



**INTERRENT REAL ESTATE INVESTMENT TRUST**

**NOTICE OF ANNUAL MEETING OF UNITHOLDERS AND  
MANAGEMENT INFORMATION CIRCULAR**

**May 7, 2021**

# INTERRENT REIT

May 7, 2021

**Dear Fellow Unitholder,**

On behalf of the Board and management of InterRent Real Estate Investment Trust (the “**REIT**” or “**InterRent**”), we are pleased to invite you to our Annual Meeting of Unitholders, which will be held on Thursday, June 17, 2021 at 11:00 (EDT).

Due to the ongoing public health impact of the COVID-19 pandemic and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

The Notice of Annual Meeting of Unitholders and related materials are enclosed.

This Management Proxy Circular describes the business to be conducted at the meeting. The Circular contains information on our governance practices and our approach to executive compensation. At the meeting, unitholders will be voting on important matters. We hope that you take the time to review these meeting materials and that you exercise your vote. You may vote either by attending the virtual meeting or by completing and sending in your proxy form. Please read the enclosed materials as they contain relevant information for voting on the business to be conducted at the meeting.

We hope you will be able to join us at our meeting, which will occur by live webcast at <https://virtual-meetings.tsxtrust.com/1134>. Additional information on how to attend the virtual meeting is enclosed. This meeting is an opportunity to listen to and ask questions of the people who are responsible for the performance of InterRent.

We thank you for your continued support of InterRent and look forward to your attendance at this year’s meeting.

Yours truly,

*“Paul Amirault”*

**Paul Amirault**  
*Board Chair*

<b>NOTICE OF ANNUAL MEETING OF UNITHOLDERS .....</b>	<b>5</b>
<i>Record Date and Voting .....</i>	<i>5</i>
<i>Websites Where the Circular is Posted.....</i>	<i>6</i>
<i>How to Obtain a Paper Copy of the Circular.....</i>	<i>6</i>
<i>Voting.....</i>	<i>6</i>
<b>Voting Information .....</b>	<b>8</b>
<i>About this Circular and Related Proxy Materials.....</i>	<i>8</i>
<i>Notice and Access.....</i>	<i>8</i>
<i>Questions and Answers Regarding the Virtual Meeting .....</i>	<i>8</i>
<i>Questions and Answers Regarding the Voting Process .....</i>	<i>9</i>
<i>General Information.....</i>	<i>12</i>
<i>Unit Capital and Principal Unitholder.....</i>	<i>13</i>
<b>BUSINESS TO BE TRANSACTED AT THE MEETING .....</b>	<b>14</b>
<i>Receive the Financial Statements.....</i>	<i>14</i>
<i>Elect the Board of Trustees.....</i>	<i>14</i>
<i>Trustee Compensation.....</i>	<i>20</i>
<i>Indemnification of Trustees and Officers .....</i>	<i>22</i>
<i>Indebtedness of Trustees.....</i>	<i>22</i>
<i>Elect the Trustees of InterRent Trust .....</i>	<i>22</i>
<i>Elect the Directors of InterRent Holdings General Partner Limited .....</i>	<i>23</i>
<i>Appoint the External Auditor.....</i>	<i>23</i>
<b>COMMITTEE REPORTS .....</b>	<b>25</b>
<i>Audit Committee .....</i>	<i>25</i>
<i>Nominations and Governance Committee .....</i>	<i>27</i>
<i>Human Resources and Compensation Committee .....</i>	<i>30</i>
<i>Capital Resources Committee.....</i>	<i>31</i>
<b>STATEMENT OF GOVERNANCE PRACTICES.....</b>	<b>32</b>
<i>Overview.....</i>	<i>32</i>
<b>EXECUTIVE COMPENSATION.....</b>	<b>36</b>
<i>Evaluating Performance and Determining Compensation of Named Executive Officers .....</i>	<i>36</i>
<i>Senior Management Personnel .....</i>	<i>37</i>
<i>Compensation Discussion and Analysis .....</i>	<i>38</i>
<i>Compensation Philosophy and Objectives.....</i>	<i>39</i>
<i>Managing Compensation and Risk.....</i>	<i>40</i>
<i>Comparative Market Data .....</i>	<i>41</i>

<i>Total Compensation Components</i> .....	41
<i>Performance Graph</i> .....	44
<i>Summary Compensation Chart</i> .....	45
<i>Incentive Plan Awards</i> .....	45
<i>Employment Agreements and Termination and Change of Control</i> .....	46
<i>Indebtedness of Named Executive Officers</i> .....	48
<i>Long-Term Incentives</i> .....	48
<i>Securities Authorized for Issuance under Equity Compensation Plans</i> .....	57
<b>Forward-Looking Information</b> .....	<b>57</b>
<b>Additional Information</b> .....	<b>58</b>
<b>TRUSTEES APPROVAL</b> .....	<b>59</b>
<b>CHARTER OF THE BOARD OF TRUSTEES (the “Charter”)</b> .....	<b>60</b>

## NOTICE OF ANNUAL MEETING OF UNITHOLDERS

The 2021 Annual Meeting of Unitholders (the “**Unitholders**”) of InterRent Real Estate Investment Trust (the “**REIT**” or “**InterRent**”) will be held on Thursday, June 17, 2021 at 11:00 AM (Toronto time) for the following purposes:

- A. To receive and consider the consolidated financial statements of the REIT for the year-ended December 31, 2020 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; [and]
- D. To transact such other business as may properly come before the Meeting or any adjournments thereof.

### Record Date and Voting

Only unitholders of record at the close of business on May 7, 2021 (the “**Record Date**”) who are the beneficial holders of (i) trust units in the capital of the REIT (each a “**Unit**”), or (ii) class B units of InterRent Holdings Limited Partnership (each a “**Class B Unit**” and, collectively with the Units, the “**Voting Units**”) are entitled to vote at the Meeting.

Due to the ongoing public health impact of the COVID-19 pandemic and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

You can attend the Meeting by joining the live webcast online at <https://virtual-meetings.tsxtrust.com/1134>. See “Questions and Answers Regarding the Virtual Meeting” and “Questions and Answers Regarding the Voting Process” in the Circular for detailed instructions on how to attend and vote at the Meeting.

InterRent is using the “notice and access” procedure adopted by the Canadian Securities Administrators for the delivery of the Management Information Circular (“**Circular**”). Under the notice and access procedure, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of paper copies of the Circular, you are receiving this Notice of Meeting that contains information about how to access the Circular electronically. The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities. Unitholders who have consented to electronic delivery of materials are receiving this Notice of Meeting in an electronic format.

The Circular and form of proxy (or voting instruction form) for the Voting Units provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Circular before voting, with particular attention to the “Business to be Transacted at the Meeting” section.**

Unitholders with questions about the notice and access procedure can call TMX Investor Services at 1-866-600-5869.

## Websites Where the Circular is Posted

The Circular can be viewed online on the REIT's website, ([www.interrentreit.com/MIC2021](http://www.interrentreit.com/MIC2021)), or under InterRent's profile at [www.sedar.com](http://www.sedar.com) as of May 12, 2021.

## How to Obtain a Paper Copy of the Circular

Unitholders who wish to receive paper copies of the Meeting materials may request copies by calling TSX Trust Company at **1.866.600.5869** or emailing **TMXInvestorServices@tmx.com**. Meeting materials will be sent to such Unitholders at no cost to them within three business days of their request. In order to receive a paper copy in time to vote before the Meeting, requests for paper copies should be received by June 8, 2021.

In order to determine how to vote at the Meeting, you should first determine whether you are: (i) a beneficial holder of Voting Units as are most of the REIT's unitholders; or (ii) a registered holder of Voting Units.

- You are a **beneficial unitholder (also known as a non-registered unitholder)** if you own Voting Units indirectly and your Voting Units are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a beneficial unitholder if your Voting Units are held in a brokerage account of any kind.
- You are a **registered unitholder** if you hold a paper unit certificate(s) or a DRS Advice or Statement and your name appears directly on the unit certificate(s) or DRS.

## Voting

### ***Beneficial Unitholders***

Beneficial unitholders are entitled to vote through their intermediary, or during the Meeting by online ballot through the live webcast platform. Beneficial unitholders should vote by following the instruction of TSX Trust Company or their intermediary as indicated on their voting instruction form (a "**VIF**"). Voting instruction forms will be provided by TSX Trust Company or your intermediary.

Your intermediary must receive your voting instructions at least one business day in advance of the proxy deposit date noted on your voting instruction form. If you are a beneficial unitholder and you wish to attend and vote at the Meeting (or have another person attend and vote on your behalf), you must complete the voting instruction form in accordance with the instructions provided. These instructions include the additional step of registering the person you have designated to attend the Meeting (either yourself or the person you designated to attend on your behalf) with our transfer agent, TSX Trust Company, after submitting the form of proxy or voting instruction form. Failure to register the proxyholder you have designated to attend the Meeting with TSX Trust Company will result in such proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

### ***Registered Unitholders***

Registered Unitholders will receive a form of proxy ("**Proxy**") which will contain all the information to cast your vote in advance of the Meeting, register to attend the Meeting online and/or to appoint another individual to vote for you at the Meeting. Registered unitholders who are unable to attend the Meeting should exercise their right to vote in advance of the Meeting or appoint another individual to vote on

their behalf. Please follow the instructions on your Proxy. TSX Trust Company must receive completed proxies not later than 5:00 PM (EDT) on June 15, 2021 or, if the Meeting is adjourned or postponed, two business days before the Meeting is reconvened.

By Order of the Board of Trustees,

*"Mike McGahan"*

Mike McGahan  
Chief Executive Officer  
May 7, 2021  
Ottawa, Ontario

## VOTING INFORMATION

### About this Circular and Related Proxy Materials

This Management Proxy Circular (the “**Circular**”) and other materials are being provided in connection with the 2021 Annual Meeting of Unitholders (the “**Meeting**”) of InterRent Real Estate Investment Trust (the “**REIT**” or “**InterRent**”) to be held on Thursday, June 17, 2021, at 11:00 AM (EDT).

Due to the ongoing public health impact of the COVID-19 pandemic and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

This Circular describes the items to be voted on at the Meeting as well as the voting process, and provides information about trustee and executive compensation, governance practices and other relevant matters.

Please see the “Questions and Answers Regarding the Voting Process” section below for an explanation of how you can vote on the matters to be considered at the Meeting, whether or not you decide to attend the Meeting.

Unless otherwise indicated, the information contained in this Circular is given as of May 7, 2021 and all dollar amounts used are in Canadian dollars.

### Notice and Access

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/MIC2021](http://www.interrentreit.com/MIC2021)). 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 May 12, 2021, and will remain on the website for one full year thereafter. The Meeting materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of May 12, 2021.

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.

### Questions and Answers Regarding the Virtual Meeting

**Q:** *Why Will the Meeting be completely virtual?*

**A:** Due to the ongoing public health impact of the COVID-19 pandemic and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

---

**Q:** *Who can attend and vote at the virtual meeting?*

**A:** Registered Unitholders and duly appointed proxyholders who log in to the Meeting online will be able to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Circular. Unitholders who wish to appoint a proxyholder to represent them at the Meeting (including nonregistered Unitholders who wish

to appoint themselves as proxyholder to attend, participate and vote at the Meeting) must submit their duly completed proxy or voting instruction form AND register the proxyholder with InterRent's registrar and transfer agent, TSX Trust Company ("TSX Trust") as described below. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with TSX Trust will result in that proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Beneficial Unitholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, provided that they are connected to the internet. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

---

**Q:** *How do I attend and participate in the virtual Meeting?*

**A:** Follow these instructions:

1. Log in at <https://virtual-meetings.tsxtrust.com/1134> in your web browser (not a Google search) on your smartphone, tablet or computer at least 15 minutes before the meeting starts.
2. If you have voting rights, select "I have a control number" and enter your 12-digit TSX control number (on your proxy form) and the password: interrent2021 (case sensitive). If you do not have a TSX control number, please select "I am a Guest" and fill in the form generated.

The steps that you need to follow to access the meeting will depend on whether you are a Registered Unitholder, a Non-Registered Unitholder, a proxyholder or a guest. Please see instruction below to determine which you are.

---

## Questions and Answers Regarding the Voting Process

**Q:** *What items of business am I voting on?*

**A:** You will be voting on:

- the election of the Trustees, and to direct the Trustees to elect the trustees of InterRent Trust and directors of InterRent Holdings General Partner Limited;
  - the appointment of RSM Canada LLP as the auditors of the REIT and to authorize the Trustees to fix their remuneration; and
  - any other business as may properly come before the Meeting or any adjournments thereof.
- 

**Q:** *Am I entitled to vote?*

**A:** You are entitled to vote if you were a Unitholder as at the close of business on May 7, 2021, which was the record date of the Meeting.

---

**Q:** *How do I vote?*

**A:** How you vote depends on whether you are a **registered or a beneficial Unitholder**. Please read the voting instructions below that are applicable to you.

