



PURE MULTI-FAMILY REIT LP

Notice of Annual Meeting
of Unitholders to be held on May 13, 2016

and

Information Circular

Dated April 8, 2016



PURE MULTI-FAMILY REIT LP

NOTICE OF ANNUAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the “Meeting”) of the holders (“Unitholders”) of Class A Units and Class B Units (collectively, the “Units”) of Pure Multi-Family REIT LP (“Pure Multi-Family”) will be held at **KPMG LLP, Bay Adelaide Centre, 333 Bay Street, Suite 4600, Toronto, Ontario at 2:30 p.m. (Toronto Time), on May 13, 2016**, for the following purposes:

- a. to receive the financial statements of Pure Multi for the financial year ended December 31, 2015 and the report of the auditors thereon;
- b. to fix the number of directors (the “Directors”) of Pure Multi-Family REIT (GP) Inc. (the “Governing GP”), the governing general partner of Pure Multi-Family at seven and to elect the Directors for the ensuing year;
- c. to appoint auditors for the ensuing year and to authorize the Directors to fix their remuneration;
- d. to transact such further and other business as may properly come before the meeting or any adjournment thereof.

Specific details of the above items of business are contained in the Information Circular that accompanies and forms a part of this Notice of Annual Meeting.

The Directors have fixed March 31, 2016 as the record date for the determination of Unitholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Unitholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

Unitholders of record are entitled to vote at the Meeting either in person or by proxy. Unitholders who are unable to attend the Meeting in person are requested to read, complete, sign and deliver the accompanying Form of Proxy. To be effective, the Form of Proxy must be received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, (facsimile: 1-866-249-7775) not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or any adjournment or postponement thereof.

Beneficial Unitholders who hold their Units of Pure Multi-Family through an intermediary/broker are not entitled, as such, to vote at the Meeting through a proxy. Regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of the Meeting. Beneficial Unitholders should carefully follow the instructions of the intermediary/broker, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting.

DATED at Vancouver, British Columbia, this 8th day of April, 2016.

BY ORDER OF THE BOARD OF DIRECTORS OF THE GOVERNING GP

“Stephen J. Evans”

(signed) Stephen J. Evans
Director and Chief Executive Officer

INFORMATION CIRCULAR

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PURE MULTI-FAMILY REIT LP

INFORMATION CIRCULAR

(Containing information as at April 8, 2016 unless indicated otherwise)

(All amounts in U.S. dollars unless indicated otherwise)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the directors (the “Directors”) of Pure Multi-Family REIT (GP) Inc. (the “Governing GP”), the governing general partner of Pure Multi-Family REIT LP (“Pure Multi-Family”), for use at the annual meeting (the “Meeting”) of holders (the “Unitholders”) of Class A units (the “Class A Units”) and Class B units (the “Class B Units”) and together with the Class A Units, the “Units”) of Pure Multi-Family to be held at KPMG LLP, Bay Adelaide Centre, 333 Bay Street, Suite 4600, Toronto, Ontario, at 2:30 p.m. (Toronto Time), on May 13, 2016, or at any adjournments thereof, for the purposes set forth in the accompanying Notice of Annual Meeting. Unless the context otherwise requires, all references to the “Meeting” in this Information Circular include all adjournments and postponements thereof.

It is expected that the solicitation of proxies for the Meeting will be primarily by mail, but proxies may be solicited personally, by telephone or by other means of communication by the Directors, who will not be specifically remunerated therefor. All costs of solicitation of proxies by or on behalf of the Directors will be borne by Pure Multi-Family. Pure Multi-Family has arranged for intermediaries/brokers to forward the Meeting materials to Beneficial Unitholders (as defined below) of Pure Multi-Family held of record by those intermediaries/brokers, and Pure Multi-Family may reimburse the intermediaries/brokers for their reasonable fees and disbursements in that regard.

APPOINTMENT OF PROXIES

Registered Unitholders are entitled to vote at the Meeting. The persons named in the accompanying Form of Proxy are Directors. A Unitholder desiring to appoint some other person, who need not be a Unitholder, to attend and act on the Unitholder’s behalf at the Meeting has the right to do so, by striking out the printed names and inserting the name of such other person and, if desired, an alternate to such person, in the blank space provided in the Form of Proxy. Such Unitholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide voting instructions to the nominee. The nominee should bring personal identification to the Meeting.

A Form of Proxy must be in writing and signed by the Unitholder or by the Unitholder’s attorney duly authorized in writing or, if the Unitholder is a body corporate or association, under its seal or by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing. If an attorney executes the Form of Proxy, evidence of the attorney’s authority must accompany the Form of Proxy. A proxy will not be valid unless the completed Form of Proxy is received by Computershare Investor Services Inc. (“Computershare”), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (facsimile: 1-866-249-7775) not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or any adjournment or postponement thereof. Alternatively, registered Unitholders can call the toll-free telephone number of Computershare or access

Computershare's dedicated voting website (each as noted on the accompanying Form of Proxy) in order to vote the Units held by them.

Beneficial Unitholders who hold their Units of Pure Multi-Family through an intermediary/broker are not entitled, as such, to vote at the Meeting through a proxy. Regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of the Meeting. Beneficial Unitholders should carefully follow the instructions of their intermediary/broker, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting. See "Beneficial Unitholders".

REVOCATION OF PROXIES

A Unitholder who has given a Form of Proxy may revoke it by an instrument in writing that is signed and delivered to Computershare in the manner as described above so as to arrive at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the Form of Proxy is to be used, or to the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner provided by law. A revocation of a Form of Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

The Director representatives designated in the accompanying Form of Proxy will vote or withhold from voting the Units in respect of which they are appointed proxy on any poll (ballot) that may be called for in accordance with the instructions of the Unitholder as indicated on the Form of Proxy and, if the Unitholder specifies a choice with respect to any matter to be acted upon, the Units will be voted accordingly. Where no choice is specified in the Form of Proxy, such Units will be voted "for" the matters described therein and in this Information Circular.

The accompanying Form of Proxy confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Annual Meeting and with respect to other matters that may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Annual Meeting are properly brought before the Meeting or any other business is properly brought before the Meeting, it is the intention of the Director representatives designated in the accompanying Form of Proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the Directors know of no such amendment, variation or other matter, which may be presented to the Meeting.

In the case of abstentions from, or withholding of, the voting of the Units on any matter, the Units that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

BENEFICIAL UNITHOLDERS

These meeting materials are being sent to both registered and non-registered Unitholders. If you are a non-registered Unitholder and Pure Multi-Family or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary/broker holding on your behalf.

The information set forth in this section is important to all Unitholders of Pure Multi-Family. Unitholders who do not hold their Units in their own name are referred to in this Information Circular as "Beneficial Unitholders". There are two kinds of Beneficial Unitholders – those who object to their names being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners), and those who do not object (called "NOBOs" for Non-Objecting Beneficial Owners). **Beneficial Unitholders should note that only a Unitholder whose name appears on the records of Pure Multi-Family as a registered holder of Units or a person they appoint as a proxy can be recognized and vote at the Meeting.** Subject to limited exceptions that may

exist from time to time, all issued and outstanding Class A Units are in a book-based system administered by CDS Clearing and Depository Services Inc. (“CDS”). Consequently, all Class A Units are, subject to limited exceptions that may exist from time to time, registered under the name of CDS & Co. (the registration name for CDS). CDS also acts as nominee for brokerage firms through which Beneficial Unitholders hold their Units. Units held by CDS can only be voted (for or against resolutions) upon the instructions of the Beneficial Unitholder.

Pure Multi-Family is taking advantage of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, which permits it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs will receive Meeting materials from their intermediary/broker, including a voting instruction form. Proxy-related materials will be delivered indirectly to OBOs. As a result, OBOs can expect to receive Meeting materials from their intermediary/broker, including a voting instruction form as more particularly described below.

Applicable regulatory policy requires intermediaries/brokers to whom meeting materials have been sent to seek voting instructions from Beneficial Unitholders in advance of Unitholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the Form of Proxy supplied to a Beneficial Unitholder by its broker is identical to that provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholder how to vote on behalf of the Beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically prepares a special voting instruction form, mails those forms to the Beneficial Unitholders and asks for appropriate instructions respecting the voting of Units to be represented at the Meeting. Beneficial Unitholders are requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Unitholders can call a toll-free telephone number or access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Units held by them. Broadridge then tabulates the results of all voting instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a voting instruction form cannot use that voting instruction form to vote Units directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Units voted. Beneficial Unitholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Units at the Meeting.

Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of depositing a Form of Proxy. If you are a Beneficial Unitholder and wish to vote in person at the Meeting, please see the voting instructions you received or contact your intermediary/broker well in advance of the Meeting to determine how you can do so.

Beneficial Unitholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting.

QUORUM

A quorum for any meeting of Unitholders shall be individuals present not being less than two in number and being Unitholders or representing by proxy Unitholders who hold in aggregate not less in aggregate than five percent of the total number of outstanding Units.

LIMITED PARTNERSHIP STRUCTURE

Pure Multi-Family is a limited partnership formed under the *Limited Partnerships Act* (Ontario). Pure Multi-Family was established by Pure Multi-Family Management Limited Partnership (the “Managing GP”), its managing general partner, and the Governing GP pursuant to the terms of a Limited Partnership Agreement dated May 8, 2012 (the “LP Agreement”). Pure Multi-Family was established for the purposes of acquiring, owning and operating quality multi-family real estate properties in major markets in the United States.

Pursuant to an initial public offering, effective July 10, 2012, Pure Multi-Family's Units were listed for trading on the TSX Venture Exchange under the symbol RUF.U. Effective July 2, 2014, Pure Multi-Family's Units were also listing for trading in Canadian dollars on the TSX Venture Exchange under the symbol RUF.UN. Effective January 2, 2014, Pure Multi-Family's Units were listed for trading in United States dollars on the OTCQX International Marketplace under the symbol PMULF.

The financial year end of Pure Multi-Family is December 31. The reporting currency of Pure Multi-Family is U.S. dollars.

Pure Multi-Family's head office and address for service is located at 910 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

VOTING AGREEMENT

The LP Agreement provides for the management and control of Pure Multi-Family by a general partner. Pursuant to the LP Agreement, decisions relating to the operation and business of Pure Multi-Family are governed by the Governing GP, which has sole responsibility and authority for the governance and control of Pure Multi-Family. The shares of the Governing GP are owned by Sunstone Multifamily Investments Inc. ("Sunstone"). By way of a voting agreement (the "Voting Agreement") made May 8, 2012 among Pure Multi-Family, Sunstone, the successor to Darren Investments Inc. and Triple E Investments Inc., Sunstone agreed that certain voting rights with respect to the Governing GP, including votes for the election of directors of the Governing GP, would be exercised in accordance with the direction of Pure Multi-Family. See "Material Contracts – Voting Agreement".

VOTING UNITS AND PRINCIPAL HOLDERS THEREOF

Pure Multi-Family is authorized to issue an unlimited number of Class A Units and an unlimited number of Class B Units. Pure Multi-Family's Class A Units and Class B Units collectively comprise the Units referred to in this Information Circular. As of the date hereof, there are: (i) 49,039,824 Class A Units issued and outstanding, each of which entitles the holder to exercise one vote at any meeting of Pure Multi-Family, and (ii) 200,000 Class B Units issued and outstanding. Pursuant to the terms of the LP Agreement, the holders of the Class B Units as a group are entitled to exercise that number of votes which is equal to the total number of votes attached to the Class A Units, multiplied by the Class B Unit Percentage Interest (as defined in the LP Agreement) and divided by the Class A Unit Percentage Interest (as defined in the LP Agreement). Each Class B Unit entitles the holder of record thereof to exercise a voting interest determined by dividing the number votes exercisable by the holders of the Class B Units as a group by the total number of outstanding Class B Units. The LP Agreement is available on SEDAR at www.sedar.com, and, upon request, Pure Multi-Family will promptly provide a copy of the LP Agreement to a Unitholder free of charge.

Collectively, the Class A Units exercise an aggregate of 49,039,824 votes, representing 95% of the votes attached to the Units as a whole. Pursuant to the terms of the LP Agreement, the Class B Units are entitled to exercise an aggregate of 2,581,043 votes, representing the remaining 5% of the votes attached to the Units as a whole. Accordingly, each Class B Unit entitles the holders of record thereof to exercise a voting interest equal to 12.9052 votes per Class B Unit.

On a show of hands, unless a poll (ballot) is demanded, every person present and entitled to vote will be entitled to one vote. Only registered holders of Units at the close of business on March 31, 2016, the record date established by the Directors, are entitled to vote at the Meeting.

