



**TRUE NORTH COMMERCIAL
REAL ESTATE INVESTMENT TRUST**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS
TO BE HELD ON JUNE 10, 2019
AND
MANAGEMENT INFORMATION CIRCULAR**

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TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST

NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the “**Meeting**”) of the holders of trust units and special voting units (the “**Unitholders**”) of True North Commercial Real Estate Investment Trust (the “**REIT**”) will be held at The TSX Gallery, 130 King Street West, Toronto, Ontario on Monday, June 10, 2019 at 4:30 p.m. (Toronto time) for the following purposes:

- (a) to receive the audited consolidated annual financial statements of the REIT as at and for the year ended December 31, 2018 and the auditor’s report thereon;
- (b) to elect trustees of the REIT for the ensuing year;
- (c) to re-appoint the auditor of the REIT for the ensuing year and to authorize the board of trustees (the “**Board**”) to fix such auditor’s remuneration;
- (d) to consider and, if thought advisable, to pass, with or without variation, a resolution reconfirming the amended and restated unitholder rights plan of the REIT, as more fully described in the accompanying management information circular;
- (e) to consider and, if thought fit, to pass a resolution confirming the adoption by the REIT of its incentive trust unit plan, as more particularly described in the accompanying management information circular; and
- (f) to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The management information circular (“**Circular**”) provides additional information relating to voting and the matters to be dealt with at the Meeting and forms part of this Notice. The Board has fixed April 24, 2019 as the record date for determining those Unitholders entitled to receive notice of and vote at the Meeting.

In connection with the Meeting, the REIT will be using the Canadian Securities Administrators’ “notice-and-access” delivery method which allows the REIT to furnish the Circular and accompanying materials to Unitholders via the Internet resulting in lower administrative costs and a reduction in the environmental impact of the Meeting. On or about May 10, 2019, the REIT intends to mail to Unitholders of record as of April 24, 2019, a notice with information about the notice-and-access process and voting instructions, as well as a proxy or voting instruction form containing instructions on how to access the Circular and accompanying materials. Pursuant to the notice-and-access delivery method, Unitholders will receive a proxy or voting instruction form enabling them to vote at the Meeting. However, instead of receiving a paper copy of the Circular, Unitholders will be provided with information on how to access the Circular electronically. **UNITHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR PRIOR TO VOTING.** Unitholders with questions about notice-and-access may contact the REIT’s transfer agent, TSX Trust Company, toll free at 1-866-600-5869 or by email at tmxinvestorservices@tmx.com. The Circular and any additional materials can be viewed online on the REIT’s website at www.truenorthreit.com or under the REIT’s SEDAR profile at www.sedar.com. Please note if you request a paper copy of the Circular, you will not receive a new form of proxy or voting instruction form, so Unitholders should retain the forms to facilitate voting.

Registered Unitholders who are unable to personally attend the Meeting are encouraged to vote their proxy online at www.voteproxyonline.com. You may also complete, sign, date and return the enclosed form of proxy to the REIT's transfer agent, TSX Trust Company, in the envelope provided or otherwise by mail or hand delivery to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by facsimile at 416-595-9593; or by hand delivery to the REIT at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3. To be effective, proxies must be received not later than 4:30 p.m. (Toronto time) on June 6, 2019 or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting.

Dated at Toronto, Ontario, this 2nd day of May, 2019.

BY ORDER OF THE TRUSTEES OF TRUE NORTH
COMMERCIAL REAL ESTATE INVESTMENT TRUST

(signed) DANIEL DRIMMER
Chairman of the Board, President
and Chief Executive Officer

TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST
MANAGEMENT INFORMATION CIRCULAR

INTRODUCTION

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by and on behalf of management of True North Commercial Real Estate Investment Trust (the “REIT”) for use at the annual meeting (the “Meeting”) of the holders of trust units (“Units”) and special voting units (“Special Voting Units”) of the REIT (collectively, the “Unitholders”) to be held on June 10, 2019 and any adjournment or postponement thereof for the purposes set forth in the accompanying notice of Meeting (the “Notice”). It is expected the solicitation will be primarily by mail, but proxies may also be solicited by telephone, or other personal contact by representatives of the REIT, without special compensation. The costs of solicitation will be borne by the REIT. The information contained herein is given as at April 24, 2019, except where otherwise indicated.

GENERAL INFORMATION

The REIT is utilizing the notice-and-access procedures adopted by the Canadian Securities Administrators for the distribution of this Circular to Registered Unitholders and Non-Registered Holders (each as defined below). Notice-and-access is a set of rules that allows issuers to post electronic versions of proxy-related materials (such as management information circulars and annual financial statements) on-line via the SEDAR website at www.sedar.com and one other website, rather than mailing paper copies of such materials to Unitholders. Notice-and-access directly benefits the REIT through a substantial reduction in both postage and printing costs and also promotes environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

It is anticipated that copies of proxy-related materials will be distributed to Registered Unitholders and Non-Registered Holders on or about May 10, 2019 pursuant to the notice-and-access delivery method. In addition, information about the notice-and-access process and voting instructions as well as a voting instruction form or proxy form (collectively, the “meeting materials”) will be distributed to Unitholders on or about May 10, 2019.

Registered Unitholders and Non-Registered Holders with questions about notice-and-access may contact the REIT’s transfer agent, TSX Trust Company, toll-free at 1-866-600-5869 or by email at tmxeinvestorservices@tmx.com.

Registered Unitholders and Non-Registered Holders may obtain paper copies of this Circular by postal delivery at no cost to them. Requests may be made up to one year from the date the Circular is filed on SEDAR at www.sedar.com, by calling TSX Trust Company toll free at 1-866-600-5869, or via e-mail to tmxeinvestorservices@tmx.com. In order to receive the Circular in sufficient time to allow for review and return of the proxy by not later than 4:30 p.m. (Toronto time) on June 6, 2019, a request for paper copies should be made so that it is received by TSX Trust Company no later than the end of business on May 30, 2019.

MEANING OF CERTAIN REFERENCES

References to dollars or “\$” are to Canadian currency. Unless the context otherwise requires, all references hereinafter in this Circular to the “REIT” refer to True North Commercial Real Estate Investment Trust and its subsidiary entities, including those limited partnerships (the “Partnerships”) formed from time to time to own commercial properties acquired by the REIT, on a consolidated basis.

References to “management” in this Circular include the persons acting in the capacity of the REIT’s President and Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), who are the beneficial owner and an executive officer of Starlight Group Property Holdings Inc. (“Starlight”), respectively. Any statements in this Circular made by or on behalf of management are made in such persons’ capacities as executive officers of the REIT and not in their personal capacities.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking statements are provided for the purposes of assisting the reader in understanding the REIT's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future. Readers are cautioned such statements may not be appropriate for other purposes. Forward-looking information may relate to future results, performance, achievements, events, prospects or opportunities for the REIT or the real estate industry and may include statements regarding the financial position, business strategy, budgets, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the REIT. In some cases, forward-looking information can be identified by such terms as "may", "might", "will", "could", "should", "would", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "goal", "project", "predict", "forecast", "potential", "continue", "likely", or the negative thereof or other similar expressions suggesting future outcomes or events.

Forward-looking statements involve known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the REIT's control, affect the operations, performance and results of the REIT and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to, risks related to the Units and risks related to the REIT and its business. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as there can be no assurance actual results will be consistent with such forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions applied in drawing a conclusion or making a forecast or projection, including management's perception of historical trends, current conditions and expected future developments, as well as other considerations believed to be appropriate in the circumstances, including the following: the Canadian economy will remain stable over the next 12 months; inflation will remain relatively low; interest rates will remain relatively stable; conditions within the real estate market, including competition for acquisitions, will be consistent with the current climate; the Canadian capital markets will provide the REIT with access to equity and/or debt at reasonable rates when required; Starlight or any affiliate of Starlight will continue its involvement as asset manager of the REIT in accordance with its current asset management agreement made as of December 14, 2012 among Starlight and the REIT (the "**Asset Management Agreement**"); and the risks referenced above, collectively, will not have a material impact on the REIT. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking statements made in this Circular relate only to events or information as of the date on which the statements are made. Except as specifically required by applicable Canadian law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

This Circular includes a summary description of certain material agreements of the REIT. The summary description discloses all attributes material to an investor in securities of the REIT, but is not complete and is qualified by reference to the terms of the material agreements, which have been filed with the Canadian securities regulatory authorities and are available on SEDAR at www.sedar.com. Investors are encouraged to read the full text of such material agreements.

PROXY MATTERS

Appointment and Revocation of Proxies

A form of proxy is enclosed and, if it is not your intention to be present in person at the Meeting, you are asked to complete and return the form of proxy in the envelope provided. The form of proxy must be executed by the Registered Unitholder or the attorney of such Unitholder, duly authorized in writing. Proxies to be used at the Meeting must be deposited with the REIT's transfer agent, TSX Trust Company, in the envelope provided or otherwise by mail or hand delivery to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or by facsimile at 416-595-9593; or by hand delivery to the REIT at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3, not later than 4:30 p.m. (Toronto time) on June 6, 2019 or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting.

The persons named in the enclosed form of proxy are trustees ("**Trustees**") and executive officers of the REIT. **A Unitholder may appoint a proxyholder (who is not required to be a Unitholder), other than any person designated in the form of proxy, to attend and act on such Unitholder's behalf at the Meeting, either by inserting such other desired proxyholder's name in the blank space provided on the form of proxy or by substituting another proper form of proxy. A Registered Unitholder may also appoint a proxyholder online at www.voteproxyonline.com.**

A Registered Unitholder who has provided a proxy pursuant to this solicitation may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by the Unitholder or by the attorney of such Unitholder authorized in writing or, if the Registered Unitholder is a corporation, by a duly authorized officer or attorney thereof, and deposited either at the office of the REIT at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3 not later than 4:30 p.m. (Toronto time) on June 6, 2019 or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting at which the form of proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law.

Registered Unitholders

A Unitholder is a "**Registered Unitholder**" if shown on April 24, 2019 (the "**Record Date**") on the list of Unitholders kept by TSX Trust Company, as registrar and transfer agent of the REIT. Certificates have been issued to Registered Unitholders which indicate such Unitholder's name and the number of securities owned by the Unitholder. Registered Unitholders will receive a form of proxy from TSX Trust Company representing the Units or Special Voting Units (together, "**Voting Units**") held by the Registered Unitholder.

Non-Registered Holders

A holder of Voting Units is a non-registered (or beneficial) Unitholder (a "**Non-Registered Holder**") if the Voting Units are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") the Non-Registered Holder deals with in respect of the Voting Units, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, tax-free savings accounts (as such terms are used in the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time) and similar plans; or
- (b) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the REIT has distributed copies of the meeting materials to the clearing agencies and Intermediaries for distribution to Non-Registered Holders.

Voting Instructions

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service company (such as Broadridge Financial Solutions, Inc. ("**Broadridge**")) to forward the meeting materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive meeting materials will be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or via the Internet at www.proxyvote.com.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Voting Units they beneficially own. Should a Non-Registered Holder who receives a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should follow the corresponding instructions on the form. Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.

A Non-Registered Holder giving a proxy may revoke the proxy by contacting his or her Intermediary in respect of such proxy and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke a proxy if it receives insufficient notice of revocation.

In respect of any meeting materials sent directly to a Non-Registered Holder by the REIT or their agent, the Non-Registered Holder's name and address and information about the Non-Registered Holder's holdings of Voting Units have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on such Non-Registered Holder's behalf. By choosing to send the meeting materials to the Non-Registered Holder directly, the REIT (and not the Intermediary holding on the Non-Registered Holder's behalf) has assumed responsibility for (a) delivering the meeting materials to the Non-Registered Holder, and (b) executing the Non-Registered Holder's proper voting instructions. Non-Registered Holders are asked to return their voting instruction form in accordance with the specific instructions noted thereon.

The REIT will pay for an Intermediary to deliver proxy materials to objecting beneficial owners. The meeting materials sent to non-objecting beneficial owners ("NOBOs") and objecting beneficial owners who have not waived the right to receive the meeting materials are accompanied by a voting instruction form. By returning the voting instruction form in accordance with the instructions noted thereon, a NOBO is able to instruct the voting of the Voting Units owned by it. Voting instruction forms, whether provided by the REIT or by an Intermediary, should be completed and returned in accordance with the specific instructions noted thereon.

Voting of Units

The Voting Units represented by proxies or voting instruction forms will be voted "for" or "withhold" in accordance with the instructions of the Unitholder on any ballot that may be called for and, if the Unitholder specifies a choice with respect to any matter to be acted upon at the Meeting, Voting Units represented by properly executed proxies or voting instruction forms will be voted accordingly.

If no choice is specified by a Unitholder with respect to the appointment of a proxyholder and to any matter to be acted upon at the Meeting, the Voting Units represented by such Unitholder's proxy or voting instruction form will be voted FOR each of the matters set out in the Notice by the persons named in the enclosed form of proxy.

The REIT's registrar and transfer agent, TSX Trust Company, will serve as independent scrutineer at the Meeting, and will tabulate all votes at the Meeting.

Exercise of Discretion by Proxy

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice and with respect to such other matters as may properly come before the Meeting or any adjournment or postponement thereof. At the date of this Circular, the Trustees and management of the REIT are not aware of any amendments or other matters to come before the Meeting other than the matters referred to in the Notice. With respect to amendments to matters identified in the Notice or other matters that may properly come before the Meeting or any adjournment or postponement thereof, Voting Units represented by properly executed proxies will be voted by the persons so designated in their discretion.

Voting at Meetings and Quorum

The board of trustees of the REIT (the "**Board**") has fixed April 24, 2019 as the Record Date for the purpose of determining which Unitholders are entitled to receive the Notice and vote at the Meeting or any adjournment or postponement thereof, either in person or by proxy. No person acquiring Voting Units after that date shall, in respect of such Voting Units, be entitled to receive the Notice and vote at the Meeting or any adjournment or postponement thereof.

As of the Record Date, the REIT had 57,501,982 outstanding Units, each carrying the right to one vote per Unit at the Meeting, and 4,268,837 outstanding Special Voting Units, each carrying the right to one vote per Special Voting Unit at the Meeting. The Units are listed on the Toronto Stock Exchange ("**TSX**") under the symbol "TNT.UN".

Unless otherwise required by law or the second amended and restated declaration of trust of the REIT made as of May 22, 2014 (the “**Declaration of Trust**”), every question coming before the Meeting or any adjournment or postponement thereof shall be decided by the majority of the votes duly cast on the question. The quorum at the Meeting or any adjournment or postponement thereof (other than an adjournment for lack of quorum) shall consist of at least two individuals present in person, each of whom is a Unitholder or a proxyholder representing a Unitholder, and who hold or represent by proxy not less than 10% of the total number of outstanding Units of the REIT as at the Record Date.

QUESTIONS AND ANSWERS

Q. What am I voting on?

A. Unitholders are voting on:

- the election of Trustees for the ensuing year;
- the re-appointment of the auditor of the REIT and to authorize the Trustees to fix such auditor’s remuneration.
- the renewal of the amended and restated unitholder rights plan of the REIT.
- the adoption by the REIT of its incentive trust unit plan.

Q. Who is entitled to vote?

A. You are entitled to vote if you were a Unitholder as at the close of business on April 24, 2019, which is the Record Date. Each Voting Unit entitles the holder to one vote on those items of business identified in the Notice. If you acquired your Voting Units after the Record Date, please refer to the answer to the question “What if ownership of Voting Units has been transferred after the Record Date?”.

Q. How do I vote?

A. There are two ways you can vote your Voting Units if you are a Registered Unitholder. You may vote in person at the Meeting, or you may complete the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a Unitholder, to represent you as proxyholder and vote your Voting Units at the Meeting. Proxies may be voted online at www.voteproxyonline.com or deposited with the REIT’s transfer agent, TSX Trust Company.

If your Voting Units are held in the name of an Intermediary, please refer to the answer to the question “If my Voting Units are not registered in my name but are held in the name of an Intermediary (i.e., a bank, trust company, securities broker, trustee or other), how do I vote my Voting Units?” to determine how you may vote your Voting Units.

Q. If my Voting Units are not registered in my name, but are held in the name of an Intermediary (i.e., a bank, trust company, securities broker, trustee or other), how do I vote my Voting Units?

A. Generally, Non-Registered Holders who have not waived the right to receive meeting materials will be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or via the Internet at www.proxyvote.com.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Voting Units they beneficially own. Should a Non-Registered Holder who receives a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should follow the corresponding instructions on the form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies. Please refer to “Non-Registered Holders”.

Q. What if I plan to attend the Meeting and vote in person?

A. If you are a Registered Unitholder and plan to attend the Meeting and wish to vote your Voting Units in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. Please register with our transfer agent, TSX Trust Company, upon arrival at the Meeting. If your Voting Units are held in the name of an Intermediary and you wish to attend the Meeting, please refer to the answer to the question “If my Voting Units are not registered in my name but are held in the name of a nominee (i.e., a bank, trust company, securities broker, trustee or other), how do I vote my Voting Units?” for voting instructions.

Q. Who is soliciting my proxy?

A. The enclosed form of proxy is being solicited by management of the REIT and the associated costs will be borne by the REIT. It is expected the solicitation will be primarily by mail, but proxies may also be solicited by telephone or other personal contact by representatives of the REIT. The REIT may also engage a proxy solicitation firm to solicit proxies in favour of the resolutions described herein.

Q. What if I sign the form of proxy?

A. Signing the form of proxy gives authority to Mr. Daniel Drimmer, the Chairman of the Board, President and CEO of the REIT or failing him, Ms. Tracy Sherren, the CFO of the REIT, or to another person you have appointed, to vote your Voting Units at the Meeting.

Q. Can I appoint someone other than those representatives to vote my Voting Units?

A. Yes. Write the name of this person, who need not be a Unitholder, in the blank space provided in the form of proxy and strike out the names of the management nominees. It is important to ensure any other person you appoint is attending the Meeting and is aware they have been appointed to vote your Voting Units. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of the transfer agent, TSX Trust Company.

Q. What do I do with my completed proxy?

A. For Registered Unitholders, you may complete your proxy online at www.voteproxyonline.com or you may return it to our transfer agent, TSX Trust Company, in the envelope provided, or otherwise by mail or hand delivery to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or by facsimile to 416-595-9593; or by hand delivery to the REIT at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3, not later than 4:30 p.m. (Toronto time) on June 6, 2019 or, if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. This will ensure your vote is recorded. For Non-Registered Holders who receive materials through their broker or other Intermediary, the Unitholder should complete and send the voting instruction form in accordance with the instructions provided by their broker or other Intermediary.

Q. If I change my mind, can I take back my proxy once I have given it?

A. Yes. If you change your mind and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if Voting Units are held by a corporation, under the corporation's corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered either to the office of the REIT at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3 on or before the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or to the Chairman on the day of the Meeting or any adjournment of the Meeting, prior to the time of voting, or in any other manner permitted by law.

Q. How will my Voting Units be voted if I give my proxy?

A. Voting Units represented by proxies will be voted "for", "withhold" or "against" from voting in accordance with the instructions of the Unitholder. If the Unitholder specifies a choice with respect to any matter to be acted upon at the Meeting, Voting Units represented by properly executed proxies will be voted accordingly.

With respect to the:

- election of the Trustee being nominated by management as Trustees; and
- re-appointment of the auditor and the authorization of the Trustees to fix the remuneration of the auditor,

Unitholders have the option of voting their Voting Units either FOR such election or re-appointment, or to WITHHOLD the Voting Units from voting for such election or re-appointment. If no specification is made to WITHHOLD the said Voting Units from voting, a proxyholder will vote such Units FOR such election or re-appointment.

