



Insider Trading Policy

Updated June 22, 2017

1. General Rule

Any person who possesses material non-public information concerning Killam Apartment Real Estate Investment Trust ("Killam" or the "REIT") must not buy or sell, and must not advise others to buy or sell, Killam REIT Units or Exchangeable Units ("Units") until full disclosure of such information has been made to the public. Restricted Units may be redeemed, but the Units received cannot be sold until full disclosure of the material non-public information has been made to the public.

2. Application of the Policy

This policy applies to Board members, officers, senior management and head office staff of Killam and to any other employee of Killam and its subsidiaries who may be in possession of or have access to confidential, material information regarding Killam.

For purposes of this policy, "senior management" means CEO, EVP, CFO, VPs and Directors, whether or not officers of Killam.

This policy applies to all trades in Killam Units, including, but not limited to, purchases or sales of Killam Units and the redemption of Restricted Units and subsequent sale of Units received.

2. Definition of Insiders

An insider is any person who possesses non-public material information about Killam ("Insider"). This policy also applies to the immediate family (defined as direct family members living in the same household) of such Insider and to any corporation, partnership or other entity affiliated with or controlled by such Insider. A person can be an Insider for a limited period of time with respect to certain undisclosed information which s/he knows, even though s/he may not be an Insider with respect to other information. For example, an assistant who learns that earnings are significantly above or below expectations may be an Insider with respect to that information until the news has been fully disclosed to the public.

4. Tipping

In addition, Insiders may be liable for improper transactions by "tippees", i.e. persons to whom they have disclosed material non-public information regarding the REIT (including to family members). If you have material non-public information, you should not disclose this information to anyone outside the REIT. Also, you should not disclose this information, in writing or casually, to any other Killam employee unless that employee has a need to know the information in order to perform his or her job.

5. Definition of Material Information

It is not possible to define all categories of material information. Information should be regarded as material if there is a likelihood that it would be considered important by a unitholder or investor in making voting decisions or a decision to buy or sell Killam Units. While it may be difficult under this standard to determine whether certain information is material, there are various categories of information that would ordinarily be regarded as material, such as:

- Changes in Unit ownership that may affect control of the REIT
- Major reorganizations, amalgamations or mergers
- Takeover bids, issuer bids or insider bids
- Public or private sale of additional securities
- Planned repurchases or redemptions of securities
- Planned splits of Units
- Changes in the REIT's distribution payments or policies
- Material modification to rights of security holders
- A significant increase or decrease in near-term earnings prospects
- Unexpected changes in financial results for any periods
- Changes in the value or composition of the REIT's assets
- Any development that affects the REIT's technology, products or markets
- Major labour disputes or disputes with major contractors or suppliers
- Significant new contracts, products, patents or services or significant losses of contracts or business
- The commencement of, or developments in, material legal proceedings or regulatory matters
- Significant acquisitions or dispositions of assets, property or joint venture interests
- The borrowing or lending of a significant amount of money
- Any mortgaging or encumbering of the REIT's assets
- Changes in rating agency decisions
- Significant new credit arrangements

As a general rule, if the information makes you think of buying or selling Killam Units, it probably would have the same effect on others and would therefore constitute material information.

6. Definition of "Non-public" Information

Information is "non-public" if it has not been fully disclosed to the public via a press release issued through major newswire services, national news services and financial news services followed by publication in the print media. Full disclosure also means the securities markets have had the opportunity to digest the news. For the purposes of this policy, information will be considered public, i.e. no longer "non-public", after the close of the second full trading day following the REIT's widespread public release of the information.

7. Regular Blackout Periods

Quarterly trading blackout periods will apply to all Board members, officers, senior management, head office employees, property managers and any other staff who have information relating to Killam's financial results during periods when financial statements are being prepared but results have not yet been publicly disclosed.

Following the first, second and third quarter ends, the blackout period begins at the opening of trading on or after the 7th calendar day after the end of a quarter and ends after the 2nd full trading day following the issuance of a news release disclosing Killam's financial results. Following the fourth quarter, the blackout period begins the opening of trading on or after the 14th calendar day and ends after the 2nd full trading day following the issuance of a news release disclosing Killam's financial results.

Directors, officers or employees, including entities affiliated with or controlled by such persons, may not trade Units during regular blackout periods. This group may, however, redeem Restricted Units but may not sell the Units received until the blackout period is no longer in effect.

8. Discretionary Blackout Periods

The REIT may announce discretionary blackout periods from time to time as a result of special circumstances relating to the REIT when Insiders would be precluded from trading in its securities. All parties with knowledge of such special circumstances should be covered by the blackout. These parties may include external advisors such as legal counsel, investment bankers, investor relations consultants and other professional advisors, and counterparties in negotiations of material potential transactions.

