

PORTFOLIO 22 VENTURE, LLC

and

PURE MULTI-FAMILY REIT LP

and

PURE MULTI-FAMILY REIT (GP) INC.

ARRANGEMENT AGREEMENT

July 18, 2019

The attached document is a definitive agreement among Portfolio 22 Venture, LLC, Pure Multi-Family REIT LP and Pure Multi-Family REIT (GP) Inc. dated July 18, 2019. This definitive agreement was negotiated at arm's length to provide contractual protections for the benefit of Portfolio 22 Venture, LLC, Pure Multi-Family REIT LP and Pure Multi-Family REIT (GP) Inc. and not for purposes of disclosure to investors or for any other purpose. The terms of this agreement may be varied or amended. Accordingly, investors and potential investors are cautioned that it would be inappropriate to rely on this document in making an investment decision.

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ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of July 18, 2019,

AMONG:

PORTFOLIO VENTURE 22, LLC, a limited liability company formed under the laws of Delaware

(the “**Purchaser**”)

- and -

PURE MULTI-FAMILY REIT LP, a limited partnership formed under the laws of Ontario

(“**Pure LP**”)

- and -

PURE MULTI-FAMILY REIT (GP) INC., a corporation incorporated under the laws of British Columbia

(“**Pure GP**”)

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms

As used in this Agreement, the following terms have the following meanings:

“**Acceptable Confidentiality Agreement**” has the meaning ascribed thereto in Section 5.2(1)(b).

“**Acquisition Proposal**” means, other than the Transactions, any offer, proposal or inquiry (written or oral) from any Person or group of Persons relating to: (i) the direct or indirect sale, disposition, alliance or joint venture (or any other arrangement having the same economic effect as a sale), in a single transaction or series of related transactions of the Pure Assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue, as applicable, of Pure LP and its Subsidiaries taken as a whole; (ii) the direct or indirect purchase or acquisition by any Person or group of Persons of 20% or more of the issued and outstanding Class A Units or any other class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for securities or equity interests) of Pure LP; (iii) any direct or indirect take-over bid, tender offer, exchange offer or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more

of the Class A Units or any other class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for securities or equity interests) of Pure LP; (iv) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, or winding up or other similar transaction involving Pure LP and/or one or more of its Subsidiaries whose assets or revenues constitute, individually or in the aggregate, 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue, as applicable, of Pure LP and its Subsidiaries taken as a whole; or (v) any other transaction or series of transactions involving Pure LP and/or one of its Subsidiaries that would have the same effect as the foregoing.

“**Action**” means any action, cause of action, claim, demand, litigation, suit, investigation, grievance, citation, summons, subpoena, inquiry, audit, hearing, arbitration, charge, examination, mediation or other similar civil, criminal or regulatory proceeding, in law or in equity, commenced, brought, conducted or heard by or before any Governmental Entity.

“**Adverse Recommendation Change**” has the meaning ascribed thereto in Section 5.1(3)(a).

“**Affiliate**” means an “affiliate” as defined in NI 45-106.

“**Affiliate Loans**” has the meaning ascribed thereto in Section (20)(b) of Schedule C.

“**Agreement**” means this Arrangement Agreement, including the Schedules hereto.

“**Alternative Transaction Agreement**” has the meaning ascribed thereto in Section 5.1(3)(b).

“**Antitrust Law**” means the Sherman Antitrust Act of 1890, the Clayton Antitrust Act of 1914, the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and all other United States or non-United States antitrust, competition or other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

“**Applicable Anti-Corruption Laws**” means (i) the U.S. Foreign Corrupt Practices Act of 1977; (ii) the Corruption of Foreign Public Officials Act (Canada); and (iii) any other Law that prohibits corruption or bribery applicable to Pure LP, its Subsidiaries or any other Person associated with or acting on behalf of Pure LP or any of its Subsidiaries, including any director, officer, agent, employee or Affiliate of Pure LP or any of its Subsidiaries.

“**Applicable Date**” has the meaning ascribed thereto in Section (5)(a) of Schedule C.

“**Arrangement**” means the arrangement under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations made in accordance with the terms of this Agreement or made at the direction of the Court in the Final Order with the consent of the Parties, acting reasonably.

“**Arrangement Resolution**” means the special resolution approving the Plan of Arrangement to be considered at the Pure Meeting by the Unitholders, substantially in the form attached as Schedule B hereto.

“**Assumption Documents**” has the meaning ascribed thereto in Section 4.10(1).

“**Assumption Expenses**” has the meaning ascribed thereto in Section 4.10(2).

“**Bankruptcy and Equity Exception**” has the meaning ascribed thereto in Section (3)(a) of Schedule C.

“**BCBCA**” means the *Business Corporations Act*, S.B.C. 2002, c. 57.

“**Board**” means the board of directors of Pure GP, as constituted from time to time.

“**Board Recommendation**” has the meaning ascribed thereto in Section 2.4(2).

“**Breaching Party**” has the meaning ascribed thereto in Section 4.8(2).

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia or Atlanta, Georgia.

“**Clark Wilson**” means Clark Wilson LLP.

“**Class A Unitholders**” means the registered and/or beneficial holders of the Class A Units, as the context requires.

“**Class A Units**” means the Class A units in the capital of Pure LP.

“**Class B Unitholders**” means the registered and/or beneficial holders of the Class B Units, as the context requires.

“**Class B Units**” means the Class B units in the capital of Pure LP.

“**Closing**” has the meaning ascribed thereto in Section 2.7(2).

“**Closing Date**” has the meaning ascribed thereto in Section 2.7(2).

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Confidentiality Agreement**” means the amended & restated confidentiality and standstill agreement dated March 27, 2019 between Pure LP and Cortland Acquisitions, LLC.

“**Consideration**” means \$7.61 in cash per Class A Unit and \$101.4350 in cash per Class B Unit.

“**Contract**” means any legally binding agreement, arrangement, commitment, engagement, contract, franchise, license, lease, obligation, note, bond, mortgage, indenture, undertaking, joint venture or other obligation.

“**Court**” means the Supreme Court of British Columbia, sitting in Vancouver, British Columbia, or other court as applicable.

“**D&O Insurance**” has the meaning ascribed thereto in Section 4.6(3).

“**Data Room**” means the virtual data room created by Pure LP and made available to the Purchaser, as contained in the cabinet entitled “Project Star” accessible at July 17, 2019, as such was constituted at 9:28 p.m. (ET) on July 17, 2019, and which at such time contained only those documents as are set out in the index appended to the Pure Disclosure Letter.

“**Debenture Consideration**” means a cash payment for each \$1,000 principal amount of outstanding Pure Debentures equal to (a) \$1,346.90 plus (b) accrued and unpaid interest thereon up to and including the Effective Date, at the rate of interest specified in the Pure Debenture Indenture.

“**Debentureholders**” means the registered and/or beneficial holders of the Pure Debentures.

“**Depository**” means such Person as the Purchaser may appoint to act as depository for the Class A Units, the Class B Units and, unless a Debentureholder Event (as defined in the Plan of Arrangement) has occurred, the Pure Debentures, in relation to the Arrangement, with the approval of Pure LP, acting reasonably.

“**Directors’ and Officers’ Support Agreements**” means the support agreements between the Purchaser and each of the directors and senior officers of Pure GP listed in Section 1.1(a) of the Pure Disclosure Letter.

“**Disclosing Party**” has the meaning ascribed thereto in Section 4.9(1).

“**Dissent Rights**” has the meaning ascribed thereto in Section 3.1 of the Plan of Arrangement.

“**Effective Date**” means the date on which the Arrangement becomes effective.

“**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

“**Environmental Law**” means any Law or Contract with a Governmental Entity relating to: (i) the protection, investigation or restoration of the environment or public health and safety matters; or (ii) the handling, use, presence, disposal, release or threatened release of any Hazardous Substance.

“**ERISA**” means the United States Employee Retirement Income Security Act of 1974.

“**ERISA Affiliate**” means all employers, trades, or businesses (whether or not incorporated) that would be treated together with Pure LP or any of its Subsidiaries as a “single employer” within the meaning of Section 414 of the Code.

“**Excluded Party**” means any Person from whom Pure or any of its Representatives has received a *bona fide* written Acquisition Proposal after the date of this Agreement and prior to the No-Shop Period Start Time, which written Acquisition Proposal the Board has determined in good faith prior to the start of the No-Shop Period Start Time, after receiving the advice of its Legal Advisors and its Financial Advisors, constitutes or could reasonably be expected to lead to a Superior Proposal; provided, however, that a Person will immediately cease to be an Excluded Party (and the provisions of this Agreement applicable to Excluded Parties will cease to apply with respect to such Person) if (i) such Acquisition Proposal made by such Person prior to the start of the No-

Shop Period Start Time is withdrawn, (ii) if the equity sources for such Excluded Party are modified, or (iii) such Acquisition Proposal, in the good faith determination of the Board (after consultation with its Legal Advisors and its Financial Advisors), no longer is or could no longer be reasonably expected to lead to a Superior Proposal.

“**Existing Indebtedness**” has the meaning ascribed thereto in Section (12)(a)(iv) of Schedule C.

“**Existing Lenders**” has the meaning ascribed thereto in Section 4.10(1).

“**Existing Loan Documents**” has the meaning ascribed thereto in Section (12)(a)(iv) of Schedule C.

“**Fairness Opinions**” means the opinions of Scotiabank and Fort to the effect that, as of the date thereof and subject to the limitations, qualifications and assumptions set forth therein, the Consideration to be received by the Unitholders and the Debenture Consideration to be received by the Debentureholders under the Arrangement is fair, from a financial point of view, to the Unitholders and the Debentureholders, respectively.

“**Farris**” means Farris LLP.

“**Final Order**” means the final order of the Court pursuant to Section 291(4) of the BCBCA after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, in a form acceptable to the Parties, acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal (provided however, that any such amendment must be acceptable to the Parties, acting reasonably).

“**Financial Advisors**” means Scotiabank, Fort or any other financial advisor as may be engaged by Pure LP.

“**Fort**” means Fort Capital Partners.

“**Go-Shop Period**” has the meaning ascribed thereto in Section 5.1(1).

“**Government Official**” includes (i) any employee, official or agent of any Governmental Entity; (ii) any person who holds a legislative, administrative or judicial position with any Governmental Entity; or (iii) any official of a political party or candidate for public office.

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority or department, central bank, court, tribunal, arbitral body, commission, board, bureau, commissioner, ministry, governor in council, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental, administrative or private body, including any tribunal, commission, committee, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

“**Governmental Permits**” has the meaning ascribed thereto in Section (10)(b) of Schedule C.

“**Guarantor**” means Portfolio 22 Venture, LLC, a limited liability company formed under the laws of Delaware.

“**Hazardous Substance**” means any element, waste or other substance, whether natural or artificial, and whether consisting of gas, liquid, solid or vapour, that is prohibited, listed, defined, judicially interpreted, designated or classified as dangerous, hazardous, radioactive, explosive, toxic, a pollutant or a contaminant under or pursuant to any Environmental Laws, including petroleum and petroleum by-products and wastes, asbestos-containing materials or mold.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board and applicable at the relevant time.

“**Indemnified Persons**” has the meaning ascribed thereto in Section 4.6(1).

“**Insurance Policies**” has the meaning ascribed thereto in Section (17) of Schedule C.

“**Intellectual Property**” means any and all intellectual property and intellectual property rights anywhere in the world including: (i) patents; (ii) trademarks; (iii) copyrights; (iv) trade secrets, confidential information and know how; (v) rights in industrial designs; (vi) computer software, databases and data; (vii) all rights pertaining to any of the foregoing, anywhere in the world, including any rights arising under international treaties and convention rights; and (viii) all applications, registrations, licences, sublicenses, franchises, Contracts or any other similar evidence of a right in any of the foregoing.

“**Interim Order**” means the interim order of the Court pursuant to Section 291(2) of the BCBCA, providing for, among other things, the calling and holding of the Pure Meeting, in a form acceptable to the Parties, acting reasonably, as such order may be amended by the Court with the consent of the Parties, acting reasonably.

“**Investment Canada Act**” means *Investment Canada Act*, R.S.C., 1985, c. 28 (1st Supp.).

“**IRS**” means the U.S. Internal Revenue Service.

“**Koffman Kalef**” means Koffman Kalef LLP.

“**Labour Representatives**” has the meaning ascribed thereto in Section (9)(a)(i) of Schedule C.

“**Law**” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, award, decree, ruling, published administrative policy (to the extent such policy has the force of law or is binding on the Person to which it purports to apply), or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity.

“**Legal Advisors**” means Farris, Clark Wilson, Koffman Kalef or any other legal advisor as may be engaged by Pure LP.

“**Lien**” means any mortgage, deed of trust, charge, pledge, hypothec, security interest, lien (statutory or otherwise), prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, defect of title, restriction, adverse right or other third party interest or encumbrance, in each case, whether contingent or absolute.

“**Limited Guarantee**” means the limited guarantee dated the date hereof between Pure LP and the Guarantor pursuant to which the Guarantor has agreed to guarantee to pay the Reverse Termination Amount, on the terms and conditions set forth therein, as amended, replaced or supplemented in accordance therewith and in accordance with the terms hereof.

“**Matching Period**” means the five Business Day period following the Purchaser’s receipt of the Superior Proposal Notice.

“**Material Adverse Effect**” means any change, event, occurrence, effect, state of facts, development, condition or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, states of facts, developments, conditions or circumstances would reasonably be expected to be material and adverse to the business, assets, liabilities, properties, operations, condition (financial or otherwise) or results of operations of Pure LP and its Subsidiaries, taken as a whole, except to the extent that any such change, event, occurrence, effect, state of facts, development, condition or circumstance results from:

- (a) any change in general economic, political, business, regulatory, or market conditions or in national or global financial, credit or capital markets;
- (b) any changes or developments in relation to currency exchange or interest rates;
- (c) any change in Law, including any Laws in respect to taxes, IFRS or regulatory accounting requirements, in each case after the date hereof;
- (d) any earthquake, hurricane, tornado, tsunami, flood or other natural disaster or outbreak or escalation of hostilities or acts of war (whether or not declared) or act of terrorism;
- (e) the announcement of this Agreement or the pendency of the Transactions including, (i) the identity of the Purchaser, the Guarantor or any of their Affiliates, (ii) by reason of any communication by the Purchaser, the Guarantor or any of their Affiliates regarding the plans or intentions of the Purchaser with respect to the conduct of the business of Pure LP and its Subsidiaries following the Effective Time, and (iii) the impact of any of the foregoing on any relationships with customers, suppliers, vendors, business partners, employees or any other Person, in each case other than any inaccuracy or breach of the representation and warranty set forth in Section (4) of Schedule C or any change, event, occurrence, effect, state of facts, development, condition or circumstance related thereto;

- (f) the taking of any specific action expressly required by, or the failure to take any specific action expressly prohibited by, this Agreement (excluding actions, or the failure to take any actions, in the Ordinary Course);
- (g) any change in the market price or trading volume of any securities of Pure LP or any suspension of trading in securities generally on the TSX, or any credit rating downgrade, negative outlook, watch or similar event relating to Pure LP (it being understood that the causes underlying such change in market price or trading volume, if not otherwise excluded from the definition of Material Adverse Effect, may be taken into account in determining whether a Material Adverse Effect has occurred);
- (h) the failure of Pure LP or its Subsidiaries to meet any internal or published projections, forecast or estimates of, or guidance related to, revenues, earnings, cash flows or other financial metrics before, on or after the date hereof (it being understood that the causes underlying such failure, if not otherwise excluded from the definition of Material Adverse Effect, may be taken into determining whether a Material Adverse Effect has occurred);
- (i) any change, event or development that affects the real estate industry generally; and
- (j) actions taken or not taken with the express prior written approval of the Purchaser,

provided however, that (A) with respect to the foregoing clauses (a) through (d) and clause (i), such change, event, occurrence, effect, state of facts, development, condition or circumstance does not (I) primarily relate to (or have the effect of primarily relating to) Pure LP and its Subsidiaries or (II) disproportionately adversely affect Pure LP and its Subsidiaries compared to other companies of similar size operating in the industries in which Pure LP and its Subsidiaries carry on a material portion of their business in the aggregate; and (B) references in certain Sections of this Agreement to dollar amounts are not intended to be, and will not be deemed to be, illustrative for purposes of determining whether a “Material Adverse Effect” has occurred.

“**Material Contract**” has the meaning ascribed thereto in Section (12)(a) of Schedule C.

“**Material Pure Entities**” means Pure LP, Pure GP, the US REIT and Pure Multi-Family Management Ltd.

“**Maximum Amount**” has the meaning ascribed thereto in Section 4.6(3).

“**MI 61-101**” means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

“**Misrepresentation**” has the meaning ascribed thereto under the *Securities Act*, R.S.B.C. 1996 c. 418.

“**NCIB**” means the normal course issuer bid of Pure LP that commenced on November 20, 2018.

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*.

“**No-Shop Period Start Time**” has the meaning ascribed thereto in Section 5.1(1)(a).

“**Ordinary Course**” means, with respect to an action taken by any Person, that such action is substantially consistent in nature and scope with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of the business of such Person.

“**Organizational Documents**” means (i) with respect to any Person that is a corporation, its articles or certificate of incorporation or memorandum and articles of association, as the case may be, and by-laws; (ii) with respect to any Person that is a partnership, its certificate of partnership and partnership agreement; (iii) with respect to any Person that is a limited liability company, its certificate of formation and limited liability company or operating agreement; (iv) with respect to any Person that is a trust or other entity, its declaration or agreement of trust or other constituent document; and (v) with respect to any Person similar to but not set out in (i) through (iv) of this definition, its comparable organizational documents (including a declaration of trust, partnership agreement, articles of continuance, arrangement or amalgamation).

“**OTCQX**” means the OTCQX International Marketplace.

“**Outside Date**” means November 15, 2019 or such later date as may be agreed to in writing by the Parties.

“**Owned Real Property**” means those real properties owned indirectly by Pure LP as disclosed in Section 1.1(b) of the Pure Disclosure Letter, including all buildings, structures and other improvements and fixtures indirectly owned by Pure LP and located on or under any such real property.

“**Parties**” means, collectively, Pure GP, Pure LP and the Purchaser and “**Party**” means any one of them.

“**Permitted Distribution**” has the meaning ascribed thereto in Section 4.1(2)(d).

“**Permitted Liens**” means, in respect of Pure LP or any of its Subsidiaries, any one or more of the following:

- (a) Liens for Taxes which are not due or delinquent or which are being contested in good faith by appropriate proceedings in respect of which adequate reserves have been established in accordance with IFRS in the consolidated balance sheet of Pure LP;
- (b) easements, rights of way, servitudes and similar rights in land including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph or cable television conduits, poles, wires and cables that do not materially adversely affect the Pure Assets;

- (c) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction in progress, maintenance, repair or operation of the Pure Assets incurred in the Ordinary Course; provided however, that such Liens (i) are related to obligations not due or delinquent or in respect of which adequate holdbacks are being maintained as required by Law, (ii) are Liens related to obligations that do not exceed \$100,000 per occurrence, or (iii) would not reasonably be expected to materially interfere with the present use of any of the Owned Real Property subject thereto or affected thereby;
- (d) zoning restrictions and other land use Laws imposed by any Governmental Entity having jurisdiction over real property that are not violated by the current use of the Owned Real Property or the operation of the business thereon;
- (e) Liens incurred, created and granted in the Ordinary Course to a public utility, municipality or Governmental Entity in connection with operations conducted with respect to the Pure Assets, but only to the extent those Liens relate to costs and expenses for which payment is not due or delinquent;
- (f) Liens and title exceptions disclosed in any survey, title insurance policy, title search or title insurance commitments included in the Data Room;
- (g) licenses granted in the Ordinary Course to operators of vending machines, laundry facilities and similar businesses located on site of the Owned Real Properties; or
- (h) any Lien listed in Section 1.1(c) of the Pure Disclosure Letter.

“**Person**” includes any individual, partnership, limited partnership, association, body corporate, organization, joint venture, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Entity), syndicate or other entity.

“**Personal Information**” has the meaning ascribed thereto in Section 4.9(1).

“**Plan of Arrangement**” means the plan of arrangement substantially in the form attached as Schedule A hereto and proposed under Section 291 of the BCBCA, and any amendments or variations made in accordance with this Agreement or Section 5.1 of the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of the Parties, acting reasonably.

“**Privacy Law**” means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the *Personal Information Protection Act*, R.S.B.C. 2003, c. 63 and any comparable applicable Law.

“**Purchaser**” means Portfolio 22 Venture, LLC, a limited liability company formed under the laws of Delaware.

“**Purchaser Related Parties**” has the meaning ascribed thereto in Section 8.2(8).

“**Pure**” means Pure GP and Pure LP.

“**Pure Assets**” means all of the assets, properties (real or personal), permits, rights, licenses or other privileges (whether contractual or otherwise) of Pure LP and its Subsidiaries.

“**Pure Circular**” means the notice of the Pure Meeting and accompanying management information circular of Pure LP, including all schedules, appendices and exhibits thereto, and information incorporated by reference in, such management information circular, to be sent to Unitholders and Debentureholders, and such other Pure Securityholders as may be required by the Interim Order, in connection with the Pure Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

“**Pure Contractors**” means the independent contractors contracted by Pure LP and its Subsidiaries.

“**Pure Debenture Indenture**” means the trust indenture entered into between Pure LP and the Pure Debenture Trustee dated August 7, 2013 which governs the terms of the Pure Debentures.

“**Pure Debenture Trustee**” means Computershare Trust Company of Canada and includes any successor or successors of any other trustee subsequently appointed.

“**Pure Debentures**” means the 6.5% convertible unsecured debentures of Pure LP issued on August 7, 2013, originally in the aggregate principal amount of \$23,000,000.

“**Pure Deferred Unit**” means an outstanding deferred unit issued pursuant to the Pure Deferred Unit Plan.

“**Pure Deferred Unit Plan**” means the Deferred Unit Plan of Pure LP effective as of January 1, 2018.

“**Pure Disclosure Letter**” has the meaning ascribed thereto in Section 3.1(1).

“**Pure Employees**” means the officers and employees of Pure LP and its Subsidiaries.

“**Pure GP**” means Pure Multi-Family REIT (GP) Inc., a company incorporated under the laws of British Columbia.

“**Pure LP**” means Pure Multi-Family REIT LP, a limited partnership formed under the laws of Ontario.

“**Pure LPA**” means the Amended and Restated Limited Partnership Agreement of Pure LP dated May 24, 2018.

“**Pure Meeting**” means the special (or annual and special) meeting of Unitholders, including any adjournment or postponement of such meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

“Pure Option” means an option to purchase Class A Units granted pursuant to the Pure Option Plan.

“Pure Option Plan” means the Incentive Option Plan approved by Unitholders on May 21, 2014.

“Pure Performance Unit” means an outstanding restricted unit issued or currently issuable under the Pure RU Plan that is subject to a performance factor.

“Pure Plan” means any benefit or compensation plan, scheme, undertaking, program, policy, practice, agreement, Contract, arrangement or other obligation, in each case whether or not reduced to writing and whether or not funded, which is or has been established, sponsored, maintained or contributed to by, or required to be contributed to by, or with respect to which any present or potential liability is or may be borne by, Pure LP or any of its Subsidiaries or Pure GP with respect to any Pure Employee, former Pure Employee, or officer, director, retiree, independent contractor, or consultant of Pure LP or any of its Subsidiaries or Pure GP or any spouse, beneficiary or dependent of any such individual (other than a plan, policy, program or arrangement that solely provides statutory benefits mandated by Law), including each (i) U.S. Benefits Plan, (ii) employment, consulting, retirement, severance, termination or change in control agreement, and (iii) deferred compensation, equity or equity-based compensation, retention, savings, incentive, bonus, supplemental retirement, supplemental unemployment, salary continuation, profit sharing, pension, insurance, medical, dental, life, disability or other insurance (whether insured or self-insured) welfare, fringe or other material benefit or remuneration of any kind.

“Pure Public Disclosure Record” means all documents filed by Pure LP on SEDAR on or after the Applicable Date and before the date hereof.

“Pure Related Parties” has the meaning ascribed thereto in Section 8.2(9).

“Pure RU” means an outstanding restricted unit issued or currently issuable under the Pure RU Plan, other than a Pure Performance Unit.

“Pure RU Plan” means the Amended and Restated Restricted Unit Plan approved by Unitholders on May 24, 2018.

“Pure Securityholders” means, collectively, the Unitholders, the holders of Pure Deferred Units, the holders of Pure RUs, the holders of Pure Performance Units and the holders of Pure Debentures.

“Pure’s Knowledge” means the actual knowledge, after inquiry of their respective direct reports, based on the actual knowledge of such direct reports without inquiry, disclosed in Section 1.1(d) of the Pure Disclosure Letter, of each of Stephen Evans, Scott Shillington and Samantha Adams in his or her capacity as an officer of Pure GP and without personal liability and does not include any other knowledge or awareness of any other individual or any constructive, implied or imputed knowledge or awareness.

“Real Estate Investment Trust” means a real estate investment trust within the meaning of Section 856 of the Code.

“**Recipient**” has the meaning ascribed thereto in Section 4.9(1).

“**REIT Tax Opinion**” has the meaning ascribed thereto in Section 6.2(5).

“**Related Parties**” has the meaning ascribed thereto in Section (20)(a) of Schedule C.

“**Representatives**” means the officers, directors, employees, accountants, legal counsel, financial advisors, consultants, financing sources and other advisors and representatives of any Person.

“**Required Regulatory Approval**” has the meaning ascribed thereto in Section 4.2(2).

“**Restraints**” has the meaning ascribed thereto in Section 6.1(3).

“**Reverse Termination Amount**” has the meaning ascribed thereto in Section 8.2(5).

“**Reverse Termination Amount Event**” has the meaning ascribed thereto in Section 8.2(5).

“**Scotiabank**” means Scotia Capital Inc.

“**Securities Authority**” means an applicable securities commission or securities regulatory authority of a province or territory of Canada.

“**Securities Laws**” means the *Securities Act*, R.S.B.C. 1996 c. 418, and any other applicable Canadian provincial and territorial securities Laws, rules, regulations and published policies thereunder.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval maintained on behalf of the Canadian Securities Administrators.

“**Sponsor Commitment Letter**” means the commitment letter between the Purchaser and the Sponsors dated the date hereof, as amended, supplemented or replaced in accordance with the terms hereof and thereof, including any other commitment letter in substantially similar form entered into between the Purchaser and a Sponsor in connection with the assignment and reallocation of the Sponsor Financing in accordance with the terms of Section 4.14(2).

“**Sponsor Financing**” means the agreement of the Sponsors to (directly or indirectly) invest or cause to be invested in the Purchaser, subject to the terms and conditions of the Sponsor Commitment Letter, the amounts set forth in the Sponsor Commitment Letter, which will be used by the Purchaser for purposes of partially financing the Transactions.

“**Sponsors**” means Cortland Portfolio 22 Sponsor, LLC, a limited liability company formed under the laws of Delaware, Sunshine PM8 LLC, a limited liability company formed under the laws of Delaware, and any other Person (other than the Purchaser) who becomes a party to the Sponsor Commitment Letter in accordance with the terms hereof and thereof, and each of their respective successors.

“**Subsidiary**” means a “subsidiary” as defined in NI 45-106.

“**Superior Proposal**” means, other than the Transactions, a *bona fide* written Acquisition Proposal from any Person or group of Persons providing for the direct or indirect acquisition or purchase of all of the outstanding Class A Units or all or substantially all of the Pure Assets on a consolidated basis:

- (a) that did not result from a breach of any standstill, non-disclosure or similar agreement between any one or more of the Persons making such Acquisition Proposal and its Affiliates and Pure LP or Pure GP or a breach of Article 5;
- (b) that is made in writing after the date hereof, including any variation or other amendment of any Acquisition Proposal made prior to the date hereof;
- (c) that is not subject to any due diligence or access condition;
- (d) that the Board determines, in its good faith judgment, after receiving the advice of its Legal Advisors and its Financial Advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal, including the financing terms thereof, and the Person making such Acquisition Proposal, (A) if accepted, is reasonably likely to be consummated in accordance with its terms, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal, and (B) if consummated in accordance with its terms (but without assuming away the risk of non-completion), would result in a transaction which is more favourable, from a financial point of view, to Class A Unitholders and holders of Pure Debentures than the Transactions (after giving effect to any amendments or modifications to the terms of the Transactions proposed by the Purchaser pursuant to Section 5.3(1)(d)) and the failure of the Board to recommend that Pure LP enter into an Alternative Transaction Agreement with respect to such Acquisition Proposal would be inconsistent with its fiduciary duties;
- (e) that is not subject to any financing condition and in respect of which the Person making such Acquisition Proposal has made adequate arrangements (as such term is understood for purposes of section 2.27 of National Instrument 62-104 - Take-over Bids and Issuer Bids) to ensure that any required financing to complete such Acquisition Proposal is available to such Person, as demonstrated to the satisfaction of the Board, after receiving the advice of its Legal Advisors and its Financial Advisors; and
- (f) that complies with applicable Securities Laws.

“**Superior Proposal Notice**” has the meaning ascribed thereto in Section 5.3(1)(c).

“**Tax**” (including, with correlative meaning, the term “**Taxes**”) means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, branch profits, franchise, gains, windfalls, capital,

capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, consumption of resources, emissions, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment/unemployment insurance, health insurance and government pension plan premiums or contributions including any installments or prepayments in respect of any of the foregoing; (ii) all interest, penalties, fines, additions to tax imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**Tax Act**” means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.).

“**Tax Returns**” means all returns and reports (including elections, designations, declarations, notices, disclosures, schedules, estimates and information returns) filed with or supplied to, or required to be filed with or supplied to, a Tax authority, including all amendments, attachments or supplements thereto and whether in tangible or electronic form.

