



INTERRENT REAL ESTATE INVESTMENT TRUST
NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS
to be held on Tuesday May 21, 2019

– and –

MANAGEMENT INFORMATION CIRCULAR

April 10, 2019

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APPENDICES

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INTERRENT REAL ESTATE INVESTMENT TRUST
NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of unitholders (the “**Unitholders**”) of InterRent Real Estate Investment Trust (the “**REIT**” or “**InterRent**”) will be held at the offices of Gowling WLG (Canada) LLP, 160 Elgin Street, Suite 2600, Ottawa, Ontario K1P 1C3, on Tuesday, May 21, 2019 at 11:00 a.m. (Ottawa time), for the following purposes:

- a) To receive and consider the consolidated financial statements of the REIT for the year-ended December 31, 2018 and the report of the auditors thereon;
- b) To elect the trustees of the REIT (the “**Trustees**”), and to direct the Trustees to elect the trustees of InterRent Trust and the directors of InterRent Holdings General Partner Limited;
- c) To appoint RSM Canada LLP as auditors of the REIT and to authorize the Trustees to fix their remuneration;
- d) To consider and, if thought advisable, to pass a special resolution (i) approving certain amendments to each of the REIT’s unit option plan, long term incentive plan and deferred unit plan to reduce the maximum aggregate number of units of the REIT (“**Units**”) that may be issued under all such equity incentive plans from 10% to 7% of the issued and outstanding Units; and (ii) authorizing all unallocated Units issuable pursuant to such plans as required by the Toronto Stock Exchange every three years, all as more fully described in the management information circular;
- e) To consider and, if thought advisable, to pass a special resolution approving certain amendments to the REIT’s amended and restated declaration of the trust dated December 29, 2010, all as more fully described in the management information circular; and
- f) To transact such other business as may properly come before the Meeting or any adjournments thereof.

This year, as described in the notice-and-access notification mailed to Unitholders, the REIT has decided to deliver the Meeting materials to Unitholders by posting the Meeting materials on its website (www.interrentreit.com/MIC2019). The use of this alternative means of delivery is more environmentally friendly as it will help reduce the use of paper and it will also reduce the REIT’s printing and mailing costs. The Meeting materials will be available on the REIT’s website as of April 18, 2019, and will remain on the website for one full year thereafter. The Meeting materials will also be available on SEDAR at www.sedar.com as of April 18, 2019.

All Unitholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting.

Unitholders who wish to receive paper copies of the Meeting materials may request copies from the REIT by calling toll-free in North America at 1.855.659.2926. Meeting materials will be sent to such Unitholders at no cost to them within three business days of their request, if such requests are made before the Meeting.

Unitholders who are unable to attend the Meeting are requested to complete, date, sign, and return the enclosed form of proxy or voting instruction form, as applicable, so that as large a representation of Unitholders as possible may be had at the Meeting.

The Trustees have by resolution fixed the close of business on Monday, April 1, 2019 as the record date for the determination of Unitholders entitled to receive notice of and vote at the Meeting or any adjournments thereof.

The Trustees have by resolution fixed the close of business on Thursday, May 16, 2019, or the second business day (excluding Saturdays, Sundays and holidays) preceding any adjournments or postponements of the Meeting as the time before which proxies to be used or acted upon at the Meeting or any adjournment or postponement thereof shall be deposited with the REIT’s transfer agent, TSX Trust Company, 100 Adelaide Street W, Suite 301, Toronto, Ontario, M5H 4H1.

DATED at Ottawa, Ontario this 10th day of April, 2019.

By Order of the Board of Trustees

“Mike McGahan”

Mike McGahan
Chief Executive Officer



INTERRENT REAL ESTATE INVESTMENT TRUST

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the trustees (the “Trustees” and, individually, a “Trustee”) of InterRent Real Estate Investment Trust (the “REIT” or “InterRent”) for use at the annual and special meeting (the “Meeting”) of unitholders (the “Unitholders”) of the REIT to be held at the offices of Gowling WLG (Canada) LLP, 160 Elgin Street, Suite 2600, Ottawa, Ontario K1P 1C3, on Tuesday, May 21, 2019 at 11:00 a.m. (Ottawa time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual and Special meeting (the “Notice of Meeting”). The solicitation will be primarily by mail but may also be solicited by telephone, electronic means of communication or in writing by Trustees, officers or designated agents of the REIT. The cost of solicitation will be borne by the REIT. The information contained herein is given as of April 10, 2019, unless otherwise indicated.

RECORD DATE

The Trustees have fixed Monday, April 1, 2019 as the record date for the purpose of determining Unitholders entitled to receive the Notice of Meeting and to vote at the Meeting. Each Unitholder is entitled to receive one vote for each trust unit in the capital of the REIT (a “Unit”) held and each Class B Unit (as hereinafter defined) held and shown as registered in such holder's name on the list of Unitholders prepared as of the close of business on the record date. In accordance with Section 13.8 of InterRent's amended and restated declaration of trust, the Trustees may, by resolution, determine that a person that held Units subsequent to the record date may be entitled to vote at the Meeting or any adjournment or postponement thereof.

PROXY INSTRUCTIONS

Unitholders who are unable to attend the Meeting and vote in person may still vote by appointing a proxyholder.

The persons specified in the enclosed form of proxy are Trustees/officers of the REIT. **A Unitholder desiring to appoint some other person, who need not be a Unitholder, to represent the Unitholder at the Meeting may do so by striking out the names of the persons designated therein and by inserting in the blank space provided for that purpose the name of the desired person, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the registered office of the REIT's transfer agent, TSX Trust Company, 100 Adelaide Street W, Suite 301, Toronto, Ontario M5H 4H1, not later than the close of business on Thursday, May 16, 2019, or the second business day (excluding Saturdays, Sundays and holidays) preceding any adjournments or postponements of the Meeting.**

Only registered Unitholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Units are beneficially owned by a person (a “**Non-Registered Holder**”) and are registered either (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the Units, or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. A Non-Registered Holder will receive from their intermediary a voting instruction form which must be completed and signed by the Non-Registered Holder and returned in accordance with the directions of the intermediary. The purpose of this procedure is to permit the Non-Registered Holder to direct the voting of the Units beneficially owned by such person.

Should a Non-Registered Holder wish to attend and vote at the Meeting in person, the Non-Registered Holder should write his, her or its name in the space provided for that purpose on the voting instruction form and return it in accordance with the directions of the Intermediary. The Intermediary will send the Non-Registered Holder a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of Units beneficially owned by the Non-Registered Holder and which names the Non-Registered Holder as proxyholder. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder should deposit this form of proxy with the REIT's transfer agent, TSX Trust Company, in accordance with the aforementioned instructions.

Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the voting instruction form or form of proxy is to be delivered.

NOTICE-AND-ACCESS

Canadian securities laws permit reporting issuers to advise their securityholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing physical copies of the materials.

The REIT has decided to deliver the Meeting materials to Unitholders by posting the Meeting materials on its website (www.interrentreit.com/MIC2019). The Meeting materials will be available on the REIT's website as of Thursday, April 18, 2019, and will remain on the website for one full year thereafter. The Meeting materials will also be available on SEDAR at www.sedar.com.

Unitholders who wish to receive paper copies of the Meeting materials may request copies from InterRent by calling toll-free in North America at 1.855.659.2926. Meeting materials will be sent to such Unitholders at no cost to them within three business days of their request, if such requests are made before the Meeting.

All Unitholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting.

VOTING OF PROXIES

A proxy will be voted for, against or withheld from voting, as applicable, with respect to the Units represented thereby in accordance with the instructions of the Unitholder as indicated on the proxy and, if the Unitholder specifies a choice with respect to any matter to be acted upon, the Units will be voted accordingly, including on any ballot that may be called for at the Meeting or any adjournment thereof. **In the absence of any specific instructions with respect to a particular matter, the Units represented by such proxies will be voted at the Meeting or at any adjournment or postponement thereof in accordance with the best judgment of the person voting such proxies, including any ballot that may be called for at the Meeting or any adjournment or postponement thereof.**

A proxy, when properly signed, confers discretionary authority upon the representatives designated therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the REIT does not know of any such amendments, variations or other matters. However, if any such amendments, variations or other matters, which are not now known to management of the REIT should properly come before the Meeting, the Units represented by the proxies solicited hereby will be voted thereon in accordance with the best judgment of the person voting such proxies.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No (a) Trustee or executive officer of the REIT who has held such position at any time since January 1, 2018; (b) proposed nominee for election as a trustee of the REIT; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Trustees.

REVOCATION OF PROXIES

A registered holder of Units who has given a proxy may revoke the proxy (a) by completing and signing a proxy bearing a later date and depositing it as aforesaid, or (b) by depositing an instrument in writing executed by such registered holder or by his, her or its attorney authorized in writing (i) at the registered office of the REIT at any time up to the close of business on Thursday May 16, 2019, or on the second business day preceding any adjournment or postponement of the Meeting, or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof, or (c) in any other manner permitted by law.

A Non-Registered Holder who wishes to revoke a voting instruction form or a waiver of the right to receive meeting materials should contact his, her or its Intermediary for instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of April 10, 2019, the REIT had 106,377,111 Units issued and outstanding, which includes 1,910,000 Units subject to Instalment Receipt Agreements under the REIT's long term-incentive plan (the "**Long Term Incentive Plan**"). The Units subject to the Instalment Receipt Agreements are prohibited from voting. As of April 10, 2019, the REIT also had 3,410,766 Class B Units of InterRent Holdings Limited Partnership issued and outstanding. Each Class B Unit is exchangeable, on a one-for-one basis, for Units in the REIT. The Class B Units of InterRent Holdings Limited Partnership each carry a special voting unit of the REIT which effectively provides the holders of Class B Units with one vote per Class B Unit. Therefore, as of April 10, 2019, there are 107,877,877 Units eligible for voting at the Meeting.

Unitholders are entitled to one vote in respect of each matter to be voted upon at the Meeting for each Unit (excluding Units subject to Instalment Receipt Agreements under the Long Term Incentive Plan) or Class B Unit (collectively, the "**Voting Units**") registered in their name as at the close of business on Monday, April 1, 2019 (the "**Record Date**"), except to the extent that any Unitholder transfers any of his or her Units prior to the Meeting. In such case, a transferee of those Units shall be entitled to one vote at the Meeting if he or she produces properly endorsed certificates for such Units or otherwise establishes that he or she owns the Units and has demanded not later than seven days before the Meeting that his or her name be included in the list of Unitholders eligible at the Meeting.

To the knowledge of the Trustees and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of InterRent carrying more than 10% of the voting rights.

The quorum at the Meeting or any adjournment or postponement thereof shall consist of at least two individuals present in person either holding personally or representing as proxies not less than 10% of the aggregate number of votes attached to the total number of outstanding Units.

MATTERS TO BE ACTED UPON AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The audited, consolidated financial statements of the REIT for the year ended December 31, 2018 and the report of the auditors shall be placed before the Unitholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the REIT are available at www.sedar.com.

ELECTION OF TRUSTEES

Election of the Trustees of InterRent Real Estate Investment Trust

The board of trustees (the "**Board**") currently consists of six Trustees and the Board has been set at six Trustees. Victor Stone served as a Trustee since the formation of the REIT in 2007 and the REIT is extremely appreciative of his services and contributions to the REIT since its inception. Mr. Stone resigned due to health reasons on February 25, 2019. The vacancy that resulted from the resignation of Victor Stone from the Board was filled by John Jussup.

All of the six current Trustees are standing for re-election, namely Messrs. Paul Amirault, Paul Bouzanis, John Jussup, Ronald Leslie, Mike McGahan and Ms. Cheryl Pangborn. Management does not contemplate that any of the nominees will be unable to serve as a Trustee, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each Trustee elected

will hold office until the close of the first annual meeting of Unitholders of the REIT following his or her election or until his or her successor is duly elected or appointed by virtue of his or her office becoming earlier vacated in accordance with the amended and restated declaration of trust of the REIT dated as of December 29, 2010 (the “**Declaration of Trust**”).

The Board has adopted a majority voting policy stipulating that if the votes in favour of the election of a nominee at the Meeting represent less than a majority of the Units voted and withheld, the nominee will be expected to submit to the Board his or her resignation following the Meeting, to take effect upon acceptance by the Board.

In such circumstances, the Nominations and Governance Committee would consider such Trustee's offer to resign and would make a recommendation to the Board whether or not to accept such offer to resign. Among other things, the Nominations and Governance Committee would consider the results of the Unitholder vote, applicable regulatory requirements in respect of the constitution of the Board and certain of its committees, the particular Trustee's attendance at Board and committee meetings, their contribution to Board and committee discussions and their performance assessment. In addition, it will consider what, if any, expressed reasons for a withheld vote have been given, the merits of such reasons and the ability to rectify concerns. Within 90 days of the Meeting, the Board will make a final decision concerning the acceptance of such Trustee's resignation and may reject the resignation if in the Trustees' discretion it is appropriate to do so and is in the best interests of the REIT. The decision will be announced by way of a news release. Any Trustee who tenders his or her resignation will not participate in the deliberations of the Board or any of its committees pertaining to the resignation.

The process applies only in circumstances involving an “uncontested” election of Trustees – where the number of Trustee nominees does not exceed the number of Trustees to be elected and where no proxy materials are circulated in support of one or more nominees who are not part of the slate supported by the Board for election at the Meeting.

The persons named in the form of proxy intend to vote for the election of the six nominees whose names are set forth below, unless the Unitholder who has given the proxy has directed that the Units represented by the proxy be withheld from voting in respect of the election of Trustees of the REIT. Management of the REIT does not contemplate that any of the six nominees listed below will be unable to serve as a Trustee of the REIT for the ensuing year. However, if that should occur for any reason prior to the Meeting, the persons named in the form of proxy intend to vote for the election of the remaining nominees and may vote for the election of a substitute nominee in their discretion. A Trustee appointed by the Trustees between the meetings of Unitholders or to fill a vacancy will be appointed for a term expiring at the conclusion of the next annual meeting or until his or her successor is elected or appointed and will be eligible for election or re-election.

Election of the Trustees of InterRent Trust

The Declaration of Trust provides that Unitholders shall direct the Trustees to vote the units of the InterRent Trust, a trust established under the laws of Ontario pursuant to the declaration of trust of InterRent Trust dated October 10, 2006, held by the REIT, in favour of the election of the nominees chosen by a vote of Unitholders, as trustees of InterRent Trust. **Unless authority to do so is withheld, the persons named in the accompanying form of proxy intend to direct the Trustees to vote the units of InterRent Trust so as to elect the nominees whose names are set forth below.** The size of the Board of InterRent Trust has been set at six trustees. Each nominee appointed as a trustee of InterRent Trust will hold office for a term expiring at the close of the next annual meeting of unitholders of InterRent Trust or until his or her successor is elected or appointed. The Trustees do not contemplate that any of the nominees will be unable to serve as trustees of InterRent Trust, but should the circumstances arise for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to direct the Trustees to vote for another nominee or nominees at their discretion (unless authority to do so is withheld). The following persons are nominated for election as trustees of InterRent Trust:

Paul Amirault
Paul Bouzanis
John Jussup
Ronald Leslie
Mike McGahan
Cheryl Pangborn

Election of the Directors of InterRent Holdings General Partner Limited

The Declaration of Trust provides that Unitholders shall direct the Trustees to cause the shares of InterRent Holdings General Partner Limited (the “**General Partner**”) to be voted in favour of the election of the nominees chosen by a vote of Unitholders, as directors of the General Partner. The General Partner is the sole general partner of InterRent Holdings Limited Partnership, the entity that indirectly owns properties of the REIT. **Unless authority to do so is withheld, the persons named in the accompanying form of proxy intend to direct the Trustees to vote the shares of the General Partner so as to elect the nominees whose names are set forth below.** The nominees include Paul Bouzanis and Mike McGahan, both of whom are currently Trustees, and Curt Millar and Brad Cutsey, the current Chief Financial Officer and President of the REIT. Each director of the General Partner will hold office for a term expiring at the close of the next annual meeting of shareholders of the General Partner or until their successor is elected or appointed. The Trustees do not contemplate that any of the nominees will be unable to serve as directors of the General Partner, but should the circumstances arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to direct the Trustees to vote for other nominees at their discretion (unless authority to do is withheld). The following persons are nominated for election as directors of the General Partner:

Paul Bouzanis
 Brad Cutsey
 Mike McGahan
 Curt Millar

Nominees

The following table lists certain information concerning the persons proposed to be nominated for election as Trustees of the REIT. The information contained in the table with respect to Units beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominees, is in each instance based upon information furnished by the nominee concerned and is as at April 10, 2019. **Unless authority to do so is withheld, the persons named in the accompanying form of proxy intend to vote for the election of nominees set forth below.** The REIT is required to have an Audit Committee. The REIT also has a Nominations and Governance Committee, a Compensation Committee and a Capital Resources Committee.

Name and Municipality of Residence	Position with the REIT	Principal Occupation	Trustee Since	Number of Units Owned or Controlled	Percentage of Voting Units Owned or Controlled
Paul Amirault ⁽¹⁾⁽²⁾⁽⁵⁾ Ottawa, Ontario	Trustee	Partner at Norton Rose Fulbright Canada LLP	May, 2010	28,709 10,000 ⁽⁷⁾	<1%
Paul Bouzanis ⁽²⁾⁽³⁾⁽⁴⁾ Ottawa, Ontario	Trustee	President of PBC Development and Construction Management Group Inc.	September, 2009	495,467 125,000 ⁽⁷⁾	<1%
John Jussup Toronto, Ontario	Trustee	Retired	February, 2019	-	-
Ronald Leslie ⁽¹⁾⁽³⁾ Ottawa, Ontario	Trustee	Partner at Leslie & Macleod - Chartered Professional Accountants (A Professional Corporation)	May, 2011	25,000 25,000 ⁽⁷⁾	<1%
Mike McGahan ⁽⁴⁾ Ottawa, Ontario	Trustee	Chief Executive Officer of the REIT, President and Chief Executive Officer of CLV Group Inc.	September, 2009	7,167,286 ⁽⁶⁾ 1,125,000 ⁽⁷⁾	7.6%
Cheryl Pangborn ⁽¹⁾⁽⁴⁾ Ottawa, Ontario	Trustee	Retired	June, 2017	- 10,000 ⁽⁷⁾	-

Notes:

- (1) Current member of the Audit Committee
- (2) Current member of the Nominations and Governance Committee
- (3) Current member of the Compensation Committee
- (4) Current member of the Capital Resources Committee

- (5) Chairman of the Board
- (6) Mr. McGahan, through his ownership of CLV Group Inc., indirectly controls 3,224,516 LP Class B Units which are accompanied by a Special Voting Unit which entitles the holder to receive notice of, attend and vote at all meetings of Unitholders and are included in the 6,908,107 Units owned.
- (7) Represents Instalment Receipts held as at April 10, 2019 under the Long Term Incentive Plan that are not eligible to vote and therefore excluded from the percentage of voting units owned or controlled.