---

**Q: Am I a beneficial or non-registered Unitholder?**

**A:** You are a beneficial Unitholder if your Units are held in an account in the name of an intermediary, such as a bank, broker or trust company. As a beneficial Unitholder, you do not have a unit certificate registered in your name, but your ownership interest in Units is recorded in an electronic system. As such, you are not identified on the unit register maintained by TSX Trust as being a Unitholder. Instead, The REIT's unit register shows the holder of your Units as being the intermediary or depository through which you own your Units.

TSX Trust distributes copies of the proxy-related materials in connection with the Meeting to intermediaries so that they may distribute the materials to the beneficial Unitholders. Intermediaries often forward the materials to beneficial Unitholders through a service company. TSX Trust pays for an intermediary to deliver the proxy-related materials to all beneficial Unitholders.

**How to Vote at our Virtual Meeting**

1. Appoint yourself as proxyholder by writing your name in the space provided on the form or proxy or voting instruction form. Do not fill out your voting instructions.
2. Sign and send it to your intermediary, following the voting deadline and submission instructions on the voting instruction form.
3. You or the person you appoint will need to download and complete a Request for Control Number form from the TST Trust Company. The form can be downloaded at [tsxtrust.com/resource/en/75](https://tsxtrust.com/resource/en/75). It is the responsibility of the Unitholder to advise their proxy (the person they appoint) to contact TSX Trust Company to request a control number. Without the control number, proxyholders will not be able to participate at the Meeting.
4. Log in at <https://virtual-meetings.tsxtrust.com/1134> in your web browser (not a Google search) on your smartphone, tablet or computer at least 15 minutes before the meeting starts.
5. Select "I have a control number" and enter your 12-digit TSX control number on your proxy form that you received in step 3 above and the password: interrent2021 (case sensitive).
6. Once the login process is complete, you will have the ability to vote on your screen.

You have to be connected to the internet at all times to be able to vote – it's your responsibility to make sure you stay connected for the entire Meeting.

**Q: Am I a registered Unitholder?**

**A:** You are a registered unitholder if you hold a paper unit certificate(s) or a DRS Advice or Statement and your name appears directly on the unit certificate(s) or DRS. As a registered Unitholder, you are identified on the unit register maintained by TSX Trust, as being a Unitholder.

**Voting Instructions for Registered Unitholders**

Only registered Unitholders or the persons they appoint as their proxies are permitted to vote at the Meeting. You are a registered Unitholder if the Units you own the Units in your name have a paper Unit Certificate. To vote, follow these instructions:

1. Log in at <https://virtual-meetings.tsxtrust.com/1134> in your web browser (not a Google search) on your smartphone, tablet or computer at least 15 minutes before the meeting starts.

- 
2. Select “I have a control number” and enter your 12-digit TSX control number (on your proxy form) and the password: interrent2021 (case sensitive).
  3. Once the login process is complete, you will have the ability to vote on your screen.

You have to be connected to the internet at all times to be able to vote – it’s your responsibility to make sure you stay connected for the entire Meeting.

---

**Q:** *How will my Units be voted?*

**A:** On the form of proxy, you can indicate how you want your proxyholder to vote your Units or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Units to be voted on a particular issue (by marking FOR, WITHHOLD, or AGAINST, as applicable), then your proxyholder must vote your Units accordingly. If you have not specified on the form of proxy how you want your Units to be voted on a particular issue, then your proxyholder can vote your Units as he or she sees fit.

**Unless contrary instructions are provided, Units represented by proxies appointing the REIT’s representatives provided as the proxyholder will be voted:**

- **FOR the election of each of the Trustees;**
  - **FOR the election of each of the trustees of InterRent Trust;**
  - **FOR the election of each of the directors of InterRent Holdings General Partner Limited; and**
  - **FOR the re-appointment of RSM Canada LLP as the external auditor of the REIT and the authorization of the Trustees to fix the external auditor’s remuneration.**
- 

**Q:** *Can I revoke my proxy or voting instruction?*

**A:** If you are a **beneficial Unitholder**, you should contact your intermediary through which you hold Units and obtain instructions regarding the procedure for the revocation of any voting or proxyholder instructions that you have previously provided to your intermediary.

If you are a **registered Unitholder**, you may revoke your proxy by taking one of the following steps:

- you may submit a new proxy to TSX Trust before 5:00 p.m. (Toronto time) on June 15, 2021, or two business days before an adjourned or postponed Meeting is reconvened;
  - you (or your attorney, if authorized in writing) may sign a written notice of revocation addressed to the Secretary of InterRent and deposit it at the registered office of TSX Trust at any time up to and including the last business day preceding the day of the Meeting or an adjourned or postponed Meeting, at which the proxy is to be used; or you (or your attorney, if authorized in writing) may sign a written notice of revocation and deliver it to the Chair of the Meeting on the day of the Meeting, or any adjournment or postponement of the Meeting, at which the proxy is to be used; or
  - you may vote during the Meeting by submitting an online ballot through the live webcast platform, which will revoke your previous proxy.
- 

**Q:** *What if there are amendments or if other matters are brought before the Meeting?*

**A:** Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or the date that any adjourned or postponed Meeting is reconvened. As of the date of this

Circular, management of the REIT is not aware of any such amendments or other matters to be presented at the Meeting; however, if any such matter is presented, your Units will be voted in accordance with the best judgment of the proxyholder named in the form. If you have not specifically appointed a person as proxyholder, an InterRent representative named in the enclosed proxy form will be your proxyholder, and your Units will be voted in accordance with the best judgment of the InterRent representative.

## **General Information**

*Q: How many Units are entitled to be voted?*

**A:** On May 7, 2021, there were a total of 140,593,788 Units that were entitled to one vote on each matter to be voted upon at the Meeting.

---

*Q: Who counts the votes?*

**A:** Votes cast in advance by way of proxy and votes cast at the Meeting through the live webcast platform will be counted by representatives of TSX Trust who will be appointed as scrutineers at the Meeting.

---

*Q: Who is soliciting my proxy?*

**A:** Management of the REIT is soliciting your proxy. Proxies will be solicited primarily by mail, but employees and agents of the REIT may also use electronic means. Intermediaries will be reimbursed for their reasonable charges and expenses in forwarding the proxy materials to beneficial Unitholders. The REIT will bear the cost of all proxy solicitations on behalf of management of the REIT.

---

*Q: Can I access the annual disclosure documents electronically?*

**A:** The REIT's annual financial statements and notes, the Circular and the Annual Information Form, are on the REIT's website at [www.interrentreit.com](http://www.interrentreit.com) or under the REIT's SEDAR profile at [www.sedar.com](http://www.sedar.com).

---

*Q: Who do I contact if I have questions?*

**A:** If you have any questions, you may email TSX Trust Investor Services at [tmxeinvestorservices@tmx.com](mailto:tmxeinvestorservices@tmx.com) or call 1.866.600.5869, or outside Canada and the United States, at 1.416.342.1091, for further information.

## Unit Capital and Principal Unitholder

As of May 7, 2021, the REIT had 138,913,022 Units issued and outstanding, which includes 1,730,000 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 May 7, 2021, 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 May 7, 2021, there are 140,593,788 Voting 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 Voting Unit beneficially held or registered in their name as at the close of business on May 7, 2021, 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.

## **BUSINESS TO BE TRANSACTED AT THE MEETING**

The following business will be transacted at the Meeting:

### **1. RECEIVE THE FINANCIAL STATEMENTS**

Management will present InterRent's annual audited consolidated financial statements at the Meeting and Unitholders and proxyholders will be given an opportunity to discuss the financial results with management.

### **2. ELECT THE TRUSTEES OF INTERRENT REAL ESTATE INVESTMENT TRUST**

Six Trustee nominees are proposed for election to the board of trustees (the "**Board**"). Unitholders and proxyholders will vote on the election of the Trustees.

### **3. ELECT THE TRUSTEES OF INTERRENT TRUST**

Six trustee nominees are proposed for election as trustees of InterRent Trust. Unitholders and proxyholders will direct the Trustees to elect the trustees of InterRent Trust.

### **4. ELECT THE DIRECTORS OF INTERRENT HOLDINGS GENERAL PARTNER LIMITED**

Four nominees are proposed for election as directors of InterRent Holdings General Partners Limited. The Unitholders and proxyholders will direct the Trustees to elect the directors of InterRent Holdings General Partner Limited.

### **5. APPOINT THE EXTERNAL AUDITOR**

The Board, on the advice of the Audit Committee, recommends the appointment of RSM Canada LLP as the REIT's external auditor. Unitholders and proxyholders will vote on the re-appointment of the external auditor and the authorization of the Board to fix the external auditor's remuneration.

### **6. OTHER BUSINESS**

To transact such other business as may properly come before the Meeting or any adjournments thereof.

#### **Receive the Financial Statements**

InterRent's annual audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2020, together with the external auditor's report will be placed before the Unitholders at the Meeting. These documents are available under the REIT's SEDAR profile at [www.sedar.com](http://www.sedar.com) and on the REIT's website at [www.interrentreit.com](http://www.interrentreit.com).

#### **Elect the Board of Trustees**

The Board currently consists of six Trustees and all of the current Trustees are standing for re-election.

At the Meeting, the trustee nominees will be voted on individually, and, in accordance with applicable Canadian securities legislation, the voting results for each nominee will be publicly disclosed. 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 May 21, 2019 (the “**Declaration of Trust**”).

The trustee nominee profiles, below, describe each nominee’s experience and other important information to consider, including how much equity he or she owns in the REIT, and any other public company boards on which he or she serves. The trustee nominees have been selected based on their collective ability to address the broad range of issues the Board considers when overseeing the REIT’s business and affairs.

*Diversity of Age, Gender and Tenure*

The following diagram shows trustee tenure, age and gender broken down by the applicable time periods set out below:

<p><b>Tenure</b></p> <p>No returning Trustees have been on the Board for less than 2 years</p> <p>1 returning Trustee has been on the Board for 5-10 years</p> <p>2 returning Trustees have been on the Board for 2-5 years</p> <p>3 returning Trustees have been on the Board for more than 10 years</p>		<p><b>Diversity</b></p> <ul style="list-style-type: none"> <li>• 17% of the Board of Trustees identify as female</li> <li>• 83% of the Board of Trustees identify as male</li> </ul>	
<p><b>Age</b></p> <p>Average Age of Trustees is 59 Years</p> <p>No Trustees are &lt; 50 Years</p> <p>4 Trustees are between 51-60 Years</p> <p>2 Trustees are between 61-70 Years</p> <p>No Trustees are &gt;70 Years</p>			

*Corporate Governance Highlights*

<p><b>Trustee Independence</b></p> <ul style="list-style-type: none"> <li>• 5 of the 6 Trustee nominees are independent</li> </ul> <p><b>Unit Ownership Requirements</b></p> <ul style="list-style-type: none"> <li>• 2020 and prior, Trustees were required to own \$150,000 in trust units by their third anniversary</li> <li>• Effective January 1, 2021, Trustees will be required to own 3 times the base retainer by their third complete calendar year after joining the Board</li> </ul>	<p><b>Trustee Evaluation &amp; Engagement</b></p> <ul style="list-style-type: none"> <li>• Trustees attended 98% of Board and committee meetings in 2020</li> <li>• Board policy limits Trustee membership on other public entity boards to no more than four</li> </ul> <p><b>Board Oversight and Reporting</b></p> <ul style="list-style-type: none"> <li>• Oversight and responsibility of the business and operations of the REIT including internal controls, governance practices, environmental matters, deployment of capital, executive compensation and code of business conduct</li> </ul>
---	---

### *Majority Voting*

The Declaration of Trust provides that:

- Trustees shall be appointed (including the reappointment of incumbent trustees) at each annual meeting of Unitholders, and may be appointed at a special meeting of Unitholders, in each case to hold office for a term expiring at the close of the next annual meeting of Unitholders following such appointment; and
- any such appointment shall be made by a resolution approved by a majority of the votes cast at a meeting of Unitholders.

As a result, pursuant to the Declaration of Trust, if a trustee nominee does not receive a majority of the votes in favour of him or her, the nominee will not be validly appointed as a trustee to the Board and will not become, or will immediately cease to be, a Trustee. The Board will issue a press release announcing the results of any votes resulting in a Trustee not receiving a majority of votes in favour of his or her appointment as a trustee and thereby failing to be appointed as a trustee, a copy of which shall be concurrently delivered to the Toronto Stock Exchange (“**TSX**”).

Forms of proxy for the appointment of Trustees by way of election will permit a unitholder to vote in favour of, or against, separately for each trustee nominee.

Subject to any legal or regulatory restrictions, the Board of trustees may (1) leave a vacancy in the Board unfilled until the next annual general meeting, (2) fill the vacancy by appointing a new Trustee whom the Board considers to merit the confidence of the unitholders, or (3) call a special meeting of unitholders to consider new Board nominee(s) to fill the vacant position(s).