“**Terminating Party**” has the meaning ascribed thereto in Section 4.8(2).

“**Termination Fee**” has the meaning ascribed thereto in Section 8.2(2).

“**Termination Fee Event**” has the meaning ascribed thereto in Section 8.2(2).

“**Termination Notice**” has the meaning ascribed thereto in Section 4.8(2).

“**Third Party Beneficiaries**” has the meaning ascribed thereto in Section 8.8(1).

“**Transaction Litigation**” has the meaning ascribed thereto in Section 4.7.

“**Transactions**” means the Arrangement and all other transactions contemplated in this Agreement.

“**Transferred Information**” has the meaning ascribed thereto in Section 4.9(1).

“**Treasury Regulations**” has the meaning ascribed thereto in Section (16)(u) of Schedule C.

“**TSX**” means the Toronto Stock Exchange and any successor thereto.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

“**U.S. Benefit Plans**” means each Pure Plan that is sponsored or maintained by, or required to be contributed to, or with respect to which any potential liability is borne by Pure LP or any of its Subsidiaries, which is primarily for the benefit of Pure Employees and/or former Pure Employees residing within the United States of America, and which is subject to ERISA and/or the Code.

“**Unitholder Rights Plan**” means the Amended and Restated Unitholder Rights Plan Agreement dated May 25, 2017 between Pure LP and Computershare Investor Services Inc.

“**Unitholders**” means the Class A Unitholders and the Class B Unitholders, as the context requires.

“**Units**” means the Class A Units and the Class B Units.

“**URP Right**” means a right issued pursuant to the Unitholder Rights Plan.

“**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934.

“**US REIT**” means Pure US Apartments REIT Inc., a corporation formed under the laws of Maryland.

“**USRPI**” has the meaning ascribed thereto in Section 4.11.

“**WARN Act**” means the United States Worker Adjustment and Retraining Notification Act of 1988.

“**Willful Breach**” means with respect to any representation, warranty, agreement or covenant in this Agreement, a material breach of this Agreement that is a consequence of an act or omission by the Breaching Party with the actual knowledge that the taking of such act or failure to act, as applicable, would, or would reasonably be expected to, cause a breach of this Agreement.

“**Withholding Agent**” has the meaning ascribed thereto in Section 2.9.

“**WTO Investor**” means a World Trade Organization investor as defined in the Investment Canada Act.

Section 1.2 Certain Rules of Interpretation

In this Agreement, unless otherwise specified:

- (1) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.
- (2) **Currency.** All references to dollars or to “\$” are references to United States dollars unless otherwise indicated.
- (3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number also include the plural and vice versa.

- (4) **Certain Phrases, etc.** The words (i) “including”, “includes” and “include” mean “including (or includes or include) without limitation”, (ii) “day” means “calendar day”, (iii) “hereof”, “herein”, “hereunder” and words of similar import, will refer to this Agreement as a whole and not to any particular provision of this Agreement, (iv) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”, and (v) unless stated otherwise, “Article”, “Section”, “Subsection” and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement.
- (5) **Definition of “made available”.** The term “made available” means (i) copies of the subject materials were included in the Pure Public Disclosure Record, or (ii) complete copies of the subject materials were included in the Data Room.
- (6) **Capitalized Terms.** All capitalized terms used in any Schedule or in the Pure Disclosure Letter have the meanings ascribed to them in this Agreement.
- (7) **Accounting Terms.** All accounting terms are to be interpreted in accordance with IFRS and all determinations of an accounting nature in respect of Pure LP required to be made will be made in a manner consistent with IFRS.
- (8) **Statutes.** Any reference to a statute refers to such statute, or successor thereto, and all rules, resolutions and regulations made under it, or its successor, respectively, as it or its successor, or they, may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (9) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. (Vancouver time) on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. (Vancouver time) on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day, such action will be required or permitted to be taken on the next succeeding day which is a Business Day.
- (10) **Time References.** References to time are to local time, Vancouver, British Columbia.
- (11) **Subsidiaries.** To the extent any covenants or agreements relate, directly or indirectly, to a Subsidiary of Pure LP, each such provision will be construed as a covenant by Pure LP to cause (to the fullest extent to which it is legally capable) such Subsidiary to perform the required action.
- (12) **Consent.** If any provision requires approval or consent of a Party and such approval or consent is not delivered within the specified time limit, the Party whose consent or approval is required will be conclusively deemed to have withheld its approval or consent.
- (13) **Schedules.** The schedules attached to this Agreement form an integral part of this Agreement.

- (14) **Agreements.** All references in this Agreement to any agreement, Contract, document or instrument means such agreement, Contract, document or instrument, as amended, restated or supplemented in accordance with the terms thereof, and includes all schedules, exhibits and other attachments, in each case as of the date hereof.

ARTICLE 2 THE ARRANGEMENT

Section 2.1 Arrangement

The Parties agree that the Arrangement will be implemented substantially in accordance with and subject to the terms and conditions of this Agreement and the Plan of Arrangement.

Section 2.2 Interim Order

As soon as reasonably practicable after the date hereof (and in any event Pure GP will use commercially reasonable efforts to do so not later than August 19, 2019), Pure GP will, in a manner acceptable to the Purchaser, acting reasonably, pursuant to Section 291 of the BCBCA, and, in cooperation with the Purchaser, prepare, file and diligently pursue an application for the Interim Order, the terms of which are acceptable to the Purchaser, acting reasonably, which must provide, among other things:

- (a) for the classes of Persons to whom notice is to be provided in respect of the Arrangement and the Pure Meeting and for the manner in which such notice is to be provided;
- (b) that the required level of approval for the Arrangement Resolution by Unitholders will be: (i) no more than three-quarters of the votes cast on such resolution by Unitholders present in person or represented by proxy at the Pure Meeting, voting as a single class; and (ii) a majority of the votes cast attached to the Class A Units and Class B Units by Unitholders present in person or represented by proxy at the Pure Meeting, excluding votes attached to the Units that are required to be excluded pursuant to MI 61-101; and that these will be the only requisite approvals required;
- (c) that, in all other respects, the terms, restrictions and conditions of Pure LP's Organizational Documents, including quorum requirements and all other matters, will apply in respect of the Pure Meeting;
- (d) for the grant of the Dissent Rights to those Unitholders who are registered Unitholders as contemplated in the Plan of Arrangement;
- (e) the notice requirements with respect to the presentation of the application to the Court for the Final Order;
- (f) that the Pure Meeting may be adjourned or postponed from time to time by Pure LP in accordance with the terms of this Agreement without the need for additional approval of the Court;

- (g) that the record date for the Pure Securityholders entitled to notice of and the Unitholders entitled to notice of and to vote at the Pure Meeting will not change in respect of or as a consequence of any adjournment(s) or postponement(s) of the Pure Meeting, unless required by Law; and
- (h) for such other matters as the Parties may agree upon, acting reasonably.

Section 2.3 Pure Meeting

(1) Pure LP will:

- (a) convene and conduct the Pure Meeting in all material respects in accordance with the Interim Order, Pure LP's Organizational Documents (to the extent that Pure LP's Organizational Documents are consistent with the Interim Order) and Law as promptly as reasonably practicable after the date hereof (and in any event Pure LP will use commercially reasonable efforts to do so not later than September 20, 2019) and, in this regard, Pure LP may abridge any time periods that may be abridged under Securities Laws for the purpose of considering the Arrangement Resolution and for any other proper purpose as may be set out in the Pure Circular and agreed to by the Purchaser in writing; set the record date for the Pure Securityholders entitled to notice of and the Unitholders entitled to notice of and to vote at the Pure Meeting as promptly as reasonably practicable; and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Pure Meeting without the prior written consent of the Purchaser, which consent will not be unreasonably withheld, delayed or conditioned, except as required for quorum purposes (in which case the Pure Meeting will be adjourned and not cancelled) or as required by Law or by a Governmental Entity;
- (b) subject to the terms of this Agreement, use its commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution and the completion of any of the Transactions;
- (c) consult with the Purchaser in fixing the date of the Pure Meeting and the record date of the Pure Meeting;
- (d) promptly advise the Purchaser, at such times as the Purchaser may reasonably request, and at least on a daily basis on each of the last ten Business Days prior to the date of the Pure Meeting, and promptly following receipt of proxy tallies over the last three Business Days prior to the date of the Pure Meeting, as to the aggregate tally of the proxies received by Pure LP in respect of the Arrangement Resolution;
- (e) give notice to the Purchaser of the Pure Meeting and allow representatives of the Purchaser and its legal counsel to attend the Pure Meeting;
- (f) promptly advise the Purchaser of any communication (written or oral) received by Pure LP or its Subsidiaries or their respective representatives from, or claims

brought by (or threatened to be brought by), any Person in opposition to the Transactions and/or relating to the purported exercise or withdrawal of Dissent Rights by Unitholders, and Pure LP will (i) provide the Purchaser with an opportunity to review and comment on any written communications sent by or on behalf of Pure LP to any such Person and to participate in any discussions, negotiations or proceedings with or including any such Persons, and (ii) not settle or compromise or agree to settle or compromise any such claims or Dissent Rights without the prior written consent of the Purchaser; and

- (g) not change the record date for the Pure Securityholders entitled to notice of and Unitholders entitled to notice of and to vote at the Pure Meeting in connection with any adjournment or postponement of the Pure Meeting unless required by Law or if the Purchaser's prior written consent is provided, which is not to be unreasonably withheld, delayed or conditioned.

Section 2.4 Pure Circular

- (1) Pure LP will, so as to permit the Pure Meeting to be held in accordance with Section 2.3(1)(a): (i) promptly prepare and complete, in consultation with the Purchaser, the Pure Circular, together with any other documents required by Law in connection with the Pure Meeting and the Arrangement; (ii) cause the Pure Circular and such other documents to be filed with the Securities Authorities and sent to each Pure Securityholder and other Person as required by the Interim Order and Law; (iii) to the extent required by Law or the Securities Authorities, as promptly as practicable prepare, file with the Securities Authorities and send to the Pure Securityholders and other Persons as required by the Interim Order and Law any supplement or amendment to the Pure Circular (after the Purchaser has had a reasonable opportunity to review and comment thereon) if any event will occur which requires such action at any time prior to the Pure Meeting; and (iv) otherwise comply with all requirements of Law applicable to the Pure Meeting and the Arrangement.
- (2) Pure LP will ensure that the Pure Circular complies in all material respects with the Interim Order and Law, does not contain any Misrepresentation (other than with respect to any information relating to the Purchaser, the Sponsors, the Sponsor Financing and the Guarantor and furnished by the Purchaser in writing for inclusion in the Pure Circular) and provides the Unitholders with sufficient information to permit them to form a reasoned judgment concerning the matters to be placed before the Pure Meeting. Without limiting the generality of the foregoing, but subject to Section 5.3, the Pure Circular must include: (i) a copy of each of the Fairness Opinions; (ii) a statement that the Board has, after receiving legal and financial advice, determined that the Arrangement is fair to and in the best interests of the Unitholders and the Debentureholders and recommends that Unitholders vote in favour of the Arrangement Resolution (the "**Board Recommendation**"); and (iii) a statement that the signatories to the Directors' and Officers' Support Agreements have agreed to support the Transactions pursuant to the terms thereof.

- (3) Pure LP will allow the Purchaser and its legal counsel a reasonable opportunity to review and comment on drafts of the Pure Circular and other related documents, and will give reasonable consideration to any comments made by the Purchaser and its legal counsel, and agrees that all information relating primarily to the Purchaser, the Sponsors, the Sponsor Financing and the Guarantor included in the Pure Circular must be in form and content satisfactory to the Purchaser, acting reasonably.
- (4) The Purchaser will provide to Pure LP in writing all necessary information concerning the Purchaser, the Sponsors, the Sponsor Financing and the Guarantor that is required by Law to be included by Pure LP in the Pure Circular or other related documents, and will ensure that such information does not contain any Misrepresentation.
- (5) Pure LP and the Purchaser will promptly notify each other if either of them becomes aware that the Pure Circular contains a Misrepresentation or otherwise requires an amendment or supplement. The Parties will cooperate in the preparation of any such amendment or supplement as required or appropriate and Pure LP will promptly prepare, send, file or otherwise publicly disseminate any such amendment or supplement to those Persons to whom the Pure Circular was sent pursuant to Section 2.4(1) and, if required by the Court or by Law, file the same with the Securities Authorities or any other Governmental Entity as required.

Section 2.5 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Pure Meeting as provided for in the Interim Order, Pure GP will, as soon as reasonably practicable (but in any event within five Business Days) thereafter, take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 291 of the BCBCA.

Section 2.6 Court Proceedings

In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, Pure LP will diligently pursue, and cooperate with the Purchaser in diligently pursuing, the Interim Order and the Final Order and Pure LP will provide the Purchaser and its legal counsel with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement (including by providing, on a timely basis and prior to the service and filing of such material, a description of any information required to be supplied by the Purchaser for inclusion in such material) and Pure LP will accept the reasonable comments of the Purchaser and its legal counsel on such material. Pure LP will ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. In addition, Pure LP will not object to legal counsel to the Purchaser making such submissions in support of the application for the Interim Order and the application for the Final Order; provided however, that the Purchaser advises Pure LP of the nature of any such submissions prior to the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement. Pure LP will also provide legal counsel to the Purchaser on a timely basis with copies of any notice, evidence or other documents served on Pure LP or its legal counsel in respect of the application for the Final Order or any appeal

therefrom, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or the Final Order. Subject to Law, no Party will file any material with, or make any submissions to, the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated hereby or with the other Parties' prior written consent, not to be unreasonably withheld, delayed or conditioned; provided however, that nothing herein will require the Purchaser to agree or consent to any increased purchase price or other consideration or other modification or amendment to such filed or served materials that materially expands or increases the Purchaser's obligations, or materially diminishes or limits the Purchaser's rights in respect of the Transactions, set forth in any such filed or served materials or under this Agreement. If at any time after the issuance of the Final Order and prior to the Effective Date, Pure LP is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it will, whenever reasonably practicable, do so after written notice to the Purchaser.

Section 2.7 Arrangement and Effective Date

- (1) The Arrangement shall become effective on the date upon which the Parties agree in writing as the Effective Date, or in the absence of such agreement, five Business Days after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in Article 6 (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date) and receipt of written confirmation from the Depositary that it has received the funds referred to in Section 2.8.
- (2) The closing of the Arrangement will take place at the offices of Farris in Vancouver, British Columbia, or at such other location as may be agreed upon by the Parties ("**Closing**"). The date on which the Closing occurs is referred to herein as the "**Closing Date**".

Section 2.8 Payment of Consideration

The Purchaser will, following receipt of the Final Order and prior to the Effective Time, (i) provide or cause to be provided to the Depositary sufficient cash (to be held in escrow until the Effective Time (the terms and conditions of such escrow to be satisfactory to the Parties, acting reasonably)) to satisfy the aggregate Consideration payable to the Unitholders and the aggregate Debenture Consideration payable to the Debentureholders, and (ii) provide or cause to be provided to Pure LP directly sufficient cash (to be held in escrow until the Effective Time (the terms and conditions of such escrow to be satisfactory to the Parties, acting reasonably)) to allow Pure LP to satisfy the aggregate amount payable to the holders of Pure Deferred Units, Pure RUs and Pure Performance Units, all as provided for in the Plan of Arrangement.

Section 2.9 Withholding Taxes

The Purchaser, Pure LP, any Subsidiary of Pure LP, US REIT and the Depositary (each a "**Withholding Agent**"), as applicable, will be entitled to deduct and withhold from any consideration otherwise payable or otherwise deliverable to any Pure Securityholder under the Plan of Arrangement or this Agreement such amounts as the Purchaser, Pure LP, such Subsidiary

of Pure LP, US REIT or the Depositary, as applicable, determines, acting reasonably, are required to be deducted or withheld from such amount otherwise payable or otherwise deliverable under the Tax Act, the Code or any provision of any Law in respect of Taxes; provided, however, that no Withholding Agent shall be permitted to make any such deduction or withholding of Taxes under Sections 1445 or 1446 of the Code unless the Purchaser notifies Pure LP in writing of its determination to withhold or deduct any such Taxes and the reasons therefor at least 10 Business Days prior to the Pure Meeting, in which event the Parties agree to use commercially reasonable efforts to reduce or eliminate such proposed withholding, including but not limited to providing and accepting any certifications or representations that are reasonably available or appropriate to reduce or eliminate the requirement to deduct and withhold any such Tax. Pure LP agrees to promptly provide any information reasonably requested by the Purchaser to determine whether any deduction or withholding of Tax is required with respect to the transactions contemplated by this Agreement and the Plan of Arrangement, and Purchaser agrees to promptly and reasonably respond to any request by Pure LP to reduce or eliminate any proposed Tax withholding.

Section 2.10 Unitholder Rights Plan

Pure LP and the Board will take all action necessary to waive application of the Unitholder Rights Plan to the Arrangement and to ensure that the Unitholder Rights Plan does not interfere with or impede the success of the Arrangement.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of Pure LP and Pure GP

- (1) Except as set forth in the corresponding sections or subsections of the disclosure letter delivered to the Purchaser by Pure LP in connection with the entering into of this Agreement (the “**Pure Disclosure Letter**”) (it being agreed that disclosure of any item in any section or subsection of the Pure Disclosure Letter will be deemed disclosure with respect to any other section or subsection to which the relevance of such item is readily apparent on its face), Pure LP hereby represents and warrants to the Purchaser as set forth in Schedule C and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with entering into this Agreement.
- (2) Pure GP hereby represents and warrants to the Purchaser that Pure GP has all requisite power to execute, deliver and perform its obligations under this Agreement and to consummate the Transactions. This Agreement has been duly executed and delivered by Pure GP and constitutes a valid and binding agreement of Pure GP enforceable against Pure GP in accordance with its terms, subject to the Bankruptcy and Equity Exception.
- (3) The Purchaser acknowledges that, except as may be expressly set forth in this Agreement, including Schedule C, neither Pure LP, Pure GP nor any of their Subsidiaries nor any of their respective officers, directors, employees or representatives make or have made any representation or warranty, express or implied, at law or in equity, in respect of Pure LP or its Subsidiaries or their businesses, their past, current or future financial condition, their properties, assets, liabilities or operations, their past, current or future profitability or

performance, or any other matter, individually or in the aggregate. Any such other representations or warranties are hereby expressly disclaimed. Except for the representations and warranties contained in this Agreement including Schedule C, the Purchaser expressly disclaims reliance on any representation or warranty, any statement or information made, communicated or furnished (orally or in writing) to the Purchaser or its representatives. Pure LP and Pure GP make no representations or warranties to the Purchaser, and the Purchaser confirms that they have not relied on any projection or forecast, regarding future results or activities or the probable success or profitability of the business of Pure LP and its Subsidiaries.

- (4) The representations and warranties of Pure LP and Pure GP contained in this Agreement will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

Section 3.2 Representations and Warranties of the Purchaser

- (1) The Purchaser hereby represents and warrants to Pure LP and Pure GP as set forth in Schedule D and acknowledge and agree that Pure LP and Pure GP are relying upon such representations and warranties in connection with the entering into of this Agreement.
- (2) Pure LP and Pure GP acknowledge that, except as may be expressly set forth in this Agreement including Schedule D, neither the Purchaser nor any of its officers, directors, employees or representatives makes or has made any representation or warranty, express or implied, at law or in equity, in respect of the Purchaser or its businesses, their past, current or future financial condition, their properties, assets, liabilities or operations, their past, current or future profitability or performance, or any other matter, individually or in the aggregate. Any such other representations or warranties are hereby expressly disclaimed. Except for the representations and warranties contained in this Agreement including Schedule D, Pure LP and Pure GP expressly disclaim reliance on any representation or warranty, any statement or information made, communicated or furnished (orally or in writing) to Pure LP, Pure GP or their respective representatives.
- (3) The representations and warranties of the Purchaser contained in this Agreement will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4 COVENANTS

Section 4.1 Conduct of Business of Pure LP

- (1) Pure LP covenants and agrees as to itself and its Subsidiaries that, during the period from the date hereof until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the express prior written consent of the Purchaser (which consent will not be unreasonably withheld, delayed or conditioned); (ii) as expressly required or permitted by this Agreement; or (iii) as required

by Law or the rules or requirements of the TSX, Pure LP will, and will cause each of its Subsidiaries to: (A) conduct its business in the Ordinary Course, in a proper and prudent manner and in accordance with good industry practice and Laws, (B) use its commercially reasonable efforts to maintain and preserve its business organization, assets (including, for greater certainty, the Pure Assets), properties, employees, goodwill and business relationships with customers, suppliers, creditors, lessors, lessees, distributors, licensors, partners, business associates, Governmental Entities and other Persons with which Pure LP or any of its Subsidiaries has business relations and (C) perform and comply with all of its obligations under the Material Contracts.

(2) Without limiting the generality of Section 4.1(1), Pure LP covenants and agrees that, during the period from the date hereof until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, that except in the situations or circumstances contemplated by Section 4.1(1)(i)-(iii), Pure LP will not, and will not permit any of its Subsidiaries to, directly or indirectly:

- (a) amend or modify any of its Organizational Documents;
- (b) reclassify, split, combine, subdivide or redeem, purchase or otherwise acquire (including under the NCIB), or offer to redeem, repurchase or otherwise acquire (including under the NCIB), directly or indirectly, any of its voting or equity securities or securities convertible or exchangeable into or exercisable for any of its voting or equity securities, other than: (i) from holders of any Pure Deferred Units, Pure RUs and Pure Performance Units in full or partial payment of any payout amount or redemption value, as applicable, and any applicable Taxes payable by such holder upon the payout or redemption of or the lapse of any restrictions on, as applicable, such Pure Deferred Units, Pure RUs and Pure Performance Units outstanding, all in accordance with the terms of the Pure Deferred Unit Plan and the Pure RU Plan, as of the date hereof, (ii) the conversion of the Pure Debentures where such conversion is requested by a holder of Pure Debentures in accordance with the Pure Debenture Indenture, (iii) the re-designation of Class B Units into Class A Units in accordance with the Pure LPA and the Plan of Arrangement, and (iv) in accordance with Section 4.12;
- (c) issue, grant, deliver, sell, pledge or otherwise dispose or encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of any voting or equity securities of Pure LP or any of its Subsidiaries (other than (A) the issuance of securities by a Subsidiary of Pure LP to Pure LP or another Subsidiary of Pure LP, (B) the issuance of Class A Units reserved for issuance on the date hereof pursuant to (i) the vesting, distribution or payout of any Pure Deferred Units, Pure RUs or Pure Performance Units, in each case, outstanding on the date hereof, in accordance with the terms of the Pure Deferred Unit Plan or the Pure RU Plan, as applicable, as of the date hereof, (ii) the conversion of the outstanding Pure Debentures requested by a holder of Pure Debentures in accordance with the terms of the Pure Debenture Indenture, or (iii) the re-designation of Class B Units into Class A Units in accordance with the Pure LPA and the Plan of Arrangement), or securities convertible or exchangeable into or exercisable for any such voting or equity

securities, or any options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, stock appreciation, phantom stock, profit participation or other rights of any kind to acquire any voting or equity securities or such convertible or exchangeable securities, or (C) the issuance of Pure RUs pursuant to employment Contracts in effect as of the date of this Agreement;

- (d) declare, set aside, pay or make any dividends or other distributions (whether in cash, stock, property or otherwise) on or in respect of any of its capital stock or units, other than: (i) dividends or distributions by a direct or indirect Subsidiary of Pure LP to Pure LP or to another direct or indirect Subsidiary of Pure LP, (ii) regular monthly distributions to Unitholders made in conformity and consistency in all respects with Pure LP's monthly distribution policies in effect as at July 14, 2019, including declaration, record and payment dates for determination of Unitholders entitled to such distributions, but not to exceed \$0.03125 per Class A Unit per month and \$0.403 per Class B Unit per month, (iii) distributions on the Series B preferred stock issued by US REIT in accordance with the terms of such preferred stock, or (iv) distributions accrued on outstanding Pure Deferred Units and Pure RUs pursuant to the Pure Deferred Unit Plan and Pure RU Plan, respectively (each of (i), (ii), (iii) and (iv) being a "**Permitted Distribution**");
- (e) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, any assets, securities, properties, interests or businesses, other than inventory and other items acquired in the Ordinary Course, except as set out in Section 4.1(2)(e) of the Pure Disclosure Letter;
- (f) merge or consolidate Pure LP or any of its Subsidiaries with any other Person, or restructure, reorganize, liquidate or completely or partially liquidate or otherwise enter into any agreements or arrangements imposing material changes or restrictions on its assets, operations or businesses;
- (g) reduce the stated capital of the Units or any equity interests of its Subsidiaries, other than in the Ordinary Course;
- (h) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of Pure LP or any of its Subsidiaries;
- (i) transfer, sell, lease, license, mortgage, pledge, surrender, encumber, divest, cancel, abandon or allow to lapse or expire, or otherwise dispose of assets, licenses, operations, rights, product lines, businesses, real property, Intellectual Property rights or interests in any of the foregoing of Pure LP or its Subsidiaries having a fair market value greater than \$500,000 in the aggregate, except in connection with services provided in the Ordinary Course or as set out in Section 4.1(2)(i) of the Pure Disclosure Letter;
- (j) except for (i) Ordinary Course expenditures that are not capital expenditures and (ii) expenditures contemplated in Pure LP's 2019 capital expenditure budget or any

emergency capital expenditures required to preserve the value of the Pure Assets, make or authorize any capital expenditure with an aggregate value in excess of \$500,000 (net of any amount reasonably expected by Pure LP to be covered by insurance or indemnification);

- (k) except with respect to an election under Section 163(j)(7)(B) of the Code, make any material Tax election, information schedule, return or designation where the taking of such action is inconsistent with past practice, settle or compromise any material Tax claim, assessment, reassessment or liability, file any amended Tax Return, enter into any material agreement with a Governmental Entity with respect to Taxes, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter or materially amend or change any of its methods for reporting income, deductions or accounting for income Tax purposes, except as may be required by Law and except in each case, if Pure LP reasonably determines, after prior consultation with the Purchaser, that such action is necessary to preserve the status of US REIT as a Real Estate Investment Trust;
- (l) take any action, or fail to take any action, if such action, or failure to take such action, respectively, would reasonably be expected to (i) materially adversely impact the status of US REIT as a Real Estate Investment Trust or the status of Pure LP as a partnership that satisfies the gross income requirement of Section 7704(c)(2) of the Code or (ii) except as required to maintain the status of US REIT as a Real Estate Investment Trust, result in any stock of US REIT that is held by Pure LP being transferred to a charitable trust pursuant to Article V of the corporate charter of US REIT;
- (m) make, in one transaction or in a series of related transactions, any loans, guarantees, advances or capital contributions to, or investments in, any other Person, other than Pure LP or any Subsidiary of Pure LP;
- (n) create, incur, assume, guarantee or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof, other than: (i) unsecured indebtedness for borrowed money in an amount not exceeding \$500,000 in the aggregate; (ii) indebtedness owing by one Subsidiary of Pure LP to Pure LP or to another Subsidiary of Pure LP or of Pure LP to a Subsidiary of Pure LP; (iii) indebtedness entered into in the Ordinary Course; (iv) indebtedness entered into in connection with any emergency capital expenditures made in accordance with Section 4.1(2)(j); or (v) except as set forth in Section 4.1(2)(n) of the Pure Disclosure Letter;
- (o) refinance, replace or prepay any indebtedness before its scheduled maturity other than any redemption of the Pure Debentures as set forth herein;
- (p) create, grant, permit or assume any Lien (other than Permitted Liens) on any Pure Assets, other than in the Ordinary Course;

- (q) except in the Ordinary Course and in compliance with Pure LP's risk management policies in effect on the date hereof and not to exceed \$500,000 of notional debt in the aggregate, enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales Contracts or similar financial instruments;
- (r) make any material change in Pure LP's policies or methods of accounting or adopt or change any annual Tax accounting period, except as required by concurrent changes in IFRS;
- (s) except as required by Law or the terms of any Pure Plan in effect as of the date hereof or as otherwise set forth in Section 4.1(2)(s) of the Pure Disclosure Letter:
 - (i) increase in any manner, or enter into any agreement or arrangement for, the compensation or consulting fees, bonus levels, pension, welfare or other benefits or severance, change of control or termination pay payable to any Pure Employee, Pure Contractor or any director of Pure GP (other than, (x) in the case of a Pure Employee who is not a director or executive officer of Pure GP, increases in annual cash salary or cash wage rate in the Ordinary Course, or (y) the payment of annual cash bonuses for completed periods and prorated cash bonuses for partial periods based on actual performance in the Ordinary Course in accordance with and as contemplated by any existing employment agreement with a Pure Employee),
 - (ii) adopt, establish, or become a party to any new Pure Plan or any amendment, termination or modification of an existing Pure Plan, (iii) accelerate the time of payment, vesting or funding of any compensation or benefits under any Pure Plan (including any plan or arrangement that would be a Pure Plan if it was in effect on the date hereof) or materially change any actuarial or other assumptions used to calculate funding obligations with respect to any Pure Plan that is required by Law to be funded or change the manner in which contributions to such plans are made or the basis on which such contributions are determined, except as may be required by IFRS, or (iv) hire or terminate (other than for "cause") any Pure Employee or Pure Contractor with an annual base salary or wage or consulting fees (excluding, for the avoidance of doubt, any variable compensation) in excess of \$200,000, excluding any Person who has executed an employment agreement prior to the date hereof and who may commence employment after the date hereof;
- (t) become a party to, establish, adopt, amend, modify, commence participation in or terminate any union recognition agreement, collective bargaining agreement or other agreement with a labour union, works council or similar organization or body;
- (u) subject to Section 4.7, commence, waive, release, assign, settle or compromise any Action in excess of an amount of \$500,000 in the aggregate or which would reasonably be expected to have a Material Adverse Effect;
- (v) except in the Ordinary Course, amend, modify or terminate in any material respect any Material Contract, or cancel, modify or waive any material debts or claims held by it or waive any material rights;

- (w) (i) enter into any Contract that (A) would have been a Material Contract had it been entered into prior to this Agreement or (B) contains a change of control provision in favor of the other party or parties thereto or would otherwise require a payment or give use to any rights to such other party or parties in connection with the Transactions or (ii) amend, modify, renew, assign, terminate or waive any material right under any Material Contract, other than any termination or renewal in accordance with the terms of any existing Material Contract that occurs automatically without any action (other than notice of renewal) by Pure LP or any of its Subsidiaries;
- (x) except as contemplated in Section 4.6(3), amend, modify, reduce the amount of, terminate, cancel or let lapse any material insurance (or re-insurance) policy of Pure LP or any of its Subsidiaries in effect on the date hereof, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;
- (y) abandon or fail to diligently pursue any application for any material Governmental Permit, licenses, leases, permits or registrations or take any action, or fail to take any action, that would reasonably be expected to result in the termination of any material Governmental Permit, licenses, leases, permits or registrations or amend, modify or terminate (or authorize any Person to amend, modify or terminate) any material Governmental Permit, licenses, lease, permits or registrations;
- (z) enter into any agreement or arrangement that limits or otherwise restricts Pure LP or any Affiliate or successor thereto from engaging or competing in any line of business which it is currently engaged or currently contemplated to be engaged or in any geographic area;
- (aa) enter into any new line of business material to Pure LP and its Subsidiaries, taken as a whole;
- (bb) pay, discharge, settle or compromise any pending or threatened Action or claim (whether or not commenced prior to the date of this Agreement), which (i) involves payment to or by Pure LP or any of its Subsidiaries (exclusive of attorney's fees) in excess of \$500,000 in any single instance or in excess of \$2,500,000 in the aggregate, (ii) imposes material restrictions on the operations of Pure LP or its Subsidiaries, (iii) is by equityholders of Pure LP or any other Person and relates to the Transactions, (iv) after the Effective Date will require Pure LP or its Subsidiaries to satisfy any obligation or (v) imposes any equitable or injunctive relief;
- (cc) implement any employee layoffs that could implicate the WARN Act;

- (dd) take any action, or fail to take any action, if such action, or failure to take such action, respectively, would reasonably be expected to result in Pure LP being a “SIFT Partnership” (as defined in subsection 197(1) of the Tax Act); or
 - (ee) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.
- (3) Subject to Law, Pure LP will keep the Purchaser informed in reasonable detail as to its material decisions not in the Ordinary Course.