With respect to the:

- renewal of the amended and restated unitholder rights plan of the REIT; and
- the adoption by the REIT of its incentive trust unit plan,

Unitholders have the option of voting their Voting Units either FOR or AGAINST such renewal or adoption. If no specification is made to vote AGAINST the said Voting Units, a proxyholder will vote such Units FOR such renewal or adoption.

Q. What if amendments are made to these matters or if other matters are brought before the Meeting?

A. The form of proxy that relates to this Circular confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice and with respect to such other matters as may properly come before the Meeting or any adjournment or postponement thereof. At the date of this Circular, the Board or management of the REIT is not aware of any amendments or other matters to come before the Meeting other than the matters referred to in the Notice. With respect to amendments to matters identified in the Notice or other matters that may come before the Meeting, such Voting Units will be voted by the persons so designated in their discretion.

Q. How many Voting Units are entitled to vote?

A. The Board has fixed April 24, 2019 as the Record Date for the purpose of determining which Unitholders are entitled to vote at the Meeting. On April 24, 2019, there were 57,501,982 Units and 4,268,837 Special Voting Units outstanding. Each Unit and Special Voting Unit is entitled to one vote on each matter to be voted upon at the Meeting.

Q. What if ownership of Voting Units has been transferred after the Record Date?

A. The Declaration of Trust of the REIT provides that only a holder of Voting Units of record at the close of business on the Record Date is entitled to vote at the applicable Meeting, even where such Unitholder has since that date disposed of his or her Voting Units, and no Unitholder becoming such after the Record Date will be entitled to receive notice of and vote at the applicable Meeting or any adjournment thereof.

Q. How will the votes be counted?

A. The REIT's registrar and transfer agent, TSX Trust Company, will serve as independent scrutineer at the Meeting, and will tabulate all votes at the Meeting.

Q. If I need to contact the transfer agent, how do I reach it?

A. You can contact the transfer agent by mail at:

TSX Trust Company
Suite 301, 100 Adelaide Street West
Toronto, Ontario, M5H 4H1

or by telephone: 416-361-0930 ext. 205
or by toll-free throughout North America: 1-866-600-5869
or by email: tmxinvestorservices@tmx.com

PRINCIPAL HOLDERS OF VOTING UNITS

To the knowledge of the Board and management of the REIT, as of the Record Date, no person or company beneficially owned, or controlled or directed, directly or indirectly, Voting Units carrying 10% or more of the votes attached to the outstanding Voting Units of the REIT.

Management understands the Voting Units registered in the name of CDS & Co. are beneficially owned through various Intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such Units are not known to the REIT. Except as set out above, the REIT and executive officers of the REIT have no knowledge of any person or company that beneficially owns, or controls or directs, directly or indirectly, 10% or more of the outstanding Voting Units.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The REIT's audited consolidated annual financial statements as at and for the year ended December 31, 2018, together with the auditor's report thereon (the "**financial statements**") will be tabled before the Unitholders at the Meeting for consideration by the Unitholders. The financial statements have been approved by the audit committee of the REIT (the "**Audit Committee**") and by the Board. Copies of the financial statements may be obtained from the Corporate Secretary of the REIT upon request and will be available at the Meeting. The financial statements are also available on the REIT's website at www.truenorthreit.com or under the REIT's SEDAR profile at www.sedar.com.

2. Election of Trustees

The Declaration of Trust provides the REIT must have a minimum of three and a maximum of ten Trustees, and presently, the number of Trustees is set at seven. The Declaration of Trust also grants Starlight the exclusive right to appoint certain Trustees (the "**Starlight Appointed Trustees**") of the REIT based on the size of the Board, as shown in the following table:

Proportion of Units Owned by Starlight (on a fully diluted basis)	Total Number of Trustees of the REIT	Number of Starlight Appointed Trustees
10% or greater	Greater than 9	3
	6 to 9	2
	Less than 6	1
less than 10%, but no less than 5%	Any	1
less than 5%	Any	0

Starlight has determined not to exercise such appointment rights in respect of Trustees to be elected at the Meeting, although it may exercise such appointment rights in the future. Since the REIT's inception in 2012, Starlight has not exercised its appointment rights in respect of Trustees to be elected at its annual Unitholders meetings. The REIT and Starlight have provided an undertaking to the Ontario Securities Commission (the "**OSC**") concurrently with a short form base shelf prospectus dated June 1, 2018 (with the securities regulatory authorities in each of the provinces and territories) whereby, in the event Starlight intends to exercise the aforementioned appointment rights, Starlight will provide the REIT with prior notice of such intention and the REIT will notify the OSC and TSX upon receipt of such notice. In the event Starlight exercises its appointment rights as set out in the table above, Unitholders other than Starlight would no longer have a right to elect every Trustee at annual Unitholders meetings, and such appointment rights may make it difficult for dissident Unitholders to take actions to affect the management of the REIT.

The persons noted below have been nominated by management for election as Trustees at the Meeting (the "**Nominees**"). Five of the seven Nominees proposed for election as Trustees by the Unitholders at the Meeting are considered "**Independent Trustees**" (being a Trustee who is "independent" within the meaning of National Instrument 58-101 — *Disclosure of Corporate Governance Practices*).

The members of the Board are elected annually by the Unitholders. In 2018, each Trustee who stood for re-election at the annual meeting of unitholders received votes in favour from at least 97% of the total votes cast.


The Board has adopted a policy that entitles each Unitholder to vote for each Nominee on an individual basis rather than for a fixed slate of Nominees. Each Nominee must be elected by the vote of a majority of the Voting Units represented in person or by proxy at the Meeting. If any Nominee receives, from the Voting Units voted at the Meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election as a Trustee, the Trustee will be required to immediately tender his or her resignation to the Chairman of the Governance, Compensation and Nominating Committee ("**GC&N Committee**") for consideration promptly following the Meeting, to take effect upon acceptance by the Board. The GC&N Committee will promptly consider the resignation and provide a recommendation to the Board as to whether or not to accept such resignation. The Board will consider the recommendation of the GC&N Committee, among other things, and make a final decision concerning the acceptance of such resignation within 90 days of the Meeting and a press release, a copy of which must be provided to the TSX, will be issued by the REIT announcing the decision. The GC&N Committee will recommend and the Board will accept the resignation absent exceptional circumstances. If the resignation is not accepted due to exceptional circumstances, the Board will take active steps to resolve the exceptional circumstances before the next meeting of Unitholders to be held for the purpose of electing Trustees. Should the Board decide not to accept the resignation, the press release will fully state the reasons for such decision. A Trustee who tenders his or her resignation will not attend or participate in any deliberations pertaining to such resignation.

The foregoing process applies only in circumstances involving an “uncontested” election of Trustees. If any Trustee fails to immediately tender his or her resignation as contemplated above, that Trustee will not be re-nominated. Subject to any restrictions in the Declaration of Trust, where the Board accepts the resignation of a Trustee, the Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual meeting of Unitholders, fill the vacancy through the appointment of a new Trustee whom the Board considers to merit the confidence of the Unitholders, or call a special meeting of Unitholders to elect a new nominee to fill the vacant position.

The Nominees are to be elected by the Unitholders at each annual meeting of Unitholders to hold office for a term expiring at the close of the next annual meeting of Unitholders, or until a successor is appointed. The Nominees named below have established their eligibility and willingness to serve as Trustees and are comprised of experienced business professionals with a diverse background in real estate, management, corporate finance and corporate governance. If, prior to the Meeting, any of the listed Nominees become unable or unwilling to serve, Voting Units represented by properly executed proxies will be voted in their discretion by the persons so designated for a properly qualified substitute.

It is the intention of the persons named in the enclosed form of proxy for use at the Meeting (unless such authority is withheld) to vote FOR the election of the Nominees listed and described in the “Nominees for Election to the Board of Trustees” below.


Nominees for Election to the Board of Trustees

Jeff Baryshnik						
		Age: 40 Toronto, Ontario Canada Trustee Since: December 14, 2012 Independent		Principal Occupation: President, Republic Funds USA Inc. Jeff Baryshnik is the President of Republic Funds USA Inc., a real estate private equity firm with more than \$100 million of assets under management; and Republic Residential Corp., the general partner of Republic Residential Fund II LP and Republic Residential Fund III LP. Previously, Mr. Baryshnik was an investment professional at leading global hedge funds including Citadel LLC, and began his career in mergers and acquisitions at Morgan Stanley. Mr. Baryshnik received a Master of Business Administration (Stern Scholar) from New York University’s Stern School of Business and an Honors Business Administration (Ivey Scholar) from the Richard Ivey School of Business at Western University. Mr. Baryshnik is a Director on the Huron College Alumni Board at Western University and was granted the Canadian Investment Manager (CIM) and Fellow of the Canadian Securities Institute (FCSI) designations.		
Board and Committee Membership		2018 Attendance		Directorships (past 5 years)		
Board Investment ⁽¹⁾		9/9	100%	Non-Profit Directorships <ul style="list-style-type: none"> • Director, Huron College Alumni Board, Western University (2004-Present) • Co-Chair, UJA Federation of Greater Toronto Young Bay Street Division (2011-2013) 		
Securities Held						
Units ⁽²⁾ #	Special Voting Units ⁽²⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽³⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
29,094	nil	29,094	193,475	85,000	\$100,000	Yes
Voting Results of 2018 Annual and Special Meeting						
		Votes For		Votes Withheld		
Number of Votes		9,231,720		20,666		
Percentage of Votes		99.78%		0.22%		


(1) No formal Investment Committee meetings were held in 2018; however, the Investment Committee met in conjunction with Board meetings during 2018 and fulfilled its duties as contemplated by the Declaration of Trust.

(2) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.

(3) “Total Market Value of Units and Special Voting Units” is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

William Biggar						
		Age: 66 Toronto, Ontario Canada Trustee Since: December 14, 2012 Independent		Principal Occupation: Corporate Director William Biggar is a Corporate Director who has previously held senior executive positions in the real estate, mining and investment industries. From 2008 to 2012, Mr. Biggar was President and Chief Executive Officer of TSX-listed mining company North American Palladium Ltd. Mr. Biggar has also served as President and Chief Executive Officer of Granite REIT and Executive Vice-President and Chief Financial Officer of Cambridge Shopping Centres Limited. Over the past 25 years, Mr. Biggar has served on the boards of a number of public and private companies including Primaris Retail REIT (2003-2013), Milestone Apartments REIT (2013-2017) and is currently on the board of directors of TSX-listed Teranga Gold Corporation. Mr. Biggar is a CPA, CA and holds Bachelor of Commerce and Master of Business Administration degrees from the University of Toronto.		
Board and Committee Membership		2018 Attendance		Directorships (past 5 years)		
Board Audit (Chair) Investment ⁽¹⁾		9/9 4/4	100% 100%	Public Company Directorships <ul style="list-style-type: none"> • Primaris Retail REIT (2003-2013) • Milestone Apartments REIT (2013-2017) • Teranga Gold Corporation (2016-Present) 		
Securities Held						
Units ⁽²⁾ #	Special Voting Units ⁽²⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽³⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
97,854	nil	97,854	650,729	85,000	\$100,000	Yes
Voting Results of 2018 Annual and Special Meeting						
		Votes For		Votes Withheld		
Number of Votes		9,233,220		19,166		
Percentage of Votes		99.79%		0.21%		

- (1) No formal Investment Committee meetings were held in 2018; however, the Investment Committee met in conjunction with Board meetings during 2018 and fulfilled its duties as contemplated by the Declaration of Trust.
- (2) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.
- (3) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Roland Cardy						
		Age: 67		Principal Occupation: Managing Director, Gorbay Company Limited		
		Toronto, Ontario Canada		Roland Cardy is the Managing Partner and a director of Gorbay Company Limited, a Toronto based private company that owns and operates multi-family properties. Mr. Cardy has previously held the position of Chairman of TSX-listed Primaris REIT, a position he held from March 2003 to April 2013. He was a director of Public Storage Canadian Properties from April 2006 to October 2010. Mr. Cardy was also Co-Head of Investment Banking at TD Securities as well as being a member of the Board of Directors. Mr. Cardy has a Bachelor of Arts (Economics and History) and Master of Business Administration degrees from York University. He also has completed the requirements of the Institute of Corporate Directors program.		
		Trustee Since: December 14, 2012				
		Independent				
Board and Committee Membership		2018 Attendance		Directorships (past 5 years)		
Board		9/9	100%	Public Company Directorships		
Audit		4/4	100%	• Primaris Retail REIT (2003-2013)		
GC&N Committee (Chair)		1/1	100%			
Securities Held						
Units⁽¹⁾ #	Special Voting Units⁽¹⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units⁽²⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
190,818	nil	190,818	1,268,940	85,000	\$100,000	Yes
Voting Results of 2018 Annual and Special Meeting						
			Votes For	Votes Withheld		
Number of Votes			9,242,172	10,214		
Percentage of Votes			99.89%	0.11%		

(1) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.

(2) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Daniel Drimmer



Age: 46
 Toronto, Ontario
 Canada
 Trustee Since:
 December 14, 2012
non-Independent

Principal Occupation: President and Chief Executive Officer, Starlight Group Property Holdings Inc.

Daniel Drimmer is the founder, President and Chief Executive Officer of Starlight, a Canadian real estate asset management company focused on the acquisition, ownership and management of commercial and residential properties across Canada and the United States, with a portfolio of over 5.3 million square feet in commercial properties and approximately 36,000 residential rental units. In addition to the formation of Starlight, Mr. Drimmer was a director and Chief Executive Officer of TSXV-listed Starlight U.S. Multi-Family Core Fund, Starlight U.S. Multi-Family (No. 2) Core Fund, Starlight U.S. Multi-Family (No. 3) Core Fund, Starlight U.S. Multi-Family (No. 4) Core Fund and Campar Capital Corporation which through a plan of arrangement in 2016 consolidated all their assets into TSXV-listed Starlight U.S. Multi-Family (No. 5) Core Fund where he is a director and Chief Executive Officer. Mr. Drimmer is also a trustee of Northview Apartment Real Estate Investment Trust which acquired TSX-listed True North Apartment Real Estate Investment Trust, founded by Mr. Drimmer. He also founded TSX-V listed Starlight U.S. Multi-Family (No. 1) Value-Add Fund in 2016 where he is a director and Chief Executive Officer. Mr. Drimmer also founded Starlight Capital in 2018 and he is the Chairman of the Board of Starlight Hybrid Global Real Assets Trust. Over the last seven years, Mr. Drimmer has completed more than \$16 billion worth of acquisition and financing transactions in commercial and residential real estate. Mr. Drimmer obtained a Bachelor of Arts degree from the University of Western Ontario, and both a Master of Business Administration and a Master's degree in Contemporary European Policy Making from European University in Geneva, Switzerland.

Board and Committee Membership	2018 Attendance		Directorships (past 5 years)
Board (Chair) Investment (Chair) ⁽¹⁾	9/9	100%	Public Company Directorships <ul style="list-style-type: none"> • True North Apartment REIT (2012-2015) • Starlight U.S. Multi-Family Core Fund (2013-2016) • Starlight U.S. Multi-Family (No. 2) Core Fund (2013-2016) • Starlight U.S. Multi-Family (No. 3) Core Fund (2014-2016) • Campar Capital Corporation (2014-2016) • Starlight U.S. Multi-Family (No. 4) Core Fund (2015-2016) • Northview Apartment REIT (2015-Present) • Starlight U.S. Multi-Family (No. 5) Core Fund (2016-Present) • Starlight U.S. Multi-Family (No. 1) Value-Add Fund (2017-present) • Starlight Hybrid Global Real Assets Trust (2018-Present)

Securities Held

Units ⁽²⁾ #	Special Voting Units ⁽²⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽³⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
4,397,331	828,123	5,225,454	34,749,269	410,000	\$100,000	Yes

Voting Results of 2018 Annual and Special Meeting		
	Votes For	Votes Withheld
Number of Votes	9,248,172	4,214
Percentage of Votes	99.95%	0.05%

(1) No formal Investment Committee meetings were held in 2018; however, the Investment Committee met in conjunction with Board meetings during 2018 and fulfilled its duties as contemplated by the Declaration of Trust.
 (2) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.
 (3) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Alon Ossip



Age: 55
 Toronto, Ontario
 Canada
 Trustee Since:
 December 14, 2012
Independent

Principal Occupation: Chief Executive Officer, The Stronach Group

Alon Ossip is the Co-Founder and Principal of The Almada Group, a private equity group which is active across such diverse verticals as aircraft leasing, real estate, software and consumer products. Mr. Ossip is also the Chief Executive Officer of The Stronach Group, a privately-held consortium that owns, operates and manages a number of leading businesses in a wide range of industries, including thoroughbred racing and gaming, real estate, electric vehicle technologies, and agri-business. Mr. Ossip was formerly a trustee of TSX-listed True North Apartment Real Estate Investment Trust and TransGlobe Apartment REIT. From August 2013 to August 2016, Mr. Ossip was a Consultant and Advisor of TSX-listed Magna International Inc., where he was also an Executive Vice President from October 2006 to August 2013. Mr. Ossip was previously a Partner at Goodman and Carr LLP and Associate Counsel at Miller Thomson LLP, and he was also formerly a director, officer and founding shareholder of Workbrain Corporation (a TSX-listed public company that was sold to Infor Global Solutions European Finance, S.a.R.L. in 2007) from June 2003 to June 2007. Mr. Ossip has a Bachelor of Laws from York University (Osgoode Hall) and a Bachelor of Arts from the University of Toronto.


Board and Committee Membership	2018 Attendance		Directorships (past 5 years)
Board	7/9	78%	Public Company Directorships • True North Apartment REIT (2012-2015) • Campar Capital Corporation (2014-2016)
GC&N Committee	1/1	100%	

Securities Held						
Units ⁽¹⁾ #	Special Voting Units ⁽¹⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽²⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
404,901	265,625	670,526	4,458,998	85,000	\$100,000	Yes

Voting Results of 2018 Annual and Special Meeting		
	Votes For	Votes Withheld
Number of Votes	9,240,672	11,714
Percentage of Votes	99.87%	0.13%


(1) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.

(2) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Sandy Poklar						
		Age: 48		Principal Occupation: Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments, Firm Capital Corporation		
		Toronto, Ontario Canada		Sandy Poklar is the Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments of Firm Capital Corporation and the Executive Vice-President of TSX-listed Firm Capital Mortgage Investment Corporation, a mortgage investment corporation. Mr. Poklar is also the Chief Financial Officer and a trustee of TSXV-listed Firm Capital Property Trust, a real estate investment trust, and the Chief Financial Officer and a director of TSXV-listed Firm Capital American Realty Partners Corp. Prior to joining Firm Capital Corporation, Mr. Poklar was employed at Macquarie Capital and TD Securities where he was a Vice President and an Associate in their Real Estate Investment Banking Groups, respectively. Mr. Poklar is a CPA, CA, graduate of the University of Toronto, the Directors Education Program, and has received his ICD.D designation.		
		Trustee Since: December 14, 2012				
		Independent				
Board and Committee Membership		2018 Attendance		Directorships (past 5 years)		
Board		8/9	89%	Public Company Directorships		
Audit		4/4	100%	<ul style="list-style-type: none"> • Genesis Land Development Corp. (2012-2013) • Firm Capital Property Trust (2012-Present) • Firm Capital American Realty Partners Corp. (2016-present) 		
GC&N Committee		1/1	100%			
Securities Held						
Units ⁽¹⁾ #	Special Voting Units ⁽¹⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽²⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
37,555	6,250	43,805	291,303	85,000	\$100,000	Yes
Voting Results of 2018 Annual and Special Meeting						
		Votes For		Votes Withheld		
Number of Votes		9,200,941		51,445		
Percentage of Votes		99.44%		0.56%		

(1) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.