To the knowledge of the Directors and the executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of Pure Multi-Family carrying more than 10% of the voting rights attached to any class of voting securities of Pure Multi-Family.

ELECTION OF DIRECTORS

The LP Agreement provides for the management and control of Pure Multi-Family by a general partner. Pursuant to the LP Agreement, decisions relating to the operation and business of Pure Multi-Family are governed by the Governing GP, which has sole responsibility and authority for the governance and control of Pure Multi-Family. References herein to the Directors, the Board of Directors, the Board, the Audit Committee, the Nominating and Governance Committee, the Compensation Committee, the Chief Executive Officer, the Chief Financial Officer, executive officer and/or officers of Pure Multi-Family or otherwise refer to such position(s) with and/or committees of the Governing GP.

The term of office of each of the present Directors expires at the close of the Meeting. All Directors elected at the Meeting will hold office for a term expiring at the close of the next annual meeting of Unitholders or until their successors are appointed, unless a Director's office is earlier vacated in accordance with the LP Agreement.

The number of Directors to be elected at the Meeting is proposed to be fixed at seven. The following table states the name of each person proposed to be nominated for election as a Director, the municipality in which he is ordinarily resident, all offices of Pure Multi-Family now held by him, his principal occupation, the period of time for which he has been a Director of Pure Multi-Family, and the number of Units beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

All nominees have established their eligibility and willingness to serve as Directors.

Name, Position and Municipality of Residence⁽¹⁾	Principal Occupation and, if not Previously Elected as a Director, Occupation During the Past 5 Years⁽¹⁾	Service as a Director	Number of Units⁽²⁾
STEPHEN J. EVANS North Vancouver, British Columbia, Canada	CEO, Pure Multi-Family; President Sunstone Realty Advisors Inc.	Since May 8, 2012	346,400 Class A Units ⁽⁶⁾ 96,000 Class B Units ⁽⁷⁾
ROBERT W. KING, ICD.D ⁽³⁾⁽⁴⁾⁽⁵⁾ Vancouver, British Columbia, Canada	Lead Independent Director, Pure Multi-Family; President of King Pacific Capital Corporation	Since May 8, 2012	45,000 Class A Units
DOUGLAS R. SCOTT, CPA (CA), ICD.D ⁽³⁾⁽⁴⁾ Surrey, British Columbia, Canada	Consultant	Since May 8, 2012	10,365 Class A Units \$42,000 Debentures ⁽⁸⁾
JAMES L. REDEKOP ⁽⁴⁾⁽⁵⁾ Surrey, British Columbia, Canada	President, Redekop Development Corp.	Since May 8, 2012	25,000 Class A Units
JAMES A. SPEAKMAN North Vancouver, British Columbia, Canada	Managing Partner, Clark Wilson LLP	Since October 10, 2013	9,000 Class A Units
JOHN C. O'NEILL ⁽⁵⁾ West Vancouver, British Columbia, Canada	President and Chief Executive Officer of O'Neill Hotels & Resorts Ltd.	Since October 10, 2013	23,300 Class A Units
FRASER R. BERRILL ⁽³⁾ Picton, Ontario, Canada	President, Fragin Holdings Limited (a private investment company)	Since March 12, 2015	9,000 Class A Units

- (1) The information as to municipality of residence and principal occupation, not being within the knowledge of Pure Multi-Family, has been furnished by the respective Directors individually.
- (2) The information as to Units beneficially owned or over which a Director exercises control or direction, not being within the knowledge of Pure Multi-Family, has been furnished by the respective Directors individually.
- (3) Member of the Audit Committee of Pure Multi-Family ("Audit Committee").
- (4) Member of the Nominating and Governance Committee of Pure Multi-Family ("Nominating and Governance Committee").
- (5) Member of the Compensation Committee of Pure Multi-Family ("Compensation Committee").
- (6) Includes Class A Units held by Triple E Investments Inc.

- (7) Includes proportionate share of 200,000 Class B Units held by Pure Multi-Family-Family Management Limited Partnership, a British Columbia limited partnership whose limited partners include Triple E Investments Inc. and select employees of Sunstone Realty Advisors Inc. See “Voting Units and Principal Holders Thereof”.
- (8) Balance represents the total U.S. dollar value of Debentures owned.

The following are brief profiles of the above-named persons:

Stephen J. Evans – Mr. Evans is the Chief Executive Officer of Pure Multi. He is also the Chief Operating Officer of and indirectly owns 50% of the shares in Sunstone Realty Advisors Inc. (“Sunstone Realty”). Since 2003, Sunstone Realty, and its predecessors, have raised over CDN\$208 million and \$137 million in equity for its Sunstone series of funds (collectively, the “Sunstone Funds”). Sunstone Realty has participated in the negotiation, acquisition, redevelopment and asset management of over CDN\$493 million and \$288 million in commercial, residential and office properties in Canada and the United States. Mr. Evans continues his active role in the management of the business of Sunstone Realty, with a focus on enhancing the value of the acquired properties on behalf of the investors. As well, Mr. Evans co-founded Pure Industrial Real Estate Trust (“PIRET”) in 2007. PIRET is a publicly-listed real estate investment trust (TSX: AAR.UN) established for the purposes of acquiring, owning and operating a diversified portfolio of income-producing industrial properties in leading markets. Since 2007, PIRET has raised approximately CDN\$672 million in equity financing and acquired a portfolio of 174 industrial properties in Canada and the United States having a total value of approximately CDN\$1.4 billion. In addition, Mr. Evans is the acting Chief Financial Officer of REALnorth Opportunities Fund, an unincorporated, open-ended investment trust which indirectly invests in revenue producing real estate assets and development properties. From September 15, 2008 to December 31, 2009, Mr. Evans was a director of IAT Air Cargo Facilities Income Fund and director of International Aviation Terminals Inc. Mr. Evans commenced as a director of Huntingdon Capital Corporation (formerly Huntingdon Real Estate Investment Trust) on January 1, 2010 until September 26, 2012 and is currently a director of WesternOne Inc. (TSX: WEQ) and American Hotel Income Properties REIT LP (TSX: HOT.UN). Mr. Evans is also a member of the Institute of Corporate Directors

Robert W. King – Mr. King is the lead independent director of Pure Multi. He is also the President of King Pacific Capital Corporation, a private company specializing in mortgage finance and real estate development and investment in Western Canada. Mr. King is also a principal of Westbridge Finance Inc., a full-service commercial mortgage brokerage company. Mr. King is a trustee of PIRET (TSX: AAR.UN), Chairman of the Board of WesternOne Inc. (TSX: WEQ) and a director of Wall Financial Corporation (TSX: WFC), a real estate investment and development company. Mr. King is also a director of the general partner and/or corporate trustee of each of the limited partnerships and real estate investment trusts comprising the Sunstone Funds. Mr. King earned his MBA from Dalhousie University in 1992 and a Bachelor of Arts from the University of British Columbia in 1989. He graduated from the ICD-Rotman Directors Education Program in November of 2015 and received the ICD.D designation from the Institute of Corporate Directors in February 2016. Mr. King is also a member of the Institute of Corporate Directors.

Douglas R. Scott – Mr. Scott is currently a financial consultant to corporations specializing in initial public offerings, IFRS implementation, corporate reorganizations and syndicated financings. Mr. Scott was the Chief Financial Officer of First Majestic Silver Corp. (“First Majestic”) and First Silver Reserve Inc. from 2006 to 2007. Prior to joining First Majestic, Mr. Scott was Vice President and Chief Financial Officer of Coast Wholesale Appliances Income Fund and its predecessor from 2003 to 2005 and was instrumental in its 2005 initial public offering. In addition, Mr. Scott is a partner with FinancExec Associates, working primarily in the roles of director and Chief Financial Officer for a number of large to medium-sized public and private companies.

Mr. Scott has served as a director and Treasurer on a number of not for profit organizations and is currently lead independent director of WesternOne Inc. (TSX: WEQ) and Chair of its audit and nominating and corporate governance committees and a trustee of PIRET (TSX: AAR.UN) and Chair of its audit committee.

Mr. Scott has a Bachelor of Commerce Degree with Distinction from the University of Alberta, and is a member of the Chartered Professional Accountants of Alberta with a CPA (CA) designation. He received his IFRS certification from the Institute of Chartered Accountants in England and Wales in 2009. He graduated from the ICD-Rotman Directors Education Program in June of 2014 and received the ICD.D designation from the Institute of Corporate Directors in September 2014. Mr. Scott is also a member of the Institute of Corporate Directors and Financial Executives International.

James L. Redekop – Since leaving the single family home construction industry in 1986, Mr. Redekop has been involved in multi-family housing and commercial construction and real estate development in British Columbia, primarily through special-purpose private companies held through Redekop Development Corp., Mr. Redekop’s development company. His primary focus has been with residential wood-frame condominium and townhouse projects. Over the past 25 years, he has acted as general contractor or project manager on numerous multi-family developments. More recently, Mr. Redekop has become involved in commercial greenhouse vegetable production as a principal of Sunselect Produce Delta LLP and its sister company, Proselect Gas Treating Inc. Mr. Redekop is also a director of the general partner and/or corporate trustee of each of the limited partnerships and real estate investment trusts comprising the Sunstone Funds.

James A. Speakman – Mr. Speakman is the Managing Partner of Clark Wilson LLP, a prominent Vancouver-based business law firm, and practices in that firm’s commercial real estate and corporate finance and securities groups. He has been a lawyer for 30 years. Prior to joining Clark Wilson in 2001, Mr. Speakman worked for 11 years in senior executive positions in the real estate industry in Vancouver. He served for four years as Executive Vice President of a privately-owned development company that develops high-rise residential and retirement projects in British Columbia and the United States and spent seven years as Vice President of Vancouver-based Anthem Properties, where he was actively involved in the startup and growth of that company’s real estate investment, development and management business. From 1994 to 1997, Anthem established a southwest U.S.-based portfolio which included over 5,800 apartment units and over one million square feet of retail and office space, developed 630 single family building lots and built and sold 250 homes. Anthem achieved a listing on the Toronto Stock Exchange (“TSX”) in 1998 and from 1998 to 2000 established a portfolio of Canadian revenue producing properties of over \$200 million. Mr. Speakman received a J.D. degree from the University of British Columbia in 1985 and has a lifelong passion for real estate.

John C. O’Neill – Mr. O’Neill is President and Chief Executive Officer of O’Neill Hotels & Resorts Ltd., operators of over 80 hotels across Canada and the United States. Mr. O’Neill was a co-founder of American Hotel Income Properties (AHIP) REIT LP (TSX: HOT.UN) in 2013 and of Canadian Hotel Income Properties REIT (“CHIP REIT”) in 1997 and served on CHIP REIT’s Board of Trustees from 1999 to 2002. Mr. O’Neill was also a partner with Intrawest in the ownership and management of Whistler Lodging Company. Mr. O’Neill is President of SunOne Developments Inc.; a member of the Board of Trustees for the Fraser Institute; a Director of the Minister’s Council on Tourism on behalf of B.C.’s Ministry of Jobs, Tourism and Innovation; and also Chair of the Collingwood School Foundation, serving a school on whose Board of Governors he used to sit. He is a past Member of the Faculty Advisory Board of the UBC Sauder School of Business, a Member of the Tourism Whistler Board of Directors, and a former Member of the Owners’ Advisory Council of Starwood Hotels & Resorts.

Fraser R. Berrill - Mr. Berrill is the President of Fragin Holdings Limited, a private investment company principally involved in real estate income properties and development in Ontario, Texas and Arizona. He is the former President, Chief Executive Officer and director of Renasant Financial Partners Ltd., a financial services and technology trading organization. Mr. Berrill has served as a director of several public and private companies and has been on the board of Vicwest Inc. (formerly listed on the TSX) since 2009, and has acted as Board Chair from 2011 to June, 2015. Mr. Berrill has been a Trustee of Morguard REIT (TSX: MRT.UN) since 2010. In addition, he is a member of the Law Society of Upper Canada, and holds a designation of Chartered Director from McMaster University. Mr. Berrill is also on the Board of Governors of the University of Windsor.

Cease Trade Orders and Bankruptcies

No proposed Director of Pure Multi-Family is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For purposes of (a) and (b) above, the term “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any extension under securities legislation, that was in effect for a period of more than 30 consecutive days.

No proposed Director of Pure Multi-Family is, or within ten (10) years before the date of this Information Circular has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed Director of Pure Multi-Family has, within ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director.

No proposed Director of Pure Multi-Family has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Unitholder in deciding whether to vote for a proposed Director.