### *Trustee Profiles*

The following is a summary of relevant biographical and compensation information of each trustee nominee, including a description of their background and experience; year first elected or appointed as a trustee; meeting attendance record; other boards on which they sit; public board interlocks with other trustee nominees, if applicable; and trustee fees received. The equity holdings of each trustee nominee in the REIT as of the year ended 2020 and the year ended 2019, consisting of Units, Class B Units and deferred Units (each a “**Deferred Unit**”). “Total Market Value of All Units” for non-management trustees is calculated for 2020 based on the TSX closing price of the units on December 31, 2020, which was \$13.69 and for 2019, based on the TSX closing price of the Units on December 31, 2019, which was \$15.64.

The persons designated in the form of proxy (or voting instruction form) intend to vote **FOR** the election of the nominees listed below.

 <p><b>Paul Amirault</b> Ottawa, Ontario, Canada <b>Board Details</b></p> <ul style="list-style-type: none"> <li>• Trustee since May, 2010</li> <li>• Independent Trustee</li> <li>• Board Chair</li> </ul>		<p>Mr. 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.</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board (Chair)		13 of 13 meetings		19/19	100%	Year	Amount <sup>1</sup>
Audit Committee		5 of 5 meetings				2020	\$64,152
Nominations and Governance Committee		1 of 1 meeting				2019	\$72,208
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	36,209	--	10,000	133,404	\$2,322,001.97	\$150,000	Yes
2019	28,709	--	10,000	135,985	\$2,575,814.16		
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
--				--		--	
Past Public Board Memberships in Last Five Years							
--							

 <p><b>Paul Bouzanis</b> Ottawa, Ontario, Canada <b>Board Details</b></p> <ul style="list-style-type: none"> <li>• Trustee since September, 2009</li> <li>• Independent Trustee</li> <li>• Chair of Capital Resources Committee</li> </ul>		<p>Mr. 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.</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board		13 of 13 meetings		23 / 24	96%	Year	Amount <sup>1</sup>
Capital Resources Committee		3 of 3 meetings				2020	\$66,000
Nominations and Governance Committee		1 of 1 meeting				2019	\$70,600
Human Resources and Compensation Committee		6 of 7 meetings					
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	484,126	--	125,000	56,165	\$7,396,583.79	\$150,000	Yes
2019	495,467	--	125,000	93,455	\$9,210,740.08		
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
--				--		--	
Past Public Board Memberships in Last Five Years							
--							

 <p><b>John Jussup</b> Ottawa, Ontario, Canada</p> <p><b>Board Details</b></p> <ul style="list-style-type: none"> <li>• Trustee since February, 2019</li> <li>• Independent Trustee</li> <li>• Chair of Nominations and Governance Committee</li> </ul>		<p>Mr. 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.</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board		12 of 13 meetings		23 / 24	96%	Year	Amount <sup>1</sup>
Capital Resources Committee		3 of 3 meetings				2020	\$52,174
Nominations and Governance Committee		1 of 1 meeting				2019	\$40,825
Human Resources and Compensation Committee		7 of 7 meetings					
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	--	--	--	13,364	\$182,953.16	\$150,000	Yes
2019	--	--	--	5,448	\$85,206.72		
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
--				--		--	
Past Public Board Memberships in Last Five Years							
--				--		--	

 <p><b>Ronald Leslie</b> Ottawa, Ontario, Canada</p> <p><b>Board Details</b></p> <ul style="list-style-type: none"> <li>• Trustee since May, 2011</li> <li>• Independent Trustee</li> <li>• Chair of Audit Committee</li> </ul>		<p>Ronald Leslie, CPA, CA, is the founding partner of Leslie &amp; MacLeod, Chartered Professional Accountants (A Professional Corporation) and the current office managing partner. Mr. Leslie has over 25 years of public accounting and business advisory experience and also sits on the board of C-COM Satellite Systems Inc. (which is listed on the TSX Venture Exchange). He specializes in providing financial and business advisory services to entrepreneurs from private to public companies including owner-managed entities as well as various not-for-profit organizations and charities. Mr. Leslie is a graduate of Carleton University and holds a Bachelor of Commerce degree.</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board		13 of 13 meetings		25 / 25	100%	Year	Amount <sup>1</sup>
Audit Committee		5 of 5 meetings				2020	\$57,533
Human Resources and Compensation Committee		7 of 7 meetings				2019	\$61,767
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	25,873	--	25,000	159,668	\$2,540,056.29	\$150,000	Yes
2019	25,873	--	25,000	147,681	\$2,714,384.56		
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
C-COM Satellite Systems Inc.				16 Years		--	
Past Public Board Memberships in Last Five Years							
--				--		--	

 <p><b>Mike McGahan</b> Ottawa, Ontario, Canada</p> <p><b>Board Details</b></p> <ul style="list-style-type: none"> <li>Trustee since September, 2009</li> <li>Non-Independent Trustee</li> </ul>		<p>Mr. McGahan is the Chief Executive Officer (CEO) and Trustee of InterRent REIT. Mr. McGahan has over 35 years of experience in the real estate business focusing on the multi-residential apartment and commercial property sectors. He has successfully purchased, sold, financed, and managed over 300 properties valued in excess of \$4 Billion. A graduate of the University of Ottawa, Mr. McGahan has also been a licensed real estate agent and mortgage broker for over 30 years.</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board		13 of 13 meetings		16 / 16	100%	Year	Amount <sup>1</sup>
Capital Resources Committee		3 of 3 meetings				2020	--
						2019	--
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	3,820,514	3,224,516	1,125,000	2,391,146	\$129,181,249.44	\$150,000	Yes
2019	3,870,817	3,224,516	1,125,000	2,225,497	\$145,777,781.20		
Current Public Board Memberships				Public Board Interlocks			
--				Trustee		Board	
--				--		--	
Past Public Board Memberships in Last Five Years				--		--	
--				--		--	

 <p><b>Cheryl Pangborn</b> Ottawa, Ontario, Canada</p> <p><b>Board Details</b></p> <ul style="list-style-type: none"> <li>Trustee since June, 2017</li> <li>Independent Trustee</li> <li>Chair of Human Resources and Compensation Committee</li> </ul>		<p>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).</p>					
Board/Committee Membership		Attendance in 2020		Attendance Total in 2020		Trustee Fees Received	
Board		13 of 13 meetings		25 / 25	100%	Year	Amount <sup>1</sup>
Audit Committee		5 of 5 meetings				2020	\$46,367
Capital Resources Committee		3 of 3 meetings				2019	\$45,100
Human Resources and Compensation Committee		4 of 4 meetings					
Equity Ownership							
Year	Units	Class B Units	Instalment Receipts (LTIP) <sup>2</sup>	Deferred Units	Total Market Value of All Units <sup>2</sup>	Minimum Equity Ownership	In Progress / Satisfies Equity Ownership Guidelines
2020	--	--	10,000	24,879	\$340,593.51	\$150,000	Yes
2019	--	--	10,000	17,586	\$275,045.04		
Current Public Board Memberships				Public Board Interlocks			
--				Trustee		Board	
--				--		--	
Past Public Board Memberships in Last Five Years				--		--	
--				--		--	

(1) The provided figures represent the Annual Board of Trustee Fees that the Trustee has elected to receive in deferred units in lieu of cash and exclude the matching component. For 2019 and 2020, all Trustees have elected to receive 100% of their retainers and meeting fees in the form of Deferred Units, which have been matched by the REIT.

(2) Represents Instalment Receipts held as at December 31<sup>st</sup> under the Long Term Incentive Plan. Installment Receipts are not included in the Total Market Value of All Units calculation.

## Trustee Compensation

For 2020, the Trustees, whom so elect, will receive between 60% and 100% of their Board fees in the form of Deferred Units, subject to the terms of the REIT's Deferred Unit Plan, as amended. All Trustees have elected to receive 100% of their fees in the form of Deferred Units. For 2020 and prior years, any fees received in the form of Deferred Units were matched under the plan which included a vesting period of: 50% after year 3; 25% after year 4; and, the final 25% after year 5.

Each of the Trustees who are not members of management received 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 Chairs receive the following respective amounts for chairing the Board and its various committees: the Board \$25,000, Audit Committee \$10,000, Nominations and Governance Committee \$5,000, Human Resources and Compensation Committee \$5,000 and Capital Resources Committee \$20,000. 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 required to accumulate \$150,000 in trust units by the third anniversary of their election as a Board member.

The Human Resources and Compensation Committee engaged the services of an external compensation consultant in 2020 to review the structure and methodology of compensation for the Board of Trustees. As a result of this review, the committee recommended and the Board approved changes to the compensation of the Trustees effective January 1, 2021. Going forward, each non-employee Trustee of the REIT will be compensated as set out below:

Type of Fee	Amount (\$)
<b>Board Fees</b>	
Chair	\$30,000
Board Retainer	\$85,000
<b>Chair and Committee Fees</b>	
Audit Committee Chair	\$25,000
Capital Resources Committee Chair	\$25,000
Human Resources and Compensation Committee Chair	\$20,000
Nominations and Governance Committee Chair	\$20,000

Along with these changes it is important to note that:

- a) Trustees will be paid no other amounts in the ordinary course. In particular, Trustees will no longer be paid any per diem amounts in respect of their duties; and,
- b) the Deferred Unit Plan was amended so that effective January 1, 2021 and going forward, Trustee fees that are elected to be received in the form of deferred units will no longer be matched under the terms of the plan.

The 2020 Trustee fees were \$286,226, which equates to \$572,452 when the matched portion under the Deferred Unit Plan is included. Based on 2020 Board and Committee activities, the 2021 fees are anticipated to be \$545,000.

Going forward, Trustees will be required to own (or be entitled to receive) Units of the REIT equal in value to 3 times the base annual retainer. Each Trustee is required to acquire the foregoing number Units (or the entitlement thereto) on or before the end of the third complete calendar year after joining the Board.

### 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, 2020.

Name	Option Based Awards				Unit-based Awards		
	Number of Securities Underlying Unexercised Options(#)	Option Exercise Price (\$) <sup>(1)</sup>	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 (\$)	Market or Payout Value of vested Unit-based Awards not paid out or distributed (\$)
Paul Amirault	25,000	\$5.65	14-Jun-23	\$201,000	38,351	\$525,025	\$1,301,276
	25,000	\$5.81	16-Dec-24	\$197,000			
Paul Bouzanis	--	--	--	--	43,416	\$594,365	\$174,534
John Jussup	--	--	--	--	13,364	\$182,953	--
Ronald Leslie	25,000	\$5.65	14-Jun-23	\$201,000	38,801	\$531,186	\$1,654,669
	25,000	\$5.81	16-Dec-24	\$197,000			
Cheryl Pangborn	--	--	--	--	22,540	\$308,573	\$32,021

(1) Based on a December 31, 2020 closing price on the TSX of \$13.69 per Unit.

### 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, 2020 for each of the Trustees (other than Trustees that are 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 (\$)
Paul Amirault	--	\$178,844 <sup>(1)</sup>	--
Paul Bouzanis	--	\$237,418 <sup>(2)</sup>	--
John Jussup	--	--	--
Ronald Leslie	--	\$204,617 <sup>(3)</sup>	--
Cheryl Pangborn	--	\$30,928 <sup>(4)</sup>	--

(1) Mr. Amirault had 13,236 Deferred Units vest in 2020 that remained unexercised at year end representing \$178,844

(2) Mr. Bouzanis had 17,565 Deferred Units vest in 2020 that remained unexercised at year end representing \$237,418

(3) Mr. Leslie had 15,149 Deferred Units vest in 2020 that remained unexercised at year end representing \$204,617

(4) Ms. Pangborn had 2,330 Deferred Units vest in 2020 that remained unexercised at year end representing \$30,928

## 2020 Trustee Compensation Table

Name	Fees Earned (\$)	Unit-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Paul Amirault	--	\$64,152	--	--	--	\$64,152
Paul Bouzanis	--	\$66,000	--	--	--	\$66,000
John Jussup	--	\$52,174	--	--	--	\$52,174
Ronald Leslie	--	\$57,533	--	--	--	\$57,533
Cheryl Pangborn	--	\$46,367	--	--	--	\$46,367

## Indemnification of Trustees and Officers

The REIT indemnifies the trustees and officers against certain losses arising from claims against them for certain of their acts, errors or omissions as such, the REIT maintains insurance for the benefit of its trustees and officers, in respect of the performance by them of their duties. The REIT's annualized insurance premium in 2020 was \$75,808. The insurance limit is \$20 million per year on an aggregate basis or per occurrence basis. There is no deductible in the case of trustees and officers and a deductible of up to a maximum of \$100,000 for the REIT. There have been no claims presented or paid under the policy as of this date.

## Indebtedness of Trustees

The following table sets forth information concerning the indebtedness of Trustees 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 and Named Executive Officers prior to December 31, 2020.