Section 4.2 Performance of Obligations

- (1) The Parties will cooperate with each other and use their respective commercially reasonable efforts to take or cause to be taken all actions and do or cause to be done all things reasonably necessary, proper or advisable on their part under this Agreement and Law to consummate and make effective the Transactions as soon as practicable. Without limiting the foregoing, the Parties agree to cooperate with respect to the filing of the notification under the Investment Canada Act as soon as reasonably practicable, but in any event before July 31, 2019. Pure LP will use its commercially reasonable efforts to cause each of the individuals listed in Section 1.1(a) of the Pure Disclosure Letter to execute and deliver a Directors’ and Officers’ Support Agreement substantially in the form attached hereto as Schedule E.
- (2) The Parties will (a) cooperate with and keep one another reasonably informed as to the status of and the processes and proceedings relating to obtaining any consents or approvals to the extent required by a Governmental Entity (a “**Required Regulatory Approval**”) and will as promptly as practicable under the circumstances notify each other of any communication from any Governmental Entity in respect of the Arrangement or this Agreement and (b) respond, as promptly as practicable under the circumstances, to any requests for information from a Governmental Entity in connection with obtaining a Required Regulatory Approval. Each Party will consult with the other Parties as to all matters pertaining to obtaining a Required Regulatory Approval, and each Party shall afford to the other Parties an opportunity to participate with the other Parties in all telephone calls, conferences and meetings with any Governmental Entity pertaining to obtaining a Required Regulatory Approval. Despite the foregoing, submissions, filings or other written communications with any Governmental Entity may be redacted as necessary before sharing with the other Party to address reasonable attorney-client or other privilege or confidentiality concerns, provided however, that a Party must provide external legal counsel to the other Party non-redacted versions of drafts and final submissions, filings or other written communications with any Governmental Entity on the basis that the redacted information will not be shared with its clients.
- (3) The Parties will cooperate with one another in connection with obtaining the Required Regulatory Approvals, including providing or submitting on a timely basis, and as promptly as possible, all documentation and information that is required in connection with obtaining the Required Regulatory Approvals and use their commercially reasonable efforts to ensure that such information does not contain a Misrepresentation; provided

however, that nothing in this provision will require a Party to provide information that is not in its possession or not otherwise reasonably available to it. For greater certainty, each Party hereby agrees that from the date hereof until the earlier of: (a) the Effective Time; and (b) this Agreement having been terminated in accordance with its terms, it will use its commercially reasonable efforts to obtain the Required Regulatory Approvals as soon as reasonably practicable.

- (4) Subject to the terms of this Agreement, the Parties will perform, and will cause their Subsidiaries to perform, all obligations required to be performed by each of them and their respective Subsidiaries under this Agreement, cooperate with each other in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transactions contemplated hereby and, without limiting the generality of the foregoing, Pure LP will and, where appropriate, will cause its Subsidiaries to:
- (a) promptly advise the Purchaser in writing of any event, change or development that has resulted in, or that to Pure's Knowledge, would have a Material Adverse Effect;
 - (b) promptly notify the Purchaser of (i) any written notice or other communication that, to Pure's Knowledge, has been received by it from any third party, subsequent to the date hereof and prior to the Effective Time, alleging any material breach of or default under (x) any Material Contract to which Pure LP or any of its Subsidiaries is a party or (y) any other Contract to which Pure LP or any of its Subsidiaries is a party, (ii) any written notice or other communication that, to Pure's Knowledge, has been received by Pure LP or any of its Subsidiaries from any third party, subsequent to the date hereof and prior to the Effective Time, alleging that the consent or waiver of such third party is or may be required in connection with the Transactions or (iii) any written notice or other communication that, to Pure's Knowledge, has been received by Pure or any of its Subsidiaries from a Governmental Entity in connection with this Agreement (and will contemporaneously provide a copy of any such written notice or other communication to the Purchaser);
 - (c) use commercially reasonable efforts to assist in effecting the resignations of Pure GP's directors and cause them to be replaced immediately following the Closing by persons nominated by the Purchaser;
 - (d) at the request of the Purchaser, acting reasonably, use commercially reasonable efforts to obtain all other third person consents, waivers, licenses, exemptions, orders, approvals, agreements, amendments and modifications to the Material Contracts that are necessary to permit consummation of the Transactions;
 - (e) give effect to the waiver, if required, of the application of the Unitholder Rights Plan to the Transactions and ensure that the Unitholder Rights Plan does not interfere with or impede the success of any of the Transactions; and

- (f) (A) not waive the application of the Unitholder Rights Plan to any Acquisition Proposal unless it is a Superior Proposal and the Matching Period has expired, and (B) not amend the Unitholder Rights Plan (except as may be necessary to comply with its obligations hereunder) nor authorize, approve or adopt any other unitholder rights plan or enter into any agreement providing therefor.

Section 4.3 Access to Information; Confidentiality

- (1) Subject to Law, upon reasonable notice, throughout the period prior to the Effective Time Pure LP will (and will cause its Subsidiaries to): (a) afford the Purchaser's officers and other authorized Representatives reasonable access, to its premises, properties, assets, senior management, books, Contracts and records; (b) furnish promptly to the Purchaser all information concerning its financial and operating data, business, properties and personnel as may reasonably be requested (including, for the avoidance of doubt, continuing access to the Data Room); and (c) provide reasonable cooperation to the Purchaser's officers and other authorized Representatives with respect to day one readiness integration planning (such as payroll, regulatory compliance and financial reporting requirements); provided in each case that: (i) the Purchaser provides Pure LP with reasonable notice of any request under this Section 4.3(1); (ii) access to any materials contemplated in this Section 4.3(1) will be provided during Pure LP's normal business hours only; and (iii) Pure LP's compliance with any request under this Section 4.3(1) will not unduly interfere with the conduct of Pure LP's business, or any obligation of confidentiality owed by Pure LP to a third party. Without limiting the generality of the foregoing, the Parties will reasonably cooperate and consult, acting in good faith, with respect to the Purchaser's ability or any of its authorized Representatives' to access Pure LP's properties.
- (2) The Parties acknowledge that the Confidentiality Agreement continues to apply and that any requests for information and any information provided pursuant to Section 4.3(1) will be subject to the terms of the Confidentiality Agreement.

Section 4.4 Stock Exchange Delisting

Prior to the Effective Time, Pure LP will cooperate with the Purchaser and use commercially reasonable efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under Law and rules and policies of the TSX and OTCQX to enable the delisting by Pure LP of the Class A Units from the TSX and OTCQX and, if applicable, the delisting by Pure LP of the Pure Debentures from the TSX, promptly after the Effective Time.

Section 4.5 Public and Employee Communications

The Parties, each acting reasonably, will agree on a communication plan in connection with (a) the execution of this Agreement and/or (b) the completion of the Transactions. Except as required by Law, a Party must not issue any press release or make any other public statement or disclosure with respect to this Agreement or the Arrangement without the consent of the other Parties (which consent will not be unreasonably withheld or delayed); provided however, that any

Party that, in the opinion of its outside legal counsel, is required to make disclosure by Law will use its commercially reasonable efforts to give the other Parties prior oral or written notice and a reasonable opportunity to review and comment on the disclosure. The Party making such disclosure will give reasonable consideration to any comments made by the other Parties or their counsel, and if such prior notice is not possible, will give such notice immediately following the making of such disclosure and will consult with each other in connection with any other external communication with respect to the Transactions; provided further, that, in each case, nothing will restrict a Party from responding to inquiries from investors or financial analysts in compliance with Securities Law requirements; and, provided further, that each Party is expressly permitted to hold a public call with its investment community to discuss the Transactions and related matters.

Section 4.6 Insurance and Indemnification

- (1) From and after the Effective Time, the Purchaser (as successor to Pure LP) agrees that it will indemnify and hold harmless each present and former director and officer (which for the purposes of this Section 4.6, includes all individuals listed under the definition of “Pure’s Knowledge”) of Pure LP and its Subsidiaries and Pure GP (in each case, when acting in such capacity), determined as of the Effective Time (the “**Indemnified Persons**”), against any costs or expenses (including reasonable attorneys’ fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any Action, arising out of matters existing or occurring at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, to the fullest extent permitted by Law (and the Purchaser will also advance expenses as incurred to the fullest extent permitted under Law; provided however, that the Person to whom expenses are advanced provides an undertaking to repay such advances if and when a court of competent jurisdiction ultimately determines in a non-appealable ruling that such Person is not entitled to indemnification).
- (2) Any Indemnified Person wishing to claim indemnification under Section 4.6(1), upon learning of any such Action, will promptly notify the Purchaser thereof, but the failure to so notify will not relieve the Purchaser of any liability it may have to such Indemnified Person except to the extent such failure materially prejudices the indemnifying Party. In the event of any such Action (whether arising before or after the Effective Time), (a) the Purchaser will have the right to assume the defense thereof, and the Purchaser will not be liable to such Indemnified Persons for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Persons in connection with the defense thereof, except that if the Purchaser elects not to assume such defense or counsel for the Indemnified Persons advises in writing that there are conflicts of interest between the Purchaser and the Indemnified Persons, the Indemnified Persons may retain counsel satisfactory to them, and the Purchaser will pay all reasonable documented fees and expenses of such counsel for the Indemnified Persons promptly as statements therefor are received; provided however, that the Purchaser will be obligated pursuant to this Section 4.6(2) to pay for only one firm of counsel for all Indemnified Persons in any jurisdiction unless the use of one counsel for such Indemnified Persons would present such counsel with a conflict of interest; provided further, that the fewest number of counsels necessary to avoid conflicts of interest will be used, (b) the Indemnified Persons will reasonably cooperate in the defense of any such matter and (c) the Purchaser will not be liable for any

settlement effected without their prior written consent (not to be unreasonably withheld, delayed or conditioned); and, provided further, that the Purchaser will not have any obligation hereunder to any Indemnified Person if and when a court of competent jurisdiction will ultimately determine, and such determination will have become final, that the indemnification of such Indemnified Person in the manner contemplated hereby is prohibited by Law.

- (3) Prior to the Effective Time, Pure LP will, and if Pure LP is unable to, the Purchaser, at the Purchaser's sole cost and expense, will cause Pure LP as of the Effective Time to, obtain and fully pay for "tail" insurance policies with a claims period of at least six years from and after the Effective Time from an insurance carrier with the same or better credit rating as Pure LP's current insurance carrier with respect to directors' and officers' liability insurance and fiduciary liability insurance (collectively, "**D&O Insurance**") for Pure LP and its Subsidiaries with benefits and levels of coverage at least as favourable as Pure LP's existing policies with respect to matters existing or occurring at or prior to the Effective Time (including in connection with this Agreement, the Transactions or actions contemplated hereby); provided that in no event shall Pure LP pay, nor shall the Purchaser be required to cause Pure LP to pay, annual premiums in the aggregate of more than an amount equal to 300% of the current annual premiums paid by Pure LP for such insurance (the "**Maximum Amount**") to maintain or procure insurance coverage pursuant hereto; provided further that if the amount of the annual premiums necessary to maintain or procure such insurance coverage exceeds the Maximum Amount, Pure LP shall, or the Purchaser shall cause Pure LP to, procure and maintain for such six year period as much coverage as can be reasonably obtained for the Maximum Amount. If Pure LP and the Purchaser for any reason fail to obtain such "tail" insurance policies as of the Effective Time, Pure LP will, and the Purchaser will cause Pure LP to, continue to maintain in effect for a period of at least six years from and after the Effective Time the D&O Insurance in place as of the date hereof with benefits and levels of coverage at least as favourable as provided in Pure LP's existing policies as of the date hereof, or Pure LP will, and the Purchaser will cause Pure LP to, use commercially reasonable efforts to purchase comparable D&O Insurance for such six year period with benefits and levels of coverage at least as favourable as provided in Pure LP's existing policies as of the date hereof, in each case subject to the limitations set forth in the provisos above in this Section 4.6(3).
- (4) If the Purchaser or any of their respective successors or assigns (a) will consolidate with or merge into any other corporation or entity and will not be the continuing or surviving corporation or entity of such consolidation or merger or (b) will transfer all or substantially all of its properties and assets to any individual, corporation or other entity, then, and in each such case, proper provisions will be made so that the successors and assigns of the Purchaser will assume all of the obligations set forth in this Section 4.6.
- (5) The provisions of this Section 4.6 are intended to be for the benefit of, and will be enforceable by, each of the Indemnified Persons.
- (6) The rights of the Indemnified Person under this Section 4.6 are in addition to any rights such Indemnified Person may have under the Organizational Documents of Pure LP or Pure GP, or under any applicable Contracts or Laws, which rights will be honoured by each

of, and not derogated from any of, the Purchaser. Without limiting the generality of the foregoing, the limits and obligations tied to the rights set out in this Section 4.6 will not limit or otherwise prejudice any rights the Indemnified Person may have under such Organizational Documents, Contracts or Laws.

Section 4.7 Transaction Litigation

The Parties will use their respective commercially reasonable efforts to prevent the entry of (and, if entered, to have vacated, lifted, reversed or overturned) any Restraint that results from any shareholder or unitholder litigation or Law issued by any Governmental Entity against the Parties or any of their respective directors or officers relating to this Agreement or the Transactions; provided however, that in the event that any shareholder or unitholder litigation or Restraint issued by any Governmental Entity related to this Agreement or the Transactions is brought, or, to the knowledge of such party, threatened in writing, against the Parties or any members of the Board of such Party after the date hereof and prior to the Effective Time (“**Transaction Litigation**”) (a) the Party will promptly notify the other Parties of any such Transaction Litigation and will keep the other Parties reasonably informed with respect to the status thereof, (b) the Party will give the other Parties the opportunity to participate in the defense of any Transaction Litigation and (c) the Party will not settle or agree to settle any Transaction Litigation without the other Parties’ prior written consent, such consent not to be unreasonably withheld, delayed or conditioned.

Section 4.8 Notice and Cure Provisions

- (1) Each Party will promptly notify the other Parties of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:
 - (a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date hereof to the Effective Time; or
 - (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.
- (2) The Purchaser may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(1)(d)(i) or Section 7.2(1)(d)(ii)(C) and Pure LP may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(1)(c)(i) unless the Party seeking to terminate this Agreement (the “**Terminating Party**”) has delivered a written notice (“**Termination Notice**”) to the other Party (the “**Breaching Party**”) specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of (a) the Outside Date, and (b) the date that is twenty Business Days following receipt of such Termination Notice by Breaching Party, if such matter has not been cured by such date. If the Terminating Party

delivers a Termination Notice prior to the date of the Pure Meeting, unless the Parties agree otherwise, Pure LP will postpone or adjourn the Pure Meeting to the earlier of (a) five Business Days prior to the Outside Date and (b) the date that is ten Business Days following receipt of such Termination Notice by the Breaching Party.

Section 4.9 Privacy Matters

- (1) For the purposes of this Section 4.9, “**Transferred Information**” means the personal information as defined in Privacy Law (namely, information about an identifiable individual other than their business contact information when used or disclosed for the purpose of contacting such individual in that individual’s capacity as an employee or an official of an organization and for no other purpose) (the “**Personal Information**”) to be disclosed or conveyed to one Party or any of its representatives or agents (a “**Recipient**”) by or on behalf of another Party (a “**Disclosing Party**”) as a result of or in conjunction with the Transactions, and includes all such Personal Information disclosed to the Recipient prior to the execution of this Agreement.
- (2) Each Disclosing Party acknowledges and confirms that the disclosure of Transferred Information is necessary for the purposes of determining if the Parties will proceed with the Transactions, and that the disclosure of Transferred Information relates solely to the carrying on of the business of the Disclosing Party and the completion of the Transactions.
- (3) Each Disclosing Party covenants and agrees to, upon request, use commercially reasonable efforts to advise the Recipient of all documented purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates and all additional documented purposes where the Disclosing Party has notified the individual of such additional purpose, and if and to the extent required by Law or pursuant to any applicable privacy notice or contractual provision, obtained the consent of such individual to such use or disclosure.
- (4) In addition to its other obligations hereunder, Recipient covenants and agrees to: (i) prior to the completion of the Transactions, collect, use and disclose the Transferred Information solely for the purpose of reviewing and completing the Transactions, including for the purpose of determining to complete such Transactions; (ii) after the completion of the Transactions, collect, use and disclose the Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates or for the completion of the Transactions, unless (A) the Disclosing Party or Recipient have first notified such individual of such additional purpose, and where required by Law or pursuant to any applicable privacy notice or contractual provision, obtained the consent of such individual to such additional purpose, or (B) such use or disclosure is permitted or authorized by Law, without notice to, or consent from, such individual; (iii) where required by Law or pursuant to any applicable privacy notice or contractual provision, promptly notify the individuals to whom the Transferred Information relates that the Transactions have taken place and that the Transferred Information has been disclosed to Recipient; (iv) return or destroy the Transferred Information, at the option of the Disclosing Party, should the Transactions not be completed; and (v) notwithstanding any other provision herein, where the disclosure or

transfer of Transferred Information to Recipient requires the consent of, or the provision of notice to, the individual to which such Transferred Information relates, to not require or accept the disclosure or transfer of such Transferred Information until the Disclosing Party has first notified such individual of such disclosure or transfer and the purpose for same, and where required by Law or pursuant to any applicable privacy notice or contractual provision, obtained the individual's consent to same and to only collect, use and disclose such information to the extent necessary to complete the Transactions and as authorized or permitted by Law.

- (5) Recipient will at all times keep strictly confidential all Transferred Information provided to it, and will instruct those employees or advisors responsible for processing such Transferred Information to protect the confidentiality of such information in a manner consistent with the Recipient's obligations hereunder and according to Law and agrees to employ appropriate technology and procedures to prevent accidental loss or corruption of such Transferred Information, unauthorized input or access to the Transferred Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of the Transferred Information. Without limiting the requirements of this Section 4.9(5), Transferred Information will be subject to the obligations set out in the Confidentiality Agreement, and will be considered as Confidential Information (as such term is defined in the Confidentiality Agreement) thereunder.
- (6) Recipient will ensure that access to the Transferred Information will be restricted to those employees or advisors of the respective Recipient who have a bona fide need to access such information in order to complete the Transactions.

Section 4.10 Cooperation Regarding Existing Loans

- (1) Promptly following the Purchaser's request, Pure LP shall deliver to its and its Subsidiaries' lenders under the Existing Loan Documents (and any other Party whose consent is required under the Existing Loan Documents) (the "**Existing Lenders**") a notice prepared by the Purchaser, in form and substance reasonably approved by Pure LP, requesting that such Existing Lender deliver to the Purchaser a written statement or documents (the "**Assumption Documents**") (i) confirming (A) that, other than the Existing Loan Documents, there are no documents or agreements to which Pure LP or any of its Subsidiaries is currently bound in favour of such Existing Lender with respect to the Existing Indebtedness, (B) the amount of the Existing Indebtedness, (C) the date to which interest and principal has been paid, and (D) the amount of any escrows being held by such Existing Lender under the Existing Loan Documents; and (ii) including a consent from each Existing Lender to the consummation of the Arrangement and the other transactions contemplated by this Agreement (including the assumption of the Existing Indebtedness applicable to such Existing Lender), if such consent is required or not deemed given by the terms of the applicable Existing Indebtedness. To the extent that the Existing Loan Documents for any Existing Indebtedness do not require the applicable Existing Lender to consent to the consummation of the Arrangement, Pure LP and each of the applicable Subsidiaries shall reasonably cooperate with the Purchaser, at Purchaser's expense, in connection with obtaining such consent if such cooperation is requested by Purchaser (and any such written consent shall be an "Assumption Document"). In furtherance of the

foregoing, at the option of the Purchaser, (1) the Purchaser shall have the right to approach any such Existing Lender to obtain such consent (provided that Pure LP is provided a reasonable opportunity to participate in the discussions and the Purchaser shall provide Pure LP with updates on the status of discussions upon Pure LP's reasonable request) and (2) Pure LP shall provide the Purchaser with reasonable access to any Existing Lender to obtain such consent and shall, if required by the Purchaser, provide reasonable cooperation in connection with obtaining such consent; provided that in the event the Purchaser requests Assumption Documents or the consent of an Existing Lender in accordance with this Section 4.10, (x) the consummation of the Arrangement shall not be conditioned on, or delayed or postponed as a result of the receipt of (or failure to receive) such Assumption Documents including any consent from all or any portion of the Existing Lenders and (y) the Assumption Documents will be effective as of or immediately prior to and conditioned on the occurrence of the Closing.

- (2) The Purchaser shall pay all fees, costs and expenses payable in connection with the Assumption Documents, including premiums for any endorsements to or re-date of the title insurance policy previously issued to the Existing Lenders, any new or updated title policy for any of Pure LP or its Subsidiaries, new surveys, new environmental reports, building inspection reports, servicing fees, rating agency fees, assignment and assumption fees, prepayment premiums, late fees, default interest, defeasance payments and costs, attorneys' fees and disbursements and processing fees required to be paid to the Existing Lenders as a condition to issuance of the Assumption Documents including obtaining any Existing Lender consent (collectively, the "**Assumption Expenses**"). Neither Pure LP nor its Subsidiaries shall be obligated or required to advance any Assumption Expenses; but if applicable, the Purchaser shall, promptly upon request by Pure LP, reimburse Pure LP for any reasonable out-of-pocket Assumption Expenses incurred by Pure LP or any of its Subsidiaries in connection with such cooperation under this Section 4.10.

Section 4.11 Permitted Post-Acquisition Disposition and Other Matters

The Purchaser agrees and covenants that, following the Closing Date, (i) neither US REIT nor any Subsidiary of US REIT will dispose of any Pure Asset that constitutes a "United States real property interest" ("**USRPI**") within the meaning of Section 897(c) of the Code in a manner that results in recognition of any gain for U.S. federal income tax purposes, and US REIT will not adopt or implement a plan of liquidation (including by any entity classification election), that is effective for U.S. federal income tax purposes earlier than at least one day after the close of the calendar year in which the Closing occurs, (ii) the US REIT shall not designate any distribution made prior to the Closing Date as a "capital gain dividend," as defined in Section 857(b)(3)(B) of the Code, and (iii) it will cause US REIT to hold and operate its direct and indirect real property assets as investment rental properties so that the indirect acquisition of US REIT by Purchaser pursuant to the Arrangement will be exempt under 16 C.F.R. sections 802.2(d) and 802.4 from the reporting requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976. The obligations of the Purchaser under this Section 4.11 shall survive the Effective Time and Closing.

Section 4.12 Pure Debentures

Notwithstanding Article 2, if the Court requires that a vote of Debentureholders be obtained to approve the Arrangement, the Pure Debentures will not be arranged pursuant to the Plan of Arrangement. Instead, Pure LP shall redeem all of the Pure Debentures in accordance with Article 4 of the Pure Debenture Indenture, provided however, for the avoidance of doubt, the Debentureholders shall remain entitled to covert the Pure Debentures into Class A Units in accordance with the Pure Debenture Indenture. The Closing shall not occur until after such redemption is complete in accordance with Article 4 of the Pure Debenture Indenture; thereafter the acquisition of the Units of Pure LP set forth herein shall proceed in accordance with the terms of this Agreement and the Plan of Arrangement.

Section 4.13 Pure Plans

Effective no later than the day immediately preceding the Closing Date, Pure LP shall terminate, or shall cause its Subsidiaries to terminate, any Pure Plans (other than any employment, consulting, retirement, severance, termination or change in control agreements) that the Purchaser has reasonably requested to be terminated by written notice to Pure LP at least 15 days prior to the Closing Date. No later than the day immediately preceding the Closing Date, Pure LP shall provide the Purchaser with evidence that such Pure Plans have been terminated and that Pure LP has satisfied its obligations under each such Pure Plan in connection with such termination.

Section 4.14 Sponsor Financing

- (1) The Purchaser shall, and shall cause its Affiliates to, use reasonable best efforts to take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable to arrange and obtain the proceeds of the Sponsor Financing prior to the Effective Date, including using its reasonable best efforts to: (a) maintain in effect the Sponsor Commitment Letter in accordance with its terms (except for amendments, supplements, modifications, replacements or waivers not prohibited by this Agreement) until the Effective Date, (b) satisfy on a timely basis all conditions to funding in the Sponsor Commitment Letter, (c) consummate the Sponsor Financing contemplated by the Sponsor Commitment Letter prior to the Effective Time, (d) in the event that all conditions to the Sponsor Financing have been satisfied or waived, cause the Sponsors to fund their respective commitments in accordance with the Sponsor Financing required to consummate the Transactions on or prior to the Effective Date, and (e) enforce its rights under the Sponsor Commitment Letter in the event of a breach by any party thereto. The Purchaser shall refrain from taking, directly or indirectly, any action that could reasonably be expected to result in a failure of any of the conditions contained in the Sponsor Commitment Letter or in any definitive agreement related to the Sponsor Financing.
- (2) The Purchaser shall not amend, alter, supplement, modify or replace, or agree to amend, alter, supplement or replace, or permit the amendment, alteration, supplementation, modification or replacement of the Sponsor Commitment Letter or any definitive agreement or documentation referred to in Section 4.14(1), or waive any of its rights thereunder, in each case in any manner that would: (a) reduce (or have the effect of reducing) the aggregate amount of the Sponsor Financing; (b) impose new or additional

conditions or contingencies or otherwise expand, amend, replace, alter or modify any of the conditions or contingencies to the receipt of any portion of the Sponsor Financing in a manner that would (i) reasonably be expected to prevent or materially impair or delay the availability of the Sponsor Financing when required pursuant to Section 2.8, (ii) make the funding of the Sponsor Financing (or satisfaction of the conditions to obtaining the Sponsor Financing) less likely to occur, (iii) adversely impact the ability of the Purchaser to enforce its rights against other parties to the Sponsor Commitment Letter, or (iv) otherwise adversely affect the ability of the Purchaser to consummate the transactions contemplated hereby within the time contemplated by Section 2.7(1); or (c) result in the withdrawal or replacement of any Sponsor; provided that the foregoing shall not prohibit any amendment to, or novation or delegation of, the Sponsor Commitment Letter to add or replace Sponsors, and to provide for the assignment, novation, delegation or reallocation of the Sponsor Financing, in whole or in part, in each case so long as such amendment novation, delegation or reallocation does not result in any of the matters described in clause (a) or (b) of this Section 4.14(2) and complies with the terms of the Sponsor Commitment Letter as at the date hereof or is otherwise on terms that are acceptable to Pure LP, acting reasonably. The Purchaser shall promptly notify Pure LP in writing of: (A) the expiration, breach, repudiation or termination (or anticipated, attempted, threatened or purported repudiation or termination, whether or not valid and whether or not in writing) of the Sponsor Commitment Letter for any reason; (B) receipt of written notice of the refusal of any Sponsor to provide, or of any stated intent by the Sponsors to refuse to provide, the full Sponsor Financing contemplated by the Sponsor Commitment Letter, in each case, notwithstanding the efforts of the Purchaser to satisfy its obligations under Section 4.14(1) or this Section 4.14(2); (C) any notice or other communication received by the Purchaser with respect to any actual or threatened breach, default, termination or repudiation by any party to the Sponsor Commitment Letter; or (D) for any reason, all or any portion of the Sponsor Financing becoming unavailable, or is expected, or would reasonably be expected to, become unavailable, on the terms and conditions contemplated in the Sponsor Commitment Letter. In such event, the Purchaser shall, in consultation with Pure LP, use their reasonable best efforts to promptly arrange for the same or alternative financing (or for additional financing from the original Sponsors) on terms (taken as a whole) not less favorable to the Purchaser to replace the portion of the Sponsor Financing contemplated by such expired, repudiated or terminated commitments or arrangements or for which such Sponsor has refused to provide, which alternative financing would not reasonably be expected to prevent or materially delay the consummation of the Arrangement when required pursuant to Section 2.7(1). The Purchaser shall deliver correct and complete copies of any amendment, replacement, supplement or other modification or waiver of any of Sponsor Commitment Letter or any provision thereof to Pure LP as promptly as practicable following the execution thereof. In the event that any Sponsor Commitment Letter is amended, restated, amended and restated, supplemented, modified, or replaced, the term "Sponsor Commitment Letter" as used herein shall be deemed to include the new or amended commitment letter or arrangements described in this Section 4.14(2) to the extent then in effect, the term "Sponsor Financing" as used herein shall be deemed to include the applicable financing contemplated by any such new or amended commitment letter or arrangement, and the term "Sponsors" as used herein shall be deemed to include

the applicable sources of equity financing contemplated by any such new or amended commitment letter or arrangement.