The Directors recommend that the Unitholders vote FOR fixing the number of Directors at seven and the election of each proposed Director.

Unless such authority is withheld, the Director representatives named in the accompanying Form of Proxy intend to vote for fixing the number of Directors at seven, and the election, as Director, of the persons whose names are set forth above and identified in the accompanying Form of Proxy.

EXECUTIVE COMPENSATION

In this section, “Named Executive Officer” or “NEO” means the following individuals: (a) the Chief Executive Officer of Pure Multi-Family (or person acting in a similar capacity) during the most recently completed financial year of Pure Multi-Family; (b) the Chief Financial Officer of Pure Multi-Family (or person acting in a similar capacity) during the most recently completed financial year of Pure Multi-Family; (c) each of Pure Multi-Family’s three most highly compensated executive officers (or persons acting in a similar capacity), other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year of Pure Multi-Family whose total compensation was, individually, more than \$150,000; and (d) any additional individual who would be a Named Executive Officer under (c) but for the fact that the individual was not serving as an executive officer of Pure Multi-Family, nor acting in a similar capacity, as at the end of the most recently completed financial year. During the most recently completed financial year, Pure Multi-Family had two Named Executive Officers: (i) Stephen Evans, the Chief Executive Officer; and (ii) Scott Shillington, the Chief Financial Officer, of Pure Multi-Family. Pure Multi-Family does not remunerate its Named Executive Officers. The services of Messrs. Evans and Shillington are provided to Pure Multi-Family pursuant to the terms of the Asset Management Agreement made between the Pure Multi-Family and Managing GP (see “Management Contracts – Asset Management Agreement”). Such services are provided to Pure Multi-Family at no cost. Upon the occurrence of a Determination Event (as defined in the LP Agreement) or certain other events (as described LP Agreement), the Named Executive Officers may be eligible to receive compensation from Pure Multi-Family or the Governing GP. To date, the Named Executive Officers have not received any compensation from Pure Multi-Family or the Governing GP. A prospective description of Pure Multi-Family’s compensation discussion and analysis is attached to this Information Circular as Schedule “D”.

Summary Compensation Table

The following table summarizes the compensation of the NEOs of Pure Multi-Family for the three most recently completed financial years:

Name and Principal Position	Year	Salary (\$)	Unit-based Awards ⁽²⁾ (\$)	Option-based Awards ⁽³⁾ (\$)	Non-equity Incentive Plan Compensation ⁽¹⁾ (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Stephen Evans CEO	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Scott Shillington CFO	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- (1) “Non-equity Incentive Plan Compensation” includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.
(2) “Unit-based Awards” are issued pursuant to the Restricted Unit Plan.
(3) “Option-based Awards” are issued pursuant to the Option Plan.

Incentive Plan Awards

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned paid, or payable under an incentive plan.

Outstanding unit-based awards and option-based awards

The following table sets forth the outstanding unit-based awards and option-based awards granted to the NEOs of Pure Multi-Family outstanding at December 31, 2015:

Name	Option-based Awards				Unit-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Units that have not vested (#)	Market or payout value of Unit-based awards that have not vested (\$)
Stephen Evans CEO	Nil	Nil	Nil	Nil	Nil	Nil
Scott Shillington CFO	Nil	Nil	Nil	Nil	Nil	Nil

Incentive plan awards – value vested or earned during the year

The following table sets out the value vested or earned with respect to unit-based awards and option-based awards for each NEO of Pure Multi-Family during the year ended December 31, 2015:

Name	Option-based awards – Value vested during the year (\$)	Unit-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Stephen Evans CEO	Nil	Nil	Nil
Scott Shillington CFO	Nil	Nil	Nil

Narrative discussion

Restricted Unit Plan

On May 21, 2014, the Unitholders approved the adoption of a Restricted Unit Plan (the “Restricted Unit Plan”). The purpose of the Restricted Unit Plan is to align the interests of directors, key employees, key management and consultants of the Governing GP and Managing GP and other eligible participants with the success of Pure Multi-Family.

A summary of the material terms of the Restricted Unit Plan is included in Pure Multi-Family’s management information circular dated April 14, 2014, and filed on SEDAR (www.sedar.com) on April 17, 2014. A copy of the Restricted Unit Plan is also available on SEDAR at www.sedar.com.

Pure Multi-Family has reserved an aggregate of 600,000 Units for issuance under the Restricted Unit Plan. To date, Pure Multi-Family has not issued any restricted units, distribution restricted units or Units pursuant to the Restricted Unit Plan.

Equity Option Plan

On May 21, 2014, the Unitholders approved the adoption of an incentive unit option Plan (the “Option Plan”). The purpose of the Option Plan is to provide directors, key employees, key management and consultants of the Governing GP and Managing GP and other eligible participants with compensation opportunities that will encourage ownership of Units, enhance Pure Multi-Family’s ability to attract, retain and motivate key personnel, and reward directors, officers, employees and service providers for significant performance and growth in the Pure Multi-Family’s cash flow. A summary of the material terms of the Option Plan is included in Pure Multi-Family’s management information circular dated April 14, 2014, and filed on SEDAR (www.sedar.com) on April 17, 2014. A copy of the Option Plan is also available on SEDAR at www.sedar.com.

Pure Multi-Family has reserved an aggregate of 2,408,900 Units for issuance under the Option Plan. To date, Pure Multi-Family has not issued any options or Units pursuant to the Option Plan.

Management of Compensation Risk

The Directors and the Compensation Committee have not formally considered the implications of the risks associated with Pure Multi-Family’s compensation policies and practices. The risk, however, is expected to be mitigated by the Directors’ active involvement at the strategic level of Pure Multi-Family’s businesses, including:

- annual approval of Pure Multi-Family’s operational and capital budgets and ongoing review of variances between actual and budgeted results; and

- approval of business acquisitions as they arise, followed by rigorous review of the acquisition process including management's undertaking of due diligence.

The Directors' oversight will help to ensure proper monitoring of the level of risk-taking by management. This will allow the Directors to be responsive to management's potential bias towards achieving short-term goals at the expense of long-term sustainability and Unitholders' value. Furthermore, the Compensation Committee and the Directors can use discretion in assessing both an individual named executive's and Pure Multi-Family's overall performance.

Financial Instruments

Pure Multi-Family has not placed a restriction on the purchase by its Named Executive Officers or other employees of financial instruments (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or employee.

Pension Plan Benefits

Pure Multi-Family does not currently have a defined benefit plan or any pension plans that provides for payments or benefits, following, or in connection with retirement of any Named Executive Officer or Director. No funds were set aside or accrued by Pure Multi-Family during the fiscal year ended December 31, 2015 to provide pension, retirement or similar benefits for its Named Executive Officers or Directors pursuant to any existing plan provided or contributed to by Pure Multi-Family.

Termination and Change of Control Benefits

Pure Multi-Family believes that severance and change of control benefits can be necessary in order to attract and retain high calibre executive talent. Severance benefits are appropriate, particularly with respect to a termination without cause since in that scenario, both Pure Multi-Family and the Named Executive Officer will have a mutually agreed upon severance package that is in place prior to any termination event which provides certainty and the flexibility to make changes in executive management if such change is in the best interests of Pure Multi-Family. Change in control benefits are intended to ensure stability of leadership at a time of heightened uncertainty and to better enable Named Executive Officers to advise the Directors whether an ownership change proposal is in the best interests of the Unitholders without such officers being unduly influenced by the possibility of employment termination. Severance and change in control benefits will be negotiated and set with regard to the experience level of the individual, the complexity of the position and other relevant market factors.

Except as set out below, Pure Multi-Family has no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of Pure Multi-Family or a change in the Named Executive Officer's responsibilities.

Effective October 3, 2013, the Governing GP entered into an employment agreement (the "Employment Agreement") with Stephen Evans as chief executive officer. Effective the same date, Pure Multi-Family executed a joinder to employment agreement to be, and be deemed to be, a party to the Employment Agreement and to observe and perform all of the covenants and provisions contained therein and on the part of the Governing GP therein to be observed or performed. The Employment Agreement is for an indefinite term but may be terminated by Mr. Evans upon 90 days' notice. Subject to the occurrence of a material event (as defined below), Mr. Evans will receive a base salary, be considered for payment of a discretionary performance based bonus and/or any other incentive program authorized by the Directors, and be entitled to the Governing GP and Pure Multi-Family's benefits programs, including, without limitation, extended health coverage throughout his employment. Subject to the occurrence of a material event, (i) during any permanent disability, the Governing GP and/or Pure Multi-Family will continue to pay Mr. Evans his full base salary for the earlier of two years and the duration of the disability and he remains entitled to the Governing GP and/or Pure Multi-Family's benefits program and extended health coverage; (ii) in the event of the death of Mr. Evans, the Governing GP and/or Pure Multi-Family will pay his estate an amount equal to one times his

most recent base salary; and (iii) in the event Mr. Evans' employment is terminated without cause and in the event he resigns in certain circumstances as specified in the Employment Agreement, he will be paid an amount equal to the greater of \$1,000,000 or one times the most recent annual base salary. At any time while the Employment Agreement is in force, including before the occurrence of a material event, in the event of a change in control of Pure Multi-Family, Mr. Evans will receive a lump-sum payment equal to the greater of \$1,500,000 or three times his most recent annual base salary. The Employment Agreement contains confidentiality covenants by Mr. Evans, which will continue for two years after Mr. Evans ceases to be employed by the Governing GP.

For purposes of the Employment Agreement, a "material event" includes:

- (a) the termination of the Asset Management Agreement by Pure Multi-Family (including the termination of the Asset Management Agreement during any renewal term of the Asset Management Agreement), it being expressly understood and agreed that any material change to or under the Asset Management Agreement that adversely affects the Managing GP and/or Mr. Evans shall be considered to be a termination of the Asset Management Agreement for the purposes of the Employment Agreement;
- (b) the occurrence of a Determination Event (as defined in the LP Agreement); and
- (c) any transaction or series of related transactions that has the substantial effect of any one or more of the foregoing provisions for the Governing GP or Pure Multi-Family.

Compensation of Directors

Initially, the Directors of the Governing GP who are not affiliated with or employees of the Managing GP received annual compensation in the amount of \$12,500, plus \$500 for attendance at meetings of the directors or any committee. During 2015, the Directors approved the following increases in fees for the Directors of the Governing GP who are not affiliated with or employees of the Managing GP: (i) annual compensation in the amount of \$25,000; (ii) \$1,000 for attendance at meetings of the directors or any committees; (iii) Chair of the Board to receive an additional \$15,000; (iv) Chair of the Audit Committee to receive an additional \$10,000; (v) each committee Chair (other than the Chair of the Audit Committee) to receive an additional \$5,000; (vi) non-Chair members of the Audit Committee to receive an additional \$2,500; and (vii) non-Chair members of each committee (other than the Audit Committee) to receive an additional \$1,000. The increase in fees for attendance at meetings of the directors or any committees was effective July 1, 2015. All other increases in fees were applied at 50% of the increased amount effective July 1, 2015. Effective January 1, 2016, the increases in fees will be applied as stated above.

As well, the Governing GP will indirectly reimburse such directors for any out of pocket expenses, including out of pocket expenses for attending meetings. Pure Multi-Family will reimburse the Governing GP for such amounts. In addition, Pure Multi-Family will obtain insurance coverage for such Directors. Compensation will be reviewed on an annual basis, giving consideration to Pure Multi-Family's growth and the extent of its portfolio.

Pure Multi-Family compensates the independent Directors of the Governing GP through annual compensation. The amount paid to and or accrued for the Directors during the year ended December 31, 2015 was **\$210,293.43**. No other compensation was paid or Units granted in 2015.