(2) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Tracy Sherren						
		Age: 53		Principal Occupation: Chief Financial Officer, True North Commercial Real Estate Investment Trust and Chief Financial Officer and Group Head, Commercial Starlight Group Property Holdings Inc. Tracy Sherren is the Chief Financial Officer of the REIT and Chief Financial Officer and Group Head, Commercial of Starlight. Ms. Sherren was the Chief Financial Officer of Pacrim Hospitality Services Inc. from January 2005 to September 2012 and the Chief Financial Officer of Holloway Lodging Corp. (TSX: HLR.UN) from its inception in 2005 until July 2011, where she was responsible for construction and long-term financing of commercial properties, operations management, financial reporting, investor relations and corporate tax planning. With over 25 years of experience, Ms. Sherren has participated in over \$1 billion financings and led asset management teams, acquisition due diligence, real estate development and has extensive experience in transaction structuring and risk management. Ms. Sherren is a CPA, CA and obtained her Bachelor of Business Administration from Acadia University.		
		Halifax, Nova Scotia Canada				
		New Nominee				
		non-Independent				
Board and Committee Membership		2018 Attendance		Directorships (past 5 years)		
Board		4/4 ⁽¹⁾	100%	Public Company Directorships		
				-		
Securities Held						
Units ⁽²⁾ #	Special Voting Units ⁽²⁾ #	Total Units and Special Voting Units #	Total Market Value of Units and Special Voting Units ⁽³⁾ \$	Unexercised Options #	Minimum Ownership Guidelines	Meets Requirements
48,341	nil	48,341	321,468	460,000	\$100,000	Yes
Voting Results of 2018 Annual and Special Meeting						
		Votes For		Votes Withheld		
Number of Votes		9,047,000		205,386		
Percentage of Votes		97.78%		2.22%		

- (1) Ms. Sherren was appointed to the Board at the June 13, 2018 annual unitholders meeting.
- (2) Voting securities of the REIT beneficially owned, or controlled or directed, directly or indirectly.
- (3) "Total Market Value of Units and Special Voting Units" is calculated based on the closing price of the Units on the TSX on April 24, 2019, which was \$6.65.

Each Board member is expected to attend all meetings, with the average rate of attendance for 2018 being 96%, indicating the current Board members are fully committed to the operations and management of the REIT. As set out below, the Trustees believe the skill set currently on the Board meets the operational requirements of the REIT. Much of the Board's work is done through its committees, and all committee members have significant experience in their respective committee specialties.

The skills matrix below summarizes the expertise possessed by each Nominee:

Area of Expertise	Drimmer	Baryshnik	Biggar	Cardy	Ossip	Poklar	Sherren
Executive Management	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓
Real Estate	✓	✓	✓	✓	✓	✓	✓
Business Leadership	✓	✓	✓	✓	✓	✓	✓
Corporate Finance and Capital Markets	✓	✓	✓	✓	✓	✓	✓
Financial Literacy	✓	✓	✓	✓	✓	✓	✓
Mergers and Acquisitions	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	-	✓	✓	✓	✓	✓

Corporate Cease Trade Orders or Bankruptcies

No person proposed to be nominated for election as a Trustee at the Meeting is or has been, within the preceding ten years, a director, trustee, chief executive officer or chief financial officer of any company (including a personal holding company of any such persons) that:

- (a) was subject to a cease trade order (or similar order that denied the company access to any exemption under securities legislation) that was issued while the proposed Trustee was acting in the capacity of director, trustee, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order (or similar order that denied the company access to any exemption under securities legislation) that was issued after the proposed Trustee ceased to be a director, trustee, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, trustee, chief executive officer or chief financial officer.

No person proposed to be nominated for election as a Trustee at the Meeting is or has been, within the preceding ten years, a director, trustee, or executive officer of any company that, while that person was acting in that capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Individual Bankruptcies

No person proposed to be nominated for election as a Trustee at the Meeting is or has, within the preceding ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

3. Appointment of Auditor

BDO Canada LLP, Chartered Professional Accountants, located in Toronto, Ontario is currently the auditor of the REIT and has been the auditor of the REIT since March 26, 2014. The Board recommends BDO Canada LLP be re-appointed as the auditor of the REIT, to hold office until the close of the next annual meeting of Unitholders or until a successor is appointed, and the Trustees be authorized to fix BDO Canada LLP's remuneration as the auditor of the REIT.

The following table sets forth all services rendered by BDO Canada LLP for fees related to the REIT for each category of service for the financial years ended December 31, 2018 and 2017.

Fee Category	January 1, 2018 to December 31, 2018 (\$ 000s) ⁽¹⁾	January 1, 2017 to December 31, 2017 (\$ 000s) ⁽¹⁾
Audit fees.....	\$230	\$199
Audit-related fees.....	141	113
Tax fees ⁽²⁾	35	32
All other fees ⁽³⁾	Nil	Nil
Total.....	\$406	\$344

(1) Excluding HST and other applicable taxes.

(2) "Tax fees" include fees paid and accrued for tax compliance and tax advisory services, including the review of tax returns and other structuring matters.

(3) "All other fees" include fees paid and accrued for all other services other than those presented in the categories of "audit fees", "audit-related fees" and "tax fees".

To be effective, the resolution approving the re-appointment of BDO Canada LLP and authorizing the Trustees to fix BDO Canada LLP's remuneration must be passed at the Meeting. The Board recommends Unitholders vote FOR the re-appointment of BDO Canada LLP as the auditor of the REIT and to authorize the Trustees to fix the auditor's remuneration. Unless such authority is withheld, persons named in the accompanying form of proxy intend to vote FOR the re-appointment of BDO Canada LLP as the auditors of the REIT and to authorize the Trustees to fix the auditor's remuneration.

4. Special Business – Reconfirmation of Amended and Restated Unitholder Rights Plan

The REIT established a unitholder rights plan on December 14, 2012; and ratified, confirmed and approved the amended and restated unitholder rights plan by an ordinary resolution of all Unitholders at the REIT's annual and special meeting on June 14, 2016 (the "**Rights Plan**"). The Rights Plan must be reconfirmed and approved by the Unitholders every three years after institution.

No changes have been made to the Rights Plan and Unitholders will be asked to reconfirm and approve it at the Meeting. The material terms of the Rights Plan are summarized below. This summary is qualified in its entirety by reference to the actual provisions of the Rights Plan. A Unitholder or any other interested party may obtain a copy of the Rights Plan by contacting the REIT's Corporate Secretary at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario M8X 2X3. A copy of the Rights Plan is also available online under the REIT's profile at www.sedar.com. All capitalized terms which are used and are not otherwise defined have the meanings which are attributed to them in the Rights Plan.

Purpose

The primary objectives of the Rights Plan are to ensure, to the extent possible, the equal treatment of all Unitholders in connection with any take-over bid for the Voting Units, or other acquisition of control of the REIT, and, in the event of an unsolicited take-over bid, to provide the Board with sufficient time to evaluate the bid and to explore and develop alternatives, in order to maximize Unitholder value.

Term

The Rights Plan must be reconfirmed by a simple majority of votes cast by Unitholders at every third annual meeting of Unitholders of the REIT. The Rights Plan described herein is therefore presented at the Meeting for reconfirmation and approval. If not approved, the Rights Plan will expire and cease to have effect on June 14, 2019. If it is approved at the Meeting, the Rights Plan will require reconfirmation by the Unitholders at the 2022 annual meeting of Unitholders.

On June 14, 2016, one right ("**Right**") was issued and attached to each Unit, Special Voting Unit, or any other security of the REIT entitled to vote generally for the election of trustees, or any combination thereof (a "**Voting Unit**"). Subsequent to June 14, 2016, one Right attaches to each subsequently issued Voting Unit.

Rights Exercise Privilege

The Rights generally separate from the Voting Units and become exercisable ten business days (the “**Separation Time**”) after a person has acquired, or commenced a take-over bid to acquire, 20% or more of the Voting Units, other than by an acquisition pursuant to a take-over bid permitted by the Rights Plan (a “**Permitted Bid**”). The acquisition by any person (an “**Acquiring Person**”) of 20% or more of the Voting Units, other than by way of a Permitted Bid, is referred to as a “**Flip-in Event**”. Any Rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event. Ten business days after the occurrence of the Flip-in Event, each Right (excluding Rights held by an Acquiring Person which have become void), will permit the purchase from the REIT, upon exercise thereof in accordance with the terms hereof, that number of Units having an aggregate Market Price (on the date of consummation or occurrence of such Flip-in Event) equal to twice the Exercise Price for an amount in cash equal to the Exercise Price.

The issue of the Rights is not initially dilutive. Upon a Flip-in Event and Rights separating from the Voting Units, reported earnings per Voting Unit of the REIT on a diluted or non-diluted basis may be affected. An Acquiring Person, and holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event, may suffer substantial dilution.

Permitted Bid Requirements

The requirements for a Permitted Bid include the following:

- the take-over bid must be made by way of a bid circular;
- the take-over bid must be made to all holders of Voting Units;
- the take-over bid must be outstanding for a minimum period of 105 days or such shorter period that a take-over bid must remain open for deposits of securities, in the applicable circumstances, pursuant to Canadian securities laws;
- Voting Units tendered pursuant to the take-over bid may not be taken up prior to the expiry of the period and only if at such time more than 50% of the Voting Units held by Independent Unitholders (as defined below) have been tendered to the take-over bid and not withdrawn; and
- if more than 50% of the Voting Units held by Independent Unitholders are tendered to the take-over bid within the period and the Voting Units are taken up by the bidder, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Voting Units for not less than ten business days from the date of such public announcement.

The Rights Plan allows for a competing Permitted Bid (a “**Competing Permitted Bid**”) to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid except that, it must be outstanding for a minimum number of days as required under Canadian securities laws.

Lock-Up Agreements

A bidder may enter into lock-up agreements with Unitholders whereby such Unitholders agree to tender their Voting Units to the take-over bid (the “**Subject Bid**”) without a Flip-in Event occurring. Such agreement must be publicly disclosed and allow the Unitholder to withdraw the Voting Units to tender to an alternative take-over bid or to support another transaction that exceeds the value of the Subject Bid either on an absolute basis or by as much or more than a specified amount, which specified amount may not be greater than 7% of the value of the Subject Bid. The definition of “**Lock-Up Agreement**” provides that no “**break up**” fees or other penalties that exceed, in the aggregate, the greater of 2.5% of the price or value of the consideration payable under the Subject Bid and 50% of the increase in the consideration resulting from another take-over bid transaction shall be payable by the Unitholder if the Unitholder fails to tender its Voting Units to the Subject Bid.

Certificates and Transferability

Prior to the Separation Time, the Rights are evidenced by a legend imprinted on certificates for the Voting Units, and are not to be transferable separately from the Voting Units. From and after the Separation Time, Rights are evidenced by Rights certificates, which will be transferable and traded separately from the Voting Units.

Waiver

The Board, acting in good faith, may prior to the occurrence of a Flip-in Event, waive the application of the Rights Plan to a particular Flip-in Event where the take-over bid is made by a take-over bid circular to all holders of Voting Units or, pursuant to an amalgamation, plan of arrangement or other procedure (statutory or otherwise) having similar effect which has been approved by the Board and the requisite majority of holders of Voting Units (each, an “**Exempt Acquisition**”).

Redemption

The Board, with the approval of a majority of votes cast by the Independent Unitholders (or the holders of Rights if the Separation Time has occurred) voting in person or by proxy at a meeting duly called for that purpose, may redeem the Rights at \$0.00001 per Right. Rights will be deemed to have been redeemed by the Board following completion of a Permitted Bid, Competing Permitted Bid or Exempt Acquisition.

Amendment

The Board may amend the Rights Plan with the approval of a majority of the votes cast by the Independent Unitholders (or the holders of Rights if the Separation Time has occurred) voting in person or by proxy at a meeting duly called for that purpose. The Board, subject to approval as noted above, may correct clerical or typographical errors at the next meeting of the holders of Voting Units (or the holders of Rights, as the case may be), may make amendments to the Rights Plan to maintain its validity due to changes in applicable legislation.

Board

The Rights Plan will not detract from or lessen the duty of the Board to act honestly and in good faith with a view to the best interests of the REIT. The Board, when a Permitted Bid is made, will continue to have the duty and power to take such actions and make such recommendations to Unitholders as are considered appropriate.

Exemption for Investment Managers

Investment managers (for client accounts), trust companies (acting in their capacities as trustees and administrators), statutory bodies whose business includes the management of funds and administrators of registered pension plans acquiring greater than 20% of the Voting Units are exempt from triggering a Flip-in Event, provided that they are not making, or are not part of a group making, a take-over bid.

Certificates and Transferability

Prior to the Separation Time, the Rights are evidenced by a legend imprinted on certificates for the Voting Units, and are not to be transferable separately from the Voting Units. From and after the Separation Time, Rights are evidenced by Rights certificates, which will be transferable and traded separately from the Voting Units.

Recommendation

The Board unanimously recommends that Unitholders reconfirm and approve the Rights Plan by voting in favour of the resolution (the “**Rights Plan Resolution**”). In order for the Rights Plan to be effective, it must be reconfirmed and approved by the Rights Plan Resolution passed by a majority of the votes cast by Unitholders present in person or represented by proxy at the Meeting.

The Board recommends Unitholders vote FOR the Rights Plan Resolution. Unless otherwise instructed, the persons designated in the proxy form and the voting information form intend to vote FOR the Rights Plan Resolution.

“BE IT RESOLVED THAT:

1. the Amended and Restated Unitholder Rights Plan dated June 14, 2016, between True North Commercial Real Estate Investment Trust (the “**REIT**”) and TSX Trust Company, as rights agent, substantially as described in the information circular of the REIT dated May 2, 2019, be and is hereby authorized and approved; and

2. any one officer or trustee of the REIT be and is hereby authorized to execute and deliver on behalf of the REIT any and all agreements, instruments and other documents whatsoever, and do any and all other acts and things whatsoever, as such officer or trustee of the REIT shall in his absolute and unfettered discretion deem or determine appropriate in connection with any of the foregoing resolutions, the authority for the execution of such documents, agreements, certificates and statements and the doing of such other acts or things to be conclusively evidenced thereby.”

5. Special Business – Incentive Trust Unit Plan

The Unitholders are being asked at the Meeting to approve, adopt and confirm the incentive trust unit plan (the “**Incentive Unit Plan**”). The Incentive Unit Plan was approved by the Board on April 24, 2019 and has been conditionally approved by the TSX, subject to approval by Unitholders at the Meeting. The purpose of the Incentive Unit Plan is to promote greater alignment of interests between the trustees and officers of the REIT, or directors of any Subsidiary, certain employees of any Service Provider of the REIT or any Subsidiary (collectively the “**Participants**”) and the Unitholders.

Rationale

After a full review by the Board, it has approved the Incentive Unit Plan, which, if approved, adopted and confirmed by the Unitholders, will be the primary plan for security-based compensation arrangements. There are two types of issuances under the Incentive Unit Plan (i) deferred units (“**Deferred Units**”); and (ii) restricted units (“**Restricted Units**”, and collectively with Deferred Units, “**Incentive Units**”), which are described below. The proposed Incentive Unit Plan was determined to be an appropriate long-term incentive plan for the REIT at this time for the following reasons: (a) providing Participants with rewards and additional incentives in the form of Units; (b) encouraging ownership of Units by Participants, and (c) increasing the ownership interest of Participants in the REIT, through the issuance of Incentive Units.

Upon approval by the Unitholders of the Incentive Unit Plan, the REIT’s amended and restated option agreement, dated June 14, 2016 (the “**Option Plan**”), will be suspended and no further options will be granted under the Option Plan. Options that have or will vest are still eligible to be exercised prior to the applicable expiry dates. Also, the REIT’s non-executive trustee unit issuance plan will be terminated.

This summary is qualified in its entirety by reference to the actual provisions of the Incentive Unit Plan attached as Appendix “A”.

All capitalized terms which are used and are not otherwise defined have the meanings which are attributed to them in the Incentive Unit Plan.

Description of the Incentive Unit Plan

Each Incentive Unit is equal to one Unit of the REIT, however holders of Incentive Units will not have Unitholder rights, including voting rights, dividend entitlements (other than in accordance with the Incentive Unit Plan) or rights on liquidation. No Incentive Units have been granted to date, and a maximum of 2,800,000 Incentive Units are available to grant, representing approximately 4.5% of the issued and outstanding Units and Class B LP Units. The key terms of the Incentive Unit Plan are as follows:

<u>Category</u>	<u>Description</u>
Participants	<ul style="list-style-type: none"> • Eligible Participants are determined at the discretion of the Board, and may include: <ul style="list-style-type: none"> (a) non-executive Trustees of the REIT or directors of any subsidiary; (b) Trustees or officers of the REIT or any subsidiary; or (c) certain employees of any service provider of the REIT or any subsidiary thereof.
Granting of Incentive Units	<ul style="list-style-type: none"> • Restricted Units: discretionary grants of Restricted Units may be made to eligible persons, subject to such restrictions (i.e., vesting requirements) as the Board may impose. • Deferred Units: in addition to any portion of each Trustee’s annual retainer that the Board determines will be paid in Deferred Units, each of the non-executive Trustees may elect, irrevocably for any calendar year and only in advance, to receive all or a portion of such Trustee’s

<u>Category</u>	<u>Description</u>
	remaining annual retainer as Deferred Units (a percentage equal to 0%, 25%, 50%, 75% or 100%).
Distributions	<ul style="list-style-type: none"> • An Incentive Unit account will be maintained by the REIT for each Participant, and when cash distributions are paid on Units, additional Incentive Units will be credited to each Participant's account. • The number of such additional Incentive Units for each Participant will be calculated by dividing: (i) the amount determined by: multiplying (a) the number of Incentive Units in such Participant's Incentive Unit account on the record date for the payment of such distribution by (b) the distribution paid per Unit; by (ii) the market value of a Unit on the distribution payment date for such distribution, in each case, with fractions computed to four decimal places.
Vesting	<ul style="list-style-type: none"> • Subject to certain other provisions, the Board or the GC&N Committee may designate, at the time of grant of Incentive Units, the date or dates on which all or a portion of the Incentive Units shall vest. • For Restricted Units, no vesting condition may extend beyond November 30 of the third calendar year following the service year in respect of which the Restricted Units were granted. • Deferred Units automatically vest as of the termination date of each Trustee. See "Departure before Vesting" below for additional information. • In the event of a change of control any unvested Incentive Units shall vest upon the earlier of (a) the next applicable vesting date in respect of any Incentive units which were to vest on such date; or (b) the date which is immediately prior to the date upon which the change of control is completed. • The Board has discretion, at any time, to accelerate vesting of Incentive Units.
Departure before Vesting	<ul style="list-style-type: none"> • The Incentive Units credited to a Participant shall, subject to the provisions of the Incentive Unit Plan, vest immediately and be redeemable by the Participant (or, where the Participant has died, his or her estate) following an event, including termination other than for cause, retirement or death, causing the Participant to no longer be an eligible person under the Incentive Unit Plan. • Where the Participant has been: (i) terminated for cause, or (ii) voluntarily resigns from his or her position with the REIT (not including retirement and in the case of officers or employees of the REIT, or any subsidiary, or the service provider, without good reason): <ul style="list-style-type: none"> (a) Any Restricted Units shall be immediately forfeited and cancelled without any payment or other compensation; and (b) Any Deferred Units shall automatically vest as of the termination date;
Payment upon Vesting	<ul style="list-style-type: none"> • Restricted Units must be redeemed and paid out by December 31 of the year in which the Restricted Units have vested. • The Board may choose to settle the Restricted Units by the issuance of Units from treasury of the REIT or in cash. • Deferred Units must be settled by the issuance of Units from treasury of the REIT.
Maximum Allocation	<ul style="list-style-type: none"> • The maximum amount of units reserved for issuance under the Incentive Unit Plan is as follows: <ul style="list-style-type: none"> (a) the maximum number of Units made available for issuance from treasury pursuant to the incentive units credited under the Incentive Unit Plan shall not exceed 2,800,000 Units;

