing practices of the CRA which have been made public prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed but no assurances can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies and assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, and does not take into account any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this Information Circular.

For purposes of the Tax Act, all amounts relating to the computation of the income of the Fund or of a partnership of which the Fund is, directly or indirectly through one or more other partnerships, a member (a "**Subsidiary Partnership**" and, together with the Fund, the "**Partnerships**"), or to the acquisition, holding or disposition of Units, must be expressed in Canadian dollars. Amounts denominated in another currency generally must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amounts arise or such other rate of exchange as is acceptable to the Minister of National Revenue (Canada).

This summary describes the principal Canadian federal income tax consequences generally applicable to a Holder in respect of the Transaction. The income and other tax consequences applicable to any particular Holder will vary depending on the holder's particular circumstances, including the province or provinces in which the holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any Unitholder. Investors should consult their own tax advisors with respect to the tax consequences of the Transaction based on their particular circumstances.

Taxation of the Partnerships

This summary assumes that neither the Fund nor any of the Subsidiary Partnerships is a "SIFT partnership" (as defined in the Tax Act). Provided that the Partnerships do not at any relevant time hold any "non-portfolio property" (as defined in the Tax Act), they will not be SIFT partnerships. Management of the Fund has advised counsel that none of the Partnerships has owned any non-portfolio property at any relevant time.

If any of the Partnerships were to be or become a SIFT partnership, the income tax considerations described below would, in some respects, be materially and adversely different.

The Partnerships are generally not subject to tax under the Tax Act. Each partner of a Partnership is required to include (or entitled to deduct) in computing its income for a particular year, its share of the income (or loss) of the Partnership (subject, in the case of a loss, to the application of the "at risk" rules in the Tax Act) from each source for each fiscal period of such Partnership ending in, or coincidentally with, such taxation year, whether or not such partner has received any distributions from the Partnership in the year. For this purpose, the income or loss of each Partnership will be computed for each fiscal period as if such Partnership were a separate person resident in Canada and will be allocated to its partners on the basis of their respective shares of that income or loss as provided for in the partnership agreement governing such Partnership.

The income or loss of a particular Partnership will include its share of the income (or loss, subject to the "at risk" rules) of a Subsidiary Partnership of which the particular Partnership is a partner, as determined in accordance with the Subsidiary Partnership's partnership agreement. The source and character of amounts included in (or deducted from) the income of a Partnership on account of income (or loss) of a Subsidiary Partnership will generally be determined by reference to the source and character of such amounts when earned by such Subsidiary Partnership. The income recognized by the Partnerships from the Transactions should generally be considered as income from a source in the U.S.

The income of a Partnership for its fiscal period that includes the Closing Date will include any income (including taxable capital gains) realized as a consequence of the steps involving such Partnership or its subsidiaries in connection with the Transaction (including the Pre-Closing Transfers as discussed below). Accordingly, the income of the Fund for its fiscal period that includes the Closing Date will include its share (as allocated to it directly or indirectly by the Subsidiary Partnerships) of such income.

The adjusted cost base of the partnership interest in a particular Subsidiary Partnership held by another Partnership will be increased (or decreased) at a particular time by such other Partnership's share of the amount of income (or losses, other than losses the deductibility of which was denied by the at-risk rules), including the full amount of any capital gain (or capital loss), of the Subsidiary Partnership for a fiscal period of such Subsidiary Partnership that ended before that time, and will be reduced by all partnership distributions made by the Subsidiary Partnership to such other Partnership before that time. If at the end of any fiscal period of a particular Subsidiary Partnership, the adjusted cost base of the partnership interest held by a Partnership that is a limited partner of such Subsidiary Partnership would otherwise be a negative amount, that Partnership will be deemed to have realized a capital gain equal to such negative amount and the adjusted cost base of the partnership interest in the Subsidiary Partnership held by such Partnership will be increased by the amount of such deemed capital gain.

The Veranda Transfer

Prior to Closing, CP Acquisition LP will transfer the Veranda Property to Veranda LLC in consideration for the assumption of certain liabilities related to the Veranda Property and membership interests in Veranda LLC. CP Acquisition LP's proceeds of disposition from such transfer will be equal to the fair market value of the Veranda Property, and CP Acquisition LP will realize a capital gain (or capital loss, in the case of non-depreciable property and subject to the possible application of the "stop loss" rules in the Tax Act) in respect of each property so transferred that is capital property to CP Acquisition LP equal to the amount, if any, by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) CP Acquisition LP's adjusted cost base of such property immediately before such transfer.

The Veranda Transfer may also result in the realization by CP Acquisition LP of ordinary income resulting from the recapture of capital cost allowance ("**CCA**") in respect of certain buildings and other depreciable property transferred to Veranda LLC ("**Recapture Income**"), to the extent that the lesser of (a) the proceeds of disposition realized by CP Acquisition LP on the disposition of such properties and (b) the "cost amount" of such properties for purposes of the Tax Act, exceeds the "undepreciated capital cost" ("**UCC**") of such properties for purposes of the Tax Act. If the proceeds of disposition realized by CP Acquisition LP were to be less than the UCC of such properties, CP Acquisition LP may realize a terminal loss on the disposition of such properties, subject to the possible application of the "stop loss" rules in the Tax Act.

Any Recapture Income, capital gain, terminal loss or capital loss realized by CP Acquisition LP in respect of the Veranda Transfer will be allocated to CP Holding LP, the U.S. REIT Subsidiary and CP Acquisition GP LLC in accordance with the partnership agreement governing CP Acquisition LP.

The U.S. REIT Subsidiary is a "controlled foreign affiliate" ("**CFA**") of Holding LP for purposes of the Tax Act. Accordingly, to the extent that the U.S. REIT Subsidiary (or any CFA of Holding LP or any direct or indirect subsidiary thereof) earns income characterized as "foreign accrual property income" ("**FAPI**") as such term is defined in the Tax Act in a particular taxation year of the CFA, the amount of such FAPI allocable to the Holding LP must be included in computing the income of the Holding LP for purposes of the Tax Act for the fiscal period of the Holding LP in which the taxation year of the CFA ends, whether or not the Holding LP actually receives a distribution of that FAPI. Dividends received by Holding LP from the U.S. REIT Subsidiary or any other CFA will be included in computing the income of Holding LP, however, a deduction generally will be available to the extent that Holding LP has included such amount in its income as FAPI. Based in part on certain representations of fact included in the Tax Certificate, any allocation of Recapture Income or capital gain by CP Acquisition LP to the U.S. REIT Subsidiary as a consequence of the Veranda Transfer is not expected to result in any material amount of FAPI being recognized by Holding LP.

Similarly, Veranda LLC will be a CFA of CP Acquisition LP, until CP Acquisition LP ceases to exist in connection with the Sale Transactions as discussed below. Accordingly, any FAPI of Veranda LLC allocable to CP Acquisition LP must be included in computing the income of CP Acquisition LP for purposes of the Tax Act for the fiscal period of CP Acquisition LP in which the taxation year of Veranda LLC ends (or is deemed to end). In particular, CP Acquisition LP will generally be required to include an amount in income for its fiscal period ending as a consequence of the Sale Transactions (as discussed below) in respect of any income earned by Veranda LLC between the time of the Veranda Transfer and the completion of the Sale Transactions, to the extent that such income is characterized as FAPI. However, the amount of income to be earned by Veranda LLC during such period that may be characterized as FAPI is not expected to be material.

The Holding LP Interest Transfer

Prior to Closing, Investment LP will transfer the Holding LP Interest to Intermediate LP in consideration for limited partnership interests in Intermediate LP. Investment LP's proceeds of disposition from such transfer will be deemed to be equal to the fair market value of the Holding LP Interest at the time of transfer, and Intermediate LP will be deemed to acquire the Holding LP Interest at a cost equal to such fair market value. Investment LP will realize a capital gain (or capital loss) equal to the amount, if any, by which its proceeds of disposition, net of any

reasonable costs of disposition, exceed (or are less than) Investment LP's adjusted cost base of the Holding LP Interest immediately before such disposition.

Any capital gain (or capital loss) realized by Investment LP in respect of the Holding LP Interest Transfer will be allocated to the Fund and the general partner of Investment LP in accordance with the partnership agreement governing Investment LP.

The Refinancing and Distribution of the Refinancing Proceeds

As noted above under *"Transaction Mechanics"*, the Acquisition Agreement permits the Fund or one of its investee entities to refinance one or more of the Fund's Properties prior to Closing. Management of the Fund currently expects that any such refinancing would be entered into by one of the Property LLCs. The distribution of the net proceeds of such a refinancing (referred to herein as "**Refinancing Proceeds**") by the applicable Property LLC to the U.S. REIT Subsidiary will generally be treated as a dividend paid by the applicable Property LLC to the U.S. REIT for purposes of the Tax Act. Such a dividend would not be treated as FAPI of the U.S. REIT Subsidiary.

A distribution of Refinancing Proceeds to Holding LP by the U.S. REIT Subsidiary as a distribution on the shares of the U.S. REIT Subsidiary held by Holding LP would generally be treated as a dividend received by Holding LP, unless such distribution is paid on a redemption, acquisition or cancellation of the shares of the U.S. REIT Subsidiary held by Holding LP or as a "qualifying return of capital" in respect of such shares. A distribution made by the U.S. REIT Subsidiary in respect of its shares that is a reduction of the paid-up capital of the U.S. REIT Subsidiary in respect of such shares may in certain circumstances be treated as a qualifying return of capital if the appropriate election is made, such that the distribution will not be included in Holding LP's income but rather applied to reduce the Holding LP's adjusted cost base in the relevant shares. If at any time the adjusted cost base of the shares of the U.S. REIT Subsidiary held by Holding LP would become a negative amount, Holding LP would be deemed to have realized a capital gain equal to such amount. In the Tax Certificate, the General Partner has advised that any distribution of Refinancing Proceeds by the U.S. REIT Subsidiary will be effected as a qualifying return of capital, such that no portion of such a distribution would be treated as a dividend for purposes of the Tax Act as described above, and that Holding LP's adjusted cost base in respect of the shares of the U.S. REIT Subsidiary in respect of which any such distribution would be paid is not expected to be less than the amount of such distribution, such that no capital gain is expected to be realized in respect of any such distribution. However, no assurances can be given in this regard.

The amount of any upstream distribution of Refinancing Proceeds received by a Partnership as a distribution from a Subsidiary Partnership will be deducted in computing the adjusted cost base of such Partnership's interest in the applicable Subsidiary Partnership. For example, a distribution of Refinancing Proceeds from Holding LP to Investment LP (prior to the Holding LP Interest Transfer) would decrease Investment LP's adjusted cost base in the Holding LP Interest. Management of the Fund does not expect the distribution of any Refinancing Proceeds to the Fund by its Subsidiary Partnerships to result in the adjusted cost base of any relevant partnership interests held by any Partnership becoming negative.

Because the purchase price to be paid by the Purchaser for the Holding LP Interest pursuant to the Acquisition Agreement will be reduced by an amount equal to the amount of any Refinancing Proceeds distributed by Holding LP prior to closing, the reduction in the adjusted cost base of Investment LP's partnership interest in Holding LP as a consequence of such a distribution

as described above is not expected to increase or decrease the capital gain that will be realized in respect of any disposition of the Holding LP Interest in the Transaction (including as a consequence of the pre-closing Holding LP Interest Transfer).

The Sale Transactions

The Acquisition Agreement contemplates that at Closing: (a) Intermediate LP will sell the Holding LP Interest to the Purchaser for cash consideration in an amount equal to the Holding LP Limited Partner Interest Value and (b) CP Holding LP will sell the CP Acquisition GP LLC Interest and the CP Acquisition LP Interest to the U.S. REIT Subsidiary (which will be owned by the Purchaser at the time of such sale) for cash consideration consisting of the CP Acquisition GP LLC Sale Proceeds and the CP Acquisition LP Sale Proceeds, respectively (collectively, the "**Sale Transactions**"). Intermediate LP, on the one hand, and CP Holding LP, on the other hand, will each realize a capital gain (or capital loss) in respect of the Sale Transactions to the extent that the proceeds of disposition received, net of reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the selling Partnership of the Interests being sold by it.

Simultaneously with the sale of the CP Acquisition LP Interest by CP Holding LP to the U.S. REIT Subsidiary, the U.S. REIT Subsidiary will cause CP Acquisition GP LLC to distribute its general partner interest in CP Acquisition LP to the U.S. REIT Subsidiary, such that all the partnership interests in CP Acquisition LP will be held by the U.S. REIT Subsidiary and CP Acquisition LP will cease to exist. As a result, the fiscal period of CP Acquisition LP in which the Sale Transactions occur will be deemed to end prior to the completion of such steps and CP Holding LP's adjusted cost base in the CP Acquisition LP Interest at the time of sale will reflect CP Holding LP's share of any income (including capital gains) or loss realized by CP Acquisition LP in that fiscal period prior to the sale, including any Recapture Income or capital gains realized by CP Acquisition LP as a consequence of the Veranda Transfer as described above.