Director Compensation Table

The following table sets forth the details of compensation provided to the Directors, other than the Named Executive Officers, during the most recently completed financial year:

Name	Fees earned (\$)	Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Robert King	\$40,125.00	Nil	Nil	Nil	Nil	Nil	\$40,125.00
Douglas Scott	\$36,000.00	Nil	Nil	Nil	Nil	Nil	\$36,000.00
Fraser Berrill	\$26,687.50	Nil	Nil	Nil	Nil	Nil	\$26,687.50
John O'Neill	\$29,500.00	Nil	Nil	Nil	Nil	Nil	\$29,500.00
James Redekop	\$18,875.00	Nil	Nil	Nil	Nil	Nil	\$18,875.00
James Speakman	\$28,250.00	Nil	Nil	Nil	Nil	Nil	\$28,250.00

Incentive Plan Awards For Directors

Outstanding Unit-Based Awards and Option-Based Awards

The following table sets forth the incentive plan awards granted to the Directors, other than the Named Executive Officers, during the most recently completed financial year:

Name	Option-based Awards				Unit-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Unit that have not vested (#)	Market or payout value of Unit-based awards that have not vested (\$)
Robert King	Nil	Nil	Nil	Nil	Nil	Nil
Douglas Scott	Nil	Nil	Nil	Nil	Nil	Nil
Fraser Berrill	Nil	Nil	Nil	Nil	Nil	Nil
John O'Neill	Nil	Nil	Nil	Nil	Nil	Nil
James Redekop	Nil	Nil	Nil	Nil	Nil	Nil
James Speakman	Nil	Nil	Nil	Nil	Nil	Nil

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each Director:

Name	Option-based awards – Value vested during the year (\$)	Unit-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert King	Nil	Nil	Nil
Douglas Scott	Nil	Nil	Nil
Fraser Berrill	Nil	Nil	Nil
John O'Neill	Nil	Nil	Nil
James Redekop	Nil	Nil	Nil
James Speakman	Nil	Nil	Nil

Narrative Discussion

For a description of incentive plan based awards and their significant terms, see “Executive Compensation – Incentive Plan Awards”.

Directors’ and Officers’ Liability Insurance

Pure Multi-Family maintains a policy of insurance for the Directors and Officers of Pure Multi-Family. The initial aggregate limit of liability applicable under such insurance will be \$15 million. Under the policy, Pure Multi-Family will have reimbursement coverage to the extent that it has indemnified the Governing GP, the Directors and officers. The policy will include securities claims coverage, insuring against any legal obligation to pay on account of any securities claims brought against Pure Multi-Family and the Governing GP, the Directors and officers.

Director Ownership Policy

During 2015, the Directors adopted an ownership policy requiring each Trustee to acquire and maintain an equity interest in Pure Multi-Family at a two times the annual compensation (i.e., \$50,000) commencing in 2016. The policy requires that each Director meet this minimum ownership requirement within 24 months of becoming subject to it. The value of Units, restricted units and distribution restricted units count towards meeting the ownership requirement and is determined by multiplying the number of Units, restricted units and distribution restricted units, as applicable, by the closing price of the Units on the TSX Venture Exchange, or such other Canadian stock exchange on which the Units are then listed for trading, on the date of valuation. For the purposes of the ownership policy, the Directors may, in their discretion, calculate the value of Units using the greater of the closing price on: (i) the date of valuation; and (ii) the acquisition date, and may, in their discretion, calculate the value of restricted units and distribution restricted units, applicable, using the greater of the closing price on: (i) the date of valuation and (ii) the grant date.

Composition of the Compensation Committee

The Directors have established the Compensation Committee (the “Compensation Committee”), whose members are John O’Neill, James Redekop and Robert King. All of the Compensation Committee members have significant senior leadership experience from their tenures at public and private organizations, as well as operational or functional experience overseeing executive compensation in those organizations.

The Compensation Committee assists the Directors in determining compensation of senior management as well as reviewing the adequacy and form of Directors’ compensation; annually reviews the Chief Executive Officer’s goals and objectives for the upcoming year and performs an appraisal of the Chief Executive Officer’s performance; and administers and makes recommendations regarding the operation of the long-term and other incentive plans.

In fulfilling its duties and responsibilities, the Compensation Committee seeks periodic input, advice and recommendations from various sources, including the Directors, executive officers and external independent compensation consultants with respect to the compensation of the Directors and executive officers.

The Compensation Committee retains discretion in its executive compensation decisions and is not bound by the input, advice and/or recommendations received from the external independent consultant.

Composition of the Nominating and Governance Committee

The Directors have established the Nominating and Governance Committee (the “Governance Committee”), whose members are Robert King, Douglas Scott and James Redekop.

The Directors adopted a formal charter for the Governance Committee that sets out the responsibilities, duties and authorities of the Governance Committee. The primary function of the Governance Committee is to assist the Directors in developing Pure Multi-Family’s approach to corporate governance issues; advise the Directors in

filling vacancies on the Board of Directors; and periodically review the compensation and effectiveness of the Directors and the contribution of individual Directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The information below is as of December 31, 2015.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders			
Restricted Unit Plan	N/A	N/A	600,000
Option Plan	N/A	N/A	2,408,900
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	N/A	N/A	3,008,900

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former Director, proposed nominee for election as a Director or senior officer of Pure Multi-Family, or an associate of any of the foregoing is, or at any time during Pure Multi-Family's most recently completed financial year was, indebted to Pure Multi-Family or to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Pure Multi-Family, other than routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular and Pure Multi-Family's financial statements for the period ended December 31, 2015, available on SEDAR at www.sedar.com, no insider of Pure Multi-Family nor any proposed nominee for election as a Director, nor any associate or affiliate of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of Pure Multi-Family's last financial period or in any proposed transaction which has materially affected or would materially affect Pure Multi-Family.

MANAGEMENT CONTRACTS

Asset Management Agreement

The Managing GP provides management, advisory, administrative, and reporting services to Pure Multi-Family pursuant to an Asset Management Agreement dated as of May 8, 2012 between Pure Multi-Family and the Managing GP. The Managing GP provides these services to Pure Multi-Family through the provision of qualified senior management. In particular, the Managing GP provides the services of Mr. Evans and the services of the Managing GP's Chief Financial Officer, financial analyst and director of investor relations. These individuals will devote the amount of time necessary to the management of Pure Multi-Family in order to carry out its business objectives. The Asset Management Agreement also requires the Managing GP to provide Pure Multi-Family with support services consisting of office space and equipment and the necessary clerical and secretarial personnel for the administration of its day-to-day activities, at no cost. Under the Asset Management Agreement, Pure Multi-Family is required to reimburse the Managing GP for all reasonable expenses associated with the operation of Pure

Multi-Family, including any third party costs which are reasonably incurred by the Managing GP on behalf of Pure Multi-Family.

When Pure Multi-Family's portfolio reaches a sufficient size to support internal property management, Pure Multi-Family intends to internalize property management of its properties through the acquisition at fair market value of the Property Manager or of the then existing Property Management Agreement. When Pure Multi-Family's assets reach a sufficient size to support internal asset management, and upon the occurrence of a Determination Event, Pure Multi-Family intends to terminate the Asset Management Agreement and internalize asset management at no cost to Pure Multi-Family.

Property Management Agreement

Sunstone Multi-Family Management Inc. (the "Property Manager") provides property management services to Pure US Apartments REIT Inc. (the "US REIT") in respect of each of the properties pursuant to a Property Management Agreement dated May 9, 2012, as amended July 9, 2012 and as amended and restated February 3, 2014. Pursuant to the amended and restated agreement, the Property Manager provides on-site supervision and day-to-day management of each of Pure Multi-Family's properties, including leasing, budgeting, repairs and maintenance, banking and the necessary administrative and related services. In consideration of such services, the US REIT pays the Property Manager fees equal to the property management fee payable in the market in which each property is located, which is expected to range between 3% and 4% of the gross revenue from the respective property. The amended and restated agreement also includes the following terms:

- (a) the amended and restated agreement is for an initial term of ten years, and thereafter will be subject to two successive automatic five year renewal terms provided the Property Manager is not in material default under the terms of the amended and restated agreement;
- (b) the US REIT has the right to terminate the amended and restated agreement in a number of circumstances, including as a result of an event of default of the Property Manager, being bankruptcy, fraud or material breach, subject to applicable notice and cure rights. The US REIT may also terminate the amended and restated agreement in the event of a change of control of Pure Multi-Family, which is defined in the amended and restated agreement to be (a) the acquisition by any person, or group of persons acting jointly or in concert, of (i) voting control or direction over 50% or more of the votes attaching, collectively, to outstanding Units, or (ii) voting control and direction of 33 1/3% or more of the votes attaching, collectively, to outstanding Units and the election or appointment of such person or persons of their nominees as a majority of the Directors, (b) the sale of all or substantially all of the assets of Pure Multi-Family, or (c) the termination of Pure Multi-Family, provided that in the event of such termination, the Property Manager will be entitled to be paid the net present value of fees that would have been expected to be paid during the remaining term of the amended and restated agreement (without regard to any renewal terms), subject to a minimum of 30 months and a maximum of 36 months; and
- (c) the Property Manager may terminate the amended and restated agreement after the first five years of the initial term on 12 months' prior written notice. In addition, the Property Manager may terminate the amended and restated agreement in the event of certain events of default of the US REIT, including bankruptcy or insolvency proceedings or material breach, subject to applicable notice and cure rights.

The Property Manager has subcontracted the Tipton Asset Group, Inc. ("Tipton") for the provision of property management services to the US REIT in respect of the properties. Pure Multi-Family is related to Tipton by virtue of having officers and directors in common. Tipton charged \$1,764,027 in property management fees during the year ended December 31, 2015. All fees were paid during the period and there was no amount outstanding at December 31, 2015.

Voting Agreement

Pure Multi-Family and Sunstone, which owns 100% of the outstanding shares of the Governing GP, have entered into a voting agreement (the "Voting Agreement") that provides Pure Multi-Family with a number of rights. Pursuant to the Voting Agreement, Sunstone has agreed that any voting rights with respect to the Governing GP will be voted in favour of the election of directors approved by Pure Multi-Family. For these purposes, Pure Multi-Family may maintain, from time-to-time, an approved slate of nominees or provide direction with respect to the approval or rejection of any matter in the form of general guidelines, policies or procedures in which case no further approval or direction will be required. Any such general guidelines, policies or procedures may be modified by Pure Multi-Family in its discretion.

In addition, pursuant to the Voting Agreement, Sunstone has also agreed that any voting rights with respect to the Governing GP will be voted in accordance with the direction of the Unitholders with respect to the approval or rejection of the following matters relating to the Governing GP:

- (a) any sale of all or substantially all of its assets,
- (b) any merger, amalgamation, consolidation, business combination or other material corporate transaction, except in connection with any internal reorganization that does not result in a change of control,
- (c) any plan or proposal for a complete or partial liquidation or dissolution, or any reorganization or any case, proceeding or action seeking relief under any existing laws or future laws relating to bankruptcy or insolvency,
- (d) any amendment to the LP Agreement; or
- (e) any commitment or agreement to do any of the foregoing.

In addition, pursuant to the Voting Agreement, Sunstone has agreed that it will not cause the Governing GP to resign as the Governing GP except with the prior consent of the Unitholders. The Voting Agreement also contains restrictions on transfers of the shares of the Governing GP, except that Sunstone may transfer shares of the Governing GP to any of its affiliates.

STATEMENT OF CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, a disclosure of Pure Multi-Family's governance system is attached to this Information Circular as Schedule "A".

APPOINTMENT OF AUDITORS

At the Meeting, the Unitholders will be called upon to appoint KPMG LLP, Chartered Accountants, as auditors of Pure Multi-Family, to hold office until the next annual meeting of Pure Multi-Family, at a remuneration to be fixed by the Directors. KPMG LLP has acted as the auditors of Pure Multi-Family since the formation of Pure Multi-Family on May 8, 2012.

The Directors recommend that the Unitholders vote FOR the appointment of KPMG LLP as auditors of the Trust, at a remuneration to be fixed by the Directors.

Unless such authority is withheld, the Director representatives named in the accompanying Form of Proxy intend to vote for the appointment of KPMG LLP, Chartered Accountants, as auditors of Pure Multi-Family, to hold office until the next annual meeting of Pure Multi-Family, at a remuneration to be fixed by the Directors.

AUDIT COMMITTEE DISCLOSURE

Charter of the Audit Committee

The terms of reference of the Audit Committee are attached as Schedule “C” to this Information Circular.

Composition of the Audit Committee

The Audit Committee currently consists of Douglas R. Scott (Chair), Robert W. King and Fraser Berrill.

Each member of the Audit Committee is: (i) financially literate, as such term is defined in National Instrument 52-110 – Audit Committees (“NI 52-110”), and (ii) is independent, as such term is defined in NI 52-110.

Relevant Education and Experience

See the profiles of the Directors for each member of the Audit Committee in “Election of Directors” for a description of the experience that is relevant to the performance of their responsibilities as Audit Committee members.

Audit Committee Oversight

At no time since the commencement of Pure Multi-Family’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Directors.

Reliance on Certain Exemptions

Since the commencement of Pure Multi-Family’s most recently completed financial year, Pure Multi-Family has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

Exemption

Pure Multi-Family is relying on the exemption provided by section 6.1 of NI 52-110 which provides that Pure Multi-Family, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Prior Approval Policies and Procedures

The Audit Committee must pre-approve all non-audit services to be provided to Pure Multi-Family or its subsidiaries by Pure Multi-Family’s external auditor, other than non-audit services where:

- (a) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by Pure Multi-Family and its subsidiaries to Pure Multi-Family’s external auditor during the fiscal year in which the services are provided;
- (b) Pure Multi-Family or its subsidiaries, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and

- (c) the services are promptly brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Audit Committee.