<u>Category</u>	<u>Description</u>
	<ul style="list-style-type: none"> (b) the aggregate number of Units issuable from treasury to any one Participant under the Incentive Unit Plan and all other security-based compensation arrangements of the REIT shall not exceed five percent (5%) of the total issued and outstanding Units and Class B LP Units; (c) the aggregate number of Units issuable from treasury to insiders under the Incentive Unit Plan and all other security-based compensation arrangements of the REIT at any time shall not exceed ten percent (10%) of the total issued and outstanding Units and Class B LP Units; (d) during any one-year period, the aggregate number of Units issued from treasury to insiders under the Incentive Unit Plan and all other security-based compensation arrangements of the REIT shall not exceed ten percent (10%) of the total issued and outstanding Units and Class B LP Units; and (e) the aggregate number of Units issuable to non-executive Trustees of the REIT under the Incentive Unit Plan shall be limited to one percent (1%) of the total issued and outstanding Units and Class B LP Units and the total annual grant to any one non-executive Trustee of the REIT, within any one year period, pursuant to the Incentive Unit Plan and all other security-based compensation arrangements of the REIT shall not exceed a specified maximum grant value. <ul style="list-style-type: none"> • If any Incentive Unit granted under the Incentive Unit Plan shall expire, terminate or be cancelled for any reason without being paid out or settled in the form of Units issued from treasury, any unissued Units to which such Incentive Units relate shall be available for the purposes of the granting of further Incentive Units under the Incentive Unit Plan.
Amendments / Termination	<ul style="list-style-type: none"> • Subject to Section 14.2 of the Incentive Unit Plan (which provides for certain matters to ensure compliance with the requirements of the <i>Income Tax Act (Canada)</i>), the Board may, at any time, suspend or terminate the Plan pursuant to Section 14.1. • Section 14.1 provides that the Board may at any time, without Unitholder approval, amend or revise the terms of the Incentive Unit Plan or any Incentive Units, subject to any required regulatory approval, and without limiting the generality of the foregoing the Board may at any time add to or repeal any of the terms of the Incentive Unit Plan or any Incentive Units and may make the following changes, deletions, revisions or amendments: <ul style="list-style-type: none"> (a) any amendment to the vesting provisions of the Incentive Unit Plan or any Incentive Units; (b) any amendment to the termination provisions of the Incentive Unit Plan or any Incentive Units; (c) any amendment to the persons eligible to receive Incentive Units or otherwise relating to the eligibility of anyone to receive Incentive Units other than an amendment which would have the potential of broadening or increasing insider participation; (d) any amendment of a “housekeeping” nature; and (e) any other amendment that under the rules of the TSX (or such other stock exchange on which the Units may be listed) does not require unitholder approval; <p>provided that no such addition, repeal, or amendment shall in any manner materially adversely affect the rights of any Participant under any Incentive Units theretofore granted under the Plan without such Participant’s consent.</p>

<u>Category</u>	<u>Description</u>
	<ul style="list-style-type: none"> • Notwithstanding Section 14.1, Section 14.3 provides that approval of the Unitholders will be required in order to: <ul style="list-style-type: none"> (a) increase the maximum number of Incentive Units issuable pursuant to the Plan; (b) amend the determination of Market Value under the Plan in respect of any Incentive Unit; (c) extend the latest eligible Redemption Date of any Incentive Unit; (d) modify or amend the provisions of the Plan in any manner which would permit Incentive Units, including those previously granted, to be transferable or assignable, other than for estate settlement purposes; (e) add to the categories of Eligible Persons under the Plan; (f) remove or amend the Insider and Independent Trustee Participation Restrictions; (g) amend Section 14.1 or 14.2; or (h) make any other amendment to the Plan where Unitholder approval is required by the TSX. • If the Board terminates the Incentive Unit Plan, Incentive Units previously credited to Participants shall remain outstanding and in effect and be settled subject to and in accordance with the applicable terms and conditions of the Incentive Unit Plan in effect immediately prior to the termination.
Assignability	<ul style="list-style-type: none"> • The rights or interests of a Participant under the Incentive Unit Plan may not be assigned or transferred, with the exception of an assignment made to a beneficiary or legal representative of a deceased Participant.

Recommendation

The Board unanimously recommends that Unitholders ratify, confirm and approve the Incentive Unit Plan by voting in favour of the resolution (the “**Incentive Unit Plan Resolution**”). In order for the Incentive Unit Plan to be effective, it must be ratified, confirmed and approved by the Incentive Unit Plan Resolution passed by a majority of the votes cast by Unitholders present in person or represented by proxy at the Meeting.

The Board recommends that Unitholders vote FOR the Incentive Unit Plan Resolution. Unless otherwise instructed, the persons designated in the proxy form and the voting information form intend to vote FOR the Incentive Unit Plan Resolution.

“BE IT RESOLVED THAT:

1. the incentive unit plan of True North Commercial Real Estate Investment Trust (the “**REIT**”), substantially as described in the information circular of the REIT dated May 2, 2019, be and is hereby authorized and approved; and
2. any one officer or trustee of the REIT be and is hereby authorized to execute and deliver on behalf of the REIT any and all agreements, instruments and other documents whatsoever, and do any and all other acts and things whatsoever, as such officer or trustee of the REIT shall in his absolute and unfettered discretion deem or determine appropriate in connection with any of the foregoing resolutions, the authority for the execution of such documents, agreements, certificates and statements and the doing of such other acts or things to be conclusively evidenced thereby.”

CORPORATE GOVERNANCE

Governance Highlights

The REIT is committed to strong governance practices. We continue to review and enhance our governance policies to align with the REIT’s strategic direction, regulatory requirements and sound governance practices. Below are some of the highlights of our governance policies and practices:

Governance Highlights			
✓	5 out of 7 nominated Trustees are independent	✓	annual election of Trustees, no slate ballots
✓	majority voting policy and prompt disclosure of vote results	✓	Trustee unit ownership requirements and disclose equity holdings
✓	Independent Trustees meet <i>in camera</i> at every Board meeting and <i>in camera</i> at every Committee meeting	✓	the GC&N and Audit Committees are 100% independent
✓	Independent Trustees are not overboarded	✓	we have a code of business conduct and ethics that promotes honest and ethical conduct between the Trustees, officers and employees of the REIT’s asset manager
✓	the written position descriptions of the Chairman of the Board, Lead Trustee and Committee Chairs are regularly reviewed to ensure they continue to reflect the expectations and responsibilities of their roles	✓	diversity policy contained in the GC&N Committee Charter
✓	trustee orientation and continuing education	✓	the Board mandate and Committee charters are regularly reviewed to ensure they remain current
✓	no public company interlocking among our Trustees	✓	formal Board, Committee and trustee assessment procedures

Board Mandate

The mandate of the Board, which it discharges directly or through the three committees of the Board, is one of stewardship and oversight of the REIT and its business and includes responsibility for strategic planning, review of operations, disclosure and communication policies, oversight of financial and other internal controls, corporate governance, Trustee orientation and education, executive compensation and oversight, and Trustee compensation and assessment. The text of the Board’s written mandate is attached to this Circular as Appendix “B”.

Trustee Independence

The term “**Independent Trustee**” is defined in the Declaration of Trust as a Trustee who, in relation to the REIT, is “independent” within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as replaced or amended from time to time (including any successor rule or policy thereto). Pursuant to the Declaration of Trust, a majority of the Trustees are required to be Independent Trustees. Currently five of the six Trustees are independent.

The mandate of the Board provides the Independent Trustees shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-Independent Trustees and members of management are not present.

On matters in which a particular Trustee may have a conflict of interest, the Board and its committees may conduct “in camera” sessions at which the particular non-Independent Trustee is not present.

Trustee Meetings without Management/Non-Independent Trustees

The Board enhances independence by conducting in-camera sessions without management and non-Independent Trustees present. These sessions take place at each regularly scheduled Board and Committee meeting and are conducted by the Lead Trustee and the Chairmen of the Committees, respectively.

Board Interlocks

The Board believes it is an appropriate governance practice to avoid interlocking relationships if possible, but there is currently no formal limit on the number of interlocking board and committee memberships. The Board considers interlocking memberships on a case-by-case basis and will consider recommendations from the GC&N Committee with respect thereto. As of the date hereof, there are no interlocking board memberships among Trustees.

Conflict of Interest

The Declaration of Trust contains “conflict of interest” provisions to protect Unitholders without creating undue limitations on the REIT. As the Trustees engage in a wide range of real estate and other activities, the Declaration of Trust contains provisions, similar to those contained in the *Canada Business Corporations Act*, that require each Trustee to disclose to the REIT, at the first meeting of the Board or committee of the Board at which a proposed contract or transaction is considered, any interest in a material contract or transaction or proposed material contract or transaction with the REIT (including a material contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement) or the fact that such person is a director or executive officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT. If a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Board, a Trustee is required to disclose in writing to the REIT, or request to have entered into the minutes of meetings of the Board or a committee thereof, the nature and extent of his interest immediately after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction primarily relates to his remuneration or is for indemnity under the provisions of the Declaration of Trust or the purchase or maintenance of liability insurance.

Further, each of the following matters require the approval of a majority of the Independent Trustees:

- (a) an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in which Starlight or any related party of the REIT has any direct or indirect interest, whether as owner, operator or manager;
- (b) a material change to any agreement with Starlight or a related party of the REIT or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
- (c) the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the REIT, or the making, directly or indirectly, of any co-investment, in each case with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity;
- (d) the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity; and
- (e) decisions relating to any claims by or against one or more parties to any agreement with Starlight or any related party of the REIT.

Board Diversity

The REIT encourages diversity in the composition of the Board. The Trustees have adopted a diversity policy (the “**Diversity Policy**”) that recognizes and supports the benefits of diversity in the REIT’s Board. For the purposes of the Diversity Policy, diversity has been defined as any characteristic or quality that can be used to differentiate groups and people from one another and includes, gender, age, race, nationality, culture, language and other ethnic distinctions, education, industry experience, and expertise.

It is an objective of the Diversity Policy that diversity be considered when determining the optimal composition of the Board. In reviewing Board composition and identifying suitable candidates for Board appointment or nomination for election to the Board, candidates will be selected based on merit and against objective criteria, and due consideration will be given to diversity in identifying candidates and selecting candidates.

The REIT recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that women with relevant competencies and skills can play in contributing to diversity of perspective in the boardroom. Accordingly, in order to promote the specific objective of gender diversity, the selection process for Board nominees includes female candidates.

Currently, the Board has one female Trustee representing 14% of the Board. The Board and GC&N Committee will continue to strive to increase the representation of women on the Board as turnover occurs.

Gender Diversity in Executive Positions

The REIT has a unique structure which includes the provision of certain asset management, advisory and administrative services by employees of Starlight pursuant to the asset management agreement between Starlight and the REIT. As a result, the REIT has only two executive officers (one of whom is a female) whose services are provided to the REIT by Starlight. The REIT has not adopted a written policy relating to the level of representation of women in executive officer positions.

If and when the executive team is required to grow or the incumbents are replaced, the REIT will follow a balanced approach in identifying the factors to be considered when determining the make-up of its executive team. These factors include experience, leadership capabilities, innovative thinking, strategic agility and diversity. As the REIT does not directly employ any persons who would be considered an executive officer, the REIT has not adopted a target regarding the number of women in executive officer positions.

Term Limits

The GC&N Committee has determined that no fixed retirement date or term of service be set for Trustees or Chairs of the Board or Committees. While there is benefit to adding new perspectives to the Board from time to time, there are also benefits to be achieved through continuity and Trustees having in depth knowledge of each facet of the REIT's business, which necessarily takes time to develop. Pursuant to the REIT's Declaration of Trust, Trustees are to be elected (including the re-election of incumbent Trustees) at each annual meeting of the REIT, and in all cases, the term of any Trustee will expire at the close of the next annual meeting of Unitholders following such Trustee's appointment.

Position Descriptions

The position descriptions are reviewed annually by the GC&N Committee and any amendments are recommended to the Board.

Chairman of the Board

Mr. Daniel Drimmer, the Chairman of the Board, President and CEO is not an Independent Trustee. The Board has adopted a written position description for the Chairman of the Board which sets out his key responsibilities, including duties relating to setting Board meeting agendas, chairing Board and Unitholder meetings, Trustee development, and communicating with securityholders and regulators.

Lead Trustee

Mr. Alon Ossip, an Independent Trustee, acts as Lead Trustee. The Board has adopted a written position description for the Lead Trustee which sets out the Lead Trustee's key responsibilities, including duties relating to ensuring appropriate structures and procedures are in place to allow the Board to function independently of management, and leading the process by which the Independent Trustees seek to ensure the Board represents and protects the interest of all securityholders.

Chief Executive Officer

The primary functions of the CEO are to lead the management of the REIT's business and affairs and to lead the implementation of the resolutions and policies of the Board. The Board has developed a written position description for the CEO which sets out the CEO's key responsibilities, including duties relating to strategic planning, operational direction, Board interaction, succession planning, and communication with securityholders and regulators.

Committees of the Board

Pursuant to the Declaration of Trust, the Board has established three committees: Audit Committee; GC&N Committee; and Investment Committee. The committee descriptions are reviewed annually by the GC&N Committee and amendments are recommended to the Board for approval.

Audit Committee

The Audit Committee must consist of at least three Trustees, all of whom must be independent and financially literate, as defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The Audit Committee assists the Board in fulfilling their oversight responsibilities in respect of the REIT’s accounting and reporting practices and pre-approves the non-audit services provided by the REIT’s auditor.

The Audit Committee is responsible for the review of the consolidated financial statements and the accounting policies and reporting procedures of the REIT. In addition, the Audit Committee is responsible for reviewing, on an annual basis, the principal risks the REIT is faced with, and consider whether adequate systems are in place to manage such risks and that such systems appear effective.

The Audit Committee reviews the REIT’s quarterly and annual consolidated financial statements, managements’ discussion and analysis and related press releases and other required financial documents and documents that contain financial disclosure, reviews with management and the external auditor the state of internal controls, and makes appropriate reports thereon to the Board. The Audit Committee has unrestricted access to the management of the REIT and to the REIT’s external auditor, who regularly attends the Audit Committee meetings.

Currently, the Audit Committee consists of the following members: William Biggar (Chair), Roland Cardy and Sandy Poklar. All members of the Audit Committee are independent and financially literate, as defined in NI 52-110. Starlight Appointed Trustees are not permitted to be members of the Audit Committee.

The following is a brief summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee, including any education or experience that has provided the member with an understanding of the accounting principles used by the REIT to prepare its annual and quarterly consolidated financial statements.

Name of the Audit Committee Member	Relevant Education and Experience
William Biggar	<ul style="list-style-type: none">• CPA, CA• Audit Committee Member, Teranga Gold Corporation• Former Audit Committee Member, Milestone Apartments REIT• Former Audit Committee Member, Primaris Retail REIT• Former President and Chief Executive Officer, North American Palladium Ltd.• Former President and Chief Executive Officer, Granite REIT
Roland Cardy	<ul style="list-style-type: none">• Former Chair of the Board and Audit Committee Member, Primaris Retail REIT• Former Vice Chairman, TD Securities
Sandy Poklar	<ul style="list-style-type: none">• CPA, CA• Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments, Firm Capital Corporation• Executive Vice-President, Firm Capital Mortgage Investment Corporation• Chief Financial Officer, Firm Capital Property Trust and Firm Capital American Realty Partners Corp.• Holds the Institute of Corporate Directors, Institute-Certified Designation, ICD.D

Disclosure relating to the Audit Committee as required by National Instrument 52-110 – *Audit Committees* is contained in the REIT’s annual information form for the year ended December 31, 2018 (the “AIF”) under the heading “Audit Committee”. A copy of the AIF is available on SEDAR at www.sedar.com.

Governance, Compensation and Nominating Committee

Currently, the GC&N Committee consists of the following members: Roland Cardy (Chair), Alon Ossip and Sandy Poklar, each of whom are Independent Trustees. The GC&N Committee is charged with reviewing, overseeing and evaluating the governance and nominating policies, including monitoring new policies and disclosure requirements with respect to diversity, and the compensation policies of the REIT. In addition, the GC&N Committee is responsible for: (i) assessing the effectiveness of the Board, each of its committees and individual Trustee performance; (ii) overseeing the recruitment and selection of candidates as Trustees; (iii) organizing an orientation and education program for new Trustees and coordinating continuing Trustee development programs; (iv) considering and approving proposals by the Trustees to engage outside advisers on behalf of the Board as a whole or on behalf of the Independent Trustees; (v) reviewing and making recommendations to the Board concerning any change in the number of Trustees composing the Board; (vi) administering the amended and restated 2013 unit option plan dated June 14, 2016 (the “**Option Plan**”) or any Unit purchase plan of the REIT or any other compensation incentive programs; (vii) as required, reviewing and approving the compensation paid by the REIT to the executive officers and consultants of the REIT; and (viii) reviewing and making recommendations to the Board concerning the level and nature of the compensation payable to the Trustees of the REIT.

Orientation and Continuing Education

The GC&N Committee has put in place an orientation program for new Trustees under which a new Trustee will meet with the Chairman and members of the management team of the REIT, and be provided with a comprehensive orientation and education as to the nature and operations of the REIT and its business, as to the role of the Board, its committees and its members, and as to the contribution an individual Trustee is expected to make. As part of the new Trustee’s orientation and education of the REIT, he or she will be provided with the REIT’s governing documents, including the Declaration of Trust, Board and committee mandates and charters, code of business conduct and ethics (the “**Code**”), whistleblower policy, insider trading policy, disclosure policy, financial information for the REIT’s most recently completed annual and interim financial periods, and the REIT’s current year business plan.

The REIT provides Trustees with ongoing education and information sessions to ensure they remain current with respect to the business and operations of the REIT, including the REIT’s financial condition and other matters related to the success of the REIT, and the implementation of the REIT’s primary objectives and core strategies.

- At each quarterly Board meeting and the annual business plan meeting, the CFO provides a comprehensive overview of the REIT’s historical and current operating performance and financial results. The CEO and CFO also provide a review of the REIT’s anticipated future financial results and overall market conditions and trends.
- Members of the REIT’s management team provide detailed analysis on operations, specific market trends and leasing initiatives.
- Education on topics affecting the REIT, including accounting standards, governance practices and regulatory changes, are provided on an ongoing basis.
- Trustees participate in property tours with management of the REIT on a periodic basis.
- Trustees attend various Real Estate Forums and Conferences throughout the year.

The continuing Trustee development program involves the ongoing evaluation by the GC&N Committee of the skills, diversity and competencies of existing Trustees. The Board is currently comprised of seasoned business executives, directors and professionals who collectively possess a complimentary skill set, diverse knowledge base and considerable experience, including as board members of other significant public companies. The GC&N Committee continually monitors the composition of the Board and will recommend the adoption of other Trustee development program components should it determine other components to be necessary.