Any capital gain realized by Intermediate LP or CP Holding LP, as the case may be, in respect of the Sale Transactions will be allocated to its members in accordance with the applicable governing partnership agreement.

Distribution of Sale Transaction Proceeds and Dissolution of the Subsidiary Partnerships

Following the Sale Transactions, the Fund's Subsidiary Partnerships receiving proceeds from the Sale Transactions, being Intermediate LP and CP Holding LP (collectively the "**Lower Tier Subsidiary Partnerships**") are expected to be dissolved, with the net sale proceeds received by each such partnership being distributed to Investment LP (in the case of Intermediate LP) and Starlight Investments Acquisition (No.6) Partnership (in the case of CP Holding LP) (collectively, the "**Upper Tier Subsidiary Partnerships**"), and where applicable to their respective general partners, as provided for in the applicable partnership agreements. In turn, it is expected that each Upper Tier Subsidiary Partnership will dissolve and distribute the proceeds received from the dissolution of the applicable Lower Tier Subsidiary Partnership to the Fund and its respective general partner. (Such dissolutions are referred to herein as the "**Subsidiary Partnership Dissolutions**".) The fiscal period of each Lower Tier Subsidiary Partnership and each Upper Tier Subsidiary Partnership will be deemed to end prior to the time at which such partnership ceases to exist as a consequence of such dissolutions.

The partners of each such dissolving Partnership (including the Upper Tier Subsidiary Partnerships, in the case of the dissolution of the Lower Tier Subsidiary Partnerships, and the Fund, in the case of the dissolution of the Upper Tier Subsidiary Partnerships) will be considered

to dispose of their interests in the dissolving Partnership for proceeds of disposition equal to the amount of cash plus the fair market value of any other property distributed to them by the dissolving Partnership on the dissolution. Each of the Upper Tier Subsidiary Partnerships and the Fund will realize a capital gain (or capital loss) to the extent that such proceeds, net of reasonable costs of disposition, exceed (or are less than) its adjusted cost base of its interest in the applicable dissolving Partnership, taking into account any adjustments in respect of income (including capital gains) or loss allocated to it by the dissolving partnership for its fiscal period that is deemed to end as a consequence of the dissolution as described above.

To the extent that any proceeds from the Sale Transactions are distributed directly or indirectly by the corporate general partners of the Subsidiary Partnerships to the Fund, all or part of such amounts would generally be treated as dividends for purposes of the Tax Act. However, management of the Fund has advised that such amounts are not expected to be material.

Any capital gain or income realized directly or indirectly by the Fund in connection with the dissolution of the Subsidiary Partnerships will be allocated to Unitholders (and Fund GP) in accordance with the Limited Partnership Agreement.

Taxation of Unitholders

Allocations and Distributions to Holders prior to the Transaction

The tax treatment to Holders of any income allocated by the Fund and of Permitted Fund Distributions made by the Fund up to the Closing Time will be determined in a manner similar to that applicable to other allocations and distributions by the Fund.

The Fund will be deemed to have a fiscal period end in connection with its dissolution, and will allocate its income or loss, including capital gains and capital losses, and any foreign taxes paid by or on behalf of the Fund or any Subsidiary Partnership of the Fund, for the taxation year so ended to the Unitholders (and Fund GP) according to the Limited Partnership Agreement. Accordingly, and in particular, Holders with taxation years ending before December 31 may be required to include their share of income allocated by the Fund for its fiscal period in which Closing occurs in an earlier taxation year than they would otherwise have been required to do so. Holders with taxation years that do not end on December 31 of each year should consult their own tax advisors.

Distribution of Net Transaction Proceeds and Termination of the Fund

As described under "*Transaction Mechanics*", following completion of the Sale Transactions and the distributions of the net proceeds therefrom to the Fund, the Fund will distribute such proceeds (after conversion to Canadian dollars in the case of distributions to holders of Units denominated in Canadian dollars) to Unitholders and cancel the outstanding Units, and the Fund will be dissolved.

A Holder will generally be required to include in income for its taxation year in which the Transaction occurs, the portion of income (if any) and net taxable capital gains of the Fund for its fiscal period in which the Transaction occurs, including any income and net taxable capital gains of or allocated directly or indirectly to the Fund arising from the Veranda Transfer, the Holding LP Interest Transfer, the Sale Transactions and the Subsidiary Dissolutions, that is allocated to such Holder by the Fund in accordance with the Limited Partnership Agreement.

The adjusted cost base of the Units held by a Holder will be increased (or decreased) at a particular time by such Holder's share of the amount of income (or losses, other than losses the deductibility of which was denied by the at-risk rules), including the full amount of any capital gain (or capital loss), of the Fund for a fiscal period of the Fund that ended before that time, and will be reduced by all distributions of cash or other property made by the Fund to such unitholder on the Units before that time. If at the end of any fiscal period of the Fund, the adjusted cost base of the Units held by a Holder would otherwise be a negative amount, the Holder will be deemed to have realized a capital gain equal to such negative amount and the adjusted cost base of the Units held by such Holder will be increased by the amount of such deemed capital gain. A Holder's allocated share of income (or loss) of the Fund for its fiscal period in which the Transaction occurs, including any income or capital gains realized in respect of the Transaction, will generally be added (or deducted) in the computation of the adjusted cost base of a Unitholder's Units immediately prior to the time of disposition.

A Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition of Units so disposed of, net of any reasonable costs of disposition, exceed (or are less than) the "adjusted cost base" (as defined in the Tax Act) to the Holder of such Units. The taxation of capital gains and capital losses is described below under the heading "*Taxation of Capital Gains and Losses*".

In general, a Holder's share of any income or loss of the Fund from a particular source will be treated as if it were income or loss of the Holder from that source, and any provisions of the Tax Act applicable to that type of income or loss will apply to the Holder with respect thereto. The source and character of an amount included in the income of a Holder will, where applicable, be determined by reference to the source and character of such amounts when earned by the Fund and the Subsidiary Partnerships.

These rules are complex and Holders should consult their own tax advisors for advice in this regard.

Foreign Tax Credits and Deductions

Foreign taxes paid by a Partnership in connection with the Transaction will be allocated pursuant to the limited partnership agreement governing such Partnerships. A Holder's allocated share of the U.S. income taxes paid by the Fund and the Subsidiary Partnerships may be deductible from such Holder's Canadian federal income tax otherwise payable for that year (a "**foreign tax credit**"). U.S. income taxes paid by the Partnerships in respect of capital gains realized in the Transactions generally will not be eligible for deduction in computing a Holder's income for Canadian tax purposes for that year (a "**foreign tax deduction**"). U.S. taxes paid by the Partnerships in connection with the Transaction may be eligible for a foreign tax deduction to the extent that such taxes are considered to have been paid in respect of Recapture Income (if any) realized by CP Holding LP in respect of the Veranda Transfer. Holders should consult their own tax advisors in this regard.

In order to claim a foreign tax credit, in the event that any U.S. tax paid or withheld from a particular amount does not represent the final U.S. income tax liability for the year, the applicable Partnership must file a U.S. federal income tax return to establish the final U.S. income tax liability in respect of such amount. Counsel has been advised that each of the applicable Partnerships intends to file any such U.S. federal income tax returns as may be required to permit Unitholders to claim such foreign tax credits to the extent permitted under the Tax Act. If the amount of U.S. tax paid by any Partnership exceeds the ultimate U.S. tax liability of such Partnership, the excess

will not be eligible for a foreign tax credit or foreign tax deduction regardless of whether such excess is refunded to the applicable Partnership.

The U.S. income tax paid by the Fund and the Subsidiary Partnerships in respect of the Transaction and allocated to a Holder will generally be characterized as "non-business income tax", as defined in the Tax Act. Such non-business income tax may generally be deductible as a foreign tax credit from the Holder's Canadian federal income tax otherwise payable for that year as it relates to the Holder's non-business income from U.S. sources.

In general, a Holder will only be entitled to claim a foreign tax credit in respect of U.S. taxes paid by the Fund and the Subsidiary Partnerships in respect of the Transaction to the extent it has borne the economic burden of such taxes. For these purposes, U.S. taxes paid by a Subsidiary Partnership should generally be considered to have been borne by a particular Holder to the extent of the Holder's share of such tax as determined in accordance with the Limited Partnership Agreement.

A Holder's ability to apply U.S. taxes in the foregoing manner may be affected where the Holder does not have sufficient taxes otherwise payable under Part I of the Tax Act or sufficient U.S. source income in the taxation year in which the U.S. taxes are paid, or where the Holder has other U.S. source income or losses, has paid other U.S. taxes or, in certain circumstances, has not filed a U.S. federal income tax return where required for the relevant taxation year. Although the foreign tax credit provisions are designed to avoid double taxation, the maximum credit is limited. Because of this, and because of timing differences in recognition of expenses and income and other factors, there is a risk of double taxation. Holders should consult their own tax advisors regarding their ability to claim foreign tax credits in connection with the Transaction.

The foregoing mechanism for recognition of U.S. taxes for purposes of the Tax Act through foreign tax credits does not apply to Unitholders that are Plans to whom Units are qualified investments.

The Tax Act contains anti-avoidance rules designed to address certain transactions specifically designed to generate foreign tax credits (the "**FTC Generator Rules**"). Under the FTC Generator Rules, the foreign "business income tax" or "non-business income tax" eligible for a foreign tax credit for a Holder for any taxation year may be limited in certain circumstances, including where such Holder's direct or indirect share of the income of one or more Partnerships under the income tax laws of a country other than Canada (e.g. the U.S.) under whose laws the income of such Partnership is subject to taxation, is less than such Holder's share of such income for purposes of the Tax Act. Although the FTC Generator Rules are not expected to apply to the Fund or to its unitholders, no assurances can be given in this regard.

Taxation of Capital Gains and Losses

One-half of any capital gain (a "**taxable capital gain**") realized by a Holder on a disposition of Units will be included in the Holder's income under the Tax Act. One-half of any capital loss (an "**allowable capital loss**") realized by a Holder on a disposition of Units must generally be deducted against any taxable capital gains realized by the Holder in the year of disposition. Any excess of allowable capital losses over taxable capital gains for the year may generally be carried back to the three preceding taxation years or carried forward to any subsequent taxation year and applied against net taxable capital gains in those years, subject to the detailed rules contained in the Tax Act.

Alternative Minimum Tax

A Holder who is an individual or trust (except for certain trusts) may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Units or the allocation of income or capital gains by the Fund.

Refundable Tax

A Holder that is a Canadian-controlled private corporation (as defined in the Tax Act) may be subject to a refundable tax in respect of certain income and capital gains allocated to the Holder by the Fund (including such Holder's share of taxable capital gains allocated to the Fund in respect of the Transaction) and capital gains realized on a disposition of Units.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

In the view of BDO Canada LLP, in its capacity as tax advisor to the Fund, the following is a general summary of the principal U.S. federal income tax considerations applicable to Non-U.S. Unitholders with respect to the transactions contemplated by the Transaction.

This summary is generally directed only to Unitholders who are not U.S. persons pursuant to the Code. However, the summary does not deal with all aspects of U.S. federal income taxation that may be relevant to the specific circumstances of certain Non-U.S. Unitholders. For example, the summary does not address the U.S. federal income tax consequences to Non-U.S. Unitholders that are in special tax situations such as individuals that are subject to the expatriation tax provisions of Internal Revenue Code Sections 877 and 877A.

Further, the U.S. federal income tax treatment of a partner in a partnership or other entity treated as a partnership that holds Units depends on the status of the partner and the activities of the partnership. Partners in a partnership that owns Units should consult their own tax advisors as to the particular U.S. federal income tax considerations applicable to them.

"Non-U.S. Unitholders" Defined

For purposes of this summary, a "**Non-U.S. Unitholder**" means any Unitholder that is not: (i) a U.S. citizen, U.S. permanent resident ("green card" holder) or individual resident in the U.S.; (ii) a corporation or other entity taxable as a corporation that is either created or organized under the laws of the U.S. or a political subdivision thereof or that is for other reasons treated as if it were taxable as a corporation created or organized under the laws of the U.S.; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of the source; or (iv) a trust, if a court within the U.S. is able to exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all of its substantial decisions.

Limitations

This summary does not constitute an opinion to Non-U.S. Unitholders and is not intended to be legal or tax advice to the Non-U.S. Unitholders.

No ruling has been sought from the U.S. Internal Revenue Service on any aspect of the Transaction.

This summary is based on the facts set out in this Information Circular and is also based upon the relevant provisions of the Code, the regulations under the Code, the Treaty and the judicial and administrative interpretations and pronouncements thereof as currently in effect. These authorities are subject to change retroactively and/or prospectively and any such changes could affect the U.S. tax consequences described in the summary below.