External Auditor Service Fees

The following table sets forth, by category, the fees billed by KPMG LLP, Pure Multi-Family's auditors, for the years ended December 31, 2016 and 2015:

Fee category	2015	2014
<u>Regulatory and Reporting</u>		
Audit Fees ⁽¹⁾	\$ 165,658	\$ 168,672
Audit-Related Fees ⁽²⁾	-	-
Regulatory REIT and Tax Compliance ^{(3),(6)}	169,168	111,812
Regulatory and Reporting – Total	\$ 334,826	\$ 280,484
 <u>Other Services</u>		
Tax Advisory Services ^{(4),(6)}	\$ 23,442	\$ 26,325
Tax Related Offering Costs ^{(5),(6)}	81,589	93,692
All Other Fees ⁽⁷⁾	-	-
Other Services – Total	\$ 105,031	\$ 120,017

Notes:

⁽¹⁾ "Audit Fees" include aggregate fees billed by the Issuer's external auditor for the audit and review of the issuer's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements.

⁽²⁾ "Audit-Related Fees" include aggregate fees billed for assurance and related services by the Issuer's external auditor that are reasonably related to the performance of the audit or review of the issuer's financial statements and are not included in Audit Fees above.

⁽³⁾ "Regulatory REIT and Tax Compliance" includes aggregate fees billed for services by the Issuer's external auditor that the Issuer has determined are best performed by the external auditor and are reasonably related to satisfying compliance with REIT regulations, statutory requirements and tax legislation, including REIT condition testing, REIT transfer pricing documentation, CDS filing and reporting obligations, and federal, provincial and state tax compliance and filing obligations.

⁽⁴⁾ "Tax Advisory Services" includes aggregate fees billed for services by the Issuer's external auditor for tax advice and tax planning services, including \$23,442 in connection with recurring work and \$nil in connection with one-time non-recurring events.

⁽⁵⁾ "Tax Related Offering Costs" includes aggregate fees billed for tax services by the Issuer's external auditor in connection with offering of units and tax advice and disclosures in connection with prospectus documents

⁽⁶⁾ Collectively the Regulatory REIT and Tax Compliance, Tax Advisory Fees and Tax Related Offering Costs comprise "Tax Fees" the sum of which are the aggregate fees for professional services rendered by the issuer's external auditor for tax compliance, tax advice, and tax planning and which collectively amount to \$274,199.

⁽⁷⁾ "All Other Fees" includes aggregate fees billed by the Issuer's external auditor for all other services that are not included in Audit Fees, Audit-Related Fees or Tax Fees.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who is, or at any time during the fiscal year ended December 31, 2015 was, a Director or executive officer of Pure Multi-Family, a proposed management nominee for election as a Director, or an associate or affiliate of any such Director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting except as otherwise disclosed.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

The Directors know of no matters to come before the Meeting other than those referred to in the Notice of Annual Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the Director representatives named in the Form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information relating to Pure Multi may be found on SEDAR at www.sedar.com. Additional financial information is provided in Pure Multi-Family's audited financial statements and management's discussion and analysis for Pure Multi-Family's most recently completed financial year. A copy of Pure Multi-Family's financial statements and management's discussion and analysis is available, free of charge, upon written request to Chief Financial Officer of Pure Multi-Family, Suite 910, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2. These documents are also available on SEDAR at www.sedar.com or on Pure Multi-Family's website at www.puremultifamily.com.

APPROVAL OF CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the Directors.

DATED at Vancouver, British Columbia, this 8th day of April, 2016.

BY ORDER OF THE DIRECTORS OF THE GOVERNING GP

"Stephen J. Evans"

(signed) Stephen J. Evans
Director and Chief Executive Officer

SCHEDULE “A”

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Directors are responsible for the governance of Pure Multi-Family. Five of the seven Directors are “independent”, as defined under National Instrument 58-101. The Directors have established an audit committee (“**Audit Committee**”), a nominating and governance committee (“**Governance Committee**”); and a compensation committee (“**Compensation Committee**”), all of which consist of at least a majority of independent Directors.

The Directors consider good governance to be central to the effective and efficient operation of Pure Multi-Family and its subsidiaries and are committed to reviewing and adapting their governance practices so that they meet Pure Multi-Family’s and its subsidiaries’ changing needs and to ensure compliance with regulatory requirements.

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>1. Directors/Board</p> <p>(a) Disclose the identity of Directors who are independent.</p>	<p>Robert King, Douglas Scott, James Redekop, John O’Neill and Fraser Berrill are independent Directors.</p>
<p>(b) Disclose the identity of Directors who are not independent, and describe the basis for that determination.</p>	<p>The Directors have determined that Stephen Evans is not an independent Director as he is Chief Executive Officer of Pure Multi-Family. Mr. Evans cannot be considered to be “independent” as defined in <i>National Instrument 52-110 - Audit Committees</i> of the Canadian Securities Administrators. The Directors have determined that James Speakman is not an independent Director as he is the managing partner of a law firm that provides legal services to Pure Multi-Family and the Directors.</p>
<p>(c) Disclose whether or not a majority of Directors are independent. If a majority of Directors are not independent, describe what the Directors/Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.</p>	<p>A majority of the Directors are independent.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(d) If a Director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Director and the other issuer.</p>	<p>Mr. Evans is a Director of the General Partners of each of Sunstone Opportunity Fund (2005) LP, Sunstone Opportunity Fund (2006) LP, Sunstone U.S. (No. 2) LP, Sunstone (No. 3) Limited Partnership, and Sunstone (No. 4) Limited Partnership, Sunstone U.S. Opportunity (No. 4) Realty Trust, Sunstone U.S. Opportunity (No. 3) Realty Trust, Sunstone Opportunity (2007) Realty Trust, Sunstone Opportunity (2007) Mortgage Fund, Sunstone Opportunity (2006) Debenture Fund, and Sunstone Opportunity (2006) Realty Trust; a Director of the General Partner of Sunstone Opportunity Fund (2005) LP; a Director of SRAI Capital Corp.; a Director of WesternOne Inc.; from September 15, 2008 to December 31, 2010 Mr. Evans was a Director of IAT Air Cargo Income Facilities Fund and Director of International Aviation Terminals Inc. Mr. Evans is currently a Trustee of Pure Industrial Real Estate Trust, a Director of American Hotel Income Properties REIT LP; and a trustee of REALnorth Opportunities Fund.</p> <p>Mr. King is a Director of Wall Financial Corporation; a Director of the Directors of Sunstone U.S. Opportunity (No. 4) Realty Trust, Sunstone U.S. Opportunity (No. 3) Realty Trust, Sunstone Opportunity (2007) Realty Trust, Sunstone Opportunity (2007) Mortgage Fund, Sunstone Opportunity (2006) Debenture Fund, and Sunstone Opportunity (2006) Realty Trust; a Director of the General Partner of Sunstone Opportunity Fund (2005) LP; a Director of SRAI Capital Corp.; Chair of the Board and Director of WesternOne Inc. and a Trustee of Pure Industrial Real Estate Trust.</p> <p>Mr. Redekop is Director of Sunstone U.S. Opportunity (No. 4) Realty Trust, Sunstone U.S. Opportunity (No. 3) Realty Trust, Sunstone Opportunity (2007) Realty Trust, Sunstone Opportunity (2007) Mortgage Fund, Sunstone Opportunity (2006) Debenture Fund, and Sunstone Opportunity (2006) Realty Trust; a Director of the General Partner of Sunstone Opportunity Fund (2005) LP; a Director of SRAI Capital Corp.;</p> <p>Mr. Scott is the Lead Independent Director of WesternOne Inc. and a Trustee of Pure Industrial Real Estate Trust.</p> <p>Mr. Berrill is a Director of Vicwest Inc. and a Trustee of Morguard Real Estate Investment Trust.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(e) Disclose whether or not the independent Directors hold regularly scheduled meetings at which non-independent Directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent Directors do not hold such meetings, describe what the Directors/Board does to facilitate open and candid discussion among its independent Directors.</p>	<p>The majority of Directors are independent. Members of management may be excluded from a portion of each regularly scheduled meeting of the Directors, as required. Meetings where non-independent directors are not in attendance may be held as required by the Directors; this is considered appropriate given Pure Multi-Family's overall governance, and in particular, the majority of the Directors being independent.</p> <p>No such meetings have been held during Pure Multi-Family's most recently completed financial year, however in camera sessions were held following each Board and Committee Meetings.</p>
<p>(f) Disclose whether or not the chair of the Directors/Board is an independent Director/director. If the Directors/Board has a chair or lead director who is an independent Director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Directors/Board has neither a chair that is independent nor a lead director that is independent, describe what the Directors/Board does to provide leadership for its independent Directors.</p>	<p>Robert King is the lead independent Director.</p> <p>The role and responsibilities for each position are set forth in written position descriptions, supplemented from time to time.</p>
<p>(g) Disclose the attendance record of each Director for all Director/Board meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>The following information relates to meetings held since the beginning of Pure Multi-Family's most recently completed financial year.</p> <p>The attendance record of each Director at the meetings of Pure Multi-Family's board is as follows: Douglas R. Scott: 9/9 Robert W. King: 9/9 Steve Evans: 9/9 James L. Redekop: 9/9 James Speakman: 9/9 John O'Neill: 7/9 Fraser Berrill: 8/8</p> <p>The attendance record of each Director for committee meetings of Pure Multi-Family's board is as follows: Douglas R. Scott: 5/5 Robert W. King: 8/8 Stephen Evans: 0/0 James L. Redekop: 4/4 James Speakman: 2/2 John O'Neill: 3/3 Fraser Berrill: 2/2</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>2. Director/Board Mandate</p> <p>Disclose the text of the Directors/Board’s written mandate. If the Directors/Board does not have a written mandate, describe how the Directors/Board delineates its role and responsibilities.</p>	<p>The text of the mandate of the Directors (called “Terms of Reference for the Board of Directors”) is attached as Schedule “B” to the Information Circular of Pure Multi-Family dated April 8, 2016.</p>
<p>3. Position Descriptions</p> <p>(a) Disclose whether or not the Directors/Board has developed written position descriptions for the chair and the chair of each Directors/Board committee. If the Directors/Board has not developed written position descriptions for the chair and/or the chair of each Directors/Board committee, briefly describe how the Directors/Board delineates the role and responsibilities of each such position.</p>	<p>The Directors/Board have developed written position descriptions for the chairs of each of the Directors/Board, and the mandate for each committee of the Directors/Board contain written position descriptions for the chair of each committee.</p>
<p>(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.</p>	<p>The Board and the Chief Executive Officer have developed a written position description for the Chief Executive Officer.</p>
<p>4. Orientation and Continuing Education</p> <p>(a) Briefly describe what measures the Directors/Board takes to orient new Directors regarding</p>	
<p>(i) the role of the Directors/Board, its committees and its Directors; and</p>	<p>The Directors have adopted a Directors Information Manual which contains, among other things, the mandates of the Directors and each of the committees of the Directors. This manual has been reviewed by the Directors, and a copy of the manual has been provided to each of the Directors.</p>
<p>(ii) the nature and operation of the issuer’s business.</p>	<p>The Chief Executive Officer reviews with the Directors at each meeting the nature and operations of the business of Pure Multi-Family.</p>
<p>(b) Briefly describe what measures, if any, the Directors/Board takes to provide continuing education for its Directors. If the Directors/Board does not provide continuing education, describe how the Directors/Board ensures that its Directors maintain the skill and knowledge necessary to meet their obligations as Directors.</p>	<p>Directors are encouraged to participate in seminars and other continuing education programs for directors. The auditors periodically review at meetings of the Audit Committee the emerging standards for corporate governance, and the Directors will meet with independent counsel to Pure Multi-Family as required from time to time to review the governance practices of the Directors and the obligations of the Directors.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>5. Ethical Business Conduct</p> <p>(c) Disclose whether or not the Directors/Board has adopted a written code for the Directors, officers and employees. If the Directors/Board has adopted a written code:</p>	<p>Pure Multi-Family has adopted a written code of corporate ethics and behaviour (the “Code of Conduct”) for its Directors, directors, officers and senior employees.</p>
<p>(i) disclose how a person or company may obtain a copy of the code;</p>	<p>The Code of Conduct is available on SEDAR at www.sedar.com.</p>
<p>(ii) describe how the Directors/Board monitors compliance with its code, or if the Directors/Board does not monitor compliance, explain whether and how the Directors/Board satisfies itself regarding compliance with its code; and</p>	<p>A copy of the Code of Conduct is provided to each of the Directors, officers and senior employees of Pure Multi-Family, and each is requested to certify that he or she has read the Code of Conduct and that, to the best of his or her knowledge, information or belief, no breach of the Code of Conduct has occurred except those instances reported by him or her for remedial action. This certification is to be provided annually. A copy of the Code of Conduct will be provided to each new Director, officer or senior employee.</p>
<p>(iii) provide a cross-reference to any material change report(s) filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a Director or executive officer that constitutes a departure from the code.</p>	<p>No material change reports have been filed by Pure Multi-Family since the beginning of its most recently completed financial year that pertains to the conduct of a Director, officer or senior employee that constitutes a departure from the Code of Conduct.</p>
<p>(d) Describe any steps the Directors/Board takes to ensure Directors exercise independent judgement in considering transactions and agreements in respect of which a Director or executive officer has a material interest.</p>	<p>A Director is required to disclose to the Directors information regarding any transaction or agreement in respect of which a Director or executive officer has a material interest and to abstain from voting on any matter in respect of such transaction or agreement. The Directors may request the Director to excuse himself or herself from the portion of any meeting at which such transaction of agreement is discussed.</p>
<p>(e) Describe any other steps the Directors/Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Directors encourage and promote a culture of ethical business conduct, and requires the Chief Executive Officer to conduct himself in a manner that exemplifies ethical business conduct. Each Director is entitled to engage an outside advisor at Pure Multi-Family’s expense in appropriate circumstances.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>6. Nomination of Directors/Directors</p> <p>(f) Describe the process by which the Directors/Board identifies new candidates for Director/Board nomination.</p>	<p>Each of the Governance Committee of Pure Multi-Family and the Compensation Committee of the Board are mandated to identify new candidates for Director nomination, should the need arise.</p>
<p>(g) Disclose whether or not the Directors/Board has a nominating committee composed entirely of independent Directors/directors. If the Directors/Board does not have a nominating committee composed entirely of independent Directors, describe what steps the Directors/Board takes to encourage an objective nomination process.</p>	<p>The Governance Committee of Pure Multi-Family, which has the mandate of a nominating committee, is composed of independent Directors.</p> <p>The Compensation Committee of the Board is composed of independent directors.</p>
<p>(h) If the Directors/Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The responsibilities of the Governance Committee with respect to nominations include annually developing and updating a long term plan for the composition of the Directors, considering what competencies and skills the Directors, as a whole, should possess and assessing what competencies and skills each existing Director possesses. The Governance Committee has the power, in consultation with the Chair of the Directors, to recommend to the Directors nominees for election and re-election as members of the Directors. The committee will meet as required in order to fulfill such responsibilities.</p> <p>The terms of reference for the Governance Committee with respect to nominations to be adopted by the Directors will delineate the responsibilities, powers and operation of the committee when discharging its duties as a compensation committee.</p>
<p>7. Compensation</p> <p>(a) Describe the process by which the Directors/Board determines the compensation for the issuer's Directors and officers.</p>	<p>The Directors will determine the compensation for the Directors with reference to market rates for such services. The written mandate of the Governance Committee of Pure Multi-Family includes responsibility to review and recommend adjustments for compensation to Directors as warranted in the future. Compensation for officers will be reviewed annually by the Compensation Committee with reference to contributions of each Director and officer to business results achieved and to market based compensation for similar based positions.</p>

