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**PURE MULTI-FAMILY REIT LP ANNOUNCES US\$50.9 MILLION IN
ACQUISITIONS, US\$20 MILLION CONVERTIBLE DEBENTURE FINANCING AND
DISTRIBUTION INCREASE**

Vancouver, BC – July 16, 2013: Pure Multi-Family REIT LP (“Pure Multi”) (TSXV: RUF.U) announced today that it has entered into conditional agreements to purchase three multi-family apartment properties (the “Acquisitions”) for an aggregate purchase price of US\$50.9 Million (the “Purchase Price”), representing a going-in capitalization rate of 6.52%.

The Acquisitions consist of two multi-family apartment properties located in Dallas, Texas and a 20% interest in a multi-family property located in Phoenix, Arizona. The two Dallas properties consist of a total of 468 residential units with 442,536 square feet of rentable area, and are situated on a total of 26 acres. The Phoenix property consists of 208 residential units, with 210,000 square feet of rentable area, and is situated on 13 acres.

Pure Multi intends to fund a portion of the purchase price of the two Dallas properties with new first mortgages in an estimated amount of US\$30.0 Million at an estimated interest rate of approximately 4.00%. Pure Multi intends to fund a portion of the purchase price of the Phoenix property with the assumption of the existing mortgage loan in the amount of approximately US\$2.8 Million, bearing interest at an annual rate of 5.63% and maturing in December 2019. The balance of the Purchase Price will be obtained from the proceeds of Pure Multi's bought deal financing, which is being announced concurrently.

The properties will be acquired indirectly by Pure Multi from wholly-owned subsidiaries of Sunstone U.S. Opportunity Realty Trust (“Sunstone”). Pure Multi and Sunstone are non-arm's length parties in accordance with the policies of the TSX Venture Exchange (“TSXV”) by virtue of having certain directors and officers in common. The closing of each of the Acquisitions is subject to the approval of the TSXV.

Steve Evans, CEO, commented, “Pure Multi seeks to acquire high quality multi-family properties in clusters in the U.S. Sunbelt’s premiere markets. Pure Multi has also started to form clusters of properties in Phoenix, Arizona and Houston, Texas. We expect these acquisitions to be immediately accretive to our AFFO per unit.”

Mr. Evans added, “We are extremely pleased to be adding these two Dallas properties to our core portfolio. These Class A properties have historically had very high occupancy levels, and further increase our exposure to the very strong Plano and Euless sub-markets of the burgeoning Dallas-Fort Worth Metroplex.”

Bought Deal Convertible Debenture Offering

Pure Multi also announced today that it has entered into an agreement to sell to a syndicate of underwriters co-led by National Bank Financial Inc. and Canaccord Genuity Corp. and including CIBC World Markets Inc., Dundee Securities Ltd., Scotia Capital Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd., HSBC Securities (Canada) Inc., Desjardins Securities Inc. and Acumen Capital Finance Partners Limited. (collectively, the “Underwriters”), on a bought deal basis, US\$20,000,000 of convertible unsecured subordinated debentures (the “Debentures”) of Pure Multi, at a price of US\$1,000 per Debenture (the “Offering”). Pure Multi has also granted the Underwriters an over-allotment option to purchase up to an additional US\$3,000,000 of Debentures on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Offering. The Offering is expected to close on or about August 7, 2013 and is subject to regulatory approval.



The Debentures will mature on September 30, 2020 (the “Maturity Date”) and bear interest at a rate of 6.50% per annum, payable semi-annually on the last day of March and September of each year. The first interest payment will be made on March 31, 2014 and will consist of interest accrued from and including the closing of the Offering to March 31, 2014.

The Debentures will be convertible at the holder's option into Class A units (each, a “Unit”) of Pure Multi at any time prior to the close of business on the earlier of the Maturity Date and the business day immediately preceding the date fixed for redemption of the Debentures, at a conversion price of US\$5.65 per Unit (the “Conversion Price”), being a ratio of approximately 176.9912 Units per US\$1,000 principal amount of Debentures, subject to adjustment in certain events. Holders converting their Debentures will receive accrued and unpaid interest thereon, up to, but excluding, the date of conversion.

The net proceeds from the Offering, together with the proceeds of assumed and new mortgages, will be used to fund the Acquisitions described above. Any balance of net proceeds from the Offering will be used to fund prospective acquisitions and for general corporate purposes.

The Debentures will be offered in all provinces of Canada (except Quebec) by way of a short form prospectus.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933 (the “1933 Act”), as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act.

This press release shall not constitute an offer to sell or a solicitation of any offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Distribution Increase

Pure Multi also announced today that the Board of Directors of Pure Multi-Family REIT (GP) Inc., the governing general partner of Pure Multi, has approved an increase to Pure Multi’s monthly distribution to unitholders to US\$0.03125 per Unit, commencing with the September 2013 distribution payable in October 2013. The 4.2% increase of US\$0.015 per Unit on an annualized basis will increase Pure Multi’s annualized distribution to US\$0.375 per Unit. Pure Multi’s policy is to pay cash distributions on or about the 15th day of each month to the unitholders of record on the last business day of the preceding month.

Mr. Evans, commented, “Pure Multi’s healthy growth is something we have strategically planned. We have successfully implemented targeted value-add improvements across our portfolio and we are seeing good rental rate growth as a result. During the past twelve months, we have established a very high-quality U.S. multi-family apartment platform.”

“We see continued demand for high quality multi-family apartment properties across the major markets of the U.S. Sunbelt, consisting of large and fast-growing metropolitan areas that are attracting job seekers and leading the U.S. recovery.”

“The distribution increase reflects Pure Multi’s recent strong financial and operating performance, and our expectation of continued growth in earnings. Management continues to work towards our target of delivering an AFFO payout ratio that is in the mid-70% range.”

After the completion of the Acquisitions announced today, and the Dallas property which was announced on July 8, 2013, which is expected to close in late July, 2013, Pure Multi’s portfolio will consist of 13 multi-family residential properties, comprising an aggregate of 3,614 residential units and approximately 3.1 million square feet of rentable area.



About Pure Multi-Family REIT LP

Pure Multi is a Canadian based, publically traded vehicle which offers investors exclusive exposure to U.S. multi-family real estate assets. Pure Multi's Units are USD denominated and allow Canadian investors the opportunity to buy into under-valued American hard assets while the Canadian dollar trades near 40 year highs. Additional information about Pure Multi is available at www.puremultifamily.com or www.sedar.com.

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Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward looking statements in this news release include: (i) the Offering is expected to close on or about August 7, 2013; (ii) we expect these acquisitions to be immediately accretive to our AFFO per Unit; and (iii) after the completion of the Acquisitions announced today, and the Dallas property which was announced on July 8, 2013, which is expected to close in late July, 2013, Pure Multi's portfolio will consist of 13 multi-family residential properties, comprising an aggregate of 3,614 residential units and approximately 3.1 million square feet of rentable area. The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by Pure Multi, including: expectations and assumptions concerning receipt of required regulatory approvals and the satisfaction of other conditions to the completion of and use of proceeds from the Offering.

Although Pure Multi believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Pure Multi can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the Offering, competitive factors in the industries in which Pure Multi operates, prevailing economic conditions, and other factors, many of which are beyond the control of Pure Multi.

The forward-looking statements contained in this news release represent Pure Multi's expectations as of the date hereof, and are subject to change after such date. Pure Multi disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (as that term is defined in the policies of the TSX Venture Exchange) HAS REVIEWED OR ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR THE ACCURACY OF THIS RELEASE.