Each Non-U.S. Unitholder should consult his, her or its own tax advisor as to the U.S. federal, state, and local income and other tax consequences to it of the participation the Transaction.

Participation in the Transaction by Non-U.S. Unitholders

Sale of Starlight U.S. Multi-Family (No 1.) Value-Add REIT Inc., Coventry Pointe Multi-Family Holding LP and subsidiary entities

If a non-U.S. person disposes of a United States Real Property Interest ("**USRPI**"), then such non-U.S. person would generally be subject to U.S. federal income tax, withholding and U.S. income tax filing requirements. A USRPI generally includes shares in a corporation created or organized under the laws of the U.S., the fair market value of whose interests in real property located in the U.S., at any time during a five year testing period, equals or exceeds 50% of the fair market value of the sum of such corporation's interests in real property located in the U.S., its interests in real property located outside the U.S. and its other assets used or held for use in a trade or business. Such gain on the disposition of a USRPI recognized by a non-U.S. person, such as a non-U.S. alien individual or a non-U.S. corporation, is treated as if it were income effectively connected with a U.S. trade or business and the taxable amount is subject to U.S. federal income tax. In general, the disposition by a non-U.S. partner of an interest in a partnership that owns USRPIs is treated as if the non-U.S. partner in such partnership disposed of such partner's share of the USRPI directly.

The Fund primarily own interests in Canadian partnerships that have elected to be treated as corporations for U.S. federal income tax purposes (e.g. the Investment LP). The interests in such Canadian partnerships (that are treated as corporations for U.S. federal income tax purposes) should not be treated as USRPIs because these Canadian partnerships should not be treated as U.S. corporations as they were not created or organized under the laws of the U.S. Further, the Fund does not own any USRPIs directly or indirectly, through entities treated as partnerships and/or disregarded entities for U.S. federal income tax purposes. Since Non-U.S. Unitholders would not be directly or indirectly disposing of any USRPIs pursuant to the Transaction, any gain realized by such Non-U.S. Unitholders should not be subject to U.S. federal income tax.

The Investment LP and Starlight Investments Acquisition (No.6) Partnership are treated as corporations for U.S. federal income tax purposes. As a result of the Transaction, each such partnership will be considered to dispose of a USRPI. Any gain realized from such a disposition will be treated as if it were effectively connected with a U.S. trade or business and each partnership will be subject to U.S. corporate tax on any recognized gain. The treatment of such corporate tax to certain non-U.S. unitholders who are residents of Canada for purposes of the Tax Act is addressed under the heading "*Certain Canadian Federal Income Tax Considerations*".

Since the determination of whether a non-U.S. person would be subject to U.S. federal income tax is complex, Non-U.S. Unitholders are urged to consult their own tax

advisors with respect to the U.S. federal income tax consequences of the transactions contemplated by the Transaction.

OTHER TAX CONSIDERATIONS

This Information Circular does not address any tax considerations of the Transaction other than certain Canadian federal income tax considerations for Unitholders resident in Canada and certain U.S. federal income tax considerations for Non-U.S. Unitholders. Unitholders who are resident in or are otherwise taxable in jurisdictions other than Canada (including Unitholders who are not Non-U.S. Unitholders) should consult their own tax advisors with respect to the tax implications of the Transaction, including any associated filing requirements, in such jurisdictions.

Unitholders should also consult their own tax advisors regarding provincial, state or territorial tax considerations of the Transaction.

TRADING IN SECURITIES OF THE FUND

The Fund has seven classes of Units. The Units include the Class A Units and Class U Units which are listed on the TSX-V under the symbols “SUVA.A” and “SUVA.U”, respectively, and the Class C Units, Class D Units, Class F Units and Class H Units, which are convertible into Class A Units and Class E Units, which are convertible into Class U Units. The following table sets forth the high and low trading prices per outstanding Class A Unit and Class U Unit and the trading volumes for the outstanding Class A Units and Class U Units on the TSX-V for the period indicated (sources: TSX Venture Review; TMX Money):

	Class A Units (SUVA.A)	**Class U Units (SUVA.U)**
November 2018		
High Price	C$10.00	US$8.95
Low Price	C$9.50	US$8.95
Trading Volume	19,200	500
December 2018		
High Price	C$9.65	US$8.95
Low Price	C$9.03	US$8.05
Trading Volume	14,156	1,800
January 2019		
High Price	C$9.25	US$8.06
Low Price	C$8.23	US$8.06
Trading Volume	27,670	200
February 2019		
High Price	C$9.87	US$8.12
Low Price	C$9.00	US$8.12

	Class A Units (SUVA.A)	Class U Units (SUVA.U)
Trading Volume	12,100	200
March 2019		
High Price	C$10.00	---(1)
Low Price	C$9.25	---(1)
Trading Volume	18,453	---(1)
April 2019		
High Price	C$10.00	US$9.00
Low Price	C$9.74	US$8.68
Trading Volume	8,325	1,070
May 2019		
High Price	C$10.00	US$9.00
Low Price	C$9.80	US$9.00
Trading Volume	26,000	2,130
June 2019		
High Price	---(1)	US$10.12
Low Price	---(1)	US$9.14
Trading Volume	---(1)	2,500
July 2019		
High Price	C$11.00	---(1)
Low Price	C$10.05	---(1)
Trading Volume	12,891	---(1)
August 2019		
High Price	C$10.30	---(1)
Low Price	C$9.90	---(1)
Trading Volume	17,595	---(1)
September 2019		
High Price	C$10.90	US$10.30
Low Price	C$10.04	US$10.30
Trading Volume	16,306	200
October 2019		
High Price	C$10.50	US$10.20
Low Price	C$10.28	US$10.15
Trading Volume	20,450	31,700

	Class A Units (SUVA.A)	Class U Units (SUVA.U)
November 2019		
High Price	C$11.89	US$10.65
Low Price	C$10.40	US$10.65
Trading Volume	188,805	5,500
December 1-4, 2019		
High Price	C$11.34	---(1)
Low Price	C$11.31	---(1)
Trading Volume	10,790	---(1)

Note:

(1) Trading volume information not available as no trades took place in the applicable period. High and low prices are not available as no board lot trades took place in the relevant period.

The closing price of the Class A Units on the TSX-V on November 11, 2019, the last full day on which the Class A Units traded prior to the announcement of the Transaction, was C$10.40. The closing price of the Class U Units on the TSX-V on October 15, 2019, the last full day on which the Class U Units traded prior to the announcement of the Transaction, was US$10.15. Unitholders are urged to obtain current market quotations for the Units.

The Class A Units and Class U Units will be delisted from the TSX-V following Closing.

OWNERSHIP OF UNITS

The following table indicates, as at December 4, 2019, the number of securities of the Fund beneficially owned, directly or indirectly, or over which control or direction is exercised, by each director and officer of the Fund GP and the Manager, each person controlling the Fund, and, to the knowledge of the Fund, after reasonable inquiry, each director and officer of a person controlling the Fund, each associate and majority-owned Subsidiary of any of the foregoing, if any, any other associate and affiliate of the Fund, any other beneficial owner of a 10% or more equity interest of any class of securities of the Fund, and any other person or company acting jointly or in concert with the Fund, if any, as well as the percentage of outstanding Units so owned.

Name	Relationship to the Fund	Number of Units of each Class	Percentage of each Class of Unit Beneficially Owned	Fund Voting Interest
Daniel Drimmer(1)	Director and CEO Chairman of the Board	500,000 Class C Units 2,100 Class U Units	30.82% of Class C Units 0.85% of Class U Units	6.13%
Graham Rosenberg	Director	25,000 Class F Units	1.58% Class F Units	0.31%
Harry Rosenbaum	Director	26,500 Class A Units	1.34% of Class A Units	0.32%

Name	Relationship to the Fund	Number of Units of each Class	Percentage of each Class of Unit Beneficially Owned	Fund Voting Interest
Evan Kirsh[(2)]	President	11,000 Class A Units	0.56% Class A Units	0.63%
		40,000 Class C Units	2.47%Class C Units	
		500 Class U Units	0.20% Class U Units	
Martin Liddell[(3)]	CFO	40,000 Class C Units	2.47% of Class C Units	0.49%
David Hanick	Corporate Secretary	3,000 Class A Units	0.15% of Class A Units	0.04%

Notes:

(1) The Class C Units beneficially owned or directed by Mr. Drimmer are registered in the name of DDAP Parent, an entity controlled by Mr. Drimmer.

(2) The Class C Units beneficially owned or directed by Mr. Kirsh are registered in the name of 873917 Ontario Ltd., an entity controlled by Mr. Kirsh.

(3) The Class C Units beneficially owned or directed by Mr. Liddell are registered in the name of Marrac Holdings Ltd., an entity controlled by Mr. Liddell.

COMMITMENTS TO ACQUIRE UNITS

As at the date hereof, the Fund has no agreements, commitments or understandings to acquire Units. To the knowledge of the Fund, after reasonable enquiry, no person named under the heading "*Ownership of Units*" has any agreements, commitments or understandings to purchase Units.

INSIDER SUPPORT OF THE TRANSACTION

Each director and officer of the Fund GP and Manager listed in the table above under the heading "*Ownership of Units*" intends to vote the Units held by such person in favour of the Transaction Resolution.

PREVIOUS PURCHASES AND SALES BY THE FUND

No securities of the Fund have been purchased or sold by the Fund during the 12-month period prior to the date hereof.

PREVIOUS DISTRIBUTIONS

The following table sets forth the details regarding the Fund's previous distribution of Units, including issuances of all securities convertible into or redeemable for Units for the five-year period prior to the date hereof.

Date of Issuance	Security Issued	Reason for Issuance	Number of Securities Issued	Aggregate Proceeds
June 16, 2017	Class A Units	Initial Public Offering	1,834,158	C$18,341,580
	Class C Units		1,622,500	C$16,225,000
	Class D Units		1,419,000	C$14,190,000
	Class E Units		996,700	US$9,967,000
	Class F Units		1,805,480	C$18,054,800

Date of Issuance	Security Issued	Reason for Issuance	Number of Securities Issued	Aggregate Proceeds
	Class H Units		190,000	C$1,900,000
	Class U Units		312,080	US$3,120,800

DISTRIBUTION POLICY OF THE FUND

The rights and obligations of Unitholders, including those with respect to distributions to be made to Unitholders, are governed by the Limited Partnership Agreement. This summary of the distribution policy of the Fund does not purport to be complete and is qualified in its entirety by the full text of the Limited Partnership Agreement. Reference should be made to the Limited Partnership Agreement, a copy of which is available under the Fund's issuer profile on SEDAR at www.sedar.com.

The Class A Units, Class C Units, Class D Units, Class F Units and Class H Units are designed for investors wishing to make their investments and receive distributions in Canadian dollars. The Class E Units and Class U Units are designed for investors wishing to make their investments and receive distributions in U.S. dollars.

Each Unit entitles the holder to the same distribution rights as any other Unitholder and no Unitholder is entitled to any privilege, priority or preference in relation to any other Unitholder, subject to (i) the proportionate entitlement of each holder of Class A Units, Class C Units, Class D Units, Class E Units, Class F Units, Class H Units and Class U Units to participate in distributions made by the Fund based on such holder's share of the aggregate interest of the relevant class of Units, divided by the aggregate interest of all of the Units, respectively (subject in each case to adjustment to account for any U.S. tax required to be borne by the Investment LP which is attributable to particular Unitholders), (ii) the reduction of distributions made by the Fund in respect of a particular class of Units by an amount equal to the expenses of the Fund allocable to a specific class of Units, and (iii) a proportionate allocation of income or loss of the Fund pursuant to the terms of the Limited Partnership Agreement.

The Fund makes distributions to Unitholders of its remaining distributable cash flow determined pursuant to the Limited Partnership Agreement for each monthly distribution period in which such amounts are realized. Distributions are paid within 15 days following the end of the month in which a distribution is declared. Distributions payable to holders of Class E Units and Class U Units are payable in U.S. dollars and distributions payable to holders of all other classes of Units are converted by the Fund from U.S. dollars into Canadian dollars at the spot exchange rate available to the Fund at the time such distribution is declared.

The ability of the Fund to make cash distributions and the actual amount distributed depends on the ability of the Fund to indirectly acquire properties and the ongoing operations of such properties, as well as being subject to various other factors. The return on an investment in the Units is not comparable to the return on an investment in a fixed income security. Cash distributions, including a return of a Unitholder's original investment, are not guaranteed and the anticipated return on investment is based upon many performance assumptions.

The table below summarizes distributions paid to Unitholders during its two most recently completed fiscal years, as well as for the 2019 fiscal year up to December 4, 2019.