Additional biographical information regarding the nominees of the REIT:

Paul Amirault is a partner of Norton Rose Fulbright Canada LLP. Mr. Amirault practices corporate and securities law, with an emphasis on equity financings and mergers and acquisitions. He represents start-ups and established businesses, as well as underwriters and investors. Mr. Amirault works with venture capital and private equity funds. In addition to experience in prospectus offerings, private placements and friendly takeovers, he has been involved in hostile bids, proxy battles and contested shareholder meetings. Mr. Amirault advises clients on a broad range of corporate and securities matters, including corporate governance, regulatory compliance and stock exchange rules.

Paul Bouzanis is the President and CEO of PBC Group of Companies (1985) ("PBC"). Mr. Bouzanis' comprehensive understanding of real estate acquisitions, development, and redevelopment, combined with his extensive experience in the real estate development and construction industry has been the driving force behind PBC's growth and success. PBC provides all-encompassing asset management to institutional investors (including debt; mortgages; construction financing; land development; and development of residential subdivisions, condos and apartments). PBC has expanded from a small family owned business founded in 1958 to a corporation with assets under management in British Columbia, Alberta, Ontario, Quebec and Nova Scotia.

John Jussup has 30 years experience as a corporate counsel, including 15 years as Senior VP, Chief Legal Officer of Canadian-based software company Cognos Inc, which was listed on the TSX and NASDAQ until its acquisition by IBM in 2008. He also served as General Counsel of the Bank of Canada before his retirement in 2012. Since then, he has conducted a boutique practice advising and serving on Boards and providing small and medium-sized businesses with a broad range of legal and corporate services. His experience includes advising Boards and senior management, dealing with securities matters in multiple jurisdictions, executing and managing mergers and acquisitions of all sizes in Canada, the United States and overseas, and dealing with a broad range of Human Resources matters. Mr. Jussup is a graduate of Royal Military College and Queen's University and is a member of the Law Society of Ontario.

Ronald Leslie, CPA, CA, LPA is the Office Managing Partner at Leslie & MacLeod – Chartered Professional Accountants (A Professional Corporation). Mr. Leslie has over 20 years of experience as a public accountant and currently sits on the board of C-COM Satellite Systems Inc. (which is listed on the TSX Venture Exchange). Mr. Leslie is a graduate of Carleton University and holds a Bachelor of Commerce degree.

Mike McGahan is the Chief Executive Officer and a Trustee of the REIT. In addition, Mr. McGahan is president and chief executive officer of CLV Group Inc. ("CLV"), which was the property manager for the REIT up to February 15, 2018. CLV is a company that focuses on providing "Complete Real Estate Solutions", including property management, real estate brokerage, mortgage brokerage, residential rentals, commercial leasing and construction. Mr. McGahan has over 30 years' experience in the real estate business focusing on the multi-residential apartment and commercial properties sectors and has successfully bought, sold, financed and managed over 200 properties valued in excess of \$4 billion. Mr. McGahan, through CLV, has developed a reputation as one of the top property managers having managed a portfolio of over 12,000 residential units and 500,000 sq. ft. of commercial properties for institutions including Toronto Dominion Bank, Bank of Hong Kong, Bank of Nova Scotia, Canada Mortgage and Housing Corporation and Canada Lands as well as private investors. Mr. McGahan has a wealth of experience in finding properties that have untapped potential and creating value through repositioning, renovations and improved efficiencies using pro-active management. Mr. McGahan has been a licensed real estate agent and mortgage broker for over 25 years and is a graduate of the University of Ottawa.

Cheryl Pangborn was a Director and Group Lead, Real Estate Banking at a Canadian chartered bank since 2013. During her more than 25 years in the real estate finance business, she has been involved in construction and mortgage financing of most real estate asset classes throughout eastern Canada. She is a graduate of Carleton University and holds a Bachelor of Arts (Economics / Commercial Law).

Corporate Cease Trade Orders

None of the Trustees is, or has been within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that (i) while such person was acting in that capacity was the subject of a cease trade, similar order, or other order that denied the company access to any statutory exemptions under Canadian securities legislation, in each case for a period of more than 30 consecutive days (each, an "Order") or (ii)

was subject to an Order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

Except as disclosed below, none of the Trustees is, or has been within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Paul Amirault, in his role as legal counsel, became the director of an inactive and insolvent private company in 2010 as a nominee of a major shareholder for the purposes of making and supervising a proposal to creditors in connection with the corporate reorganization of such private company.

Personal Bankruptcies

None of the Trustees has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the Trustees has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

APPOINTMENT OF AUDITORS

At the Meeting, it is proposed to re-appoint RSM Canada LLP, Chartered Professional Accountants (formerly Collins Barrow Toronto LLP, Licensed Public Accountants, Chartered Accountants), as auditors of InterRent to hold office until the next annual meeting of Unitholders at remuneration to be fixed by the Trustees of InterRent. **Unless authority to do so is withheld, the persons named in the accompanying form of proxy intend to vote to approve the appointment of RSM Canada LLP as InterRent's auditors and to authorize the Trustees to fix the auditors' remuneration.**

For the year ended December 31, 2018, fees for audit and audit related services provided by RSM Canada LLP for InterRent were approximately \$199,942. In addition for the year ended December 31, 2018, fees for tax, consulting and other non-audit related service provided by KPMG LLP were approximately \$64,242.

EQUITY INCENTIVE PROGRAM OVERVIEW

The REIT has established three components to its equity incentive program: the unit option plan (the “**Unit Option Plan**”), the Long Term Incentive Plan and the deferred unit plan (the “**Deferred Unit Plan**”) (collectively, the “**Equity Incentive Plans**”). The terms of these Equity Incentive Plans complement each other and provide the Board with the flexibility to appropriately compensate, motivate and reward the REIT’s management and employees. The granting of awards under the Equity Incentive Plans ensures that the interests of the Trustees, management and employees are properly aligned with the interests of Unitholders over the short-term, mid-term and long-term. The Board views the Equity Incentive Plans as integrated elements of the REIT’s overall compensation philosophy described below in the Compensation Discussion and Analysis. In this regard, the Board intends for Unitholders to review the Equity Incentive Plans together as a whole.

A description of the terms and conditions of the Unit Option Plan, the Long Term Incentive Plan and the Deferred Unit Plan, is found under “Executive Compensation – Long Term Incentives”. In particular, the REIT wishes to bring to the attention of Unitholders that:

- Under the Long Term Incentive Plan, LTIP Participants (as hereinafter defined) may subscribe for Plan Units (as hereinafter defined) for a purchase price equal to the Market Price at the date of the subscription. The first instalment will be an amount equal to not less than 5% of the Market Price for the Units on the date of issue and will be payable by LTIP Participants on the date such Plan Units are issued. The “Market Price” for Units will be equal to the volume weighted average trading price of Units on the TSX for the five trading days immediately preceding their issue. Participants are required to pay the full purchase price over a maximum of ten years with interest being calculated and paid on a yearly basis for any outstanding balances prior to the 10th year anniversary, at which point any remaining amount is fully payable. Until such a time as the Plan Units are fully paid and converted to REIT Units, they are non-voting; and
- Employee annual cash bonuses and trustees fees that participants elect to enroll into the Deferred Unit Plan and converted to deferred units would otherwise be payable in cash. The amount that participants elect to have enrolled in the plan is essentially taking an otherwise cash bonus and investing it in the REIT.

At the May 18, 2016 annual and special meeting of Unitholders, Unitholders approved the amendment of each of the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan to permit the maximum aggregate number of Units that may be issued under all such Equity Incentive Plans to be set at 10% of the issued and outstanding Units of the REIT. At the May 18, 2016 meeting, the Board indicated that it was their intent to continue to align the timing of any proposed amendments to the equity incentive program so that any required approval would be obtained at the same time as the REIT is required to seek re-approval of the three Equity Incentive Plans pursuant to the Toronto Stock Exchange (the “**TSX**”) Company Manual. Based on the Board’s ongoing assessment of the effectiveness of the overall equity incentive program, the below recommendations are being presented to Unitholders for consideration and approval.

AMENDMENT TO THE UNIT OPTION PLAN, LONG TERM INCENTIVE PLAN AND DEFERRED UNIT PLAN AND APPROVAL OF UNALLOCATED UNITS

A description of the terms and conditions of the Unit Option Plan, the Long Term Incentive Plan and the Deferred Unit Plan, is found under “*Executive Compensation – Long Term Incentives*”.

Pursuant to the TSX Company Manual, unallocated options, rights or other entitlements under a TSX listed issuer’s security based compensation arrangement that does not have a fixed maximum number of securities issuable (which currently includes the REIT’s Unit Option Plan, the Long Term Incentive Plan and the Deferred Unit Plan), must be approved by a majority of the issuer’s directors and by the issuer’s securityholders every three years.

Under the Unit Option Plan, the Long Term Incentive Plan and the Deferred Unit Plan, the REIT is permitted to issue up to an aggregate of 10% of the issued and outstanding Units (which includes Class B Units and Units subject to Instalment Receipt Agreements under the Long Term Incentive Plan). As of the date hereof, the total maximum number of units of the REIT (“**Units**”) reserved for issuance under all three Equity Incentive Plans combined, is 10,978,788, being 10% of the REIT’s issued and outstanding Units of which 6,995,360, have been issued, which represents 6.4% of the issued and outstanding units, and 3,983,428 Units have not been granted, which represents 3.6% of the issued and outstanding Units. In this regard:

- 939,645 options are issued under the REIT’s Unit Option Plan, which represents 0.9% of the REIT’s issued and outstanding Units;

- 1,910,000 Units are issued and subject to Instalment Receipt Agreements entered into pursuant to the Long Term Incentive Plan, which represents 1.7% of the REIT's issued and outstanding Units; and
- 4,145,715 deferred Units are outstanding pursuant to the Deferred Unit Plan which represents 3.8% of the REIT's issued and outstanding units.

In reviewing the REIT's equity incentive program, the REIT has determined that it can appropriately motivate and reward the REIT's management and employees over the next three years with a pool of Units available to be issued under the Equity Incentive Plans that can be reduced to represent 7% of the REIT's outstanding Units (including the Class B Units and Units subject to Instalment Receipt Agreements under the Long Term Incentive Plan). If the unitholders approve the proposed amendment, the total number of Units reserved for issuance under all the Equity Incentive Plans will be 7,685,151 Units, representing 7% of the currently issued and outstanding Units, of which a total of 6,995,360 Units have been currently awarded under existing grants under the Equity Incentive Plans, leaving 689,791 Units available for future issuance under the Equity Incentive Plans.

At the Meeting, the REIT's Unitholders will be asked to consider, and if deemed advisable, to approve, with or without variation, a resolution (the "**Equity Incentive Plan Resolution**") substantially in the form set out below:

"BE IT RESOLVED THAT:

1. the amendment of each of the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan is hereby approved and authorized to permit: the maximum aggregate number of Units that may be issued under all such equity incentive plans of the REIT to be set at 7% of the issued and outstanding Units;
3. all unallocated trust units issuable pursuant to InterRent's Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan, from time to time, are hereby approved and authorized up to and including May 20, 2022;
4. any trustee or officer of InterRent is hereby authorized, for and on behalf of InterRent, to execute, and, if appropriate, deliver all documents and instruments and to do all other things as in the opinion of such trustee or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of such action."

To be effective, the Equity Incentive Plan Resolution must be passed by a majority of the votes cast by Unitholders present in person or represented by proxy at the Meeting.

The Equity Incentive Plans permit the Board to make "housekeeping" amendments without Unitholder approval. In connection with the REIT's three year review of the Equity Incentive Plans, the Board has approved several of these "housekeeping" amendments in order to add greater clarity and consistency among the Equity Incentive Plans. These amendments include:

- Unit Option Plan
 - Clarifying what happens to unvested Options in the event of a Change of Control (as defined in the Unit Option Plan) of the REIT;
 - Removing Consultants as Eligible Persons for the purpose of the Plan and clarifying that Employees who are Trustees are Eligible Individuals (as defined in the Unit Option Plan) and non-Employee Trustees/directors are not eligible to participate in the Unit Option Plan on a discretionary basis;
 - Adding that upon the exercise of Options by an Optionee (as defined in the Unit Option Plan), the REIT will have the right in its discretion to satisfy any liability for applicable withholding taxes by withholding and selling in the public market for and on behalf of the Optionee, or causing an Optionee to sell in the public market, that number of Units issued to the Optionee pursuant to an exercise of Options as is sufficient to fund the applicable withholding taxes, and adding a requirement for the remaining Units issued to the Option upon such exercise of options after the payment of applicable holding taxes to be held for a period of twelve (12) months prior to resale;
 - Clarifying that Unitholder approval is required for: (i) increase in the number of Units covered by each Option; or (ii) an amendment to increase the rolling and re-loading percentage of Units (and not

number of Units) reserved for issuance under the Unit Option Plan; or (iii) an amendment to permit a non-employee Trustee/director to participate in the Unit Option Plan on a discretionary basis; or (iv) any amendment which allows the Option to be assignable (other than to legal representatives in the event of death); or (v) any extension of the term of Options beyond the expiration of term of such Option; and (vi) any amendments to the amendment provisions requiring Unitholder approval.

- Deferred Unit Plan
 - Clarifying the REIT's ability to withhold certain Deferred Units and redeeming them for cash on behalf of the Participant to satisfy Applicable Withholding Taxes (as defined in the Deferred Unit Plan);
 - Clarifying that non-employee Trustees are not eligible to participate in the Deferred Unit Plan on a discretionary basis (save and except their ability to elect to be paid their Annual Incentive Bonus in the form of Deferred Units);
 - Clarifying a Participant's entitlement to an Annual Incentive Bonus at the Incentive Bonus Payment Time if the Participant meets certain performance targets as established by the Trustees or the Compensation Committee on annual basis;
 - Clarifying that 100% of the Retention Bonus or Annual Incentive Bonus, as the case may be, shall qualify as the "Elected Amount" (as defined in the Deferred Unit Plan) that is effectively matched by the REIT;
 - Reducing the retirement age of the Participant from 75 years to 65 years in connection with the Deferred Units;
 - Clarifying that Deferred Units may be redeemed at any time after they vest;
 - Clarifying the ability of the REIT to make a lump sum cash payment to Participants in lieu of issuing Units, in certain circumstances subject to Board approval; and
 - Clarifying that Unitholder approval is required for: (i) an amendment to permit a non-employee Trustee to participate in the Deferred Unit Plan on a discretionary basis; or (ii) any increase to the number or rolling limit on the number of Units reserved for issuance under the Deferred Unit Plan; or (iii) any amendments to the amendment provisions requiring Unitholder approval.
- Long Term Incentive Plan
 - Clarifying what happens to unvested Plan Units in the event of a Change of Control (as defined in the Unit Option Plan) of the REIT;
 - Clarifying that employees who are Trustees are Eligible Persons but non-employee Trustees are not eligible to participate in the Long Term Incentive Plan on a discretionary basis;
 - Clarifying that Unitholder approval is required for: (i) an amendment to permit a non-employee Trustee/director to participate in the Long Term Incentive Plan on a discretionary basis; or (ii) any increase to the number or rolling limit on the number of Units reserved for issuance under the Long Term Incentive Plan; or any amendments to the amendment provisions requiring Unitholder approval.

The Board unanimously recommends that the Unitholders vote "FOR" the Equity Incentive Plan Resolution. Unless such authority is withheld, the person named in the accompanying proxy will vote "FOR" the approval of the Equity Incentive Plan Resolutions.

In the event that the proposed amendments to the Equity Incentive Plans are not approved by the Unitholders at the Meeting, the Equity Incentive Plans shall be terminated with immediate effect and there shall be no further grants under the Equity Incentive Plans; provided however, all previously awarded Units under existing grants pursuant to the Equity Incentive Plans shall remain unaffected and shall continue to be governed by the current terms of the Equity Incentive Plans.

AMENDMENT TO THE DECLARATION OF TRUST

The Board assess the REIT's business and governance best practices on an ongoing basis. In 2019, the REIT undertook a comprehensive review of the terms and conditions of the Declaration of Trust, which document has not been subject to any substantive amendment since December 2010. In reviewing the Declaration of Trust, the REIT considered the changes and evolution in its business and industry over the past 9 years, its future business plans and surveyed the market to identify current best practices in REIT governance. It then considered what proposed revisions to the Declaration of Trust would best update the document to provide the REIT with the appropriate governance framework to allow it to operate efficiently and effectively and to continue its growth trajectory.

The Trustees unanimously approved the proposed amendments to the Declaration of Trust described below on April 10, 2019. Unitholders will be asked to consider and, if thought advisable, pass a resolution approving the various proposed amendments to the Declaration of Trust.

Management urges all Unitholders to consider and vote for the following amendments to the Declaration of Trust in an effort to keep up with current market trends and governance practices. The Management of the REIT firmly believes that the proposed amendments are in the best interests of the Unitholders.

The following is a brief summary of the proposed amendments to the Declaration of Trust:

- Investment Guidelines - As the REIT's business grows and expands, its investment guidelines need to similarly grow and expand. In comparing the REIT's current investment guidelines against its peers, the REIT's business operations were determined to be more restrictive. It is proposed to revise the REIT's investment guidelines to provide it with the proper scope of authority to effectively operate its business into the future, including making investments into raw land, entering into less restrictive joint ventures, allowing investment into operating businesses and expanding its ability to invest in Debt Instruments, all consistent with market practice.
- Distributions – It is proposed to simplify the Board's discretionary ability to make distributions to Unitholders without being tied to specific calculations of distributable income.
- Nominations of Trustees - It is proposed that a section regarding the nomination of trustees be added to the Declaration of Trust. This section outlines the process for nominating trustees, and creates an advance notice requirement for such nominations. In the case of an annual meeting of Unitholders it is proposed that such nominations occur not less than 30 days prior to the date of the meeting. These changes serve to provide greater certainty, clarity, and transparency in the nomination process. The advance notice requirement protects Unitholders from untimely, surprise nominations and helps to ensure that Unitholders are able to make informed voting decisions.
- Trust Status - Amendments have been proposed to prevent actions being taken by the Trust, the Trustees, and/or the Unitholders that would cause the Trust to lose its status as a mutual fund trust under tax legislation. These proposals are of benefit to the Unitholders as maintaining this status is favorable from a tax perspective.
- Trustee Powers - It is proposed that the Trustees be given broad powers to make, adopt, amend or repeal regulations containing provisions relating to conducting the Trust's affairs, and/or the rights and powers of the Trustees, officers and Unitholders, provided that such regulations comply with the requirements of the Declaration of Trust and are not prejudicial to the Unitholders in the Trustees' opinion. It is also proposed that the Trustees be permitted to deal with Persons in which the Trustees may have an interest without violating their duties as Trustees. These proposed amendments allow the Trustees greater discretion to pursue courses of action that are of benefit to the Trust and the Unitholders.
- Mailing of Unitholder Meeting Materials – It is proposed to align the deadline for mailing meeting materials to Unitholders with applicable securities laws.
- Internal Reorganization – It is proposed that the REIT may internally structure the holding of its assets without Unitholder approval so long as such structuring is not prejudicial.