Name and Principal Position	Involvement of REIT or Subsidiary	Largest Amount Outstanding During 2020 (\$)	Amount Outstanding as at May 7, 2021(\$) <sup>(1)</sup>	Financially Assisted Securities Purchases during 2020 (#)	Security for Indebtedness	Amount Forgiven During 2020 (\$)
Paul Amirault Trustee	Lender	\$91,384	\$91,304	—	Pledge of Unit Certificates	—
Paul Bouzanis Trustee	Lender	\$936,642	\$932,886	—	Pledge of Unit Certificates	—
Ronald Leslie Trustee	Lender	\$228,460	\$228,261	—	Pledge of Unit Certificates	—
Cheryl Pangborn Trustee	Lender	\$70,818	\$70,463	—	Pledge of Unit Certificates	—

(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 (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.

## Elect 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.** 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 is withheld). The following persons are nominated for election as trustees of InterRent Trust:

1. Paul Amirault;
2. Paul Bouzanis;
3. John Jussup;
4. Ronald Leslie;
5. Mike McGahan; and
6. Cheryl Pangborn

### **Elect 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.** 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:

1. Paul Bouzanis;
2. Brad Cutsey;
3. Mike McGahan; and
4. Curt Millar.

### **Appoint the External Auditor**

The Auditor of the REIT is RSM Canada LLP. The Board, on the recommendation of the Audit Committee, recommends that RSM Canada LLP be re-appointed as the auditor of the REIT to hold office until the next annual meeting of Unitholders and that the Trustees be authorized to fix RSM Canada LLP’s remuneration. The persons named in the form of proxy intend to vote FOR the appointment of RSM Canada LLP as the REIT’s auditor until the next meeting of Unitholders.

### *Audit and Other Service Fees*

The Audit Committee oversees the fees paid to the independent external auditor, RSM Canada LLP, for audit and non-audit services. The following table sets forth the consolidated fees billed for professional services rendered by RSM Canada LLP for the fiscal years 2020 and 2019, respectively:

	<b>2020</b>	<b>2019</b>
Audit Fees <sup>(1)</sup>	\$187,213	\$177,880
Audit-related Fees <sup>(1)</sup>	\$77,000	\$81,944
Tax Fees <sup>(2)</sup>	\$219,898	\$599,084
<b>Total Fees</b>	<b>\$484,111</b>	<b>\$858,908</b>

(1) Audit and audit related services provided by RSM Canada LLP

(2) Tax, consulting and other non-audit related service provided by KPMG LLP.

As part of InterRent's governance practices, the Audit Committee prohibits the external auditor from providing non-audit services to the REIT or its subsidiaries unless the services are approved in advance by the Audit Committee. The Audit Committee may delegate to one or more members the authority to pre-approve the retention of the auditors for any non-audit service to the extent permitted by law. The external auditor is required to report directly to the Audit Committee.

## COMMITTEE REPORTS

### Audit Committee

The Audit Committee is a committee appointed by the Board in order to assist the Board in fulfilling its oversight responsibilities by:

- a) reviewing the financial reports, other financial information and relevant documents provided by the REIT to any governmental body or the public;
- b) recommending the appointment of the REIT's external auditor and reviewing and appraising the audit efforts of such external auditor;
- c) reviewing and approving any proposed hiring of the REIT's internal auditor, as may be recommended by management;
- d) providing an open avenue of communication among the external auditor, financial and senior management of the REIT and the Board;
- e) reviewing the qualifications, independence and performance of the external auditor;
- f) serving as an independent and objective party to monitor the REIT's financial reporting processes including internal controls and disclosure controls thereon;
- g) encouraging continuous improvement of, and fostering adherence to, the REIT's policies, procedures and practices over financial reporting processes;
- h) ensuring the REIT's compliance with legal and regulatory requirements, as they relate to the REIT's financial statements;
- i) reviewing management's program of risk assessment and steps taken to address significant risks or exposures of all types, including insurance coverage and tax compliance; and
- j) establishing procedures for the receipt, retention and treatment of complaints received by the Trust regarding accounting, internal controls or auditing matters, and for the confidential, anonymous submission by employees of the REIT of concerns regarding questionable accounting or auditing matters and including the establishment and review of a whistle blower policy

For purposes of performing its oversight related duties, members of the Audit Committee shall have full access to all InterRent information and shall be permitted to discuss such information and any other matters relating to the financial position of the REIT with senior employees, officers and external auditors of the REIT.

## *Audit Committee Report to Unitholders*

Dear Unitholders:

On behalf of the Board, the Audit Committee is please to share with you its report for 2020.

### 2020 Highlights:

- ✓ Reviewed the financial impacts of the COVID-19 pandemic, the risks related thereto and the estimates and judgements made by management
- ✓ Received presentations from the REIT's CFO and made inquiries related to the quarterly and annual financial performance.
- ✓ Received presentations from the REIT's senior executive team and made inquiries related to the operational performance of the REIT and communications with investors and analysts.
- ✓ Assessed the use and presentation of non-GAAP financial measures in the REIT's financial documents.
- ✓ Reviewed and discussed with the REIT's senior executives and the external auditor and recommended for approval to the Board the quarterly and annual financial statements and related management's discussion and analysis.
- ✓ Reviewed and discussed with the REIT's senior executives and the external auditor the REITs disclosure controls and procedures, risks and key audit matters.
- ✓ Members of Audit Committee attended two-day CPA Canada Virtual Conference for Audit Committees.

The Audit Committee meets at least four times annually, or more frequently as circumstances require. The Committee shall meet prior to the filing of quarterly financial statements to review and discuss the financial results for the preceding quarter and the related Management Discussion & Analysis ("MD&A") and the Auditor's report thereon, and shall meet prior to filing the annual financial statements to review and discuss the audited financial results for the year and related MD&A and the Auditor's report thereon.

The complete charter of the Audit Committee can be found on InterRent's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

The Audit Committee met five times in 2020 including a non-management meeting to review and discuss the fiscal year end audit and to allow committee members to discuss matters pertinent to the audit. The external auditors were invited to and attended all Audit Committee meetings in 2020.

Respectfully submitted,

### **Audit Committee**

Ronald Leslie (Chair)

Paul Amirault

Cheryl Pangborn

## Nominations and Governance Committee

The Nominations and Governance Committee believes that good governance is essential to strong performance. The REIT's governance practices are designed to provide oversight and accountability, ensure trust with stakeholders and promote the long-term interests of Unitholders.

The Nominations and Governance Committee is a committee appointed by the Board in order to assist the Board in fulfilling its oversight responsibilities by:

- a) assessing the effectiveness of the Board as a whole as well as discussing the contribution of individual trustees;
- b) overseeing the recruitment and selection of new nominees for appointment to the Board;
- c) orienting new trustees and ensuring that trustees have training available to develop the skills and competencies necessary to provide proper oversight to the REIT as members of the Board;
- d) overseeing the recruitment and selection of any new chief executive officer of the REIT (the "CEO");
- e) assessing and improving the REIT's governance practices; and
- f) ensuring that current good governance practices are identified and followed by the Board and management.

### *Key Skills and Experience*

The Board believes that the members of the Nominations and Governance Committee individually and collectively have the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation and general business leadership, to fulfill the Nominations and Governance Committee's mandate. All members of the Nominations and Governance Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and as board members of other publicly traded entities.

### 2020 Highlights:

- ✓ Oversaw the REIT's preparation and submission of information in relation to the REIT's inaugural participation in the 2020 GRESB Assessment.
- ✓ Reviewed and approved the Trustee and Officer's insurance policy for 2020.
- ✓ Initiated a review of Board and Committee charters and related corporate policies.

The complete charter of the Nominations and Governance Committee can be found on InterRent's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

### Nomination of Trustees

The Board believes that its current size is appropriate given the scope of the business and operations of the REIT and its current stage of development. 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, The Nomination and Governance Committee evaluates each individual Nominee in the context of the overall Board and its current competencies, with the objective of maintaining or augmenting its competencies and overall strengths. The Committee has identified the following criteria to guide the Committee in selecting Nominees:

- a) nominees should have high ethical character, and personal and professional reputations that complement and enhance the image and standing of the REIT;
- b) each nominee should have the ability to exercise sound, independent business judgment;
- c) the Nomination and Governance Committee should generally seek nominees that include current and/or former executive officers and/or directors of companies and leaders of major organizations, demonstrating a public image and adherence to principles consistent with those of the REIT;
- d) the Nomination and Governance Committee should seek nominees who are recognized for their professional excellence or as leaders in their respective fields, particularly in areas relevant to the REIT such as commercial real estate, real estate financing, etc.;
- e) nominees should, in the aggregate, have varied educational and professional backgrounds to provide meaningful counsel to management;
- f) nominees should have a commitment to (a) prepare for, regularly attend and actively participate in, meetings of the Board and (b) understand the REIT, its business and its industry;
- g) nominees should understand and be committed to the Board/Committee Mandates of the REIT including the requirements of the Board Mandate that Trustees should (a) generally not serve on the Board of more than 4 publicly traded companies and should have sufficient time to devote to the REIT; (b) generally be under the age of 75; and (c) be dedicated to attending the requisite Trustee continuing education;
- h) the Nomination and Governance Committee must adhere to any requirements applicable to the REIT relating to Trustee independence and financial literacy/expertise and should ensure that nominees do not have any real or apparent conflicts of interest in serving as a Trustee; and
- i) where possible, the Nomination and Governance Committee should seek to satisfy the foregoing criteria while at the same time considering gender, age, ethnicity, national origin, disability, sexual orientation, and geographic background as further set out in the Trust's Diversity Policy found on the REIT's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

The foregoing criteria may, from time to time, be changed by the Nominations and Governance Committee to reflect a change in circumstances.

### 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 17% of the Trustees on the Board.

The Board approved an updated Diversity Policy effective as of January 1, 2021 in regards to gender, age, ethnicity and geographic background related to both the Board and the management of the REIT. The Diversity Policy can be found on the REIT's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

One of the primary functions of the Nominations and Governance Committee is to assist the Board in fulfilling its oversight responsibilities relating to recruitment and selection of new nominees for the Board. To support this, the Nominations and Governance Committee will, when identifying candidates to recommend for appointment/election to the Board or for appointment/promotion to senior management positions:

- a) consider candidates who are highly qualified based on their experience, functional expertise, and personal skills and qualities;
- b) consider diversity criteria including gender, age, ethnicity, national origin, disability, sexual orientation, and geographic background;
- c) in addition to its own search, where appropriate, engage qualified independent external advisors to conduct a search for candidates that meet the Board's skills and diversity criteria to help achieve its diversity aspirations; and
- d) aspire toward maintaining a Board composition in which women and other diverse candidates comprise at minimum 30% of the Trustees at any given time.

The Board has not set a specific target for diversity among senior management or the Board as the timing of such will depend on when positions on the Board or senior management become available. As new vacancies on the board or within senior management become available, the Board will dedicate significant effort towards consideration of women and those from diverse backgrounds for these positions.

## Human Resources and Compensation Committee

The Human Resources and Compensation Committee of the Board reviews 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. The primary function of the Human Resources and Compensation Committee is to assist the Board in fulfilling its oversight responsibilities related to:

- a) the administration of the REIT's compensation matters;
- b) the amount and form of compensation of Trustees of the REIT;
- c) the salary, bonus and other benefits, direct or indirect, and any change of control packages of the CEO of the REIT and other members of the senior management team; and
- d) the human resources function of the REIT, including its strategic direction, leadership, resources, performance and effectiveness.

Currently, Trustees are eligible to receive set remuneration and participate in the Deferred Unit Plan (see descriptions under "Executive Compensation").

### *Human Resources and Compensation Committee Report to Unitholders*

Dear Unitholders:

On behalf of the Board, the Human Resources and Compensation Committee is pleased to share with you its philosophy and approach to compensation and some of its significant accomplishments in 2020.

#### 2020 Highlights:

- ✓ Reviewed and discussed with the senior executives the implications of the COVID-19 pandemic on the REIT's team members.
- ✓ Reviewed the performance of the senior executives of the REIT against their performance objectives and recommended the payout amounts in relation to the REIT's incentive compensation plans.
- ✓ Initiated a formal review of the approach and design of the REIT's executive compensation plan with external compensation consultants.
- ✓ Initiated a formal review of the approach and design of the REIT's Trustee compensation methodology to align with industry best practices.
- ✓ Reviewed and approved a revised peer group for senior executive and Trustee compensation.

The Human Resources and Compensation Committee shall meet at least once annually and as many additional times as the Committee deems necessary to carry out its duties. In 2020, the Committee held 7 formal meetings as well as many informal meetings and discussions with Committee members, the REIT's management team as well as the external consultants that were assisting with the compensation reviews.