Period	Total Distributions Declared (in thousands)		Distributions Declared per Unit	
Fiscal 2017	Class A Unit:	C$519,000	Class A Unit:	C$0.60
	Class C Unit:	C$487,000	Class C Unit:	C$0.60
	Class D Unit:	C$510,000	Class D Unit:	C$0.60
	Class E Unit:	US$324,000	Class E Unit:	US$0.60
	Class F Unit:	C$536,000	Class F Unit:	C$0.60
	Class H Unit:	C$3,000	Class H Unit:	C$0.01667
	Class U Unit:	US$68,000	Class U Unit:	US$0.60
Fiscal 2018	Class A Unit:	C$1,041,000	Class A Unit:	C$0.60
	Class C Unit:	C$974,000	Class C Unit:	C$0.60
	Class D Unit:	C$1,057,000	Class D Unit:	C$0.60
	Class E Unit:	US$661,000	Class E Unit:	US$0.60
	Class F Unit:	C$1,052,000	Class F Unit:	C$0.60
	Class H Unit:	C$nil	Class H Unit:	C$nil
	Class U Unit:	US$124,000	Class U Unit:	US$0.60
Fiscal 2019	Class A Unit:	C$870,000	Class A Unit:	C$0.60
	Class C Unit:	C$811,000	Class C Unit:	C$0.60
	Class D Unit:	C$893,000	Class D Unit:	C$0.60
	Class E Unit:	US$544,000	Class E Unit:	US$0.60
	Class F Unit:	C$863,000	Class F Unit:	C$0.60
	Class H Unit:	C$nil	Class H Unit:	C$nil
	Class U Unit:	US$110,000	Class U Unit:	US$0.60

EXPENSES OF THE FUND

The aggregate fees and expenses expected to be incurred by the Fund in connection with the Transaction are estimated to be approximately US$850,000, including legal, financial advisory, accounting, filing and printing costs, the costs of preparing and mailing this Information Circular and fees in respect of the Fairness Opinion. Pursuant to the Acquisition Agreement, all costs and expenses of the parties in connection with the Transaction are to be paid by the party incurring such expenses.

RISK FACTORS

Risks Related to the Transaction

Unitholders should carefully consider the following risks related to the Transaction in evaluating whether to approve the Transaction Resolution. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Fund may also adversely affect the Transaction. The following risk factors are not a definitive list of all risk factors associated with the Transaction.

Risks of non-completion of the Transaction

There are risks to the Fund of the Transaction not being completed, including the costs to the Fund incurred in pursuing the Transaction, the consequences and opportunity costs of the suspension of strategic pursuits of the Fund in accordance with the terms of the Acquisition Agreement and the risks associated with the temporary diversion of the Fund management's attention away from the conduct of the Fund's business in the ordinary course. If the Transaction is not completed, the market price of the Units may be materially adversely affected. In addition, if the Transaction is not completed for any reason, there are risks that the announcement of the Transaction and the dedication of substantial resources of the Fund to the completion thereof could have a negative impact on the Fund's current business relationships and could have a material and adverse effect on the current and future operations, financial conditions and prospects of the Fund.

The Transaction is subject to satisfaction or waiver of several conditions

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of the Fund, including receipt of Unitholder Approval and required lender approvals being obtained. There can be no certainty, nor can the Fund provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied, or whether these conditions will be waived. If the Transaction is not completed, the current market price of the Units may decline to the extent that the market price reflects a market assumption that the Transaction will be completed.

Requirement that a simple majority of the votes attached to Units voted by Disinterested Unitholders and a simple majority of votes cast by Unitholders be cast in favour of the Transaction Resolution

Since the Transaction constitutes (i) a "business combination" under MI 61-101, and (ii) a "reviewable disposition" of more than 50% of the Fund's assets under TSX-V Policy 5.3, to be effective, the Transaction Resolution must be approved by a simple majority of the votes cast by Disinterested Unitholders in person or represented by proxy at the Meeting, voting as a single class. This approval is in addition to the requirement that the Transaction Resolution be approved by a simple majority of the votes cast by Unitholders present in person or represented by proxy at the Meeting, voting as a single class. There can be no certainty, nor can the Fund provide any assurance, that the requisite Unitholder Approval of the Transaction Resolution will be obtained. If such approval is not obtained and the Transaction is not completed, the market price of the Units may decline.

Occurrence of a Material Adverse Effect

The completion of the Transaction is subject to the condition that, among other things, on or after the date of the Acquisition Agreement, there shall not have occurred Material Adverse Effect. Although a Material Adverse Effect excludes certain events, including events in some cases that are beyond the control of the Fund, there can be no assurance that a Material Adverse Effect will not occur prior to the Closing Time. If such a Material Adverse Effect occurs, the Transaction may not proceed.

The Fund's compliance with certain interim operating covenants it has agreed to with Purchaser

Pursuant to the Acquisition Agreement, the Fund has agreed to certain interim operating covenants intended to ensure that the Fund, the Fund's Subsidiaries and the Fund GP carry on business in the ordinary course consistent with past practice, except as required or expressly authorized by the Acquisition Agreement. These operating covenants cover a broad range of activities and business practices. Consequently, it is possible that a business opportunity will arise that is out of the ordinary course or is not consistent with past practices, and that the Fund will not be able to pursue or undertake the opportunity due to its covenants in the Acquisition Agreement.

Another attractive asset sale, take-over, merger or business combination may not be available

If the Transaction is not completed, there can be no assurance that the Fund will be able to find a party or parties willing to pay an equivalent or more attractive consideration than that to be provided by the Purchaser to the Fund under the Transaction, or willing to proceed at all with a similar transaction or any alternative transaction.

Termination of the Acquisition Agreement

Each of the Fund and the Purchaser has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions precedent, to terminate the Acquisition Agreement. Accordingly, there can be no certainty, nor can the Fund provide any assurance, that the Acquisition Agreement will not be terminated by either of the Fund or the Purchaser prior to the completion of the Transaction.

Fees, costs and expenses of the Transaction not recoverable

Subject to certain exceptions provided for in the Acquisition Agreement, if the Transaction is not completed, the Fund will not receive any reimbursement for most of the fees, costs and expenses incurred in connection with the Transaction. Such fees, costs and expenses include, without limitation, legal fees, financial advisor fees, depositary fees and printing and mailing costs, which will be payable whether or not the Transaction is completed and may cause harm to the financial condition of the Fund.

Payment of Termination Fee and expense reimbursement

In the event the Acquisition Agreement is terminated, the Fund may in certain circumstances be obligated to pay the Termination Fee to the Purchaser. In addition, the Termination Fee obligations may discourage other parties from participating in an alternative transaction with the Fund even if those parties might be willing to acquire the Fund or all of its Properties as a portfolio on terms that were more favourable than under than the Transaction. The Fund may be required to reimburse the reasonable costs and expenses of the Purchaser up to a maximum of US$1,500,000 in certain circumstances, including where Unitholders do not approve the Transaction Resolution at the Meeting.

Restrictions on the Fund's ability to solicit Acquisition Proposals from other potential purchasers

While the terms of the Acquisition Agreement permit the Fund to consider other proposals, the Acquisition Agreement restricts the Fund from soliciting third parties to make an Acquisition Proposal. Further, the Acquisition Agreement requires that in order to constitute a Superior Proposal, among other conditions, such Acquisition Proposal must result in a transaction more favourable from a financial point of view to Unitholders than the Transaction.

No continued benefit of Unit ownership

The Transaction will result in the Fund no longer existing as a publicly-traded issuer and as such, Unitholders will not benefit from any appreciation in the value of, or distributions on, their Units after the completion of the Transaction.

Distributions entitled to be received by Unitholders are payable in U.S. dollars and Canadian dollars

Distributions will be payable in U.S. dollars to holders of the Class E Units and the Class U Units and in Canadian dollars to holders of the Class A Units, the Class C Units, the Class D Units and the Class F Units, which will result in Unitholders assuming currency-related risk. The risks, obligations and liabilities relating to changes in foreign exchange rates will be borne solely by the Unitholder receiving any distributions in Canadian dollars and not by the Fund, any Subsidiary of the Fund or the Purchaser.

The Transaction may result in Tax payable by Unitholders

The Transaction steps include steps that will result in taxable dispositions by the Fund's Subsidiary Partnerships for purposes of the Tax Act. Any capital gain or income realized by a Subsidiary Partnership in the Transaction will generally be allocated directly or indirectly to the Fund in accordance with the partnership agreements governing the relevant Subsidiary Partnerships, and ultimately allocated by the Fund to Unitholders (and Fund GP) in accordance with the Limited Partnership Agreement. In addition, a Unitholder who holds their Units as capital property may realize a capital gain or capital loss on receipt of the distribution of the Fund's net proceeds from the Transaction on cancellation of the Units.

The Transaction will also be a taxable transaction for U.S. federal income tax purposes, and is expected to result in material amounts of U.S. tax being payable by the Fund's subsidiaries. While such U.S. taxes are generally expected to be recognized as having been paid by Unitholders for purposes of the foreign tax credit and foreign tax deduction rules in the Tax Act, there can be no assurance that such U.S. taxes will be fully creditable against Canadian taxes which would otherwise be payable in respect of the Transaction. Moreover, while the foreign tax credit provisions in the Tax Act are designed to avoid double taxation, the maximum credit is limited. Because of this, and because of timing differences in recognition of expenses and income and other factors, some level of double taxation may arise.

Unitholders are advised to consult with their own tax advisors to determine the tax consequences of the Transaction to them. See "*Certain Canadian Federal Income Tax Considerations"* and *"Certain U.S. Federal Income Tax Considerations"*.

The Pre-Closing Transfers will be taxable dispositions for purposes of the Tax Act

The Pre-Closing Transfers are taxable events for purposes of the Tax Act, and are not eligible for tax-deferred "rollover" treatment in the event that the Transaction does not close. If the Pre-Closing Transfers are effected in anticipation of closing and the Transaction is not completed, any income or capital gains recognized by the Fund as a consequence of the Pre-Closing Transfers will nonetheless generally be allocated to Unitholders (and Fund GP) in accordance with the Limited Partnership Agreement. If this were to occur, there can be no assurance that the Fund will pay sufficient distributions to fund Unitholders' associated tax liability. Management of the Fund intends to take all reasonable steps to ensure that the Pre-Closing Transfers will not occur unless it is certain that the Transaction will be completed, but no assurances can be given in this regard.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

In considering the Transaction and the unanimous recommendations of the Fund GP Board and the Special Committee with respect to the Transaction (with Mr. Drimmer declaring his interest, recusing himself from the discussion and refraining from voting on the matter), Unitholders should be aware that certain executive officers and members of the Fund GP Board have certain interests in connection with the Transaction or may receive benefits that may differ from, or be in addition to, the interests of Unitholders generally, which may present them with actual or potential conflicts of interest in connection with the Transaction. These interests and benefits are described below.

Starlight Group Property Holdings Inc., a corporation which is wholly-owned by Mr. Drimmer, who is an officer and director of the Fund GP, together with Evan Kirsh, Martin Liddell and David Hanick, who are officers of the Fund GP, each have direct or indirect interests in the "carried interest" in the Fund that provides for a portion (25%) of an amount related to the Fund's distributable cash to be paid to the holders of interests in the "carried interest" provided that the Fund has sufficient distributable cash to provide Unitholders with a return of their capital, a reference internal rate of return has been met (7.5% per annum) and the remaining percentage (75%) is distributed to the Unitholders.

In connection with the proposed Transaction, the accumulated value of "carried interest" will be monetized based on the agreed Transaction value and extinguished in exchange for (i) cash payable to Messrs. Kirsh, Liddell and Hanick, and (ii) limited partnership units of the Purchaser issuable to or at the direction of Mr. Drimmer, subject to adjustment based on the terms of the arrangements between such parties and PSP Investments.

The following table sets out the number of Units beneficially owned, directly or indirectly, or over which control or direction is exercised by each of the directors and executive officers of Fund GP and the Manager. Each such director and executive officer will receive the Consideration in exchange for the Units held by him pursuant to the Transaction and, in addition, Messrs. Drimmer, Hanick, Kirsh and Liddell will receive, in the aggregate, the accumulated value of "carried interest" which will be monetized pursuant to the Transaction (subject to adjustment):

Name	Units
Daniel Drimmer	500,000 Class C Units 2,100 Class U Units
David Hanick	3,000 Class A Units

Name	Units
Evan Kirsh	11,000 Class A Units 40,000 Class C Units 500 Class U Units
Martin Liddell	40,000 Class C Units
Harry Rosenbaum	26,500 Class A Units
Graham Rosenberg	25,000 Class F Units

For more information, see "Principal Legal Matters – *Securities Law Matters*"

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein and elsewhere in this Information Circular, no informed person or any associate or affiliate of any informed person has any material interest, direct or indirect, in any transaction since the commencement of the Fund's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Fund or any of its Subsidiaries.

INTERESTS OF EXPERTS

Certain legal matters in connection with the Transaction will be passed upon by Blake, Cassels & Graydon LLP, on behalf of Fund. As at the date of this Information Circular, partners and associates of Blake, Cassels & Graydon LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding securities of the Fund, its associates or its affiliates and no interests in property of any of the Fund, its associates or its affiliates.