Notwithstanding the foregoing, as a trust governed by the Declaration of Trust (rather than by statute), if the foregoing proposed provisions are adopted as contemplated, they will be granted pursuant to the Declaration of Trust as a contractual right afforded to Unitholders. Similar to other existing rights contained in the Declaration of Trust, making these rights and remedies and certain procedures available by contract is legally different from the manner in which the equivalent rights and remedies or procedures (including the procedure for enforcing such remedies) are made available to shareholders of a corporation, who benefit from those rights and remedies or procedures by the corporate statute that governs the corporation. As such, there is no certainty how these rights, remedies or procedures may be treated by the courts in the context of a trust or that a Unitholder will be able to enforce the rights and remedies in the manner contemplated by the proposed amendments. Furthermore, how the courts will treat these rights, remedies and procedures will be in the discretion of the court, and the courts may elect not to accept jurisdiction to consider any claim contemplated in the proposed amendments.

At the Meeting, Unitholders will be asked to consider and, if deemed advisable, to pass the following resolution:

“BE IT RESOLVED THAT:

1. Section 4.1 of the Declaration of Trust dealing with Investment Guidelines shall be deleted and replaced in its entirety as follows:

“After the Closing, the assets of the Trust may be invested only, and the Trust shall not permit the assets of any subsidiary to be invested otherwise, than in accordance with the following investment guidelines:

- a) the Trust will focus its activities primarily on the acquisition, holding, maintaining, improving, leasing or managing of multi-unit residential revenue producing properties, and ancillary real estate ventures (“**focus activities**”);
- b) notwithstanding anything contained in this Declaration of Trust to the contrary, no investment will be made that would result in the Trust not qualifying as a “mutual fund trust” or “real estate investment trust” pursuant to subsection 132(6) and 122.1(1) of the Tax Act, respectively;
- c) the Trust may, directly or indirectly, make such investments, do all such things and carry out all such activities as are necessary or desirable in connection with the conduct of its activities provided they are not otherwise specifically prohibited under this Declaration of Trust;
- d) the Trust may invest in freehold, leasehold or other interests in property (real, personal, moveable or immovable);
- e) the Trust may make its investments and conduct its activities directly or indirectly, through an investment in one or more persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited), and limited liability companies;
- f) no single asset (other than InterRent Trust Units, InterRent Trust Notes and units of the Holdings Partnership) shall be acquired if the cost of such acquisition (net of the amount of debt secured by such asset) will exceed 20% of Gross Book Value, provided that where such asset is the securities of or an interest in an entity, the foregoing tests shall be applied individually to each asset of such entity;
- g) investments may be made in a joint venture arrangement provided that:

where the joint venture investment is made through the ownership of securities or an interest in an entity (“joint venture entity”) the joint venture entity satisfies the definition of “excluded subsidiary entity” as defined in subsection 122.1(1) of the Tax Act;
- h) unless otherwise permitted in the provisions of this Declaration of Trust and except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities, some or all of the receivables under instalment receipt agreements or money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue, the Trust, directly or indirectly, may not hold securities other

than (i) currency or interest rate futures contracts for hedging purposes to the extent that such hedging activity complies with the Canadian Securities Administrator's National Instrument 81-102 or any successor instrument or rule; (ii) securities of a joint venture entity, or any entity formed and operated solely for the purpose of carrying on ancillary activities to any real estate owned, directly or indirectly, by the Trust, or an entity wholly-owned, directly or indirectly, by the Trust formed and operated solely for the purpose of holding a particular real property or real properties; and (iii) securities of another issuer provided either (A) such securities derive their value, directly or indirectly, principally from real property, or (B) the principal business of the issuer of the securities is the ownership or operation, directly or indirectly, of real property, and provided in either case the entity whose securities are being acquired are engaged in a focus activity;

- i) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- j) no investments will be made in a mortgage, mortgage bonds, notes (other than InterRent Trust Notes) or debentures ("**Debt Instruments**") (including participating or convertible) unless the aggregate value of the investments of the Trust in Debt Instruments, after giving effect to the proposed investment, will not exceed 20% of the Gross Book Value provided that, notwithstanding the foregoing, an investment may be made in a Debt Instrument if the sole intention is to use such investment as a method of acquiring control of a revenue producing real property which would otherwise be a permitted investment pursuant to this Section 4.1 and provided that the aggregate value of the investments in such Debt Instruments will not exceed 20% of Gross Book Value; and
- k) notwithstanding any other provisions of this Declaration of Trust, investments may be made which do not comply with the investment policy provisions of this Declaration of Trust provided (i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 20% of Gross Book Value and (ii) the making of such investment would not contravene paragraph (b) above.

For greater certainty, Sections 4.1(a) through (k) are intended to set out generally the parameters under which subsidiaries in which the Trust is permitted to invest will be empowered under their constating documents to re-invest. References to the Trust in those paragraphs shall be read as applying to such subsidiary where the actual activity that is the subject of the policy is carried on by such subsidiary. Further, any determinations in respect of the investment restrictions that are determinations reserved to the Trustees, where the actual activity is carried on by a subsidiary, will be made by the trustees or directors of the relevant subsidiary. Nothing in Section 4.1(a), and paragraphs (b) through (k) empowers or entitles the Trust or the Trustees to carry on business or to otherwise undertake any activity that would violate Section 4.3."

2. Section 4.2 shall be deleted and replaced in its entirety as follows:

After the Closing, the operations and affairs of the Trust will be conducted in accordance with the following operating policies and the Trust shall not permit any subsidiary to conduct its operations and affairs other than in accordance with the following policies:

- a) the construction or development of real property may be engaged in;
- b) title to each real property shall be held by and registered in the name of the Holdings Partnership, the Holdings Partnership General Partner or a corporation or other entity wholly-owned directly or indirectly by the Trust or jointly owned directly or indirectly by the Trust with joint venturers; provided, that where land tenure will not provide fee simple title, the Holdings Partnership, the Holdings Partnership General Partner or a corporation or other entity wholly-owned, directly or indirectly by the Holdings Partnership or jointly owned, directly or indirectly, by the Trust with joint venturers shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- c) no indebtedness shall be incurred or assumed if, after giving effect to the incurring or assumption thereof of the indebtedness, the total indebtedness as a percentage of Gross Book Value would be more than 75%, with the prior approval of Independent Trustees, for indebtedness, including amounts drawn under an acquisition facility;
- d) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of the Trust and the accidental loss of value of the assets of the Trust from risks, in amounts and with such insurers, in

each case as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties;

- e) the trust shall not, directly or indirectly, guarantee any indebtedness or liabilities of any kind if such guarantee would disqualify the Trust as a “mutual fund trust” within the meaning of the Tax Act;
- f) except for the Contributed Assets acquired pursuant to the Arrangement Agreement, a Phase I environmental audit shall be conducted for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted, such further environmental audits shall be conducted, in each case by an independent and experienced environmental consultant; and
- g) at least 8.5% of gross consolidated annual rental revenues generated from properties where the associated mortgage financing is insured by the Canadian Mortgage and Housing Corporation (“**insured properties**”) as determined pursuant to GAAP shall be expended annually on sustaining capital expenditures, repairs and maintenance, all determined on a portfolio basis for all insured properties. For this purpose, capital expenditures and repairs and maintenance include all onsite labour costs and other expenses and items associated with such capital expenditures, repairs and maintenance.

For greater certainty Sections 4.2(a) through (g) are intended to set out generally the parameters under which the Trust (and subsidiaries in which the Trust is permitted to invest) will operate. References to the Trust in those paragraphs shall be read as applying to such subsidiary where the actual activity that is the subject of the policy is carried on by such subsidiary (with the exception of Section 4.2(c) which is only intended to apply to the Trust). Further, any determinations in respect of the operating policies that are determinations reserved to the Trustees, where the actual activity is carried on by a subsidiary, will be made by the trustees or directors of the relevant subsidiary. Nothing in Sections 4.2(a) through (g) empowers or entitles the Trust or the Trustees to carry on business or otherwise undertake any activity that would violate Section 4.3.

For the purposes of the foregoing investment guidelines and operating policies, the assets, indebtedness, liabilities and transactions of a corporation, partnership or other entity wholly or partially owned by the Trust will be deemed to be those of the Trust on a proportionate, consolidated basis. In addition, any references in the foregoing investment guidelines and operating policies to investment in real property will be deemed to include an investment in a joint venture arrangement. In addition, the term “**indebtedness**” means (without duplication):

- (i) any obligation of the Trust for borrowed money;
- (ii) any obligation of the Trust incurred in connection with the acquisition of property, assets or business other than the amount of deferred income tax liability arising out of indirect acquisitions;
- (iii) any obligation of the Trust issued or assumed as the deferred purchase price of property;
- (iv) any capital lease obligation of the Trust; and
- (v) any obligation of the type referred to in clauses (i) through (iv) of another person, the payment of which the Trust has guaranteed or for which the Trust is responsible for or liable;

provided that (A) for the purposes of (i) through (iv), an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of the Trust in accordance with generally accepted accounting principles; (B) obligations referred to in clauses (i) through (iii) exclude trade accounts payable, distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business.

- 3. In light of the changes to Sections 4.1. and 4.2, the definition of “**Adjusted Unitholders’ Equity**” shall be deleted in its entirety from Section 1.1 of the Declaration of Trust.

4. Article 5 of the Declaration of Trust shall be deleted and replaced in its entirety as follows:

"Section 5.1 Distributions

The Trust shall have full discretion respecting the timing and the amount of any distribution, provided that any distribution shall be made on a Distribution Date. Unitholders at the close of business on each Distribution Record Date shall be entitled to receive and to enforce payment of any distribution declared by the Trustees for such Distribution Period. The distribution for any Distribution Period will be paid on the Distribution Date for such Distribution Period. In addition to the distributions which are made payable to Unitholders, the Trustees may designate and make payable any income or capital gains realized by the Trust (including any income or capital gains realized by the Trust on the redemption of Trust Units in specie) to redeeming Trust Unitholders.

Section 5.2 Payment of Distributions

- a) Distributions paid on each Trust Unit shall be equal to that paid on each other Trust Unit and cash distributions shall be made by cheque payable to or to the order of the Unitholder, by electronic funds transfer or by such other manner of payment approved by the Trustee from time to time. The payment, if made by cheque, shall be conclusively deemed to have been made upon hand-delivery of a cheque to the Unitholder or to his agent duly authorized in writing or upon the mailing of a cheque by prepaid first-class mail addressed to the Unitholder at his address as it appears on the Register unless the cheque is not paid on presentation. In the case of joint registered Unitholders, any cash payment required hereunder to be made to a Unitholder shall be deemed to be required to be made to such Unitholders jointly and shall be paid by cheque or bank draft but may also be, paid in such other manner as the joint registered Unitholders or any one of the joint registered Unitholders has designated to the Trustees and the Trustees have accepted. For greater certainty, a Unitholder or any one of the joint Unitholders may designate and the Trustees may accept that any payment required to be made hereunder shall be made by deposit to an account of such Unitholder or to a joint account of such Unitholder and any other person or in the case of joint registered Unitholders to an account of joint registered Unitholders or to an account of any one of the joint registered Unitholders. A cheque or bank draft shall, unless the joint registered Unitholders otherwise direct, be made payable to the order of all of the said joint registered Unitholders, and if more than one address appears on the books of the Trust in respect of such joint unit holding, the cheque or bank draft or payment in other acceptable manner as aforesaid shall satisfy and discharge all liability of the Trustees or the Trust for the amount so required to be paid unless the cheque or bank draft is not paid at par on presentation at any other place where it is by its terms payable. The receipt by the registered Unitholder in another acceptable manner of any payment not mailed or paid in accordance with this Section 5.2(a) shall be a valid and binding discharge to the Trust and to the Trustees for any payment made in respect of the registered Units and if several Persons are registered as joint registered Unitholders or, in consequence of the death, bankruptcy or incapacity of a Unitholder, one or several Persons are entitled so to be registered, subject to the provisions of Article 14, in accordance with this Declaration of Trust, respectively, receipt of payment by any one of them shall be a valid and binding discharge to the Trust and to the Trustees for any such payment. The Trustees may issue a replacement cheque if they are satisfied that the original cheque has not been received or-has been lost or destroyed upon being furnished with such evidence of loss, indemnity or other document in connection therewith that they may in their discretion consider necessary. A Unitholder shall be entitled on the day on which a distribution is payable pursuant to Section 5.1, to enforce payment of the amount payable to the Unitholder. However, no Unitholder will be entitled to recover by action or other legal process against the Trust any distribution that is represented by a cheque that has not been duly presented to the Trust's banker for payment or that otherwise remains unclaimed for a period of six years from the date on which such distribution was payable. For greater certainty, if the Trust Units are maintained in the book-based system, any payments by the Trust with respect to the Trust Units will be made to CDS as the sole registered Trust Unitholder.
- b) Where the Trustees determine that the Trust does not have available cash in an amount sufficient to make payment of the full amount of any distribution which is payable under this Article 5 on the due date for such payment, the payment may, at the option of the Trustees, include the issuance of additional Trust Units, or fractions of Trust Units, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution.

Section 5.3 Withholding Taxes

The Trustees may deduct or withhold from distributions payable to any Unitholder all amounts required by law to be withheld from such distributions, whether such distributions are in the form of cash, additional Trust Units or otherwise. In the event of a distribution in the form of additional Trust Units, the Trustees may sell Trust Units of such Unitholder to pay such withholding taxes and to pay all the Trustees' reasonable expenses with regard thereto and the Trustees shall have the power of attorney of such Unitholder to do so. Any such sale shall be made on any stock exchange on which the Trust Units are then listed and upon such sale, the affected Unitholder shall cease to be the holder of such Trust Units.

Section 5.4 Reinvestment

The Trustees may in their sole discretion establish a distribution reinvestment plan at any time providing for the voluntary reinvestment of distributions by some or all Trust Unitholders as the Trustees determine. Such plan may entitle those Trust Unitholders that elect to participate in a bonus distribution from the Trust or otherwise be entitled to receive additional Trust Units in respect of each distribution.

Section 5.5 Income Tax Matters

In computing the Net Income of the Trust for income tax purposes for any year, except as the Trustees otherwise determine, the Trust shall claim the maximum amount of any discretionary deductions available to the Trust under the Tax Act.

Section 5.6 Allocations of Net Income and Net Realized Capital Gains for Tax Purposes

In accordance with and to the extent permitted by the Tax Act, the Trustees shall, in each year, make such designations for income tax purposes in respect of amounts paid or payable or deemed to be paid to the Unitholders for such amounts that the Trustees consider to be reasonable in all the circumstances, including designations relating to taxable dividends received or deemed to be received by the Trust in the year on shares of taxable Canadian corporations, net taxable capital gains of the Trust in the year, and foreign source income of the Trust and foreign taxes in respect of such foreign source income for the year, if any. Where permitted by the Tax Act, the Trustees shall make designations under the Tax Act so that the amount distributed to a Unitholder but not deducted by the Trust would not be included in the Unitholder's income for the purposes of the Tax Act. For greater certainty, it is hereby declared that any distributions of Net Realized Capital Gains of the Trust shall include the non-taxable portion of the capital gains of the Trust which are included in such distribution. Unless the Trustees otherwise determine, the proportionate share per Unit of any distribution of both (i) the Net Income of the Trust for a Taxation Year; and (ii) Net Realized Capital Gains, payable to the holders of such Units that is allocated to such holders in respect of each Unit for the purposes of the Tax Act shall be determined by dividing such amount by the number of issued and outstanding Units on the applicable record date in respect of a distribution of Net Income of the Trust and on December 31 in respect of a distribution of Net Realized Capital Gains. Each Unitholder's share of the amount of any such distribution shall be an amount equal to the proportionate share of each Unit of such amount multiplied by the number of such Units owned of record by each such Unitholder on such applicable record date or December 31 in the year of such distribution.

Section 5.7 Definitions

Unless otherwise specified or the context otherwise requires, any term in Article 1 and this Article 5 which is defined in the Tax Act shall have for the purposes of Article 1 and this Article 5 the meaning that it has in the Tax Act."

5. In light of the changes to Article 5 of the Declaration of Trust, the definitions for "**Distributable Income**" and "**Excess Distribution**" shall be deleted in its entirety from Section 1.1 of the Declaration of Trust.
6. A new Section 9.3 shall be added to the Declaration of Trust as follows, and the numbering in Section 9 shall be adjusted accordingly:

"Nominations of Trustees

- c) Only persons who are nominated in accordance with the following procedures shall be eligible for appointment as Trustees. Nominations of persons for appointment as Trustees may be made at any

annual meeting of Unitholders, or at any special meeting of Unitholders, if one of the purposes for which the special meeting was called was the appointment of Trustees:

- i. by or at the direction of the Trustees including pursuant to a notice of meeting; or
 - ii. by any person (a “**Nominating Unitholder**”): (A) who, at the close of business on the date of the giving of the notice provided for below in this Section 9.3 and on the record date for notice of such meeting, is entered in the Register as a holder of one or more Units carrying the right to vote at such meeting or who beneficially owns Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Section 9.3.
- d) In addition to any other applicable requirements and subject to Section 9.1, for a nomination to be made by a Nominating Unitholder, the Nominating Unitholder must have given timely notice thereof to the Trustees in the manner prescribed by this Declaration of Trust. Furthermore, if such notice is made on a day which is not a Business Day or later than 5:00 p.m. (Ottawa Time) on a day which is a Business Day, then such notice shall be deemed to have been made on the subsequent day that is a Business Day.
- e) To be timely, a Nominating Unitholder’s notice to the Trustees must be made:
 - i. in the case of an annual meeting of Unitholders, not less than 30 days prior to the date of the annual meeting of Unitholders; provided, however, that in the event that the annual meeting of Unitholders is to be held on a date that is less than 50 days after the date (the “Notice Date”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - ii. in the case of a special meeting (which is not also an annual meeting) of Unitholders called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of Unitholders was made.
- f) To be in proper written form, a Nominating Unitholder’s notice to the Trustees must set forth:
 - i. as to each person whom the Nominating Unitholder proposes to nominate for appointment as a Trustee: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of Units in the capital of the Trust which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for appointment of Trustees pursuant to the Securities Act; and
 - ii. as to the Nominating Unitholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Unitholder has a right to vote any Units of the Trust and any other information relating to such Nominating Unitholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for appointment of Trustees pursuant to the Securities Act.
- g) The Trust may require that any proposed nominee furnish such other information as may be required to be contained in a dissident proxy circular or by applicable law or regulation to determine the independence of the proposed nominee or his or her eligibility to serve as a Trustee of the Trust.
- h) No person shall be eligible for appointment as a Trustee unless nominated in accordance with the provisions of this Section 9.3; provided, however, that nothing in this Section 9.3 shall be deemed to preclude discussion by a Unitholder (as distinct from the nomination of Trustees) at a meeting of Unitholders of any matter in respect of which it would have been entitled to submit to a vote pursuant to the terms and conditions contained in this Declaration of Trust. The chairperson of the applicable meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- i) For purposes of this Section 9.3, “public announcement” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Trust under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- j) Notwithstanding the foregoing, the Trustees may, in their sole discretion, waive any requirement in this Section 9.3.”