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES
<p>(b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.</p>	<p>The Compensation Committee of the Board is composed of independent Directors.</p>
<p>(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The responsibilities of the Compensation Committee include reviewing Pure Multi-Family's organizational structure and reporting any significant recommended organizational changes to the Directors; reviewing and approving goals and objectives relevant to executive and Director compensation; reviewing Pure Multi-Family's succession plans for senior management; reviewing Pure Multi-Family's compensation philosophy and guidelines for senior management; and recommending the compensation of each member of senior management, all for the consideration and approval of the Directors. The Compensation Committee will meet as required to fulfill such responsibilities. The terms of reference for the Compensation Committee to be adopted by the Directors will delineate the responsibilities, powers and operation of the committee when discharging its duties as a compensation committee.</p>
<p>8. Other Directors/Board Committees</p> <p>If the Directors/Board has standing committees other than the Audit, Compensation and Governance Committees, identify the committees and describe their function.</p>	<p>The Directors have not appointed an Acquisitions Committee. However, the entire Board will function as the Acquisitions Committee and consider all matters relating to acquisitions and dispositions of properties (or interests therein).</p>
<p>9. Assessments</p> <p>Disclose whether or not the Directors/Board, its committees and individual Directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Directors/Board satisfies itself that the Directors/Board, its committees, and its individual Directors are performing effectively.</p>	<p>The Governance Committee has the responsibility to ensure that a process is in place to review of the performance of individual directors, the Board as a whole and the individual committees. No review of the performance of individual directors, the Board as a whole and the individual committees occurred during the most recently completed financial year.</p>

SCHEDULE “B”

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

**Pure Multi-Family REIT LP
 (“Pure Multi-Family”)**

A. TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

1. Purpose

- (a) These terms of reference are for the board of directors (the “**Board**”) of Pure Multi-Family’s governing general partner, Pure Multi-Family REIT (GP) Inc.
- (b) The primary responsibility of the Board is to maximize the distribution of all of Pure Multi-Family’s available cash to its unitholders and to report to the unitholders in respect of the business operated by entities owned by Pure Multi-Family.

2. Procedures and Organization

- (a) The Board retains the responsibility for managing Pure Multi-Family’s affairs including:
 - (i) selecting a Chair;
 - (ii) nominating candidates for election as directors;
 - (iii) constituting committees of the Board; and
 - (iv) determining director compensation.
- (b) Subject to the Limited Partnership Agreement, the Board may constitute, seek the advice of, and delegate powers, duties and responsibilities to, committees of the Board.

3. Duties and Responsibilities

- (a) Monitoring. The Board has the responsibility:
 - (i) for approving distributions to unitholders;
 - (ii) for approving financing by Pure Multi-Family;
 - (iii) for directing management to ensure systems are in place for the implementation and integrity of the internal control and management information systems of Pure Multi-Family and its subsidiaries; and
 - (iv) for directing management to ensure appropriate disclosure controls and procedures are in place to enable information to be recorded, processed, summarized and reported within the time periods required by law.
- (b) Policies and Procedures. The Board has the responsibility:

- (i) to approve and monitor compliance with all significant policies and procedures by which the business of Pure Multi-Family is operated; and
 - (ii) to direct management to implement systems which are designed to ensure that Pure Multi-Family operates at all times within applicable laws and regulations, and to the highest ethical and moral standards.
- (c) Compliance Reporting and Corporate Communications. The Board has the responsibility:
- (i) to ensure that the financial performance of Pure Multi-Family is adequately reported to its unitholders and regulators on a timely and regular basis;
 - (ii) to ensure that the financial results are reported fairly and in accordance with generally accepted accounting principles;
 - (iii) to ensure that Pure Multi-Family has appropriate disclosure controls and procedures that enable information to be recorded, processed, summarized and reported within the time periods required by law;
 - (iv) to ensure the timely reporting of any developments that are required to be disclosed by applicable law;
 - (v) to report annually to Pure Multi-Family's unitholders on the stewardship of the Board of Pure Multi-Family for the preceding year (the Annual Report); and
 - (vi) to assist Pure Multi-Family to enable it to communicate effectively with its unitholders, stakeholders and the public generally.

B. TERMS OF REFERENCE FOR A DIRECTOR

1. Goals and Objectives

As a director of Pure Multi-Family's governing general partner, each director shall:

- (a) fulfill the legal requirements and obligations of a director which includes a comprehensive understanding of fiduciary roles; and
- (b) represent the interests of all unitholders in the governance of Pure Multi-Family ensuring that the best interests of Pure Multi-Family are paramount.

2. Duties and Responsibilities

- (a) Director Activity. As a director, each director shall:
 - (i) exercise good judgment and act with integrity;
 - (ii) use his or her abilities, experience and influence constructively;
 - (iii) respect confidentiality;
 - (iv) identify potential conflict areas - real or perceived - and ensure they are appropriately identified and reviewed; and

- (v) assist in maximization of the distribution of available cash to unitholders while maintaining unitholders values.
- (b) Preparation and Attendance. To enhance the effectiveness of Board and committee meetings, each director shall:
- (i) prepare for Board and committee meetings by reading reports and background materials prepared for each meeting;
 - (ii) maintain an excellent Board and committee meeting attendance record⁽¹⁾; and
 - (iii) have acquired adequate information necessary for decision making.
- (c) Communication. Communication is fundamental to the Board's effectiveness and therefore each director shall:
- (i) participate fully and frankly in the deliberations and discussions of the Board;
 - (ii) encourage free and open discussion of the affairs of Pure Multi-Family by the Board; and
 - (iii) ask probing questions, in an appropriate manner and at proper times.
- (d) Independence. Recognizing that the cohesiveness of the Board is an important element in its effectiveness, each director shall:
- (i) be a positive force with a demonstrated interest in the success of Pure Multi-Family; and
 - (ii) speak and act independently.
- (e) Committee Work. In order to assist Pure Multi-Family's committees in being effective and productive, each director shall:
- (i) participate on committees and become knowledgeable with the purpose and goals of the committee; and
 - (ii) understand the process of committee work, and the role of management and staff supporting the committee.
- (f) Business, Corporation and Industry Knowledge. Recognizing that decisions can only be made by well-informed director, each director shall:
- (i) become generally knowledgeable of Pure Multi-Family's products, services and industries in which it operates;
 - (ii) develop an understanding of the unique role of Pure Multi-Family within its various communities;

⁽¹⁾ The target is 100% attendance. Anything less than 75% without extenuating circumstances would create considerable concern for the Board.

- (iii) maintain an understanding of the regulatory, legislative, business, social and political environments within which Pure Multi-Family operates; and
- (iv) be an effective ambassador and representative of Pure Multi-Family.

C. ADMINISTRATIVE GUIDELINES FOR THE BOARD

1. The Board shall report to holders of Units of Pure Multi-Family by proxy through the Chief Executive Officer (“CEO”) of Pure Multi-Family who is charged with the day-to-day leadership and management of the operations.
2. Terms of reference for the Board and committees are annually reviewed by the Nominating and Governance Committee of Pure Multi-Family, and any changes are recommended to the Board for approval.
3. Pure Multi-Family and its governing general partner have concluded that the appropriate number of directors is seven (7).
4. All directors stand for election every year.
5. The Board does not believe that directors who retire from or otherwise change their current position responsibilities should necessarily retire as directors. There should, however, be an opportunity for the Board, through the Nominating and Governance Committee to review the appropriateness of continued Board membership.
6. The Board believes that a majority of directors should be independent⁽²⁾.
7. The Board will meet at least quarterly to review and approve quarterly and annual financial statements and statutory disclosure documents of Pure Multi-Family. In addition, the Board will consider monthly resolutions in order to enable Pure Multi-Family to make monthly distributions to its unitholders.
8. Materials will be delivered at least three days in advance of meetings for items to be acted upon. Presentations on specific subjects at Board meetings will only briefly summarize the material sent to directors so that discussion can be focused on issues relevant to the material.
9. The Board is responsible, in fact as well as in procedure, for selecting candidates as directors for membership. The Board delegates the screening process to its Nominating and Governance Committee.
10. The Nominating and Governance Committee of the Board will annually assess the effectiveness of the Board and its committees.

⁽²⁾ A director is independent if he or she has no direct or indirect material relationship with Pure Multi-Family or any of its subsidiaries. A “material relationship” is a relationship which could, in the view of the Board, be reasonable expected to interfere with the exercise of a director’s independent judgment.

11. The current committees of the Board are the Audit Committee, the Nominating and Governance Committee and the Compensation Committee. From time to time the Board may create ad hoc committees to examine specific issues on behalf of the Board. The Board has adopted a terms of reference and/or charters for each of the Audit Committee, the Nominating and Governance Committee and the Compensation Committee.
12. Committee members and Committee Chairs are appointed by the Board and where possible, consideration is given to having directors rotate their committee assignments.
13. Committees annually review their terms of reference and/or charters and changes are recommended to the Board through the Nominating and Governance Committee.
14. The Board ensures new directors are appropriately introduced to Pure Multi-Family and its industry and that directors receive the necessary ongoing industry training and development.
15. The Board meets during each meeting on an “in camera” basis without management present.
16. The Board and committees may engage separate independent counsel and/or advisors at the expense of Pure Multi-Family. An individual director may engage separate independent counsel and/or advisors at the expense of Pure Multi-Family in appropriate circumstances with the approval of the Chair.