BDO Canada LLP, U.S. tax advisor to the Fund, has prepared the summary of principal U.S. federal income tax considerations set out under the heading "*Certain U.S. Federal Income Tax Considerations*" in this Information Circular.

BDO Canada LLP has prepared its audit report in respect of the Fund, which is referenced in this Information Circular. BDO Canada LLP has confirmed that they are independent of the Fund within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

OMP acted as financial advisor to the Special Committee and the Fund GP Board. As at the date of this Information Circular, the designated professionals of OMP, beneficially own, directly or indirectly, less than 1% of the securities of the Fund, its associates or its affiliates and no interests in property of any of the Fund, its associates or its affiliates.

OTHER BUSINESS

Management of the Fund knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting for the Fund. However, if any other matters shall properly come before the Meeting, it is the intention of the persons named in the form of Proxy to vote on such matters in accordance with their best judgment.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Fund is BDO Canada LLP, at its office located at 222 Bay St., Suite 2200, PO Box 131, Toronto, Ontario M5K 1H1.

The transfer agent and registrar for the Fund is TSX Trust Company at its principal office located at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1.

ADDITIONAL INFORMATION

Financial information is provided in the Fund's comparative annual financial statements and management's discussion and analysis for the year ended December 31, 2018. Copies of the Fund's financial statements for the year ended December 31, 2018, together with the auditors' report thereon and the accompanying management's discussion and analysis, the interim financials of the Fund and accompanying management's discussion and analysis for periods subsequent to the end of the Fund's last fiscal year, this Information Circular and additional information relating to the Fund are available to the public free of charge under the Fund's issuer profile on SEDAR at www.sedar.com, the Fund's website at www.starlightus.com or upon request without charge to the Fund's head office located at 3280 Bloor Street West, Suite 1400, Centre Tower, Toronto, Ontario M8X 2X3, Attention: David Hanick, Corporate Secretary (telephone: (416) 234-8444).

GLOSSARY OF TERMS

In this Information Circular, the following capitalized terms shall have the following meanings, in addition to other terms defined elsewhere in this Information Circular.

"**Acquisition Agreement**" means the acquisition agreement dated November 14, 2019 among the Fund, the Fund GP, the Purchaser and each of the Parents and any amendments thereto made in accordance with such Acquisition Agreement;

"**Acquisition Proposal**" means, other than the transactions contemplated by the Acquisition Agreement, in each case, whether in a single transaction or series of related transactions, any written or oral offer, proposal or inquiry from any Person or group of Persons other than the Purchaser or the Parents (or an affiliate of the Purchaser or the Parents) relating to:

(a) any direct or indirect sale or disposition (or any lease, license or other arrangement having the same economic effect as a sale) of assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue or earnings of the Fund or of 20% or more of the voting, equity or other securities of the Fund or any of its Subsidiaries whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue or earnings of the Fund (or rights or interests therein or thereto);

(b) any direct or indirect take-over bid, tender offer, exchange offer or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for securities or equity interests) of the Fund or any of its Subsidiaries whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue or earnings of the Fund;

(c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, or other similar transaction involving the Fund or any of its Subsidiaries whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue or earnings of the Fund;

(d) any other transaction or series of transactions involving the Fund or any of its Subsidiaries that would have the same effect as the foregoing; or

(e) any proposal or offer to do, proposed amendment of, or public announcement of an intention to do, any of the foregoing;

"**affiliate**" means an "affiliate" as defined under National Instrument 45-106 - *Prospectus Exemptions* of the Canadian Securities Administrators, as replaced or amended from time to time;

"**affiliated entities**" means an affiliated entity as defined under MI 61-101, as replaced or amended from time to time;

"**AFFO**" has the meaning set out under the heading "*Management Information Circular – Non-IFRS Financial Measures*";

"**allowable capital loss**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Losses*";

"**Appraisals**" means the formal independent appraisals of the fair market value of each of the Properties comprising the Fund's portfolio of three multi-family properties totalling 1,193 suites located in the U.S. prepared by the Appraiser;

"**Appraiser**" means BBG, Inc.;

"**Business Day**" means any day of the year, other than a Saturday, Sunday, any day on which major banks are closed for business in Toronto, Ontario or Montreal, Quebec or any day that is a federal holiday in the U.S.;

"**Carried Interest Amount**" means an amount, in US dollars, equal to the amount that would be distributable to the general partner of Holding LP pursuant to Section 12.4 of the Holding LP Agreement if the Holding LP were liquidated on the Closing Date, such amount to be calculated assuming (i) upon the dissolution of the Holding LP, the only asset of the Holding LP were cash in an amount equal to the Holding LP Value, (ii) the particular record date set for such distribution was the Closing Date, and (iii) the applicable exchange rate used for purposes of converting US$ into Canadian dollars in calculating such amount was the Effective Exchange Rate, and determined without duplication for amounts deducted or aggregated for purposes of determining the Holding LP Limited Partner Interest Value, and taking into account the distribution of the Refinancing Proceeds to the Fund (indirectly through the Fund's investees) by Holding LP on or before the Closing Date and the distribution of the CP Sale Proceeds to the Fund (indirectly through the Fund's investees) by CP Holding LP on the Closing Date as amounts distributable by the Fund for purposes of calculating the Class Excess Returns for the Fund LP Units (each as defined in the Holding LP Agreement);

"**CCA**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Veranda Transfer*";

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**CFA**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Veranda Transfer*";

"**Class A Unit**" means a Class A limited partnership interest in the Fund designated as a Class A Unit in the Limited Partnership Agreement;

"**Class C Unit**" means a Class C limited partnership interest in the Fund designated as a Class C Unit in the Limited Partnership Agreement;

"**Class D Unit**" means a Class D limited partnership interest in the Fund designated as a Class D Unit in the Limited Partnership Agreement;

"**Class E Unit**" means a Class E limited partnership interest in the Fund designated as a Class E Unit in the Limited Partnership Agreement;

"**Class F Unit**" means a Class F limited partnership interest in the Fund designated as a Class F Unit in the Limited Partnership Agreement;

"**Class H Unit**" means a Class H limited partnership interest in the Fund designated as a Class H Unit in the Limited Partnership Agreement;

"**Class U Unit**" means a Class U limited partnership interest in the Fund designated as a Class U Unit in the Limited Partnership Agreement;

"**Closing**" means the completion of the Transaction pursuant to the Acquisition Agreement at the Closing Time;

"**Closing Date**" means the date upon which the Closing occurs, being the third Business Day after the satisfaction or waiver of the conditions set out in Article 6 of the Acquisition Agreement (excluding those conditions which by their terms are to be satisfied on the Closing Date but subject to the satisfaction or waiver of any such condition), unless otherwise agreed to by the Fund and the Purchaser;

"**Closing Time**" means 9:00 a.m. (Toronto time) on the Closing Date, or such other time as the parties to the Acquisition Agreement may agree;

"**Code**" means the *United States Internal Revenue Code of 1986*, as amended from time to time;

"**Consideration**" means, the cash consideration, net of applicable U.S. taxes, that Unitholders will be entitled to receive pursuant to the Transaction. The amounts per Unit, by class, that Unitholders will be entitled to receive, before deducting applicable U.S. taxes required to be paid in connection with the Transaction, are expected to be US$12.38 per Class E Unit and US$12.38 per Class U Unit and C$12.35 per Class A Unit, C$13.11 per Class C Unit, C$12.35 per Class D Unit and C$12.79 per Class F Unit;[8]

"**CP Acquisition GP LLC Interest**" means 50% of the outstanding membership interests in Coventry Pointe Acquisition (GP) LLC, which interest is 100% owned by CP Holding LP, a wholly-owned subsidiary of the Fund;

"**CP Acquisition GP LLC Sale Proceeds**" means cash consideration of US$39,114.99;

"**CP Acquisition LP**" means Coventry Pointe Acquisition LP;

"**CP Acquisition LP Interest**" means 50% of the outstanding limited partnership interests (49.75% of the outstanding partnership interests) in CP Acquisition LP, which interest is 100% owned by CP Holding LP, a wholly-owned subsidiary of the Fund;

"**CP Acquisition LP Sale Proceeds**" means cash consideration of US$7,783,883.16;

"**CP Holding LP**" means Coventry Pointe Multi-Family Holding LP;

"**CP Sale Proceeds**" means the sum of the CP Acquisition GP LLC Sale Proceeds and the CP Acquisition LP Sale Proceeds;

"**CRA**" means Canada Revenue Agency;

[8] The Consideration that holders of Canadian dollar denominated Units will be entitled to receive will ultimately be subject to the actual applicable rate(s) of exchange to be determined in connection with Closing. The estimated distribution amounts set out in this Information Circular are based on the Bank of Canada average daily exchange rate on November 13, 2019 of US$1.00 to C$1.3249.

"**DDAP Parent**" means D.D. Acquisitions Partnership, a partnership established under the laws of the province of Ontario;

"**Disinterested Unitholders**" means all of the Unitholders, excluding the Interested Unitholders;

"**Effective Exchange Rate**" means the simple average of the indicative rates of exchange posted by the Bank of Canada for conversion of US dollars into Canadian dollars for the three Business Day period ending on the third Business Day prior to the Closing Date;

"**Engagement Agreement**" has the meaning set out under the heading "*Background to the Transaction – Origin Merchant Partners Fairness Opinion*";

"**Fairness Opinion**" means the opinion, dated November 13, 2019, of OMP, financial advisor to the Special Committee and the Fund GP Board stating that, as of the date thereof and subject to the limitations, qualifications, assumptions and other matters set out therein, the consideration, prior to the deduction of any applicable U.S. taxes, payable to Unitholders (other than Non-Public Unitholders) in connection with the Transaction was fair, from a financial point of view, to the Unitholders, other than the Non-Public Unitholders;

"**FAPI**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Veranda Transfer*";

"**FFO**" has the meaning set out under the heading "*Management Information Circular – Non-IFRS Financial Measures*";

"**foreign tax credit**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Foreign Tax Credits and Deductions"*;

"**foreign tax deduction**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Foreign Tax Credits and Deductions"*;

"**FTC Generator Rules**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Foreign Tax Credits and Deductions"*;

"**Fund**" means Starlight U.S. Multi-Family (No. 1) Value-Add Fund, a limited partnership organized under the laws of the Province of Ontario;

"**Fund Entities**" means, collectively, the Fund and each of its Subsidiaries and "**Fund Entity**" means any one of them;

"**Fund GP**" means Starlight U.S. Multi-Family (No. 1) Value-Add GP, Inc., a corporation incorporated under the laws of the Province of Ontario, and the general partner of the Fund;

"**Fund GP Board**" means the Fund GP Board of directors of Fund GP;

"**Fund Value**" means $239,625,000, less the sum of (i) $147,495,370.63, representing the estimated Indebtedness at Closing, and (ii) the amount of any Refinancing Proceeds distributed by Holding LP on its limited partner units on or prior to the Closing Date;

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central

bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange;

"**Holder**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Holding LP**" means Starlight U.S. Multi-Family (No. 1) Value-Add Holding L.P.;

"**Holding LP Agreement**" means the limited partnership agreement dated as of May 12, 2017 governing the Holding LP;

"**Holding LP Interest**" means 100% of the outstanding limited partnership interest in Holding L.P., which interest is 100% owned by Investment L.P., a wholly-owned subsidiary of the Fund, and which interest shall be transferred to Intermediate LP prior to Closing as part of the Transaction;

"**Holding LP Limited Partner Interest Value**" means an amount, in US$, equal to (i) the Holding LP Value, less (ii) the Carried Interest Amount;

"**Holding LP Interest Transfer**" has the meaning set out under the heading "*The Transaction – Transaction Mechanics*";

"**Holding LP Value**" means an amount equal to the Fund Value less the CP Sale Proceeds;

"**IFRIC 21**" has the meaning set out under the heading "*Management Information Circular – Non-IFRS Financial Measures*";

"**IFRS**" has the meaning set out under the heading "*Management Information Circular – Non-IFRS Financial Measures*";

"**Indebtedness**" of any Person means, without duplication, (i) the principal, accreted value, accrued and unpaid interest, prepayment and redemption premiums or penalties (if any), unpaid fees or expenses and other monetary obligations in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable, (ii) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement, (iii) all obligations of such Person under any leasing transaction of the type required to be capitalized in accordance with IFRS, (iv) all obligations of such Person as an account party in respect of outstanding letters of credit (whether or not drawn), bankers' acceptances or similar obligations, and (v) any indebtedness or obligations of another Person of the type referred to in clauses (i) through (iv) (A) guaranteed by such Person, (B) in respect of which such Person pledges its assets or provides other credit support or (C) in respect of which such Person has promised to maintain or cause to be maintained the financial position or financial covenants of such other Person or to purchase such indebtedness or other obligations of such other Person;

"**Income Capitalization Approach**" has the meaning set out under the heading "*Background to the Transaction – Appraisals*";

