

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name PURE US APARTMENTS REIT INC.		2 Issuer's employer identification number (EIN) 45-5260731	
3 Name of contact for additional information SUNSTONE REALTY ADVISORS INC	4 Telephone No. of contact 1-888-681-5959	5 Email address of contact info@sunstoneadvisors.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact SUITE 910, 925 WEST GEORGIA STREET		7 City, town, or post office, state, and Zip code of contact VANCOUVER, BC CANADA V6C 3L2	
8 Date of action OCTOBER 15 & NOVEMBER 15, 2012		9 Classification and description SERIES A PREFERRED SHARE	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ THE CORPORATION PAID DISTRIBUTIONS AS FOLLOWS:

RECORD DATE	PAYMENT DATE	TOTAL DISTRIBUTION	PAID PER UNIT OF PURE MULTI FAMILY REIT LP
SEPTEMBER 30, 2012	OCTOBER 15, 2012	\$345,000.00	\$0.03
OCTOBER 31, 2012	NOVEMBER 15, 2012	\$512,670.00	\$0.03

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ DIVIDENDS PAID IN EXCESS OF THE CURRENT AND ACCUMULATED EARNINGS AND PROFIT OF A CORPORATION REDUCE THE BASIS OF THE SHARES OF THE CORPORATION PURSUANT TO INTERNAL REVENUE CODE (IRC) SECTION 301(C)(2) AND SECTION 316(A). THE CORPORATION CURRENTLY ESTIMATES THAT 50% OF THE DISTRIBUTIONS PAID EACH RESPECTIVE MONTH SHOULD CONSTITUTE A RETURN OF CAPITAL, WHICH WOULD REDUCE THE TAX BASIS FOR U.S. FEDERAL INCOME TAX PURPOSES ON A PER SHARE BASIS.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ BASED ON THE ISSUER'S CURRENT AND ACCUMULATED EARNINGS AND PROFITS, 50 PERCENT OF THE DISTRIBUTION PAID EACH RESPECTIVE MONTH SHOULD REDUCE THE BASIS OF THE SERIES A PREFERRED SHARE HELD BY PURE MULTI-FAMILY REIT LP ON THE DATE OF RECORD.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based IRC SEC. 301(C)(2) PROVIDES THAT THE PORTION OF A DISTRIBUTION WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED BASIS OF THE STOCK.

18 Can any resulting loss be recognized? FOR US FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTION WILL NOT RESULT IN ANY TAX LOSS FOR THE SERIES A PREFERRED SHAREHOLDER.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year N/A

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature "Steve Evans" Date November 14, 2012
Print your name Steve Evans Title President & Director