



Frequently Asked Questions for U.S. Resident Unit Holders

Q. How is the Partnership taxed?

A. The Partnership is not subject to federal income tax. The partners of the Partnership, however, must include their share of the Partnership's items of income, gain, loss, deduction or credit in the computation of their federal income tax liabilities. The Partnership will report to each partner their separate share of the Partnership's items on Schedule K-1.

Q. Are cash distributions received from the Partnership taxable?

A. Cash distributions by the Partnership to a partner generally are not taxable to the partner, except to the extent that such distributions exceed the partner's adjusted basis in the partnership interest immediately before the distribution.

Q. Why is the amount of cash I received from the Partnership different from what I report on my U.S. income tax return?

A. A partner generally is required to report on its tax return its distributive share of partnership income as provided on such partner's Schedule K-1. This amount may be different than the amount of cash distributed to such partner. This is because the calculation of cash available for distribution generally will not be the same as the calculation of a partner's distributive share of partnership income. For example, the partner's distributive share of partnership income will be reduced by the partner's share of noncash items, such as depreciation and depletion. The Partnership has determined your distributive share of partnership income based on the transactions reflected on the attached Transaction Schedule.

Q. Why am I receiving a Schedule K-1 rather than an IRS Form 1099?

A. An IRS Form 1099 is not used to report partnership items. A partnership is required to report tax information to its partners on a Schedule K-1.

Q. Why don't I receive my Schedule K-1 by January 31, the date an IRS Form 1099 must be distributed?

A. The required distribution dates for Schedule K-1 and Form 1099 are different. While the partnership attempts to provide Schedule K-1s to partners as soon as possible, the Partnership must compile the information necessary to complete the Schedule K-1s and most of this information is not provided to the Partnership until late January. Based on the steps necessary to provide a Schedule K-1, the Partnership will mail Schedule K-1s on or before March 31, 2018.

Q. If I sell my Partnership units, how is my tax basis determined to compute gain or loss?

A. Generally, gain or loss from the sale of Partnership units equals the difference between the amount realized and the adjusted basis in the partnership interest sold. The amount realized from the sale of Partnership units equals the sum of any money received plus the fair market value of the property (other than money) received and your share of partnership liabilities. Your adjusted basis in your Partnership units is your original purchase price for the units, adjusted for Partnership distributions to you, allocations of Partnership income, gain, loss and deduction to you and other relevant items, including your share of partnership liabilities. You should consult your tax advisor on the proper calculation of your basis in the Partnership units sold (including the allocation of your tax basis among your units if you sell less than all of your units), and the amount of your ordinary income or loss, short term capital gain or loss and/or long term capital gain or loss on the sale.

Q. What is Unrelated Business Taxable Income (UBTI)?

A. Information regarding UBTI is presented on box 20V of the Schedule K-1. These amounts are relevant to tax-exempt entities (including IRAs, Keogh, and other qualified retirement plans). We recommend that any tax-exempt partners consult with their tax advisor regarding the proper reporting of UBTI.

Q. What is Form 8865 and do I need to prepare and include this form in my U.S. income tax return?

A. Form 8865 is the Return of U.S. Persons with Respect to Certain Foreign Partnerships. Unitholders of foreign partnerships may have reporting obligations on their U.S. tax return. Your 2017 K-1 Tax Package includes the information needed to complete Form 8865, if required. We recommend that you consult with your tax advisor regarding the requirements to file Form 8865 with your U.S. income tax return.



Pure Multi-Family REIT LP - Partnership Reporting

<http://www.puremultifamily.com>

Q. What should I do if my information package is incorrect or I need additional information?

A. If you have any changes or need additional information, you may request an updated K-1 or additional information as follows:

Mail: PURE Multi-Family REIT LP
c/o KPMG LLP
PO Box 59209
Philadelphia, PA 19102

E-Mail: us-taxpurek-1help@kpmg.com

Phone: 267-256-5882

Efax: 267-280-4394

Failure to submit corrections by July 15, 2018 may require you to file IRS Form 8082 - "Notice of Inconsistent Treatment or Administrative Adjustment" with your federal income tax return.

Q. Do I have to file tax returns in any state in which I do not live?

A. The Partnership does not generate any U.S. State sourced income. All income, loss, and deductions are portfolio items and sourced to each Unitholder's state of residency. We recommend that you consult with your tax advisor regarding the proper state filing requirements.

Disclaimer

PURE Multi-Family REIT LP ("PURE") is organized as a Canadian limited partnership. As a U.S. unitholder of PURE you are considered to be a limited partner of a foreign partnership. This information has been prepared by the Partnership using conventions and assumptions made by the Partnership. The information in this package is being provided to you for informational purposes and is not intended to, and does not, constitute tax advice. Any questions regarding your federal or state income tax, based on your ownership of Partnership units or otherwise, should be directed to your tax advisor.