"**Information Circular**" means this management information circular dated December 4, 2019, together with all appendices hereto, distributed by the Fund in connection with the Meeting;

"**Interested Unitholders**" means collectively, Messrs. Drimmer, Hanick, Kirsh, Liddell, Rosenbaum and Rosenberg and their respective affiliated entities;

"**Interests**" means, collectively, the CP Acquisition GP LLC Interest, the CP Acquisition LP Interest and the Holding LP Interest;

"**Intermediary**" has the meaning set out under the heading "*General Proxy Matters – Non-Registered Unitholders*";

"**Intermediate LP**" means a limited partnership to be formed under the laws of the State of Delaware prior to Closing, the sole limited partner of which shall be Investment LP;

"**Investment LP**" means Starlight U.S. Multi-Family (No. 1) Value-Add Investment L.P.;

"**IRR**" means cumulative internal rate of return;

"**Limited Partnership Agreement**" means the first amended and restated limited partnership agreement governing the Fund made as of June 12, 2017, as it may be amended and restated from time to time, among the Fund GP and all persons who become holders of Units as provided therein;

"**Lower Tier Subsidiary Partnership**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – Distribution of Sale Transaction Proceeds and Dissolution of the Subsidiary Partnerships"*;

"**Manager**" means Starlight Investments US AM Group LP, the asset manager of the Fund;

"**Material Adverse Effect**" means, in respect of the Fund, any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances, is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition or liabilities (contingent or otherwise) of any of the Fund Entities, taken as a whole, except any such change, event, occurrence, effect or circumstance resulting from or arising in connection with:

(a) any change generally affecting the industry in which the Fund Entities operate in the U.S.;

(b) any change in global, national or regional political conditions (including the outbreak or escalation of war, acts of terrorism, strikes, lockouts, riots, outbreaks of illness or facility takeover for emergency purchases) or in general economic, business, banking, regulatory, currency exchange, interest rate or market conditions or in North American financial or capital markets;

(c) any adoption, proposal, implementation or change in law or any interpretation of law by any Governmental Entity;

(d) any change in applicable generally accepted accounting principles, including IFRS;

(e) any natural disaster;

(f) any action taken (or omitted to be taken) by any of the Fund Entities which is required to be taken (or omitted to be taken) pursuant to the Acquisition Agreement (except actions in the ordinary course) or that is consented to by the Purchaser expressly in writing;

(g) the execution, announcement or performance of the Acquisition Agreement or consummation of the Transaction, including any adverse change in the relationship of any of the Fund Entities with any of its current employees, managers, tenants, lenders, suppliers or contractual counter parties; or

(h) any change in the market price or trading volume of any securities of the Fund (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however: (i) if an effect referred to in clauses (a) through to and including (e) above, materially and disproportionately and adversely affects the Fund Entities, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Fund Entities operate, such effect may be taken into account when determining whether a Material Adverse Effect has occurred, but only to the extent of the disproportionate effect; (ii) references in certain Sections of the Acquisition Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative for purposes of determining whether a "Material Adverse Effect" has occurred; and (iii) that any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances, a result of which units or suites representing more than (A) 20% of the total units or suites at all of Properties that are subject to tenant leases, or (B) 40% of the units or suites at any one Property that are subject to tenant leases, are, in either case, uninhabitable or may not be occupied under Law for a period exceeding three consecutive months shall be deemed to be a "Material Adverse Effect";

"**Meeting**" means the special meeting of Unitholders to be held at 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario M5L 1A9 on January 7, 2020 at 10:00 a.m. (Toronto time), or any adjournment or postponement thereof in accordance with the terms of the Acquisition Agreement, to be called and held in accordance with the Limited Partnership Agreement and law to consider the Transaction Resolution;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**NOI**" means has the meaning set out under the heading "*Management Information Circular – Non-IFRS Financial Measures*";

"**Non-Public Unitholders**" means (i) the directors and senior officers (as such term is defined for the purposes of MI 61-101) of the Fund GP and their respective affiliates, (ii) the Manager, and (iii) the Purchaser, the Parents and their respective affiliates;

"**Non-Registered Holder**" means a beneficial owner of Units that are registered either in the name of an Intermediary or in the name of a depositary;

"**Non-U.S. Unitholder**" has the meaning set out under the heading "*Certain U.S. Federal Income Tax Considerations – "Non-U.S. Unitholders" Defined*";

"**Notice of Meeting**" means the notice of special meeting of the Unitholders dated December 4, 2019 and delivered to Unitholders with this Information Circular;

"**OMP**" means Origin Merchant Partners;

"**Parents**" means collectively, DDAP Parent and the PSP Parent and "**Parent**" means any one of them;

"**Parties**" means, collectively, the Fund, the Fund GP, the Purchaser, the DDAP Parent and the PSP Parent and "**Party**" means any one of them;

"**Partnerships**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Permitted Fund Distributions**" has the meaning set out under the heading "*Questions and Answers*";

"**Person**" includes any individual, partnership, limited liability company, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including any Governmental Entity), syndicate or other entity, whether or not having legal status;

"**Plans**" means RRSPs, RESPs, TFSAs, RRIFs, RDSPs and deferred profit-sharing plans, as those phrases are defined in the Tax Act, and "**Plan**" means any of them;

"**Pre-Closing Transfers**" has the meaning set out under the heading "*The Transaction – Transaction Mechanics*";

"**Properties**" means the lands and premises located in the U.S. or interests therein purchased, owned and leased by the Fund or its affiliates, and "**Property**" means any one of the Properties;

"**Property LLCs**" means Spectra South Acquisition LLC and Landing at Round Rock Acquisition LLC;

"**Proxy**" means the form of proxy that accompanies this Information Circular;

"**PSP Investments**" means Public Sector Pension Investment Board;

"**PSP Parent**" means PSPIB-SDL Inc.;

"**Purchaser**" means Clearwater U.S. Multi-Family (No. 2) Holding LP;

"**RDSPs**" means registered disability savings plans as defined in the Tax Act;

"**Recapture Income**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Veranda Transfer*";

"**Record Date**" means the record date to determine the entitlement of Unitholders to receive notice of, and to vote at, the Meeting, being the close of business (Toronto time) on November 27, 2019;

"**Refinancing Proceeds**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Refinancing and Distribution of the Refinancing Proceeds*";

"**Required Consents**" has the meaning ascribed thereto in the Acquisition Agreement;

"**RESPs**" means registered education savings plans as defined in the Tax Act;

"**RPAC**" means the Real Property Association of Canada;

"**RRIFs**" means registered retirement income funds as defined in the Tax Act;

"**RRSPs**" means registered retirement savings plans as defied in the Tax Act;

"**Sale Transactions**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – The Sale Transactions*";

"**Sales Comparison Approach**" has the meaning set out under the heading "*Background to the Transaction – Appraisals*";

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

"**Special Committee**" means the Special Committee established by the Fund GP Board in connection with the transactions contemplated by the Acquisition Agreement;

"**Subject Securities**" has the meaning set out under the heading "*Support Agreements*";

"**Subsidiary**" means a Person that is controlled, directly or indirectly, by another Person, and includes a Subsidiary of that Subsidiary;

"**Subsidiary Partnership**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Subsidiary Partnership Dissolutions**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – Distribution of Sale Transaction Proceeds and Dissolution of the Subsidiary Partnerships"*;

"**Superior Proposal**" means any unsolicited *bona fide* written Acquisition Proposal made after the date of the Acquisition Agreement to acquire not less than 100% of the outstanding Units or substantially all of the assets of the Fund or the Fund Entities, taken as a whole, that, in either case:

(a) did not result from any breach of any standstill or similar agreement between any one or more of the Persons making such Acquisition Proposal and its affiliates and the Fund, or a breach of the non-solicitation provisions of the Acquisition Agreement in any material respect;

(b) is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the Fund GP Board, acting in good faith (after receipt of advice from its financial advisors and outside legal counsel);

(c) is, in the opinion of the Fund GP Board (after receipt of advice from its financial advisors and outside legal counsel), reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal;

(d) is not subject to any due diligence condition; and

(e) which the Fund GP Board determines, in its good faith judgment (after receipt of advice from its financial advisors and outside legal counsel and after taking into account all of the terms and conditions of such Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal), would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to Disinterested Unitholders than the Transaction (including any amendments to the terms and conditions of the Transaction proposed by the Purchaser pursuant to the Acquisition Agreement);

"**Support Agreements**" has the meaning set out under the heading "*Support Agreements*";

"**Supporting Persons**" has the meaning set out under the heading "*Support Agreements*";

"**Target Markets**" means the States of Arizona, Colorado, Florida, Georgia, Nevada, North Carolina, Tennessee and Texas;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time;

"**taxable capital gain**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Taxation of Capital Gains and Losses*";

"**Tax Certificate**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, Indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party; in each case, whether disputed or not;

"**Tax Proposals**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Termination Fee**" means US$10,000,000;

"**TFSAs**" means tax-free savings accounts as defined in the Tax Act;

"**Transaction**" means, collectively, the transactions contemplated by the Acquisition Agreement;

"**Transaction Documents**" means the Support Agreements, the disclosure letter of the Fund dated November 14, 2019, the form of purchase and sale agreement appended to the Acquisition Agreement and certain other ancillary Transaction documents;

"**Transaction Resolution**" means the ordinary resolution approving the Transaction, including the Transaction, to be considered at the Meeting and attached as Appendix "A" to this Information Circular;

"**Transfer Agent**" means TSX Trust Company;

"**Treaty**" means the *Canada-United States Convention with Respect to Taxes on Income and on Capital*;

"**TSX-V**" means the TSX Venture Exchange;

"**TSX-V Policy 5.3**" means TSX-V Policy 5.3 – *Acquisition and Dispositions of Non-Cash Assets* included in the TSX-V Corporate Financial Manual;

"**UCC**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – The Veranda Transfer*";

"**Upper Tier Subsidiary Partnership**" has the meaning set out under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships – Distribution of Sale Transaction Proceeds and Dissolution of the Subsidiary Partnerships*";

"**U.S.**" means the United States of America;

"**U.S. GAAP**" has the meaning set out under the heading "*Management Information Circular – Information for U.S. Unitholders*";

"**U.S. REIT Subsidiary**" means Starlight U.S. Multi-Family (No. 1) Value-Add Fund REIT Inc.;

"**Unitholder Approval**" means the approval of the Transaction Resolution by an affirmative vote of not less than (i) a simple majority of the votes cast by Unitholders, present in person or represented by proxy at the Meeting, voting together as a single class; and (ii) a simple majority of the votes attached to the Units cast by Disinterested Unitholders, present in person or represented by proxy at the Meeting pursuant to MI 61-101, voting together as a single class. Approval of the Disinterested Unitholders is also required pursuant to TSX-V Policy 5.3 as a result of the sale of the Interests pursuant to the Transaction;

"**Unitholders**" means the registered holders and/or beneficial owners of the Units, as the context requires;

"**Units**" means, collectively, the Class A Units, the Class C Units, the Class D Units, the Class E Units, the Class F Units, the Class H Units and the Class U Units;

"**USRPI**" has the meaning set out under the heading "*Certain U.S. Federal Income Tax Considerations – Participation in the Transaction by Non-U.S. Unitholders*";

"**Veranda Property**" means the real property located at 100 Veranda Chase Drive, Lawrenceville, Georgia;

"**Veranda Property LLC**" means a new limited liability company to be formed under the laws of the State of Delaware prior to Closing as a wholly-owned subsidiary of CP Acquisition LP;

"**Veranda Transfer**" has the meaning set out under the heading "*The Transaction – Transaction Mechanics*";

"**Voting Instruction Form**" has the meaning set out under the heading "*General Proxy Matters – Non-Registered Unitholders*"; and

"**VWAP**" means the volume-weighted average price.

APPROVAL OF THE FUND GP BOARD OF DIRECTORS

The contents and the sending of the Notice of Meeting and this Information Circular have been approved by the Fund GP Board of directors of the general partner of the Fund.

DATED December 4, 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF THE GENERAL PARTNER OF STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD FUND, STARLIGHT U.S. MULTI-FAMILY (NO. 1) VALUE-ADD GP, INC.

(Signed) "*Harry Rosenbaum*"

Harry Rosenbaum
Independent Director and Chair of the Special Committee

CONSENT OF ORIGIN MERCHANT PARTNERS

TO: The Fund GP Board of Directors of Starlight U.S. Multi-Family (No. 1) Value-Add GP, Inc. (the "**Fund GP Board**")

AND TO: The Special Committee of the Fund GP Board

We hereby consent to the reference within the management information circular of Starlight U.S. Multi-Family (No. 1) Value-Add Fund (the "**Fund**") dated December 4, 2019 (the "**Information Circular**") to the fairness opinion of our firm dated November 13, 2019, which we prepared for the Special Committee of the Fund GP Board and the Fund GP Board in connection with the acquisition agreement dated November 14, 2019 entered into among the Fund, the Fund GP Board, Clearwater U.S. Multi-Family (No. 2) Holding LP, D.D. Acquisitions Partnership and PSPIB-SDL Inc., and to the inclusion of the full text of the foregoing fairness opinion as Appendix "B" to the Information Circular. Our fairness opinion was given as at November 13, 2019 subject to the assumptions, limitations, qualifications and other matters set forth therein. In providing such consent, we do not intend that any person other than the Special Committee of the Fund GP Board and the Fund GP Board shall be entitled to rely upon our opinion.