7. Section 10.3 of the Declaration of Trust shall be deleted and replaced in its entirety as follows:

“Subject to the provisions hereof, the Trustees shall have the power to prescribe any form provided for or contemplated by this Declaration of Trust and the Trustees may make, adopt, amend or repeal regulations (the “Trustees’ Regulations”) containing provisions relating to the conduct of the affairs of the Trust, the rights or powers of the Trustees and the rights or powers of the Unitholders or officers of the Trust, provided that such regulations shall not be inconsistent with law or with this Declaration of Trust and not, in the opinion of the Trustees, prejudicial to the Unitholders. The Trustees shall also be entitled to make any reasonable decisions, designations or determinations not contrary to this Declaration of Trust which it may determine are necessary or desirable in interpreting, applying or administering this Declaration of Trust or in administering, managing or operating the Trust. To the extent of any inconsistency between this Declaration of Trust and any regulation, decision, designation or determination made by the Trustees, this Declaration of Trust shall prevail and such regulation, decision, designation or determination shall be deemed to be modified to eliminate such inconsistency. Any Trustees’ Regulations, decisions, designations or determinations made pursuant to this Section 10.3 shall be conclusive and binding upon all persons affected thereby. The Trustees shall also have such additional powers as may be approved by a resolution of the Unitholders passes at a meeting of Unitholders by a majority of the votes cast at that meeting.

Subject to the approval of not less than a majority of the Independent Trustees holding office at such time who have no interest in the matter (given by vote at a meeting of Trustees or by written consent) and subject to any agreement between the Trust and any Trustees and subject as otherwise herein provided, the Trustees may from time to time in their discretion appoint, employ, invest in, contract or deal with any Person including any affiliate of any of them and any Person in which any one or more of them may be directly or indirectly interested and, without limiting the generality of the foregoing, any Trustee may purchase, hold, sell, invest in or otherwise deal with real property or other property of the same class and nature as may be held by the Trustees as Trust Property, whether for the Trustee’s own account or for the account of another (in a fiduciary capacity or otherwise), without being liable to account therefor and without being in breach of his/her duties and responsibilities hereunder.”

8. The following subsection (i) shall be added to Section 12.2(b) of the Declaration of Trust:

“For greater certainty, notwithstanding anything to the contrary herein contained, if at any time the Trustees so resolve to implement an internal reorganization of the assets of the Trust or any of the Subsidiaries (including, without limitation, forming additional trusts or limited partnerships to be subsidiaries of the Trust), any such resolution or reorganization shall not require the prior approval of Unitholders provided that such reorganization is not prejudicial to Unitholders.”

9. The notice period for all meetings of Unitholders in Section 13.2 of the Declaration of Trust shall be changed to 21 days and 60 days respectively.

10. A new Section 13.8 shall be added to the Declaration of Trust as follows, and the numbering in Section 13 shall be adjusted accordingly:

“No Breach

Notwithstanding any other provision of the Declaration of Trust, Unitholders shall have no power to effect any amendment to this Declaration of Trust which would require the Trustees to take action or conduct the affairs of the Trust in a manner which would constitute a breach or default by the Trust or the Trustees under any agreement binding on or obligation of, the Trust or the Trustees.”

The Board of Trustees unanimously recommends that the Unitholders vote “FOR” the special resolution to amend the Declaration of Trust as set out in this Circular. Unless such authority is withheld, the person named in the accompanying proxy will vote “For” the approval of the resolutions to authorize the foregoing amendments to the Declaration of Trust.

COMPENSATION OF EXECUTIVE OFFICERS

The following table sets forth the compensation paid during or payable in respect of the financial years set out to the Chief Executive Officer, the Chief Financial Officer, and all of the other most highly compensated executive officers of the REIT during 2018 who meet the applicable disclosure threshold (collectively, the “**Named Executive Officers**”).

Summary Compensation Table

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary \$</u>	<u>Unit- Based Awards \$(¹)</u>	<u>Option- Based Awards \$</u>	<u>Non-Equity Incentive Plan</u>		<u>Pension Value \$</u>	<u>All Other Compensation \$</u>	<u>Total Compensation \$</u>
					<u>Annual Incentive Plans</u>	<u>Long term Incentive Plans</u>			
Mike McGahan ⁽²⁾ Chief Executive Officer	2018	—	\$1,210,000	—	—	—	—	—	\$1,210,000
	2017	—	\$1,210,000	—	—	—	—	—	\$1,210,000
	2016	—	\$880,000	—	—	—	—	—	\$880,000
Curt Millar Chief Financial Officer	2018	\$295,000	\$200,000	—	\$70,000 ⁽³⁾	—	—	—	\$565,000
	2017	\$295,000	\$174,150	—	\$50,000 ⁽⁴⁾	—	—	—	\$519,150
	2016	\$250,000	\$120,000	—	\$40,000 ⁽⁵⁾	—	—	—	\$410,000
Brad Cutsey President	2018	\$400,000	\$410,000	—	\$150,000 ⁽³⁾	—	—	—	\$960,000
	2017	\$400,000	\$514,150	—	—	—	—	—	\$914,150
	2016	\$375,000	\$360,000	—	—	—	—	—	\$735,000
Brian Awrey VP Finance	2018	\$170,000	\$80,000	—	—	—	—	—	\$250,000
	2017	\$170,000	\$82,075	—	—	—	—	—	\$252,075
	2016	\$163,000	\$52,000	—	—	—	—	—	\$215,000
Dave Nevins ⁽⁶⁾ Chief Operating Officer	2018	\$258,125	\$100,000	—	\$125,000 ⁽³⁾	—	—	—	\$483,125

Notes:

- (1) Reflects a combination of any retention bonus and any annual bonus granted to each Named Executive Officer, each of whom elected to receive such amount in Deferred Units. Pursuant to the REIT’s Deferred Unit Plan, the REIT matches each Deferred Unit granted thereunder. Accordingly, each Named Executive Officer will receive an extra Unit for each Deferred Unit elected. (See “*Long Term Incentives – Deferred Units*”).
- (2) Mr. McGahan receives no fees for acting as a trustee. All of the Deferred Units granted to Mr. McGahan vest over 5 years in accordance with the terms of the Deferred Unit Plan.
- (3) Represents a portion of 2018 bonus elected to receive in cash that was determined and paid in 2019.
- (4) Represents a portion of 2017 bonus elected to receive in cash that was determined and paid in 2018.
- (5) Represents a portion of 2016 bonus elected to receive in cash that was determined and paid in 2017.
- (6) Mr. Nevins became Chief Operating Officer on February 15, 2018. Accordingly, 2018 compensation is for the period February 15, 2018 – December 31, 2018.

Incentive Plan Awards

Outstanding Unit-Based Awards and Option-Based Awards

The following table sets forth information concerning option-based awards and unit-based awards granted by the REIT to each of the Named Executive Officers outstanding as at December 31, 2018.

Name	Option Based Awards ⁽²⁾				Unit-Based Awards ⁽²⁾		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised in-the-Money Options (\$) ⁽¹⁾	Number of Units that have not Vested (#)	Market or Payout Value of Unit-based Awards that have not Vested (\$) ⁽¹⁾	Market or Payout Value of vested Unit-based Awards not paid out or distributed (\$) ⁽¹⁾
Mike McGahan	25,000	\$5.65	14-Jun-23	\$185,000	1,030,256	\$13,444,841	\$12,739,893
	40,000	\$5.81	16-Dec-24	\$289,600	—	—	—
Curt Millar	50,000	\$5.65	14-Jun-23	\$370,000	150,426	\$1,963,059	\$679,213
	30,000	\$5.81	16-Dec-24	\$217,200	—	—	—
Brad Cutsey	—	—	—	—	302,869	\$3,952,440	—
Brian Awrey	—	—	—	—	68,915	\$899,341	\$1,079,431
Dave Nevins	50,000	\$5.50	5-Sep-22	\$377,500	218,661	\$2,853,526	\$2,853,526
	60,000	\$5.65	14-Jun-23	\$444,000	—	—	—
	45,000	\$5.81	16-Dec-24	\$325,800	—	—	—
	50,000	\$7.67	26-Jul-27	\$269,000	—	—	—

Notes:

(1) Based on a December 31, 2018 closing price on the TSX of \$13.05 per Unit.

(2) All Options granted included a 2 year vesting provision (i.e. 50% after year 1 and 50% after year 2).

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information concerning the value on vesting of all awards and the bonus payment during the year ended December 31, 2018 for each of the Named Executive Officers.

Name	Option-Based Awards – Value Vested During the Year (\$)	Unit-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Mike McGahan	—	\$3,084,374 ⁽¹⁾	—
Curt Millar	—	\$429,179 ⁽²⁾	—
Brad Cutsey	—	—	—
Brian Awrey	—	\$220,484 ⁽³⁾	—
Dave Nevins	—	\$2,212,849 ⁽⁴⁾	—

Notes:

(1) Mr. McGahan had 304,780 Deferred Units vest in 2018 that remained unexercised at year end representing \$3,084,374.

(2) Mr. Millar had 42,409 Deferred Units vest in 2018 that remained unexercised at year end representing \$429,179.

(3) Mr. Awrey had 21,787 Deferred Units vest in 2018 that remained unexercised at year end representing \$220,484.

(4) Mr. Nevins had 218,661 Deferred Units vest in 2018 that remained unexercised at year end representing \$2,212,849.

Aggregate Indebtedness

The following table sets forth information concerning the aggregate indebtedness outstanding as at March 31, 2019 entered into in connection with purchases of Units and all other indebtedness of all executive officers, trustees, employees and former executive offices, trustees and employees of InterRent and its subsidiaries.

<u>Purpose</u>	<u>To InterRent or its Subsidiaries (\$)</u>	<u>To Another Entity (\$)</u>
LTIP Purchases	\$12,502,458	—

Indebtedness of Named Executive Officers under Securities Purchase Programs

The following table sets forth information concerning the indebtedness of Named Executive Officers under securities purchase programs. For the REIT, this is in relation to the Long Term Incentive Plan units that were offered by the REIT and subscribed for by the Named Executive Officers prior to December 31, 2018.

<u>Name and Principal Position</u>	<u>Involvement of REIT or Subsidiary</u>	<u>Largest Amount Outstanding During 2018 (\$)</u>	<u>Amount Outstanding as at March 31, 2019 (\$)⁽¹⁾</u>	<u>Financially Assisted Securities Purchases during 2018 (#)</u>	<u>Security for Indebtedness</u>	<u>Amount Forgiven During 2018 (\$)</u>
Mike McGahan CEO	Lender	\$6,964,014	\$6,873,430	250,000	Pledge of Unit Certificates	—
Curt Millar CFO	Lender	\$398,780	\$389,808	—	Pledge of Unit Certificates	—
Brad Cutsey President	Lender	\$1,547,285	\$1,529,592	—	Pledge of Unit Certificates	—
Brian Awrey VP Finance	Lender	\$313,321	\$299,610	—	Pledge of Unit Certificates	—

Notes:

- (1) Under the terms of the Long Term Incentive Plan, the purchase price for Plan Units (as defined below under the heading “*Long Term Incentive Plan*”) offered to the Named Executive Officers for subscription and purchase are payable in instalments, with an initial instalment of 5% paid when the Plan Units are issued. The balance is due over a term not exceeding ten years. Participants are required to pay interest at a ten-year fixed rate based on the REIT’s fixed borrowing rate for long-term mortgage financing (5.0% for Plan Units issued in 2010, 3.57% for Plan Units issued in March 2012, 3.35% for Plan Units issued in June and September 2012, 3.85% for Plan Units issued June 27, 2013, 3.27% for Plan Units issued December 16, 2014, 3.44% for Plan Units issued June 9, 2015, 2.82% for Plan Units issued June 30, 2016, 3.09% for Plan Units issued July 28, 2017, and 3.30% for Plan Units issued March 5, 2018) and are required to apply cash distributions received on these Units toward the payment of interest and the remaining instalment.

Composition of the Compensation Committee

The REIT’s Compensation Committee was comprised of the following individuals: Victor Stone (Chair), Paul Bouzanis and Ronald Leslie at December 31, 2018. None of the current members is or was during fiscal 2018, an employee of the REIT or any of its subsidiaries. Except for indebtedness under the Long Term Incentive Plan, no current member of the Compensation Committee is, or during fiscal 2018 was, indebted to the REIT or any of its subsidiaries, or to any other entity where such debt is supported by a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the REIT or its subsidiaries. No member of the Compensation Committee has, or had during fiscal 2018, any material interest in any transaction that has materially affected or would materially affect the REIT or any of its subsidiaries.

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Committee is responsible for the REIT’s compensation policies and practices. The Compensation Committee has the responsibility to review and make recommendations to the Trustees concerning the compensation of the Trustees and the Named Executive Officers, including the Chief Executive Officer, within the constraints of the agreement described under “Employment Contracts and Termination and Change of Control Benefits”. The Committee also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under any of the REIT’s compensation plans. The Compensation Committee also reviews and approves the hiring of executive officers.

Executive Compensation

Under applicable securities legislation, the REIT is required to disclose certain financial and other information relating to the compensation of its Chief Executive Officer, Chief Financial Officer and the REIT's other Named Executive Officers. A summary of salary and other annual compensation earned by the Named Executive Officers for the most recently completed financial year, the year ended December 31, 2016, and, the year ended December 31, 2015 is set out in the "Summary Compensation Table". There are no other executive officers, or individuals acting in similar capacity of the REIT that would otherwise qualify for inclusion in the discussions below.

Principles of Executive Compensation

The REIT believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the REIT as a whole. The primary components of the REIT's executive compensation are base salary and annual bonus. The Compensation Committee believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the Unitholders. The following principles form the basis of the REIT's executive compensation program:

1. align interest of executives and Unitholders;
2. attract and motivate executives who are instrumental to the success of the REIT and the enhancement of Unitholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the REIT's long term value; and
5. connect, if possible, the REIT's employees into principles 1 through 4.

The Compensation Committee reviews on an annual basis the public information on other publicly traded REITs and real estate operating companies' CEO compensation packages. It is recognized that comparisons are difficult due to the complexity, structure and size of the different entities. In the end, a significant judgement call is required and the quality of the particular candidate is important.

From this analysis, the Compensation Committee and the Board were unanimous in endorsing the use of the Deferred Unit Plan established for the REIT in order to creatively achieve the five principles noted above.

The Compensation Committee is satisfied that the employment agreement entered into as of October 1, 2009 with Mike McGahan as CEO, as subsequently amended (the "**McGahan Agreement**") is beneficial to the REIT in its compensation programs and amounts. The McGahan Agreement includes a payout of the maximum annual compensation that can be earned in such calendar year plus triple the maximum annual compensation in the event of a change of control. The Compensation Committee has endorsed the program for the CEO's bonus being determined based upon a 20% component for each of the following:

1. sustainable profitability (including funds from operations/residential unit growth);
2. improving operating efficiencies (including improvements in operating margins);
3. disciplined and sustainable growth (including residential unit count, rent growth, improving occupancy);
4. conservative capitalization (including declining debt/gross book value); and
5. overall return versus peer group.

The CEO and other Named Executive Officers may elect to receive up to 100% of their bonus in the form of Deferred Units that vest over time as detailed below. This system is expected to align the CEO and other Named Executive Officers with the long term objective of increasing Unitholder value.

Base Salary

The base salary level for the Named Executive Officers is established based on comparison to other Canadian real estate investments trusts and the relative size of the REIT. The Named Executive Officers have employment contracts which specify their respective base salary. The Compensation Committee assesses the base salary level of the CEO and will make recommendations for increases to the Board. In respect of the CEO for 2016, 2017 and 2018, the Board considered and agreed to the request of the CEO that he forego base salary and instead be compensated solely by

way of annual bonus as determined by the Trustees. The base salaries paid to the other Named Executive Officers, which reflect any increases recommended by the CEO and approved by the Board, are set out in the Summary Compensation Table.

Annual Bonus

The Compensation Committee is responsible to assess and make recommendations to the Board annually for any bonuses to Named Executive Officers. Bonuses for 2018 were determined based on the objectives established in 2018 as follows:

Mike McGahan Chief Executive Officer	Objective	Maximum	Awarded
	Sustainable Profitability	\$242,000	\$242,000
	Operating Efficiency Improvements	\$242,000	\$242,000
	Disciplined and Sustainable Growth	\$242,000	\$242,000
	Conservative Capitalization	\$242,000	\$242,000
	Unit Price Appreciation	\$242,000	\$242,000
The CEO was awarded \$1,210,000 as an Annual Cash Bonus for 2018, 100% of which was elected to be taken in the form of Deferred Units which were then matched by the REIT.			
Curt Millar Chief Financial Officer	Objective	Maximum	Awarded
	Sustainable Profitability	\$54,000	\$54,000
	Operating Efficiency Improvements	\$54,000	\$54,000
	Disciplined and Sustainable Growth	\$54,000	\$54,000
	Conservative Capitalization	\$54,000	\$54,000
	Unit Price Appreciation	\$54,000	\$54,000
The CFO was awarded \$270,000 as an Annual Cash Bonus for 2018, 74% of which was elected to be taken in the form of Deferred Units which were then matched by the REIT.			
Brad Cutsey President	Objective	Maximum	Awarded
	Sustainable Profitability	\$112,000	\$112,000
	Operating Efficiency Improvements	\$112,000	\$112,000
	Disciplined and Sustainable Growth	\$112,000	\$112,000
	Conservative Capitalization	\$112,000	\$112,000
	Unit Price Appreciation	\$112,000	\$112,000
The President was awarded \$560,000 as an Annual Cash Bonus for 2018, 73% of which was elected to be taken in the form of Deferred Units which were then matched by the REIT.			

