

## TERMS OF REFERENCE FOR A TRUSTEE

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The board of trustees (the "Board") of Morguard North American Residential Real Estate Investment Trust (the "REIT") has established the following standards for trustees.

### A. GENERAL

As a member of the Board, each trustee will:

- i. fulfil the legal requirements and obligations of a trustee, which includes a comprehensive understanding of the statutory and Canadian common law fiduciary obligations; and
- ii. always ensure the best overall interests of the REIT are paramount.

### B. BOARD OF TRUSTEES ACTIVITY

As a member of the Board, each trustee will:

- i. act with integrity;
- ii. respect confidentiality;
- iii. use his or her ability, experience and influence constructively;
- iv. be available as a resource to management and the Board;
- v. advise the Chief Executive Officer (the "CEO"), Lead Director or Chair in advance of introducing significant and previously unknown information at a Board meeting;
- vi. as necessary and appropriate, communicate with the Chair, Lead Director and senior management between meetings; and
- vii. demonstrate a willingness and availability for individual consultation with the Chair, Lead Director and senior management.

### C. PREPARATION AND ATTENDANCE

To enhance the effectiveness of Board and committee meetings, each trustee will:

- i. prepare for each Board and committee meeting by reading the reports and background materials provided for the meeting; and
- ii. maintain an excellent Board and committee meeting attendance record<sup>1</sup>

### D. COMMUNICATION

Communication is fundamental to Board effectiveness and therefore each trustee will:

- i. participate fully and frankly in the deliberations and discussions of the Board;
- ii. encourage free and open discussion of the REIT's affairs by the Board;
- iii. establish an effective, independent and respected presence and a collegial relationship with other trustees;
- iv. focus inquiries on issues related to strategy, policy and results rather than issues relating to the day-to-day management of the REIT; and

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<sup>1</sup> The target is 100% attendance. Anything less than 80%, without extenuating circumstances, would create a considerable concern for the Board.

- v. respect the fact that the CEO is the chief spokesperson for the REIT and individual trustees are only involved in external communications at the request of, and/or with the approval of, and in coordination with, the CEO.

## E. COMMITTEE WORK

In order to assist Board committees in being effective and productive each trustee will:

- i. participate on committees and become knowledgeable about the purpose and goals of each committee; and
- ii. understand the process of committee work, and the role of management and staff supporting the committee.

## F. INDUSTRY AND CORPORATE KNOWLEDGE

Recognizing that decisions can only be made by well-informed trustees, each trustee will:

- i. become generally knowledgeable of the business of the REIT and its industry;
- ii. participate in trustee orientation and development programs developed by the REIT from time to time;
- iii. maintain an understanding of the regulatory, legislative, business, social and political environments within which the REIT operates; and
- iv. become acquainted with the senior officers of the REIT.