(Signed) "*Origin Merchant Partners*"

Toronto, Ontario

December 4, 2019

APPENDIX "A"
TRANSACTION RESOLUTION

BE IT RESOLVED THAT:

1. The transactions set out in the acquisition agreement ("**Acquisition Agreement**") dated November 14, 2019 among Clearwater U.S. Multi-Family (No. 2) Holding LP, D.D. Acquisitions Partnership, PSPIB-SDL Inc., Starlight U.S. Multi-Family (No. 1) Value-Add Fund (the "**Fund**") and Starlight U.S. Multi-Family (No. 1) Value-Add GP, Inc. ("**Fund GP**"), all as more particularly described and set forth in the management information circular of the Fund dated December 4, 2019, as may be modified, amended or supplemented, is hereby authorized, approved and adopted.

2. The Acquisition Agreement, and all transactions contemplated therein (including completion of the Transaction Steps, as defined in the Acquisition Agreement), the actions of the board of directors of the Fund GP in approving the Transaction (as defined in the Acquisition Agreement) and the actions of the directors and officers of the Fund GP in executing and delivering the Acquisition Agreement and any amendments thereto are hereby confirmed, ratified and approved and the causing of the performance by the Fund and its subsidiaries of their respective obligations thereunder is hereby confirmed, ratified and approved.

3. The Fund GP, on behalf of the Fund, is hereby authorized to take all actions necessary to affect the sale of the Interests (as defined in the Acquisition Agreement) and any directors or officers of each of the Subsidiaries of the Fund (or the directors or officers of the general partners of such entities, as applicable) are hereby authorized and empowered to execute any and all documents as shall be required to affect such disposition.

4. Notwithstanding that this resolution has been duly passed by the unitholders of the Fund, the board of directors of the Fund GP is hereby authorized and empowered without further notice to or approval of the unitholders of the Fund to (i) amend the Acquisition Agreement (including the Transaction Steps) to the extent permitted therein in any manner in order to effect the Transaction contemplated by the Acquisition Agreement, and (ii) decide not to proceed with the Transaction or any of the Transaction Steps or revoke this resolution at any time prior to the Closing.

5. Any one director or officer of the Fund GP (other than Daniel Drimmer) is hereby authorized and directed for and on behalf of the Fund to execute, under the seal of the Fund or otherwise, and to deliver all documents and do all such other acts or things as such person determines to be necessary or desirable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

APPENDIX "B"
OPINION OF ORIGIN MERCHANT PARTNERS

See attached.

ORIGIN
MERCHANT PARTNERS

220 Bay Street, Suite 1500
PO Box 23
Toronto, Ontario M5J 2W4

416-800-0850
www.originmerchant.com

November 13, 2019

The Special Committee of the Board of Directors and the Board of Directors of
Starlight U.S. Multi-Family (No. 1) Value-Add GP, Inc.
in its capacity as general partner of Starlight U.S. Multi-Family (No. 1) Value-Add Fund
3300 Bloor Street West, Suite 1800
Toronto, Ontario, M8X 2X2

To the Special Committee of the Board of Directors and the Board of Directors:

Origin Merchant Partners ("**Origin Merchant**", "**we**" or "**us**"), understands Starlight U.S. Multi-Family (No. 1) Value-Add Fund (the "**Fund**") and Starlight U.S. Multi-Family (No.1) Value-Add GP, Inc., in its capacity as general partner of the Fund (the "**Fund GP**") have entered into an acquisition agreement (the "**Acquisition Agreement**") with Clearwater U.S. Multi-Family (No. 2) Holding LP (the "**Purchaser**"), a limited partnership formed by the Public Sector Pension Investment Board ("**PSP Investments**") and Daniel Drimmer ("**Drimmer**"), Chief Executive Officer and Director of the Fund GP, PSPIB-SDL Inc. and D.D. Acquisitions Partnership (together with PSPIB-SDL Inc., the "**Parents**") pursuant to which the Purchaser will indirectly acquire the Fund's portfolio of three multi-family properties totaling 1,193 units located in the U.S. (the "**Fund Portfolio**") in a transaction (the "**Transaction**") that will provide all-cash consideration to unitholders of the Fund ("**Fund Unitholders**"). The Transaction is valued at approximately US$239.6 million and includes gross cash consideration of approximately US$92.1 million payable to the Fund, with the Purchaser also indirectly assuming all of the Fund's existing debt in the amount of approximately US$147.5 million. In connection with the Transaction, the Fund expects to distribute the net proceeds from the sale of the Fund Portfolio, after applicable U.S. taxes paid, to Unitholders, cancel all issued and outstanding units ("**Units**") and dissolve the Fund, all in accordance with the Fund's limited partnership agreement. After giving effect to the Carried Interest (as defined below), related transaction cost and closing adjustments Unitholders are expected to receive US$81.8 million before deduction of applicable U.S. taxes. For greater certainty, the "Transaction" includes the distribution to Unitholders contemplated in the Acquisition Agreement.

Origin Merchant further understands that the terms of the Acquisition Agreement, the Transaction and certain related matters will be more fully described in a management information circular (the "**Circular**") which will be mailed to the Fund Unitholders in connection with a special meeting of Fund Unitholders to be held to consider the Transaction.

Engagement

Origin Merchant was initially contacted by the Fund on October 1, 2019 and, by letter agreement dated October 16, 2019 (the "**Engagement Agreement**"), the special committee (the "**Special Committee**") of the board of directors (the "**Board**") of the Fund GP has retained Origin Merchant to provide an opinion (this "**Opinion**") as to the fairness, from a financial point of view, of the consideration to be received by public Fund Unitholders, (which excludes, among others, directors and senior officers of the Fund, the Fund GP and their affiliates, as well as the Purchaser and its affiliates (as such term is defined for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")) (collectively, the "**Non-Public Unitholders**") pursuant to the Transaction.

Origin Merchant will receive a fixed fee for rendering this Opinion under the Engagement Agreement. Origin Merchant is to be reimbursed for all reasonable legal and other out-of-pocket expenses. In addition, Origin Merchant and each of its subsidiaries and affiliates and each of their respective trustees, officers, employees, principals, agents, shareholders and advisors are to be indemnified by the Fund from and against certain liabilities arising out of its engagement. The compensation to Origin Merchant under the Engagement Agreement does not depend, in whole or in part, on the conclusions to be reached by it in this Opinion or the successful completion of the Transaction. Accordingly, Origin Merchant does not have a material financial interest in the completion of the Transaction.

Neither the Special Committee nor the Board has instructed Origin Merchant to prepare, and Origin Merchant has not prepared, a formal valuation (as such term is defined for the purposes of MI 61-101) of the Fund or any of its securities or assets, and the Opinion should not be construed as such. Origin Merchant was not engaged to review any legal, tax or regulatory aspects of the Transaction and the Opinion does not address any such matters. Origin Merchant has, however, conducted such analyses as it considered necessary in the circumstances to prepare and deliver the Opinion.

Credentials of Origin Merchant Partners

Origin Merchant is an investment bank, providing a full range of corporate finance, merger and acquisition, financial restructuring and merchant banking services. This Opinion represents the opinion of Origin Merchant and the form and content hereof have been approved for release by a committee of its principals, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

Independence of Origin Merchant Partners

Neither Origin Merchant nor any of its affiliated entities is an insider, associated entity or affiliated entity of the Fund nor, to its knowledge, of any interested party (collectively the "**Interested Parties**"), as such terms are defined for purposes of MI 61-101, in connection with the Transaction. Origin Merchant is not acting as an advisor to the Fund, or any other Interested Party, in connection with any matter, other than to provide an opinion under the Engagement Agreement.

Origin Merchant has not participated in any underwriting involving the Fund or any other Interested Party during the 24-month period preceding the date Origin Merchant was first contacted in respect of this Opinion. Further, other than to provide an opinion under the Engagement Agreement and as set out below, Origin Merchant has not been engaged to provide any financial advisory services involving the Fund or any other Interested Party.

As an investment bank, Origin Merchant and its affiliates may, in the ordinary course of its business, provide advice to its clients on various matters, which advice may include matters with respect to the Transaction, the Fund or any Interested Party. There are no understandings, agreements or commitments between Origin Merchant and the Fund or any Interested Party with respect to any future financial advisory or investment banking business. In April 2019 Origin Merchant provided an opinion to a committee and the board of the general partner of a fund that is managed by an affiliate of Drimmer for which Origin Merchant received a fixed fee, and, in connection with such, was reimbursed for certain expenses and indemnified on customary terms.

Scope of Review

In arriving at its Opinion, Origin Merchant has reviewed, analyzed, considered and relied upon (without attempting to independently verify the completeness or accuracy thereof) or carried out, among other things, the following:

1. The draft of the Acquisition Agreement dated November 12, 2019;
2. The draft form of the Purchase and Sale Agreement dated November 12, 2019;
3. The draft form of Support Agreements dated November 12, 2019;
4. The draft disclosure letter dated November 12, 2019;
5. The draft Transaction Steps Memorandum (as defined in the Acquisition Agreement) prepared by the Fund's tax advisors dated November 5, 2019;
6. The Fund's Initial Public Offering Prospectus dated June 12, 2017;
7. The Fund LPA (as defined below);
8. Annual Reports or annual audited financial statements and related management's discussion and analysis of the Fund for the fiscal year ended December 31, 2018 and the period ended December 31, 2017;

9. Quarterly financial statements and related management's discussion and analysis of the Fund for the first, second and third quarters of 2019;
10. Other financial, operational and corporate information prepared or provided by Fund, the management of Starlight or their advisors;
11. The property appraisals on the Properties (as defined below) commissioned by the Fund GP, on behalf of the Fund and prepared by BBG, Inc. ("**BBG**") dated between September 2019 and October 2019 (the "**BBG Appraisals**");
12. The property appraisals on the Properties (as defined below) commissioned by PSP Investments and prepared by CBRE – Valuation & Advisory Services ("**CBRE**") dated September 2019 (the "**CBRE Appraisals**" and together with the BBG Appraisals, the "**Appraisals**");
13. Discussions with management of the Fund GP regarding the past and current business operations, financial condition and future prospects of the Fund;
14. Discussions with the Fund's legal advisors;
15. Public information relating to the business, operations, financial performance and stock trading history of selected public companies considered by Origin Merchant to be relevant;
16. Selected reports published by equity research analysts and industry sources considered by Origin Merchant to be relevant; and,
17. Such other corporate, industry and financial market information, investigations and analyses as considered by Origin Merchant to be relevant in the circumstances.

Origin Merchant has not, to the best of its knowledge, been denied access by the Fund to any information requested by us. Origin Merchant did not meet with the auditor of the Fund and has assumed the accuracy and fair presentation of, and has relied upon, the audited consolidated financial statements of the Fund and the reports of the auditor thereon.

Prior Valuations

Other than the Appraisals, the Fund has represented to Origin Merchant that there have not been any prior valuations (as such term is defined for the purposes of MI 61-101) of the Fund or any of its material assets or its securities in the past two years which have not been provided to Origin Merchant for review.

Assumptions and Limitations

This Opinion is subject to the assumptions, explanations and limitations set forth below. Origin Merchant has not been asked to prepare and has not prepared a formal valuation or appraisal of any of the assets or securities of the Fund or its affiliates and our Opinion should not be construed as such. We have, however, conducted such analysis as is considered necessary in the circumstances. Origin Merchant has relied upon, and has assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Fund, or its affiliates, or management, or otherwise obtained by us pursuant to the Engagement Agreement, and our Opinion is conditional upon such completeness, accuracy and fair presentation.

We have also assumed, without limitation, that all of the representations and warranties contained in the Acquisition Agreement are correct as of the date hereof and will be correct as of closing; that the Transaction will be completed in accordance with the terms of the Acquisition Agreement and all applicable laws; that the Circular will not differ materially from the drafts reviewed and will disclose all material facts relating to the Transaction; and that the Circular will satisfy all applicable legal requirements. As well, we have assumed, without limitation, that the Fund and its affiliates will be in material compliance at all times with their respective material contracts and have no material undisclosed liabilities (contingent or otherwise) not reflected in the Fund's financial statements; that no unanticipated tax or other liabilities will result from the Transaction or related transactions; and that all required consents and regulatory approvals will be obtained on terms not adverse to the Fund, or its affiliates or Fund Unitholders.

