



## CHARTER OF THE INVESTMENT COMMITTEE (the “Charter”)

### 1. Purpose

The Investment Committee (the “**Committee**”) is a committee of the Board of Trustees (the “**Board**”) of BSR Real Estate Investment Trust (the “**REIT**”). The members of the Committee and the chair of the Committee (the “**Chair**”) are appointed by the Board on an annual basis (or until their successors are duly appointed) and the Committee is charged with assessing, recommending or approving (as applicable) particular acquisitions, dispositions and related activities based on a variety of factors, including the expected risk-adjusted returns, credit fundamentals, liquidity, availability of adequate financing, borrowing costs and macroeconomic conditions. The Committee will be charged with fulfilling the duties ascribed to it herein, as well as duties specifically delegated to it from time to time by the Board.

### 2. Composition

The Committee shall be comprised of a minimum of three members of the Board, a majority of whom will be “independent” as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, a majority of whom shall be Residents (as such term is defined in the REIT’s Declaration of Trust) and each of whom must have at least five years of substantial experience in the real estate industry. Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee on ceasing to be a trustee of the REIT. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy will exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

### 3. Limitations on Committee’s Duties

In contributing to the Committee’s discharge of its duties under this Charter, each member of the Committee will be obliged to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations and reports made by management of the REIT, and (iv) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

#### 4. **Reports**

The Committee will regularly report to the Board on all significant matters it has addressed or reviewed that are within its responsibilities, together with any associated recommendations.

#### 5. **Approval of Investments**

The Committee has the overall responsibility of ensuring that the REIT's investment transactions comply with the REIT's Investment Guidelines and Operating Policies, as referenced in Sections 6.1 and 6.2, respectively, of the REIT's third amended and restated declaration of trust dated May 11, 2022, as may be amended from time to time (the "**Declaration of Trust**"). The Committee will carry out its responsibilities with a view to achieving the REIT's strategic objectives of acquiring a portfolio of high quality assets and delivering the benefits of such real estate ownership to unitholders.

For purposes of this Charter, an "**Investment**" shall mean any acquisition transaction, disposition transaction, suite development, construction or refinancing. An "Investment" includes items such as the incurrence of acquisition costs, current and future funding/loans to partners and future committed or expected development costs. An "Investment" does not include (a) items that have been approved by the Board pursuant to any "approval of financing authority" resolution obtained generally in conjunction with the approval of the annual budget, or (b) financing incurred in connection with an acquisition approved in accordance with this Charter that complies with the REIT's Declaration of Trust and where recourse is limited to the property or properties being acquired ("**Acquisition Financings**"). For clarity, neither the Board nor the Committee is required to approve Acquisition Financings.

Subject at all times to the provisions of the Declaration of Trust, and to any other regulations or resolutions that the Board may adopt, the approval authorities for Investment transactions are set out as follows:

- (a) **Management Authority** – The Committee may in its discretion delegate authority to Management to conduct Investments from time to time within approved parameters, provided that such delegation authority (i) does not exceed the authority delegated to the Committee from the Board as set forth in paragraph (b) below; and (ii) such parameters are within the Investment Guidelines and Operating Policies set out in the Declaration of Trust.

In such instances, management shall present its Investment analysis and summary to the Committee following the closing of such acquisition or disposition and report on all other Investments at a subsequent regular meeting of the Committee.

- (b) **Committee Authority** – The Committee is authorized to approve and proceed with Investments under the following conditions: (i) the impact of such Investment does not exceed 20% of the REIT's gross book value in a given year as determined on January 1 of such year; (ii) the Committee holds meetings monthly, or, in the alternative, reviews monthly reports of Investments activity prepared by management unless no such activity has taken place since the prior monthly meeting; and (iii) the Committee reports at least quarterly to the Board on any Investments made since the prior meeting of the Board.

- (c) **Board Authority** – The Board retains authority to direct/approve/reject any Investment not otherwise delegated to the Committee or management. Moreover, the Board retains sole authority to authorize the issuance of additional equity in the REIT, provided such authority does not otherwise violate or exceed the rights or authorities granted to the Board in the REIT's Declaration of Trust or other governing documents.

The foregoing thresholds shall be reviewed by the Committee and the Board on a regular basis, and when considering changes to such thresholds, the Committee and the Board shall take into account factors such as the Chief Executive Officer's track record with past acquisitions and the size of the REIT.

The Declaration of Trust contains detailed investment restrictions, operating restrictions and procedural voting guidelines which bind management and the Committee.

## **6. Meetings**

The Committee shall meet as often as it determines is necessary to fulfill its responsibilities. All members of the Committee should strive to be at all meetings. If the Chair is absent from a meeting, the Committee members in attendance will preside as Co-Chairs for the purposes of such meeting. A quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine provided that a majority of the members comprising the quorum must be Residents (as such term is defined in the REIT's Declaration of Trust). The Committee shall keep minutes of each meeting of the Committee. A copy of the minutes shall be provided to each member of the Committee. The Committee shall report to the Board in a timely manner with respect to each of its meetings held. The Committee shall meet separately, periodically, with the REIT's senior management and may request any officer or employee of the REIT, the REIT's asset manager or any of their direct or indirect subsidiaries or outside counsel to attend meetings of the Committee or with any members of, or advisors to, the Committee. The Committee may form and delegate authority to individual members and subcommittees where the Committee determines it is appropriate to do so.

The Committee shall determine any desired agenda items.

Where all members of the Committee consider it appropriate, the Committee may approve Proposed Transactions by written resolution signed by each Committee member without a formal meeting.

## **7. Independent Advice**

In discharging its mandate, the Committee shall have the authority to retain, at the expense of the REIT, special advisors as the Committee determines to be necessary to permit it to carry out its duties.

## **8. Annual Evaluation**

At least annually, the Committee shall, in a manner it determines to be appropriate:

- (a) Perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter.
- (b) Review and assess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee believes to be appropriate.

**9. No Rights Created**

This Charter is a broad policy statement and is intended to be part of the Committee's flexible governance framework. While this Charter should comply with all applicable law and the REIT's constituting documents, this Charter does not create any legally binding obligations on the Committee, the Board, any trustee or the REIT.