

# COMPENSATION COMMITTEE MANDATE

## PURPOSE

The purpose of this mandate is to establish the terms of reference of the Compensation Committee (the “Committee”) of Killam Apartment Real Estate Investment Trust (the “Trust” or “Killam”). The Committee is appointed by the Board of Trustees (the “Board”). The Committee is responsible for contributing to the effective stewardship of Killam by assisting the Board in fulfilling its oversight of compensation matters.

## COMPOSITION AND OPERATION

The Committee shall be comprised of a minimum of three non-employee Trustees, a majority of whom are “independent Trustees” within the meaning set forth in National Instrument 58-101 – Disclosure of Corporate Governance Practices. Members shall be appointed annually from among members of the Board, with one Trustee named as Chair. A member of the Committee shall cease to be a member of the Committee upon ceasing to be a Trustee of Killam.

## RESPONSIBILITIES

With respect to compensation matters, the Committee’s responsibilities will be to:

### Section 1 Specific Duties

- a) annually review and determine executive compensation packages for the senior officers of Killam, including salary, bonuses, restricted trust units or awards and other incentives;
- b) annually review and approve corporate goals and objectives related to compensation and evaluate the compensation of Killam’s executive officers in light of those goals and objectives;
- c) conduct annually and report to the Board the result of performance appraisals of the chief executive officers and other officers as appropriate;
- d) periodically review Killam’s executive benefit plans to ensure the appropriateness thereof;
- e) review annually and recommend for approval to the Board the executive compensation disclosure of Killam in its management information circular;
- f) review and approve any management contract, change of control agreements, indemnity agreements, and significant consulting contracts; and
- g) review annually and report to the Board on the adequacy of the Committee’s mandate.

### Section 2 Authority to Engage Advisors

- a) the Committee shall be authorized to retain and compensate any outside advisor as it determines necessary to permit it to carry out its duties.

### Section 3 Delegation

- a) the Committee shall be authorized to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.

### Section 4 Administrative Matters

- a) the Committee shall meet as required, but not less than twice each year;

- b) the quorum for meetings of the Committee shall be two members thereof. Business may be transacted by the Committee at a meeting of its members at which a quorum is present or by a resolution in writing signed by all the members of the Committee;
- c) any member of the Committee may be removed or replaced at any time by the Board. If a vacancy exists on the Committee, the remaining members may exercise all of the powers of the Committee so long as a quorum remains. Subject to the foregoing, each member of the Committee shall hold office until the close of the next annual meeting of unitholders following the date of appointment as a member, or until a successor is duly appointed;
- d) the Committee may invite such officers, Trustees and employees of the Trust as it may see fit from time to time to attend meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
- e) the time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee unless otherwise determined by resolution of the Board; and
- f) the members of the Committee shall, for the purpose of performing their duties, have the right to inspect all the books and records of Killam and its subsidiaries, and to discuss such books and records as are in any way related to the compensation of any one or more of the Trustees and officers of Killam with the officers and employees of Killam and its subsidiaries.

#### Section 5 Record Keeping for Due Diligence Purposes

- a) Compensation should be demonstrably fair to the Trust and its executive officers and key employees.
- b) Minutes of the Committee meetings shall be recorded and maintained. The chair of the Committee shall report to the Board on the activities of the Committee and the minutes of the Committee meetings will be promptly circulated to the Trustees who are not members of the Committee upon request.