The Human Resources and Compensation Committee initiated a review of the REIT's equity incentive plans and Trustee compensation and engaged with external consultants directly to assist with the review. The review and changes to Trustee compensation were completed in 2020 and became effective January 1, 2021. The review of the executive compensation and incentive plans are still underway and the committee plans to provide its recommendation to the Board in 2021 in time to have a new incentive plan designed, approved and implemented for fiscal year 2022.

The complete charter of the Human Resources and Compensation Committee can be found on InterRent's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

Respectfully submitted,

**Human Resources and Compensation Committee**

Cheryl Pangborn (Chair)

Ronald Leslie

Paul Bouzanis

John Jussup

**Capital Resources Committee**

The Capital Resources Committee's primary role is to assist the Board in fulfilling its oversight responsibilities related to:

- a) The acquisition, disposition, major renovation or maintenance of properties and buildings owned by the REIT;
- b) capital expenditures;
- c) development of strategies, policies and practices for the management and use of the REIT's capital resources; and
- d) undertake any other duties the Board may delegate to the Capital Resources Committee.

**2020 Highlights:**

- ✓ Reviewed and discussed with the CEO the acquisition of the 880 suites acquired by the REIT in 2020.
- ✓ Reviewed the REIT's capital expenditure program for 2020 as well as adjustments to the program as a result of the COVID-19 pandemic.
- ✓ Reviewed the progress of the REIT in regards to the REIT's development properties.

The Capital Resources Committee shall meet at least once annually and as many additional times as the Committee deems necessary to carry out its duties. The Committee held three formal meetings in 2020 as well as many informal meetings with the REIT's management team to discuss potential acquisitions, capital investments and other capital allocation decisions.

The complete charter of the Capital Resources Committee can be found on InterRent's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

## STATEMENT OF GOVERNANCE PRACTICES

### Overview

The Board and management of InterRent are dedicated to strong governance practices designed to maintain high standards of oversight, accountability, integrity and ethics while promoting long-term growth and complying with the Canadian Securities Administrators' Corporate Governance Guidelines (the "**Governance Guidelines**"). The Nominations and Governance Committee regularly reviews the REIT's governance practices and considers any changes necessary to ensure they reflect evolving best practices in a rapidly changing environment.

InterRent's website, [www.interrentreit.com](http://www.interrentreit.com), includes additional governance information, including the Declaration of Trust, Code of Business Conduct and Ethics, Disclosure and Trading Policy, Diversity Policy, Majority Voting Policy, Whistleblower Policy, and mandates of the Board and of its committees.

#### *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 Paul Amirault (Chair), Paul Bouzanis, John Jussup, Ronald Leslie and Cheryl Pangborn.

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, 2020, two 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 2020:

Name of Trustee	Board Meetings	Committee Meetings	Overall Attendance	
Paul Amirault	13 / 13	6 / 6	19 / 19	100%
Paul Bouzanis	13 / 13	10 / 11	23 / 24	96%
John Jussup	12 / 13	11 / 11	23 / 24	96%
Ronald Leslie	13 / 13	12 / 12	25 / 25	100%
Mike McGahan	13 / 13	3 / 3	16 / 16	100%
Cheryl Pangborn	13 / 13	12 / 12	25 / 25	100%
<b>TOTAL</b>	99%	98%	131 / 133	98%

The current Chair of the Board, Paul Amirault, is an independent trustee. The Chair, 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 Chair of the Board is required to establish procedures to govern the Board's work and ensure the Board's discharge of its duties. The roles and responsibilities of the Chair of the Board include, among other things:

- a) leading, managing and organizing the Board in accordance with the Board Mandate, which can be found on the REIT's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>;

- b) ensuring that appropriate procedures are in place to enable the Board to work effectively and efficiently and to function independently of management;
- c) together with the other trustees, the CEO and management, establishing the agenda for each Board meeting to ensure that all appropriate matters are brought forward for discussion to the Board and that appropriate members of senior management are available to present or address various issues, as needed;
- d) chairing Board meetings, including requiring appropriate briefing materials to be delivered in a timely fashion, providing adequate time for discussion of issues, facilitating full participation and discussion by Board members and ensuring that decisions of the Board are accurately recorded, communicated to management, and tracked to ensure proper follow up;
- e) providing appropriate information from management to enable the Board and committees to exercise its accountabilities;
- f) maintaining an effective relationship between the Board and senior management and acting as a liaison between the Board, CEO and management and to the extent necessary, the Unitholders;
- g) creating a cooperative atmosphere where Trustees are encouraged to openly discuss, debate and question matters requiring the attention in a constructive and productive manner;
- h) determining the information the Board requires to discharge its responsibilities effectively and confirm that senior management is keeping the Board fully apprised at all times of all matters which are material to the Board's responsibilities;
- i) ensuring that the Board meets as frequently as is necessary and that meetings are conducted in accordance with the Declaration of Trust;
- j) confirming that Board functions are delegated to appropriate committees, that functions are carried out in accordance with the charters of such committees and that the results are reported to the Board;
- k) assisting the committees of the Board in bringing its recommendations forward to the Board for consideration and ensuring the committees have necessary resources to support its work, in particular, accurate, timely and relevant information;
- l) ensuring that the individual trustees meet in a separate in camera session, as necessary or advisable by the Board;
- m) ensuring the external advisors retained or to be retained by the Board are appropriately qualified and independent;
- n) chairing meetings of Unitholders, and being available for questions and participating in other activities to engage unitholders and other stakeholders that may be necessary or appropriate;
- o) together with the Human Resources and Compensation Committee and Nominations and Governance Committee, ensuring that the Board is comprised of capable, experienced individuals and that an appropriate Board succession plan is in place;
- p) together with the Human Resources and Compensation Committee and Nominations and Governance Committee, identifying guidelines for the selection of, and evaluation of conduct of, the Trustees;
- q) ensuring that appropriate governance policies for the REIT and the Board, including those regarding the conduct of Board and committee meetings, including in camera sessions, managing and reporting information and other policies relating to the Board's business, are established and monitored for compliance;
- r) ensuring newly appointed trustees receive an appropriate orientation and education program;
- s) performing other appropriate tasks and duties, as may from time to time be requested by the CEO, to advance the REIT's strategy and operating objectives; and

- t) taking all other reasonable steps to ensure that the responsibilities and duties of the Board, as provided for in the Board Mandate, are understood by both the Board and senior management and that the boundaries between Board and management responsibilities are understood and respected.

#### *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. A formal position description was developed for the Chair of the Board in 2020 which became effective January 1, 2021. The position description can be found on the REIT's website at <https://www.interrentreit.com/investor-relations/corporate-governance/>.

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 Human Resources and Compensation Committee to monitor the Chief Executive Officer's performance. The Chair 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 Code of Business Conduct and Ethics, a copy of which may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) or on the website of the REIT at [www.interrentreit.com](http://www.interrentreit.com). 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 executives and a large percentage of employees and it has become a necessary document to be discussed and signed by all new employees.

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

## *Environmental and Social Responsibility*

InterRent is committed to conducting business in a manner that is respectful of the environment and the communities in which InterRent operates. By integrating consideration of environmental and social risks into its day-to-day business activities InterRent strives to achieve a more inclusive and sustainable culture. Accountability for sustainability-related matters resides with the Nominations and Governance Committee.

Over the past year, InterRent has focused on:

- ✓ continuing investment in energy conservation throughout its portfolio;
- ✓ continuing to support the communities within which we operate through charitable contributions, donation of team member time to community support and various support local programs that were initiated throughout the pandemic;
- ✓ wellness calls to all residents and sharing information with residents related to government or community support for those needing it through the pandemic;
- ✓ participation in its inaugural GRESB assessment; and
- ✓ completing a comprehensive team member survey with a third part service provider to measure, amongst other things, team member engagement, diversity and inclusion and mental health.

## *Disclosure Policy*

InterRent is committed to providing timely, accurate and balanced disclosure of material information about InterRent, consistent with applicable legal and regulatory requirements. As well, InterRent seeks to ensure compliance with securities laws, instruments of the Canadian securities regulatory authorities and the rules of exchange, on which the Units are listed, relating to insider trading or informing others about undisclosed material information and insider reporting.

The Disclosure and Trading Policy can be found on InterRent's website at [www.interrentreit.com](http://www.interrentreit.com) and extends to all employees, agents, consultants, officers, trustees and directors (collectively the "**InterRent Personnel**") of InterRent and those authorized to speak on behalf of InterRent. The Disclosure and Trading Policy covers disclosure in documents filed with securities commissions and written statements made in InterRent's annual and quarterly reports, news releases, letters to holders of securities and information contained on InterRent's websites and other electronic communications. The Disclosure and Trading Policy also extends to public oral statements. Finally, the Disclosure and Trading Policy addresses trading by InterRent Personnel and other "insiders" of securities of InterRent (including permitted trading windows), "tipping" or selective disclosure by such persons of material non-public information and insider reporting obligations under applicable laws.

## EXECUTIVE COMPENSATION

### Highlights of Executive Compensation:

- ✓ InterRent's philosophy is to pay for performance and to align executives with InterRent's values
- ✓ InterRent's executive compensation policy aims to retain, motivate and attract excellent, high quality executives needed to support InterRent's growth and ambitions and provide alignment between executives and unitholders
- ✓ InterRent looks to create a balanced approach that includes immediate, short-term and long-term incentives

### **Evaluating Performance and Determining Compensation of Named Executive Officers**

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, 2019, and, the year ended December 31, 2018 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.

The Board believes that goals for evaluating performance are best set for those areas of business that have the most important effect on the overall long-term value of the business. These goals are a combination of financial objectives that can be achieved in a particular year, financial and non-financial goals that will take more than one year and nonfinancial goals that will promote good business practices and increase internal and external goodwill. The Human Resources and Compensation Committee, together with input from senior management, develops InterRent's corporate and individual performance goals annually at the end of each year for the following year.

The Board believes that InterRent's success will be enhanced by identifying and setting goals that are aspirational. Each corporate performance goal and individual performance goal is not weighted and there is no specific formula applied to determine the amount of a Named Executive Officer's annual cash bonus and Incentive Awards. The Human Resources and Compensation Committee exercises discretion in evaluating the performance of the REIT in light of the goals and determining whether overall a Named Executive Officer met his or her goals. The assessment of corporate performance is not a formulaic process and judgment is exercised in determining the performance rating to be applied. Compensation is determined based on how well InterRent management has performed towards achieving the corporate and individual goals given the underlying market conditions. After year end, the Human Resources and Compensation Committee applies judgment to determine, in its discretion, any necessary adjustments based on InterRent's financial results and the REIT's stated values. In making its determination and scoring the Named Executive Officers' performance, the Human Resources and Compensation Committee considers a number of external factors encountered by the REIT and the REIT's ability to manage and mitigate such factors, and applies judgment in determining whether more weight should be given to certain goals over others in assessing performance or whether performance in areas not originally contemplated by the goals set at the beginning of the year should be considered in determining the Named Executive Officer's compensation.

Evaluating performance of InterRent’s Named Executive Officers involves the assessment of five key attributes:

- 1) sustainable profitability;
- 2) operating efficiency improvements;
- 3) disciplined and sustainable growth;
- 4) conservative capitalization; and
- 5) Total Unitholder Return.

By design, these attributes are not locked into a specific formula in order to leave room for qualitative considerations such as level of effort or change in scope of responsibilities, as well as broader market conditions that may evolve in unexpected and unpredictable ways. Additionally, InterRent employs a proven strategy that hinges on external growth coupled with repositioning upside, necessitating a long-term orientation. For example, in a successful acquisition year, the REIT’s net operating income margin may deteriorate in the short-term as non-repositioned suites enter the books and weigh on operational efficiency. However, the full cycle of that acquisition through to the completed repositioning phase may offer a very compelling proposition requiring a multi-year assessment lens.

In assessing 2020 performance, the Board also considered the extraordinary impacts of COVID-19, which supports the decision to have embedded flexibility in the performance evaluation of the REIT’s Named Executive Officers. To illustrate, although the REIT suffered a reduction in year-over-year (YoY) occupancy in 2020, the Board recognized that the proactive actions by InterRent’s Named Executive Officers resulted in the decline being contained to a manageable 4.3%. In another example, the REIT reported a 2.4% decline in YoY funds from operations (FFO)/Unit in 2020; yet, this metric jumps to positive double-digit growth with a normalized vacancy figure, which the Board views as more reflective of underlying earnings performance. Against the challenging backdrop of COVID-19, the REIT made further progress in de-risking its capital structure, reducing its debt to gross book value ratio for the fourth consecutive year and reduced its weighted average interest rate on its debt by 46 basis points. From a purely quantitative standpoint, the REIT’s Unit price suffered negative 1-year total return, underperforming its peer group by 1.4% and the S&P TSX Capped REIT Index by 2.6%. The Board acknowledges that InterRent continues to be a top performer in its peer group on a 3, 5 and 10 year total return basis.