- (3) The Purchaser acknowledges and agrees that, prior to the Effective Time, except as provided in Section 4.15, none of Pure LP, Pure GP nor any of its Subsidiaries shall have any obligations in respect of any financing that the Purchaser may raise in connection with the Transactions. The Purchaser also acknowledges and agrees that the Purchaser obtaining financing is not a condition to any of its respective obligations hereunder, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser.
- (4) At Pure LP's request, the Purchaser shall keep Pure LP informed in reasonable detail on a current basis of all matters reasonably related to the Sponsor Financing.

Section 4.15 Financing Cooperation

- (1) Prior to the Effective Time, Pure will use its commercially reasonable efforts to, and will cause its Subsidiaries and their respective Representatives to use their commercially reasonable efforts to, provide such cooperation as may be reasonably requested by the Purchaser in connection with the arrangement of any debt financing required by the Purchaser in the event Existing Lenders do not provide any required Assumption Documents and the Purchaser has complied with its obligations under Section 4.10, or other financing or refinancing required by the Purchaser, it being understood that the Purchaser obtaining financing is not a condition to any of its respective obligations hereunder, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser (provided that: (i) such request is made on reasonable notice; (ii) such cooperation does not unreasonably interfere with the ongoing operations of Pure LP and its Subsidiaries, or unreasonably interfere with or hinder or delay the performance by Pure LP or its Subsidiaries of their obligations hereunder; (iii) neither Pure LP nor Pure GP shall be required to provide, nor cause any of their respective Subsidiaries to provide, cooperation that involves any binding commitment by Pure LP, Pure GP or their respective Subsidiaries, unless the commitment is conditional on the completion of the Arrangement and terminates without liability to Pure LP, Pure GP or their respective Subsidiaries, as applicable, upon the termination or completion of this Agreement; and (iv) any actions taken hereunder are in compliance with Section 4.1), including:
 - (a) participating in a reasonable number of due diligence sessions with prospective financing sources;
 - (b) providing customary assistance to the Purchaser in the preparation of materials for rating agency presentations, offering documents and bank information memoranda (including a bank information memorandum that does not include material non-public information and the delivery of customary authorization letters with respect to the bank information memoranda executed by a senior officer of Pure) required in connection with the Purchaser's financing;

- (c) furnishing the Purchaser and its financing sources with financial and other pertinent information regarding Pure and its Subsidiaries reasonably required in writing by the Purchaser at least ten days prior to Closing;
 - (d) using its commercially reasonable efforts to obtain accountants' comfort letters, legal opinions, and other documentation and items relating to such financing reasonably requested in writing by the Purchaser at least ten days prior to the Closing to the extent required under applicable "know your customer" and anti-money laundering rules and regulations; and
 - (e) executing and delivering any customary commitment letters, underwriting or placement agreements, registration statements, credit agreements, indentures, pledge and security documents, other definitive financing documents or other requested certificates or documents reasonably requested by the Purchaser.
- (2) Notwithstanding Section 4.15(1), neither Pure LP nor any of its Subsidiaries shall be required to: (a) pay any commitment, consent, termination fee, prepayment premium, defeasance cost or other similar fee or incur any other liability in connection with the arrangement of the Purchaser's financing prior to the Effective Time, all of which will be timely paid or advanced by Purchaser; (b) take any action or do anything that would: (i) contravene any applicable Law; (ii) contravene any of its or any of its Subsidiaries' agreements that relate to borrowed money or any Material Contract; or (iii) be capable of impairing or preventing the satisfaction of any condition set forth in Article 6; (c) commit to take any action that is not contingent on the consummation of the transactions contemplated herein at the Effective Time; or (d) except as required to comply with applicable Law, disclose any information that in the reasonable judgment of Pure LP would result in the disclosure of any confidential information or violate any obligations of Pure LP or any other Person with respect to confidentiality.
- (3) The Purchaser shall, promptly upon request by Pure LP and from time to time, reimburse Pure LP and its Subsidiaries for pay all reasonable and documented out-of-pocket costs (including reasonable and documented out-of-pocket legal fees) incurred by Pure LP and its Subsidiaries in connection with any of the actions contemplated by this Section 4.15, and shall indemnify and hold harmless Pure LP and its Subsidiaries, and their respective Representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with any of the actions contemplated by this Section 4.15.

Section 4.16 Tax Treatment of the Arrangement

The Parties acknowledge and agree that the purchase by the Purchaser of the Units shall be governed by "Situation 2" of IRS Revenue Ruling 99-6 (i.e., a purchase by the Purchaser of all of the assets of Pure LP, as with respect to Purchaser, and a sale of all of the partnership interests in Pure LP, as with respect to the Unitholders) for U.S. federal and state income Tax purposes. The Parties agree to report the transactions consummated pursuant to this Agreement in accordance with the foregoing and not to take a position inconsistent therewith on any applicable Tax Return or in any Tax proceeding without the prior written consent or direction of the other Parties.

Section 4.17 Tax Representation Letter

Pure GP and US REIT shall deliver to KPMG LLP (or other tax advisor described in Section 6.2(5)) a tax representation letter, dated as of the Closing Date and signed by officers of US REIT and Pure GP, containing customary representations of each of US REIT, Pure LP and Pure GP as shall be reasonably necessary or appropriate to enable KPMG LLP (or other tax advisor described in Section 6.2(5)) to render the REIT Tax Opinion described in Section 6.2(5) and reasonably acceptable to the Purchaser.

ARTICLE 5 ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Go-Shop; Non-Solicitation

- (1) During the period beginning on the date of this Agreement and ending at 11:59:59 p.m. (Vancouver time) on August 11, 2019 (the “**Go-Shop Period**”), Pure and its Representatives will have the right to (i) solicit, initiate, knowingly encourage or otherwise facilitate any inquiry, proposal or offer that constitutes or may reasonably be expected to lead to, an Acquisition Proposal, (ii) enter into or otherwise engage or participate in any discussions or negotiations with any Person, including any Person’s Representatives, regarding any Acquisition Proposal, or (iii) subject to the entry into, and in accordance with, an Acceptable Confidentiality Agreement, furnish any non-public information to any Person and any Person’s Representatives relating to Pure and its Subsidiaries; provided that (A) before any non-public information is provided to any such Person, the Purchaser is promptly provided (to the extent not previously provided) with any such information provided to such Person, and (B) Pure will not pay, agree to pay or cause to be paid or reimburse, agree to reimburse or cause to be reimbursed, the expenses of any Person, or any of such Person’s Representatives or financing sources, in connection with any Acquisition Proposals (or inquiries, proposals or offers that may lead to an Acquisition Proposal).
 - (a) From and after 12:00:01 a.m. (Vancouver time) on August 12, 2019 (the “**No-Shop Period Start Time**”), Pure will and will cause its Subsidiaries and their Representatives to (i) immediately cease and cause to be terminated all actions permitted by Section 5.1(1), including any discussions, solicitations, negotiations or other activities with any Person, including any Person’s Representatives, (other than the Purchaser and the Purchaser’s Representatives) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or to lead to, an Acquisition Proposal and (ii) immediately discontinue access to the Data Room for any such Person.
 - (b) Within 12 hours after the No-Shop Period Start Time, Pure must (i) notify the Purchaser in writing of the identity of each Person with whom Pure entered into an Acceptable Confidentiality Agreement on or prior to the No-Shop Period Start Time or from whom Pure received an Acquisition Proposal prior to the No-Shop Period Start Time, in either case within the six-month period prior to the No-Shop Period Start Time, and (ii) provide the Purchaser with unredacted copies of any

such Acquisition Proposals and proposed agreements related to such Acquisition Proposals received after the start of the Go-Shop Period (or where no such copies are available, a reasonably detailed written description thereof).

- (c) On or prior to 11:59:59 p.m. (Vancouver time) on August 11, 2019, Pure will and will cause its Subsidiaries and their Representatives to promptly request each Person that has heretofore executed a confidentiality agreement in connection with its consideration of an actual or potential Acquisition Proposal to return or destroy (in accordance with the terms of any existing confidentiality agreement) all non-public information heretofore furnished to such Person by or on behalf of Pure or any of its Subsidiaries.
- (2) Except as expressly permitted by this Article 5, from the No-Shop Period Start Time until the Effective Time or, if earlier, the termination of this Agreement in accordance with Article 7, Pure and its Subsidiaries will not, and Pure will not permit its and its Subsidiaries' Representatives to, directly or indirectly:
- (a) solicit, initiate, knowingly encourage or otherwise facilitate (including by way of furnishing any non-public information) any inquiry, proposal or offer that constitutes or may reasonably be expected to lead to, an Acquisition Proposal; or
 - (b) enter into or otherwise engage or participate in any discussions or negotiations with any Person, including any Person's Representatives, (other than the Purchaser and the Purchaser's Representatives) regarding any Acquisition Proposal; provided however, that Pure may ascertain facts from the Person making such Acquisition Proposal for the sole purpose of the Board informing itself about such Acquisition Proposal and the Person that made it.
- (3) Except as expressly permitted by this Article 5 until the Effective Time or, if earlier, the termination of this Agreement in accordance with Article 7, Pure and its Subsidiaries will not, and Pure will not permit its and its Subsidiaries' respective Representatives to, directly or indirectly:
- (a) (i) fail to make, withhold, withdraw, modify or qualify, or publicly propose to withhold, withdraw, modify or qualify, the Board Recommendation in a manner adverse to the Purchaser, (ii) make, or permit any Representative of Pure or any of its Subsidiaries to make, any public statement in connection with the Pure Meeting by or on behalf of the Board that would reasonably be expected to have the same effect, or (iii) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, any Acquisition Proposal, or take any action inconsistent with the Board Recommendation (the actions in this clause (a), an "**Adverse Recommendation Change**"); or
 - (b) approve, endorse, recommend or enter into or publicly propose to approve, endorse, recommend or enter into, any memorandum of understanding, letter of intent, or similar arrangement (other than an Acceptable Confidentiality Agreement) relating to an Acquisition Proposal (an "**Alternative Transaction Agreement**").

- (4) For the avoidance of doubt, Pure publicly taking no position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal will not be considered to be in violation of this Section 5.1.
- (5) Pure represents and warrants that neither it nor any of its Subsidiaries has waived any confidentiality, standstill or similar agreement or restriction in effect as of the date of this Agreement to which it is a party. Pure further covenants and agrees that (i) it and its Subsidiaries shall take all commercially reasonable action necessary to enforce each confidentiality, standstill, non-disclosure, non-solicitation or similar agreement or covenant to which Pure or any Subsidiary is a party, and (ii) it shall not release, and cause its Subsidiaries not to release, any Person from, or waive, amend, suspend or otherwise modify any provision of, or grant permission under or fail to enforce, any standstill, non-disclosure, non-solicitation or similar agreement or covenant to which Pure or any of its Subsidiaries is a party (it being acknowledged by the Purchaser that (A) the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 5.1(5) and (B) Pure will not be required to enforce, and will be permitted to waive, any provision of any confidentiality, standstill, non-disclosure, non-solicitation or similar agreement or covenant to which Pure or any Subsidiary is a party solely to the extent such provision prohibits or purports to prohibit a confidential proposal being made to the Board (or any committee thereof)).

Section 5.2 Responding to an Acquisition Proposal

- (1) Notwithstanding Section 5.1, if at any time following the No-Shop Period Start Time and prior to obtaining the approval of the Arrangement Resolution, Pure receives from a Person a *bona fide* written Acquisition Proposal that was not, directly or indirectly, solicited, initiated, knowingly encouraged or otherwise facilitated in violation of Section 5.1, Pure may, in response to such Acquisition Proposal, (i) furnish information with respect to Pure in response to a request therefor by such Person and (ii) engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, if and only if:
 - (a) prior to the taking of any such action, the Board determines in good faith, after receiving the advice of its Legal Advisors and its Financial Advisors, that such Acquisition Proposal constitutes or could reasonably be expected to lead to a Superior Proposal; and
 - (b) prior to providing any such information, Pure LP enters into a confidentiality agreement with such Person that will include a standstill provision no less onerous or more beneficial to such Person than in the Confidentiality Agreement, and that is otherwise on terms and conditions no less onerous or more beneficial to such Person than those set forth in the Confidentiality Agreement; provided that such confidentiality agreement need not include any provision solely to the extent such provision would prohibit or purport to prohibit a confidential proposal being made to the Board (or any committee thereof) (“**Acceptable Confidentiality Agreement**”); provided that Pure LP sends a copy of such Acceptable

Confidentiality Agreement to the Purchaser promptly following its execution and before any non-public information is provided to any such Person and the Purchaser is promptly provided (to the extent not previously provided) with any such information provided to such Person.

Section 5.3 Alternative Transaction Agreement

- (1) At any time prior to obtaining the approval of the Arrangement Resolution, the Board may, in response to a *bona fide* written Acquisition Proposal that was not directly or indirectly, solicited, initiated, knowingly encouraged or otherwise facilitated in violation of this Article 5, simultaneously (x) enter into an Alternative Transaction Agreement with respect to a Superior Proposal and (y) effect an Adverse Recommendation Change, if and only if:
 - (a) Pure has complied with its obligations under Article 5;
 - (b) the Board determines in good faith, after receiving the advice of its Legal Advisors and its Financial Advisors, that such Acquisition Proposal constitutes a Superior Proposal and it is the intention of the Board to enter into an Alternative Transaction Agreement with respect to a Superior Proposal and simultaneously effect an Adverse Recommendation Change;
 - (c) Pure LP provides the Purchaser with written notice of its intention to take such action (a “**Superior Proposal Notice**”), which notice will include all the information with respect to such Acquisition Proposal that is specified in Section 5.4(1) as well as a copy of such Acquisition Proposal and all material and substantive supporting materials supplied to Pure LP in connection therewith, including any financing documents, subject to, in the case of financing documents, customary confidentiality provisions with respect to fee letters or similar information (it being agreed that neither the delivery of a Superior Proposal Notice nor any public announcement thereof that Pure LP is required to make under Law will constitute an Adverse Recommendation Change unless and until Pure LP will have failed at or prior to the end of the Matching Period (and, upon the occurrence of such failure, such Superior Proposal Notice and such public announcement will constitute an Adverse Recommendation Change) to publicly announce that it (A) is recommending the Transactions and (B) has determined that such other Acquisition Proposal (taking into account (x) any modifications or adjustments made to the Transactions agreed to by the Purchaser in writing and (y) any modifications or adjustments made to such other Acquisition Proposal) is not a Superior Proposal and has publicly rejected such Acquisition Proposal);
 - (d) during the Matching Period, the Board has negotiated in good faith with the Purchaser (to the extent the Purchaser desires to negotiate) regarding any revisions to the terms of the Transactions proposed by the Purchaser in response to such Acquisition Proposal;
 - (e) at the end of the Matching Period, the Board determines in good faith, after receiving the advice of its Legal Advisors and its Financial Advisors (and taking

into account any amendment or modification to the terms of this Agreement or the Transactions that the Purchaser has agreed in writing to make), that (i) such Acquisition Proposal continues to constitute a Superior Proposal and (ii) the failure by the Board to recommend that Pure LP enter into an Alternative Transaction Agreement with respect to such Acquisition Proposal that constitutes a Superior Proposal would be inconsistent with its fiduciary duties; and

- (f) in the case of an Alternative Transaction Agreement, prior to or concurrently with entering into an Alternative Transaction Agreement, Pure LP terminates this Agreement pursuant to Section 7.2(1)(c)(ii) and pays the Termination Fee pursuant to Section 8.2.
- (2) During the Matching Period, the Purchaser will have the opportunity, but not the obligation, to offer to amend the terms of the Arrangement and this Agreement, and Pure LP will cooperate with the Purchaser with respect thereto, including meeting and negotiating in good faith with the Purchaser to enable the Purchaser to make such adjustments to the terms and conditions of this Agreement and the Arrangement as the Purchaser deems appropriate and as would permit the Purchaser to proceed with the Arrangement and any related transactions on such adjusted terms. The Board will review any such offer by the Purchaser to amend the terms of the Arrangement and this Agreement in order to determine, in good faith, after receiving the advice of its Legal Advisors and its Financial Advisors, whether the Purchaser's offer to amend the Arrangement and this Agreement, upon its acceptance, would result in the applicable Acquisition Proposal ceasing to be a Superior Proposal when assessed against the Arrangement as it is proposed to be amended as at the termination of the Matching Period. If the Board so determines that the applicable Acquisition Proposal would cease to be a Superior Proposal when assessed against the Arrangement as it is proposed to be amended as at the termination of the Matching Period, the Purchaser will amend the terms of the Arrangement and the Parties will enter into an amendment to this Agreement reflecting the offer by the Purchaser to amend the terms of the Arrangement and this Agreement, and will take and cause to be taken all such actions as are necessary to give effect to the foregoing.
 - (3) The Board will promptly reaffirm its Board Recommendation by press release after (i) any Acquisition Proposal is publicly announced or made and the Board determines it is not a Superior Proposal, (ii) the Board determines that a proposed amendment to the terms of the Transactions pursuant to Section 5.3(2) would result in an Acquisition Proposal not being a Superior Proposal when assessed against the Arrangement as it is proposed to be amended as at the termination of the Matching Period, and the Purchaser has so amended the terms of the Arrangement in accordance with Section 5.3(2), or (iii) the Purchaser, acting reasonably, requests reaffirmation of such Board Recommendation by the Board. The Purchaser will be given a reasonable opportunity to review and comment on the form and content of any such press release.
 - (4) Each successive amendment or modification to any such Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Unitholders or Debentureholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of this Section 5.3,

will require a new Superior Proposal Notice and the Purchaser will be afforded a new Matching Period.

- (5) Notwithstanding anything to the contrary in Section 2.3, if Pure LP provides a Superior Proposal Notice to the Purchaser on a date that is less than ten Business Days before the Pure Meeting, Pure LP shall be entitled to and shall upon request from the Purchaser, acting reasonably, postpone the Pure Meeting to a date that is not more than fifteen Business Days after the scheduled date of the Pure Meeting, but in any event to a date that is less than five Business Days prior to the Outside Date.

Section 5.4 Notification of Acquisition Proposals; Certain Disclosure; Subsidiaries and Representatives

- (1) In addition to the obligations of Pure under Section 5.2 and Section 5.3, if Pure or any of its Subsidiaries or any of their respective Representatives receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes, or may reasonably be expected to lead to, an Acquisition Proposal, or any request for non-public information relating to Pure or any of its Subsidiaries (other than requests for information in the Ordinary Course consistent with past practice and unrelated to an Acquisition Proposal) or for discussions or negotiations regarding any Acquisition Proposal, Pure will promptly (and in any event within 24 hours) notify the Purchaser orally and in writing of such Acquisition Proposal, inquiry, proposal, offer or request, and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and will provide to the Purchaser copies of any such Acquisition Proposal, inquiry, proposal, offer or request (or where no such copies are available, a reasonably detailed written description thereof). Pure will keep the Purchaser reasonably informed (orally and in writing) on a current basis (and in any event at the Purchaser's request and otherwise no later than 24 hours after the occurrence of any modifications, developments, discussions and negotiations) of the status of any such Acquisition Proposal, inquiry, proposal, offer or request (including the terms and conditions thereof and any modification thereto), and any developments, discussions and negotiations with respect thereto, including furnishing copies of all written documents, correspondence and draft documentation and reasonably detailed written summaries of any material inquiries or discussions. Without limiting the foregoing, Pure will promptly (and in any event within 24 hours) notify the Purchaser orally and in writing if it determines to begin providing information or to engage in discussions or negotiations relating to an Acquisition Proposal pursuant to, and in compliance with, this Article 5. Pure will, subject to applicable restrictions under Law, prior to or concurrent with the time it is provided to any Persons, provide to the Purchaser any non-public information concerning Pure LP or any of its Subsidiaries that Pure provided to any Person in connection with any Acquisition Proposal which was not previously provided to the Purchaser.
- (2) Nothing contained in this Agreement will prevent the Board from: (i) complying with Section 2.17 of National Instrument 62-104 – *Take-over Bids and Issuer Bids* and similar provisions under Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal; or (ii) making any disclosure to Pure Securityholders, if the Board determines in good faith, after receiving the advice of its Legal Advisors, that the

failure to make such disclosure would be a breach of its fiduciary duties, or would violate Securities Laws or any requirements of the TSX.

- (3) Any violation of the restrictions set forth in this Article 5 by Pure's Subsidiaries or Pure's and its Subsidiaries' respective Representatives will be deemed to be a breach of this Article 5 by Pure.

ARTICLE 6 CONDITIONS

Section 6.1 Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied or waived by the Parties on or prior to the Effective Time:

- (1) **Arrangement Resolution.** The Arrangement Resolution will have been approved and adopted by the Unitholders entitled to vote thereon at the Pure Meeting in accordance with the Interim Order.
- (2) **Interim Order and Final Order.** The Interim Order and the Final Order have each been obtained on terms consistent with this Agreement and have not been set aside or modified in a manner unacceptable to the Parties, acting reasonably, on appeal or otherwise.
- (3) **Illegality.** No court or other Governmental Entity of competent jurisdiction will have enacted, issued, promulgated or made any judgment, order, writ, injunction or decree or enforced or entered any Law (whether temporary, preliminary or permanent) (collectively, "**Restraints**") that is then in effect and has the effect of preventing, restraining, enjoining or otherwise prohibiting the consummation of the Transactions.

Section 6.2 Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied or waived by the Purchaser on or prior to the Effective Time:

- (1) **Representations and Warranties.**
 - (a) The representations and warranties of Pure LP set forth in Sections (2)(a) and (2)(b) of Schedule C will be true and correct (without giving effect to any "Material Adverse Effect", "materiality" or similar qualifications contained therein) as of the date hereof and as of the Closing Date as though made on and as of such date and time, except for any failures to be so true and correct that, individually or in the aggregate, are de minimis in nature and amount.
 - (b) The representations and warranties of Pure GP set forth in Section 3.1(2) and Pure LP set forth in Section (1), Section (3), Section (4)(b)(i) and Section (21) of Schedule C will be true and correct (without giving effect to any "Material Adverse Effect", "materiality" or similar qualifications contained therein) in all material

respects as of the date hereof and as of the Closing Date as though made on and as of such date and time.

- (c) The representations and warranties of Pure LP set forth in Schedule C (other than those set forth in Section 6.2(1)(a) and Section 6.2(1)(b) above) will be true and correct (without giving effect to any “Material Adverse Effect”, “materiality” or similar qualifications contained therein) as of the date hereof and as of the Closing Date as though made on and as of such date and time (except to the extent that any of such representations and warranties expressly speaks as of an earlier date, in which case such representation and warranty will be true and correct as of such earlier date), except where the failure of such representations and warranties of Pure LP to be so true and correct, has not had, and would not reasonably be expected to have, a Material Adverse Effect.
- (2) **Performance of Covenants.** Pure LP and Pure GP will have fulfilled or complied in all material respects with each of their respective covenants contained in this Agreement required to be fulfilled or complied with by them on or prior to the Effective Time.
- (3) **Dissent Rights.** Dissent Rights will not have been exercised with respect to more than 10% of the issued and outstanding Units.
- (4) **Material Adverse Effect.** Since the date hereof, there will not have occurred a Material Adverse Effect.
- (5) **REIT Tax Opinion.** The Purchaser shall have received the REIT Tax Opinion. For this purpose, the term “**REIT Tax Opinion**” means a tax opinion that will be rendered by KPMG LLP (or other tax advisor to Pure LP and/or Pure GP reasonably acceptable to the Purchaser), will be dated as of the Closing Date, and will be in substantially the form attached hereto as Schedule F, providing that (subject to customary assumptions and qualifications and the tax representation letter described in Section 4.17), US REIT has been organized and operated in conformity with the requirements for qualification as a Real Estate Investment Trust under the Code for each taxable year beginning on the date of its formation and ending with the last complete taxable year ending on or prior to the Closing Date, and its current organization and method of operation will continue to enable it to meet the requirements for qualification and taxation as a REIT for the taxable year that includes the Closing Date (without regard, however to the distribution requirement described in Section 857(a) of the Code with respect to the taxable year that includes the Closing Date, the Transactions or any other action or inaction taken by US REIT, the Purchaser or their respective Affiliates on or after the Closing Date).

Section 6.3 Additional Conditions Precedent to the Obligations of Pure LP and Pure GP

Pure LP and Pure GP are not required to complete the Arrangement unless each of the following conditions is satisfied or waived by Pure LP and Pure GP on or prior to the Effective Time:

- (1) **Representations and Warranties.** The representations and warranties of the Purchaser set forth in Schedule D will be true and correct in all material respects as of the date hereof

and as of the Closing Date as though made on and as of such date and time (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty will be true and correct as of such earlier date); provided however, that notwithstanding anything herein to the contrary, the condition set forth in this Section 6.3(1) will be deemed to have been satisfied unless the failure of such representations and warranties of the Purchaser to be so true and correct, individually or in the aggregate, would prevent the ability of the Purchaser to consummate the Transactions.

- (2) **Performance of Covenants.** The Purchaser will have complied with Section 2.8 and will have fulfilled or complied with all other covenants in all material respects contained in this Agreement to be fulfilled or complied with by them on or prior to the Effective Time.

Section 6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 will be conclusively deemed to have been satisfied, waived or released at the Effective Time.

ARTICLE 7 TERM AND TERMINATION

Section 7.1 Term

Subject to Section 7.3, this Agreement will be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

Section 7.2 Termination

- (1) This Agreement may be terminated prior to the Effective Time by:
- (a) the mutual written agreement of the Parties; or
 - (b) either Pure LP or the Purchaser, if:
 - (i) the Arrangement Resolution is not approved by the Unitholders entitled to vote thereon at the Pure Meeting in accordance with the Interim Order;
 - (ii) any court or other Governmental Entity of competent jurisdiction shall have issued an order, decree, ruling or taken any other action in each case permanently restraining, enjoining or otherwise prohibiting the Arrangement substantially on the terms contemplated by this Agreement and such order, decree, ruling or other action shall have become final and non-appealable; or
 - (iii) the Effective Time does not occur on or prior to the Outside Date; provided however, that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(b)(iii) if the failure of the Effective Time to so occur was primarily caused by, or is a result of, a breach by such Party of any of its

obligations hereunder, including obligations of the Purchaser under Section 2.8;

- (c) Pure LP if:
 - (i) the Purchaser will have breached any representation or warranty or failed to perform any covenant or other agreement in this Agreement, which breach or failure to perform (A) is incapable of being cured by the Purchaser prior to the Outside Date or otherwise is not cured by the earlier of (x) twenty Business Days following written notice by Pure LP to the Purchaser of such breach and (y) the Outside Date, and (B) would cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied; provided however, that neither Pure LP nor Pure GP is then in breach of this Agreement or has not failed to perform any covenant or other agreement in this Agreement so as to cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied;
 - (ii) prior to the approval of the Arrangement Resolution, in order to enter into an Alternative Transaction Agreement with respect to a Superior Proposal; provided however, that Pure LP and Pure GP have complied with their obligations under Article 5 and Pure LP, prior to or concurrently with termination pursuant to this clause, pays the Termination Fee in accordance with Section 8.2; or
 - (iii) (A) the conditions set forth in Section 6.1 and Section 6.2 (other than conditions that, by their nature, are to be satisfied at the Effective Time) have been satisfied, (B) Pure LP has irrevocably confirmed by written notice to the Purchaser that all conditions set forth in Section 6.3 have been satisfied or that it is willing to waive any unsatisfied conditions in Section 6.3, and (C) the Purchaser does not provide or cause to be provided to the Depositary and Pure LP sufficient funds to complete the Transactions, as required pursuant to Section 2.8, on the earlier of the date that is three Business Days after the delivery of such notice to the Purchaser or the Outside Date;
- (d) the Purchaser, if:
 - (i) either Pure LP or Pure GP will have breached any representation or warranty or failed to perform any covenant or agreement in this Agreement, which breach or failure to perform (A) is incapable of being cured by Pure LP or Pure GP, as the case may be, prior to the Outside Date or otherwise is not cured by the earlier of (x) twenty Business Days following written notice by the Purchaser to Pure LP of such breach and (y) the Outside Date, and (B) would cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied; provided however, that the Purchaser is not then in breach of this Agreement or has not failed to perform any covenant or other agreement in this Agreement so as to cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied;

- (ii) (A) (1) the Board has effected an Adverse Recommendation Change, (2) prior to the approval of the Arrangement Resolution, the Board shall have failed to reaffirm the Board Recommendation within five Business Days after receipt of any written request to do so from the Purchaser following the public announcement of an Acquisition Proposal (unless such Acquisition Proposal is made prior to the expiration of the Go-Shop Period, and Pure LP provides a Superior Proposal Notice to the Purchaser within such timeframe, in which case Pure LP will have until the end of the Matching Period to reaffirm the Board Recommendation), or (3) after the approval of the Arrangement Resolution, the Board shall have failed to confirm publicly its intention to (subject to all of the applicable conditions contained herein) complete the Transactions within five Business Days after receipt of any written request to do so from the Purchaser following the public announcement of an Acquisition Proposal; (B) Pure has breached any of its obligations under Article 5 in any material respect; or (C) Pure has committed a Willful Breach of any of its obligations under Section 2.2, Section 2.3, Section 2.4 or Section 2.5; or
- (iii) there has occurred a Material Adverse Effect since the date of this Agreement.

