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Announcement of Special Distribution to Unitholders

Vancouver, BC – November 11, 2014: Sunstone U.S. Opportunity (No. 3) Realty Trust (“Sunstone”) announced today that it has issued a special distribution to unitholders due to the previously announced asset dispositions.

In 2014, Sunstone announced the profitable sales of two of the four properties in its portfolio: The sale of the Zona Hotel and Suites (“the Zona”) and the sale of 50% of the Preserve at Arbor Hills (“The Preserve”). The Zona was purchased in January 2011 for US\$34,400,000 and sold in June 2014 for US\$52,000,000, less standard closing costs and adjustments. Fifty percent of the Preserve was purchased in March 2011 for US\$16,887,500 and sold in August 2014 for US\$20,500,000, less standard closing costs and adjustments.

Special Distribution

As a result of the dispositions, the Realty Trust issued a special distribution totalling a gross amount of US\$949.86 per US\$1,250.00 unit or \$ 9,498.60 per initial US\$12,500 invested (10 units) on October 30, 2014 to unitholders of record on October 1, 2014.

From a U.S. tax perspective, the distribution may be described as a return of capital, ordinary income dividend, and a capital gains dividend, less U.S. withholding tax at 35% of the capital gains dividend and withholding tax at 15% of the ordinary income dividend. Management’s best estimate of the allocation between return of capital and Foreign Investment in Real Property Tax Act (“FIRPTA”) gains, after consultation with tax advisors, is a return of capital of US\$244.63 per unit, ordinary income of \$126.47 per unit, and a capital gains dividend of US\$578.76, less total withholding taxes of US\$221.54, resulting in a net cash distribution of US\$728.32 per unit to unitholders. The FIRPTA gains are subject to an automatic 35% withholding tax, however, management estimates that the final withholding tax will be less than the 35% rate. Investors should consult their own professional advisors to obtain advice on the tax consequences that apply to them in their specific circumstances.

U.S. Tax Slips

Unitholders have the opportunity to claim part of the FIRPTA withholdings back from the IRS by submitting a U.S. tax return to the IRS. Sunstone will provide an online process for unitholders to complete their U.S. tax slips and U.S. tax returns for submission.

The U.S. tax slips and the U.S. tax return will be the only form of documentation available to detail each unitholder’s FIRTPA taxes paid to the IRS. As information is specific to each unitholder, U.S. tax slips will only be issued to those who participate in the online process and Sunstone will provide U.S. tax slips



(Schedule K1 and Form 8805) to investors directly. If unitholders choose not to participate, no U.S. tax slips will be issued. This is the only opportunity to receive U.S. tax slips for Sunstone.

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Additional information about Sunstone is available at www.sunstoneadvisors.com or www.sedar.com.

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