All Killam team members who are considered in a blackout period for discretionary blackout periods will receive notice that they are designated Blacked-out Employees during such periods.

Directors, officers and employees may confirm if a blackout is in effect by checking with the Chief Financial Officer ("CFO").

9. Prior Notification and Approval of Trades by Directors, Officers and Senior Management

To assist in preventing even the appearance of an improper Insider trade, the following procedures must be followed by all Board members, officers and senior management of Killam. Prior notice of the intention to carry out a trade (including either the purchase or sale of any securities of Killam) shall be provided to one of the Designated Officers identified in Appendix A to this policy.

No trade shall be carried out without the approval of one of the Designated Officers. Any approval granted for any proposed trade will be valid for a period of 7 days, unless revoked prior to that time. No trade may be carried out after the expiry of 7 days following the receipt of approval unless such approval is renewed. The notice of intention to carry out a trade should be provided in writing. Approval of any trade will also be provided in writing.

Attached as Appendix B to this policy is a suggested form of notification to be used in connection with a proposed purchase, sale or other transaction in Killam securities. Board members, officers and employees are reminded that, notwithstanding any approval of a trade by a Designated Officer, the ultimate responsibility for complying with this Policy and applicable laws and regulations rests with the individual.

10. Insider Reporting Requirements

All Board members, certain senior executive officers (President & CEO, EVP, CFO, all Vice Presidents), and certain other "Insiders" of Killam are required to file an insider trading report in Canada within 10 days after becoming an insider, disclosing such person's beneficial ownership of or control or direction over securities of Killam, including shares, debt securities, and security-based awards under Killam compensation plans.

Each "Insider" is required to file an insider trading report with securities regulators any time such beneficial ownership of or control or direction changes within **five days** (including weekends and holidays) of the date on which the change occurs.

Erin Cleveland, Killam's VP Finance, is available to file the required insider trading reports. Any individual completing a transaction should contact Erin in order for the required insider filing to be completed. Insiders are reminded that they remain personally responsible for the timely disclosure of their trading activities and that the assistance offered by Killam in no way reduces the obligations imposed on them by applicable insider trading laws.

11. Options, Puts, Calls and Like Instruments

Insiders are restricted from buying or selling or otherwise trading options, puts, calls or similar types of instruments exercisable into Killam Units or take short positions in Killam Units. This policy does not pertain to REIT issued options, which cannot be traded.

12. Application of Policy after Employment Terminates

If your employment terminates at a time when you have, or think you may have, material non-public information about the REIT or its business partners, the prohibition on trading on such information continues until such information is absorbed by the market following public announcement of it by the REIT or another authorized party, or until such time as the information is no longer material. If you have questions as to whether you possess material non-public information after you have left the employ of the REIT, you should direct questions to the CFO.

13. Potential Criminal and Civil Liability

The consequences of prohibited insider trading, tipping or a failure to file an insider report where required on a timely basis can be severe and may include dismissal, fines, and criminal sanctions.

Insider Trading

Quick reference list

DO NOT TRADE SECURITIES OF KILLAM OR OF ANOTHER PUBLIC COMPANY OR REIT WHEN YOU:

- know material information about Killam which has not been generally disclosed and disseminated to the public
- know material information about another public company or REIT which has not been generally disclosed and disseminated to the public and you learned of such material information because of your business or dealings with Killam
- have received notice from the CFO or his/her designee that you are subject to a blackout period

Appendix A

Designated Officers

Philip Fraser
President & CEO
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Robert Richardson, FCPA, FCA
Executive Vice-President
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Dale Noseworthy, CPA, CA, CFA
Chief Financial Officer
902-442-0388
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Erin Cleveland, CPA, CA
VP Finance
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Appendix B

Killam Apartment REIT NOTICE OF INTENTION TO TRADE SECURITIES

I hereby notify you of my intention to execute the following transaction in securities of Killam Apartment REIT and request approval of such transaction.

Type of transaction (check one):

Purchase Sale Other

If you selected "Other", please explain:

Number of Units to be traded: _____

I confirm that I am aware of the legal prohibitions against insider trading and confirm that I am not in possession of any material information relating to Killam or any of its operations which has not been disclosed to the public generally.

I understand that Killam's Insider Trading Policy supplements, and does not replace, applicable insider trading laws. I understand that a violation of insider trading or tipping laws and regulations may subject me to severe civil and/or criminal penalties, and that violation of the terms of Killam's Insider Trading Policy will subject me to discipline by Killam, up to and including termination.

I understand that, notwithstanding any trading authorization granted upon approval of this form, I remain personally responsible for complying with the Insider Trading Policy and applicable laws and regulations.

Name (please print) _____

Signature _____

Date _____

AUTHORIZATION

Authorized by: _____ Date: _____ Time: _____

This authorization is valid for seven days, unless revoked prior to that time.