The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to Section 7.2(1)(a)) will give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Section 7.3 Effect of Termination/Survival

If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, this Agreement will terminate and be of no further force or effect, without liability of any Party (or any shareholder, unitholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party to this Agreement, except that: (a) in the event of termination under Section 7.1 as a result of the Effective Time occurring, Section 4.6(1) will survive for a period of six years thereafter; (b) in the event of termination under Section 7.2, (i) Section 4.7, this Section 7.3 and Section 8.2 through to and including Section 8.16, and (ii) the provisions of the Limited Guarantee (until the Guarantor's obligations thereunder have been fully performed or are otherwise terminated in accordance with its terms) will survive, and (c) neither the termination of this Agreement nor anything contained in this Section 7.3 will relieve any Party from any liability for fraud, criminal acts or Willful Breach.

ARTICLE 8 GENERAL PROVISIONS

Section 8.1 Modifications or Amendments

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Pure Meeting but not later than the Effective Time, be modified or amended by mutual written agreement, executed and delivered by duly authorized officers of the

respective Parties, without further notice to or authorization on the part of the Pure Securityholders, and any such modification or amendment may, subject to the Interim Order, Final Order and Law, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;
- (c) modify any of the covenants contained in this Agreement and modify performance of any of the obligations of the Parties; and/or
- (d) modify any mutual conditions contained in this Agreement.

Section 8.2 Termination Fees

- (1) Despite any other provision in this Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Termination Fee Event occurs, Pure LP shall pay or cause to be paid to the Purchaser the Termination Fee in accordance with Section 8.2(3) in consideration for the disposition of the Purchaser's rights under this Agreement. For the avoidance of doubt, Pure LP shall not be required to pay the Termination Fee more than once.
- (2) For the purposes of this Agreement, "**Termination Fee**" means an amount equal to \$22.5 million and "**Termination Fee Event**" means the termination of this Agreement:
 - (a) by Pure LP, pursuant to Section 7.2(1)(c)(ii);
 - (b) by the Purchaser, pursuant to Section 7.2(1)(d)(ii); or
 - (c) by Pure LP or the Purchaser, as applicable, pursuant to Section 7.2(1)(b)(i), Section 7.2(1)(b)(iii) or Section 7.2(1)(d)(i), if:
 - (i) an Acquisition Proposal has been publicly announced and not withdrawn by any Person (other than the Purchaser or any of its Affiliates); and
 - (ii) within 12 months following the date of such termination, Pure LP shall have entered into any Alternative Transaction Agreement (which is thereafter consummated) or consummated or effected any Acquisition Proposal.

For purposes of the foregoing, the term "Acquisition Proposal" will have the meaning assigned to such term in Section 1.1, except that references to "20% or more" will be deemed to be references to "50% or more".

- (3) If a Termination Fee Event occurs, Pure LP shall pay the Termination Fee to the Purchaser as follows:

- (a) if the Termination Fee is payable pursuant to Section 8.2(2)(a), the Termination Fee shall be payable prior to or concurrently with such termination; provided that if this Agreement is terminated by Pure LP pursuant to Section 7.2(1)(c)(ii) and either (i)(A) such termination occurs prior to the No-Shop Period Start Time and (B) Pure LP has simultaneously entered into an Alternative Transaction Agreement to consummate a Superior Proposal at the time of such termination, or (ii)(A) such termination occurs on the date that is the earlier of (1) 11:59:59 p.m. (Vancouver time) on August 20, 2019 and (2) the date that is one day after the date on which the last Matching Period ends, and (B) Pure LP has simultaneously entered into an Alternative Transaction Agreement with an Excluded Party to consummate a Superior Proposal at the time of such termination, then in the case of each of clause (i) and clause (ii), “Termination Fee” means an amount equal to \$9.5 million;
 - (b) if the Termination Fee is payable pursuant to Section 8.2(2)(b), the Termination Fee shall be payable within five Business Days following such termination; or
 - (c) if the Termination Fee is payable pursuant to Section 8.2(2)(c), the Termination Fee shall be payable concurrently with the consummation of the Acquisition Proposal referred to therein.
- (4) Despite any other provision in this Agreement relating to the payment of fees and expenses, if a Reverse Termination Amount Event occurs, the Purchaser shall pay or cause to be paid to Pure LP, on behalf of and solely as an agent for the benefit of the Unitholders, the Reverse Termination Amount in accordance with Section 8.2(6) in consideration for the disposition of the right of the Unitholders under this Agreement to receive the Consideration, with the Reverse Termination Amount to be paid to Unitholders of record as of the distribution date following receipt of the Reverse Termination Amount. For the avoidance of doubt, the Purchaser shall not be required to pay the Reverse Termination Amount more than once.
- (5) For the purposes of this Agreement, “**Reverse Termination Amount**” means an amount equal to \$50 million and “**Reverse Termination Amount Event**” means the termination of this Agreement by Pure LP pursuant to Section 7.2(1)(c)(i) or pursuant to Section 7.2(1)(c)(iii).
- (6) If a Reverse Termination Amount Event occurs, the Reverse Termination Amount shall be paid within two Business Days following such Reverse Termination Amount Event. Any Reverse Termination Amount shall be paid, or caused to be paid, by the Purchaser to Pure LP by wire transfer in immediately available funds to an account designated by Pure LP.
- (7) The Parties acknowledge that the agreements contained in this Section 8.2 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the other Parties would not enter into this Agreement, and that the amounts set out in this Section 8.2 represent a genuine pre-estimate of the damages, including opportunity costs, which Pure LP or the Purchaser, as applicable, will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and are not penalties. Each Party irrevocably waives any right it may have to raise as a defence that

any such amounts are excessive or punitive. If Pure LP or the Purchaser, as the case may be, fails to timely pay any amount due pursuant to this Section 8.2, it shall also pay any costs and expenses incurred by the other Party in connection with a legal action to enforce this Agreement that results in a judgment against Pure LP for the payment of the Termination Fee or against the Purchaser for the payment of the Reverse Termination Amount, as applicable, together with interest on the amount of any unpaid fee, cost or expense at the prime rate of the Bank of Canada from the date such fee, cost or expense was required to be paid to (but excluding) the payment date.

- (8) In the event that the Reverse Termination Amount is paid to Pure LP in circumstances for which such Reverse Termination Amount is payable, payment of the Reverse Termination Amount shall be the sole and exclusive remedy of Pure LP and its Subsidiaries against the Purchaser or any of its former, current or future general or limited partners, stockholders, financing sources, managers, members, directors, officers or Affiliates (collectively, the “**Purchaser Related Parties**”) for any loss suffered as a result of the failure of the Arrangement or the transactions contemplated hereby to be consummated or for a breach or failure to perform any obligations required to be performed under this Agreement or otherwise relating to or arising out of this Agreement or the Arrangement, and upon payment of such amount none of the Purchaser Related Parties shall have any further liability or obligation relating to or arising out of this Agreement or the Arrangement; provided, however, that the foregoing limitation shall not apply in the event of any liabilities or damages suffered in the case of fraud or Willful Breach by the Purchaser.
- (9) In the event that the Termination Fee is paid to the Purchaser in circumstances for which such Termination Fee is payable, payment of the Termination Fee shall be the sole and exclusive monetary remedy of the Purchaser Related Parties against Pure LP or any of its former, current or future general or limited partners, stockholders, financing sources, agents, managers, members, directors, officers or Affiliates (collectively, the “**Pure Related Parties**”) for any loss suffered as a result of the failure of the Arrangement or the transactions contemplated hereby to be consummated or for a breach or failure to perform all obligations required to be performed under this Agreement or otherwise relating to or arising out of this Agreement or the Arrangement, and upon payment of such amount none of the Pure Related Parties shall have any further liability or obligation relating to or arising out of this Agreement or the Arrangement provided, however, that the foregoing limitation shall not apply in the event of any liabilities or damages suffered in the case of fraud or Willful Breach by Pure LP or Pure GP, as the case may be.

Section 8.3 Expenses

Except as provided in Section 8.2, Section 4.10 and Section 4.15(3) all costs, expenses and fees (including out-of-pocket third party transaction expenses) incurred in connection with this Agreement, the Plan of Arrangement and the Transactions, including all costs, expenses and fees of Pure LP incurred prior to or after the Effective Time in connection with, or incidental to, the Plan of Arrangement, will be paid by the Party incurring such costs, expenses and fees whether or not the Arrangement is consummated.

Section 8.4 Pure Multi-Family Name

The Purchaser acknowledges and agrees that Pure LP or any of its Subsidiaries may, at or prior to the Effective Time, sell, assign and transfer all of Pure LP's or any of its Subsidiaries' respective rights, title and interest in and to all Intellectual Property in and to the name "Pure" for nominal consideration. As soon as practicable after the Effective Time, the Purchaser and any of its subsidiaries shall cause their respective corporate names to be changed to remove the word "Pure" as a constituent element of such corporate names.

Section 8.5 Notices

Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier, facsimile or electronic mail and addressed:

(a) to the Purchaser at:

Portfolio 22 Venture, LLC
c/o Cortland Partners, LLC
3424 Peachtree Road, N.E.
Suite 300
Atlanta, Georgia 30326

Attention: Corey May
Email: [Redacted: personal information]

with a copy (which will not constitute notice) to:

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036

Attention: John Wilson
Spencer Johnson
Tony Rothermel
Email: jdwilson@kslaw.com
csjohnson@kslaw.com
trothermel@kslaw.com

and with a copy (which will not constitute notice) to:

McCarthy Tétrault LLP
66 Wellington Street West
Suite 5300, TD Bank Tower Box 48
Toronto, Ontario M5K 1E6
Canada

Attention: Jonathan See
Email: jsee@mccarthy.ca

(b) to Pure LP and Pure GP at:

Pure Multi-Family REIT LP
Pure Multi-Family REIT (GP) Inc.
Suite 910, 925 West Georgia Street
Vancouver, British Columbia V6C 3L2
Canada

Attention: Robert King, Chair of the Special Committee of the Board
Email: [Redacted: personal information]

Attention: Stephen J. Evans, Chief Executive Officer
Email: [Redacted: personal information]

with a copy (which will not constitute notice) to:

Farris LLP
25th Floor - 700 West Georgia Street
Vancouver, British Columbia V7Y 1B3
Canada

Attention: B.R. (Brian) Canfield
Email: bcanfield@farris.com

and with a copy (which will not constitute notice) to:

Koffman Kalef LLP
19th Floor, 885 West Georgia Street
Vancouver, British Columbia V6C 3H4
Canada

Attention: Vikram Dhir
Email: vxd@kkbl.com

Any communication or notice hereunder may only be sent via email to the applicable address set forth in this Section 8.5, and will be deemed to have been properly delivered on the same Business Day after sending via email. Addresses for communication and notice may be updated from time

to time in writing delivered to the other. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 8.6 Time of the Essence

Time is of the essence in this Agreement.

Section 8.7 Injunctive Relief

Subject to Section 8.2(8) and Section 8.2(9): (1) the Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached; and (2) it is accordingly agreed that the Parties will be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at Law or in equity. Under no circumstance shall the Purchaser be permitted or entitled to receive both a grant of specific performance and any payment of the Termination Fee. Under no circumstance shall Pure LP or Pure GP be permitted or entitled to receive both a grant of specific performance and any payment of the Reverse Termination Amount.

Section 8.8 Third Party Beneficiaries

- (1) Except as provided in Section 4.6(1) and Section 8.15, which, without limiting their terms, are intended as stipulations for the benefit of the third Persons mentioned in such provisions (such third Persons referred to in this Section 8.8 as the “**Third Party Beneficiaries**”), and except for the right of the Unitholders to receive the Consideration and the right of the Debentureholders to receive the Debenture Consideration, in each case as provided for in the Plan of Arrangement following the Effective Time pursuant to the Arrangement (for which purpose Pure LP hereby confirms that it is acting as agent and trustee on behalf of the Unitholders and Debentureholders), the Parties intend and hereby agree that this Agreement will not benefit or create any right or cause of action in favour of any Person other than the Parties and that no Person, other than the Parties, will be entitled to rely on the provisions of this Agreement set forth herein for any Action.
- (2) Despite the foregoing, the Parties acknowledge to each of the Third Party Beneficiaries their direct rights against the applicable Party under Section 4.6(1) and Section 8.15, which are intended for the benefit of, and will be enforceable by, each applicable Third Party Beneficiaries, his or her heirs and his or her legal representatives, and for such purpose, Pure LP or the Purchaser, as applicable, confirms that it is acting as trustee on their behalf, and agrees to enforce such provisions on their behalf; provided however, that the Parties further agree that the rights of the Third Party Beneficiaries, his or her heirs and his or her legal representatives as contemplated by this Section 8.8 will not arise unless and until the Effective Time occurs.

Section 8.9 Waiver

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 8.10 Entire Agreement

This Agreement, together with the Confidentiality Agreement, the Pure Disclosure Letter, the Limited Guarantee, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior and contemporaneous agreements, understandings, negotiations, representations, warranties and discussions, whether oral or written, of the Parties. The Confidentiality Agreement shall terminate as at the Closing.

Section 8.11 Successors and Assigns

- (1) This Agreement becomes effective only when executed by the Parties. After that time, it will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.
- (2) Neither this Agreement nor any of the rights, interests or obligations under this Agreement are assignable, delegable or transferable (as the case may be), in whole or in part, by the other Party without the prior written consent of the other Parties and any attempted or purported assignment, delegation or transfer (as the case may be) in violation of this Section 8.11 will be null and void; provided however, that the Purchaser may assign, delegate or transfer (as the case may be) all or part of its rights under this Agreement to, and all or part of its obligations under this Agreement may be assumed by, any of its Affiliates so long as the Purchaser continue to be liable for all of its obligations hereunder.

Section 8.12 Severability

The provisions of this Agreement will be deemed severable and the illegality, invalidity or unenforceability of any provision will not affect the legality, validity or enforceability of any other provision hereof. If any provision of this Agreement, or application thereof to any Person or any circumstance, is illegal, invalid or unenforceable, (a) a suitable and equitable provision will be substituted therefor in order to carry out, so far as may be legal, valid and enforceable, the intent and purpose of such illegal, invalid or unenforceable provision, and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances will not be affected by such illegality, invalidity or unenforceability, nor will such illegality, invalidity or unenforceability affect the legality, validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 8.13 Governing Law; Jurisdiction

This Agreement will be governed by, construed and interpreted and enforced in accordance with the laws of British Columbia and the federal laws of Canada applicable therein, without regard to the conflict of laws, rules or principles thereof (or any other jurisdiction to the extent such laws, rules or principles would direct a matter to another jurisdiction). Each of the Parties hereby irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia Courts situated in Vancouver, British Columbia in respect of all matters arising under and in relation to this Agreement and the Transactions, and irrevocably waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.14 Rules of Construction

The Parties have participated jointly in negotiating and drafting this Agreement and the Parties to this Agreement waive the application of any Law or rule of construction, providing that ambiguities in any agreement or other document will be construed against the party drafting such agreement or other document and agree this Agreement will be construed as if drafted jointly.

Section 8.15 No Liability

This Agreement may only be enforced against, and any claims or causes of action that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement may only be made against, the entities that are expressly identified as the Parties. No Representative of the Purchaser and its respective Affiliates will have any personal liability whatsoever to Pure LP, Pure GP or any third party beneficiary under this Agreement or any other document delivered in connection with the Transactions hereby on behalf of the Purchaser or its Representatives or agents. No Representative of Pure LP, any of its Subsidiaries or Pure GP, nor any Unitholder or Debentureholder, will have any personal liability whatsoever to the Purchaser, Pure LP or Pure GP under this Agreement or any other document delivered in connection with the Transactions on behalf of Pure LP, any of its Subsidiaries or Pure GP or their Representatives, except as set forth in the Directors' and Officers' Support Agreements.

Section 8.16 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by any form of electronic communication) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Parties will be entitled to rely upon delivery of an executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy will be legally effective to create a valid and binding agreement between the Parties.

Section 8.17 Further Assurances

Subject to the provisions of this Agreement, the Parties will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other Party may, either before or after the Effective Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement and, in the event the

Arrangement becomes effective, to document or evidence any of the transactions or events set out in the Plan of Arrangement.

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IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement on the date first written above.

PORTFOLIO 22 VENTURE, LLC

By: (signed) "Steven DeFrancis"

Authorized Signing Officer

PURE MULTI-FAMILY REIT LP, by its
general partner, **PURE MULTI-FAMILY
REIT (GP) INC.**

By: (signed) "Robert King"

Authorized Signing Officer

PURE MULTI-FAMILY REIT (GP) INC.

By: (signed) "Robert King"

Authorized Signing Officer

SCHEDULE A
PLAN OF ARRANGEMENT
PLAN OF ARRANGEMENT
UNDER SECTION 288
OF THE *BUSINESS CORPORATIONS ACT* (British Columbia)

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

“**Arrangement**” means the arrangement under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the consent of the Parties, acting reasonably.

“**Arrangement Agreement**” means the Arrangement Agreement, dated as of July 18, 2019, between Pure GP, Pure LP and the Purchaser (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

“**Arrangement Resolution**” means the special resolution approving this Plan of Arrangement to be considered at the Pure Meeting by the Unitholders.

“**BCBCA**” means the *Business Corporations Act*, S.B.C. 2002, c.57.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia or Atlanta, Georgia.

“**Class A Unitholders**” means the registered and/or beneficial holders of the Class A Units, as the context requires.

“**Class A Units**” means the Class A units in the capital of Pure LP.

“**Class B Unitholders**” means the registered and/or beneficial holders of the Class B Units, as the context requires.

“**Class B Units**” means the Class B units in the capital of Pure LP.

“**Consideration**” means \$7.61 in cash per Class A Unit and \$101.4350 in cash per Class B Unit.

“**Court**” means the the Supreme Court of British Columbia, sitting in Vancouver, British Columbia, or other court as applicable.

“**Debenture Consideration**” means a cash payment for each \$1,000 principal amount of outstanding Pure Debentures equal to (a) \$1,346.90 plus (b) accrued and unpaid interest thereon up to and including the Effective Date, at the rate of interest specified in the Pure Debenture Indenture.

“**Debentureholder Event**” means an event where Debentureholders are granted the right to approve the Arrangement, in which case the Pure Debentures shall not be arranged pursuant to this Plan of Arrangement and Section 2.3(j), but, instead, Pure LP shall redeem all of the Pure Debentures in accordance with Article 4 of the Pure Debenture Indenture; thereafter the acquisition of the Units of Pure LP set forth herein shall proceed in accordance with the terms of this Plan of Arrangement..

“**Debentureholders**” means the registered and/or beneficial holders of the Pure Debentures.

“**Deferred Unit Payment**” has the meaning specified in Section 2.3(d).

“**Depositary**” means such Person as the Purchaser may appoint to act as depositary for the Class A Units, the Class B Units and, unless a Debentureholder Event has occurred, the Pure Debentures, in relation to the Arrangement, with the approval of Pure LP, acting reasonably.

“**Dissent Rights**” has the meaning specified in Section 3.1.

“**Dissenting Holder**” means a registered Unitholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Units in respect of which Dissent Rights are validly exercised in accordance with Section 3.1 (including the time limits set out therein) by such registered Unitholder.

“**Effective Date**” means the date on which the Arrangement becomes effective.

“**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

“**Final Order**” means the final order of the Court pursuant to Section 291(4) of the BCBCA after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, in a form acceptable to the Parties, acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal (provided however, that any such amendment must be acceptable to the Parties, acting reasonably).

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority or department, central bank, court, tribunal, arbitral body, commission, board,

bureau, commissioner, ministry, governor in council, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental, administrative or private body, including any tribunal, commission, committee, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

“**Interim Order**” means the interim order of the Court pursuant to Section 291(2) of the BCBCA, providing for, among other things, the calling and holding of the Pure Meeting, in a form acceptable to the Parties, acting reasonably as such order may be amended by the Court with the consent of the Parties, acting reasonably.

“**Law**” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, award, decree, ruling, published administrative policy (to the extent such policy has the force of law or is binding on the Person to which it purports to apply), or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity.

“**Letter of Transmittal**” means the letter of transmittal sent to Unitholders and Debentureholders for use in connection with the Arrangement.

“**Lien**” means any mortgage, deed of trust, charge, pledge, hypothec, security interest, lien (statutory or otherwise), prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, defect of title, restriction, adverse right or other third party interest or encumbrance, in each case, whether contingent or absolute.

“**Parties**” means, collectively, Pure GP, Pure LP and the Purchaser and “**Party**” means any one of them.

“**Performance Unit Payment**” has the meaning specified in Section 2.3(f).

“**Person**” includes any individual, partnership, limited partnership, association, body corporate, organization, joint venture, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Entity), syndicate or other entity.

“**Plan of Arrangement**” means this plan of arrangement proposed under Section 291 of the BCBCA, and any amendments or variations made in accordance with the Arrangement Agreement or Section 5.1 or made at the direction of the Court in the Final Order with the consent of the Parties, acting reasonably.

“**Purchaser**” means Portfolio 22 Venture, LLC, a limited liability company formed under the laws of Delaware.

“**Pure Debentures**” means the 6.5% convertible unsecured debentures of Pure LP issued on August 7, 2013, originally in the aggregate principal amount of \$23,000,000.

“Pure Deferred Unit” means an outstanding deferred unit issued pursuant to the Pure Deferred Unit Plan.

“Pure Deferred Unit Plan” means the Deferred Unit Plan of Pure LP effective as of January 1, 2018.

“Pure GP” means Pure Multi-Family REIT (GP) Inc., a company incorporated under the laws of British Columbia.

“Pure LP” means Pure Multi-Family REIT LP, a limited partnership formed under the laws of Ontario.

“Pure LPA” means the Amended and Restated Limited Partnership Agreement of Pure LP dated May 24, 2018.

“Pure Meeting” means the special (or annual and special) meeting of the Unitholders, including any adjournment or postponement of such meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

“Pure Performance Unit” means an outstanding restricted unit issued or currently issuable under the Pure RU Plan that is subject to a performance factor.

“Pure RU” means an outstanding restricted unit issued or currently issuable under the Pure RU Plan, other than a Pure Performance Unit.

“Pure RU Plan” means the Amended and Restated Restricted Unit Plan approved by Unitholders on May 24, 2018.

“Pure Securityholders” means, collectively, the Unitholders, the holders of Pure Deferred Units, the holders of Pure RUs, the holders of Pure Performance Units and the holders of Pure Debentures.

“RU Payment” has the meaning specified in Section 2.3(e).

“Unitholder Rights Plan” means the Amended and Restated Unitholder Rights Plan Agreement dated May 25, 2017 between Pure LP and Computershare Investor Services Inc.

“Unitholders” means the Class A Unitholders and the Class B Unitholders, as the context requires.

“Units” means the Class A Units and the Class B Units.

“URP Right” means a right issued pursuant to the Unitholder Rights Plan.

“US REIT” means Pure US Apartments REIT Inc., a corporation formed under the laws of Maryland.

“Withholding Agent” has the meaning specified in Section 4.3.

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

- (1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement. Unless stated otherwise, the word “Article,” “Section” and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.
- (2) **Currency.** All references to dollars or to \$ are references to United States dollars, unless specified otherwise.
- (3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (4) **Certain Phrases, etc.** The words: (i) “including,” “includes” and “include” means “including (or includes or include) without limitation”, and (ii) “the aggregate of”, “the total of,” “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”. References herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity.
- (5) **Law.** Any reference to a Law refers to such Law and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (6) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. (Vancouver time) on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. (Vancouver time) on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (7) **Time References.** References to time herein or in any Letter of Transmittal are to local time, Vancouver, British Columbia.

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, will become effective, and be binding on the Purchaser, Pure GP, Pure LP and the Pure Securityholders, including Dissenting Holders, the registrar and transfer agent of Pure LP, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

At the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

- (a) the Purchaser shall advance by way of a loan to Pure LP an amount equal to the aggregate amount of cash required to be paid by Pure LP for the cancellation of the Pure Deferred Units, the Pure RUs and the Pure Performance Units hereunder and Pure LP shall deliver to the Purchaser a duly issued and executed demand interest-free promissory note having a principal amount equal to the amount so advanced;
- (b) the Pure LPA shall be amended to the extent necessary or desirable by the Parties to facilitate the Arrangement and the implementation of the steps and transactions described herein and/or contemplated in connection with the Arrangement including providing for the allocation to the Unitholders and to the Purchaser of the Net Income and Taxable Income (both terms as defined in the Pure LPA) of Pure LP for the Fiscal Year (as defined in the Pure LPA) of Pure LP in which the Closing Date occurs as follows:
 - (i) Pure LP shall allocate its Net Income and Taxable Income earned and realized prior to Closing Date to the Unitholders and for greater certainty, no other allocation of the Net Income and Taxable Income of Pure LP shall be made to the Unitholders;
 - (ii) Pure LP shall allocate its Net Income and Taxable Income earned and realized on or after Closing Date to the Purchaser; and
 - (iii) the Purchaser shall make such allocations of its Net Income and Taxable Income to the Unitholders and the Purchaser pursuant to the Pure LPA and the Tax Act as necessary to effect the foregoing allocations;
- (c) notwithstanding the terms of the Unitholder Rights Plan, the Unitholder Rights Plan shall be terminated and all URP Rights issued pursuant to the Unitholder Rights Plan shall be cancelled without any payment in respect thereof;
- (d) each Pure Deferred Unit outstanding shall, without any further action by or on behalf of a holder of Pure Deferred Units, be cancelled in exchange for a cash payment from Pure LP of an amount equal to the Consideration (the “**Deferred Unit Payment**”), less all applicable withholdings, all in full satisfaction of the obligations of Pure LP in respect of the Pure Deferred Units;

- (e) each Pure RU outstanding, whether vested or unvested, shall be deemed to be unconditionally and fully vested, and each such Pure RU shall, without any further action by or on behalf of a holder of Pure RUs, be cancelled in exchange for a cash payment from Pure LP of an amount equal to the Consideration (the “**RU Payment**”), less applicable withholdings, all in full satisfaction of the obligations of Pure LP in respect of the Pure RUs;
- (f) each Pure Performance Unit outstanding, whether vested or unvested, shall be deemed to be unconditionally and fully vested based on the applicable performance factor (calculated in accordance with the terms of the Pure RU Plan as if the Effective Date were the vesting date of such Pure Performance Units), and each such Pure Performance Unit (including additional Pure Performance Units that vest as a result of the application of the applicable performance factor) shall, without any further action by or on behalf of a holder of Pure Performance Units, be cancelled in exchange for a cash payment from Pure LP of an amount equal to the Consideration (the “**Performance Unit Payment**”), less applicable withholdings, all in full satisfaction of the obligations of Pure LP in respect of the Pure Performance Units;
- (g) concurrent with the step described in Sections 2.3(d), 2.3(e) and 2.3(f), as applicable, (i) each holder of a Pure Deferred Unit, each holder of a Pure RU and each holder of a Pure Performance Unit shall cease to be a holder of such Pure Deferred Unit, Pure RU or Pure Performance Unit, as the case may be, (ii) each such holder’s name shall be removed from each applicable register, (iii) the Pure Deferred Unit Plan, the Pure RU Plan and all agreements, arrangements and understandings relating to any and all of the Pure Deferred Units, the Pure RUs and the Pure Performance Units shall be terminated and shall be of no further force and effect, and (iv) each such holder shall thereafter have only the right to receive the Deferred Unit Payment, the RU Payment or the Performance Unit Payment to which such holder is entitled pursuant to Sections 2.3(d), 2.3(e) and 2.3(f), as applicable, at the time and in the manner contemplated hereby;
- (h) each of the Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3, and:
 - (i) such Dissenting Holder shall cease to be the holder of such Units and to have any rights as a Unitholder other than the right to be paid fair value for such Units, as set out in Section 3.1;
 - (ii) such Dissenting Holder’s name shall be removed as the holder of such Units from the register of Units maintained by or on behalf of Pure LP; and
 - (iii) the Purchaser shall be deemed to be the transferee of such Units free and clear of all Liens (other than the right to be paid fair value for such Units as

set out in Section 3.1), and shall be entered in the register of Units maintained by or on behalf of Pure LP;

- (i) concurrent with the transaction described in Section 2.3(h), each Unit outstanding, other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised shall, without any further action by or on behalf of any Unitholder, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration, and:
 - (i) each holder of such Units shall cease to be the holder thereof and to have any rights as a Unitholder other than the right to be paid the Consideration per Unit in accordance with this Plan of Arrangement;
 - (ii) the name of each such holder shall be removed from the register of the Units maintained by or on behalf of Pure LP; and
 - (iii) the Purchaser shall be deemed to be the transferee of such Unit (free and clear of all Liens) and shall be entered in the register of the Units maintained by or on behalf of Pure LP;
- (j) unless a Debentureholder Event has occurred, all Pure Debentures outstanding shall, without any further action by or on behalf of any Debentureholder, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Debenture Consideration, and
 - (i) each holder of Pure Debentures shall cease to be the holder thereof and to have any rights as a Debentureholder other than the right to be paid the Debenture Consideration for such holder's Pure Debentures in accordance with this Plan of Arrangement;
 - (ii) the name of each such holder shall be removed from the register of Pure Debentures maintained by or on behalf of Pure LP; and
 - (iii) the Purchaser shall be deemed to be the transferee of such Pure Debentures (free and clear of all Liens) and shall be entered in the register of Pure Debentures maintained by or on behalf of Pure LP; and
- (k) all of the rights and obligations of Pure GP under the Pure LPA shall be assigned by Pure GP to a transferee to be designated by the Purchaser by notice in writing to Pure GP not less than two Business Days prior to the Effective Date, and such assignee shall become a party to the Pure LPA and assume all of the obligations of the general partner under the Pure LPA.