### Senior Management Personnel

The following tables present information regarding InterRent’s current Executive Officers:

	<b>Mike McGahan</b> <b>CEO and Trustee</b>	
	<b>Ottawa, Ontario</b> <b>Canada</b>	Mr. McGahan is the Chief Executive Officer (CEO) and Trustee of InterRent REIT. Mr. McGahan has over 35 years of experience in the real estate business focusing on the multi-residential apartment and commercial property sectors. He has successfully purchased, sold, financed, and managed over 300 properties valued in excess of \$4 Billion. A graduate of the University of Ottawa, Mr. McGahan has also been a licensed real estate agent and mortgage broker for over 30 years.
	<b>Service:</b> 11 years	
	<b>Industry Experience:</b> 35 Years	

	<b>Brad Cutsey President</b>	
	<b>Toronto, Ontario Canada</b>	Mr. Cutsey is the President of the Trust. Mr. Cutsey has over 20 years of experience in the real estate and capital markets industry, including roles as Group Head of real estate and also as an Equity Research Analyst. Mr. Cutsey was recognized as the number one stock picker in Canada in the 2012 StarMine Analyst Awards. Mr. Cutsey is a Chartered Financial Analyst (CFA) and a graduate of the Bachelor of Business Administration (Finance and Economics) program at Bishop's University.
	<b>Service:</b> 6 years	
	<b>Industry Experience:</b> 23 Years	

	<b>Curt Millar CFO</b>	
	<b>Ottawa, Ontario Canada</b>	Mr. Millar joined the InterRent REIT team in 2009 as Chief Financial Officer during a transitional point for the company. Prior to assuming his position as the Trust's Chief Financial Officer, Mr. Millar was CEO (2009-10) and CFO (2004-09) of Zip.ca. Mr. Millar has held positions of increasing responsibility in accounting, financial management, and operations throughout his career. Mr. Millar is a Chartered Professional Accountant, Chartered Accountant (CPA, CA), and graduated Magna Cum Laude from the University of Ottawa with a B. Comm Honours in Accounting.
	<b>Service:</b> 11 years	
	<b>Industry Experience:</b> 21 Years	

	<b>Dave Nevins COO</b>	
	<b>Ottawa, Ontario Canada</b>	Mr. Nevins is the Chief Operations Officer (COO) at InterRent REIT. Mr. Nevins has over 25 years of experience in the real estate industry. He started at CLV Group in sales as a rental agent and quickly moved into roles with increasing responsibility within the company including property manager and Vice President of Operations. Today, Mr. Nevins oversees several teams in his role as COO including landscaping, energy management, operations, and construction. Mr. Nevins is a graduate of the University of Ottawa.
	<b>Service:</b> 11 years	
	<b>Industry Experience:</b> 28 Years	

	<b>Chris Willoughby VP Marketing</b>	
	<b>Montreal, Quebec Canada</b>	Mr. Willoughby joined InterRent REIT in 2019 as VP, Marketing. Mr. Willoughby has 25 years of experience in Marketing. Prior to InterRent, he was led the marketing team for the Aeroplan loyalty program. Mr. Willoughby has deep expertise across a number of marketing disciplines including Customer Relationship Management, Brand Strategy, Digital Marketing, Loyalty and Data Analytics. He is a graduate of Johns Hopkins University and holds a Bachelor's degree in International Relations.
	<b>Service:</b> 2 years	
	<b>Industry Experience:</b> 25 Years	

## Compensation Discussion and Analysis

This Compensation Discussion and Analysis describes InterRent's compensation philosophy, policies and programs and discusses all significant elements of compensation paid, payable, awarded, granted, given or otherwise provided to InterRent's CEO, President, CFO, COO and VP Marketing who were serving as executive officers of InterRent on December 31, 2020 (the "**Named Executive Officers**").

## Compensation Philosophy and Objectives

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 REIT's executive compensation plans and practices, the Board and the Human Resources and Compensation Committee have considered the implications of the risks associated therewith and with the REIT's business. As a general rule, the REIT'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 REIT's compensation practices and the Human Resources and Compensation Committee considers risk implications in its annual review and recommendation of actual executive compensation and in its regular review of the REIT's compensation plans and practices. The Committee has retained the services of an independent compensation consultant to advise it on matters related to executive compensation as well as to help identify the appropriate peer group for benchmarking.

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 Human Resources and 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 Human Resources and 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 Human Resources and 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 Human Resources and Compensation Committee has established the program for the CEO's bonus and endorsed a similar program for the Named Executive Officers. The incentive compensation is determined based upon a 20% component for each of the following:

1. sustainable profitability (including funds from operations and adjusted funds from operations);
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 appropriate debt/gross book value and interest coverage); and
5. total Unitholder return versus peers.

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.

### **Managing Compensation and Risk**

The Human Resources and Compensation Committee considers the implications of the risks associated with InterRent's compensation policies and practices. The Board, on the recommendations of the Human Resources and Compensation Committee, has adopted a balanced approach to compensation which includes immediate, short-term and long term incentives. Immediate incentives are base salaries, short term incentives are performance bonuses and long-term incentives are Deferred Units, options, and treasury Units. The Board believes that this balanced approach mitigates the inherent risk of concentrating incentives in a single form of equity award.

In determining the mix and relative weighting of cash incentives versus equity incentives, InterRent considers providing sufficient annual cash in order for employees to reduce stress and to have flexibility in their personal life and the long-term incentives are intended to assist the employee to develop long-term capital value aligned with the Unitholders of the REIT. InterRent also considers the appropriate proportion of compensation that should be at risk based on the executive officer's ability to affect and influence the REIT's long and short term results and advance the interests of the Unitholders. In general, the proportion of total pay delivered through "at risk" compensation increases directly with the executive officer's level of responsibility. Similarly, the proportion of equity based compensation also increases directly with the executive officer's level within the REIT. The Human Resources and Compensation Committee believes that this mix and weighting aligns the interests of executive officers with those of the Unitholders, provides significant incentives for superior performance and assists in keeping InterRent competitive in the market for excellent quality people to manage our business.

#### *Claw-back Policy*

The Board has 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, 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.

As of the date hereof, there has been no such circumstances requiring reimbursement from the executives of all or a portion of the after-tax difference between the Actual Compensation and the Revised Compensation.

## Comparative Market Data

Comparative market data is one factor used in setting the compensation of executives. Other factors considered by the Human Resources and Compensation Committee include individual performance and experience, scope of the role, leadership ability, internal pay equity among executives and the operating results of the business. The Human Resources and Compensation Committee uses benchmarking or comparisons of compensation programs from a peer group of real estate entities annually to confirm that the Trust's programs remain competitive.

### *Peer Group*

For the purpose of benchmarking, the REIT reviews and considers its identified peer group as a primary source of reference. The intent is for the REIT to fall in the median of the group in terms of both revenue and asset base to ensure that the REIT's relative size is considered and reflected in benchmarking. The REIT's compensation peer group in 2020 was derived at in consultation between the Human Resources and Compensation Committee and the external compensation consultant and is comprised of the following REITs and corporations:

Agellan Commercial REIT	Allied Properties REIT	Artis REIT
BTB REIT	Chartwell Retirement Residences	Cominar REIT
Crombie REIT	CT REIT	Extendicare Inc.
Granite REIT	Invesque Inc.	Killam Apartment REIT
Northview Apartment REIT	NorthWest Healthcare Properties REIT	Pure Multi-Family REIT LP
SmartCentres REIT	Sienna Senior Living Inc.	

## Total Compensation Components

The total compensation of InterRent's Named Executive Officers consists of three principal elements:

1. Base salary determined with regard to comparative salaries in the industry adjusting for the experience, skill and contribution to overall well-being of the organization;
2. Performance-based annual cash bonus; and
3. Periodic grants of long-term incentives pursuant to the Deferred Unit Plan, Unit Option Plan, and Long Term Incentive Plan.

The Named Executive Officers do not benefit from medium-term incentives, group RRSP or other retirement benefits, other than those provided for under government mandated programs (i.e., the Canada Pension Plan). Perquisites and personal benefits are not a significant element of compensation of the Named Executive Officers.

The specific practices regarding each of the key elements of the Named Executive Officers' compensation program are described below.

### *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 Human Resources and Compensation Committee assesses the base salary level of the CEO and makes recommendations for increases to the Board.

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.

### *Annual Bonus*

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 Human Resources and 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.

The REIT uses annual bonuses to motivate and reward the Named Executive Officers for achievements towards annual and long-term individual goals. Awards of cash bonuses vary based on an individual's position and contributions to InterRent's overall performance.

For 2020, based on the metrics that the REIT reviews in assessing management performance, an award of 75% of the potential Annual Cash Bonus was substantiated. However, the committee and the CEO agreed that in light of the current economic situation resulting from the pandemic, the incentive compensation for 2020 would be reduced to 60% of the potential bonus for the CEO, President, CFO and COO. The incentive compensation would be based on the potential bonus of the executive and would consist of 50% of the potential as an Annual Cash Bonus (which may be enrolled in the Deferred Unit Plan) and 10% as a cash incentive payment (not eligible for the Deferred Unit Plan) in recognition of the extraordinary workload demanded and delivered as a result of the pandemic. The Board reviewed and agreed with the recommendation of the Committee.

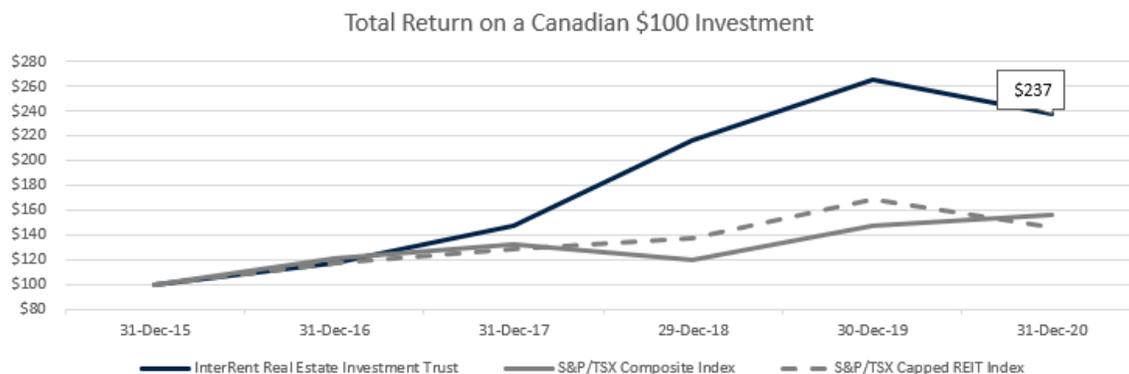
The Human Resources and Compensation Committee is responsible to assess and make recommendations to the Board annually for any bonuses to Named Executive Officers. Bonuses for 2020 were determined based on the objectives established in 2020 as follows:

<b>Mike McGahan Chief Executive Officer</b>	<b>Objective</b>	<b>Maximum</b>	<b>Awarded</b>
	Sustainable Profitability	\$250,000	\$156,250
	Operating Efficiency Improvements	\$250,000	\$156,250
	Disciplined and Sustainable Growth	\$250,000	\$156,250
	Conservative Capitalization	\$250,000	\$156,250
	Total Unitholder Return	\$250,000	\$nil
	<b>Total</b>	<b>\$1,250,000</b>	<b>\$625,000</b>
	One-Time Incentive Payment		\$125,000
	<ul style="list-style-type: none"> <li>2020 Annual Cash Bonus: \$625,000 (100% elected to be taken in the form of Deferred Units and matched by the REIT)</li> <li>2020 one-time incentive payment: \$125,000 (cash)</li> </ul>		