Dave Nevins Chief Operating Officer	Objective	Maximum	Awarded
	Sustainable Profitability	\$45,000	\$45,000
	Operating Efficiency Improvements	\$45,000	\$45,000
	Disciplined and Sustainable Growth	\$45,000	\$45,000
	Conservative Capitalization	\$45,000	\$45,000
	Unit Price Appreciation	\$45,000	\$45,000
	The Chief Operating Officer was awarded \$225,000 as an Annual Cash Bonus for 2018, 44% of which was elected to be taken in the form of Deferred Units which were then matched by the REIT.		
Brian Awrey VP Finance	Objective	Maximum	Awarded
	Sustainable Profitability	\$16,000	\$16,000
	Operating Efficiency Improvements	\$16,000	\$16,000
	Disciplined and Sustainable Growth	\$16,000	\$16,000
	Conservative Capitalization	\$16,000	\$16,000
	Unit Price Appreciation	\$16,000	\$16,000
	The VP Finance was awarded \$80,000 as an Annual Cash Bonus for 2018, 100% of which was elected to be taken in the form of Deferred Units which were then matched by the REIT.		

Role of the Compensation Committee

The Compensation Committee's primary role is to assist the Board in fulfilling its oversight responsibilities related to: (i) the administration of the REIT's compensation matters; (ii) the amount and form of compensation of trustees of the REIT; and, (iii) the salary, bonus and other benefits, direct or indirect, and any change of control packages of the chief executive officer of the REIT and other members of the senior management team. Each of the committee members, through their years of business and management, has direct experience that is relevant to their responsibilities in executive compensation.

InterRent's Compensation Philosophy

All employees of the REIT receive compensation based on comparable market rates for their respective positions. Additional consideration is given to internal pay equity and performance. In the design of the Trust's executive compensation plans and practices, the Board and the Compensation Committee have considered the implications of the risks associated therewith and with the Trust's business. As a general rule, the Trust's executive compensation plans are designed to ensure that Management is not encouraged to take excessive risks. Risk mitigation is a core principle of the Trust's compensation practices and the Compensation Committee considers risk implications in its annual review and recommendation of actual executive compensation and in its regular review of the Trust's compensation plans and practices.

Base Salary

Base salaries are established taking into account individual performance and experience, level of responsibility and competitive pay practices. To achieve this goal, the base salaries are reviewed annually and adjusted appropriately to reflect individual performance and market changes.

Short Term Incentives

All permanent full time executives and management of the REIT have the opportunity to earn an annual performance bonus. Such bonuses are a function of meeting specific goals based on individual performance and the REIT's performance relating to revenue, profitability, and growth. The CEO's targets are established by the Compensation Committee and Board and the CEO is responsible for cascading these targets to executives, management and staff. Previous equity grants to such individuals are taken into account when considering new grants.

Long Term Incentives

The maximum aggregate number of Units authorized for issuance (a) upon the redemption of all Deferred Units granted under the Deferred Unit Plan, (b) upon the exercise of options under the Unit Option Plan, and (c) pursuant to the Long Term Incentive Plan (together with the Deferred Unit Plan and Unit Option Plan, the “**Equity Incentive Plans**”) shall not exceed ten percent (10%) of the issued and outstanding Units, being 10,978,788 Units as of April 10, 2019. As of the date of this Circular, the REIT had issued Deferred Units, options and Plan Units (as defined below) that could be exercised or redeemed (as described in more detail under the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan sections below) for a total of 6,995,360 Units, which represents approximately 6.4% of the REIT’s issued and outstanding Units as at April 10, 2019. The number of remaining units available for issuance under the Equity Incentive Plans is 3,983,428 Units which represents approximately 3.6% of the REIT’s issued and outstanding Units as at April 10, 2019.

The annual burn rate of the Equity Incentive Plans (as expressed as a percentage based on the number of options under the Unit Option Plan, the number of Instalment Receipt Agreements under the Long Term Incentive Plan, and the number of Deferred Units granted during the applicable fiscal year divided by the weighted average number of issued and outstanding Units for the applicable fiscal year) was 1.6% for the fiscal year 2018, 1.8% for the fiscal year 2017 and 1.2% for the fiscal year 2016.

Unit Option Plan

The REIT’s unit option plan (“**Unit Option Plan**”) provides that the REIT may grant options to purchase Units to any trustee, director, employee, consultant or Management Company Employees (as defined in the Unit Option Plan) of the REIT or a related entity of the REIT (each an “**Eligible Individual**”), or a corporation controlled by, and whose issued and outstanding voting shares are owned by any Eligible Individual. Based on the recommendation of the Compensation Committee, the Board considers and, if thought appropriate, approves the issuance of options in accordance with the REIT’s Unit Option Plan. Such option grants are dependent upon individual performance and competitive conditions. The REIT’s Unit Option Plan requires that the option exercise price be equal to the volume weighted average trading price of the Units for the five trading days immediately prior to the date the option was granted. The Board shall, in its discretion determine the time during which options shall vest and the method of vesting. All Options granted to Employees pursuant to the Unit Option Plan had a two-year vesting provision, with 50% of the Options vesting after year 1 of the date of grant and the remaining 50% vesting after year two from the date of grant of such Options. All options granted shall expire no later than ten years after the date of the grant.

The Unit Option Plan is a rolling and reloading plan. Options exercised for Units are automatically available for re-grant under the Unit Option Plan.

The maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed ten percent (10%) of the issued and outstanding Units, being 10,978,788 Units as of April 10, 2019. As of the date of this Circular, the REIT had options issued and outstanding pursuant to the Unit Option Plan exercisable for an aggregate of 939,645 Units, which represents approximately 0.9% of the REIT’s issued and outstanding Units as at April 10, 2019. Unitholders are being asked to approve an amendment to each of the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan to permit the aggregate maximum number of Units that may be issued under all such equity incentive plans to be set at 7% of the issued and outstanding Units, all as more fully described under the heading “*Amendment to the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan and Approval of Unallocated Units*”.

The annual burn rate of the Unit Option Plan (as expressed as a percentage based on the number of options under the Unit Option Plan granted during the applicable fiscal year divided by the weighted average number of issued and outstanding Units for the applicable fiscal year) was 0% for the fiscal year 2018, 0.4% for the fiscal year 2017 and 0% for the fiscal year 2016.

No options shall be granted to any reporting insider of the REIT if such grant could result, together with any other incentive compensation arrangement of the REIT, at any time in the issuance to any one individual and such individual’s associates, within a one-year period, of a number of Units (together with any other incentive compensation arrangements) that exceeds 10% of the issued and outstanding Units. The REIT shall obtain disinterested Unitholder approval of options if:

- (a) a unit option plan, together with all of the REIT’s previously established or proposed unit option grants or other compensation arrangements, could result in:

- (i) the number of Units reserved for issuance under unit options granted to “Insiders” (as such term is defined therein) at any time exceeding 10% of the outstanding Units;
 - (ii) the issuance to Insiders, within a one year period, of a number of Units exceeding 10% of the outstanding Units; or
- (b) the REIT is decreasing the exercise price of stock options previously granted to Insiders.

Subject to any express resolution passed by the Board with respect to an option, an option and all rights to purchase Units pursuant thereto shall expire and terminate within 30 days after the optionee who holds such option ceases to be an “eligible person” (as such term is defined in the Unit Option Plan). Options are non-transferable but may be assigned to a corporation controlled by an optionee.

If an optionee dies before the expiry of an option, the optionee’s legal representative(s) may, subject to the terms of the option and the Unit Option Plan, (A) exercise the option (to the extent the optionee was entitled to do so at the date of the optionee’s death) any time up to and including, but not after, one year following the earlier of the date of death, and prior to close of business on the expiration date of the option, and (B) with the prior written consent of the Board, exercise at any time up to and including, but not after, one year following the earlier of the date of death or prior to the close of business on the expiration date of the option, whichever is earlier, any part of the option which was not exercisable at the time of the optionee’s death to purchase all or any of the Units subject to the option as the Board may designate but not exceeding the number of such Units the optionee would have been entitled to purchase had the optionee survived. If an optionee has been terminated “for cause”, or does not exercise his or her options within the prescribed period, the number of options not exercised will be added to the number of options remaining available to be granted under the Unit Option Plan.

The Board may, at any time, suspend or terminate the Unit Option Plan. The Board may, subject to receipt of requisite Unitholder and regulatory approval, make the following amendments to the Unit Option Plan:

- (a) any amendment to the number of securities issuable under the Unit Option Plan, including an increase in the maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage;
- (b) the addition of any form of financial assistance;
- (c) any addition of a cashless exercise feature, payable in cash or securities which does not provide for a full deduction in the number of underlying securities from the Unit Option Plan;
- (d) the addition of any provision in the Unit Option Plan which results in participants receiving securities while no cash consideration is received by the REIT;
- (e) any extension of the term of options granted to insiders of the REIT;
- (f) any reduction in the option price of options held by insiders of the REIT; and
- (g) any other amendments that may lead to significant or unreasonable dilution in the REIT’s outstanding securities or may provide additional benefits to participants, especially to insiders of the REIT, at the expense of the REIT and its existing unitholders.

The Board may, subject to receipt of requisite regulatory approval, where required, in its sole discretion make all other amendments to the Unit Option Plan that are not of the type contemplated above, including, without limitation:

- (a) amendments of a housekeeping nature;
- (b) the addition of or a change to vesting provisions of a security or the Unit Option Plan;
- (c) a change to the termination provisions of a security or the Unit Option Plan which does not entail an extension beyond the original expiry date; and
- (d) the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Unit Option Plan reserve.

Long Term Incentive Plan

The REIT has a long-term incentive plan (“**Long Term Incentive Plan**”), which is available to Trustees, officers and employees of the REIT and directors, trustees, officers or employees of designated affiliates, where in each case such persons are actively engaged in activities related to the REIT (“**LTIP Participants**”).

Under the Long Term Incentive Plan, LTIP Participants may subscribe for treasury Units ("**Plan Units**") for a purchase price equal to the "Market Price" for Units, which purchase price will be payable in cash instalments. The first instalment will be an amount equal to not less than 5% of the Market Price for the Units on the date of issue and will be payable by LTIP Participants on the date such Plan Units are issued. The "Market Price" for Units will be equal to the volume weighted average trading price of Units on the TSX for the five trading days immediately preceding their issue. Prior to the payment in full of all instalments (together with interest thereon) relating to Plan Units, beneficial ownership of the Plan Units will be represented by instalment receipts issued by the REIT (the "**Instalment Receipts**") to LTIP Participants. LTIP Participants will be required to pay all instalment and interest payments over a period of not more than ten years and have the option to prepay any remaining instalments at their discretion. Instalment and interest payments may be accelerated in certain circumstances, such as on the death or disability of an LTIP Participant or on termination of their employment with the REIT. In addition, LTIP Participants may elect, with prior Board consent, to have some or all of any Instalment Receipts issued to a personal holding company, family trust, or eligible limited partnership of such LTIP Participant. Pursuant to an instalment receipt agreement entered into between the REIT and LTIP Participants (the "**Instalment Receipt Agreement**"), legal title to the Plan Units will be registered in the name of a custodian (the "**Custodian**") and held as security for the payment obligations of the LTIP Participants until all instalments and interest have been paid.

LTIP Participants will be required to pay interest to the REIT on the outstanding balance of the remaining instalments at a ten-year fixed annual rate not less than a prescribed rate under the *Income Tax Act* (Canada) applicable at the time the Plan Units are issued.

Under the Long Term Incentive Plan, LTIP Participants will be the beneficial owners of the Plan Units from the date of issue, subject to their obligation to make the remaining instalment and interest payments. Holders of Instalment Receipts will have substantially the same rights and privileges, and will be subject to the same limitations, as registered holders of Units, except for certain rights and privileges, which are limited under the Instalment Receipt Agreement to protect the value of the REIT's security interest in the Plan Units. LTIP Participants will be required to apply any distributions received by them in respect of the Plan Units to make payments of interest and the remaining instalments. Upon due payment of all instalments and interest, the Plan Units will be released to the LTIP Participants and the LTIP Participants will become the registered holders of the Plan Units. Until all instalment and interest payments have been made, LTIP Participants will not be allowed (i) to vote their Plan Units, or (ii) to transfer or dispose of their Plan Units or the associated Instalment Receipts, other than to an RRSP or RRIF or other entity or person approved by the REIT.

The Long Term Incentive Plan is a rolling and reloading plan. Plan Units that are redeemed for Units are automatically available for re-grant under the Long Term Incentive Plan.

The Long Term Incentive Plan is administered by the Board and the maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed ten percent (10%) of the issued and outstanding Units, being 10,978,788 Units as of April 10, 2019. As of the date of this Circular, 1,910,000 Units are currently subject to Instalment Receipt Agreements under the Long Term Incentive Plan, representing approximately 1.7% of the issued and outstanding Units as of April 10, 2019. Unitholders are being asked to approve an amendment to each of the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan to permit the aggregate maximum number of Units that may be issued under all such equity incentive plans to be set at 7% of the issued and outstanding Units, all as more fully described under the heading "*Amendment to the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan and Approval of Unallocated Units*".

The annual burn rate of the Long Term Incentive Plan (as expressed as a percentage based on the number of Instalment Receipt Agreements under the Long Term Incentive Plan granted during the applicable fiscal year divided by the weighted average number of issued and outstanding Units for the applicable fiscal year) was 0.3% for the fiscal year 2018, 0.7% for the fiscal year 2017 and 0.4% for the fiscal year 2016.

The aggregate number of Units reserved for issuance to "Insiders" (as such term is defined in the *Securities Act* (Ontario)) at any time pursuant to the Long Term Incentive Plan and pursuant to all other incentive compensation arrangements of the REIT shall not exceed 10% of the total number of Units then outstanding. The aggregate number of Units issued to Insiders pursuant to the Long Term Incentive Plan and pursuant to all other incentive compensation arrangements of the REIT, within a one-year period, shall not exceed 10% of the total number of Units then outstanding. The Long Term Incentive Plan will be administered by the Board, or the Compensation Committee.

Subject to the Long Term Incentive Plan and the Instalment Receipt Agreement, the Board has discretion to determine and set the vesting provisions applicable to Plan Units and Instalment Receipts. If a Plan Unit is subject to such vesting provisions as determined by the Board, Plan Units held by the Custodian for the benefit of holders of Instalment Receipts will vest, together with any distributions, in accordance with and at such times as set forth in the vesting

provisions applicable to such Plan Units. On the relevant vesting dates, the Custodian will distribute the relevant number of vested Plan Units and distributions to the LTIP Participant. Subject to the Long Term Incentive Plan, Instalment Receipt Agreement and vesting provisions, if an LTIP Participant's employment is terminated for cause or by voluntary resignation or retirement before the date all instalments in respect of the LTIP Participant's Plan Units have been paid, then no unvested portion of any such Plan Units held by the Custodian for the benefit of the Participant will vest.

In the event of disability or death of an LTIP Participant before all instalments in respect of the LTIP Participant's Plan Units have been paid, subject to the discretion of the Board, the payment of all remaining instalments with respect to such Plan Units will be accelerated to become due and payable on the earlier of (i) the second anniversary of such death or disability, and (ii) the date such payments are otherwise payable under the Instalment Receipt Agreement. If the LTIP Participant fails to make such payments within such period of time, the Custodian, subject to the discretion of the Board, will deal with the applicable Plan Units in accordance with terms of the Instalment Receipt Agreement. In the event a LTIP Participant's employment is terminated for cause before all instalments in respect of the LTIP Participant's Plan Units have been paid, subject to the discretion of the Board, the payment of all remaining instalments owing with respect such Plan Units will be accelerated to become due and payable on the earlier of (i) 30 calendar days following such termination, and (ii) the date such payments are otherwise payable under the Instalment Receipt Agreement. If the LTIP Participant fails to make such payments within such period of time, the Custodian, subject to the discretion of the Board, will deal with the applicable Plan Units in accordance with terms of the Instalment Receipt Agreement. In the event an LTIP Participant's employment is terminated by voluntary resignation or retirement before all instalments in respect of the LTIP Participant's Plan Units have been paid, subject to the discretion of the Board, the payment of all remaining instalments owing with respect to such Plan Units will be accelerated to become due and payable on the earlier of (i) 90 calendar days following such termination, and (ii) the date such payments are otherwise payable under the Instalment Receipt Agreement. If the LTIP Participant fails to make such payments within such period of time, the Custodian, subject to the discretion of the Board, shall deal with the applicable Plan Units in accordance with terms of the Instalment Receipt Agreement. If an LTIP Participant's employment is terminated other than for cause, as a result of death or disability, or by voluntary resignation or retirement of the LTIP Participant before all instalments in respect of the LTIP Participant's Plan Units have been paid, subject to the discretion of the Board, the payment of all remaining instalments owing with respect to such Plan Units shall be accelerated to become due and payable on the earlier of (i) 180 calendar days following such termination, and (ii) the date such payments are otherwise payable under the Instalment Receipt Agreement. If the LTIP Participant fails to make such payments within such period of time, the Custodian, subject to the discretion of the Board, shall deal with the applicable Plan Units in accordance with terms of the Instalment Receipt Agreement. With certain exceptions, if an LTIP Participant holds Plan Units through a personal holding company, family trust or an eligible limited partnership which ceases to qualify as such, any remaining instalment payments owing with respect to Plan Units issued to such LTIP Participant shall be accelerated to become due and payable on the earlier of (i) 90 calendar days after such failure to qualify, and (ii) the date such payments are otherwise payable under the Instalment Receipt Agreement. If the LTIP Participant fails to make such payments within such period of time, the Custodian, subject to the discretion of the Board, shall deal with the applicable Plan Units in accordance with terms of the Instalment Receipt Agreement.

The Board may, at its sole discretion, amend (including, without limitation, make amendments of a housekeeping nature, change the vesting provisions applicable to the issue of any Units or Instalment Receipts, and change the instalment payment acceleration provisions), suspend or terminate the Long Term Incentive Plan, or any portion of it at any time in accordance with applicable legislation, and subject to any required regulatory approval without Unitholder approval. Notwithstanding the foregoing, amendments to the number of Units issuable under the Long Term Incentive Plan, amendments to the determination of the "Market Price" of Plan Units, a reduction of the price of Plan Units issued under the Long Term Incentive Plan, amendments to the eligibility of participation to the Long Term Incentive Plan, or amendments that materially increase the benefits of LTIP Participants under the Long Term Incentive Plan, shall be subject to Unitholder approval.