These Guidelines are reviewed and approved annually by the Board.

Pure Multi-Family REIT LP

Directors Forward Agenda

Meeting Timing Agenda Item	March	May	August	November
A. Governance				
Annual Meeting		X		
Director Performance Review				X
Director Nominating Report	X			
Appoint Committees		X		
Set Record Date for AGM	X			
Review Committee Terms of Reference			X	
Review disclosure controls and procedures			X	
B. Financial				
Quarterly Results	X	X	X	X
Year End Results	X			
Audit Committee Report	X	X	X	X
C. Other				
Director/Director Consents/Disclosure Letters	X	X	X	X
Annual Statutory Disclosure Documents	X			

SCHEDULE “C”

TERM OF REFERENCE FOR THE AUDIT COMMITTEE

PURE MULTI-FAMILY REIT LP
 (“Pure Multi-Family”)

A. PURPOSE

Pure Multi-Family REIT (GP) Inc. (the “**Governing GP**”) as governing general partner of Pure Multi-Family shall appoint an audit committee (the “**Committee**”) to assist the board of directors (the “**Board**”) of the Governing GP in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of Pure Multi-Family and any of its subsidiaries (collectively, the “**Entities**”), the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Entities. In addition, the Committee is responsible for directing the auditors’ examination of specific areas, for the selection of the independent auditors of the Entities and for the approval of all non-audit services for which the auditors of the Entities may be engaged.

STRUCTURE AND OPERATIONS

The Committee shall be comprised of three members, each of whom shall be a director of the Governing GP and a majority of whom shall be “independent” within the meaning of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Each member of the Committee shall satisfy the “financial literacy” requirement of NI 52-110, by having the ability to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the financial statements of Pure Multi-Family.

The members of the Committee shall be annually appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority of the Board.

CHAIR OF THE COMMITTEE

Unless the Board elects a Chair of the Committee, the members of the Committee shall designate a Chair by the majority vote of the full Committee membership.

The Chair of the Committee shall:

- (i) Call and conduct the meetings of the Committee;
- (ii) Be entitled to vote to resolve any ties;
- (iii) Prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;
- (iv) Review with the Chief Financial Officer (“**CFO**”) and the auditors for Pure Multi-Family any matters referred to the Chair by the CFO or the auditors of Pure Multi-Family;
- (v) Appoint a secretary, who need not be a member of the Committee, to take minutes of the meetings of the Committee; and
- (vi) Act in a manner that the Committee meetings are conducted in an efficient, effective and focused manner.

MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet with management and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may meet privately with outside counsel of its choosing and the CFO of Pure Multi-Family, as necessary. In addition, the Committee shall meet with the external auditors and management quarterly to review Pure Multi-Family's financial statements in a manner consistent with that outlined in these Terms.

The Committee may invite to its meetings any partners, directors, management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, shall constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall maintain minutes or other records of meetings and activities of the Committee.

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting provided however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

RESPONSIBILITIES, DUTIES, AUTHORITY

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in these Terms. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal and other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of this Committee.

The Committee in discharging its oversight role is empowered to investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside counsel, accounting or other advisors for this purpose, including authority to approve the fees payable to such advisors and other terms of retention. In addition, the Committee shall have the authority to communicate directly with both external and internal auditors of Pure Multi-Family.

The Committee shall be given full access to the Board, management, employees and others, directly and indirectly responsible for financial reporting, and independent accountants, as necessary, to carry out these responsibilities. While acting within the scope of this stated purpose, the Committee shall have all the authority of the Board.

The Committee shall be responsible for assessing the range of risks that the Board shall focus on, and make recommendations to the Board about how appropriate responsibilities for continuing to identify, monitor and manage these risks are to be delegated.

In addition, the Committee shall encourage continuous improvement of, and foster adherence to, Pure Multi-Family's financial policies, procedures and practices at all levels in the organization; and provide an avenue of communication among the independent auditors, management and the Board.

Absent actual knowledge to the contrary (which shall promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside Pure Multi-Family from which it receives information; (ii) the accuracy of the financial and other information provided to the Committee

by such persons or organizations; and (iii) representations made by management and the external auditors, as to any information technology, internal audit and other non-audit services provided by the external auditors to Pure Multi-Family and its subsidiaries.

SPECIFIC RESPONSIBILITIES AND ACTIVITIES

17. Document Reports/Reviews

- (a) *Annual Financial Statements.* The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination:
- (i) the annual audited consolidated financial statements;
 - (ii) the external auditor's review of the annual consolidated financial statements and their report;
 - (iii) any significant changes that were required in the external audit plan;
 - (iv) any significant issues raised with management during the course of the audit, including any restrictions on the scope of activities or access to information; and
 - (v) those matters related to the conduct of the audit that are required to be discussed under generally accepted auditing standards applicable to Pure Multi-Family.

Following completion of the matters contemplated above, the Committee shall make a recommendation to the Board with respect to the approval of the annual financial statements with such changes contemplated and further recommended, as the Committee considers necessary.

- (b) *Interim Financial Statements.* The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination, the interim unaudited consolidated financial statements of Pure Multi-Family, including a discussion with the external auditors of those matters required to be discussed under generally accepted auditing standards applicable to Pure Multi-Family.
- (c) *Management's Discussion and Analysis.* The Committee shall review with management and the external auditors, both together and separately prior to public dissemination, the annual and interim Management's Discussion and Analysis of Financial Condition and Results of Operations ("**MD&A**").
- (d) *Approval of Annual MD&A, Interim Financial Statements and Interim MD&A.* The Committee shall make a recommendation to the Board with respect to the approval of the annual MD&A with such changes contemplated and further recommended by the Committee as the Committee considers necessary. In addition, the Committee shall approve the interim financial statements and interim MD&A of Pure Multi-Family, if the Board have delegated such function to the Committee. If the Committee has not been delegated this function, the Committee shall make a recommendation to the Board with respect to the approval of the interim financial statements and interim MD&A with such changes contemplated and further recommended as the Committee considers necessary.
- (e) *Press Releases.* With respect to press releases by Pure Multi-Family:
- (i) The Committee shall review Pure Multi-Family's financial statements, MD&A and annual and interim earnings press releases before Pure Multi-Family publicly discloses this information.

- (ii) The Committee shall review with management, prior to public dissemination, the annual and interim earnings press releases (paying particular attention to the use of any “pro forma” or “adjusted non-IFRS” information) as well as financial information and earnings guidance provided to analysts and rating agencies.
- (f) *Reports and Regulatory Returns.* The Committee shall review and discuss with management, and the external auditors to the extent the Committee deems appropriate, such reports and regulatory returns of Pure Multi-Family as may be specified by law.
- (g) *Other Financial Information.* The Committee shall review the financial information included in any prospectus, annual information form or information circular with the management and the external auditors, both together and separately, prior to public dissemination, and shall make a recommendation to the Board with respect to the approval of such prospectus, annual information form or information circular with such changes contemplated and further recommended as the Committee considers necessary.

18. **Financial Reporting Processes**

- (a) *Establishment and Assessment of Procedures.* The Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements of Pure Multi-Family and assess the adequacy of these procedures annually.
- (b) *Application of Accounting Principles.* The Committee shall assure itself that the external auditors are satisfied that the accounting estimates and judgements made by management, and their selection of accounting principles reflect an appropriate application of such accounting principles.
- (c) *Practices and Policies.* The Committee shall review with management and the external auditors, together and separately, the principal accounting practices and policies of Pure Multi-Family.

19. **External Auditors**

- (a) *Oversight and Responsibility.* In respect of the external auditors of Pure Multi-Family:
 - (i) The Committee shall recommend to the Board the external auditors nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the issuer; and the compensation of the external auditors.
 - (ii) The Committee is directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for Pure Multi-Family, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (b) *Reporting.* The external auditors shall report directly to the Committee and are ultimately accountable to the Committee.
- (c) *Performance and Review.* The Committee shall annually review the performance of the external auditors and recommend to the Board the appointment of the external auditors or approve any discharge of the external auditors when circumstances warrant, for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for Pure Multi-Family.
- (d) *Annual Audit Plan.* The Committee shall review with the external auditors and management, together and separately, the overall scope of the annual audit plan and the resources the external

auditors will devote to the audit. The Committee shall annually review and approve the fees to be paid to the external auditors with respect to the annual audit.

- (e) *Non-Audit Services*
- (i) “**Non-audit services**” means all services performed by the external auditors other than audit services. The Committee shall pre-approve all non-audit services to be provided to PMF REIT or its subsidiary entities by Pure Multi-Family’s external auditor and permit all non-audit services, other than non-audit services where:
- (A) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to Pure Multi-Family’s external auditor during the fiscal year in which the services are provided;
- (B) the issuer or the subsidiary entity of Pure Multi-Family, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (C) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Committee.
- (ii) The Committee may delegate to one or members of the Committee the authority to grant such pre-approvals for non-audited services. The decisions of such member(s) regarding approval of “non-audit” services shall be reported by such member(s) to the full Committee at its first scheduled meeting following such pre-approval.
- (iii) The Committee shall adopt specific policies and procedures for the engagement of the non-audit services if:
- (A) the pre-approval policies and procedures are detailed as to the particular services;
- (B) the Committee is informed of each non-audit service; and
- (C) the procedures do not include delegation of the Committee’s responsibilities to management.
- (f) *Independence Review.* The Committee shall review and assess the qualifications, performance and independence of the external auditors, including the requirements relating to such independence of the law governing Pure Multi-Family. At least annually, the Committee shall receive from and review with the external auditors, their written statement delineating all relationships with Pure Multi-Family and, if necessary, recommend that the Board take appropriate action to satisfy themselves of the external auditors’ independence and accountability to the Committee.

20. **Reports to the Board**

- (a) *Reports.* In addition to such specific reports contemplated elsewhere in these Terms, the Committee shall report regularly to the Board regarding such matters, including:
- (i) with respect to any issues that arise with respect to the quality or integrity of the financial statements of PMF REIT, compliance with legal or regulatory requirements by Pure Multi-Family, or the performance and independence of the external auditors of Pure Multi-Family;

- (ii) following meetings of the Committee; and
 - (iii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities.
- (b) *Recommendations.* In addition to such specific recommendations contemplated elsewhere in these Terms, the Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

21. **Whistle-Blowing**

- (a) *Procedures.* The Committee shall establish procedures for:
- (i) the receipt, retention and treatment of complaints received by Pure Multi-Family regarding questionable accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees and of concerns regarding questionable accounting or auditing matters.
- (b) *Notice to Employees.*
- (i) To comply with the above, the Committee shall ensure each of the Entities advises all employees, by way of a written code of business conduct and ethics (the "**Code**"), or if such Code has not yet been adopted by the respective board, by way of a written or electronic notice, that any employee who reasonably believes that questionable accounting, internal accounting controls, or auditing matters have been employed by Pure Multi-Family Entities, or their external auditors is strongly encouraged to report such concerns by way of communication directly to the Chair. Matters referred may be done so anonymously and in confidence.
 - (ii) None of the Entities shall take or allow any reprisal against any employee for, in good faith, reporting questionable accounting, internal accounting, or auditing matters. Any such reprisal shall itself be considered a very serious breach of this policy.
 - (iii) All reported violations shall be investigated by the Committee following rules of procedure and process as shall be recommended by outside counsel.

22. **General**

- (a) *Access to Counsel.* The Committee shall review, periodically, with outside counsel of its choosing, any legal matter that could have a significant impact on the financial statements, Pure Multi-Family's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
- (b) *Hiring of Partners and Employees of External Auditors.* The Committee shall annually review and approve Pure Multi-Family's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of Pure Multi-Family.
- (c) *General.* The Committee shall perform such other duties and exercise such powers as may, from time to time, be assigned or vested in the Committee by the Board, and such other functions as may be required of an audit committee by law, regulations or applicable stock exchange rules.

ANNUAL PERFORMANCE REVIEW

23. Evaluation

- (a) The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with these Terms. In addition, the Committee shall evaluate, annually, the adequacy of these Terms and recommend any proposed changes to the Board.
- (b) The Committee shall annually review transactions involving directors and officers, including a review of travel expenses and entertainment expenses, related party transactions and any conflicts of interests.
- (c) Management shall be required to provide the Committee, at least annually, a report on internal controls, including reasonable assurance that such controls are adequate to facilitate reliable and timely financial information. The Committee shall also review and follow-up on any areas of internal control weakness identified by the external auditors with the auditors and management.