**ARTICLE 3
RIGHTS OF DISSENT**

3.1 Rights of Dissent

- (a) In connection with the Arrangement, each registered Unitholder may exercise rights of dissent (“**Dissent Rights**”) with respect to the Units held by such Unitholder pursuant to sections 237 to 247 of the BCBCA, as modified by the Interim Order and this Section 3.1(a); provided that, notwithstanding section 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution referred to in section 242(1)(a) of the BCBCA must be received by Pure LP not later than 4:00 p.m. (Vancouver time) two Business Days immediately preceding the date of the Pure Meeting. Dissenting Holders who:
- (i) are ultimately entitled to be paid fair value for such Units in respect of which Dissent Rights have been validly exercised (1) shall be deemed to not have participated in the transactions in Article 2 (other than Section 2.3(h)); (2) shall be deemed to have transferred and assigned such Units (free and clear of any Liens) to the Purchaser in accordance with Section 2.3(h); (3) will be entitled to be paid the fair value of such Units by the Purchaser, which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Pure Meeting; and (4) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Units; or
 - (ii) are ultimately not entitled, for any reason, to be paid by the Purchaser fair value for their Units in respect of which Dissent Rights have been validly exercised, shall be deemed to have participated in the Arrangement in respect of those Units on the same basis as a non-dissenting Unitholder.
- (b) In no event shall the Purchaser or Pure LP or any other Person be required to recognize a Dissenting Holder as a registered or beneficial owner of Units or any interest therein (other than the rights set out in this Section 3.1) at or after the time of the transaction described in Section 2.3(h), and at such time the names of such Dissenting Holders shall be deleted from the central securities register of Pure LP as at such time.
- (c) For greater certainty, in addition to any other restrictions in the Interim Order, no Person shall be entitled to exercise Dissent Rights with respect to Units in respect of which a Person has voted or has instructed a proxyholder to vote in favour of the Arrangement Resolution.

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

- (a) Following receipt of the Final Order and prior to the Effective Time, the Purchaser shall deliver or cause to be delivered (i) to the Depositary sufficient cash to satisfy the aggregate Consideration payable to the Class A Unitholders and Class B Unitholders and, unless a Debentureholder Event has occurred, the aggregate Debenture Consideration payable to the Debentureholders, in accordance with Section 2.3, which cash shall be held by the Depositary as agent and nominee for the Purchaser until completion of the step described in Section 2.3(i), at which time such cash shall be held by the Depositary as agent and nominee for such former Class A Unitholders, Class B Unitholders and, if applicable, such former Debentureholders, for distribution thereto in accordance with the provisions of this Article 4; and (ii) to Pure LP, the aggregate amount to be paid by Pure LP to former holders of Pure Deferred Units, Pure RUs and Pure Performance Units, respectively in accordance with Section 2.3, which cash shall be held by Pure LP for the benefit of the Purchaser until the Effective Time, at which time such cash shall be held by Pure LP for the benefit of former holders of Pure Deferred Units, Pure RUs and Pure Performance Units for distribution thereto in accordance with the provisions of this Article 4.
- (b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Class A Units and Class B Units that were transferred pursuant to Section 2.3(i), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Class A Unitholder(s) and Class B Unitholder(s) surrendering such certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Class A Unitholder(s) and Class B Unitholder(s), a cheque, wire or other form of immediately available funds representing the Consideration which such Class A Unitholder(s) and Class B Unitholder(s) has the right to receive under this Plan of Arrangement for such Class A Units and Class B Units, less any amounts withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.
- (c) Unless a Debentureholder Event has occurred, upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Pure Debentures that were transferred pursuant to Section 2.3(j), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Debentureholder(s) surrendering such certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Debentureholder(s), a cheque, wire or other form of immediately available funds representing the Debenture Consideration which such Debentureholder(s) has the right to receive under this Plan of Arrangement for such Pure Debentures, less any amounts

withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.

- (d) On or as soon as practicable after the Effective Date, Pure LP shall pay, or cause to be paid, the amounts, less any amounts withheld pursuant to Section 4.3, to be paid to holders of Pure Deferred Units, Pure RUs or Pure Performance Units pursuant to this Plan of Arrangement either (i) pursuant to the normal payroll practices and procedures of Pure LP, or (ii) in the event that payment pursuant to the normal payroll practices and procedures of Pure LP is not practicable for any such holder, by cheque or wire transfer (delivered to such holder of Pure Deferred Units, Pure RUs or Pure Performance Units, as applicable, as reflected on the register maintained by or on behalf of Pure LP in respect of the Pure Deferred Units, Pure RUs and Pure Performance Units).
- (e) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Class A Units or Class B Units (other than Class A Units or Class B Units in respect of which Dissent Rights have been validly exercised and not withdrawn), shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Class A Units or Class B Units not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Class A Units or Class B Units of any kind or nature against or in Pure LP or the Purchaser. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or Pure LP, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.
- (f) Unless a Debentureholder Event has occurred, until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Pure Debentures, shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Unless a Debentureholder Event has occurred, any such certificate formerly representing Pure Debentures not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Pure Debentures of any kind or nature against or in Pure LP or the Purchaser. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or Pure LP, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.
- (g) Any payment made by way of cheque by the Depositary (or Pure LP, if applicable) pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary (or Pure LP) or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right

or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Class A Units or Class B Units, the Pure Deferred Units, the Pure RUs, the Pure Performance Units or, unless a Debentureholder Event has occurred, the Pure Debentures pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or Pure LP, as applicable, for no consideration.

- (h) No holder of Class A Units, Class B Units, Pure Deferred Units, Pure RUs, Pure Performance Units or, unless a Debentureholder Event has occurred, Pure Debentures shall be entitled to receive any consideration with respect to such Class A Units, Class B Units, Pure Deferred Units, Pure RUs, Pure Performance Units or Pure Debentures, other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 and, for greater certainty and unless a Debentureholder Event has occurred, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Class A Units, Class B Units or Pure Debentures that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depository will issue in exchange for such lost, stolen or destroyed certificate, a cheque, wire or other form of immediately available funds for (i) the Consideration that such Class A Unitholder and Class B Unitholder has the right to receive in accordance with Section 2.3 and such Class A Unitholder's and Class B Unitholder's Letter of Transmittal, or (ii) unless a Debentureholder Event has occurred, the Debenture Consideration that such Debentureholder has the right to receive in accordance with Section 2.3 and such Debentureholder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depository (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser and Pure LP in a manner satisfactory to the Purchaser and Pure LP (each acting reasonably) against any claim that may be made against the Purchaser and Pure LP with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

The Purchaser, Pure LP, any Subsidiary of Pure LP, US REIT and the Depository (each a "**Withholding Agent**"), as applicable, will be entitled to deduct and withhold from any consideration otherwise payable or otherwise deliverable to any Pure Securityholder under this Plan of Arrangement such amounts as the Purchaser, Pure LP, such Subsidiary of Pure LP, US REIT or the Depository, as applicable, determines, acting reasonably, are required to be deducted or withheld from such amount otherwise payable or otherwise deliverable under the Tax Act, the

Code or any provision of any Law in respect of Taxes; provided, however, that no Withholding Agent shall be permitted to make any such deduction or withholding of Taxes under Sections 1445 or 1446 of the Code unless the Purchaser notifies Pure LP in writing of its determination to withhold or deduct any such Taxes and the reasons therefor at least 10 Business Days prior to the Pure Meeting, in which event the Parties agree to use commercially reasonable efforts to reduce or eliminate such proposed withholding, including but not limited to providing and accepting any certifications or representations that are reasonably available or appropriate to reduce or eliminate the requirement to deduct and withhold any such Tax. Pure LP agrees to promptly provide any information reasonably requested by the Purchaser to determine whether any deduction or withholding of Tax is required with respect to the transactions contemplated by this Plan of Arrangement, and Purchaser agrees to promptly and reasonably respond to any request by Pure LP to reduce or eliminate any proposed Tax withholding.

4.4 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Units, Pure Deferred Units, Pure RUs, Pure Performance Units and, unless a Debentureholder Event has occurred, Pure Debentures issued or outstanding at or prior to the Effective Time, (b) the rights and obligations of the Pure Securityholders, Pure LP, the Purchaser, the Depository and any transfer agent or other depository therefor in relation thereto, shall in respect of the Arrangement Agreement, be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Units, Pure Deferred Units, Pure RUs, Pure Performance Units or, unless a Debentureholder Event has occurred, Pure Debentures shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5 AMENDMENTS

5.1 Amendments to Plan of Arrangement

- (a) The Parties may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Parties, acting reasonably, (iii) filed with the Court and, if made following the Pure Meeting, approved by the Court, and (iv) communicated to the Pure Securityholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Pure LP or the Purchaser at any time prior to the Pure Meeting (provided that Pure LP or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and

accepted by the Persons voting at the Pure Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Pure Meeting shall be effective only if (i) it is consented to in writing by each of the Parties (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Unitholders and, unless a Debentureholder Event has occurred, the Debentureholders voting in the manner directed by the Court.
- (d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it solely concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former Pure Securityholder.

5.2 Termination

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 6 FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

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**SCHEDULE B
ARRANGEMENT RESOLUTION**

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Section 288 of the *Business Corporations Act* S.B.C. 2002, c.57 pursuant to the arrangement agreement among Pure Multi-Family REIT LP (“**Pure LP**”), Pure Multi-Family REIT (GP) Inc. (“**Pure GP**”), and Portfolio 22 Venture, LLC, dated July 18, 2019, as it may be modified, supplemented or amended from time to time in accordance with its terms (the “**Arrangement Agreement**”), all as more particularly described and set forth in the management information circular of Pure LP dated [●], 2019 accompanying the notice of this meeting, is hereby authorized, approved and adopted.
2. The plan of arrangement, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms, (the “**Plan of Arrangement**”), the full text of which is set out as Schedule A to the Arrangement Agreement, is hereby authorized, approved and adopted.
3. The Arrangement Agreement and all the transactions contemplated therein, the actions of the directors of Pure GP in approving the Arrangement and the actions of the directors and officers of Pure GP in executing and delivering the Arrangement Agreement and any modifications, supplements or amendments thereto are hereby ratified and approved.
4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the holders of Class A units and Class B units of Pure LP or that the Arrangement has been approved by the Supreme Court of British Columbia (the “**Court**”), the directors of Pure GP are hereby authorized and empowered, at their discretion, without further notice to or approval of such holders: (i) to amend or modify the Arrangement Agreement or the Plan of Arrangement to the extent permitted by their terms; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.
5. Any officer or director of Pure GP is hereby authorized and directed, for and on behalf of Pure LP and/or Pure GP, to make an application to the Court for an order approving the Arrangement and to execute, under the corporate seal of Pure GP or otherwise, such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.
6. Any officer or director of Pure GP is hereby authorized and directed for and on behalf of Pure LP and/or Pure GP to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person’s opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such other document or instrument or the doing of any other such act or thing.

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SCHEDULE C
REPRESENTATIONS AND WARRANTIES OF PURE LP

- (1) **Organization, Good Standing and Qualification.** Pure LP and each of its Subsidiaries is a legal entity organized, validly existing and, to the extent such concept is applicable, in good standing under the Laws of its respective jurisdiction of organization, has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted, is qualified to do business and, to the extent such concept is applicable, is in good standing as a foreign corporation or other legal entity in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of its business or the nature of its activities requires such qualification, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Pure LP has made available to the Purchaser prior to the date hereof complete and correct copies of Pure LP's and each of its Subsidiaries' Organizational Documents, each as amended to the date hereof, and each as so delivered is in full force and effect. Neither Pure LP nor any of its Subsidiaries is in material default of the performance, observance or fulfillment of any of the material provisions of its Organizational Documents. True and complete copies of all resolutions and minutes contained in the record books of Pure LP and the Material Pure Entities, within the possession of Pure and/or any of its Subsidiaries, since January 1, 2016 have been made available by Pure LP to the Purchaser.
- (2) **Capital Structure.**
- (a) The authorized capital of Pure LP consists of an unlimited number of Units, of which 76,941,980 Class A Units and 200,000 Class B Units were issued and outstanding as of the date of this Agreement. All of the outstanding Units have been duly authorized and are validly issued, fully paid and non-assessable. Other than: (i) 4,058,529.27 Class A Units reserved for issuance pursuant to outstanding awards under the Pure RU Plan, the Pure Option Plan and the Pure Debentures, and (ii) 2,665,835 Class A Units reserved for issuance on the re-designation of the Class B Units, Pure LP has no Units reserved for issuance. No Units have been issued in violation of Law, right of first refusal or any pre-emptive or similar right applicable to them.
- (b) Section (2)(b) of the Pure Disclosure Letter sets forth a correct and complete listing of: (i) all beneficial owners of the Class B Units and the number of Units owned by each such beneficial owner, and (ii) all outstanding Pure Deferred Units, Pure RUs and Pure Performance Units, including the holder, grant date, holder's location, vesting schedule and payout amount on redemption with respect to each Pure Deferred Unit, Pure RU and Pure Performance Unit, as applicable. As of the date of this Agreement, there are no Pure Options outstanding under the Pure Option Plan. Other than the Class A Units, the Class B Units, the Pure Debentures and those securities disclosed in Section (2)(b) of the Pure Disclosure Letter, there are no outstanding securities of Pure LP.

- (c) As of the date of this Agreement, Pure LP had \$21,581,000 aggregate principal amount of Pure Debentures issued and outstanding. As of the date of this Agreement an aggregate of 3,819,646.02 Class A Units were issuable upon conversion of the Pure Debentures, based on the conversion price of \$5.65 principal amount per Class A Unit, and the Pure Debentures mature on September 30, 2020.
- (d) Each of the outstanding units or other securities of each of Pure LP's Subsidiaries is duly authorized, validly issued, fully paid and non-assessable and, except as set forth in Section (2)(e), owned by Pure LP, or a direct or indirect Subsidiary of Pure LP, free and clear of any Liens (other than restriction under applicable Securities Laws). Except for the agreements referred to in Section (12)(a)(x)(B), the Pure Plans, URP Rights, the Pure Deferred Units, the Pure RUs, the Pure Performance Units, the Pure Debentures and the Class B Units there are no pre-emptive or other outstanding rights, options, warrants, conversion rights, stock appreciation rights, redemption rights, repurchase rights, any rights to subscribe for, any stock-based performance unit, other equity-based compensation award, or agreements, arrangements, calls, commitments or rights of any kind that obligate Pure LP or any of its Subsidiaries to issue or sell any units or other securities of Pure LP or any of its Subsidiaries or any securities or obligations convertible or exchangeable into or exercisable for, or giving any Person a right to subscribe for or acquire, any securities of Pure LP or any of its Subsidiaries, and no securities or obligations evidencing such rights are authorized, issued or outstanding.
- (e) Section (2)(e) of the Pure Disclosure Letter sets forth: (i) the name and jurisdiction of incorporation or organization of Pure LP and each of Pure LP's Subsidiaries, its authorized capital stock or other equity interests, and the ownership interest of Pure LP, direct or indirect, in each such Subsidiary, as well as the ownership interest of any other Person or Persons in each such Subsidiary and (ii) Pure LP's or its Subsidiaries' units, equity interest or other direct or indirect ownership interest in any other Person. Except for the Subsidiaries listed on Section (2)(e) of the Pure Disclosure Letter, Pure LP does not have any investment in any Person that in either case is or could be material to the business and affairs of Pure LP.
- (f) Each Pure Deferred Unit, Pure RU and Pure Performance Unit: (i) was granted in compliance with all Laws and all of the material terms and conditions of the Pure Deferred Unit Plan and the Pure RU Plan pursuant to which it was issued, and (ii) qualifies for the Tax and accounting treatment afforded to such Pure Deferred Unit and Pure RU in Pure LP's Tax Returns.
- (g) Except for the Permitted Distributions, there are no distributions or dividends which have accrued or been declared but are unpaid on the equity interests of Pure LP. Except for distributions accrued on the outstanding Pure Deferred Units, the Pure RUs and Pure Performance Units outstanding from time to time, there have been no non-cash dividends or non-cash distributions made by Pure LP.
- (h) Section (2)(h) of the Pure Disclosure Letter sets forth a correct and complete list (including amount) of all Existing Indebtedness as of June 30, 2019.

- (i) Pure LP is not a party to any unitholder, pooling, voting or other similar Contract relating to the ownership or voting of any of the equity securities of Pure LP or any of its Subsidiaries.
- (3) **Authority; Approval.**
- (a) Pure LP has all requisite power, authority and capacity to execute, deliver and perform its obligations under this Agreement and, subject to the approval of the Arrangement Resolution by the Unitholders in the manner required by the Interim Order and obtaining the Final Order, to consummate the Transactions. Subject to the approval of the Arrangement Resolution by the Unitholders in the manner required by the Interim Order and obtaining the Final Order, the execution, delivery and performance of this Agreement and the consummation of the Transactions have been duly authorized by all necessary action of Pure LP. This Agreement has been duly and validly executed and delivered by Pure LP and constitutes a valid and binding agreement of Pure LP enforceable against Pure LP in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles (the "**Bankruptcy and Equity Exception**").
 - (b) The Board, after receiving the advice of its Legal Advisors and its Financial Advisors: (i) determined that the Arrangement and the entering into of this Agreement is in the best interests of the Unitholders and the Debentureholders; (ii) resolved to recommend that the Unitholders vote in favour of the Arrangement Resolution; and (iii) authorized the entering into of this Agreement and the performance by Pure LP of its obligations under this Agreement, and no action has been taken to amend, or supersede, such determinations, resolutions or authorizations.
- (4) **Governmental Filings; No Violations; Certain Contracts.**
- (a) Other than the approvals, filings and/or notices: (i) pursuant to Article 2 of the Agreement, including the Interim Order and any approvals required thereunder, the Final Order, (ii) the Required Regulatory Approvals, and (iii) filings with the Securities Authorities or the TSX, no notices, reports or other filings are required to be made by Pure LP with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by Pure LP from, any Governmental Entity, in connection with the execution, delivery and performance of this Agreement by Pure LP and the consummation of the Transactions, or in connection with the continuing operation of the business of Pure LP and its Subsidiaries following the Effective Time, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
 - (b) The execution, delivery and performance of this Agreement by Pure LP does not, and the consummation of the Transactions will not, constitute or result in:

- (i) subject to the approval of the Arrangement Resolution by the Unitholders in the manner required by the Interim Order and obtaining the Final Order, a breach or violation of, or a default under, the Organizational Documents of Pure LP or of any of its Subsidiaries;
- (ii) with or without notice, lapse of time or both, a breach or violation of, a termination (or right of termination) or default under, the creation or acceleration of any obligations under or the creation of a Lien, other than a Permitted Lien, on any Pure Assets pursuant to, any Contract binding upon Pure LP or any of its Subsidiaries or Pure Plan or, assuming that all consents, approvals and authorizations described in Section (4)(a) and which are or may be required pursuant to any Material Contracts disclosed in Section (4)(b) of the Pure Disclosure Letter have been obtained and any waiting periods thereunder have terminated or expired, under any Law to which Pure LP, any of its Subsidiaries or any of their respective properties or assets is subject; or
- (iii) to Pure's Knowledge, assuming that all consents, approvals and authorizations described in Section (4)(a) have been obtained and any waiting periods thereunder have terminated or expired, any conflict with, breach or violation of, default under, right of revocation, withdrawal, suspension, acceleration, amendment, cancellation or termination of, change in the rights or obligations of any party under any Contract binding upon Pure LP or any of its Subsidiaries,

except, in the case of clauses (ii) and (iii) above, as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Section (4)(b) of the Pure Disclosure Letter sets forth a correct and complete list of Material Contracts pursuant to which notices, consents or waivers are or may be required prior to and in connection with consummation of the Transactions (whether or not subject to the Material Adverse Effect exception set forth above).

(5) **Pure Public Disclosure Record; Financial Statements; Securities Laws.**

- (a) The Pure Public Disclosure Record has been filed on a timely basis, with the Securities Authorities pursuant to the Securities Laws since January 1, 2017 (the "**Applicable Date**"). The Pure Public Disclosure Record, at the time of its filing, complied in all material respects with the applicable requirements of the Securities Laws applicable to the Pure Public Disclosure Record. As of their respective filing dates (or, if amended prior to the date hereof, as of the date of such amendment), the Pure Public Disclosure Record did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. Pure LP has made available to the Purchaser true and complete copies of all written comment letters from the staff of the Securities Authorities since the Applicable Date relating to the Pure Public Disclosure Record and all written responses of Pure LP thereto other

than with respect to requests for confidential treatment or which are otherwise publicly available on SEDAR. There are no outstanding or unresolved comments in comment letters received from staff of any Securities Authority with respect to the Pure Public Disclosure Record, and to Pure's Knowledge the Pure Public Disclosure Record (other than confidential treatment requests) is not the subject of any ongoing Securities Authority review.

- (b) Pure LP's audited consolidated financial statements as at and for the fiscal years ended December 31, 2018 and 2017 (including the notes thereto) and the unaudited consolidated interim financial statements as at and for the three months ended March 31, 2019 (including any of the notes thereto): (i) were prepared in all material respects in accordance with IFRS consistently applied throughout the periods referred to therein; and (ii) except as otherwise disclosed in any documents publicly filed by or on behalf of Pure LP on SEDAR, fairly present, in all material respects, the consolidated financial position of Pure LP as at such dates and its financial performance and cash flows for the periods then ended (subject, in the case of unaudited interim financial statements, to normal year-end adjustments) and there have been no changes in accounting policies or practices of Pure LP since March 31, 2019.
- (c) Pure LP is a "reporting issuer" under the Securities Laws in each of the provinces of Canada other than Quebec. The Class A Units are listed for trading on the TSX and the OTCQX and Pure LP has not made any application to list the Class A Units on any other market. The Pure Debentures are listed for trading on the TSX and Pure LP has not made any application to list the Pure Debentures on any other market. Pure LP has not taken any action to cease to be a reporting issuer in any province of Canada nor has Pure LP received notification from any Securities Authority seeking to revoke the reporting issuer status of Pure LP. No delisting, suspension of trading or cease trade or other order or restriction with respect to any securities of Pure LP, as applicable, issued by a Securities Authority or the TSX or the OTCQX, is to Pure's Knowledge pending, in effect, has been threatened, or is expected to be implemented or undertaken (other than in connection with the Transactions or the release of Pure LP's financial results from time to time), and to Pure's Knowledge Pure LP is not subject to any formal or informal review, enquiry, investigation or other proceeding by a Securities Authority or the TSX or the and OTCQX relating to any such order or restriction. Pure LP has not filed any confidential material change report or made any other similar confidential filing (which at the date hereof remains confidential) with any Securities Authority.
- (d) Pure LP is in compliance in all material respects with the applicable listing and corporate governance rules and regulations of the TSX and and the OTCQX.
- (e) No class of Pure LP's securities is registered under Section 12 of the U.S. Exchange Act.
- (f) Pure LP is not an "investment company" registered or required to be registered under the United States Investment Company Act of 1940.

- (g) Pure LP is a “foreign private issuer” (as such term is defined in Rule 3b-4 under the U.S. Exchange Act).
- (6) **Absence of Certain Changes.** Since December 31, 2018, except for events or transactions disclosed in the Pure Public Disclosure Record, Pure LP and its Subsidiaries have materially conducted their respective businesses only in, and have not engaged in any material transaction other than in accordance with, the Ordinary Course. Since December 31, 2018, there has not been any change, event, occurrence, effect, state of facts, development, condition or circumstance which, individually or in the aggregate, would have, or would reasonably be expected to have, a Material Adverse Effect.
- (7) **Litigation and Liabilities.**
 - (a) Except as set forth in Section (7)(a) of the Pure Disclosure Letter and, to Pure’s Knowledge, there are no civil, criminal, governmental or administrative Actions or other proceedings, outstanding or to Pure’s Knowledge, pending or threatened, against Pure LP or any of its Subsidiaries or any of their respective businesses, properties or assets.
 - (b) Except as set forth in Section (7)(b) of the Pure Disclosure Letter, and as reflected or reserved against in Pure LP’s most recent consolidated balance sheet (and the notes thereto) included in the Pure Public Disclosure Record filed prior to the date hereof, and for obligations or liabilities incurred in the Ordinary Course since the date of such consolidated balance sheets, there are no obligations or liabilities of Pure LP or any of its Subsidiaries, whether or not accrued, contingent, asserted or otherwise and whether or not required to be disclosed, or any other facts or circumstances that would reasonably be expected to result in any claims against, or obligations or liabilities of, Pure LP or any of its Subsidiaries, except for those that, individually or in the aggregate, are not material in amount or would not prevent the consummation of the Transactions.
 - (c) Neither Pure LP nor any of its Subsidiaries is a party to or subject to the provisions of any judgment, order, writ, injunction, decree or award of any Governmental Entity that restricts in any material respect the manner in which Pure LP and its Subsidiaries conduct their respective businesses.
- (8) **Employee Benefits.**
 - (a) Section (8)(a) of the Pure Disclosure Letter sets forth an accurate and complete list of each material Pure Plan. To Pure’s Knowledge, Pure LP has separately identified on Section (8)(a) of the Pure Disclosure Letter each Pure Plan that is a U.S. Benefit Plan.
 - (b) To Pure’s Knowledge, with respect to each Pure Plan, Pure LP has made available to the Purchaser copies of the documents referred in Section (8)(a).
 - (c) Except as would not have, and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, (i) each Pure Plan

(including any related trust) is and has been established, registered, amended, maintained, funded, invested, contributed to, administered and operated in compliance with the terms of such Pure Plan (including the terms of any documents in respect of such Pure Plan) and all applicable Law; (ii) all benefits, contributions and premiums required to be made or remitted by Pure LP and/or any of its Subsidiaries under the terms of each Pure Plan or by applicable Laws have been made or remitted in a timely fashion in accordance with applicable Laws and the terms of the Pure Plans; (iii) all reports and filings with Governmental Entities required to be made by Pure LP and/or any of its Subsidiaries in connection with each Pure Plan have been timely made, and all disclosures and notices required by applicable Law or the Pure Plan provisions to be given to participants and beneficiaries in connection with each Pure Plan by Pure LP and/or any of its Subsidiaries have been properly and timely made; (iv) all obligations of Pure LP and any of its Subsidiaries arising in respect of a Pure Plan have been satisfied and there are no outstanding defaults or violations by any Pure Plan and no penalties or fees are owing or payable by any Pure Plan; and (v) there are no Actions (other than routine claims for benefits) filed, or to Pure's Knowledge, threatened in writing with respect to any Pure Plan.

- (d) No Pure Plan: (i) permits participation by employers that are not one of Pure LP and/or any of its Subsidiaries; (ii) is a "registered pension plan" as defined in subsection 248(1) of the Tax Act, or is otherwise subject to minimum pension standards legislation, including the Pension Benefits Act (Ontario), or another similar law of federal or provincial jurisdiction in Canada; or (iii) is self-funded or self-insured. Neither Pure LP nor any of its Subsidiaries nor any ERISA Affiliate has now or at any time since October 1, 2017 contributed to, sponsored, or maintained any (i) "multiemployer plan" within the meaning of Section 3(37) of ERISA, (ii) "single-employer plan" within the meaning of Section 4001(a)(15) of ERISA, or (iii) "multiple employer plan" within the meaning of Section 413(c) of the Code. Pure LP or any of its Subsidiaries has not, and as of the Closing Date shall not have, any actual or potential unfunded liabilities (other than liabilities accruing after the Closing Date) with respect to any of the Pure Plans.
- (e) Except as would not have, and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, and except as disclosed in Section (8)(e) of the Pure Disclosure Letter, no Pure Plan provides post-employment or post-retirement (health and/or welfare benefits, including medical or life insurance for retired employees or beneficiaries) for former employees, their dependents or beneficiaries, except pursuant to requirements of applicable Law. Where any such Pure Plan has been identified as providing post-employment or post-retirement health or welfare benefits, such benefits are fully insured and/or properly accrued in the relevant financial statements of Pure LP and its Subsidiaries, and Pure LP and its Subsidiaries have the right to unilaterally amend, modify, vary, revise, revoke or terminate same, at any time, in accordance with the terms of such Pure Plan.

- (f) Except as disclosed in Section (8)(f) of the Pure Disclosure Letter, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in combination with any other event) directly or indirectly: (i) result in any payment (whether in cash, property or vesting of property), forgiveness of indebtedness, or benefit becoming due to any current or former officer, employee, director or independent contractor of Pure LP and any of its Subsidiaries and/or their dependents and beneficiaries; (ii) result in any obligation to fund or otherwise set aside assets to secure to any extent any of the obligations under any Pure Plan; (iii) result in the acceleration of the time of payment, vesting or funding of any such benefit under any Pure Plan to any current or former employee, officer, director or independent contractor of the Pure LP and its Subsidiaries and/or their dependents and beneficiaries; (iv) result in any bonus, severance or other payment or obligation to any current or former employee or director of any Pure LP and any of its Subsidiaries and/or their dependents and beneficiaries (whether or not under any Pure Plans); (v) otherwise materially increase the benefits payable or provided under any Pure Plans, (including funding of compensation or benefits through a trust or otherwise), or increase or accelerate employer contributions thereunder; or (vi) result in any “parachute payment” (as such term is defined in Section 280G of the Code).