Nomination and Assessment of Trustees

The GC&N Committee is responsible, subject to the right of Starlight to appoint the Starlight Appointed Trustees, to identify and nominate new candidates for Board approval. The GC&N Committee is also required, as necessary or appropriate, to establish qualifications for Trustees, and procedures for identifying possible nominees who meet these criteria. In doing so, it considers the desired competencies and skills, the appropriate size of the Board, and the needs of the Board when vacancies arise. The GC&N Committee believes nominees for the Board should possess established skill sets, in particular with respect to management, leadership, governance, financial acumen and real estate.

The GC&N Committee is also responsible for regularly assessing the effectiveness of the Board, each of its committees and individual Trustee performance. The Trustees are surveyed at least annually to form the basis of such assessment and a survey summary is independently prepared for and reviewed by the Chairman of the GC&N Committee. The assessment process involves confidential questionnaires, to be approved periodically by the GC&N Committee, and which include a review of the performance and effectiveness of the Board, each Board committee and individual Trustee performance, covering such matters as the operation of the Board and its committees, the adequacy and timeliness of the information provided to Trustees, agenda planning for Board meetings, contributions of Board and committee members, and consideration of whether any changes to the composition, structure or charter of the Board or its committees is appropriate.

Investment Committee

Pursuant to the Declaration of Trust, a majority of the members of the Investment Committee must be Independent Trustees and must have at least five years of substantial experience in the real estate industry. The Investment Committee consists of Daniel Drimmer (Chair), Jeff Baryshnik and William Biggar, each of whom are Independent Trustees, other than Daniel Drimmer. Daniel Drimmer may not vote on Investment Committee decisions in instances where he is considered to be a “related party” to such transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) and otherwise in compliance with the Declaration of Trust.

The Investment Committee may: (a) consider and authorize, without Board approval, proposed transactions, dispositions or borrowings where the acquisition, disposition or borrowing, including the assumption or granting of any mortgage, where the value of such transaction does not exceed \$25 million; and (b) recommend to the Board whether to approve or reject proposed transactions, including where the value of such transaction exceeds \$25 million. In the event the Investment Committee approves any matter referred to in (a), it shall at all times ensure that such transaction is completed in compliance with the requirements of MI 61-101 (if applicable), applicable policies of the TSX (or such other exchange on which the REIT’s securities are listed) and other applicable laws.

Ethical Business Conduct

Code of Business Conduct and Ethics

The Board has adopted a written code of business conduct and ethics, which is applicable to the Trustees and executive officers of the REIT and its subsidiaries, as well as to those directors, executive officers and employees of Starlight who have involvement with the REIT. The Code sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the REIT. Those who violate the Code may face disciplinary actions, including dismissal.

The Board has established confidential reporting procedures in order to encourage individuals to raise concerns regarding matters addressed by the Code on a confidential basis free from discrimination, retaliation or harassment. If a person subject to the Code should learn of a potential or suspected violation of the Code or of any applicable laws or regulations, they are required to promptly report the violation orally or in writing and, if preferred, anonymously, as the case may be, as follows: (a) in the case of a situation that does not involve management of the REIT, to the CFO of the REIT; (b) in the case of a situation that involves management of the REIT and does not involve any member of the Audit Committee of the REIT, to the chairperson or any member of the Audit Committee; or (c) in the case of a situation that involves management of the REIT and any member of the Audit Committee, to any Independent Trustee. If the issue or concern is related to the internal accounting controls of the REIT or any accounting or auditing matter, a person subject to the Code may report it anonymously to the Audit Committee.

In addition to the “conflict of interest” provisions contained in the Declaration of Trust as noted in this Circular, the Code provides that persons subject to the Code should not engage in any activity, practice or act which conflicts with the interests of the REIT. Trustees, executive officers and employees must not place themselves or remain in a position in which their private interests conflict with the interests of the REIT. If the REIT determines that an employee’s outside work interferes with performance or the ability to meet the requirements of the REIT, the employee may be asked to terminate the outside employment if he or she wishes to remain employed by the REIT.

To protect the interests of both the employees and the REIT, any such outside work or other activity that involves potential or apparent conflict of interest may be undertaken only after disclosure to the REIT by the employee and review and approval by management. Notwithstanding the foregoing, the REIT recognizes the business relationship between the REIT and Starlight and the involvement of certain executive officers of the REIT with both the REIT and Starlight, and accordingly, the foregoing is subject to, and should be interpreted after having given effect to, such arrangements.

Pursuant to the charter of the GC&N Committee, the committee is responsible for reporting to the Board, when determined necessary by the committee, on investigations and any resolutions of complaints received under the Code, and at least annually, reports to the Board on compliance with, or material deficiencies from, the Code and recommends amendments to the Code, if any, to the Board. Each person subject to the Code is required to acknowledge they have read and understand its contents. A copy of the Code can be found on the REIT's website at www.truenorthreit.com and on SEDAR at www.sedar.com.

Whistleblower Policy

The REIT has adopted a whistleblower policy (the “**Whistleblower Policy**”) to enable any person to raise concerns regarding accounting, internal accounting controls or auditing matters on a confidential basis, free from discrimination, retaliation or harassment, anonymously or otherwise. Reference is also made to the Code of Business Conduct and Ethics (as described above). The Audit Committee is responsible for administering the Whistleblower Policy. Mr. Biggar, as Chairman of the Audit Committee, is the primary contact under the Whistleblower Policy. A copy of the Whistleblower Policy can be found on the REIT's website at www.truenorthreit.com.

Disclosure Policy

The Board has adopted a disclosure policy (the “**Disclosure Policy**”) to seek to ensure communications to the public regarding the REIT are timely, factual, accurate, complete and broadly disseminated and, where necessary, filed with the regulators in accordance with applicable securities laws.

The Disclosure Policy applies to all Trustees, directors, executive officers of the REIT and its subsidiaries and all directors, executive officers and employees of Starlight who have involvement with the REIT. The Disclosure Policy covers disclosure documents filed with the Canadian securities regulators and written statements made in the REIT's annual and quarterly reports, press releases, letters to Unitholders, presentations by executives and information contained on the REIT's website and other electronic communications. The Disclosure Policy also applies to oral statements made in group and individual meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers), or with employees, interviews with the media as well as speeches, industry conferences, news conferences and conference calls and dealings with the public.

The REIT's disclosure committee, which is comprised of the REIT's CEO and CFO, is responsible for overseeing the REIT's disclosure controls, procedures and practices. The REIT's disclosure committee is responsible for overseeing a reasonable investigation of the REIT's information and developments is conducted on an ongoing basis for disclosure purposes, assessing such information and developments for materiality and determining if and when such material information requires public disclosure, subject to applicable law, periodic disclosure matters (such as quarterly results) and any development determined by the Board as requiring immediate public disclosure. The REIT's disclosure committee reports to the Audit Committee on a regular basis.

The Disclosure Policy has been circulated to all persons subject to such policy and the disclosure committee endeavours to ensure all such persons are aware of the existence of the Disclosure Policy, its importance and the REIT's expectation that such persons will comply with the Disclosure Policy. The Disclosure Policy is reviewed annually by the GC&N Committee.

Unitholder Engagement

The Board and management's communication and interaction with investors is important to the REIT. The REIT believes a transparent process for considering Unitholder inquiries should foster a trusted relationship with the investment community. All Unitholder inquiries should be directed to the Chief Financial Officer at the REIT, and Unitholder inquiries will be addressed by management in accordance with the REIT's disclosure policy. This practice ensures all Unitholder concerns are considered and responded to in a disciplined manner consistent with the REIT's governance practices. The Board monitors the REIT's Unitholder engagement activities on a regular basis and supports effective and clear communication.

2018 Unitholder Initiatives

In 2018, our Unitholder outreach initiatives included:

- telephone calls with investors and Unitholders to address topical issues and the business of the REIT;
- holding investor meetings and providing current presentations allowing management to effectively communicate the state of the REIT's business and manage Unitholder communications;
- provide news releases to media throughout the year to report on any material changes within the REIT;
- respond to and answer all inquiries received through our "contact us" email (ircommercial@truenorthreit.com) on the REIT's website; and
- provide a detailed presentation of our yearly activities to Unitholders at our annual unitholders meeting.

Over the next year, the REIT expects to continue to actively engage with Unitholders with a view to obtaining and responding to any feedback that investors may have.

REMUNERATION OF TRUSTEES OF THE REIT

A Trustee, who is not an executive officer, or otherwise employed by Starlight, is compensated for his services through a combination of retainers and attendance fees. Trustee compensation is payable 50% in cash and 50% in Units, as currently elected by each Trustee under the non-executive trustee unit issuance plan (the "**Unit Issuance Plan**"). Trustees are also eligible to be reimbursed for reasonable expenses properly incurred for attending meetings of the Board or any committee meeting.

The table below lists the fees Trustees were entitled to receive during 2018. Daniel Drimmer, the REIT's CEO, who is the President and Chief Executive Officer of Starlight, did not receive any fees.

Fees	Amount
Annual Retainer	
Chairman of the Board ⁽¹⁾	\$15,000
Trustees ⁽²⁾	\$25,000
Audit Committee Chair	\$17,500
GC&N Committee Chair	\$ 5,000
Investment Committee Chair ⁽¹⁾	\$ 5,000
Meeting Fees⁽³⁾	
Board Meeting ⁽²⁾	\$1,500
Audit Committee, GC&N Committee and Investment Committee	\$1,500

(1) Daniel Drimmer is a non-Independent Trustee and, therefore, did not receive this fee.

(2) Daniel Drimmer and Tracy Sherren are non-Independent Trustees and, therefore, did not receive this fee.

(3) Trustees who participate by telephone receive \$750 per meeting.

Unit Ownership Guidelines

As part of the REIT's objective to align the interests of Trustees and executive officers of the REIT with Unitholders, in March 2019, upon the recommendation of the GC&N Committee, the Board instituted a requirement that all Trustees and executive officers acquire by the third anniversary of becoming a Trustee or executive officer, such number of Units (which includes Class B LP Units) having a value equal to four (4) times his or her annual base retainer. All Trustees currently meet or exceed this requirement.

Trustee Compensation Table

The following table sets out information concerning the 2018 compensation earned by, paid to, or awarded to each Trustee who is not a Named Executive Officer.

<u>Name</u>	<u>Fee Earned^{(1) (2)}</u> <u>(\$)</u>	<u>Option-Based</u> <u>Awards⁽³⁾</u> <u>(\$)</u>	<u>All Other</u> <u>Compensation</u> <u>(\$)</u>	<u>Total</u> <u>Compensation</u> <u>(\$)</u>
Jeff Baryshnik	35,500	3,400	Nil	38,900
William Biggar	59,750	3,400	Nil	63,150
Roland Cardy	46,500	3,400	Nil	49,900
Alon Ossip	31,750	3,400	Nil	35,150
Sandy Poklar	37,750	3,400	Nil	41,150

- (1) Fees earned represent 50% payable in cash and 50% payable in Units as elected by each Trustee under the Trustee Unit Issuance Plan.
- (2) No travel fees were paid to Trustees in 2018.
- (3) The amount is the estimated fair value of each Option on the grant date. This fair value was calculated using the Black-Scholes option pricing model, as this is a widely used methodology that satisfies GAAP and corresponds to the compensation value intended to be provided to each Trustee, and the fair value determined for accounting purposes. The following weighted average assumptions were used: expected distribution yield is 8.97%; expected volatility is 15.03%; risk free interest rate is 1.91%; and expected Option life is 3.83 years. For a description of the material terms of the Option Plan, see "Equity Compensation Plan Information – Unit Option Plan".

Non-Executive Trustee Unit Issuance Plan

The REIT established the Unit Issuance Plan adopted with effect from June 18, 2013 and amended and restated as of January 1, 2014, to allow non-executive Trustees to elect to receive Units in lieu of cash for their annual remuneration.

Pursuant to the Unit Issuance Plan, up to 50% of the fees payable to each non-executive Trustee in a fiscal year of the REIT for serving on the Board or any committee of the Board, but excluding any expense reimbursement or retainer for serving as a member of any special committee constituted by the Board from time to time (the "**Amount**") will be payable (after deducting applicable withholding taxes, if any) in Units issued from the REIT's treasury on the last Business Day (as defined in the Unit Issuance Plan) of March, June, September and December of each fiscal year of the REIT, or such other date recommended by the GC&N Committee and confirmed by the Board from time to time. An Eligible Person (as defined in the Unit Issuance Plan) may elect to receive his or her Amount entirely in cash, or to receive any proportion of his or her Amount (subject to the aforementioned 50% maximum) in cash or Units at his or her discretion (an "**Election**"). An Election may only be made once annually for the full duration of a year by giving written notice five Business Days prior to December 31 for the upcoming year, provided such Election may not be made while the REIT is observing a trading blackout.

The aggregate number of Units reserved for issuance under the Unit Issuance Plan, subject to adjustment or increase pursuant to the terms contained therein, may not exceed 100,000 Units (the "**Plan Maximum**"). The Unit Issuance Plan contains customary provisions providing for the adjustment of the Plan Maximum in the event of a Unit split, consolidation or recapitalization. As at April 24, 2019, 91,700 Units had been issued under the Unit Issuance Plan.

The annual burn rate of the Unit Issuance Plan (as expressed as a percentage based on the number of Units under the Unit Issuance Plan issued during the applicable fiscal year divided by the weighted average number of issued and outstanding Units and Class B LP Units for the applicable fiscal year) was 0.03% for the fiscal year 2018, 0.04% for the fiscal year 2017 and 0.06% for the fiscal year 2016.

The Board has full and exclusive discretionary power to: (a) interpret and construe the Unit Issuance Plan; (b) establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Unit Issuance Plan; (c) determine the qualification of any person to participate in the Unit Issuance Plan; (d) determine the number of Units to be issued pursuant to each issuance; (e) approve the forms of documents for use under the Unit Issuance Plan; (f) amend the Unit Issuance Plan, subject to the terms contained therein; and (g) take such other action, not inconsistent with the terms of the Unit Issuance Plan, as the Board deems appropriate. Notwithstanding the foregoing, the Board may not without approval by a majority of the votes cast by Unitholders: (a) increase the number of Units issuable pursuant to the Unit Issuance Plan; (b) expand the authority of the Board to permit assignability of Units issued pursuant to the Unit Issuance Plan beyond that contemplated by the terms of the Unit Issuance Plan; (c) amend the definition of "Eligible Persons" in the Unit Issuance Plan to add categories of eligible participants; and (d) amend the Unit Issuance Plan to provide for other types of compensation through equity issuance.

The Board may delegate to its GC&N Committee or any other committee of the Board or to any executive officer or employee of the REIT, as specified by the Board, such administrative duties or powers as the Board may deem advisable in connection with the Unit Issuance Plan.

Incentive Plan Awards — Outstanding Option-Based Awards

The following table sets forth for each Trustee who is not a Named Executive Officer information regarding Options outstanding as at December 31, 2018:

Name	Number of Units Underlying Unexercised Options (#)		Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	
	Vested	Unvested			Vested	Unvested
Jeff Baryshnik.....	25,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	6,666	3,334	6.04	Aug. 5, 2021	Nil	Nil
	6,666	3,334	6.28	Nov. 14, 2021	Nil	Nil
	3,333	6,667	6.17	Aug. 11, 2022	Nil	Nil
	3,333	6,667	6.44	Nov. 16, 2022	Nil	Nil
	Nil	10,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	10,000	6.66	Sep. 20, 2023	Nil	Nil
William Biggar	25,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	6,666	3,334	6.04	Aug. 5, 2021	Nil	Nil
	6,666	3,334	6.28	Nov. 14, 2021	Nil	Nil
	3,333	6,667	6.17	Aug. 11, 2022	Nil	Nil
	3,333	6,667	6.44	Nov. 16, 2022	Nil	Nil
	Nil	10,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	10,000	6.66	Sep. 20, 2023	Nil	Nil
Roland Cardy	25,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	6,666	3,334	6.04	Aug. 5, 2021	Nil	Nil
	6,666	3,334	6.28	Nov. 14, 2021	Nil	Nil
	3,333	6,667	6.17	Aug. 11, 2022	Nil	Nil
	3,333	6,667	6.44	Nov. 16, 2022	Nil	Nil
	Nil	10,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	10,000	6.66	Sep. 20, 2023	Nil	Nil
Alon Ossip	25,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	6,666	3,334	6.04	Aug. 5, 2021	Nil	Nil
	6,666	3,334	6.28	Nov. 14, 2021	Nil	Nil
	3,333	6,667	6.17	Aug. 11, 2022	Nil	Nil
	3,333	6,667	6.44	Nov. 16, 2022	Nil	Nil
	Nil	10,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	10,000	6.66	Sep. 20, 2023	Nil	Nil
Sandy Poklar	25,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	6,666	3,334	6.04	Aug. 5, 2021	Nil	Nil
	6,666	3,334	6.28	Nov. 14, 2021	Nil	Nil
	3,333	6,667	6.17	Aug. 11, 2022	Nil	Nil
	3,333	6,667	6.44	Nov. 16, 2022	Nil	Nil
	Nil	10,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	10,000	6.66	Sep. 20, 2023	Nil	Nil

(1) Calculated based on the December 31, 2018 closing price on the TSX of \$5.66 per Unit.

REMUNERATION OF MANAGEMENT OF THE REIT

Overview

As at the date hereof, the REIT does not directly employ any persons. The services of Mr. Daniel Drimmer as President and CEO and Ms. Tracy Sherren as CFO, are provided to the REIT by Starlight. Other than equity incentive compensation, no compensation is paid by the REIT or its subsidiaries to those persons provided by Starlight as executive officers of the REIT (including Mr. Drimmer and Ms. Sherren), and the compensation received by such persons from Starlight is not within or subject to the discretion of the Board although the Board may make recommendations to Starlight. The compensation paid by the REIT to Starlight for services rendered is calculated in accordance with the Asset Management Agreement.

Compensation Discussion and Analysis

The executive officers of the REIT named in the “Summary Compensation Table” below, namely Mr. Drimmer and Ms. Sherren, are the beneficial owner and an executive officer of Starlight, respectively. In addition to her duties as CFO of the REIT, Ms. Sherren was appointed the Chief Financial Officer of Starlight on May 16, 2016 and Group Head, Commercial on October 19, 2017, which responsibilities are specifically allowed for, and agreed to, by the Board and acknowledged by the REIT. The REIT is obligated to pay Starlight certain amounts pursuant to terms of the Asset Management Agreement, as discussed in “Arrangements with Starlight – Asset Management Agreement”. As such, any variability in compensation paid by Starlight to persons determined to be named executive officers of the REIT pursuant to applicable securities laws (the “Named Executive Officers”) will not impact the REIT’s financial obligations.

The REIT is under no obligation to retain the services of the management provided by Starlight. The Board has the sole discretion to hire executive officers and employees, but such hiring, if not of Starlight employees, would be at the sole expense of the REIT.

The following discussion is intended to describe the compensation of the Named Executive Officers and supplements the more detailed information concerning executive compensation that appears in the tables and the accompanying narrative that follows.

Principal Elements of Compensation

The compensation of the Named Executive Officers includes three principal elements: (i) base salary, (ii) annual cash bonus, and (iii) long-term equity incentives, consisting of Options granted by the REIT under the Option Plan. As a private company, Starlight's process for determining executive compensation has no specific formula for determining the weighting or amount of compensation, and no formal approach is applied when applying compensation to the objectives of the REIT. Notwithstanding the foregoing, Starlight has implemented an executive compensation program to attract, retain and motivate highly qualified executive officers. Objectives and performance measures may vary from year to year as determined to be appropriate by Starlight.