Management of the Fund GP have represented to us, in their capacities as officers of the Fund GP and on behalf of the Fund GP and the Fund, and not in their personal capacities, to the best of their knowledge, in a certificate delivered as of the date hereof, among other things, that the information, data and other materials provided to us by or on behalf of the Fund, including the written information and discussions concerning the Fund referred to above under the heading "Scope of Review" (collectively, "**Information**"), are complete, correct and true at the date Information was provided to us and that, since the date of the Information, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Fund or any of its affiliates and no material change has occurred in Information or any part thereof which would have or which would reasonably be expected to have a material effect on this Opinion.

Except as expressly noted above under the heading "Scope of Review", we have not conducted any investigation concerning the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Fund or any of its affiliates. We have not attempted to verify independently any of the information concerning the Fund or any of its affiliates (including Information and the Appraisals). As provided for in the Engagement Agreement, Origin Merchant has relied upon the completeness, accuracy and fair presentation of all of the financial and other information (including the Information), data, documents, advice, opinions, representations and other materials, whether in written, electronic or oral form, obtained by it from public sources or provided to it by the Fund or the Fund GP or any of their management, associates, affiliates, consultants, agents and advisors or otherwise (collectively, the "**Other Information**") and we have assumed that this Other Information did not omit to state any material fact or any fact necessary to be stated to make such Other Information not misleading. This Opinion is conditional upon the completeness, accuracy and fair presentation of such Other Information. Subject to the exercise of our professional judgment, we have not attempted to verify independently and have assumed the completeness, accuracy and fair presentation of any of the Other Information. With respect to the financial forecasts, projections or estimates provided to Origin Merchant by management of the Fund GP and used in the analysis supporting this Opinion, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments as to the matters covered thereby and which, in the opinion of the author, are (or were at the time of preparation and continue to be) reasonable in the circumstances. By rendering this Opinion we express no view as to the reasonableness of such forecasts, projections or estimates or the assumptions on which they are based.

As set out in the governing limited partnership agreement of the Fund (the "**Fund LPA**"), each Unit entitles the holder to the same rights and obligations and no Fund Unitholder is entitled to any privilege, priority or preference in relation to any other holder of Units, subject to: (i) the proportionate entitlement of each Fund Unitholder to participate in distributions made by the Fund and to receive proceeds upon termination of the Fund, based on such holder's share of the Proportionate Class A Interest, Proportionate Class U Interest, Proportionate Class D Interest, Proportionate Class E Interest, Proportionate Class F Interest, Proportionate Class H Interest and Proportionate Class C Interest, respectively (in each case as defined in the Fund LPA) and subject to adjustment to reflect the Unit Class Expenses (as defined in the Fund LPA) allocable to each respective class and to account for any U.S. tax required to be borne by Investment LP (as defined in the Fund LPA) which is attributable to particular holders and (ii) a proportionate allocation of income or loss of the Fund in accordance with the terms of the Fund LPA. Accordingly, we have provided one opinion to the Special Committee and the Board which applies to all Unitholders (other than the Non-Public Unitholders), regardless of class.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters with respect to the Transaction. This Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Fund and its subsidiaries and affiliates and of the Properties, as they were reflected in the Information and the Other Information and as they have been represented to Origin Merchant in discussions with management of the Fund. In its analyses and in preparing this Opinion, Origin Merchant made numerous assumptions with respect to industry performance, current market conditions, general business and economic conditions, and other matters, many of which are beyond the control of Origin Merchant or any party involved in the Transaction.

In providing this Opinion, Origin Merchant expresses no opinion as to the trading price or value of the Fund Units following the announcement or completion of the Transaction. This Opinion has been provided for the sole use and benefit of the Special Committee and the Board in connection with, and for the purpose of, its consideration of the Transaction and may not be used or relied upon by any other person or for any other purpose or quoted from or published without the prior written consent of Origin Merchant, provided that Origin Merchant consents to the inclusion of this Opinion in its entirety and a summary thereof (provided such summary is in a form acceptable to Origin Merchant) in the notice of meeting and the Circular to be mailed to Fund Unitholders in connection with seeking their approval of the Transaction and to the filing thereof, as necessary, by the Fund on SEDAR and with the securities commissions or similar securities regulatory authorities in Canada.

This Opinion does not constitute a recommendation to the Special Committee, the Board or any Fund Unitholder as to whether or not any Fund Unitholder should approve the Transaction or vote their Units in favour of the Transaction. This Opinion does not address the relative merits of the Transaction as compared to other transactions or business strategies that might be available to the Fund, or the underlying business decision of the Fund to effect the Transaction. In considering the fairness of the Transaction, from a financial point of view, to the Fund Unitholders (other than the Non-Public Unitholders), Origin Merchant considered the Transaction from the perspective of Unitholders (other than the Non-Public Unitholders) generally and did not consider the specific circumstances of any particular Unitholder, including such holders' specific income tax considerations. This Opinion is given as of the date hereof and Origin Merchant disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this Opinion which may come, or be brought, to the attention of Origin Merchant after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting this Opinion after the date hereof, including, without limitation, the terms and conditions of the Transaction, or if Origin Merchant learns that the Information relied upon in rendering this Opinion was inaccurate, incomplete or misleading in any material respect, Origin Merchant reserves the right to change, modify or withdraw this Opinion.

Origin Merchant believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying this Opinion. The preparation of an Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do the latter could lead to undue emphasis on any particular factor or analysis.

Overview of the 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 value-add income producing rental properties in the U.S. multi-family real estate market. The Fund currently owns 3 properties, consisting of 1,183 suites with an average year of completion of 2003.

Overview of the Transaction

Origin Merchant understands that, pursuant to the Transaction, *inter alia*, the Purchaser will indirectly acquire the three properties located in the United States or interests therein, owned or leased by the Fund or its affiliates (the "**Properties**") for aggregate gross cash consideration of approximately US$92.1 million payable to the Fund before deducting the Carried Interest, applicable taxes and other fees and closing adjustments related to the Transaction. The Purchaser will also indirectly assume all of the Fund's existing debt in the amount of approximately US$147.5 million. After giving effect to the Carried Interest, related transaction cost and closing adjustments Unitholders are expected to receive an aggregate consideration of US$81.8 million, prior to the deduction of any applicable U.S. taxes, pursuant to the Transaction.

Fairness Considerations

In support of the Opinion, Origin Merchant has performed certain value analyses on the Fund based on the methodologies and assumptions that Origin Merchant considered appropriate in the circumstances for the purposes of providing its Opinion.

As part of the analyses and investigations carried out in the preparation of the Opinion, Origin Merchant reviewed and considered the items outlined under "Scope of Review". In the context of the Opinion, Origin Merchant has considered the following principal methodologies (as each such term is defined below):

a) Net Asset Value Analysis
b) Precedent Transaction Analysis
c) Comparable Trading Analysis

Net Asset Value Analysis
Origin Merchant performed a net asset value ("**NAV**") analysis of the Fund by calculating the value of the Fund's assets on a Property by Property basis and then adjusting for other assets and liabilities of the Fund. On the basis of our analysis of the Properties and discussions with management of the Fund, we have assumed that the Properties are stabilized. On the basis of that assumption, we have applied the Direct Capitalization valuation approach to the individual properties, applying a range of market derived capitalization rates to the stabilized 2020 budget net operating income, to determine the value of each Property ("**Property Values**"). The weighted-average market derived capitalization rates for the portfolio of the Properties range from 4.40% to 4.90%. We have used the Property Values as the basis for determining the Fund's net asset value, adjusting for the Fund and property level debt, capitalized Fund operating expenses, working capital and the carried interest (the "**Carried Interest**") of Starlight Investments Value-Add Partnership an affiliate of Starlight Group Property Holdings Inc. ("**Starlight Group**") and the President of the Fund. The NAV of the Fund implied en-bloc equity value of US$53 million to US$77 million before adjusting for applicable taxes.

Origin Merchant also calculated NAV by using the values set forth by CBRE and BBG in the Appraisals to determine the value of the Fund's assets on a Property by Property basis and then adjusting for the Fund and property level debt, capitalized Fund operating expenses, working capital and the Carried Interest. The net asset value of the Fund, using the Appraisals, implied en-bloc equity value of US$72 million to US$80 million before adjusting for applicable taxes.

As the Fund is a light cap-ex value-add fund, meaning that the Properties are routinely upgraded, but is otherwise stabilized, we performed a discounted cash flow analysis of the forecast operating model provided by Starlight Group taking into account the value-add capital investment and impact on monthly rents over the next three years, to validate the NAV determined using the Direct Capitalization and Appraisal approaches. We applied a terminal cap-rate to the 2023 net cash flow of 4.75% and discounted the annual cash flows and terminal value using a discount rate range of 6.25% - 7.25% to determine property level asset value. We then adjusted for the Fund and property level debt, capitalized Fund operating expenses, working capital and the Carried Interest which resulted in an implied en-bloc equity value of US$78 million to US$85 million before adjusting for applicable taxes.

Precedent Transactions Approach
Origin Merchant reviewed publicly available information on selected acquisition transactions involving residential REITs and real estate companies. Origin Merchant reviewed the Price to Funds from Operations ("**FFO**") and the Price to Adjusted Funds from Operations ("**AFFO**") for each transaction based on the one year forward forecast. In determining the implied equity value of the Fund based on FFO, we normalized the reported FFO of the Fund to adjust for items added back in AFFO and not in FFO. The range, excluding outliers, of P/FFO and P/AFFO multiples are 16.8x-21.9x and 19.0x-23.3x respectively. We applied those multiples to the Fund's 2020 budgeted FFO and AFFO. We then deducted the Carried Interest amount from the implied equity values generated by applying the relevant

multiples. The Precedent Transactions Approach implied en-bloc equity value of US$51 million to US$69 million before adjusting for applicable taxes.

Comparable Trading Analysis Approach
Origin Merchant reviewed publicly available information on comparable Canadian and US listed real estate investment trusts to determine P/FFO and P/AFFO multiples on a latest twelve-month basis ("**LTM**") and one year forecast basis as at November 12, 2019. In determining the implied equity value of the Fund based on FFO, we normalized the reported FFO of the Fund to adjust for items added back in AFFO and not in FFO. The range of P/FFO and P/AFFO multiples on an LTM basis are 17.1x-22.6x and 20.0x-26.6x respectively. The range of P/FFO and P/AFFO multiples on a 2020 forecast basis are 14.6x-18.9x and 16.9x-21.2x respectively. We applied those multiples to the Fund's LTM and 2020 budgeted FFO and AFFO. We then deducted the Carried Interest amount from the implied equity values generated by applying the relevant multiples. The Comparable Trading Analysis Approach implied en-bloc equity value of US$52 million to US$89 million before adjusting for applicable taxes.

Class Analysis
Having analyzed the en-bloc equity value of the Fund, we have then reviewed the consideration received by each class of Fund Units to determine if the consideration to be received pursuant to the Transaction by Public Unitholders by class, is fair from a financial point of view. The US$81.8 million, before deduction of any applicable taxes, results in consideration to be received by Unitholders in connection with the Transaction, which represents a cumulative pre-tax internal rate of return equal to approximately 17% for Class A, Class D, Class E, Class F and Class U Unitholders. The distributions to Unitholders before deducting U.S. taxes required to be paid in connection with the Transaction are expected to be C$12.31 per Class A and Class D Unit [(1)], US$12.38 per Class E and Class U Unit, C$12.75 per Class F Unit [(1)] and C$13.07 per Class C Unit [(1)].

Conclusion

Origin Merchant based its conclusion in the Opinion upon a number of quantitative and qualitative factors including, but not limited to:

a) the consideration of US$81.8 million, prior to the deduction of any applicable U.S. taxes, payable pursuant to the Transaction compares favourably with our analysis utilizing the Net Asset Value Approach;
b) the consideration of US$81.8 million, prior to the deduction of any applicable U.S. taxes, payable pursuant to the Transaction compares favourably with our analysis utilizing the Precedent Transactions Approach;
c) the consideration of US$81.8 million, prior to the deduction of any applicable U.S. taxes, payable pursuant to the Transaction compares favourably with our analysis utilizing the Comparable Trading Analysis Approach; and,
d) other factors or analyses, which we have judged, based on our experience in rendering such opinions, to be relevant.

(1) The consideration Unitholders of Canadian dollar denominated Units will be entitled to receive will ultimately be subject to the actual Canadian/U.S. dollar rate of exchange to be determined in connection with the closing of the Transaction. The distribution amounts set out herein are based on an assumed exchange rate of US$1.00 to C$1.3200.

Opinion

Based upon and subject to the foregoing and such other matters as we considered relevant, Origin Merchant is of the opinion that, as at the date hereof, the consideration of US$81.8 million, prior to the deduction of any applicable U.S. taxes, to be received pursuant to the Transaction is fair, from a financial point of view, to the Fund Unitholders, other than the Non-Public Unitholders.

Yours very truly,

Origin Merchant Partners

Origin Merchant Partners