**Audit Committee
Forward Agenda**

Meeting Timing <i>Agenda Item</i>	March	May	August	November
A. Financial Reporting Control Systems				
(i) Review reports from senior officers outlining changes in financial risks.	X	X	X	X
(ii) Review management letter of external auditor and the Entities' responses to suggestions made.	X			
(iii) Review any new appointments to senior positions with financial reporting responsibilities.	X	X	X	X
(iv) Obtain assurance from both internal and external auditors regarding the overall control environment and the adequacy of accounting system controls.	X	X	X	X
(v) Review financial statement certification process and disclosure controls and procedures.	X	X	X	X
(vi) Review procedures for receipt and treatment of complaints regarding accounting controls or auditing matters and confidential, anonymous submission of concerns regarding accounting or auditing matters.	X	X	X	X
(vii) Receive and review external auditors' report on critical accounting policies.	X	X	X	X
B. Interim Financial Statements				
(i) Review interim financial statements prior to their release and recommend their approval to the Directors.	X	X	X	X
(ii) Review management's discussion and analysis and associated press releases, accompanying interim financial statements.	X	X	X	X

Meeting Timing <i>Agenda Item</i>	March	May	August	November
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C. Annual Financial Statements and Other Financial Information

(i) Review any changes in accounting policies or financial reporting requirements that may affect the current year's financial statements.	X	X	X	X
(ii) Obtain summaries of significant transactions and other potentially difficult matters whose treatment in the annual financial statements	X	X	X	X
(iii) Obtain draft annual financial statements in advance of the committee meeting and assess, on a preliminary basis, the reasonableness of the financial statements in light of the analyses provided by officers.	X			
(iv) Review summary of the status of any material pending or threatened litigation, claims and assessments.	X	X	X	X
(v) Discuss the annual financial statements and the auditors' report thereon in detail with officers and the auditors.	X			
(vi) Review critical accounting policies, alternative treatments of financial information and material communication between management and external auditors.	X	X	X	X
(vii) Review the annual report and other annual public information documents, including management's discussion and analysis and earnings press release.	X			
(viii) Provide to the Directors a recommendation as to whether the annual financial statements should be approved.	X			
(ix) Review risk management plans and insurance programs.		X		
(x) Review hedging programs and policies.		X		
(xi) Assess adequacy of disclosure controls and procedures.				X

Meeting Timing	March	May	August	November
<i>Agenda Item</i>				

D. External Audit Terms of Reference, Reports, Planning and Appointment.

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|-------|--|---|---|---|---|
| (i) | Review the audit plan with the external auditors. | | | | X |
| (ii) | Discuss in private with the external auditors matters affecting the conduct of their audit and other corporate matters. | X | X | X | X |
| (iii) | Recommend the retention or replacement of the external auditors. If there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition. | | | | X |
| (iv) | Assess independence of external auditors. Ensure rotation of lead or coordinating audit partner having primary responsibility for the audit as required by law. | X | | | |
| (v) | Review and approve engagement of external auditors for non-audit services. | X | X | X | X |
| (vi) | Review and recommend for approval to the Directors the terms of engagement and the remuneration of the external auditor. | X | | | |
| (vii) | Review hiring policies regarding employees of external auditor. | | | | X |

E. Internal Audit Reports and Planning

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|------|---|---|---|--|--|
| (i) | Review the summary report of the internal audit function for the past year. | X | | | |
| (ii) | Review planned activities and resources of the internal audit function for the coming year. | | X | | |

F. Governance Matters

- | | | | | | |
|------|---|--|--|---|--|
| (i) | Review Audit Committee terms of reference | | | X | |
| (ii) | Review key accounting and finance policies. | | | X | |

G. Material Disclosure Documents

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|-----|---|---|---|---|---|
| (i) | Review the contents of any material disclosure document prior to their release and recommend their approval to the Directors. | X | X | X | X |
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SCHEDULE “D”

PROSPECTIVE COMPENSATION DISCUSSION AND ANALYSIS

PURE MULTI-FAMILY REIT LP (“Pure Multi-Family”)

General

Pure Multi-Family does not remunerate its Named Executive Officers (as defined in Form 51-102F6 *Statement of Executive Compensation*). Pursuant to an Asset Management Agreement dated May 8, 2012 between Pure Multi-Family and Pure Multifamily Management Limited Partnership (the “Managing GP”), the Managing GP will provide asset management, administrative and reporting services to Pure Multi-Family as its managing general partner. The Managing GP will provide these services to Pure Multi-Family through the provision of qualified senior management. In particular, the Managing GP will provide the services of Mr. Evans and the services of the Managing GP’s Chief Financial Officer, Vice President, financial analyst and director of investor relations at no cost to Pure Multi-Family. Upon the occurrence of a Determination Event (as defined in Pure Multi-Family’s Limited Partnership Agreement dated May 8, 2012 (the “LP Agreement”) and certain other events (as described LP Agreement), the Named Executive Officers may be eligible to receive compensation from Pure Multi-Family or the Governing GP. The following includes a prospective description of the compensation discussion and analysis that Pure Multi-Family intends to use if and when a Determination Event has occurred.

Compensation Discussion and Analysis

Pure Multi-Family’s overall approach to compensation will be to provide senior executives with total compensation that is competitive to that of similar positions in the Canadian and United States real estate industry and for public entities of similar size as Pure Multi-Family.

Objectives

The objectives of Pure Multi-Family’s compensation program will be to:

- attract and retain qualified executive officers;
- motivate executive officers to deliver strong business performance;
- maintain competitive compensation levels for executive officers;
- ensure a significant portion of executive compensation is dependent upon individual and overall business performance, aligning the interests of executive officers with the interests of Unitholders, to create Unitholder value; and
- ensure the executive compensation program is simple to communicate and administer.

While Pure Multi-Family’s objective will be to pay for performance and remain competitive in the marketplace for executive talent, Pure Multi-Family will consider the expense of compensation and benefits in relation to its consolidated budget and financial strength as a significant factor in determining compensation levels. Pure Multi-Family will carefully consider information relating to the anticipated cost that will be incurred in making any determination with respect to proposed compensation decisions.

Pure Multi-Family intends to keep its compensation program simple to communicate and administer by focusing on base salary and bonus. Pure Multi-Family will not have any pension plan for the Named Executive Officers but will offer entitlement to a restricted unit plan and incentive option plan.

Compensation Principles

Pure Multi-Family’s overall approach to compensation will be to provide senior executives with total compensation that is generally competitive to that of similar positions in the industry and in Canadian public issuers of similar size as Pure Multi-Family. It is intended that senior executive compensation will comprise a base salary, performance-based incentives and Class A unit (each, a “Unit”) of Pure Multi-Family and security-based awards. Base salaries will generally be set at a competitive compensation range for each position, with performance-based incentives providing the opportunity for total compensation at the higher end of the range. Performance-based incentives include annual cash bonuses and awards that reflect Pure Multi-Family’s operating results as well as achievement of strategic initiatives. Security based and awards enable Pure Multi-Family to attract and retain executive talent by aligning the executives’ interests with its long-term corporate objectives.

Pure Multi-Family believes that compensation levels should reflect performance – both personal performance of the Named Executive Officers and the performance of Pure Multi-Family as a whole. Pure Multi-Family will provide a base fixed compensation, as well as compensation that is variable, or “at risk” in nature. This approach is expected to help link compensation to performance by making a portion of the Named Executive Officers’ compensation in any given year variable and thus subject to decrease or increase based on Pure Multi-Family’s and individual performance during the year. This approach is intended align the interest of the Named Executive Officers with holders of Units (“Unitholders”).

Setting Executive Compensation

Roles and Responsibilities

The Compensation Committee assists the Directors in determining compensation of senior management as well as reviewing the adequacy and form of Directors’ compensation; annually reviews the Chief Executive Officer’s goals and objectives for the upcoming year and performs an appraisal of the Chief Executive Officer’s performance; and administers and makes recommendations regarding the operation of the long-term and other incentive plans.

In fulfilling its duties and responsibilities, the Compensation Committee seeks periodic input, advice and recommendations from various sources, including the Directors, executive officers and external independent compensation consultants with respect to the compensation of the Directors and executive officers. The Compensation Committee retains discretion in its executive compensation decisions and is not bound by the input, advice and/or recommendations received from the external independent consultant.

The Chief Executive Officer will be actively engaged in Pure Multi-Family’s compensation programs (other than with respect to his own compensation package). The Chief Executive Officer will conduct an annual evaluation of each of the Named Executive Officer’s performance for the previous year, and recommend salary adjustments and short-term incentive awards to the Compensation Committee. The recommendations are reviewed and approved by the Compensation Committee after discussion and adjustment, if appropriate.

Process

The compensation of Named Executive Officers, other than the Chief Executive Officer, will be recommended by the Chief Executive Officer and reviewed and approved by the Compensation Committee. The compensation of the Chief Executive Officer will be recommended by the Compensation Committee and approved by the Directors.

Performance goals for the purpose of executive compensation are reviewed and set by the Directors and the Compensation Committee at meetings held typically in March of each year. The Directors, in consultation with management, will set Pure Multi-Family’s organizational wide performance goals, and the

Compensation Committee, in consultation with the Chief Executive Officer, will set each of the other Named Executive Officer's individual performance goals and compensation targets.

The results of the Named Executive Officers' performance and compensation review by the Compensation Committee are communicated to the Named Executive Officers in December of each year.

Benefits and Perquisites

Pure Multi-Family will offer only limited perquisites to the Named Executive Officers, and only where Pure Multi-Family believes such perquisites promote the retention of the Named Executive Officers or promote the efficient performance of the Named Executive Officers' duties. Pure Multi-Family does not believe that perquisites and benefits should represent a significant portion of the compensation package for Named Executive Officers.

Recovery of Compensation

The Compensation Committee has not developed a policy specifying the consequences with respect to past compensation payments or awards if misconduct or mistake by an operating platform or its employees will result in a restatement of its financial statements. In the event of a restatement, the Compensation Committee will develop an appropriate response in relation to past compensation payments or awards.

Performance Goals

The primary performance goal for the Chief Executive Officer will be to increase Pure Multi-Family's long-term cash flow and facilitate growth in the price of the Units. The Chief Executive Officer will be incentivized to achieve this goal by means of Units granted under the Restricted Unit Plan (as described herein), should it be approved by the Unitholders, the Equity Option Plan (as described herein), should it be approved by the Unitholders, along with a base salary and bonus, when applicable.

The performance goals for the other Named Executive Officers include both Pure Multi-Family objectives and individual objectives:

- operating return on assets achieved by Pure Multi-Family, and by the Named Executive Officer's responsibility;
- operating efficiency through diligent monitoring of operating costs;
- contribution to achievement of annual corporate initiatives (e.g. business practice improvements, integration of newly acquired business units, training program development, marketing campaign and new product introduction); and
- individual objectives agreed to with the Chief Executive Officer, such as contribution to the development of employee talent for future management potential.

Elements of Compensation

Base Salary

Pure Multi-Family will pay salaries to attract and retain executive talent and provide fair and competitive compensation commensurate with experience and consistent effective performance in discharging day-to-day responsibilities. Base salary is important to give an individual financial stability for personal planning purposes.

In reviewing the base salary of each Named Executive Officer, Pure Multi-Family will consider the responsibilities, performance and experience of the Named Executive Officer, historical compensation and contractual commitments, and the recommendations of the Chief Executive Officer (for all Named Executive Officers other than the Chief Executive Officer). The Chief Executive Officer's base salary will be reviewed and recommended for adjustment, if any, by the Compensation Committee. In considering base salary levels, the Compensation Committee will not utilize any specific weighting of the above factors.

Non-Equity Incentive Plan

In addition to base salaries when applicable, Pure Multi-Family intends to provide the Named Executive Officers with non-equity incentive awards that are paid as cash. These awards are based on the achievement of Pure Multi-Family in relation to the relevant individual performance goals referred to above and the overall discretion of the Compensation Committee especially in the case of meaningful performance by a Named Executive Officer. The Compensation Committee views non-equity incentives are key to motivate Named Executive Officers on job aspects that are performance-based.

Equity Incentive Plans

The Compensation Committee is of the view that the grant of unit-based awards or option-based awards assists in aligning the interests of the Named Executive Officers and Directors with those of Unitholders, thereby preserving and enhancing Unitholder value in the long term. The Compensation Committee will recommend to the Directors the individuals who shall be granted such unit-based awards or option-based awards.