The Named Executive Officers do not benefit from medium term incentives or pension plan participation. Perquisites and personal benefits are not a significant element of compensation of the Named Executive Officers.

The three principal elements of compensation are described below.

Base salaries. Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries are determined on an individual basis, taking into consideration the past, current and potential contribution to the success of the REIT, the position and responsibilities of the Named Executive Officers and competitive industry pay practices for other real estate investment trusts and corporations of comparable size. Starlight has not engaged compensation consultants for the purposes of performing benchmarking or applying specific criteria for the selection of comparable real estate businesses. Increases in base salary are at the sole discretion of Starlight but it considers the goals of the executive compensation program described above. The Board may review the compensation payable to its executive officers by Starlight, and is entitled to provide recommendations to Starlight, which must be considered in good faith but are not binding upon Starlight.

Annual cash bonuses. Annual cash bonuses are discretionary and are not awarded pursuant to a formal incentive plan. Annual cash bonuses are awarded based on qualitative and quantitative performance standards, and reward performance of the REIT or the Named Executive Officer individually. The determination of the performance of the REIT may vary from year to year depending on economic conditions and conditions in the real estate industry, and may be based on measures such as Unit trading performance, the meeting of financial targets against budget, the meeting of acquisition objectives and balance sheet management. The Board may review the bonuses payable to its executive officers by Starlight, and is entitled to provide recommendations to Starlight, which must be considered in good faith but are not binding upon Starlight.

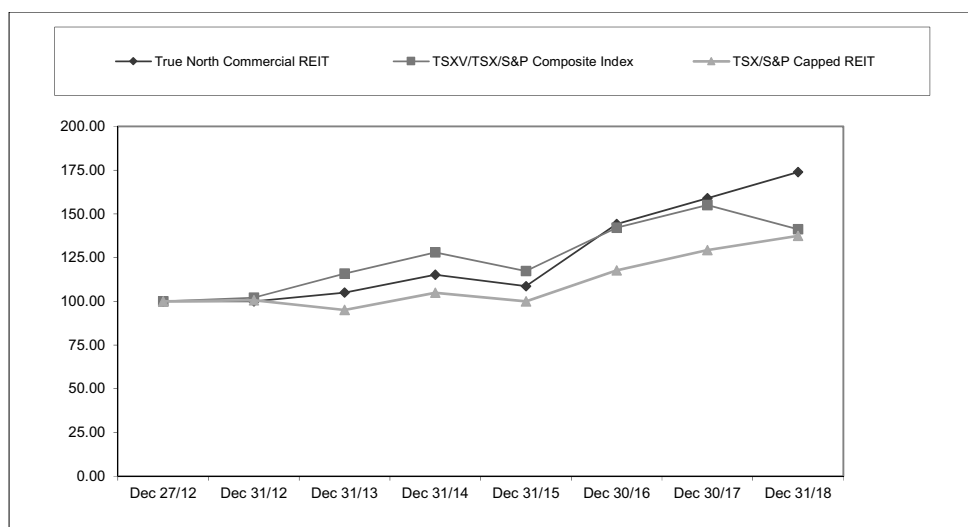
Individual performance factors vary, and may include completion of specific projects or transactions and the execution of day to day management responsibilities.

Options. Grants of Options by the REIT under the Option Plan align the interests of the Named Executive Officers more closely with the interests of Unitholders because they are tied to the REIT's financial and Unit trading performance and vest over a number of years. The Board, acting on the recommendation of the GC&N Committee, may designate individuals eligible to receive grants of Options. In determining grants of Options, an individual's performance and contributions to the REIT's success, relative position, tenure and past grants are taken into consideration. For a description of the material terms of the Option Plan, see "Equity Compensation Plan Information – Option Plan."

Named Executive Officers and Trustees are not permitted to purchase financial instruments including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such Named Executive Officers and Trustees.

Performance Graph

On December 19, 2012, the REIT was listed and commenced trading on the TSX Venture Exchange (“TSXV”). Upon graduation to the TSX on June 18, 2013, the REIT was de-listed and ceased trading on the TSXV and commenced trading on the TSX. The following graph compares the yearly percentage change in the total cumulative Unitholder return for \$100 invested in Units against the cumulative total return of the TSXV/TSX/S&P Composite Index and the TSX/S&P Capped REIT index for the period from December 19, 2012 to December 31, 2018.



	Dec 27/12	Dec 31/12	Dec 31/13	Dec 31/14	Dec 31/15	Dec 30/16	Dec 30/17	Dec 31/18
True North Commercial REIT	100.00	100.00	105.00	115.10	108.68	144.22	158.93	173.92
TSXV/TSX/S&P Composite Index	100.00	102.05	115.76	127.97	117.33	142.06	154.98	141.21
TSX/S&P Capped REIT	100.00	100.58	95.03	104.87	100.00	117.62	129.21	137.38

The compensation paid to the Named Executive Officers by Starlight is not based upon the market price of Units or the total return to Unitholders. See “Remuneration of Management of the REIT – Compensation Discussion and Analysis”.

Summary Compensation Table

The following table sets out information concerning compensation to be earned by and paid to, the persons determined to be Named Executive Officers.

<u>Name and principal positions</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Option-based Awards⁽¹⁾ (\$)</u>	<u>Annual incentive plans⁽³⁾ (\$)</u>	<u>All other compensation⁽⁴⁾ (\$)</u>	<u>Total compensation (\$)</u>
Daniel Drimmer ⁽⁵⁾	2018	Nil	20,200 ⁽²⁾	Nil	Nil	20,200
<i>Chairman of the Board, President and CEO</i>	2017	Nil	17,000	Nil	Nil	17,000
	2016	Nil	12,000	Nil	Nil	12,000
Tracy Sherren ⁽⁶⁾	2018	350,000	20,200 ⁽²⁾	340,000	Nil	710,200
<i>CFO</i>	2017	325,000	17,000	315,000	Nil	657,000
	2016	290,000	16,000	150,000	Nil	456,000

(1) The amount is the estimated fair value of each Option on the grant date. This fair value was calculated using the Black-Scholes option pricing model, as this is a widely used methodology that satisfies GAAP and corresponds to the compensation value intended to be provided to each Named Executive Officer, and the fair value determined for accounting purposes. The following weighted average assumptions were used: expected distribution yield is 8.97%; expected volatility is 15.03%; risk free interest rate is 1.91%; and expected Option life is 3.83 years. For a description of the material terms of the Option Plan, see “Equity Compensation Plan Information – Unit Option Plan”.

(2) On March 9, 2018 and September 20, 2018, Mr. Drimmer and Ms. Sherren were each granted 60,000 Options at an exercise price of \$6.43 and \$6.66 and expiring on March 9, 2023 and September 20, 2023, respectively.

(3) All annual incentive plan awards relating to services performed during a fiscal year are paid by Starlight.

(4) None of the Named Executive Officers are entitled to perquisites or other personal benefits which, in the aggregate, are worth over \$50,000 or over 10% of their annual base salary.

(5) Mr. Drimmer does not receive compensation from Starlight with respect to the services he renders as CEO. Mr. Drimmer is the sole beneficial owner of Starlight. For fees paid, and expenses reimbursed to Starlight, see “Arrangements with Starlight — Asset Management Agreement”. Mr. Drimmer does not otherwise receive compensation from the REIT or from any Starlight entity in respect of the REIT, including with respect to his role as a Trustee or on any committee of the Board.

(6) Compensation of Ms. Sherren is paid by Starlight (with the exception of Option-based awards granted by the REIT under the Option Plan).

Incentive Plan Awards — Outstanding Option-Based Awards

The following table sets forth for each Named Executive Officer information concerning Options outstanding as at December 31, 2018:

<u>Name</u>	<u>Number of Units underlying unexercised Options (#)</u>		<u>Option exercise price (\$)</u>	<u>Option expiration date</u>	<u>Value of unexercised in-the-money Options⁽¹⁾ (\$)</u>	
	<u>Vested</u>	<u>Unvested</u>			<u>Vested</u>	<u>Unvested</u>
Daniel Drimmer	100,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	20,000	10,000	6.04	Aug. 5, 2021	Nil	Nil
	26,666	13,334	6.28	Nov. 14, 2021	Nil	Nil
	20,000	40,000	6.17	Aug. 11, 2022	Nil	Nil
	20,000	40,000	6.44	Nov. 16, 2022	Nil	Nil
	Nil	60,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	60,000	6.66	Sep. 20, 2023	Nil	Nil
Tracy Sherren.....	125,000	Nil	6.15	Jan. 8, 2020	Nil	Nil
	30,000	15,000	6.04	Aug. 5, 2021	Nil	Nil
	33,333	16,667	6.28	Nov. 14, 2021	Nil	Nil
	20,000	40,000	6.17	Aug. 11, 2022	Nil	Nil
	20,000	40,000	6.44	Nov. 16, 2022	Nil	Nil
	Nil	60,000	6.43	Mar. 9, 2023	Nil	Nil
	Nil	60,000	6.66	Sep. 20, 2023	Nil	Nil

(1) Calculated based on the December 31, 2018 closing price on the TSX of \$5.66 per Unit.

Incentive Plan Awards — Value Vested or Earned During the Year

<u>Name</u>	<u>Options-Based Awards – Value Vested During the Year (\$)</u>
Daniel Drimmer	34,067
Tracy Sherren.....	41,534

Pension Plan Benefits

The REIT does not sponsor any pension plan for its executive officers.

Employment Agreements

Daniel Drimmer, the Chairman of the Board, President and CEO of the REIT, is the sole beneficial owner of Starlight and does not have an employment agreement with the REIT or Starlight.

Pursuant to the terms of an employment agreement with Starlight dated March 4, 2013, Tracy Sherren serves as the REIT's CFO for an indefinite term. The agreement provides for an annual base salary of \$350,000, and an annual incentive. Ms. Sherren's employment agreement also provides for certain restrictive covenants that continue to apply following the termination of Ms. Sherren's employment, including a 12-month non-solicit with respect to the REIT's customers or employees. Ms. Sherren may terminate her employment at any time with 90 days' written notice, which Starlight may waive. Pursuant to her employment agreement, if Ms. Sherren's employment is terminated without "cause" by providing her with a written notice, Ms. Sherren will be entitled to base salary and vacation owing at the time of termination and an amount equal to the aggregate of 18 months' base salary and an amount equal to the average of her discretionary bonus paid in each of the previous three years to a maximum of 50% of base salary or as adjusted by the Board (but subject to Starlight's approval), and benefits for 18 months. If Ms. Sherren's employment is terminated with "cause", there will be no obligation to make any further payments other than compensation owing at the time of termination. On a change of control of the REIT, if within 12 months of such change of control, Ms. Sherren's employment is terminated for any reason other than just cause, or certain changes occur in Ms. Sherren's employment and she resigns, Ms. Sherren will be entitled to receive from Starlight 18 months' base salary, an amount equal to the average of her discretionary bonus paid in each of the previous three years to a maximum of 50% of base salary or as adjusted by the Board (but subject to Starlight's approval), and benefits for 18 months. The Board may review the compensation payable to its executive officers, and is entitled to provide recommendations to Starlight, which must be considered in good faith but are not binding upon Starlight.

EQUITY COMPENSATION PLAN INFORMATION

Overview

The following table sets out as at December 31, 2018 the number of Units to be issued upon the exercise of outstanding Options, the weighted average price of outstanding Options and the number of Units remaining available for future issuance under the Option Plan:

<u>Plan Category</u>	<u>Number of Units to be Issued Upon Exercise of Outstanding Options</u>	<u>Weighted-Average Exercise Price of Outstanding Options</u>	<u>Number of Units Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Units Reflected in the First Column)</u>
Option Plan (approved by Unitholders)	2,160,500	6.32	695,952

The annual burn rate of the Equity Incentive Plans (as expressed as a percentage based on the number of options under the Option Plan granted during the applicable fiscal year divided by the weighted average number of issued and outstanding Units and Class B LP Units for the applicable fiscal year) was 1.2% for the fiscal year 2018, 1.6% for the fiscal year 2017 and 2.0% for the fiscal year 2016.

Option Plan

The REIT established the Option Plan for the benefit of Trustees, executive officers, directors of the REIT and its subsidiaries, as well as certain eligible Service Providers (as described below and defined in the Option Plan).

The Options granted under the Option Plan permit Option holders to purchase Units on payment of the exercise price. The exercise price shall not be less than the Fair Market Value (as defined in the Option Plan). The Board determines the number of Units to be covered by each Option and determines, subject to the Option Plan, the terms of each such Option. The Options are granted for a period of not more than five years, although a shorter option period may be established by the Board. Generally, Options granted vest on the basis of: (a) as to the first third, one year from the date of grant; (b) as to the next third, two years from the date of grant; and (c) as to the remaining third, three years from the date of grant.

The Options granted under the Option Plan may also be exercisable on a cashless basis by receipt, without payment by the optionee, of the Growth Amount (as defined in the Option Plan). The Growth Amount is payable by issuance by the REIT to the optionee of that number of whole Units calculated by dividing this Growth Amount by the fair market value of the Units, rounded down to the nearest whole Unit, without payment in Units or cash for any fractional interest. The fair market value of the Units is the volume weighted average trading price of the Units on the TSX for the five business days preceding the date on which the granting of an Option is approved by the Board.

Unless the Board determines otherwise, an optionee's Options granted under the Option Plan will terminate and may not be exercised after the earliest of: (a) one year after the optionee's termination of employment with the REIT by reason of death, permanent disability or retirement; (b) the optionee's termination of employment with the REIT, for "cause"; (c) 90 days after the optionee's termination of employment with the REIT, in any manner or for any reason, other than death, permanent disability, retirement or termination of employment for "cause"; and (d) the expiry date of the optionee's option; provided that, subject to the foregoing, unvested Options will continue to vest according to their terms of grant.

The number of Units issuable at any time under Options issued and outstanding pursuant to the Option Plan and under any other security-based compensation arrangements of the REIT may not exceed in the aggregate 10% of the REIT's total issued and outstanding Units (on a non-diluted basis but including the number of Class B LP Units issued and outstanding).

The number of Units issuable to insiders at any time under Options issued and outstanding pursuant to the Option Plan and under any other security-based compensation arrangements of the REIT may not exceed in the aggregate 10% of the REIT's total issued and outstanding Units (on a non-diluted basis but including the number of Class B LP Units issued and outstanding), and the number of Units issued to insiders within any one year period under Options issued and outstanding pursuant to the Option Plan and under any other security-based compensation arrangements of the REIT may not exceed in the aggregate 10% of the REIT's total issued and outstanding Units (on a non-diluted basis, but including the number of Class B LP Units issued and outstanding).

The maximum number of Units that may be subject to grants of Options under the Option Plan to any one optionee during any 12-month period shall be no greater than 5% of the issued and outstanding Units (on a non-diluted basis, but including the number of Class B LP Units issued and outstanding).

As specified by the Board, it may delegate to (i) the GC&N Committee; (ii) any committee of the Board; or (iii) officer; such administrative duties or powers as it may deem advisable.

For purposes of the Option Plan, “officer” includes, for greater certainty, any individual performing a policy-making function in respect of the REIT pursuant to an arrangement with Starlight or any other person, and “Service Provider” means, among others, Starlight for so long as it is providing specified services under the Asset Management Agreement and its successors and permitted assigns, as well as its respective employees, executive officers, or directors, provided in each case such person spends or will spend a significant amount of time and attention on the affairs and business of the REIT or an affiliate of the REIT.

As at April 24, 2019, 3,040,750 Options had been issued under the Option Plan.

INDEBTEDNESS OF TRUSTEES AND EXECUTIVE OFFICERS

As at April 24, 2019, there was no indebtedness owing to the REIT or any of its subsidiaries by any Trustee, executive officer (or any associates thereof).

ARRANGEMENTS WITH STARLIGHT

Starlight or an affiliate of Starlight is responsible for the day-to-day administration and operation of the REIT’s properties and for providing strategic advisory and other services to the REIT pursuant to the Asset Management Agreement.

Starlight’s head office is located at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3. Mr. Daniel Drimmer, the Chairman of the Board, President and CEO of the REIT, is Starlight’s sole beneficial shareholder and sole director as at the date hereof. To the best of the REIT’s knowledge, the following persons act as executive officers of Starlight as of the date hereof: (a) Mr. Daniel Drimmer, a resident of Toronto, Ontario, is the President and Chief Executive Officer of Starlight; (b) Ms. Tracy Sherren, a resident of Hammonds Plains, Nova Scotia, is the Group Head, Commercial and Chief Financial Officer of Starlight; (c) Mr. Glen Hirsh, a resident of Toronto, Ontario is the Chief Operating Officer of Starlight; (d) Mr. David Hanick, a resident of Toronto, Ontario, is the Chief Legal Officer of Starlight; and (e) Mr. David Chalmers, a resident of Toronto, Ontario, is the President, Canadian Multi-Family of Starlight.

Neither Starlight nor any director or executive officer of Starlight, nor any of their respective affiliates or associates, is, or has at any time since January 1, 2018, been indebted to the REIT or its subsidiaries or been engaged in any significant transaction or arrangement with the REIT, except otherwise disclosed in this Circular.

Asset Management Agreement

Starlight or an affiliate of Starlight provides certain services to the REIT and its subsidiary entities pursuant to the Asset Management Agreement. Starlight or an affiliate of Starlight is entitled to the following fees pursuant to the Asset Management Agreement:

- (a) A base annual management fee calculated and payable on a monthly basis, equal to 0.35% of the sum of: (i) the historical purchase price of the properties owned by the REIT (the “**Properties**”); and (ii) the cost of any capital expenditures incurred by the REIT or any of its affiliates in respect of the Properties;
- (b) An incentive fee payable by the REIT for each fiscal year equal to 15% of the REIT’s fund from operations (“FFO”) per Unit in excess of the REIT’s FFO per Unit for fiscal 2013 (the “Hurdle Amount”), plus 50% of the increase in the weighted average consumer price index (or other similar metric as determined by the Trustees) (“**CPI Adjustment**”) in jurisdictions in which the properties are located, and the Hurdle Amount thereafter increasing annually by the CPI Adjustment. The FFO per Unit is equal to the quotient obtained by dividing: (i) the sum of: (A) the gain on the dispositions of any Properties at fiscal year (calculated as the difference between the total sale price set out in any agreement entered into by the REIT with respect to the disposition of the Property net of costs incurred and the historical purchase price of such Property inclusive of costs incurred), and (B) FFO; by (ii) the total number of issued and outstanding Units as at the end of such fiscal year;
- (c) A capital expenditures fee equal to 5% of all hard construction costs incurred on each capital project with costs in excess of \$1.0 million excluding work done on behalf of tenants or any maintenance capital expenditures; and

- (d) An acquisition fee equal to: (i) 1.0% of the purchase price of a property, on the first \$100 million of Properties announced to be acquired by the REIT in each fiscal year; (ii) 0.75% of the purchase price of a property announced to be acquired by the REIT on the next \$100 million of properties acquired in each fiscal year; and (iii) 0.50% of the purchase price on Properties announced to be acquired by the REIT in excess of \$200 million in each fiscal year.

Starlight earned management fees of approximately \$2.6 million pursuant to the Asset Management Agreement for the year ended December 31, 2018, approximately \$2.0 million in acquisition fees and was paid approximately \$142,000 in other expenses. No incentive fees were earned or capital expenditure fees charged during the same period.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as noted in the following paragraphs or otherwise disclosed in this Circular, there are no material interests, direct or indirect, of any Trustee, executive officer of the REIT or Nominee, any Unitholder that beneficially owns, or controls or directs, (directly or indirectly) more than 10% of the Units or Special Voting Units of the REIT, or any associate or affiliate of any of the foregoing persons, in any completed transaction since the commencement of the REIT's most recently completed financial year or proposed transaction of the REIT that has materially affected or would materially affect the REIT or any of its subsidiaries.