Instalment Receipts and associated Plan Units are not transferable in any way except to an RRSP or RRIF of the LTIP Participant, an entity controlled by the REIT or otherwise approved by the REIT, or otherwise in accordance with the Long Term Incentive Plan and the Instalment Receipt Agreement. Transfers in violation of the Long Term Incentive Plan will not be valid.

Deferred Unit Plan

The REIT has a deferred unit plan ("Deferred Unit Plan") available to certain eligible Trustees, officers and employees of the REIT who elect to participate ("**DUP Participants**").

Each DUP Participant shall:

- (a) in respect of a Trustee, be paid between sixty (60%) and one hundred percent (100%) of the annual cash retainer paid by the REIT to that Trustee in a calendar year for service on the Board, together with committee fees, attendance fees, additional fees and retainers to committee chairs (a “**Board Retainer**”); or
- (b) in respect of an officer or employee, be paid up to 100% of the annual bonus paid by the REIT to that officer or employee in a calendar year (an “**Annual Bonus**”); or
- (c) in respect of an officer or employee, be paid 100% of their retention bonus (“**Retention Bonus**”) and/or long-term incentive bonus (“**Annual Incentive Bonus**”),

(the “**Elected Amount**”) in the form of deferred Units (“**Deferred Units**”) in lieu of cash, provided that the REIT shall match the Elected Amount for each DUP Participant such that the number of Deferred Units issued to each Participant shall be equal in value to two (2) times the Elected Amount.

DUP Participants (other than a trustee) that elect to participate are paid 100% of any Retention Bonus, if awarded, in Deferred Units. A Retention Bonus is set by the Board (or Compensation Committee) and is paid on a semi-annual basis (on or about June 30 and December 31) if the REIT meets certain pre-determined performance targets set by the Board or the Committee. In addition, DUP Participants that elect to participate are paid 100% of any Annual Incentive Bonus, if awarded, in Deferred Units. Annual Incentive Bonuses are paid provided that the Participant meets certain pre-determined performance targets set by the Board for the previous fiscal year. The Annual Incentive Bonus, if paid, is paid annually forthwith after the REIT publicly releases its year-end results for the previous fiscal year. In the event of any Unit distribution or dividend, Unit split, combinations or exchange of Units, merger, consolidation, spin-off or other distribution (other than normal cash distributions) of the REIT’s assets to the Unitholders, or any other change affecting the Units, the account of each DUP Participant and the Deferred Units outstanding under the Deferred Unit Plan shall be adjusted in such manner, if any, as the Compensation Committee may in its discretion deem appropriate to reflect the event.

The number of Deferred Units (including fractional Deferred Units) granted at any particular time pursuant to the Deferred Unit Plan as a Retention Bonus or Annual Incentive Bonus is calculated by: dividing (i) two times the dollar amount of the Elected Amount, as applicable, allocated to the DUP Participant for a Board Retainer or Annual Bonus; (ii) by the Market Value of a Unit on the Award Date. Note, 100% of the Retention Bonus or Annual Incentive Bonus, as the case may be, shall qualify as the Elected Amount that is effectively matched by the REIT. “**Market Value**” at any date in respect of the Deferred Units means the volume weighted average price of all Units traded on the TSX for the ten trading days immediately preceding such date (or, if such Units are not listed and posted for trading on the TSX, on such stock exchange on which such Units are listed and posted for trading as may be selected for such purpose by the Trustees). In the event that such Units are not listed and posted for trading on any stock exchange, the Market Value shall be the fair market value of such Units as determined by the Board in its sole discretion. Deferred Units are not assignable except in the case of death or otherwise by succession.

The Board may, at its sole discretion, amend (including, without limitation, make amendments of a housekeeping nature, change the vesting provisions applicable to the Deferred Units, and change the termination provisions of the Deferred unit Plan or the Deferred Units issued thereunder), suspend or terminate the Deferred Unit Plan, or any portion of it at any time in accordance with applicable legislation, and subject to any required regulatory approval without Unitholder approval. Notwithstanding the foregoing, the number of Units authorized for issuance under the Deferred Unit Plan may only be amended with Unitholder approval or as may be required by regulatory authorities. In addition, amendments: (i) leading to an increase in the matching amount by the REIT of the Elected Amount under the Deferred Unit Plan (other than as provided therein); (ii) affecting the eligibility of participation to the Deferred Unit Plan; or (iii) materially increasing the benefits of participants under the Deferred Unit Plan, shall also be subject to Unitholder approval.

The Deferred Unit Plan is a rolling and reloading plan. Deferred Units that are redeemed for Units are automatically available for re-grant under the Deferred Unit Plan. Unless otherwise determined by the Board, the Deferred Units granted pursuant to the Deferred Unit Plan were subject to a five-year vesting provision in accordance with the terms of the Deferred Unit Plan.

The Deferred Unit Plan is administered by the Compensation Committee, reporting to the Board. The maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed ten percent (10%) of the issued and outstanding Units, being 10,978,788 Units as of April 10, 2019. As of the date of this Circular, the

REIT has 4,145,715 Deferred Units outstanding under the Deferred Unit Plan, representing approximately 3.8% of the issued and outstanding Units as at April 10, 2019. Unitholders are being asked to approve an amendment to each of the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan to permit the aggregate maximum number of Units that may be issued under all such equity incentive plans to be set at 7% of the issued and outstanding Units, all as more fully described under the heading “*Amendment to the Unit Option Plan, Long Term Incentive Plan and Deferred Unit Plan and Approval of Unallocated Units*”.

The annual burn rate of the Deferred Unit Plan (as expressed as a percentage based on the number of Deferred Units granted during the applicable fiscal year divided by the weighted average number of issued and outstanding Units for the applicable fiscal year) was 1.2% for the fiscal year 2018, 0.6% for the fiscal year 2017 and 0.8% for the fiscal year 2016.

Irrespective of the foregoing, at no time shall the number of Units: (i) reserved for issuance to insiders of the REIT pursuant to outstanding Deferred Units (together with the number of Units reserved for issuance to such persons pursuant to any other incentive compensation arrangements) exceed 10% of the then outstanding Units as calculated immediately prior to the issuance in question; and (ii) issued to insiders of the REIT, within any one year period, pursuant to outstanding Deferred Units (together with the number of Units issued to such persons pursuant to other incentive compensation arrangements) exceed 10% of the then outstanding Units.

Deferred Units generally vest in accordance with the following schedule:

- (a) 50% of the Deferred Units on the third anniversary of the grant;
- (b) 25% of the Deferred Units on the fourth anniversary of the grant;
- (c) 25% of the Deferred Units on the fifth anniversary of the grant;

provided however, that in the event of any “change of control” of InterRent (as such term is defined in the Deferred Unit Plan), any unvested Deferred Units shall vest upon the earlier of: (i) the next applicable vesting date determined in accordance with the above provisions; and (ii) the date which is immediately prior to the date upon which the change of control is completed.

Notwithstanding the foregoing, Deferred Units credited to a DUP Participant vest immediately and are redeemable following an event, including termination other than for cause, retirement or death, unless the DUP Participant has been terminated for cause or resigns. If a DUP Participant is terminated for cause or resigns, any Deferred Units representing (i) an Elected Amount, and (ii) 50% of any Retention Bonus shall be deemed to have vested. Any Deferred Units representing a match of the Elected Amount or an Annual Incentive Bonus or the other 50% of the Retention Bonus which have not vested at the time of termination for cause or voluntary resignation shall be forfeited by the DUP Participant.

If a DUP Participant retires from the REIT, any Deferred Units representing (i) an Elected Amount, and (ii) 50% of any Retention Bonus credited to the DUP Participant’s Deferred Unit Account shall be deemed vested and, if the participant is 65 years or over and has been with the REIT for:

- (a) less than five years, then any Deferred Units granted to such DUP Participant granted under the Deferred Unit Plan which represent, (i) a match by the REIT of an Elected Amount, (ii) a Long Term Incentive Bonus and/or (iii) the other 50% of a Retention Bonus, in each case in accordance with the Deferred Unit Plan, and which have not yet vested, shall be immediately forfeited by the DUP Participant;
- (b) between five and ten years, then (i) 50% of any Deferred Units granted to such DUP Participant which represent a match by the REIT of an Elected Amount and/or an Annual Incentive Bonus, and (ii) 75% of any Deferred Units granted to such DUP Participant, which represent a Retention Bonus (and which have not vested at such time), shall immediately vest, be non-forfeitable, and be redeemed as soon as practically possible. In such a case, the remaining (i) 50% of any Deferred Units granted to a DUP Participant representing a match by the REIT of an Elected Amount and/or an Annual Incentive Bonus, and/or (ii) 25% of any Deferred Units granted to such DUP Participant which represent a Retention Bonus and which have not vested at such time, shall be immediately forfeited by the DUP Participant; or
- (c) ten years or greater, then any Deferred Units granted to such DUP Participant which represent a match by the REIT of an Elected Amount, or an Annual Incentive Bonus or Retention Bonus, and

which have not vested at such time, shall immediately vest, be non-forfeitable and such Deferred Units shall be redeemed as soon as practically possible.

Subject to the approval of the Compensation Committee, the Deferred Units credited to a Participant's Deferred Unit Account that have vested may be redeemable in whole or in part on the date in which the Participant files a written notice of redemption.

Compensation of Chief Executive Officer

The compensation of the REIT's Chief Executive Officer, Mike McGahan, is targeted at a level consistent with the compensation paid to chief executive officers in the Canadian real estate trust market. Mr. McGahan's compensation plan takes into consideration base salary as well as the REIT's short term bonus plan, Unit Option Plan, Deferred Unit Plan and Long Term Incentive Plan. Description of his compensation plan is set out under "*Principles of Executive Compensation*".

Mike McGahan is a member of the Board. Mr. McGahan is required to abstain himself from deliberations of the Board with respect to matters related to his compensation and also abstain from voting on these matters.

Other Compensation Policies

Clawback Policy

In April, 2019, the Board adopted a senior executive compensation clawback policy for awards made under the REIT's Equity Incentive Plans. Under this policy, which applies to any current executive of the REIT, the Board may, pursuant to an agreement with such executive, require reimbursement of all or a portion of the annual incentive-based compensation received by such executive under the Equity Incentive Plan(s) in situations where:

1. the REIT is required to restate its financial results (a "Restatement") due to material non-compliance with any financial reporting requirement under applicable securities laws;
2. an executive engaged in fraud or willful misconduct (as admitted by the executive or, in the absence of such admission, as determined by a court of competent jurisdiction in a final judgment that cannot be appealed) which caused or significantly contributed to the material non-compliance that resulted in the Restatement; and
3. the amount of incentive compensation awarded or paid to the executive in respect of the year(s) to which the Restatement pertains ("**Actual Compensation**") would have been lower had it been calculated based on the restated financial results ("**Revised Compensation**")

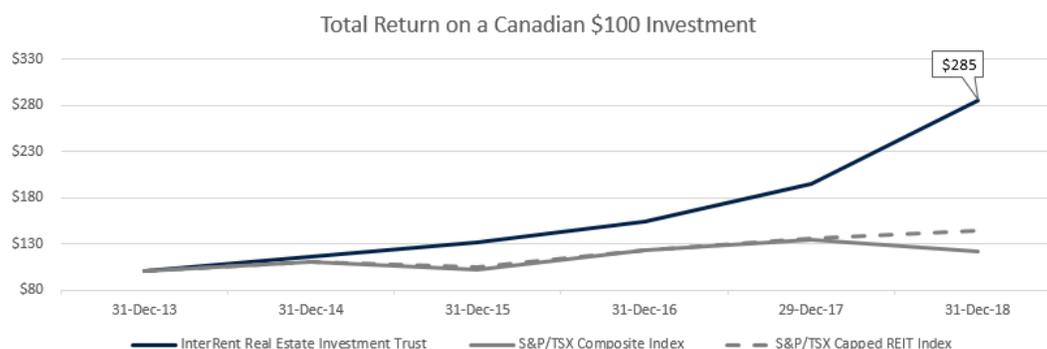
In the circumstances described above, the Board may, may, in their discretion, seek to recover from the executive all or a portion of the after-tax difference between the Actual Compensation and the Revised Compensation where the REIT has determined that the Restatement is required. To the extent that the difference between Actual Compensation and Revised Compensation relates to Unit-Based Compensation (as defined in the Clawback Policy) and the Unit-Based Compensation initially awarded has not been exercised (in the case of unit options) or vested (in the case of deferred units), the Trustees may cancel or adjust the number of options, granted or deferred units awarded in the year(s) to which the Restatement pertains to address such difference .

Submitted on behalf of the Compensation Committee currently comprised of:

Ronald Leslie (Chair)
Paul Bouzanis

Performance Graph

The following graph illustrates changes over the period from December 31, 2013 to December 31, 2018 in cumulative total shareholder return assuming that \$100 was invested on December 31, 2013 (with any distributions re-invested) in Units of the REIT, the S&P/TSX Composite Index and the S&P/TSX Capped Real Estate Index.



Total Return on a CDN \$100 Investment

	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	29-Dec-17	31-Dec-18	Total Return
InterRent Real Estate Investment Trust	\$ 100	\$ 116	\$ 132	\$ 154	\$ 195	\$ 285	185%
S&P/TSX Composite Index	\$ 100	\$ 111	\$ 101	\$ 123	\$ 134	\$ 122	22%
S&P/TSX Capped REIT Index	\$ 100	\$ 110	\$ 105	\$ 124	\$ 136	\$ 145	45%

Sources: S&P Global Market Intelligence, S&P Dow Jones Indices

Annual bonuses for InterRent's NEOs is determined based on an assessment of 5 key attributes: sustainable profitability; operating efficiency improvements, disciplined and sustainable growth; conservative capitalization; and Unit price appreciation. Each of these attributes are evaluated using various measures that the Board believes is appropriate for the period being measured. As such, the total return for the Unitholders, as indicated by the above graph ("**Total Unitholder Return**"), is considered under the key attribute of Unit price appreciation, which makes up 20% of the potential bonus for NEOs. Over the past five years, the REIT has grown its portfolio significantly. Over the same five year period the Board has appointed 2 additional officers to the REIT (one in 2015 and one in 2018) increasing the number of NEOs from three to five. Over this same period, Total Unitholder Return increased by 185% while total NEO compensation, inclusive of the compensation paid to the two additional executive officers, increased by 68%.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY INCENTIVE PLANS

The following table sets forth, as of December 31, 2018, information concerning securities authorized for issuance under equity incentive plans.

<u>Plan Category</u>	<u>Number of Securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted average exercise price of outstanding options, warrants and rights \$</u>	<u>Number of securities remaining available for future issuance under equity incentive plans⁽⁶⁾</u>
Equity incentive plans previously approved by security holders			
Unit Option Plan ⁽¹⁾	1,006,585	\$ 6.11	—
Deferred Unit Plan ⁽²⁾⁽³⁾	3,942,911	\$ 7.62	—
Long Term Incentive Plan ⁽⁴⁾	1,910,000 ⁽⁵⁾	\$ 7.00	—
Equity incentive plans not previously approved by security holders.....			
Total.....	6,884,496	N/A	4,059,782

Notes:

- (1) The material features of the Unit Option Plan are described above under the heading “*Compensation Discussion & Analysis – Long Term Incentive – Unit Option Plan*”.
- (2) The material features of the Deferred Unit Plan are described above under the heading “*Compensation Discussion & Analysis – Long Term Incentive – Deferred Unit Plan*”.
- (3) The outstanding Deferred Units are subject to vesting terms. As at December 31, 2018, if these vesting terms are met a maximum of 3,942,911 Units may be issued from treasury upon the redemption of all outstanding Deferred Units.
- (4) The material features of the Long Term Incentive Plan are described above under the heading “*Compensation Discussion & Analysis – Long-Term Incentive – Long Term Incentive Plan*”.
- (5) This amount is already included in the Units issued and outstanding at December 31, 2018.
- (6) The maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed ten percent (10%) of the issued and outstanding Units. At December 31, 2018, there were 109,442,783 Units issued and outstanding equating to a maximum of 10,944,278 Units authorized for issuance under the Equity Incentive Plans.

TERMINATION OF EMPLOYMENT CHANGES IN RESPONSIBILITY AND EMPLOYMENT CONTRACTS

The REIT entered into an employment agreement as of October 1, 2009 with Mike McGahan for an indefinite term, which employment agreement was most recently amended May 11, 2017 (hereinafter together the “**McGahan Agreement**”).

In the event of the death, retirement or disability of Mr. McGahan, the McGahan Agreement provides for the lump sum payment of an amount equal to not less than two times the annual salary and two times the average annual bonus paid to Mr. McGahan in the previous two years.

In the event that Mr. McGahan’s employment is terminated for any other reason or not for just cause or in the event Mr. McGahan resigns for “Good Reason”, or there is a control change in the REIT, as such terms are defined therein, Mr. McGahan is entitled to a payment equal to the annual base salary and the annual maximum potential bonus that may be earned in the year of termination. Mr. McGahan would also be entitled to a further payment that, in the aggregate, equals: (i) three times the annual salary; and (ii) three times the maximum potential bonus for the year. In addition, the REIT is required to purchase from Mr. McGahan, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. McGahan (all of which shall be deemed to have vested) and pay him the difference between the exercise price and the fair market value of all rights, options or warrants to acquire Units subject to issuance pursuant to any options or warrants held by Mr. McGahan.

The REIT entered into an employment agreement (the “**Millar Agreement**”) with Curt Millar dated May 6, 2010. In the event that Mr. Millar’s employment is terminated not for just cause or in the event Mr. Millar resigns for “Good Reason”, or there is a control change in the REIT, as such terms are defined therein, Mr. Millar is entitled to a payment equal to the annual base salary and the annual maximum potential bonus that may be earned in the year of termination. Mr. Millar would also be entitled to a further payment that, in the aggregate, equals: (i) two times the annual salary; and (ii) two times the maximum potential bonus for the year. In addition, the REIT would be required to purchase from Mr. Millar, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. Millar (all of which shall be deemed to have vested) and pay him the difference between the exercise price and the fair market value

of all rights, options or warrants to acquire Units subject to issuance pursuant to any options or warrants held by Mr. Millar.