<b>Brad Cutsey President</b>	<b>Objective</b>	<b>Maximum</b>	<b>Awarded</b>
	Sustainable Profitability	\$90,000	\$56,250
	Operating Efficiency Improvements	\$90,000	\$56,250
	Disciplined and Sustainable Growth	\$90,000	\$56,250
	Conservative Capitalization	\$90,000	\$56,250
	Total Unitholder Return	\$90,000	\$Nil
	Total	\$450,000	\$225,000
One-Time Incentive Payment		\$45,000	
<ul style="list-style-type: none"> <li>• 2020 Annual Cash Bonus: \$225,000 (56% elected to be taken in the form of Deferred Units and matched by the REIT)</li> <li>• 2020 one-time incentive payment: \$45,000 (cash)</li> </ul>			
<b>Curt Millar Chief Financial Officer</b>	<b>Objective</b>	<b>Maximum</b>	<b>Awarded</b>
	Sustainable Profitability	\$80,000	\$40,000
	Operating Efficiency Improvements	\$80,000	\$40,000
	Disciplined and Sustainable Growth	\$80,000	\$40,000
	Conservative Capitalization	\$80,000	\$40,000
	Total Unitholder Return	\$80,000	\$Nil
	Total	\$400,000	\$200,000
One-Time Incentive Payment		\$40,000	
<ul style="list-style-type: none"> <li>• 2020 Annual Cash Bonus: \$200,000 (100% elected to be taken in the form of Deferred Units and matched by the REIT)</li> <li>• 2020 one-time incentive payment: \$40,000 (cash)</li> </ul>			
<b>Dave Nevins Chief Operating Officer</b>	<b>Objective</b>	<b>Maximum</b>	<b>Awarded</b>
	Sustainable Profitability	\$40,000	\$30,000
	Operating Efficiency Improvements	\$40,000	\$30,000
	Disciplined and Sustainable Growth	\$40,000	\$30,000
	Conservative Capitalization	\$40,000	\$30,000
	Total Unitholder Return	\$40,000	\$Nil
	Total	\$200,000	\$100,000
One-Time Incentive Payment		\$20,000	
<ul style="list-style-type: none"> <li>• 2020 Annual Cash Bonus: \$100,000 (60% elected to be taken in the form of Deferred Units and matched by the REIT)</li> <li>• 2020 one-time incentive payment: \$20,000 (cash)</li> </ul>			
<b>Chris Willoughby VP Marketing</b>	<b>Objective</b>	<b>Maximum</b>	<b>Awarded</b>
	Corporate Objectives	\$20,000	\$10,000
	Individual Performance Targets	\$20,000	\$20,000
	Total	\$40,000	\$30,000
	One-Time Incentive Payment		\$4,000
<ul style="list-style-type: none"> <li>• 2020 Annual Cash Bonus: \$30,000 (100% elected to be taken in the form of Deferred Units and matched by the REIT)</li> <li>• 2020 one-time incentive payment: \$4,000 (cash)</li> </ul>			

## Performance Graph

The following graph illustrates changes over the period from December 31, 2015 to December 31, 2020 in cumulative total shareholder return assuming that \$100 was invested on December 31, 2015 (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-15	31-Dec-16	31-Dec-17	29-Dec-18	30-Dec-19	31-Dec-20	Total Return
InterRent Real Estate Investment Trust	\$ 100	\$ 117	\$ 148	\$ 217	\$ 265	\$ 237	137%
S&P/TSX Composite Index	\$ 100	\$ 121	\$ 132	\$ 120	\$ 148	\$ 156	56%
S&P/TSX Capped REIT Index	\$ 100	\$ 118	\$ 129	\$ 137	\$ 169	\$ 147	47%

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

The total return relative to multi-family peers is a key attribute of the incentive program for executives and accounts for up to 20% of the potential bonus for Named Executive Officers. Over the past five years, the REIT has grown its portfolio by 31.7%. Over this same period, Total Unitholder Return increased by 137% while total Named Executive Officers compensation increased by 38%.

## Summary Compensation Chart

The following table sets forth information concerning the compensation earned by each Named Executive Officer for the past three years attributable to the services they provided to InterRent.

Name and Principal Position	Year	Salary \$	Unit-Based Awards \$( <sup>1</sup> )	Option-Based Awards \$	Non-Equity Incentive Plan			All Other Compensation \$	Total Compensation \$
					Annual Incentive Plans \$	Long term Incentive Plans	Pension Value \$		
Mike McGahan <sup>(2)</sup> Chief Executive Officer	2020	\$500,000	\$625,000	—	\$125,000 <sup>(3)</sup>	—	—	—	\$1,250,000
	2019	\$500,000	\$965,000	—	—	—	—	—	\$1,465,000
	2018	—	\$1,210,000	—	—	—	—	—	\$1,210,000
Brad Cutsey President	2020	\$500,000	\$125,000	—	\$145,000 <sup>(4)</sup>	—	—	—	\$770,000
	2019	\$500,000	\$405,000	—	—	—	—	—	\$905,000
	2018	\$400,000	\$410,000	—	\$150,000 <sup>(5)</sup>	—	—	—	\$960,000
Curt Millar Chief Financial Officer	2020	\$425,000	\$200,000	—	\$40,000 <sup>(3)</sup>	—	—	—	\$665,000
	2019	\$425,000	\$360,000	—	—	—	—	—	\$785,000
	2018	\$295,000	\$200,000	—	\$70,000 <sup>(5)</sup>	—	—	—	\$565,000
Dave Nevins <sup>(6)</sup> Chief Operating Officer	2020	\$325,000	\$60,000	—	\$60,000 <sup>(4)</sup>	—	—	—	\$445,000
	2019	\$325,000	\$200,000	—	—	—	—	—	\$525,000
	2018	\$258,125	\$100,000	—	\$125,000 <sup>(5)</sup>	—	—	—	\$483,125
Chris Willoughby <sup>(7)</sup> VP Marketing	2020	\$200,000	\$30,000	—	\$4,000 <sup>(3)</sup>	—	—	—	\$234,000
	2019	\$116,667	\$14,583	—	—	—	—	—	\$131,250
	2018	—	—	—	—	—	—	—	—

- (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.
- (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 one-time cash bonus awarded by the Board, with payment in 2021.
- (4) Represents a portion of the 2020 bonus awarded under the Deferred Unit Plan and elected to be received in cash, together with a one-time cash bonus awarded by the Board, with payment in 2021.
- (5) Represents a portion of the 2018 bonus awarded under the Deferred Unit Plan and elected to be received in cash that was determined and paid in 2019.
- (6) Mr. Nevins became Chief Operating Officer on February 15, 2018. Accordingly, 2018 compensation is for the period February 15 to December 31, 2018.
- (7) Mr. Willoughby became Vice president of Marketing on June 3, 2019. Accordingly 2019 compensation is for the period June 3 to December 31, 2019.

## 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, 2020.

Name	Option Based Awards <sup>(2)</sup>				Unit-Based Awards <sup>(2)</sup>		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised in-the-Money Options (\$) <sup>(1)</sup>	Number of Units that have not Vested (#)	Market or Payout Value of Unit-based Awards that have not Vested (\$) <sup>(1)</sup>	Market or Payout Value of vested Unit-based Awards not paid out or distributed (\$) <sup>(1)</sup>
Mike McGahan	25,000	\$5.65	14-Jun-23	\$201,000	764,175	\$10,461,556	\$22,273,233
	40,000	\$5.81	16-Dec-24	\$315,200			
Brad Cutsey	—	—	—	—	297,632	\$4,074,582	\$1,754,497
Curt Millar	50,000	\$5.65	14-Jun-23	\$402,000	138,712	\$1,898,967	\$1,113,271
	30,000	\$5.81	16-Dec-24	\$236,400			
Dave Nevins	50,000	\$5.50	5-Sep-22	\$409,500	267,071	\$3,656,202	\$3,125,920
	60,000	\$5.65	14-Jun-23	\$482,400			
	45,000	\$5.81	16-Dec-24	\$354,600			
	50,000	\$7.67	26-Jul-27	\$301,000			
Chris Willoughby	—	—	—	—	1,732	\$23,711	—

(1) Based on a December 31, 2020 closing price on the TSX of \$13.69 per Unit.

(2) All Options granted included a 2 year vesting provision (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, 2020 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	—	\$3,588,190 <sup>(1)</sup>	—
Brad Cutsey	—	\$1,030,291 <sup>(2)</sup>	—
Curt Millar	—	\$574,104 <sup>(3)</sup>	—
Dave Nevins	—	— <sup>(4)</sup>	—
Chris Willoughby	—	— <sup>(5)</sup>	—

(1) Mr. McGahan had 269,586 Deferred Units vest in 2020 that remained unexercised at year end representing \$3,588,190.

(2) Mr. Cutsey had 77,579 Deferred Units vest in 2020 that remained unexercised at year end representing \$1,030,291.

(3) Mr. Millar had 43,305 Deferred Units vest in 2020 that remained unexercised at year end representing \$574,104.

(4) Mr. Nevins had no unit-based awards vested at year-end.

(5) Mr. Willoughby had no unit-based awards vested at year-end.

### **Employment Agreements and Termination and Change of Control**

The REIT entered into an employment agreement as of October 1, 2009 with Mike McGahan, which employment agreement was most recently amended March 29, 2019 (hereinafter together the “McGahan Agreement”).

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 CLV Group Inc. and provides for a reasonable allocation of time to that other position but not to exceed 1/3 of his time.

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 with Curt Millar as of May 6, 2010, which employment agreement was most recently amended March 29, 2019 (the “Millar Agreement”). 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 with Brad Cutsey as of April 6, 2015, which employment agreement was most recently amended March 29, 2019 (the "Cutsey Agreement"). 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 with Dave Nevins as of February 15, 2018, which employment agreement was most recently amended March 29, 2019 (the "Nevins Agreement"). 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 with Chris Willoughby as of June 3, 2019, (the "Willoughby Agreement"). In the event that Mr. Willoughby's employment is terminated not for just cause or in the event Mr. Willoughby resigns for "Good Reason", Mr. Willoughby is entitled to a payment that, in the aggregate, equals 1.5 months of base salary and maximum potential bonus per completed year of service, with a minimum payment equal to 6 months and a maximum payment of 18 months. In addition, the REIT would be required to purchase from Mr. Willoughby, at fair market value, all Units, rights, options or warrants to acquire Units of the REIT owned by Mr. Willoughby (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. Willoughby.

## Indebtedness of Named Executive Officers

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 Trustees and Named Executive Officers prior to December 31, 2020.

Name and Principal Position	Involvement of REIT or Subsidiary	Largest Amount Outstanding During 2020 (\$)	Amount Outstanding as at May 7, 2021 (\$) <sup>(1)</sup>	Financially Assisted Securities Purchases during 2020 (#)	Security for Indebtedness	Amount Forgiven During 2020 (\$)
Mike McGahan CEO	Lender	\$6,793,478	\$6,614,695	—	Pledge of Unit Certificates	—
Brad Cutsey President	Lender	\$1,515,877	\$1,483,714	—	Pledge of Unit Certificates	—
Curt Millar CFO	Lender	\$383,333	\$369,047	—	Pledge of Unit Certificates	—

(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.

## 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 seven percent (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), being 142,323,788 Units as of May 7, 2021. 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 7,138,844 Units, which represents approximately 5.0% of the REIT’s outstanding Units as at May 7, 2021. The number of remaining units available for issuance under the Equity Incentive Plans is 2,823,821 Units which represents approximately 2.0% of the REIT’s outstanding Units as at May 7, 2021.

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 outstanding Units for the applicable fiscal year) was 0.2% for the fiscal year 2020, 0.3% for the fiscal year 2019 and 1.6% for the fiscal year 2018.

## Unit Option Plan

Options to purchase Units are granted under the REIT’s unit option plan (“**Unit Option Plan**”). Subject to regulatory requirements, the terms, conditions and limitations of options granted under the Unit Option Plan are determined by the Human Resources and Compensation Committee and set out in an option agreement to be entered into effective as at the time of the grant. There has been no issuance of options since July of 2017.

The following are some key terms of the Unit Option Plan which apply to all grants of options:

### Eligibility

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 are eligible to receive options pursuant to the Unit Option Plan. Based on the recommendation of the Human Resources and Compensation Committee, the Board considers and, if thought appropriate, approves the issuance of options in accordance with the REIT's Unit Option Plan. 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 7% of the of the REIT's outstanding Units (including the Class B Units and Units subject to Instalment Receipt Agreements under the Long Term Incentive Plan).

<b>Vesting</b>	All options granted to Eligible Individuals pursuant to the Unit Option Plan have 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 (unless otherwise specified by the Board at the time of the grant).
<b>Expiry</b>	Unless otherwise determined by the Board, all options granted shall expire no later than ten years after the date of the grant. However, for options which are scheduled to expire during a corporate blackout trading period, the term of the option will not expire until the 10 <sup>th</sup> Business Day following the expiry of the blackout period applicable to the particular optionee.
<b>Exercise Price</b>	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.
<b>Retirement or Resignation</b>	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.
<b>Termination of Employment for Cause</b>	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. 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.
<b>Termination of Employment without Cause</b>	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.
<b>Death</b>	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.

**Assignment**

Options may only be assigned to a corporation controlled by an optionee, the issued and outstanding voting shares of which are, and will continue to be, beneficially owned, directly or indirectly, by such optionee

**Adjustments**

Adjustments will be made to the exercise price of an Option, and the maximum number of Units authorized for issuance under the Unit Option Plan that may at any time be reserved for issuance pursuant to Options in certain circumstances, such as a stock dividend, stock split, recapitalization, merger, consolidation, amalgamation, combination or exchange of Units or other similar corporate change.

**Change of Control**

In the event of any "change of control" of InterRent (as such term is defined in the Unit Option Plan), any unvested options 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.

**Amendments**

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.

**Number of Options under the Unit Option Plan**

The maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed seven percent (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), being 142,323,788 Units as of May 7, 2021. 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 672,345 Units, which represents approximately 0.5% of the REIT's outstanding Units as at May 7, 2021.

**Disinterested Unitholder Approval**

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 7% of the outstanding Units;
  - (ii) the issuance to Insiders, within a one year period, of a number of Units exceeding 7% of the outstanding Units; or
- (b) the REIT is decreasing the exercise price of stock options previously granted to Insiders.