Daniel Drimmer, the Chairman of the Board, President and CEO of the REIT, has an ongoing relationship with Starlight. See "Arrangements with Starlight".

As of April 24, 2019, Mr. Drimmer, through entities directly or indirectly beneficially owned or controlled by him, holds an approximate 8.5% effective interest in the REIT through his ownership of Units, Class B LP Units and Special Voting Units. Each Class B LP Unit of a Partnership is exchangeable at the option of the holder for one Unit (subject to customary anti-dilution adjustments), is accompanied by one Special Voting Unit (which provides for the same voting rights in the REIT as a Unit) and is entitled to receive distributions of cash from such Partnership equal to the distributions the holder of the Class B LP Unit would have received if it was holding one Unit (subject to customary anti-dilution adjustments) instead of the Class B LP Unit. In addition, Mr. Drimmer holds 410,000 Options as of April 24, 2019.

Provided that Starlight holds at least 10% of the outstanding Units determined on a fully-diluted basis (including Units issuable upon the exchange of the Class B LP Units), Starlight is entitled to certain pre-emptive rights to maintain its pro rata ownership interest in the REIT and its subsidiaries, "demand" and "piggyback" registration rights with respect to public offerings by the REIT, and "drag" and "tag" rights with respect to purchases of securities of subsidiaries of the REIT, pursuant to an exchange agreement dated December 14, 2012, among, *inter alia*, Starlight and the REIT which can be found on SEDAR at www.sedar.com. See "Matters to be Acted Upon at the Meeting – Election of Trustees".

OTHER MATTERS COMING BEFORE THE MEETING

Management knows of no other matters to come before the Meeting other than those referred to in the Notice and this Circular. Should any other matters properly come before the Meeting, the Units and Special Voting Units represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

ADDITIONAL INFORMATION

Additional information relating to the REIT can be found on the REIT's website at www.truenorthreit.com or under the REIT's SEDAR profile at www.sedar.com. Additional financial information is provided in the REIT's audited consolidated financial statements and management's discussion and analysis for the REIT's most recently completed financial year. Copies of this Circular and audited consolidated annual financial statements of the REIT as at and for the year ended December 31, 2018, and related management's discussion and analysis may be obtained without charge by writing to the Corporate Secretary at 1400-3280 Bloor Street West, Centre Tower, Toronto, Ontario, M8X 2X3.

APPROVAL OF THE TRUSTEES

The Board has approved the contents of this Circular and its sending to the unitholders of the REIT, the auditor of the REIT and to appropriate regulatory agencies.

DATED as of May 2, 2019.

BY ORDER OF THE TRUSTEES OF TRUE NORTH
COMMERCIAL REAL ESTATE INVESTMENT TRUST

(signed) DANIEL DRIMMER
Chairman of the Board, President
and Chief Executive Officer

**APPENDIX “A”
INCENTIVE TRUST UNIT PLAN**

**TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST
INCENTIVE TRUST UNIT PLAN**

**ARTICLE 1
PURPOSE AND DEFINITIONS**

1.1 Purpose

The purpose of this True North Commercial Real Estate Investment Incentive Trust Unit Plan (the “**Plan**”) is to promote a greater alignment of interests between the Trustees and officers of True North Commercial Real Estate Investment Trust (the “**REIT**”) and/or its Subsidiaries and Service Providers who are providing services to, or involved in the management of the REIT with the Unitholders.

1.2 Definitions

The following terms used in the Plan have the meanings set out below:

- (a) “**Annual Board Retainer**” means the annual retainer paid by the REIT to a non-executive Trustee in a calendar year for service on the Board and committees of the Board in that particular calendar year, including any chairman retainers and attendance fees throughout the year, but not any other additional fees or any expense disbursements;
- (b) “**Applicable Withholding Taxes**” means any and all taxes and other source deductions or other amounts which the REIT or any Subsidiary is required by law to withhold from any amounts (whether in Units or in cash) to be paid, issued, delivered or credited under the Plan;
- (c) “**Automatic Annual Board Retainer**” the percentage portion of a non-executive Trustee’s Annual Board Retainer that is required to be satisfied in the form of Deferred Units credited to each non-executive Trustee’s Incentive Unit Account under the Plan, as determined by a resolution of the Board, as contemplated in Section 5.2;
- (d) “**Award Date**” means the last Business Day of each Quarter, or such other date recommended by the Board from time to time, during the year on which the Annual Board Retainer would, but for a Participant’s election pursuant to Article 5 and the Automatic Annual Board Retainer, be paid or payable;
- (e) “**Board**” means the Board of Trustees of the REIT;
- (f) “**Business Day**” means a day on which there is trading on the TSX or such other stock exchange on which the Units are then listed and posted for trading, and if none, a day that is not Saturday or Sunday or a national legal holiday in Canada;
- (g) “**Cause**” as used in connection with the termination of a Participant’s employment with the REIT, a Subsidiary, or the Service Provider, means: (i) the continued failure by the Participant to substantially perform his or her duties after the REIT, Subsidiary, or Service Provider, as applicable, has given the Participant reasonable notice of such failure and a reasonable opportunity to correct it; (ii) the engaging by the Participant in any act which is materially injurious to the REIT, Subsidiary, or Service Provider, monetarily or otherwise; or (iii) the engaging by the Participant in any criminal act of dishonesty resulting or intended to result directly or indirectly in personal gain of the Participant at the REIT’s, or Subsidiary’s, or Service Provider’s expense. In the event of an inconsistency between the terms of the relevant agreement to which a Service Provider is a party (the “**Participant Agreement**”), the terms of the Participant Agreement shall govern and shall be deemed incorporated herein by reference;
- (h) “**CFO**” means the Chief Financial Officer of the REIT;

- (i) **“Change of Control”** means:
- (i) a successful take-over bid;
 - (ii) the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, are “acting jointly or in concert” (as defined as MI 62-104 or intend to exercise jointly or in concert any voting rights attaching to the Units acquired), directly or indirectly, of beneficial ownership of such number of Units or rights to Units of the REIT, which together with such person’s (or persons’) then owned Units and rights to Units, if any, represent (assuming the full exercise of such rights to voting securities) more than 50 percent of the combined voting rights of the REIT’s then outstanding Units and Special Voting Units;
 - (iii) the entering into of any agreement by the REIT to merge, consolidate, amalgamate, initiate an arrangement or be absorbed by or into another corporation;
 - (iv) the passing of a resolution by the Board or Unitholders to substantially liquidate the assets or wind-up the REIT’s business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a *bona fide* reorganization of the REIT in circumstances where the business of the REIT is continued and where the unitholdings remain substantially the same following the re-arrangement); or
 - (v) individuals who were members of the Board immediately prior to a meeting of the Unitholders involving a contest for an item of business relating to the election of trustees, not constituting a majority of the Board following such election.
- (j) **“Class B Units”** means collectively, the class B limited partnership units in the capital of any Partnership;
- (k) **“Deferred Unit”** means a deferred unit which is granted in satisfaction of all or a portion of a Participant’s Annual Board Retainer, and which shall be settled by way of the issuance of Units from treasury of the REIT as set forth in Article 5;
- (l) **“Disability”** in respect of a Participant, means a restriction or lack of ability due to an illness or injury as determined by a legally qualified medical practitioner selected by the REIT, which prevents the Participant to a substantial degree from performing his or her essential duties obligations for two years during the term of his or her employment;
- (m) **“Elected Amount”** has the meaning ascribed thereto in Section 5.3 of the Plan;
- (n) **“Election Date”** means the date on which the Eligible Person files an Election Notice in accordance with Section 5.4 of the Plan;
- (o) **“Election Notice”** has the meaning ascribed thereto in Section 5.4 of the Plan;
- (p) **“Eligible Annual Retainer”** means, for each Eligible Person who is a non-executive Trustee, the amount by which such Eligible Person’s Annual Board Retainer for a particular year exceeds the Automatic Annual Board Retainer for that year;
- (q) **“Eligible Person”** means a person who is, on the applicable date, a person who has been and continues to be an Eligible Person designated by the Board pursuant to Section 4.1 of the Plan;
- (r) **“Fixed Plan Amendment Date”** has the meaning ascribed thereto in Section 2.1 of the Plan;
- (s) **“GC&N Committee”** means the Governance, Compensation and Nominating Committee of the Board;

- (t) “**Good Reason**” as used in connection with the termination of a Participant’s employment, means (i) with respect to any Participant employed under a written employment agreement with the REIT, or a Subsidiary, or the Service Provider, “good reason” or similar term as defined in that written agreement or, if such agreement contains no such definition, a material breach by the REIT, or applicable Subsidiary or Service Provider, of that agreement, or (ii) with respect to any other Participant, a failure by the REIT or a Subsidiary to pay that Participant any amount otherwise vested and due and a continuation of that failure for 30 business days following notice to the REIT or Subsidiary of that failure. In the event of an inconsistency between the terms of the Plan and the terms of the relevant Participant Agreement, the terms of the Participant Agreement shall govern and shall be deemed incorporated herein by reference;
- (u) “**Incentive Unit**” means a bookkeeping entry, equivalent in value to a Unit, credited to a Participant’s Incentive Unit Account in accordance with the terms and conditions of the Plan and which, for greater certainty, includes a Deferred Unit pursuant to Article 5 and a Restricted Unit pursuant to Article 6;
- (v) “**Incentive Unit Account**” has the meaning ascribed in Section 8.1 of the Plan;
- (w) “**Insider**” has the meaning given to such term in the TSX Company Manual, as such manual may be amended, supplemented or replaced from time to time;
- (x) “**Market Value**” of an Incentive Unit at any date means the volume weighted average price of all Units traded on the TSX for the five trading days immediately preceding such date (or, if such Units are not listed and posted for trading on the TSX, or such stock exchange on which such Units are listed and posted for trading as may be selected for such purpose by the Board). 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;
- (y) “**MI 62-104**” means Multilateral Instrument 62-104 – *Take Over Bids and Issuer Bids* of the Canadian Securities Administrators, or any successor instrument, as amended from time to time;
- (z) “**Participant**” means an individual who becomes a participant in the Plan in accordance with the provisions hereof;
- (aa) “**Partnerships**” means those limited partnerships formed from time to time to own commercial properties acquired by the REIT, which are Subsidiaries of the REIT;
- (bb) “**Redemption Date**” has the meaning ascribed thereto in Section 10.5 of the Plan;
- (cc) “**Restricted Unit**” means a bookkeeping entry, equivalent in value to a Unit, credited to a Participant’s Incentive Unit account in accordance with the terms and conditions pursuant to Article 6, which can be settled in Units or cash (or a combination thereof) at the discretion of the Board;
- (dd) “**Retirement**” means, unless otherwise defined in an award agreement or a written employment agreement between the REIT, or a Subsidiary, or the Service Provider and a Participant (which definition shall govern), the cessation of the employment relationship between the Participant and the applicable employer as a result of the “retirement” of the Participant as determined by the GC&N Committee, acting reasonably; provided that a “Retirement” shall only occur where the Participant has provided written notice at least three months in advance to the REIT, or Subsidiary or Service Provider, as applicable, of his or her intention to retire (which notice requirement may be waived by the GC&N Committee, in its sole discretion);
- (ee) “**Security-Based Compensation Arrangements**” has the meaning given to such term in the TSX Company Manual, as such manual may be amended, supplemented or replaced from time to time;
- (ff) “**Service Provider**” means a person that:
 - (i) is engaged to provide, on a bona fide basis, for an initial, renewable or extended period of 12 months or more, consulting, technical, management or other services to the REIT or its Subsidiaries, other than services provided in relation to a distribution;
 - (ii) provides the services under a written contract with the REIT or a Subsidiary of the REIT;

- (iii) in the reasonable opinion of the REIT, spends or will spend a significant amount of time and attention on the affairs and business of the REIT or a Subsidiary of the REIT;

and includes
- (iv) for an individual Service Provider, a corporation of which the individual Service Provider is an employee or unitholder, and a partnership of which the individual Service Provider is an employee or partner; and
- (v) for a Service Provider that is not an individual, an employee, executive officer, or director of the Service Provider, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs and business of the REIT or a Subsidiary of the REIT.

The definition of Service Provider shall include True North Commercial General Partner Corp. for so long as it is a general partner of any Partnership and Starlight Group Property Holdings Inc. for so long as it is providing asset management services under an agreement with the REIT and/or a Subsidiary of the REIT, and in each case, its successors and permitted assigns;

- (gg) “**Service Year**” has the meaning ascribed in Section 6.2 of the Plan;
- (hh) “**Special Voting Units**” means Units in the capital of the REIT designated as “Special Voting Units” and such other Units or securities as may be substituted therefor as a result of any change to the Units or any capital reorganization, arrangement, amalgamation or merger affecting all of the Units;
- (ii) “**Subsidiary**” means any corporation or entity which is a subsidiary of the REIT within the meaning of the *Securities Act* (Ontario), provided that, to be a subsidiary for the purposes of the Plan, the REIT must control the Corporation within the meaning of the Tax Act;
- (jj) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereto, as amended from time to time;
- (kk) “**Termination Date**” has the meaning ascribed thereto in Section 10.1 of the Plan;
- (ll) “**TSX**” means the Toronto Stock Exchange;
- (mm) “**Trustee**” means a trustee of the REIT, being a member of the Board;
- (nn) “**Unit**” means a trust unit of the REIT; and
- (oo) “**Unitholder**” means a holder of one or more Unit or Special Voting Unit of the REIT.

ARTICLE 2

CONSTRUCTION AND INTERPRETATION

- 2.1** The effective date of the Plan is June 10, 2019, or such other date as the Board may determine, subject to the approval of the Plan by the Unitholders and the TSX.
- 2.2** All references in the Plan to currency refer to lawful currency of Canada.
- 2.3** The Plan shall be governed and interpreted in accordance with the laws of the Province of Ontario and the applicable laws in Canada.
- 2.4** If any provision of the Plan or part hereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.
- 2.5** In the Plan, references to the masculine include the feminine; reference to the singular shall include the plural and vice versa, as the context shall require.
- 2.6** Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

ARTICLE 3
ADMINISTRATION

- 3.1** The Plan shall be administered by the Board. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of the Plan, in whole or in part, to a committee of the Board, including the GC&N Committee, or to any officer of the REIT. Whenever used herein, the term "Board" shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated responsibility and/or authority relating to the Plan or the administration and operation of the Plan pursuant to this Section 3.1.
- 3.2** The Board is authorized, subject to the provisions of the Plan, to establish such rules and regulations as it deems necessary for the proper administration of the Plan, and to make determinations and take such other action in connection with or in relation to the Plan as it deems necessary or advisable. Each determination or action made or taken pursuant to the Plan, including interpretation of the Plan, shall be final and conclusive for all purposes and binding on all parties, absent manifest error.
- 3.3** The REIT will be responsible for all costs relating to the administration of the Plan.
- 3.4** Unless otherwise determined by the Board, the Plan shall remain an unfunded obligation of the REIT and the rights of Participants under the Plan shall be general unsecured obligations of the REIT.
- 3.5** The REIT or any Subsidiary may withhold from any amount payable to a Participant (whether in Units or cash or other property), either under the Plan, or otherwise, such amount as may be necessary so as to ensure that the REIT or Subsidiary will be able to comply with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of a Participant. For greater certainty, the REIT or any Subsidiary shall have the right, in its discretion, to satisfy any such liability for withholding or other required deduction amounts by: (i) making additional withholdings on cash remuneration paid to the Participant in the calendar year as that containing the redemption of any Incentive Units; (ii) retaining any Units or any amount payable, which would otherwise be issued or delivered, provided or paid to a Participant hereunder; and/or (iii) requiring a Participant, as a condition to the redemption of any Incentive Units, to pay or reimburse the REIT or Subsidiary for any such withholding or other required deduction amounts related to the redemption of such Incentive Units.

ARTICLE 4
ELIGIBILITY

- 4.1** The Board may, in its discretion, select any of the following persons to participate in the Plan:
- (a) non-executive Trustees of the REIT or directors of any Subsidiary;
 - (b) Trustees or officers of the REIT or any Subsidiary; and
 - (c) certain employees of any Service Provider of the REIT or any Subsidiary thereof.
- (any such person having been selected for participation in the Plan by the Board is herein referred to as an "**Eligible Person**"). Any individual who at the relevant time is an Eligible Person that is a non-executive Trustee of the REIT shall participate in the Plan with respect to the Automatic Annual Board Retainer and, subject to Section 5.2, is eligible to participate in the Plan with respect to the Eligible Annual Retainer and each Eligible Person is eligible to participate in the Plan in respect of grants of Incentive Units made pursuant to Article 7 hereof.
- 4.2** Except as otherwise set forth herein, the participation in the Plan by each Eligible Person is voluntary.
- 4.3** Nothing herein contained shall be deemed to give any person the right to be retained as a Trustee, officer or employee of the REIT, any Subsidiary, or any Service Provider.

ARTICLE 5
ELECTION AND GRANTS OF DEFERRED UNITS

- 5.1** Each non-executive Trustee, shall, subject to the conditions stated herein, be entitled to elect in accordance with Sections 5.3 and 5.4 with respect to their Eligible Annual Retainer.
- 5.2** At such time as the Board may determine, but in any case prior to December 31 of a particular calendar year, the Board shall pass a resolution specifying in the case of Eligible Persons that are non-executive Trustees the percentage of the Annual Board Retainer, if any, which will constitute the Automatic Annual Board Retainer for the immediately following calendar year and the maximum percentage of the Eligible Annual Retainer, if any, for the immediately following calendar year that may comprise the Elected Amount in respect of which Eligible Persons that are non-executive Trustees may make an election pursuant to Section 5.4. Where no such resolution is passed by the Board on or prior to December 31 of a particular calendar year, the Automatic Annual Board Retainer shall be equal to zero percent (0%) of the Annual Board Retainer for the applicable calendar year and the maximum percentage of the Eligible Annual Retainer, if any, that may comprise the Elected Amount shall be one-hundred percent (100%). Notwithstanding the foregoing, if the Plan is approved by the Unitholders at the 2019 annual meeting of unitholders, the Board shall pass a resolution no later than ten (10) days thereafter specifying the percentage of the Eligible Annual Retainer (on a pro-rated basis reflecting the remainder of the calendar year).
- 5.3** Subject to any resolutions of the Board passed pursuant to Section 5.2, any Eligible Person who is a non-executive Trustee may elect irrevocably and in advance, in accordance with Section 5.4, in respect of all or a portion of his or her Eligible Annual Retainer (as a percentage equal to 0%, 25%, 50%, 75% or 100%) (the “**Elected Amount**”), to waive any cash entitlement to such Elected Amount and to instead be granted Deferred Units having a Market Value, determined on the Award Date, equal to the Elected Amount. Notwithstanding the foregoing, if the Plan is approved by the Unitholders at the 2019 annual unitholders meeting, an Eligible Person may elect in respect of all or a portion of his or her Eligible Annual Retainer the Elected Amount no later than ten (10) days following the passage of the Board Resolution contemplated in Section 5.2 (the “**2019 Election Date**”) (on a pro-rated basis reflecting the remainder of the calendar year).
- 5.4** The election referenced in Section 5.3 shall be filed in the form of Schedule A-1 hereto (the “**Election Notice**”) with the CFO: (i) in the case of an existing non-executive Trustee, by December 31st of the calendar year prior to the year to which such election is to apply; and (ii) in the case of a newly appointed non-executive Trustee, within thirty (30) days of such appointment. Notwithstanding the foregoing, if the Plan is approved by the Unitholders at the 2019 annual unitholders meeting, the Election Notice to be filed with the CFO no later than the 2019 Election Date. Such election shall be irrevocable in respect of the calendar year for which it is made. If no election is made within the foregoing time frames, the Eligible Person shall be deemed to have elected to be paid his Eligible Annual Board Retainer in cash.
- 5.5** Subject to Section 5.2 and 5.6, the election of a non-executive Trustee pursuant to Section 5.4 shall be deemed to apply to all Eligible Annual Retainers payable in any calendar year subsequent to the filing of the Election Notice, and such non-executive Trustee is not required to file another Election Notice.
- 5.6** Each non-executive Trustee electing under Section 5.4 is entitled to terminate his or her election in respect of subsequent calendar years by filing with the CFO a notice in the form of Schedule A-2 hereto. Such election shall be effective immediately upon receipt and shall apply to all Eligible Annual Retainers commencing in the following calendar year. Thereafter, any portion of such Eligible Person’s Eligible Annual Retainer, subject to subsequent delivery of a new Election Notice pursuant to Section 5.4 shall be paid in cash. For greater certainty, to the extent an Eligible Person terminates his or her election, he or she shall not be entitled to make a new election again until the calendar year following the year in which the termination notice is delivered.
- 5.7** On each applicable Award Date, the REIT shall grant to each Eligible Person who is a non-executive Trustee:
- (a) A number of Deferred Units (including fractional Deferred Units) having a Market Value equal to the Automatic Annual Board Retainer; plus
 - (b) A number of Deferred Units (including fractional Deferred Units) having a Market Value equal to the Elected Amount.