The REIT entered into an employment agreement (the “**Cutsey Agreement**”) with Brad Cutsey dated April 6, 2015. In the event that Mr. Cutsey’s employment is terminated not for just cause or in the event Mr. Cutsey resigns for “Good Reason”, or there is a control change in the REIT, as such terms are defined therein, Mr. Cutsey’ is entitled to a payment equal to the annual base salary and the annual maximum potential bonus that may be earned in the year of termination. Mr. Cutsey would also be entitled to a further payment that, in the aggregate, equals: (i) two times the annual salary; and (ii) two times the maximum potential bonus for the year. In addition, the REIT would be required to purchase from Mr. Cutsey, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. Cutsey (all of which shall be deemed to have vested) and pay him the difference between the exercise price and the fair market value of all rights, options or warrants to acquire Units subject to issuance pursuant to any options or warrants held by Mr. Cutsey.

The REIT entered into an employment agreement (the “**Nevins Agreement**”) with Dave Nevins dated February 15, 2018. In the event that Mr. Nevins’ employment is terminated not for just cause or in the event Mr. Nevins resigns for “Good Reason”, or there is a control change in the REIT, as such terms are defined therein, Mr. Nevins is entitled to a payment equal to the annual base salary and the annual maximum potential bonus that may be earned in the year of termination. Mr. Nevins would also be entitled to a further payment that, in the aggregate, equals: (i) two times the annual salary; and (ii) two times the maximum potential bonus for the year. In addition, the REIT would be required to purchase from Mr. Nevins, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. Nevins (all of which shall be deemed to have vested) and pay him the difference between the exercise price and the fair market value of all rights, options or warrants to acquire Units subject to issuance pursuant to any options or warrants held by Mr. Nevins.

The REIT entered into an employment agreement (the “**Awrey Agreement**”) with Brian Awrey dated May 17, 2010. In the event that Mr. Awrey’s employment is terminated not for just cause or in the event Mr. Awrey resigns for “Good Reason”, or there is a control change in the REIT, as such terms are defined therein, Mr. Awrey is entitled to a payment equal to the annual base salary and the annual maximum potential bonus that may be earned in the year of termination. Mr. Awrey would also be entitled to a further payment that, in the aggregate, equals: (i) the annual salary; and (ii) the maximum potential bonus for the year. In addition, the REIT would be required to purchase from Mr. Awrey, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. Awrey (all of which shall be deemed to have vested) and pay him the difference between the exercise price and the fair market value of all rights, options or warrants to acquire Units subject to issuance pursuant to any options or warrants held by Mr. Awrey.

TRUSTEES COMPENSATION

<u>Name⁽¹⁾</u>	<u>Fees Earned</u>	<u>Unit-based Awards⁽³⁾</u>	<u>Option-based Awards</u>	<u>Non-equity Incentive Plan Compensation</u>	<u>All Other Compensation</u>	<u>Total</u>
	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>
Paul Amirault	—	\$49,600	—	—	—	\$49,600
Paul Bouzanis	—	\$62,400	—	—	—	\$62,400
Ronald Leslie	—	\$54,600	—	—	—	\$54,600
Cheryl Pangborn	—	\$38,600	—	—	—	\$38,600
Victor Stone ⁽²⁾	—	\$62,200	—	—	—	\$62,200

Notes:

(1) For compensation for Mr. McGahan, see “*Summary Compensation Table*”.

(2) Mr. Stone resigned from the Board on February 25, 2019.

(3) Represents Annual Board of Trustee Fees that the Trustees have elected to receive in deferred units of in lieu of cash.

Each of the Trustees who are not members of management will receive from the REIT an annual retainer of \$18,000 per year, plus a fee of \$1,000 per board meeting and \$600 per committee meeting. In addition, the Chairmen receive the following respective amounts for chairing various committees: the Board \$25,000, Audit Committee \$10,000, Nominations and Governance Committee \$5,000, Compensation Committee \$5,000 and Capital Resources Committee \$20,000. The Trustees have elected to receive all of their fees related to 2018 in Deferred Units. The number of Units that each Trustee is entitled to receive on redemption of the Deferred Units shall be based on the 10-day weighted average trading price prior to the issuance of the Deferred Units. Trustees will also be reimbursed for reasonable travel and other expenses properly incurred by them in attending meetings of the Trustees or any committee meeting. Trustees are also eligible to participate in the Unit Option Plan and the Long Term Incentive Plan.

Trustees are required to accumulate \$150,000 in Units (including Deferred Units) by the third anniversary of their election as a Board member. As of December 31, 2018, all Trustees with over three years' tenure on the board have met this requirement.

Outstanding Unit-Based Awards and Option-Based Awards

The following table sets forth information concerning option-based awards and unit-based awards granted by the REIT to each of the Trustees (other than Trustees that are Named Executive Officers) outstanding as at December 31, 2018.

Name ⁽¹⁾	Option Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options(#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised in-the-Money Options ⁽²⁾ (\$)	Number of Units that have not Vested (#)	Market or Payout Value of Unit-based Awards that have not Vested (\$) ⁽²⁾	Market or Payout Value of vested Unit-based Awards not paid out or distributed (\$) ⁽²⁾
Paul Amirault	25,000	\$2.13	22-Jun-21	\$273,000	44,147	\$576,118	\$1,038,167
	25,000	\$5.65	14-Jun-23	\$185,000	—	—	—
	25,000	\$5.81	16-Dec-24	\$181,000	—	—	—
Paul Bouzanis	—	—	—	—	59,066	\$770,811	\$301,951
Ronald Leslie	25,000	\$5.65	14-Jun-23	\$185,000	48,936	\$638,615	\$1,142,802
	25,000	\$5.81	16-Dec-24	\$181,000	—	—	—
Cheryl Pangborn	—	—	—	—	11,298	\$147,439	—
Victor Stone ⁽³⁾	25,000	\$5.65	14-Jun-23	\$185,000	51,510	\$672,206	\$382,261
	25,000	\$5.81	16-Dec-24	\$181,000	—	—	—

Notes:

- (1) For outstanding unit-based awards and option-based awards for Mike McGahan see "Outstanding Unit-Based Awards and Option-Based Awards" under "Compensation of Executive Officers" above.
- (2) Based on a December 31, 2018 closing price on the TSX of \$13.05 per Unit.
- (3) Mr. Stone resigned from the Board on February 25, 2019

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information concerning the value on vesting on all awards and the bonus payment during the year ended December 31, 2018 for each of the Trustees (other than Trustees that are Named Executive Officers).

<u>Name</u>	<u>Option-Based Awards – Value Vested During the Year (\$)</u>	<u>Unit-Based Awards - Value Vested During the Year (\$)</u>	<u>Non-Equity Incentive Plan Compensation - Value Earned During the Year (\$)</u>
Paul Amirault	—	\$179,189 ⁽¹⁾	—
Paul Bouzanis	—	\$285,298 ⁽²⁾	—
Ronald Leslie	—	\$182,932 ⁽³⁾	—
Cheryl Pangborn	—	—	—
Victor Stone	—	\$170,066 ⁽⁴⁾	—

Notes:

- (1) Mr. Amirault had 15,726 Deferred Units vest in 2018 that remained unexercised at year end representing \$179,189.
- (2) Mr. Bouzanis had 22,718 Deferred Units vest in 2018 that remained unexercised at year end representing \$255,817.
- (3) Mr. Leslie had 15,995 Deferred Units vest in 2018 that remained unexercised at year end representing \$182,932.
- (4) Mr. Stone had 14,938 Deferred Units vest in 2018 that remained unexercised at year end representing \$170,066. Mr. Stone resigned from the Board on February 25, 2019.

Indebtedness of Trustees under Securities Purchase Programs

The following table sets forth information concerning the indebtedness of the Trustees (other than Trustees that are Named Executive Officers) under securities purchase programs. For the REIT, this is in relation to the Long Term Incentive Plan units that were offered by the REIT and subscribed for by the Trustees prior to December 31, 2018.

<u>Name and Principal Position</u>	<u>Involvement of REIT or Subsidiary</u>	<u>Largest Amount Outstanding During 2018 (\$)</u>	<u>Amount Outstanding as at March 31, 2019(\$)⁽¹⁾</u>	<u>Financially Assisted Securities Purchases during 2018 (#)</u>	<u>Security for Indebtedness</u>	<u>Amount Forgiven During 2018 (\$)</u>
Paul Amirault	Lender	\$91,485	\$91,485	10,000	Pledge of Unit Certificates	—
Paul Bouzanis	Lender	\$955,817	\$951,002	25,000	Pledge of Unit Certificates	—
Ronald Leslie	Lender	\$228,713	\$228,713	25,000	Pledge of Unit Certificates	—
Cheryl Pangborn	Lender	\$72,860	\$72,229	—	Pledge of Unit Certificates	—
Victor Stone ⁽²⁾	Lender	\$955,817	\$722,290	25,000	Pledge of Unit Certificates	—

Notes:

- (1) Under the terms of the Long Term Incentive Plan, the purchase price for Plan Units (as defined below under the heading “*Long Term Incentive Plan*”) offered to the Trustees for subscription and purchase are payable in instalments, with an initial instalment of 5% paid when the Plan Units are issued. The balance is due over a term not exceeding ten years. Participants are required to pay interest at a ten-year fixed rate based on the REIT’s fixed borrowing rate for long-term mortgage financing (3.09% for Plan Units issued July 28, 2017 and 3.30% for Plan Units issued March 5, 2018) and are required to apply cash distributions received on these Units toward the payment of interest and the remaining instalment.
- (2) Mr. Stone resigned from the Board on February 25, 2019

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described below, since January 1, 2018, no informed person of the REIT, nominee for election as a Trustee, or any associate or affiliate of an informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction, which has materially affected or will materially affect the REIT or any of its subsidiaries:

During the year ended December 31, 2018, the REIT incurred approximately \$992,000 (2017 - \$7,858,000) in property, asset and project management services, shared legal services and brokerage services from companies controlled by an officer of the REIT. Of the services received approximately \$182,000 (2017 - \$2,445,000) has been capitalized to the investment properties and the remaining amounts are included in operating and administrative costs. All services were related to the period of January 1, 2018 to February 15, 2018.

PROPERTY MANAGEMENT AGREEMENT

In 2018, the REIT entered into an agreement with CLV to internalize the Trust's property management function effective February 15, 2018. As a result of the internalization, the property, asset and project management fees payable by the Trust under the Property Management Agreement was eliminated. Upon closing of the transaction, the current employees of the property manager who were providing property management services for the Trust's properties became employees of the Trust or one of its affiliates. InterRent REIT and CLV have agreed to use commercially reasonable efforts to cooperate for a period of 24 months following the closing of the transaction to, among other things, ensure the orderly transition of the Trust-related property management business and to minimize any disruption to either party. During such period, the Trust has agreed to provide the property manager with access to the purchased assets on a cost recovery basis. CLV has also agreed to allow the Trust to use the property manager's brand without cost for a period of 24 months following closing of the transaction.

AUDIT COMMITTEE INFORMATION

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires that certain information regarding the audit committee of an issuer be included in the issuer's annual information form ("**AIF**"). Readers are referred to "*Committees of the Board of Trustees*" in the REIT's most recent AIF, dated February 22, 2018, filed on SEDAR at www.sedar.com.

REPORT ON TRUST GOVERNANCE

The REIT believes that adopting and maintaining appropriate governance practices is fundamental to a well-run trust, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. The following disclosure is required by the Governance Guidelines and describes the REIT's approach to governance and outlines the various procedures, policies and practices that the REIT and the Board have implemented to address the foregoing requirements.

Board of Trustees

Of the REIT's nominees to the Board, five of six (or 83%) are considered to be independent. The independent nominees for election as Trustees are Mr. Paul Amirault (Chair), Mr. Paul Bouzanis, Mr. Ronald Leslie, Ms. Cheryl Pangborn and Mr. John Jussup.

Mr. Mike McGahan is not considered to be independent under applicable securities laws because he is also an officer of the REIT.

The independent Trustees of the REIT regularly hold meetings without members of management present. During the year ended December 31, 2018, five such meetings were held.

The following table sets out the attendance record for each current Trustee for Board of Trustee and committee meetings while such individuals were Trustees in 2018:

Trustee Meetings

Name of Trustee	Trustee Meetings	Committee Meetings
Paul Amirault	14 of 14	9 of 9
Paul Bouzanis	13 of 14	4 of 4
Ronald Leslie	14 of 14	9 of 9
Cheryl Pangborn	12 of 14	6 of 7
Mike McGahan	14 of 14	2 of 2
Victor Stone ⁽¹⁾	2 of 14	5 of 7

Notes:

(1) Mr. Victor Stone had health issues throughout 2018 and subsequently resigned on February 25, 2019.

The current Chairman of the Board, Mr. Paul Amirault, is an independent trustee. The Chairman, who is appointed by the board, is responsible for the effective functioning of the Board. His or her primary responsibility is to facilitate the operations and deliberations of the Board and to satisfy the Board's responsibilities under its mandate. The Chairman of the Board is required to establish procedures to govern the Board's work and ensure the Board's discharge of its duties, including:

- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Board meetings;
- providing appropriate information from management to enable the Board and committees to fulfill their duties; ensuring that items requiring Board/committee approval are appropriately tabled;
- ensuring the proper flow of information to the Board and reviewing adequacy and timing of documentary materials in support of management's proposals;
- ensuring that external advisors retained or to be retained by the Board are appropriately qualified and independent; and
- ensuring that the Board has access to members of senior management as may be required by the Board.

The Chairman of the Board is also mandated to chair every Board meeting and encourage free and open discussion at meetings; chair every meeting of Unitholders and respond to such questions as are put to the Chairman of the Board at any such meeting; receive notices and materials for all committee meetings and attend all such meetings whenever possible; together with the Nominations and Governance Committee, identify guidelines for the selection of, and evaluation of the conduct of, the Trustees; act as liaison between the Board and management; and carry out other duties as requested by the Board as a whole, depending on need and circumstances.

The following Trustees are directors or trustees of other reporting issuers:

<u>Trustee</u>	<u>Company</u>
Mr. Ronald Leslie	C-COM Satellite Systems Inc.

Board Mandate

Attached as Appendix A is the REIT's Charter of the Board of Trustees.

Orientation and Continuing Education

While the REIT currently has no formal orientation and education program for new Board members, sufficient information (such as copies of the Declaration of Trust, Board and Committee mandates, recent financial statements, prospectuses, proxy solicitation materials, and various other operating, property and budget reports) is provided to any new Board member to ensure that new Trustees are familiarized with the REIT's business and the procedures of the Board. In addition, new Trustees will be encouraged to visit and meet with management on a regular basis. The REIT also encourages continuing education of its Trustees and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the REIT.

Position Descriptions

The Board delineates the roles and responsibilities of the Chairs with reference to the Charter of the Board and the Charter for each particular committee. Position descriptions have not been developed for the Chair of the Board or any committee.

The Chief Executive Officer is responsible for executing upon those functions that have been delegated by the Board to management and for meeting the REIT's annual performance targets that are approved by the Board as part of its strategic planning process. Given the REIT's relative size, the role of Chief Executive Officer can vary greatly from day to day and year to year. Moreover, the Chief Executive Officer often takes on other supporting work on an "as needed" basis. As the REIT continues to grow, the responsibilities of the Chief Executive Officer may change dramatically. While in companies and trusts of greater size, the role of the Chief Executive Officer may not vary so much from year to year or from quarter to quarter, this has not been the case with InterRent. The Board assists in the delineation of the role and responsibilities of the Chief Executive Officer through its regular meetings and may consider implementing a position description for the Chief Executive Officer as part of its ongoing corporate governance review. A position description for the Chief Executive Officer has not yet been developed. The employment contract with the Chief Executive Officer sets out specific areas for the Board and the Compensation Committee to monitor the Chief Executive Officer's performance. The Chairman and/or the Chief Executive Officer report to the Board. Reports are required at each meeting and at least one interim report to members of the Board from the Chief Executive Officer between each meeting.

Ethical Business Conduct

The Board has adopted a formal code of ethics for Trustees, a copy of which may be obtained on SEDAR at www.sedar.com. Recently, the Board has provided the mandate to ensure that everyone working for the REIT understands and signs the code of ethics. This has been accomplished for all Board members, all executives and a large percentage of employees and it has become a necessary document to be discussed and signed by all new employees. In addition, the Board has assumed responsibility for monitoring the REIT's compliance with strategic planning matters, implementing a process for assessing the effectiveness of committees of Trustees and individual Trustees.

The Board has also adopted a policy of permitting individual Trustees under appropriate circumstances to engage legal, financial or other expert advisors at the REIT's expense.

The current CEO's employment contract contains provisions requiring the CEO to bring to the attention of the Board any opportunities that may generate issues involving the CEO's fiduciary duties as well as potential conflicts of interests. In particular, the employment contract contains provisions requiring the CEO to notify the appropriate committee in writing of any potential multi-unit opportunity. Finally, the employment contract recognizes the CEO's other function as the CEO of another corporation and provides for a reasonable allocation of time to that other position but not to exceed 1/3 of his time.

Nomination of Trustees

The Board has established the Nominations and Governance Committee which has assumed responsibility for the appointment and assessment of Trustees. The Nominations and Governance Committee is comprised of Messrs. Paul Amirault (Chair), Paul Bouzanis, each of whom are considered independent and a vacancy to be filled by the Board in due course.

The Board believes that its current size, assuming the filling of the current vacancy, is appropriate given the scope of the business and operations of the REIT and its current stage of development. While there are no formal criteria for Board membership, the REIT attempts to attract and retain Trustees with business knowledge and a particular knowledge of the real estate industry or other areas (such as finance, securities and corporate law) which provide knowledge to assist in guiding the officers of the REIT. As such, nominations would normally be the result of recruitment

efforts and discussions amongst the Nominations and Governance Committee, prior to the consideration of the Board as a whole.

The Nominations and Governance Committee's primary role is to assist the Board in fulfilling its oversight responsibilities by, among other things, (i) assessing the effectiveness of the Board as a whole as well as the contribution of individual trustees, (ii) assessing and improving the REIT's governance practices, (iii) overseeing the recruitment and selection of new nominees for appointment to the Board, and (iv) orienting new trustees.

The Nominations and Governance Committee's duties include (i) reviewing the size and composition of the Board, (ii) evaluating the competencies and skill of each trustee and of the Board as a whole, (iii) reviewing the REIT's governance practices at least annually and recommending to the Board any changes to such practice that it considers appropriate, and (iv) reviewing the Board's committee structure on an annual basis and recommending to the Board any changes it considers necessary or desirable.

Compensation Committee

The Compensation Committee of the Board will review on an annual basis the adequacy and form of compensation of the senior executives and Trustees to ensure that such compensation reflects the responsibilities, time commitment and risks involved in being an effective executive officer or Trustee, as applicable.

Currently, Trustees are eligible to receive set remuneration and participate in the Unit Option Plan, the Deferred Unit Plan and the Long Term Incentive Plan (see descriptions under "*Compensation of Executive Officers*").

