

INVESTORS

PRESS RELEASE

WHITESTONE REIT ANNOUNCES TAX CHARACTERISTICS OF 2020 DISTRIBUTIONS

Company Release - 1/29/2021 7:30 PM ET

HOUSTON, Jan. 29, 2021 (GLOBE NEWSWIRE) -- Whitestone REIT (NYSE: WSR) ("Whitestone" or the "Company") released the federal income tax treatment of 2020 cash distributions to holders of common shares (CUSIP 966084204). The final classifications of the distributions for 2020, which will be reported on Form 1099-DIV, are as follows:

Ex-Dividend Date	Record Date	Payable Date	Total Distribution Per Share	Ordinary Dividends	Total Capital Gain Distribution	Unrecaptured Sec 1250 Gain	Return of Capital (Nontaxable Distribution)
12/31/2019	1/3/2020	1/15/2020	\$ 0.095000	\$ 0.056921	\$ -	\$ -	\$ 0.038079
2/3/2020	2/4/2020	2/13/2020	\$ 0.095000	\$ 0.056921	\$ -	\$ -	\$ 0.038079
3/2/2020	3/3/2020	3/13/2020	\$ 0.095000	\$ 0.056921	\$ -	\$ -	\$ 0.038079
4/6/2020	4/7/2020	4/15/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
5/1/2020	5/4/2020	5/13/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
6/1/2020	6/2/2020	6/12/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
7/1/2020	7/2/2020	7/10/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
8/3/2020	8/4/2020	8/13/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
8/31/2020	9/1/2020	9/10/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
10/5/2020	10/6/2020	10/15/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
11/2/2020	11/3/2020	11/12/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
12/1/2020	12/2/2020	12/10/2020	\$ 0.035000	\$ 0.020971	\$ -	\$ -	\$ 0.014029
2020 Total			\$ 0.600000	\$ 0.359502	\$ -	\$ -	\$ 0.240498
			59.917000 %	0.000000 %	0.000000 %	40.083000 %	

⁽¹⁾ Represents dividends eligible for the 20% qualified business income deduction under Section 199A, and is included in "Ordinary Dividends."

Shareholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of Whitestone REIT cash distributions. For additional information, contact Whitestone REIT's Investor Relations Department.

About Whitestone REIT

Whitestone is a community-centered shopping center REIT that acquires, owns, manages, develops and redevelops high-quality neighborhood centers primarily in the largest, fastest-growing and most affluent markets in the Sunbelt.

Whitestone seeks to create Communities That Thrive through Creating Local Connections between consumers in the surrounding communities and a well-crafted mix of national, regional and local tenants that provide daily necessities, needed services, entertainment and experiences.

Whitestone is a monthly dividend paying stock and has consistently paid dividends for over 15 years.

Whitestone's strong balanced and managed capital structure provides stability and flexibility for growth and positions Whitestone to perform well through economic cycles. For additional information, please visit www.whitestonereit.com.

Contact Whitestone REIT:

Kevin Reed

Director of Investor Relations

(713) 435-2219

kreed@whitestonereit.com



Source: Whitestone REIT

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name WHITESTONE REIT		2 Issuer's employer identification number (EIN) 76-0594970	
3 Name of contact for additional information DAVID K. HOLEMAN	4 Telephone No. of contact 713.827.9595	5 Email address of contact DHOLEMAN@WHITESTONEREIT.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2600 S. GESSNER ROAD, SUITE 500		7 City, town, or post office, state, and ZIP code of contact HOUSTON, TX 77063	
8 Date of action 12/31/20	9 Classification and description COMMON STOCK DIVIDENDS		
10 CUSIP number 966084204	11 Serial number(s) N/A	12 Ticker symbol WSR	13 Account number(s) N/A

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 ► Whitestone REIT is organized and operates as a Real Estate Investment Trust (REIT) as defined under Section 856(a) of the Code. Pursuant to Section 857(a)(1) of the Code, Whitestone REIT is required to distribute 90% of its REIT taxable income during each taxable year for which it has elected to be a REIT. As of December 31, 2020, Whitestone REIT had elected to be taxed as a REIT in accordance with Section 856(c)(1) of the Code. As of December 31, 2020, Whitestone REIT had one class of common stock for which distributions of cash were made that resulted in an adjustment to the basis of that stock in the hands of its respective shareholders. Distributions of cash, a portion of which are treated as a return of capital, were made on the payment dates outlined in the attached schedule. The total distributions made by Whitestone REIT to its shareholders exceeded the amount of its current year and accumulated earnings and profits as determined under Section 312 of the Code. The excess amount of these distributions is treated as a return of capital to the shareholders and, as a result, they are required to reduce their tax basis in their stock as provided in Section 301(c)(2). The dates upon which shareholders of record were measured are also identified on the attached schedule.

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 ► See attached table for quantitative effect of the distributions reported as a return of capital on a per share basis. The percentage of the distributions that was a return of capital is reported to the Corporation's shareholders on their 2020 Forms 1099-DIV.

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 ► The calculation for the return of capital portion of distributions made to common stock shareholders of Whitestone REIT during 2020 represents the total distributions made to Whitestone REIT common shareholders less the amount attributed to ordinary income and capital gain.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► _____

Section 301(c)(2)

Section 312

Section 316

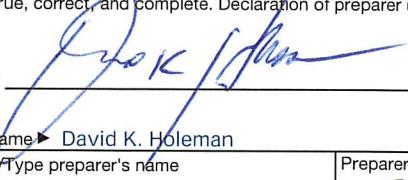
Section 857

Section 6042

18 Can any resulting loss be recognized? ► No19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► Reportable tax year ended December 31, 2020.**Sign Here**

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.

Signature ►



Date ►

1/26/21

Print your name ► David K. Holeman

Title ► Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name Mark C. Sutton	Preparer's signature 	Date 01/26/21	Check <input type="checkbox"/> if self-employed	PTIN P00711710
	Firm's name ► Plante & Moran, PLLC			Firm's EIN ►	38-1357951
	Firm's address ► 2601 Cambridge Court, Suite 500, Auburn Hills, MI			Phone no.	248.375.7100

Whitestone REIT Class B Common Shares

FEIN: 76-0594970

Form 8937 - Part II, Lines 14 and 15 Supplemental Schedule

FYE December 31, 2020

Record Date	Payable Date	Total Dividend Per Share	Return of Capital Per Share
1/3/2020	1/15/2020	\$ 0.095	\$ 0.038
2/4/2020	2/13/2020	\$ 0.095	\$ 0.038
3/3/2020	3/13/2020	\$ 0.095	\$ 0.038
4/7/2020	4/15/2020	\$ 0.035	\$ 0.014
5/4/2020	5/13/2020	\$ 0.035	\$ 0.014
6/2/2020	6/12/2020	\$ 0.035	\$ 0.014
7/2/2020	7/10/2020	\$ 0.035	\$ 0.014
8/4/2020	8/13/2020	\$ 0.035	\$ 0.014
9/1/2020	9/10/2020	\$ 0.035	\$ 0.014
10/6/2020	10/15/2020	\$ 0.035	\$ 0.014
11/3/2020	11/12/2020	\$ 0.035	\$ 0.014
12/2/2020	12/10/2020	\$ 0.035	\$ 0.014