(9) **Labour Matters.**

- (a) Neither Pure LP nor any of its Subsidiaries is a party to or bound by any Contract with or commitment to any labor or trade union or organization, council of trade unions, employee bargaining agent or affiliated bargaining agent (collectively called “**Labour Representatives**”); neither Pure LP nor any of its Subsidiaries has or have conducted negotiations with respect to any such future Contracts or commitments, and no Labour Representatives hold bargaining rights with respect to any employees of Pure LP or its Subsidiaries.
- (b) Pure LP has made available to the Purchaser a true and complete list of the following information for all Pure Employees, including: (i) name (provided his or her base annual compensation is more than \$150,000); (ii) position; (iii) employment status (full-time or part-time, as applicable); (iv) work location (i.e., city and state/province, and country); (v) hire date (if available); (vi) annual base compensation; and (vii) any other compensation provided.
- (c) All individuals who have provided services to Pure LP or any of its Subsidiaries as consultants, independent contractors, leased employees or in a similar non-employee capacity have been properly classified and compensated as nonemployees for purposes of all applicable Laws and Pure Plans, except as would not have, and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.
- (d) Since October 1, 2017, there has been (A) no strike, lock out or other material labour dispute involving Pure LP or any of its Subsidiaries currently exists or, to Pure’s Knowledge, has any such strike, lock out or other material labour dispute

been contemplated or threatened; (B) no Action brought by or on behalf of any Pure Employee, former Pure Employee, labor organization or other representative of any employees of Pure LP or any of its Subsidiaries, nor has any such Action, to Pure's Knowledge, been threatened against Pure LP or any of its Subsidiaries; (C) to Pure's Knowledge, (1) there has been no union organization campaign or election activity made or threatened by or on behalf of any union, works council, or other labor organization with respect to any employee or group of employees of Pure LP or any of its Subsidiaries; (2) no pending demand for recognition made by any union, employee organization or group of Pure Employees; and (3) no presently pending or, to Pure's Knowledge, threatened representation proceedings or petitions seeking a representation proceeding with any Governmental Entity; and (D) there has been no "mass layoff" or "plant closing" (as defined by the WARN Act) or any other event triggering any WARN Act obligations with respect to Pure LP or any of its Subsidiaries.

- (e) There is no union, works council or other labor organization which must be notified, consulted or with which negotiations need to be conducted in connection with the Transactions contemplated by this Agreement.

(10) **Compliance with Laws.**

- (a) The businesses of each of Pure LP and its Subsidiaries have not been, and are not being, conducted in violation of any Laws, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. To Pure's Knowledge, no investigation or review by any Governmental Entity with respect to Pure LP or any of its Subsidiaries is pending or threatened, except for such investigations or reviews the outcome of which would not be material to Pure LP and its Subsidiaries (taken as a whole) or prevent the consummation of the Transactions. To Pure's Knowledge, no material change is required in Pure LP's or any of its Subsidiaries' processes, properties or procedures in connection with any such Laws, and Pure LP and its Subsidiaries have not received any notice or communication of any non-compliance with any such Laws that has not been cured, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
- (b) Except as would not have, and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, each of Pure LP and its Subsidiaries has obtained and is in compliance with all permits, licenses, certifications, approvals, registrations, consents, authorizations, franchises, variances, exemptions and orders issued or granted by a Governmental Entity (collectively, "**Governmental Permits**") necessary to conduct its business as presently conducted and used, except those the absence of which would not be material to Pure LP and its Subsidiaries (taken as a whole), or prevent the consummation of the Transactions. The operation of the business of Pure LP and its Subsidiaries as presently conducted is not, and has not been since the Applicable Date, in violation of, nor is Pure LP or its Subsidiaries in default or violation under,

any Governmental Permit except where such default or violation of such Governmental Permit which would not be material to Pure LP and its Subsidiaries (taken as a whole), or prevent the consummation of the Transactions. To Pure's Knowledge, no event has occurred which, with notice or the lapse of time or both, would constitute a default or violation of any material terms, condition or provision of any Governmental Permit, except where such default or violation of such license which would not be material to Pure LP and its Subsidiaries (taken as a whole), or prevent the consummation of the Transactions. There are no Actions outstanding or, to Pure's Knowledge, pending or threatened, that seek the revocation, cancellation or adverse modification of any Governmental Permit, except, in each case, where such revocation, cancellation or adverse modification would not reasonably be expected to be material to Pure LP and its Subsidiaries (taken as a whole) or prevent the consummation of the Transactions. Since the Applicable Date, neither Pure LP nor any of its Subsidiaries have received any notice or communication of any material non-compliance or alleged material non-compliance with any Governmental Permit that has not been cured, except as would not be material to Pure LP and its Subsidiaries (taken as a whole). None of the material Governmental Permits will be terminated or impaired, or become terminable, in whole or in part, as a result of the Transactions, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

- (c) Neither Pure LP nor any of its Subsidiaries, nor to Pure's Knowledge any other Person associated with or acting on behalf of Pure LP or any of its Subsidiaries, including any agent of Pure LP or any of its Subsidiaries, has: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity or to influence official action, (ii) made any direct or indirect unlawful payment to any foreign or domestic Government Official or employee from corporate funds, (iii) taken any action, directly or indirectly, that has violated or would constitute a violation of any provisions of: (A) Applicable Anti-Corruption Laws, or (B) any other Law that prohibits corruption or bribery, or (iv) has been or is being investigated by a Governmental Entity.
- (d) Neither Pure LP nor any of its Subsidiaries is, or since the Applicable Date has been, in conflict with, default under or violation of, or is being or, since the Applicable Date, has been charged by any Governmental Entity with, or to Pure's Knowledge, investigated for, a violation of any Antitrust Law applicable to Pure LP or any of its Subsidiaries. To Pure's Knowledge, no investigation or review by any Governmental Entity under any Antitrust Law or any settlement agreement in respect of a violation or alleged violation thereof with respect to Pure LP or any of its Subsidiaries is pending or threatened, nor has any Governmental Entity indicated an intention to conduct any such investigation or review.

(11) **Compliance with Privacy Laws.**

- (a) To Pure's Knowledge, Pure LP and each of its Subsidiaries are in material compliance under Privacy Law in respect of their collection, use, disclosure and protection of Personal Information.
- (b) To Pure's Knowledge, neither Pure LP nor any Subsidiary of Pure LP has received any written notice from any Governmental Entity relating to any material violation by Pure LP or its Subsidiaries of any Privacy Law in respect of such collection, use, disclosure and protection of Personal Information, and, to Pure's Knowledge, neither Pure LP nor any of its Subsidiaries is under investigation by any Governmental Entity for any violation of any Privacy Law relating to the collection, use, disclosure and protection of Personal Information.
- (c) To Pure's Knowledge Pure LP and its Subsidiaries have at all times maintained reasonable electronic, physical and organizational security procedures, measures and controls in order to protect against unauthorized access, destruction, use, alteration, modification, disclosure or loss of Personal Information. To Pure's Knowledge there has been no theft of, or unauthorized access, use or disclosure of, Personal Information in the direct custody or control of Pure LP or any of its Subsidiaries.

(12) **Material Contracts.**

- (a) Section (12)(a) of the Pure Disclosure Letter sets forth a true and complete list of the following Contracts to which Pure LP or its Subsidiaries is a party to or bound by:
 - (i) any Contract that provides for Pure LP or its Subsidiaries to pay, have paid or guarantee, annual payment of more than \$500,000;
 - (ii) any Contract that provides for Pure LP or its Subsidiaries to receive, have received or generate, annual payment of more than \$500,000;
 - (iii) (A) any partnership, joint venture or other similar agreement or arrangement relating to the formation, creation, operation, management or control of any partnership or joint venture sharing of any business, venture or enterprise, or a sharing of profits or losses material to Pure LP or any of its Subsidiaries or in which Pure LP or any of its Subsidiaries owns more than a five percent voting, economic or other membership or partnership interest, or any interest valued at more than \$1,000,000 without regard to percentage voting or economic interest; (B) any Contract that provides for the acquisition or disposition by Pure LP or any of its Subsidiaries or any assets, business, division or product line, or capital stock or ownership interests of Pure LP, its Subsidiaries or any other Person, including those pursuant to which any earn-outs or deferred or contingent purchase price obligations of Pure LP or any of its Subsidiaries remain outstanding; or (C) any Contract that contains a put, call or similar right pursuant to which Pure LP or any of its

Subsidiaries could be required to purchase or sell, as applicable, any equity interests of any Person or assets;

- (iv) (A) any mortgage, indenture, capital lease, guarantee, loan or credit agreement, security agreement or other Contract (other than accounts receivables and payables in the Ordinary Course) relating to indebtedness for borrowed money or the deferred purchase price of property owned by Pure LP or any of its Subsidiaries, or that provides for any interest rate cap, interest rate collar, interest rate, currency or commodity derivative or hedging transaction, in either case, whether incurred, assumed, guaranteed or secured by any asset (such indebtedness, the “**Existing Indebtedness**” and such Contracts, the “**Existing Loan Documents**”), (B) any Contract that provides for a loan or advance of any amount to any other Person, other than advances for travel and other business expenses to any director, officer or manager of Pure LP in the Ordinary Course, or (C) any Contract that creates any Lien upon any assets of Pure LP or any of its Subsidiaries, other than purchase money security interests in connection with the acquisition of equipment in the Ordinary Course;
- (v) any Contract providing for: (A) potentially significant indemnification, except for any such Contract that: (x) is not material to Pure LP and its Subsidiaries (taken as a whole) and (y) was entered into in the Ordinary Course, or (B) potentially significant “earn out” or other contingent payment obligations by Pure LP or any of its Subsidiaries of any Person that is material to Pure LP and its Subsidiaries (taken as a whole);
- (vi) any Contract that: (A) purports to limit in any material respect any of: (1) the right of Pure LP or any of its Subsidiaries to compete (geographically or otherwise) or the type of business in which Pure LP or any of its Subsidiaries (or, after the Effective Time, the Purchaser or any of its Subsidiaries) may engage, (2) the use of any Owned Real Property or any portion thereof, other than Permitted Liens, or (3) the manner or locations in which any of them may so engage in any business, or (B) could require the disposition of any material assets or line of business of Pure LP and its Subsidiaries (taken as a whole) or, after the Effective Time, the Purchaser or any of its Subsidiaries;
- (vii) any Contract between Pure LP or any of its Subsidiaries, on the one hand, and a Related Party, on the other hand;
- (viii) any Contract to sell, transfer, assign, license, abandon, pledge or otherwise dispose of or encumber any real property, material Intellectual Property, assets or businesses of Pure LP and its Subsidiaries (taken as a whole), or to grant or permit the attachment of any Liens on any real property (other than Permitted Liens), or that grants any right of first refusal or right of first offer or similar right or that limits or purports to limit the ability of Pure LP or any of its Subsidiaries to sell, transfer, assign, license, abandon, pledge

or otherwise dispose of or encumber any real property, material Intellectual Property, assets or businesses of Pure LP and its Subsidiaries (taken as a whole);

- (ix) (A) all non-residential leases, licenses and other Contracts granting any party the right to use or occupancy of any portion of the Owned Real Property, and all renewals, modifications, amendments, guarantees, and other agreements affecting the same which individually exceed \$100,000 per year, and (B) any lease or sublease of any other real or personal property, or that otherwise affects the ownership of, leasing of, title to, or use of, any real or personal property, including capital leases, whether Pure LP or its Subsidiaries is a lessor or lessee thereunder which individually exceed \$100,000 per year;
- (x) any Contract that (A) is for the employment of, or receipt of any services from any Pure Employee or Pure Contractor providing for annual cash base salary or wage or consulting fees (excluding, for the avoidance of doubt, variable compensation) in excess of \$150,000, or (B) provides for pension, profit sharing, retirement, deferred compensation, severance, termination pay, change in control, retention or similar payment (including by way of acceleration of vesting) to any current or former directors, officers, employees, individual consultants or other individual independent contractors of Pure LP or any of its Subsidiaries; or (C) is a collective bargaining agreement or other Contract with any labor union, works council or other labor organization;
- (xi) any Contracts to which Pure or any of its Subsidiaries is a party: (A) with respect to any Intellectual Property licensed or transferred to any third party (other than end user licenses for computer software in object code format in the Ordinary Course) or (B) pursuant to which a third party has licensed or transferred any Intellectual Property to Pure LP or any of its Subsidiaries (excluding any shrink-wrap or click-wrap license for computer software that is generally available from a commercial source for an annual license or royalty fee of less than \$10,000 in the aggregate);
- (xii) any Contract relating to the settlement, conciliation or similar arrangement of any pending or threatened suit or proceeding, other than any settlement that provides solely for payment of less than \$1,000,000 in cash;
- (xiii) other than Pure Plans, involves payments based, in whole or in part, on profits, revenues, fee income or other financial performance measures of Pure LP or any of its Subsidiaries;
- (xiv) other than Governmental Permits, is with a Governmental Entity; and
- (xv) is an agreement: (A) that involves commitments to make capital expenditures or which provide for the purchase of goods or services from

any one Person under which the annual expenditures or the undelivered balance of such products or services has a purchase price in excess of \$750,000, (B) continuing over a period of more than one (1) year from the date thereof or (C) with any agents, distributors or representatives, in each case that are not terminable without penalty on thirty (30) days' notice or less,

each such Contract described in the foregoing clauses (i) through (xv), is referred to herein as a “**Material Contract**”.

- (b) Complete and correct copies of each Material Contract in the possession of Pure and/or any of its Subsidiaries have been made available to the Purchaser prior to the date hereof. Each of the Material Contracts is valid and binding on Pure LP or its Subsidiaries, as the case may be, and, to Pure's Knowledge, each other party thereto, and is in full force and effect, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is no breach or default under any such Contracts by Pure LP or any of its Subsidiaries, and to Pure's Knowledge, any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would constitute a breach or default thereunder by Pure LP or its Subsidiaries, and to Pure's Knowledge, any other party thereto, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. None of Pure LP or its Subsidiaries has received any written notification that any party to a Material Contract intends, and to Pure's Knowledge, no party to a Material Contract intends, to cancel, terminate, materially adversely modify, refuse to perform or renew such Material Contract, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(13) **Real and Personal Property; Mortgages.**

- (a) Except as set forth in Section (13)(a) of the Pure Disclosure Letter: (i) all of the Owned Real Property, related assets and related business are indirectly owned by Pure LP, subject to Permitted Liens; (ii) there are no co-ownership or joint venture arrangements in place or options to purchase or other rights in favour of third parties with respect to any of the Owned Real Property or their related assets or business; (iii) registered title to the Owned Real Property is held by separate legal entities all of the interests in which are 100% owned and controlled indirectly by Pure LP; (iv) no such underlying entity will have any liabilities (contingent or otherwise), obligations or business operations other than in connection with its ownership or operation of the applicable Owned Real Property and related Existing Indebtedness and Permitted Liens; and (v) the applicable underlying entities have good and valid fee simple title to the Owned Real Property, free and clear of all Liens, other than Permitted Liens. Except for the Owned Real Property and except as disclosed in Section (13)(d) of the Pure Disclosure Letter, neither Pure LP nor any of the legal entities that are the owners thereof has any interest, direct or indirect, in any other real property.

- (b) All of the Owned Real Properties are covered by title insurance policies insuring fee simple title thereto to the legal entities which are the owners thereof, true and complete copies of each such title insurance policies, including title exceptions listed therein, that are in the possession of Pure and/or any of its Subsidiaries are included in the Data Room. To Pure's Knowledge, and except as set forth in Section (13)(b) of the Pure Disclosure Letter, there are no title exceptions affecting title to the Owned Real Properties other than those listed in such title insurance policies and other than Permitted Liens. There has been no change to the state of title or survey of the Owned Real Property from that indicated in the title policies and surveys posted to the Data Room as of the Effective Time. No material claim has been made against any such policy which remains pending and which, individually or in the aggregate, would be material to any of the Owned Real Property.
 - (c) Except as set forth in Section (13)(c) of the Pure Disclosure Letter, Pure LP and/or its Subsidiaries have good and marketable title to, or a valid and enforceable leasehold interest in, all material personal property of Pure LP and its Subsidiaries (taken as a whole), held or used by them at the Owned Real Property, free and clear of all Liens, other than Permitted Liens.
 - (d) Except as disclosed in Section (13)(d) of the Pure Disclosure Letter, no real property is leased either by Pure LP or any of its Subsidiaries.
 - (e) Neither Pure LP nor any Subsidiary of Pure LP has received any written notice of any violation of any Law or requirement affecting any of the Owned Real Property issued by any Governmental Entity that has not been cured, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
 - (f) Neither Pure LP nor any Subsidiary of Pure LP has received any written notice to the effect that any condemnation or rezoning proceedings are pending or, to Pure's Knowledge, threatened with respect to any of Owned Real Property, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
 - (g) Neither Pure LP nor any Subsidiary of Pure LP is party to any management agreement pursuant to which any third party manages or operates any Owned Real Property or any material portion thereof on behalf of Pure LP or any Subsidiary of Pure LP.
- (14) **Rent Rolls.** Except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the most recent rent roll included in the Data Room for each Owned Real Property is true, correct and complete as of the Business Day immediately preceding the date of this Agreement.
- (15) **Environmental Matters.** Except as disclosed in Section (15) of the Pure Disclosure Letter or in those materials made available to the Purchaser pursuant to Section (15)(vii): (i) to Pure's Knowledge, Pure LP and its Subsidiaries have at all times complied with all

applicable Environmental Laws; (ii) to Pure's Knowledge, no property (including soils, groundwater, surface water, buildings or other structures) currently owned or operated by Pure LP or any of its Subsidiaries has been contaminated with any Hazardous Substance in a manner that may reasonably be expected to result in material liability other than at sites for which existing reserves and/or indemnification that may reasonably be expected to fully address all future costs relating solely to such material liability; (iii) to Pure's Knowledge, neither Pure LP nor any of its Subsidiaries is subject to liability for any Hazardous Substance disposal or contamination on any third party property other than at sites for which existing reserves and/or indemnification recoveries may reasonably be expected to cover all future costs relating solely to such liability and to Pure's Knowledge, no such notice, demand or claim has been threatened; (iv) to Pure's Knowledge, neither Pure LP nor any of its Subsidiaries has received any notice, demand, letter, claim or request for information alleging that Pure LP or any of its Subsidiaries may be in violation of or subject to liability under any Environmental Law; (v) to Pure's Knowledge, neither Pure LP nor any of its Subsidiaries is subject to any order, decree, injunction or other arrangement with any Governmental Entity or any indemnity obligation or other agreement with any third party relating to liability or obligations relating to any Environmental Law; (vi) to Pure's Knowledge, there are no other circumstances or conditions concerning Pure LP or any of its Subsidiaries that would reasonably be expected to result in any material claim, liability, investigation or capital expenditure not otherwise fully covered by existing reserves and/or indemnification recoveries; and (vii) Pure LP has made available to the Purchaser copies of all environmental reports, studies, assessments, memoranda and similar environmental documents in its possession relating to the current properties of Pure LP or its Subsidiaries.

(16) **Taxes.**

(a) Pure LP and each of its Subsidiaries:

- (i) have prepared in good faith and duly and timely filed (taking into account any extension of time within which to file) all Tax Returns required to be filed by any of them and all such filed Tax Returns are complete and accurate in all material respects;
- (ii) have timely paid and remitted all Taxes that are required to be paid (whether or not shown as due on such filed Tax Returns) or that Pure LP or any of its Subsidiaries is obligated to withhold and remit from amounts owing to any employee, independent contractor, creditor or third party; and
- (iii) have withheld from each payment made to any Person, and charged, collected and timely remitted in respect of every sale, supply and delivery, all Taxes required under applicable Law,

Neither Pure LP nor any of its Subsidiaries has waived any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

- (b) Except as set out in Section (16)(b) of the Pure Disclosure Letter, there are no outstanding or, to Pure's Knowledge, pending, or threatened in writing, audits, examinations, investigations, proposed adjustments, assessments, reassessments, appeals, or other Tax-related proceedings with respect to Pure LP or any of its Subsidiaries.
- (c) No closing agreements, private letter rulings, technical advice memoranda, advance Tax rulings, interpretations, advance pricing agreements, or similar agreements or rulings have been entered into or issued by any Tax authority with respect to Pure LP, US REIT or any of its Subsidiaries and no power of attorney (other than powers of attorney authorizing employees of Pure LP or any of its Subsidiaries to act on behalf of Pure LP or any of its Subsidiaries) with respect to any material Taxes has been executed or filed with any taxing authority by or on behalf of Pure LP or any of its Subsidiaries.
- (d) There are no Liens on any Pure Assets that arose in connection with any failure (or alleged failure) to pay any Tax.
- (e) With respect to any taxable period for which Tax Returns have not yet been filed, or for which Taxes are not yet due and owing, Pure LP and each of its Subsidiaries have made adequate and sufficient accruals for material Taxes on the most recent financial statements filed as part of the Pure Public Disclosure Record in accordance with IFRS.
- (f) Neither Pure LP nor any of its Subsidiaries has ever directly or indirectly transferred any material amount of property to or supplied any material amount of services to or acquired any material amount of property or services from a Person with whom it was not dealing at arm's length (for the purposes of the Tax Act) for consideration other than consideration equal to the fair market value of the property or services at the time of the transfer, supply or acquisition of the property or services.
- (g) Each transaction prior to the date hereof that required material payments between or among Pure LP and any of its Subsidiaries was compliant in all material respects with the transfer pricing rules, regulations, documentation requirements and administrative guidance set forth by the taxing authorities of the jurisdictions in which Pure LP and any of its Subsidiaries that are parties to such transaction were resident at the relevant time for Tax purposes.
- (h) The tax attributes of the Pure Assets were, in respect of the relevant point in time, accurately reflected in the Tax Returns of Pure LP and of each of its Subsidiaries, as applicable, and have not, in a manner that would be material to Pure LP or its Subsidiaries changed since the date of such Tax Returns, except to the extent that such attributes have been used in the Ordinary Course or as a result of completion of any transaction contemplated by this Agreement.
- (i) Pure LP has not received any written claim made by a Governmental Entity in a jurisdiction where Pure LP, US REIT or any of its Subsidiaries does not file Tax

Returns such that it is or may be subject to taxation by, or required to file any Tax Return in, that jurisdiction.

- (j) For the purposes of the Tax Act and any other relevant Tax purposes, each of Pure LP's Subsidiaries, except Pure Multi-Family Management Ltd., is a non-resident of Canada and not a non-resident in the jurisdiction in which it was formed.
- (k) Pure LP is not, and has never been, a "SIFT Partnership" (as defined in subsection 197(1) of the Tax Act).
- (l) Pure LP has never carried on business in Canada for the purposes of the Tax Act and has never held any "taxable Canadian property" (as defined in subsection 248(1) of the Tax Act).
- (m) Pure LP, nor any of its Subsidiaries, is liable for Taxes of any other person, including under sections 159 and 160 of the Tax Act.
- (n) Since the formation of US REIT, US REIT has been organized and has operated in conformity with the requirements for qualification and taxation as a Real Estate Investment Trust under the Code and the current and proposed method of operation for US REIT will enable US REIT to continue to meet the requirements for qualification and taxation as a Real Estate Investment Trust under the Code through and including the Closing Date (determined, for the purposes of this Section (16)(n), (i) as if US REIT's taxable year ended immediately prior to the Closing Date, and (ii) without regard, however to the distribution requirement described in Section 857(a) of the Code with respect to the taxable year of the transaction hereunder, the Purchaser's purchase of the Units at the Closing or any action taken by or inaction of US REIT or any of their Affiliates after the Closing). US REIT has not taken any action or omitted to take any action that would reasonably be expected to result in a successful challenge by the IRS to its status as a Real Estate Investment Trust, and no challenge to US REIT's status as a Real Estate Investment Trust is pending or has been threatened in a writing delivered to US REIT or, to Pure's Knowledge, otherwise threatened. Taking into account all distributions to be made by US REIT prior to the Closing Date, US REIT will have distributed cash to its shareholders for the taxable year that includes the Closing Date in an amount equal to or in excess of the amount required to be distributed pursuant to Section 857(a) of the Code in respect of such taxable year, assuming it ended at the Closing Date, and US REIT will not be subject to tax under Sections 857(b) or 4981 of the Code in respect of its taxable year that includes the Closing Date, assuming such taxable year ended at the Closing Date.
- (o) US REIT and its Subsidiaries have not acquired any assets (i) in any transaction governed in whole or in part by Section 381 of the Code or in which the basis of the acquired assets is determined, in whole or in part, by reference to the basis of the transferor of such assets, other than pursuant to Section 1031 or 1033 of the Code, or (ii) in a conversion transaction as defined Treasury Regulations Section 1.337(d)-7(a)(2)(ii). US REIT has not disposed of any Pure Asset that

constitutes a USRPI since its formation, except in transactions that did not result in the recognition by US REIT of any gain for U.S. federal income tax purposes.

- (p) US REIT and its Subsidiaries have not engaged in any prohibited transaction that resulted in any Tax liability under Section 857(b)(6) of the Code.
- (q) US REIT and its Subsidiaries are not holding any property the disposition of which would constitute a “prohibited transaction” within the meaning of Section 857(b)(6) of the Code.
- (r) Each Subsidiary of US REIT that is a partnership, joint venture, or limited liability company and that has not elected to be a “taxable REIT subsidiary” within the meaning of Code Section 856(1) and is not a “qualified REIT subsidiary” within the meaning of Section 856(i)(2) of the Code has been since its formation treated for U.S. federal income tax purposes as a disregarded entity and not as a corporation or an association taxable as a corporation.
- (s) US REIT holds no asset the disposition of which would be subject to rules similar to Section 1374 of the Code. Neither US REIT nor any Subsidiary has made an election to defer recognition of income from the discharge of indebtedness under Section 108(i) of the Code. Neither US REIT nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date, (ii) closing agreement as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law), (iii) installment sale or open transaction disposition made on or prior to the Closing, or (iv) prepaid amount received on or prior to the Closing Date. Neither US REIT nor any of its Subsidiaries has engaged in any listed or reportable transaction within meaning of Code Sections 6011, 6111 or 6112 or any comparable provision of state or local law in a jurisdiction where US REIT or any of its Subsidiaries files Tax Returns.
- (t) US REIT has not incurred any liability for material Taxes under Sections 856(c), 856(g), 857(b), 860(c) or 4981 of the Code or any rules similar to Section 1374 of the Code. To the knowledge of the Pure LP and Pure GP, no event has occurred, and no condition or circumstance exists, which would reasonably be expected to result in any Tax described in the preceding sentence being imposed on US REIT.
- (u) US REIT (i) is not and has never been a member of an affiliated group filing a consolidated federal income Tax Return and (ii) does not have any liability for the Taxes of another Person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign legal requirement), as a transferee or successor or by contract or otherwise. For purposes hereof, the term “**Treasury Regulations**” shall mean the effective regulations, including temporary regulations, issued by the United States Treasury Department under the Code.

- (v) Pure LP has for each taxable year ending after its initial public offering and prior to the Closing Date been a “publicly traded partnership” within the meaning of Section 7704(b) and during such period, more than 90% of Pure LP’s income has been income of a character that is “qualifying income” within the meaning of Section 7704(d) of the Code.
- (17) **Insurance.** All material insurance policies, including fire and casualty, general liability, business interruption, product liability, sprinkler and water damage insurance policies, maintained by Pure LP or any of its Subsidiaries (collectively, the “**Insurance Policies**”) are with reputable insurance carriers, provide full and adequate coverage for all normal risks incidental to the business of Pure LP and its Subsidiaries and their respective properties and assets, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Each Insurance Policy is in full force and effect and all premiums due and payable with respect to all Insurance Policies have been paid and, to Pure’s Knowledge, Pure LP and each of its Subsidiaries is otherwise in compliance in all material respects with the terms thereof, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Copies of the Insurance Policies have been made available to Purchaser. There is no claim by Pure LP pending under any of the Insurance Policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds or in respect of which such underwriters have reserved their rights, except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
- (18) **Intellectual Property.** Except as disclosed in Section (18) of the Pure Disclosure Letter, Pure LP and its Subsidiaries own or are licensed or otherwise have sufficient valid rights to use or otherwise exploit the Intellectual Property necessary to carry on the business now operated by them and there is no proceeding pending or, to Pure’s Knowledge, threatened by any Person challenging Pure LP’s or its Subsidiaries’ rights in or to such Intellectual Property which is used for the conduct of the business as currently carried on as set forth in the Pure Public Disclosure Record. To Pure’s Knowledge, the conduct of the business as currently carried on as set forth in the Pure Public Disclosure Record, including the use of Intellectual Property, does not infringe upon or misappropriate the Intellectual Property of any Person in any material respect. To Pure’s Knowledge, no Person is currently infringing upon any of the Intellectual Property owned by Pure LP or its Subsidiaries in any material respect. Except as disclosed in Section (18) of the Pure Disclosure Letter, to Pure’s Knowledge, Pure LP and its Subsidiaries are taking all actions that they believe are necessary to maintain and protect each material item of Intellectual Property that they own.
- (19) **Assets.** As of the date hereof, other than the Transactions and as disclosed in Section (19) of the Pure Disclosure Letter, neither Pure LP, nor any of its Subsidiaries, nor any agents acting on their respective behalves, have approved or entered into any agreement in respect of: (i) the purchase of any property which, if purchased, would constitute material property of Pure LP and its Subsidiaries (taken as a whole), or (ii) the sale, transfer or other disposition of any material property of Pure LP and its Subsidiaries (taken as a whole)

currently owned, directly or indirectly, by Pure LP or its Subsidiaries whether by asset sale, transfer of shares, or otherwise.

