



MAJORITY VOTING POLICY

The following majority voting policy (the “Policy”) was adopted by the board of trustees (the “Board”) of BSR Real Estate Investment Trust (the “REIT”) on August 1, 2018.

The Board is committed to fulfilling its mandate to supervise the management of the business and affairs of the REIT with the highest standards and in the best interests of the unitholders of the REIT. The Board has, in light of best practice standards in Canada, adopted this statement of policy providing for majority voting in trustee elections at any meeting of the REIT’s unitholders where an “uncontested election” of trustees is held. For the purposes of this Policy, an “uncontested election” of trustees of the REIT means an election where the number of nominees for election as a trustee is equal to the number of trustees to be elected.

Pursuant to this Policy, the forms of proxy circulated in connection with a meeting of the REIT’s unitholders at which an uncontested election of trustees is to be conducted shall provide the REIT’s unitholders with the ability to vote in favour of, or to withhold from voting for, each trustee nominee. If the number of proxy votes withheld for a particular trustee nominee is greater than the votes in favour of such nominee, the trustee nominee shall immediately tender his or her resignation to the chair of the Board following the applicable meeting of the REIT’s unitholders.

Following receipt of a resignation submitted pursuant to this Policy, the Compensation, Governance, and Nominating Committee of the Board (the “**Committee**”) shall consider whether or not to accept the offer of resignation and shall recommend to the Board whether or not to accept it. With the exception of special circumstances that would warrant the continued service of the applicable trustee on the Board, the Committee shall accept and recommend acceptance of the resignation by the Board. In considering whether or not to accept the resignation, the Committee will consider all factors deemed relevant by members of the Committee.

Within 90 days following the applicable meeting of the REIT’s unitholders, the Board shall make its decision, on the Committee’s recommendation. In considering the Committee’s recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant and, absent exceptional circumstances, shall accept the trustee’s resignation offer. Following the Board’s decision on the resignation, the Board shall promptly disclose, via press release (a copy of which shall be provided to the Toronto Stock Exchange), its decision as to whether or not to accept the trustee’s resignation offer, including the reasons for rejecting the resignation offer, if applicable.

If a resignation is accepted by the Board, it will be effective as of such time. Subject to the requirements of the REIT’s declaration of trust and other laws and regulations, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general

meeting of the REIT's unitholders. Alternatively, the Board may fill the vacancy through the appointment of a new trustee whom the Board considers to merit the confidence of the REIT's unitholders, or it may call a special meeting of unitholders at which there will be presented a management nominee or nominees to fill the vacant position or positions.

A trustee who tenders his or her resignation pursuant to this Policy shall not be permitted to participate in any meeting of the Board and/or the Committee at which his or her resignation is to be considered. However, if each member of the Committee received a greater number of proxy votes withheld than the votes for each member in the same election, or a sufficient number of the Committee members received a greater number of proxy votes withheld than the votes for such members in the same election, such that the Committee no longer has a quorum, then the remaining members of the Committee, if any, shall not consider the resignation offer(s) and the Board shall consider whether or not to accept the offer of resignation without a recommendation from the Committee.

In the event that a sufficient number of Board members received a greater number of proxy votes withheld than the votes for such members in the same election, such that the Board no longer has a quorum, then such trustees receiving a majority withheld vote shall not be permitted to vote in any meeting of the Board at which his or her resignation offer is considered, however he or she shall be counted for the purpose of determining whether the Board has quorum.

In the event that any trustee who received a greater number of proxy votes withheld than votes in favour of such trustee's election does not tender his or her resignation in accordance with this Policy, he or she will not be re-nominated by the Board.

The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this Policy and shall have the sole and complete authority to interpret and apply the Policy.

In the event of a "contested election", where the number of nominees for trustee exceeds the number of trustees to be elected, subject to applicable law, the voting method to be applied for purposes of electing trustees at the meeting will be determined by the chair of the meeting in his or her sole discretion.

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