ARTICLE 6
DISCRETIONARY GRANTS OF RESTRICTED UNITS

- 6.1** In addition to issuances of Deferred Units made pursuant to Article 5 of the Plan, the Board is hereby authorized to grant Restricted Units to Eligible Persons subject to such restrictions as the Board may impose, which restrictions may lapse separately or in combination at any time or times, in such installments or otherwise, as the Board may deem appropriate.
- 6.2** The Board or GC&N Committee shall designate, at the time of grant or credit of Restricted Units, the calendar year in respect of which such Restricted Units ("**Service Year**") are awarded to the Eligible Person, the date or dates on which all or a portion of the Restricted Units shall vest (including any additional Restricted Units credited to an Eligible Person's Incentive Unit Account under Section 8.2) and any conditions to such vesting, provided that no such vesting condition shall extend beyond November 30 of the third calendar year following the Service Year in respect of which the Restricted Units were granted and provided further that all vesting conditions shall be such that the Restricted Units comply with the exception to the definition of "salary deferral arrangement" contained in paragraph (k) of subsection 248(1) of the Tax Act or any successor provision thereto. Any conditions to such vesting shall be set out in an award agreement between the REIT and the Eligible Person.

ARTICLE 7
INCENTIVE UNITS

- 7.1** Under no circumstances shall Incentive Units be considered Units nor entitle a Participant to any Unitholder rights, including, without limitation, voting rights, dividend entitlements (other than in accordance herewith) or rights on liquidation. Any Incentive Units granted under the Plan shall remain in the Plan and will be redeemable only in accordance with the terms of the Plan.
- 7.2** Subject to Section 7.1, one (1) Incentive Unit is equivalent in value to one (1) Unit. Fractional Incentive Units are permitted under the Plan.
- 7.3** Subject to Sections 7.4, 8.2 and Article 10, the Board or the GC&N Committee shall designate, at the time of grant or credit of Incentive Units, the date or dates on which all or a portion of the Incentive Units shall vest (including any additional Incentive Units credited to an Eligible Person's Incentive Unit Account under Section 8.2) and any conditions to such vesting, provided that all vesting conditions shall be such that the Incentive Units are governed by Section 7 of the Tax Act or any successor provision thereto. Any conditions to such vesting shall be set out in an award agreement between the REIT and the Eligible Person.
- 7.4** In the event of any Change of Control, any unvested Incentive Units shall vest upon the earlier of:
- (a) the next applicable vesting date determined in accordance with Article 6 or 7 in respect of any Incentive Units which were to vest on such date; or
 - (b) the date which is immediately prior to the date upon which the Change of Control is completed.
- 7.5** Notwithstanding the foregoing or anything else herein contained, the Board shall have the discretion, at any time, to accelerate the manner in which Incentive Units vest for any Participant.

ARTICLE 8
INCENTIVE UNIT GRANTS AND ACCOUNTS

- 8.1** An account, to be known as an "**Incentive Unit Account**" shall be maintained by the REIT for each Participant and will be credited with grants of Incentive Units received by a Participant from time to time.
- 8.2** Whenever cash distributions are paid on the Units, additional Incentive Units will be credited to the Eligible Person's Incentive Unit Account, such Incentive Units being designated as the same class as the underlying Incentive Units in the Eligible Person's Incentive Unit Account. The number of such additional Incentive Units shall be calculated by dividing:
- (i) the amount determined by: multiplying (a) the number of Incentive Units in such Participant's Incentive Unit Account on the record date for the payment of such distribution by (b) the distribution paid per Unit; by

- (ii) the Market Value of a Unit on the distribution payment date for such distribution, in each case, with fractions computed to four decimal places.

Such additional Incentive Units shall vest at the same time as the underlying Incentive Units and shall be forfeited or redeemed on the same basis as the underlying Incentive Units as set out in Article 10.

ARTICLE 9 ADJUSTMENTS

- 9.1** In the event of any Unit distribution, Unit split, combinations or exchange of Units, merger, consolidation, spin-off or other distribution on the Units (other than normal cash dividends) of the REIT's assets to the Unitholders, or any other change affecting the Units that is not adequately dealt with under Section 8.2, the Incentive Unit Account of each Participant and the Incentive Units outstanding under the Plan shall be adjusted in such manner, if any, as the Board may in its discretion deem appropriate to reflect the event, provided that such adjustment shall be in compliance with the provisions of the Tax Act and the rules and policies of the TSX. However, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

ARTICLE 10 REDEMPTION OR FORFEITURE OF INCENTIVE UNITS

- 10.1** The Incentive Units credited to a Participant's Incentive Unit Account shall, subject to the provisions of this Article 10, vest immediately and be redeemable by the Participant (or, where the Participant has died, his or her estate) following an event, including termination other than for Cause, Retirement or death, causing the Participant to no longer be an Eligible Person (the "**Termination Date**"). Such vesting and redemption shall occur strictly in accordance with the provisions of this Article 10 notwithstanding any other provision of this Plan.
- 10.2** Where the Participant has been: (i) terminated for Cause, or (ii) voluntarily resigns from his or her position with the REIT (not including Retirement and in the case of officers or employees of the REIT, or any Subsidiary, or the Service Provider, without Good Reason):
- (a) Any Deferred Units shall automatically vest as of the Termination Date; and
 - (b) Any Restricted Units shall be immediately forfeited and cancelled without any payment or other compensation.
- 10.3** Notwithstanding the provisions of Sections 10.1 or 10.2 hereof, if a Participant's position with the REIT, or any Subsidiary, or the Service Provider is terminated by reason of Retirement, any Restricted Units shall be vested immediately.
- 10.4** For greater certainty, previously granted Incentive Units shall not be affected by any change of employment or position of the Participant or by the Participant ceasing to be an officer of the REIT provided that the Participant continues to be eligible to receive grants of Incentive Units under the provisions of the Plan.
- 10.5** The Incentive Units credited to a Participant's Incentive 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 in the form of Schedule A-3 hereto with the CFO of the REIT (the "**Redemption Date**"). All Restricted Units must be redeemed and paid out by December 31 of the year in which the Restricted Units have vested (whether pursuant to Section 7.3 or this Article 10). Any Restricted Units not redeemed by December 15 of the year in which they vest shall lapse, and be terminated without compensation.
- 10.6** Provided that The Canadian Depository for Securities Limited has received the Participant's brokerage account information from his or her securities broker, the Participant shall receive, within five (5) Business Days after the Termination Date or the Redemption Date (each such five day period constituting a "Payment Period"), a number of whole Units (rounded down to the nearest whole Unit) equal to the whole number of Incentive Units then recorded in such Participant's Incentive Unit Account, net of any Applicable Withholding Taxes, such Units to be issued from treasury.

- 10.7** Subject to: (i) the provisions of the Plan, and (ii) if applicable, the receipt by The Canadian Depository for Securities Limited of the Participant's brokerage account information from his or her securities broker, the Participant shall receive, within five (5) business days after the Termination Date or Redemption Date (each such five day period constituting a "**Payment Period**"), as applicable, and as the Board may elect, in its sole discretion:
- (a) a whole number of Units from the REIT equal to the whole number of vested Incentive Units then recorded in the Participant's Incentive Unit Account, net of any Applicable Withholding Taxes, such Units to be issued from treasury;
 - (b) a cash payment equal to the product of the number of vested Incentive Units, (including fractional units) then recorded in the Participant's Incentive Unit Account multiplied by the Market Value, less Applicable Withholding Taxes.
- 10.8** In the case where the REIT makes payment by issuing Units pursuant to Section 10.7(a), the REIT shall also make a cash payment, net of any Applicable Withholding Taxes, to the Participant with respect to the value of fractional Incentive Units standing to the Participant's credit after the maximum number of whole Units have been issued by the REIT, calculated by: multiplying (i) the number of such fractional Incentive Units by (ii) the Market Value of such fractional Incentive Units on the Termination Date or Redemption Date, as applicable.
- 10.9** Upon payment in full of the value of the Incentive Units (whether in cash or Units), the Incentive Unit Account shall be correspondingly adjusted.
- 10.10** If a Payment Period occurs during a Blackout Period or within three Business Days of the expiry of a Blackout Period applicable to the relevant Participant, then the expiry of the Payment Period shall be extended to the earlier of: (i) the 10th Business Day after the expiry of the Blackout Period, and (ii) December 31. For purposes hereof, "**Blackout Period**" means the period of time during which the relevant Participant is prohibited from exercising or trading securities of the REIT due to restrictions on the trading of the REIT's securities imposed by the REIT in accordance with its trading policies affecting trades by persons designated by the REIT.
- 10.11** Notwithstanding any other provision of the Plan, all amounts payable to, or in respect of, a Participant under this Article 10 in respect of any Restricted Units shall be paid within three years following the end of the Service Year in respect of which the Restricted Units were granted.

ARTICLE 11

NUMBER OF UNITS

- 11.1** This Section 11.1 applies to any securities that may be acquired by Participants on redemption of any Incentive Units that consist(s) of authorized but unissued Units. Subject to adjustment for any subdivision, consolidation or distribution of Units as contemplated by, and in accordance with, Article 9:
- (a) the maximum number of Units made available for issuance from treasury pursuant to the Incentive Units credited under the Plan shall not exceed 2,800,000 Units;
 - (b) the aggregate number of Units issuable from treasury to any one Participant under the Plan and all other Security-Based Compensation Arrangements of the REIT shall not exceed five percent (5%) of the total issued and outstanding Units and Class B Units;
 - (c) the aggregate number of Units issuable from treasury to Insiders under the Plan and all other Security-Based Compensation Arrangements of the REIT at any time shall not exceed ten percent (10%) of the total issued and outstanding Units and Class B Units;
 - (d) during any one-year period, the aggregate number of Units issued from treasury to Insiders under the Plan and all other Security-Based Compensation Arrangements of the REIT shall not exceed ten percent (10%) of the total issued and outstanding Units and Class B Units;
 - (e) the aggregate number of Units issuable to non-executive Trustees of the REIT under the Plan shall be limited to one percent (1%) of the total issued and outstanding Units and Class B Units and the total annual grant to any one non-executive Trustee of the REIT who is not an officer or employee of the REIT, within any one year period, pursuant to the Plan and all other Security-Based Compensation Arrangements of the REIT shall not exceed a specified maximum grant value; and

- (f) if any Incentive Unit granted under the Plan shall expire, terminate or be cancelled for any reason without being paid out or settled in the form of Units issued from treasury, any unissued Units to which such Incentive Units relate shall be available for the purposes of the granting of further Incentive Units under the Plan. If any rights to acquire Units granted under any other Security-Based Compensation Arrangements of a member of the REIT shall be exercised, or shall expire or terminate for any reason without having been exercised in full, any unpurchased Units to which such security relates shall be available for the purposes of the granting of further Incentive Units under the Plan.

Collectively, the restrictions referred to in Sections 11.1 (c), (d) and (e) are referred to as the “**Insider and Independent Trustee Participation Restrictions**”.

ARTICLE 12 ASSIGNMENT

- 12.1** In no event may the rights or interests of a Participant under the Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or by the laws of succession and distribution.
- 12.2** Rights and obligations under the Plan may be assigned by the REIT to a successor corporation in the business of the REIT.

ARTICLE 13 COMPLIANCE WITH APPLICABLE LAWS

- 13.1** The administration of the Plan shall be subject to and performed in conformity with all applicable laws, regulations, orders of governmental or regulatory authorities and the requirements of any stock exchange on which the Units are listed. Each Participant shall comply with all such laws, regulations, rules, orders and requirements, and shall furnish the REIT with any and all information and undertakings, as may be required to ensure compliance therewith.

ARTICLE 14 AMENDMENT AND TERMINATION

- 14.1** Subject to Section 14.2, the Board may, at any time, suspend or terminate the Plan. The Board may at any time, without Unitholder approval, amend or revise the terms of the Plan or any Incentive Units, subject to any required regulatory approval, and without limiting the generality of the foregoing the Board may at any time add to or repeal any of the terms of the Plan or any Incentive Units and may make the following changes, deletions, revisions or amendments (“amendments”):
- (a) any amendment to the vesting provisions of the Plan or any Incentive Units;
 - (b) any amendment to the termination provisions of the Plan or any Incentive Units;
 - (c) any amendment to the persons eligible to receive Incentive Units or otherwise relating to the eligibility of anyone to receive Incentive Units other than an amendment which would have the potential of broadening or increasing insider participation;
 - (d) any amendment of a “housekeeping” nature; and
 - (e) any other amendment that under the rules of the TSX (or such other stock exchange on which the Units may be listed) does not require unitholder approval;

provided that no such addition, repeal, or amendment shall in any manner materially adversely affect the rights of any Participant under any Incentive Units theretofore granted under the Plan without such Participant’s consent.

This Section 14.1 is intended to provide the Board with the broadest scope of amendment powers permitted by the rules of the TSX (or such other stock exchange on which the Units may be listed), as such rules may be amended from time to time.

- 14.2** Any amendment of the Plan shall be such that it and any Incentive Units granted hereunder: (i) are governed by section 7 of the Tax Act or any successor provision thereto; or (ii) comply with the exception to the definition of “salary deferral arrangement” contained in paragraph (k) of subsection 248(1) of the Tax Act or any successor provision thereto.
- 14.3** Notwithstanding Section 14.1, approval of the Unitholders will be required in order to:
- (a) increase the maximum number of Incentive Units issuable pursuant to the Plan;
 - (b) amend the determination of Market Value under the Plan in respect of any Incentive Unit;
 - (c) extend the latest eligible Redemption Date of any Incentive Unit;
 - (d) modify or amend the provisions of the Plan in any manner which would permit Incentive Units, including those previously granted, to be transferable or assignable, other than for estate settlement purposes;
 - (e) add to the categories of Eligible Persons under the Plan;
 - (f) remove or amend the Insider and Independent Trustee Participation Restrictions;
 - (g) amend Section 14.1 or 14.2; or
 - (h) make any other amendment to the Plan where Unitholder approval is required by the TSX.
- 14.4** If the Board terminates the Plan, Incentive Units previously credited to Participants shall remain outstanding and in effect and be settled subject to and in accordance with the applicable terms and conditions of the Plan in effect immediately prior to the termination.

**SCHEDULE A – 1
TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST
INCENTIVE TRUST UNIT PLAN (THE “PLAN”)**

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, in addition to any Automatic Annual Board Retainer, I hereby elect to participate in the Plan and to receive _____% of my Eligible Annual Board Retainer in the form of Deferred Units in lieu of cash.

I confirm that:

- (a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
- (b) I understand that this election is irrevocable in respect to the calendar year in which it is made.
- (c) I recognize that when Deferred Units credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the Deferred Units, the REIT will make all appropriate withholdings as required by law at that time.
- (d) The value of Deferred Units is based on the value of the Units of the REIT and therefore is not guaranteed.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan text.

Date: _____

(Name of Participant)

(Signature of Participant)

**SCHEDULE A-2
TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST
INCENTIVE TRUST UNIT PLAN (THE "PLAN")**

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DEFERRED UNITS

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A-1 to the Plan, I hereby elect that, other than any Automatic Annual Board Retainer no portion of the Annual Board Retainer accrued in the calendar year following the date hereof shall be paid in Deferred Units in accordance with the terms of the Plan.

I understand that the Deferred Units already granted under the Plan cannot be redeemed except in accordance with the terms of the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____

(Name of Participant)

(Signature of Participant)

Note: An election to terminate receipt of additional Deferred Units can only be made by a Participant once in a calendar year.

**SCHEDULE A-3
TRUE NORTH COMMERCIAL REAL ESTATE INVESTMENT TRUST
INCENTIVE TRUST UNIT PLAN (THE "PLAN")**

REDEMPTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

I hereby advise True North Commercial Real Estate Investment Trust that I wish to redeem _____
of the Incentive Units credited to my account under the Plan in accordance with the terms of the Plan.

Date: _____

(Name of Participant)

(Signature of Participant)

Note: If the Redemption Notice is signed by a beneficiary or legal representative, documents providing the authority of such signature should accompany this notice.

**APPENDIX “B”
BOARD OF TRUSTEES MANDATE**

Trustees’ Responsibilities

The trustees (the “**Trustees**”) of True North Commercial Real Estate Investment Trust (the “**REIT**”) are explicitly responsible for the stewardship of the REIT. To discharge this obligation, the Trustees shall:

Strategic Planning Process

- Provide input to management on emerging trends and issues.
- Review and approve management’s strategic plans.
- Review and approve the REIT’s financial objectives, plans and actions, including significant capital allocations and expenditures.

Monitoring Tactical Progress

- Monitor the REIT’s performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.

Risk Assessment

- Identify the principal risks of the REIT’s businesses and ensure that appropriate systems are in place to manage these risks.

Senior Level Staffing

- Select, monitor and evaluate the Chief Executive Officer (“**CEO**”) and other senior executives, and ensure management succession.
- Approve a position description for the CEO including limits to management’s responsibilities and corporate objectives which the CEO is responsible for meeting, all upon recommendation from the Governance, Compensation & Nominating Committee of the REIT.

Integrity

- Ensure the integrity of the REIT’s internal control and management information systems.
- Ensure ethical behaviour and compliance with laws and regulations, audit and accounting principles, and the REIT’s own governing documents.
- 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 organization.
- Monitor compliance with the Code of Business Conduct and Ethics.

Material Transactions

- Review and approve material transactions not in the ordinary course of business.

Monitoring Trustees’ Effectiveness

- Assess its own effectiveness in fulfilling the above and Trustees’ responsibilities, including monitoring the effectiveness of individual Trustees.

Expectations and Responsibilities

- Trustees are expected to attend all meetings of the board. Trustees are expected to have reviewed meeting materials in advance of meetings.

Other

- Perform such other functions as prescribed by law or assigned to the Trustees in the REIT’s Declaration of Trust.