(20) **Related Party Transactions.**

(a) Except as set forth in Section (20)(a) of the Pure Disclosure Letter or any compensation or other employment arrangements in the Ordinary Course and on substantially arm's-length terms, there are no transactions, agreements, arrangements or understandings between Pure LP or any of its Subsidiaries, on the one hand, and: (i) any director, (ii) the chairman, chief executive officer, president, secretary, treasurer or any senior vice-president of Pure LP or any of its Subsidiaries, or (iii) any Person beneficially owning 1% or more of the outstanding Class A Units (the Persons in the foregoing clauses (i) – (iii), "**Related Parties**"), on the other hand.

(b) Neither Pure LP nor any of its Subsidiaries is indebted to any Related Party, director, officer, employee or agent of, or independent contractor to, Pure LP or any of its Subsidiaries (except for amounts due in the Ordinary Course, including, but not limited to, salaries, bonuses, director's fees, and other compensation or amounts owing under any contracting agreement with any such independent contractor or the reimbursement of expenses). Neither Pure LP nor any of its Subsidiaries charge any interest on any intercompany balances.

(c) Except as disclosed in Section (20)(c) of the Pure Disclosure Letter, there is no related party of Pure LP (within the meaning of MI 61-101) who together with its associated entities, beneficially owns or exercises control or direction over 1% or more of the outstanding Units, except for related parties who will not receive a "collateral benefit" (within the meaning of such instrument) as a consequence of the Transactions.

(21) **Brokers and Finders.** Except for the Financial Advisors, none of Pure LP, any of its Subsidiaries nor any of their respective officers, directors or employees has employed any financial advisor, broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finders' fees in connection with the Transactions. Pure LP has made true and complete disclosure to the Purchaser of all fees, commissions or other payments that may be incurred pursuant to such engagements or that may otherwise be payable to the Financial Advisors.

(22) **Fairness Opinions.** The Board has received the Fairness Opinions.

(23) **Competition Act.** Pure LP, together with its Subsidiaries, do not have: (i) assets in Canada with an aggregate value in excess of \$92 million (CDN), or (ii) aggregate annual gross revenues from sales in or from Canada generated from its assets in Canada in excess of \$92 million (CDN), all as determined in accordance with section 110(3) of the *Competition Act* (Canada) and the regulations made thereunder.

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SCHEDULE D
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

- (1) **Organization, Good Standing and Qualification.** The Purchaser is a legal entity duly organized, validly existing and, to the extent such concept is applicable, in good standing under the Laws of its jurisdiction of organization and has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted and is qualified to do business and, to the extent such concept is applicable, is in good standing as a foreign corporation or other legal entity in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of its business requires such qualification, except where the failure to be so organized, qualified or, to the extent such concept is applicable, in good standing, or to have such power or authority, would not, individually or in the aggregate, reasonably be expected to prevent the ability of the Purchaser to consummate the Transactions. The Purchaser has made available to Pure LP prior to the date hereof complete and correct copies of its Organizational Documents, and each as so delivered is in full force and effect on the date hereof.
- (2) **Corporate Authority.** The Purchaser has all requisite limited liability company power and authority and has taken all corporate action necessary in order to execute, deliver and perform its obligations under this Agreement and to consummate the Transactions. This Agreement has been duly executed and delivered by the Purchaser and is a valid and binding agreement of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to the Bankruptcy and Equity Exception.
- (3) **Governmental Filings; No Violations; Etc.**
 - (a) Other than the approvals, filings and/or notices (i) pursuant to Article 2 of the Agreement, including the Interim Order and any approvals required thereunder, the Final Order and (ii) the Required Regulatory Approvals, no notices, reports or other filings are required to be made by the Purchaser with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by the Purchaser from, any Governmental Entity, in connection with the execution, delivery and performance of this Agreement by the Purchaser and the consummation of the Transactions, except those that the failure to make or obtain would not, individually or in the aggregate, reasonably be expected to prevent the ability of the Purchaser to consummate the Transactions.
 - (b) The execution, delivery and performance of this Agreement by the Purchaser does not, and the consummation by the Purchaser of the Transactions will not, constitute or result in: (i) a breach or violation of, or a default under, the Organizational Documents of the Purchaser or the Organizational Documents of any Subsidiary of the Purchaser, (ii) with or without notice, lapse of time or both, a breach or violation of, a termination (or right of termination) or default under, the creation or acceleration of any obligations under or the creation of a Lien on any of the assets of the Purchaser or any Subsidiary of the Purchaser pursuant to any Contracts binding upon the Purchaser or any of its Subsidiaries or, assuming (solely with

respect to performance of this Agreement and consummation of the Transactions) compliance with the matters referred to in on Section (3)(a) above under any Law to which the Purchaser or any Subsidiary of the Purchaser is subject, or (iii) any change in the rights or obligations of any party under any Contract binding upon the Purchaser or any Subsidiary of the Purchaser, except in the case of the foregoing clauses (ii) or (iii) above, for any such breach, violation, termination, default, creation, acceleration or change that would not, individually or in the aggregate, reasonably be expected to prevent the ability of the Purchaser to consummate the Transactions.

- (4) **Sufficient Funds.** The Purchaser has delivered to Pure LP a true and complete copy of the Sponsor Commitment Letter, pursuant to which the Sponsors have agreed, subject to the terms and conditions set forth therein, to provide the Purchaser with funds in the aggregate amount set forth therein, in each case, including all exhibits, schedules, annexes and amendments to such letters in effect as of the date of this Agreement. The Sponsor Commitment Letter contain all of the conditions precedent to the obligations of the parties thereunder to make the Sponsor Financing available to the Purchaser on the terms therein. As of the date hereof the Sponsor Commitment Letter is in full force and effect, has not been amended, restated, modified, withdrawn or terminated, and no event has occurred or circumstance exists, including the execution, delivery and performance of this Agreement or the consummation of the Transactions, which, with or without notice, lapse of time or both, would or would reasonably be expected to constitute a default or breach on the part of the Purchaser under the Sponsor Commitment Letter. As of the date hereof, the Sponsor Commitment Letter is a legal, valid and binding obligations of the Purchaser and the other parties thereto, in each case, except as may be limited by the Bankruptcy and Equity Exception. As of the date hereof, assuming the accuracy of all representations and warranties of Pure LP in this Agreement and compliance by Pure LP with its covenants and agreements hereunder, the Purchaser reasonably believes that it will be able to satisfy the conditions to the Sponsor Financing contemplated by the Sponsor Commitment Letter and that the Sponsor Financing will be made available to the Purchaser on the Effective Date. All commitment and other fees or expenses required to be paid under or in connection with the Sponsor Commitment Letter on or prior to the date hereof have been paid. The proceeds from the Sponsor Financing will be sufficient for all amounts required to be paid by the Purchaser pursuant to this Agreement on the Effective Date.
- (5) **Brokers and Finders.** Neither the Purchaser nor any of its directors or employees has employed any financial advisor, broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finders' fees in connection with the Transactions.
- (6) **Litigation.** To the knowledge of the Purchaser, there are no claims, actions, suits, arbitrations, inquiries, investigations or proceedings pending, or threatened, against the Purchaser before any Governmental Entity nor is the Purchaser subject to any outstanding judgment, order, writ, injunction or decree that, either individually or in the aggregate, is reasonably likely to prevent consummation of the Transactions.

- (7) **Investment Canada Act.** The Purchaser is a WTO Investor for purposes of the Investment Canada Act.
- (8) **Limited Guarantee.** Concurrently with the execution of this Agreement, the Purchaser has caused the Guarantor (as of the date hereof) to deliver to Pure LP the duly executed Limited Guarantee. The Limited Guarantee is in full force and effect, is a valid, binding and enforceable obligation of the Guarantor and as of the date hereof, no event has occurred which constitutes (or would constitute, with the giving of notice, the lapse of time, or the happening of any other event or condition (or combination thereof)), a material default on the part of the Guarantor under the Limited Guarantee.

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SCHEDULE E
FORM OF DIRECTORS' AND OFFICERS' SUPPORT AGREEMENT
SUPPORT AND VOTING AGREEMENT

In consideration of **PURE MULTI-FAMILY REIT LP** (“**Pure LP**”) and **PURE MULTI-FAMILY REIT (GP) INC.** (“**Pure GP**”, Pure GP and/or Pure LP are “**Pure**”) entering into an arrangement agreement dated the date hereof (the “**Arrangement Agreement**”) with **PORTFOLIO 22 VENTURE, LLC** (the “**Purchaser**”), providing for an arrangement involving Pure and the Purchaser under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the “**Transaction**”), this support and voting agreement (the “**Agreement**”) dated as of July 18, 2019 sets out the terms on which [●] (the “**Securityholder**”) undertakes to take certain actions and do certain things to support the Transaction.

WHEREAS Pure LP is proposing to hold the Pure Meeting to approve, *inter alia*, (i) the direct or indirect acquisition of all of the issued and outstanding units of Pure LP by the Purchaser by way of the Transaction, and (ii) such other ancillary matters as the Board may deem necessary in order to give effect to the Transaction;

AND WHEREAS the Securityholder wishes to support the Transaction subject to the terms and conditions contained herein;

AND WHEREAS the Parties have agreed to enter into this Agreement to provide for the support by the Securityholder of the Transaction;

NOW THEREFORE this Agreement witnesses that, in consideration of the premises and the covenants and agreement herein contained and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Defined Terms.

- (1) Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed thereto in the Arrangement Agreement.
- (2) The Securityholder and the Purchaser are collectively referred to as the “**Parties**” and each a “**Party**”.
- (3) “**Board**” means the board of directors of Pure GP.
- (4) “**Opposing Proposal**” means any of the actions or proposals described in Section 3.3(1)(a)(ii).
- (5) “**Relevant Securities**” means the Class A Units, Class B Units, Pure Deferred Units,

Pure RUs and Pure Performance Units listed on Schedule “A”, and any Class A Units acquired by the Securityholder or any affiliate of the Securityholder subsequent to the date hereof but prior to the record date in respect of the Pure Meeting (as the same may be changed in accordance with the Arrangement Agreement) including from the re-designation of Class B Units or the conversion or exercise of Pure RUs or Pure Performance Units, together with such additional Units that become legally or beneficially owned by such Securityholder, whether by purchase, share dividend, distribution, split-up, recapitalization, combination, exchange of units or the like, conversion of convertible securities or otherwise, after the date hereof.

Section 1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

- (1) **Headings, etc.** The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.
- (2) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (3) **Certain Phrases, etc.** The words (i) “including”, “includes” and “include” mean “including (or includes or include) without limitation,” and (ii) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement.
- (4) **References to Persons and Agreements.** Any reference to a Person includes its heirs, administrators, executors, legal personal representatives, successors and permitted assigns. The term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and includes all schedules to it.
- (5) **Computation of Time.** If the date on which any action is required or permitted to be taken under this Agreement is not a Business Day, such action shall be required or permitted to be taken before 11:59 p.m. on the next succeeding day which is a Business Day.
- (6) **Time References.** References to time are to local time, Vancouver, British Columbia.

Section 1.3 Schedule.

The schedule attached to this Agreement forms an integral part of this Agreement for all purposes of it.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of Securityholder.

- (1) The Securityholder hereby represents and warrants to the Purchaser (and acknowledges that the Purchaser is relying upon such representations and warranties) that:
 - (a) The Securityholder is the registered and/or beneficial owner of, or exercises control or direction over, all of the Relevant Securities listed in Schedule “A”, free and clear of any Liens, except for any Liens that could not reasonably be expected, either individually or in the aggregate, to materially impair the ability of such Securityholder to perform fully its obligations hereunder on a timely basis. Other than the restrictions in favour of Purchaser pursuant to this Agreement or any transfer restrictions of general applicability under applicable securities laws, such Securityholder has, and at the Pure Meeting and any other meetings of holders of the Units held to vote regarding the Arrangement Agreement and the Transactions such Securityholder will have, either (A) sole voting power and sole dispositive power with respect to the matters set forth in Section 3.3(1) in respect of all of the Relevant Securities of such Securityholder or (B) voting power and dispositive power with respect to the matters set forth in Section 3.3(1) in respect of all of the Relevant Securities of such Securityholder that is shared with one or more of the other Securityholders hereto or their respective transferees in accordance with Section 3.1.
 - (b) Other than the Relevant Securities, the Securityholder does not own (as registered owner or beneficial owner), or exercise control or direction over, any Units or any options, warrants or other rights to acquire any additional Units or any security exercisable for or convertible into Units.
 - (c) Except pursuant hereto, no Person has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, for the purchase, acquisition or transfer of any of the Relevant Securities, or any interest therein or right thereto, and none of the Relevant Securities are subject to any proxy, voting trust, vote pooling or other agreement with respect to the right to vote the Relevant Securities, call meetings of holders of the Units or give consents or approvals of any kind.
 - (d) The Securityholder has the full authority and capacity to vote or direct the voting of the Relevant Securities and to give or cause to be given a proxy for the Relevant Securities in connection with the Pure Meeting.
 - (e) This Agreement has been duly executed and delivered by the Securityholder and constitutes a legal, valid and binding obligation of the Securityholder, enforceable in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors’ rights generally and general principles of equity.

- (f) The execution and delivery of this Agreement by the Securityholder and the performance by the Securityholder of its obligations contemplated herein do not and will not (A) conflict with or violate any applicable Law with respect to such Securityholder or by which any of its assets or properties (including any Relevant Securities) are bound or (B) constitute a default (or with notice or lapse of time or both would become a default), violation or breach under any Contract, commitment, agreement, arrangement, understanding or restriction to which the Securityholder is a party or by which it is bound, except such violations, conflicts, defaults or breaches which could not, individually or in the aggregate, impair the ability of the Securityholder to perform its obligations under this Agreement. The execution and delivery of this Agreement by such Securityholder does not, and the performance of this Agreement by such Securityholder will not, require any consent, approval, authorization or permit of, or filing with or notification to, any (A) Governmental Entity, or (B) third party (including with respect to individuals, trusts, any co-trustee or beneficiary).
- (g) To the actual knowledge of the Securityholder, there is no proceeding, claim or investigation pending before any Governmental Entity, or threatened against the Securityholder or any properties of the Securityholder that, individually or in the aggregate, could reasonably be expected to have an adverse effect on the Securityholder's ability to execute and deliver this Agreement and to perform its obligations contemplated by this Agreement.
- (h) Such Securityholder understands and acknowledges that Purchaser is entering into the Arrangement Agreement in reliance upon such Securityholder's execution, delivery and performance of this Agreement.

Section 2.2 Representations and Warranties of the Purchaser.

- (1) The Purchaser hereby represents and warrants to the Securityholder (and acknowledges that the Securityholder is relying upon such representations and warranties) that:
 - (a) It is a limited liability company duly formed, validly existing and in good standing under the laws of its jurisdiction of formation.
 - (b) It has all necessary limited liability company power and authority to execute and deliver this Agreement.
 - (c) This Agreement has been duly executed and delivered by the Purchaser, and constitutes a legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, subject to laws of general application and bankruptcy, insolvency and other similar laws affecting creditors' rights generally and general principles of equity.
 - (d) The execution and delivery of and performance by the Purchaser of this Agreement do not and will not constitute a default, violation or breach under any Contract, commitment, agreement, arrangement, understanding or

restriction to which either of them is a party or by which either of them is bound, except such violations, conflicts, defaults or breaches which could not, individually or in the aggregate, impair the ability of the Purchaser to perform its obligations under this Agreement.

- (e) To the actual knowledge of the Purchaser, there is no proceeding, claim or investigation pending before any Governmental Entity, or threatened against the Purchaser that, individually or in the aggregate, could reasonably be expected to have an adverse effect on the ability of the Purchaser to execute and deliver this Agreement and to perform its obligations contemplated by this Agreement.

ARTICLE 3 SECURITYHOLDER COVENANTS

Section 3.1 Transfer of Relevant Securities.

- (1) The Securityholder agrees that during the term of this Agreement, it will not, except as expressly contemplated by this Agreement, directly or indirectly, in any manner:
 - (a) sell, transfer, gift, assign, pledge, hypothecate, encumber, convert, distribute or otherwise dispose of any of the Relevant Securities or any interest therein or enter into any agreement, arrangement or understanding in connection therewith, unless the Securityholder retains the irrevocable right to vote, or cause to be voted, the Relevant Securities at the Pure Meeting in favor of the Arrangement Resolution (and any other resolution put forward at the Pure Meeting that is required for the consummation of the transactions contemplated by the Arrangement Agreement) in accordance with his or her or its obligations under this Agreement; provided that, the Securityholder may (i) settle Pure RUs or Pure Performance Units to acquire additional Class A Units, (ii) re-designate any Class B Units into Class A Units, and (iii) transfer Relevant Securities to a corporation, family trust, RRSP or other entity directly or indirectly owned or controlled by the Securityholder or under common control with or controlling the Securityholder provided that (w) such transfer shall not relieve or release the Securityholder of or from its obligations under this Agreement, including, without limitation, the obligation of the Securityholder to vote or cause to be voted all Relevant Securities at the Pure Meeting in favour of the Arrangement Resolution (and any other resolution put forward at the Pure Meeting that is required for the consummation of the transactions contemplated by the Arrangement Agreement), (x) prompt written notice of such transfer is provided to the Purchaser, and (y) the transferee continues to be a corporation or other entity directly or indirectly controlling the Securityholder, or owned or controlled by the Securityholder, at all times prior to the Pure Meeting;
 - (b) deposit any of the Relevant Securities into a voting trust, or grant (or permit to be granted) any proxies or powers of attorney or attorney in fact, or enter into a voting agreement, understanding or arrangement, with respect to the voting of

its Relevant Securities, or give instructions with respect to any such Relevant Securities in any manner inconsistent with the terms of this Agreement with respect to any vote on the approval and adoption of the Arrangement Resolution or any other matters set forth in Section 3.3; or

- (c) commit or agree to take any of the foregoing actions.

in each case, without having first obtained the prior written consent of the Purchaser, which consent shall not be unreasonably withheld. If any involuntary transfer of any of the Relevant Securities shall occur (including a sale by a Securityholder's trustee in any bankruptcy, liquidator in any liquidation or winding-up or provisional liquidator in any restructuring by way of provisional liquidation, or a sale to a purchaser at any creditor's or court sale), the transferee (which term, as used herein, shall include any and all transferees and subsequent transferees of the initial transferee) shall, to the extent permitted by applicable Law, take and hold such Relevant Securities subject to all of the restrictions, liabilities, obligations and rights under this Agreement, which shall continue in full force and effect until the valid termination of this Agreement.

Section 3.2 Non-Solicitation.

- (1) The Securityholder agrees that it shall:
 - (a) not, directly or indirectly, take any action that, if taken by Pure, would constitute a breach of Article 5 of the Arrangement Agreement; and
 - (b) from and after the No-Shop Period Start Time, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussions or negotiations commenced prior to the date of this Agreement with any Person, including any Person's Representatives, (other than the Purchaser) by or on behalf of the Securityholder with respect to any Acquisition Proposal or any inquiry, proposal or offer that may reasonably be expected to lead to an Acquisition Proposal, whether or not initiated by the Securityholder,

provided that if at any time, prior to obtaining the approval of the Unitholders eligible to vote in respect of the Arrangement Resolution, Pure receives a *bona fide* written Acquisition Proposal that was not, directly or indirectly, solicited, initiated, knowingly encouraged or otherwise facilitated in violation of Section 5.1 of the Arrangement Agreement, the Securityholder may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal provided that (i) the Board is permitted by Section 5.2 of the Arrangement Agreement to engage in such discussions or negotiations, and (ii) such Acquisition Proposal did not result from a breach by the Securityholder of the provisions of this Agreement.

Section 3.3 Voting.

- (1) The Securityholder hereby irrevocably covenants, undertakes and agrees that, from the date hereof until the termination of this Agreement pursuant to Article 4, it shall:
 - (a) be present (in person or by proxy, or cause to be present) and vote (or cause to be voted) all of the Relevant Securities (to the extent that such Relevant Securities are entitled to a vote in respect of such matters):
 - (i) in favour of the of (A) the Arrangement Resolution (and any other resolution put forward at the Pure Meeting that is required in furtherance thereof), (B) approval and adoption of the Arrangement Agreement and the Transactions, (C) any other matter necessary or appropriate to consummate the Transactions, and (D) the approval of any proposal to adjourn or postpone the Pure Meeting and/or other meetings to a later date, if there are not sufficient votes for the approval and adoption of the Arrangement Agreement, any of the Transactions or any other matter necessary or appropriate to consummate the Transactions on the date on which such meeting is held, at the Pure Meeting and/or every meeting of the securityholders of Pure LP at which such matters are considered and at every adjournment or postponement thereof, and not withdraw any proxies or change its vote in respect thereof; and
 - (ii) against any resolution proposed by Pure or any other Person that would reasonably be expected to adversely affect or reduce the likelihood of the successful completion of the Transaction, including but not limited to: (A) any Acquisition Proposal or any other action, proposal, agreement or transaction made in opposition to or competition with, or inconsistent with, the Arrangement Agreement and the Transactions, and (B) any other action, proposal, agreement or transaction that would reasonably be expected, or the effect of which would reasonably be expected, to prevent, nullify, materially impede, interfere with, frustrate, delay, postpone, discourage or adversely affect the timely consummation of the Transactions or the performance by the Securityholder of its obligations under this Agreement, including (1) any extraordinary dividend or distribution by Pure LP, (2) any material change in the capital structure or corporate structure or business of Pure LP or any of its Subsidiaries, (3) other than the Arrangement Agreement and the Transactions, any merger agreement or merger, consolidation, combination, material business transaction, sale of assets, reorganization, recapitalization, dissolution, liquidation or winding up of Pure LP, or any other action or transaction involving Pure LP, (4) any election of new members to the Board, other than the re-election of the members of the Board who are serving as directors of Pure GP on the date of this Agreement (collectively, the “**Existing Directors**”) or any new member(s) whose nomination(s) is approved by a majority of the Existing Directors, and (5) any amendment of Pure LP’s Organizational

Documents except as otherwise contemplated in the Plan of Arrangement;

- (b) except as contemplated by this Agreement, not vote or grant to any Person other than the Purchaser a proxy to vote or enter into any voting trust, vote pooling or other agreement with respect to the right to vote the Relevant Securities (and will cause such Relevant Securities not to be voted) in favour of any Acquisition Proposal;
 - (c) deliver, or cause to be delivered, to Pure LP's transfer agent, or as otherwise directed by Pure, after receipt of proxy materials for, and no later than five (5) Business Days before the date of, the Pure Meeting or any other meeting of the securityholders (or any of them) of Pure LP called for the purpose of approving the Transaction, a duly executed proxy directing that the Relevant Securities be voted at such meeting in favour of the Arrangement Resolution and all related matters; and
 - (d) not take any action that is intended to prevent, frustrate, delay or impede the ability of Pure LP to obtain the approval or adoption of the Arrangement Resolution or the completion of the Transactions.
- (2) The Securityholder shall not, and hereby agrees not to:
- (a) assert or exercise any dissent rights in respect of the Transaction or the transactions associated therewith that the Securityholder may have;
 - (b) bring, institute, maintain, prosecute, commence, participate in or voluntarily aid, and shall, and hereby agrees to, take all actions necessary to opt out of any class in any class action with respect to, any Action, claim, derivative or otherwise, against Pure or the Purchaser or any of their Subsidiaries (or any of their respective successors) relating to the negotiation, execution and delivery of the Arrangement Agreement or any other agreement relating to the Transaction or the consummation of the Transaction or which alleges that the execution and delivery of the Arrangement Agreement or the approval of the Arrangement Agreement and the Transactions by the Board or the board of directors or similar governing body, as applicable, of Pure LP or Purchaser, as applicable, breaches any fiduciary duty of such governing body or any member thereof or which otherwise challenges the Arrangement Agreement and the Transactions;
 - (c) solicit proxies or become a participant in a solicitation (i) with respect to an Opposing Proposal or (ii) seeking votes or consents against the approval or adoption of the Arrangement Resolution or the Transactions
 - (d) initiate a unitholders' vote with respect to an Opposing Proposal; and
 - (e) except by virtue of this Agreement, become a member of a group with respect to any voting securities of Pure LP with respect to an Opposing Proposal.

- (3) The Securityholder hereby revokes any and all previous proxies granted that may conflict or be inconsistent with the matters set forth in this Agreement and the Securityholder agrees not to, directly or indirectly, grant any other proxy or power of attorney with respect to the matters set forth in this Agreement except as expressly required or permitted by this Agreement.

Section 3.4 No Agreement as Director or Officer.

The Securityholder is entering into this Agreement solely in its capacity as the legal and beneficial owner of, or the Person who exercises control or direction over, the Relevant Securities and in no other capacity. Consequently, nothing in this Agreement shall be construed as in any manner restricting, limiting or prohibiting the Securityholder (or any of its directors, officers, employees or shareholders) from taking any action, or refraining from taking any action, in his or her capacity as a director, officer or employee of Pure or any of its Subsidiaries on behalf of Pure and its Subsidiaries, including any action of Pure permitted under the Arrangement Agreement. Nothing in this Agreement will be construed to prohibit, limit or restrict the Securityholder from exercising his or her fiduciary duties as a director, officer or employee of Pure or any of its Subsidiaries.

**ARTICLE 4
TERMINATION**

Section 4.1 Termination.

- (1) This Agreement shall automatically terminate upon the earlier of:
- (a) the Effective Time;
 - (b) the date of termination of the Arrangement Agreement in accordance with its terms; and
 - (c) the mutual consent in writing of the Parties.
- (2) This Agreement may be terminated by the Securityholder if:
- (a) any representation or warranty of the Purchaser under this Agreement or under the Arrangement Agreement is untrue or incorrect in any material respect;
 - (b) the amount of the consideration offered by the Purchaser to the holders of Relevant Securities pursuant to the Transaction is reduced, the form of the consideration is changed, or the terms of the Arrangement Agreement are otherwise changed in any manner that is adverse to the Securityholder;
 - (c) the Board effects an Adverse Recommendation Change; or
 - (d) the Transaction is not completed by the Outside Date,

provided that at the time of such termination under clause (a), (c) or (d), the Securityholder is not in material default in the performance of its obligations under this Agreement.

Section 4.2 Effect of Termination.

If this Agreement is terminated in accordance with the provisions of this Article 4, no Party shall have any further liability to perform its obligations under this Agreement except as expressly contemplated by this Agreement, and provided that neither the termination of this Agreement nor anything contained in this Article 4 shall relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in its representations and warranties and any non-performance by it of its covenants made herein.

Section 4.3 Remedies.

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed by the Securityholder or the Purchaser in accordance with their specific terms or were otherwise breached by the Securityholder or the Purchaser. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches of this Agreement, and to enforce compliance with the terms of this Agreement against the Securityholder or the Purchaser, as applicable, without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

ARTICLE 5 GENERAL PROVISIONS

Section 5.1 Disclosure.

- (1) The Securityholder agrees:
 - (a) to the existence and factual details of this Agreement (other than registration particulars set out in Schedule “A”) being set out in any public disclosure, including, without limitation, press releases, information circulars and court materials, produced by Pure or the Purchaser, at the discretion of Pure or the Purchaser, in connection with the Transaction; and
 - (b) to this Agreement (other than registration particulars set out in Schedule “A”) being filed and/or available for inspection by the public to the extent required by applicable securities laws or stock exchange rules.

Section 5.2 Notices.

Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or by electronic mail and addressed:

(a) to the Purchaser at:

Portfolio 22 Venture, LLC
c/o Cortland Partners, LLC
3424 Peachtree Road, N.E.
Suite 300
Atlanta, Georgia 30326

Attention: Corey May
Email: [Redacted: personal information]

with a copy (which will not constitute notice) to:

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036

Attention: John Wilson
Spencer Johnson
Tony Rothermel
Email: jdwilson@kslaw.com
csjohnson@kslaw.com
trothermel@kslaw.com

(b) to the Securityholder at:

[Securityholder]
[Address]

Attention: [●]
Email: [●]

with a copy (which will not constitute notice) to:

[●]

Attention: [●]
Email: [●]

Section 5.3 Time of the Essence.

Time is of the essence in this Agreement.

Section 5.4 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 5.5 Entire Agreement.

This Agreement constitutes the entire agreement between the parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 5.6 Successors and Assigns.

- (1) This Agreement becomes effective only when executed by the Securityholder and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Securityholder, the Purchaser and their respective successors and permitted assigns. The provisions of Section 5.1 shall enure to the benefit of Pure LP and Pure LP shall be an express third-party beneficiary of Section 5.1.
- (2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party.

Section 5.7 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 5.8 Governing Law.

- (1) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

- (2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 5.9 Rules of Construction.

The Parties to this Agreement waive the application of any law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

Section 5.10 Language.

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les Parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 5.11 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by PDF or facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed PDF, facsimile or similar executed electronic copy of this Agreement, and such PDF, facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature pages follow.]

This Agreement has been agreed and accepted on the date first written above.

PORTFOLIO 22 VENTURE, LLC

By: _____
Authorized Signing Officer

If a corporation:
[insert name of corporation]

If an individual:

By: _____
Authorized Signing Officer

Securityholder

**SCHEDULE A
RELEVANT SECURITIES**

| Class of Securities | | Number of Securities Held |
|----------------------------|----------|----------------------------------|
| Class A Units | | [•] |
| Class B Units | | [•] |
| Pure Deferred Units | | [•] |
| Pure RUs | Vested | [•] |
| | Unvested | [•] |
| Pure Performance Units | Vested | [•] |
| | Unvested | [•] |

**SCHEDULE F
FORM OF REIT TAX OPINION**

[Redacted: confidential information]