Capital Resources Committee

The Capital Resources Committee's primary role is to assist the Board in fulfilling its oversight responsibilities related to: (i) the acquisition, disposition, major renovation or maintenance of properties and buildings owned by the REIT; (ii) capital expenditures; (iii) development of strategies, policies and practices for the management and use of the REIT's capital resources; and (iv) undertake any other duties the Board may delegate to the Capital Resources Committee.

The Nominations and Governance Committee, the Compensation Committee and the Capital Resources Committee ensure operation as independent committees of the Board by maintaining a majority of independent trustees.

Assessments

The Board is committed to regular assessments of the effectiveness of the Board, the committees of the Board and the individual Trustees. The Nominations and Governance Committee is charged with annually reviewing and making recommendations to the Board regarding evaluations of the Board, the committees of the Board and the individual Trustees. The process for such evaluations may include the following:

- (a) individual discussions between each Trustee and an independent consultant and/or the Chair of the Nominations and Governance Committee;
- (b) with regard to individual Trustee assessments, peer and/or self-evaluations; and
- (c) individual discussions with those members of senior management who regularly interact with the Board.

The Nominations and Governance Committee is responsible for overseeing the implementation of the evaluation process, reviewing the evaluation results, developing recommendations based on the results and reporting to the Board on the results and any recommendations. The Board will then consider the results and recommendations to determine what, if any, action should be taken.

Trustee Term Limits

The REIT has not adopted term limits for the Board. The Board believes that the focus has been, and should continue to be, on building a Board with a diverse skillset and expertise in various disciplines in order to provide a high level of stewardship for the REIT and guidance to the management team. The Board does recognize that some turnover is desirable as it may introduce different ideas and perspectives, but this must be also balanced against the advantages of the general industry and REIT specific knowledge that is developed over a Board member's tenure. The Nominations and Governance Committee annually considers potential changes to the composition of the Board, and reports to the Board on such consideration, in advance of the Board presenting nominees for election to the unitholders of the REIT.

Gender Diversity and Representation of Women

The overriding criteria for nomination to the Board or when appointing or promoting individuals to senior management positions is merit. The Nominations and Governance Committee discusses on an annual basis, at minimum, the relevant measurable objectives for promoting diversity both on the Board and in senior management positions. As such, when positions become available either on the Board or in senior management, the Committee and the Board are in a position to give due consideration to the composition of the Board or senior management team in regards to selecting candidates and promoting diversity. As of the date of this report, there is one woman on the Board representing 16.7% of the Trustees on the board. There is 1 woman on the 6 person senior management team, this represents 16.7% of the team.

The Board approved a Diversity Policy on May 4, 2015 in regards to gender, age, ethnicity and geographic background related to both the Board and the management of the REIT. Given the current skills and expertise of the Board and the senior management team, and the need to ensure that each selection is made on the merits of the individual and the needs of the REIT at the time, the REIT has not adopted targets for gender or diversity on the Board or in the executive management team. The REIT is, however, committed to the recruitment, retention, development and promotion of qualified candidates in relation to the policy.

ADDITIONAL INFORMATION

Additional information relating to InterRent can be found on SEDAR at www.sedar.com. Further financial information is provided by the REIT's financial statements for the year ended December 31, 2018 and related management's discussion and analysis of results, both of which have been filed on SEDAR. Security holders may also contact the Chief Financial Officer of the REIT by phone at (613) 569-5699 or by e-mail at cmillar@interrentreit.com to request copies of these documents.

The REIT will provide to any person or company, upon receipt of a request to the Chief Financial Officer of the REIT, and without charge in the case of a securityholder, a copy of: (i) this Circular together with one copy of any document, or the pertinent pages of any document, incorporated by reference in this Circular; and (ii) the REIT's most recently filed annual financial statements, together with the accompanying report of the auditor.

GENERAL

The Trustees of InterRent have approved the contents and the sending of this Circular.

DATED at Ottawa, Ontario, on April 10, 2019

"Mike McGahan"

Mike McGahan
Chief Executive Officer

APPENDIX A

INTERRENT REAL ESTATE INVESTMENT TRUST (THE "TRUST") CHARTER OF THE BOARD OF TRUSTEES (the "Charter")

I. GENERAL

1. Mandate and Purpose

The Board of Trustees (the "**Board**"/"**Board of Trustees**") of the Trust has, subject to all of the provisions of the declaration of trust of the Trust, as amended from time to time (the "**Declaration of Trust**"), the responsibility to:

- oversee the conduct of the business of the Trust;
- oversee the activities of management who are responsible for the day-to-day conduct of the business of the Trust;
- enhance and preserve long-term unitholder value;
- ensure that the Trust meets its obligations on an ongoing basis and operates in a reliable manner; and
- perform the additional duties set out in this Charter.

In performing its functions, the Board should also consider the legitimate interests of the Trust's other stakeholders such as its employees, customers, suppliers, tenants and the communities in which it carries on business. In broad terms, the Board is responsible for the stewardship of the Trust and will be actively involved in strategic planning, financial reporting, risk management and mitigation, senior management appointments, communication planning and internal control integrity.

2. Authority

Subject to the Declaration of Trust, the Board may operate by reserving certain powers to itself, and by delegating certain powers, duties and responsibilities to the management of the Trust or to various committees of the Trust (the "**Committees**") constituted by the Board, as it deems fit.

II. PROCEDURAL MATTERS

1. Composition and Qualification

The Board of Trustees shall be constituted at all times of a majority of independent trustees in accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. A trustee is considered to be "independent" if he or she has no direct or indirect material relationship which could, in the view of the Board of Trustees, reasonably interfere with the exercise of a trustee's independent judgment. Notwithstanding the foregoing, a trustee shall be considered to have a material relationship with the Trust (and therefore shall not be considered to be an "independent" trustee) if he or she falls in one of the categories listed in Schedule "A" attached hereto. Subject to the Declaration of Trust, the trustees shall be elected at each annual meeting of the unitholders and hold office for a term expiring at the close of the next annual meeting of unitholders following such election.

2. Structure and Operations

(a) Chair

Each year, the Board will appoint one of its members to act as the chairperson of the Board (the “**Chair**”). The Chair should also be independent or alternatively the Board will appoint an independent lead trustee. The Chair may be removed at any time at the discretion of the Board. If the Chair is absent from any meeting, the Board will select one of the other members of the Board to preside at that meeting.

(b) Meetings

The Chair will be responsible for developing and setting the agenda of the Board meetings, and in consultation with the management, determining the schedule and frequency of such Board meetings. Meetings of the Board will be conducted in accordance with the Declaration of Trust.

(c) Notice

Notice of the time and place of every meeting will be given, in writing, verbally or by means of telephonic or other electronic communication to each trustee, the chief executive officer (“**CEO**”) of the Trust and the chief financial officer (“**CFO**”) of the Trust, at least 48 hours prior to the time fixed for such meeting. The notice period may be waived by a quorum of the Board.

(d) Attendees

The Board may invite such officers and employees of the Trust and advisors as it sees fit from time to time to attend meetings of the Board and assist in the discussion and deliberation of matters being considered by the Board, and to provide information as necessary.

(e) Quorum

Quorum for the transaction of business at any meeting of the Board shall be a majority of the number of trustees then holding office, provided that a majority of the trustees comprising the quorum must be resident Canadians and independent trustees. No business may be transacted by the Board except at a meeting of its members at which a quorum of the Board is present in person, or by means of a telephonic, electronic or other communications facility that permits all participants participating in the meeting to communicate with each other simultaneously and instantaneously.

(f) Secretary

The Board will appoint a Secretary to the Board who need not be a trustee or officer of the Trust.

(g) Records

Minutes of meetings of the Board will be recorded and maintained by the Secretary to the Board and will be subsequently presented to the Board for review and approval.

(h) Liaison

The CEO will act as management liaison with the Board.

III. RESPONSIBILITIES AND DUTIES

1. Specific Duties

Subject only to the express limitations contained in the Declaration of Trust, and in addition to any powers and authorities conferred by the Declaration of Trust or which the trustees may have by virtue of any present or future statute or rule or law, the Board shall have and may exercise the following powers and authorities (with all defined terms having the meaning prescribed by the Declaration of Trust):

- To retain, invest and reinvest the capital or other funds of the Trust in real property of any kind, and to possess and exercise all the rights, powers and privileges appertaining to the ownership of the property of the Trust and to increase the capital of the Trust at any time by the issuance of additional units for such consideration as they deem appropriate;
- For such consideration as they deem proper, to invest in, purchase or otherwise acquire for cash or through the issuance of units or through the issuance of notes, debentures, bonds or other obligations or securities of the Trust and hold for investment the entire or any participating interest in mortgages. In connection with any such investment, purchase or acquisition, the Board shall have the power to acquire a share of rents, lease payments or other gross income from or a share of the profits from or a share in the equity or ownership of real property;
- To sell, rent, lease, hire, exchange, release, partition, assign, mortgage, pledge, hypothecate, grant security interests in, encumber, negotiate, convey, transfer or otherwise dispose of any or all of the property of the Trust by deeds, trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or trustees by one or more of the trustees or by a duly authorized officer, employee, agent or any nominee of the Trust;
- To enter into leases, contracts, obligations and other agreements for a term extending beyond the term of office of the trustees and beyond the possible termination of the Trust or for a lesser term;
- To borrow money from or incur indebtedness to any person; to guarantee, indemnify or act as surety with respect to payment or performance of obligations of third parties; to enter into other obligations on behalf of the Trust; and to assign, convey, transfer, mortgage, subordinate, pledge, grant security interests in, or encumber, the property of the Trust to secure any of the foregoing;
- To lend money, whether secured or unsecured;
- To incur and pay out of the property of the Trust any charges or expenses and disburse any funds of the Trust, which charges, expenses or disbursements are, in the opinion of the Board, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the affairs of the Trust including, without limitation, taxes or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Board in connection with the Trust or the property of the Trust or upon or against the property of the Trust or any part thereof and for any of the purposes herein;
- To deposit funds of the Trust in banks, trust companies and other depositories, whether or not such deposits will earn interest, the same to be subject to withdrawal on such terms and in such manner and by such person or persons (including any one or more trustees, officers, agents or representatives) as the Board may determine;
- To possess and exercise all the rights, powers and privileges appertaining to the ownership of all or any mortgages or securities, issued or created by, or interest in, any person, forming part of the assets of the Trust, to the same extent that an individual might and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in person or by proxy or power of attorney, with or without power of substitution, to one or more persons, which proxies and powers of attorney may be for

meetings or action generally or for any particular meeting or action and may include the exercise of discretionary power;

- To elect, appoint, engage or employ officers of the Trust (including a chairman, a president, a chief executive, one or more vice-presidents and a secretary and other officers as the Board may determine), who may be removed or discharged at the discretion of the Board, such officers to have such powers and duties, and to serve such terms as may be prescribed by the Board; to engage or employ any persons as agents, representatives, employees or independent contractors (including, without limitation, real estate advisors, investment advisors, registrars, underwriters, accountants, lawyers, real estate agents, property managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, and to pay compensation from the Trust for services in as many capacities as such persons may be so engaged or employed; and, except as prohibited by law, to delegate any of the powers and duties of the Board to any one or more trustees, agents, representatives, officers, employees, independent contractors or other persons;
- To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Trust, and more generally ensuring that the Trust behaves in an ethical manner and complies with all applicable laws, regulations, auditing and accounting principles;
- To collect, sue for and receive sums of money coming due to the Trust, and to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, demands or other litigation relating to the Trust, the assets of the Trust or the Trust's affairs, to enter into agreements therefor whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding the arbitration or settlement thereof;
- To renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust;
- To purchase and pay for, out of the assets of the Trust, insurance contracts and policies insuring the assets of the Trust against any and all risks and insuring the Trust and/or any or all of the trustees, or officers of the Trust against any and all claims and liabilities of any nature asserted by any person arising by reason of any action alleged to have been taken or omitted by the Trust or by the trustees, or the officers or otherwise;
- To cause title to any of the assets of the Trust to be drawn up in the name of the trustees, and/or, to the extent permitted by applicable law, in the name of the Trust or one or more of the trustees or any other person, on such terms, in such manner with such powers in such person as the Board may determine and with or without disclosure that the Trust or trustees are interested therein, provided however, should title to any of the assets of the Trust be held by and/or in the name of any person or persons other than the Trust or trustees as aforesaid, the Board shall require such person or persons to execute a declaration of trust acknowledging that title to such assets is held in trust for the benefit of the Trust;
- To determine conclusively the allocation to capital, income or other appropriate accounts of all receipts, expenses, disbursements and property of the Trust;
- To prepare, sign and file or cause to be prepared, signed and filed any prospectus, information circular, offering memorandum or similar document, and any amendment thereto, relating to or resulting from an offering of the units or other securities issued or held by the Trust and to pay the cost thereof and related thereto and any fees related thereto out of the property of the Trust whether or not such offering is or was of direct benefit to the Trust or those persons (if any) who were unitholders immediately prior to such offering;
- To make or cause to be made application for the listing on any stock exchange of any units or other securities of the Trust, and to do all things which in the opinion of the Board may be necessary or desirable to effect or maintain such listing or listings;

- To determine conclusively the value of any or all of the property of the Trust from time to time, and in determining such value, to consider such information and advice as the Board, in their sole judgement, may deem material and reliable;
- To do all such acts and things and to exercise such powers which are delegated to the Board by any person who co-owns real property with the Trust; and
- To do all such other acts and things as are incidental to the foregoing and to exercise all powers which are necessary or useful to carry on the affairs of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of the Declaration of Trust.

2. Independence, Orientation and Evaluation

The Board shall have the responsibility to:

- implement appropriate structures and procedures to permit the Board to function independently of management;
- implement a system which enables an individual trustee to engage an outside advisor at expense of the Trust in appropriate circumstances;
- provide an orientation and education program for newly appointed members of the Board, to allow them to fully understand (i) the role of the Board and its Committees, (ii) the contribution individual trustees are required to make (including, in particular, the commitment of time and resources that the Trust expects from its trustees), and (iii) the nature and operation of the Trust's business;
- implement a process for assessing the effectiveness of the Board as a whole, the Committees, and the contribution of individual trustees; and
- examine the size of the Board and the impact of the number of trustees upon the effectiveness of the Board.

3. Strategy Determination

The Board shall:

- adapt and annually review a strategic planning process and approve the strategic plan of the Trust, which takes into account, among other things, the opportunities and risks of the business; and
- annually review operating and financial performance results relative to established strategy, budgets and objectives.

4. Managing Risk

The Board has the responsibility to understand the principal risks of the business in which the Trust is engaged, to achieve a proper balance between risks incurred and the potential return to unitholders, and to confirm that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Trust.

5. Appointment, Training and Monitoring of Senior Management

The Board shall:

- appoint the CEO and senior officers, develop clear written position descriptions for the CEO (which includes delineating management responsibilities) and for such senior officers, approve (upon recommendations from

the compensation committee of the Trust) their compensation, and monitor the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing unitholder value;

- ensure that a process is established that adequately provides for succession planning including the appointment, training and monitoring of senior management;
- establish limits of authority delegated to management; and
- provide continuing education opportunities for all trustees, so that individuals may maintain or enhance their skills and abilities as trustees, be prepared to address ongoing and emergency issues that may be considered by the Board, and ensure their knowledge and understanding of the Trust's business remains current.

6. Reporting and Communication

The Board has the responsibility to:

- verify that the Trust has in place policies and programs to enable the Trust to communicate effectively with its unitholders, other stakeholders and the public generally;
- verify that the financial performance of the Trust is adequately reported to unitholders, other security holders and regulators on a timely and regular basis;
- verify that the financial results are reported fairly and in accordance with generally accepted accounting standards;
- verify the timely reporting of any other developments that have a significant and material impact on the value of the Trust;
- implement a process for providing opportunities to unitholders to have access to independent trustees and receive feedback from unitholders;
- adopt a corporate disclosure policy for the Trust to ensure that the Trust communicates effectively with its unitholders, other stakeholders and the public, and responds to their inquiries; and
- report annually to unitholders on its stewardship of the affairs of the Trust for the preceding year.

7. Monitoring and Acting

The Board has the responsibility to:

- review and approve the Trust's financial statements and oversee the Trust's compliance with applicable audit, accounting and reporting requirements;
- verify that the Trust operates at all times within applicable laws and regulations to the highest ethical and moral standards;
- approve and monitor compliance with significant policies and procedures by which the Trust is operated;
- monitor the Trust's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- take such action as it determines appropriate when performance falls short of its goals and objectives or when other special circumstances warrant; and

- verify that the Trust has implemented adequate internal control and information systems which ensure the effective discharge of its responsibilities, and the integrity of such internal control and information systems.

IV. COMMITTEES

- There shall be four Committees: the capital resources committee, the audit committee, the compensation committee and the nominations and governance committee. The Board may establish any other committee as it may deem appropriate from time to time.
- The Board shall establish a written mandate for each of the Committees.

V. BUSINESS CONDUCT AND ETHICS

The Board has the responsibility to:

- Adopt a written code of business conduct and ethics (the “**Code**”) applicable to trustees, officers and employees of the Trust which constitutes written standards that are reasonably designed to promote integrity and deter wrongdoing.
- Monitor compliance with the Code and ensure that any waivers from the Code for the trustees or senior officers are granted by the Board (or a Committee) only.
- Enhance unitholders’ value in a manner that is consistent with good corporate citizenship, including fair treatment of the Trust’s employees, customers, suppliers and tenants.

VI. OTHER ACTIVITIES

- The Board shall prepare and distribute the schedule of Board meetings for each upcoming year.
- The Board may perform any other activities consistent with this Charter, the Declaration of the Trust and all amendments thereto and any other governing laws as the Board determines necessary or appropriate.

Schedule "A"

Subject to the exemptions available under National Instrument 52-110 Audit Committees, the following individuals are considered to have a material relationship with the Trust:

- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Trust;
- (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Trust;
- (c) an individual who:
 - (i) is a partner of a firm that is the Trust's internal or external auditor;
 - (ii) is an employee of that firm; or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Trust's audit within that time;
- (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the Trust's internal or external auditor;
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice; or
 - (iii) as within the last three years a partner or employee of that firm and personally worked on the Trust's audit within that time;
- (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Trust's current executive officers serve or served at the same time on the entity's compensation committee; and
- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Trust received, more than \$75,000 in direct compensation from the Trust during any 12-month period within the last three years, other than as remuneration for acting in his or her capacity as a member of the Board of Trustees or any Committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service to the Trust if the compensation is not contingent in any way on continued service.