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**"). There have been no issuance of units under the LTIP plan since March of 2018.

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 seven percent (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), being 142,323,788 as of May 7, 2021. As of the date of this Circular, 1,730,000 Units are currently subject to Instalment Receipt Agreements under the Long Term Incentive Plan, representing approximately 1.2% of the outstanding Units as of May 7, 2021.

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 7% 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 7% of the total number of Units then outstanding. The Long Term Incentive Plan will be administered by the Board, or the Human Resources and 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 voluntarily elect to participate (“**DUP Participants**”).

Each DUP Participant shall:

- (a) in respect of a Trustee (who is not also an officer of the REIT), elect to be paid between sixty (60%) and one hundred percent (100%) of the annual board 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 (including any officer of the REIT who is also a Trustee) or employee, elect to be paid up to 100% of the annual cash bonus paid by the REIT to that officer or employee in a calendar year (an “**Annual Cash Bonus**”); or
- (c) in respect of an officer (including any officer of the REIT who is also a Trustee) or employee, be paid 100% of their retention bonus (“**Retention Bonus**”) and/or long-term incentive bonus (“**Annual Incentive Bonus**”),

The percentage elected by DUP Participants (the “**Elected Amount**”) is credited to an account for the participant in the form of deferred Units (“**Deferred Units**”) in lieu of cash. For 2020 and prior years, the REIT matched the Elected Amount for Annual Cash Bonuses so that the number of Deferred Units credited to each DUP Participant’s account shall equal two times the Elected Amount. Effective January 1, 2021, Trustee fees that are elected to be received in the form of deferred units will no longer be matched under the terms of the plan. DUP Participants (other than Trustees who are not also officers of the REIT) 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 Human Resources and 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 DUP 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 Human Resources and 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 this Plan as a Retention Bonus or Annual Incentive Bonus or to satisfy an Annual Cash

Bonus will be calculated by dividing (i) two times the dollar amount of the Elected Amount, the Retention Bonus and/or the Annual Incentive Bonus, as applicable, allocated to the DUP Participant; (ii) by the Market Value of a Unit on the award date. The number of Deferred Units (including fractional Deferred Units) granted at any particular time in satisfaction of a Board Retainer will be calculated by dividing (i) the dollar amount of the Elected Amount allocated to the Trustee; (ii) by the Market Value of a Unit on the award date. “**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 Human Resources and Compensation Committee, reporting to the Board. The maximum aggregate number of Units authorized for issuance under the Equity Incentive Plans shall not exceed seven percent (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), being 142,323,788 Units as of May 7, 2021. As of the date of this Circular, the REIT has 4,736,499 Deferred Units outstanding under the Deferred Unit Plan, representing approximately 3.3% of the outstanding Units as at May 7, 2021.

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 7% 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 7% of the then outstanding Units.

Deferred Units granted to DUP Participants shall vest in accordance with the following schedule, unless otherwise varied by the Board at its discretion:

- (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 by the DUP Participant (or, where the DUP Participant has died, his or her estate) following an event, including termination (other than for cause), retirement, death, or, in the case of a Trustee, departure from the Board. If a DUP Participant is terminated for cause or resigns from his or her position with the REIT (not including retirement), any Deferred Units representing (i) an Elected Amount, and (ii) 50% of any Retention Bonus, if any, shall vest immediately. 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 (other than a Trustee who is not also an officer of the REIT) 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 Human Resources and 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. Upon redemption of the full value of the Deferred Units, the Deferred Units shall be cancelled.

## Annual Burn Rate

The following table sets out the burn rate of the awards granted under InterRent's Equity Incentive Plans as of the end of the financial year ended December 31, 2020 and for the two preceding financial years. The Equity Incentive Plans included in the calculations below are the Unit Option Plan, Long Term Incentive Plan, and Deferred Unit Plan. The burn rate is calculated by dividing the number of securities granted during the relevant fiscal year by the weighted average number of Units outstanding as of December 31 for the applicable fiscal year.

	<b>Equity Incentive Plan</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Burn Rate</b>	Unit Option Plan	0.0%	0.0%	0.0%
	Long Term Incentive Plan	0.0%	0.0%	0.3%
	Deferred Unit Plan	0.2%	0.3%	1.2%

## **Securities Authorized for Issuance under Equity Compensation Plans**

The following table sets forth, as of December 31, 2020, information concerning securities authorized for issuance under equity incentive plans.

<b>Plan Category</b>	<b>Equity Incentive Plan</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted average exercise/issue price of outstanding options, warrants and rights (\$)</b>	<b>Number of securities remaining available for future issuance under equity incentive plans</b>
Equity incentive plans previously approved by security holders	Unit Option Plan	756,745	\$6.28	--
	Deferred Unit Plan	4,524,216	\$9.56	--
	Long Term Incentive Plan	1,760,000	\$6.99	--
Equity incentive plans not previously approved by security holders	--	--	--	--
<b>TOTAL</b>		7,040,961	--	2,886,961

## **Forward-Looking Information**

Certain information in this Circular may constitute "forward-looking information" within the meaning of applicable securities legislation. Specific forward-looking information in this Circular includes, without limitation, statements regarding our strategies to build stronger communities that will increase value for shareholders and our expectations for increased recurring income sources through the building of rental and commercial properties. The forward-looking information in this Circular is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Forward-looking information may also include information regarding our respective future plans or objectives and other information that is not comprised of historical fact. Forward-looking information is predictive in nature and depends upon or refers to future events or conditions; as such, this Circular uses words such as "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate" and similar expressions suggesting future outcomes or events to identify forward-looking information.

Any such forward-looking information is based on information currently available to us, and is based on assumptions and analyses made by us in light of our respective experiences and perception of historical

trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, including but not limited to: that no unforeseen changes in the legislative and operating framework for the respective businesses will occur; that we will meet our future objectives and priorities; that we will have access to adequate capital to fund our future projects and plans; that our current and future projects and plans will proceed as anticipated; that we are able to identify high quality investment opportunities and that future market and economic conditions will occur as expected.

However, whether actual results and developments will conform with the expectations and predictions contained in the forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict. Factors that could cause actual results or events to differ materially from those described in the forward-looking information include, but are not limited to: adverse changes in general market, economic and political conditions (including business and social disruptions as a result of COVID- 19); our inability to raise additional capital; our inability to execute strategic plans and meet financial obligations; risks associated with our anticipated real estate operations and investment holdings in general, including environmental and climate change risks, market risks, and risks associated with inflation, changes in interest rates and other financial exposures. For a further description of these and other factors that could cause actual results to differ materially from the forward-looking information contained, or incorporated by reference, in this Circular, see the risk factors discussed in our most recent annual information form and our most recent managements' discussion and analysis, which are available on our website at [www.interrentreit.com](http://www.interrentreit.com), on our SEDAR profile at [www.sedar.com](http://www.sedar.com).

In evaluating any forward-looking information contained, or incorporated by reference, in this Circular, we caution readers not to place undue reliance on any such forward-looking information. Any forward-looking information speaks only as of the date on which it was made. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained, or incorporated by reference, in this Circular to reflect subsequent information, events, results, circumstances or otherwise.

### **Additional Information**

Additional information relating to InterRent is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.interrentreit.com](http://www.interrentreit.com). Financial information relating to InterRent is provided in the REIT's annual financial statements and management's discussion and analysis for the financial year ended December 31, 2020. Unitholders may request copies of InterRent's financial statements and management's discussion and analysis by sending a request in writing to:

InterRent REIT  
485 Bank Street, Suite 207  
Ottawa, ON K2P 1Z2

## **TRUSTEES APPROVAL**

The contents and sending of this Circular to Unitholders entitled to receive notice of the Meeting, to each trustee, to the external auditor of the REIT and to the appropriate government agencies have been approved by the Board.

DATED at Ottawa, Ontario, the 7<sup>th</sup> day of May, 2021.

By Order of the Board of Trustees

*"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

In broad terms, the Board of Trustees (the "**Board**"/"**Board of Trustees**") 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. In performing its functions, the Board should consider the legitimate interests of all stakeholders including, but not limited to, the Trust's unitholders, its employees, customers, suppliers, tenants and the communities in which it carries on business.

###### 2. Authority

Subject to the declaration of trust of the Trust, as amended from time to time (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 have a minimum of four trustees. 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 as set out in section 1.4 of National Instrument 52-110 *Audit Committees*. 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.

The trustees shall be elected individually and not by use of a slate ballot. Absent prior approval of the Board of Trustees, a trustee shall not sit on an external board with other trustees on the Board of Trustees.

###### 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) Meeting**

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 of the Board**

The Board is responsible for carrying out the provisions of the Declaration of Trust, 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. Further, the Board has the responsibility:

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

*Duties With Respect To Oversight and Responsibility of the Business and Operations of the Trust*

- To develop the Trust's approach to corporate governance, including developing a set of corporate governance principles and guidelines;
- In fulfilling their responsibilities and duties, the trustees shall exercise their power and carry out their functions honestly, in good faith and in the best interests of the Trust, considering the interests of its unitholders and other stakeholders, and in connection therewith trustees must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and act in accordance with the Trust's articles and by-laws and all other relevant legislation and regulations;
- 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;
- To ensure the Trust sets high environmental standards in its operations and operates in compliance with environmental laws and legislation;
- 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;
- 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; and
- 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.

**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;
- annually review and approve, management's strategic and operational plans so they are consistent with long-term goals;
- annually review operating and financial performance results relative to established strategy, budgets and objectives;
- approve, upon the recommendation of the Capital Resources Committee, significant acquisitions, sales of assets or units, and material financing arrangements;
- review and approve any distribution policy and approve the timing and payment of distributions;
- review and approve targets and budgets against which to measure executive performance and the performance of the Trust;
- satisfy itself of the appropriateness of all executive and colleague compensation matters and that a portion of executive compensation is linked appropriately to the performance of the Trust; and
- satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

### **4. Managing Risk**

The Board has the responsibility to identify and 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. In identifying, understanding, monitoring and managing risk, the Board will utilize a broad definition of risk that includes, among other things, environmental and social risks.

### **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 and regularly review the succession plans for the Chair of the Board, Chief Executive Officer and other executive officers;
- 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:

- oversee 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;
- oversee that the financial performance of the Trust is adequately reported to unitholders, other security holders and regulators on a timely and regular basis;
- oversee that the financial results are reported fairly and in accordance with generally accepted accounting standards;
- oversee 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 regularly to unitholders on its stewardship of the affairs of the Trust.

## **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;
- oversee 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;
- oversee 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; and
- verify that internal financial, non-financial and business control and management information systems have been established by management. The Board shall continuously oversee the Trust's financial reporting and disclosure obligations in accordance with applicable law, approve financial statements, management discussion and analysis, and related releases, and oversee the Trust's compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures.

## **8. Role and Accountability of the Board Chair**

The Board Chair is accountable to the Board for the fulfillment of the responsibilities of the office of Board Chair as outlined in the Trusts' by-laws and will lead the Board in establishing effective corporate governance processes and practices.

## **9. Role and Accountability of the Chief Executive Officer**

The CEO is accountable to the Board for achieving corporate objectives established by the Board. The CEO will have the authority to manage and supervise the business of the Trust, including making of all decisions regarding the operations of the Trust that are not specifically reserved to the Board by law, this mandate or under the terms of any delegation of authority from the Board.

## **10. Individual Member Responsibilities**

Trustees shall have the responsibility to:

- maintain a very high record of attendance at meetings of the Board, and at committee meetings. Trustees shall advise the Chair as soon as possible after becoming aware that he or she will not be able to attend a meeting;
- carefully review and consider materials distributed in advance of each meeting;
- actively participate in discussions at meetings;
- contact the Chair and any other appropriate officers to ask questions and discuss agenda items prior to the meetings;
- participate in education programs in areas relevant to their duties on the Board of Trustees;
- refrain from serving concurrently on more than four public boards of directors, without the prior consideration and approval of the Board; and
- offer a letter of resignation to the Board upon attaining the age of seventy-five (75) years for consideration by the Board. The resignation, if accepted, will become effective following the next annual meeting of the shareholders.

#### **IV. COMMITTEES**

- There shall be four standing Committees: the audit committee, the human resources and compensation committee, the nominations and governance committee, and the capital resources 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.
- The Board shall have the authority at its discretion to create, amend, or disband a Committee.

#### **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. BOARD CHARTER REVIEW**

The Board shall regularly review and assess the adequacy of this Charter, to ensure compliance with any rules and regulations promulgated by any regulatory body and approve any modifications to this Charter as considered advisable.

#### **VII. OTHER ACTIVITIES**

- The Board shall prepare and distribute the schedule of Board meetings for each upcoming year.
- The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent Trustees and members of management are not present.
- 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.

Updated: Effective January 1, 2021