

# **Crombie REIT**

## **INVESTMENT COMMITTEE MANDATE**

The Investment Committee is a committee of the Board of Trustees (the “Board”) of Crombie Real Estate Investment Trust (“Crombie”) and assists in discharging the Board’s responsibilities with regard to monitoring Crombie’s portfolio of real estate investments and reviewing investments, dispositions and developments undertaken by Crombie.

### **COMPOSITION AND QUORUM**

The Investment Committee is comprised of all Trustees. No more than one member of the Investment Committee may be a member of management.

The Investment Committee shall appoint a chairman from among its members and such chairman will be an independent elected trustee.

The Investment Committee shall be comprised of at least two members who shall have particular expertise in the area of real estate investment and management and at least two members who shall have particular expertise in the area of corporate finance.

The quorum at any meeting of the Investment Committee shall be a minimum of seven of its members and approval of any acquisition, disposition or development proposal shall require majority approval by the Trustees present at the meeting.

### **RESPONSIBILITIES AND AUTHORITY**

#### **Acquisition and Disposition of Properties**

The Investment Committee shall be responsible for considering and, if appropriate, approving acquisitions or dispositions proposed by Crombie Management, or any development proposed to be undertaken by management of Crombie, with a value greater than Management’s discretion of \$15 million per transaction, provided that the Committee’s authority shall be limited to the approval of individual real property transactions of up to \$100 million.

With respect to Management’s discretion of \$15 million per transaction:

- Management will advise the Committee quarterly on transactions completed pursuant to this discretion;
- Transactions completed pursuant to Management’s discretion will be consistent with Crombie’s primarily grocery anchored retail strategy and will align with Crombie’s approved capital plan and budget for the fiscal year;
- Management has no authority to commit to follow up capital expenditures (eg a follow on development project) that would cause the total expenditure to exceed the \$15 million maximum without advance Committee approval; and

- Separate transactions below \$15 million each that could be reasonably viewed by the Committee as related transactions are to be aggregated and brought for Committee approval if the total transaction amount exceeds \$15 million.

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Transactions in excess of the Investment Committee's authority level above shall receive the Committee's full consideration but will be advanced to the full Board of Trustees for approval.

Any property acquisitions made by Crombie from Empire Company Limited or affiliated companies must be considered and approved by only elected Trustees.

### **POST ACQUISITION MONITORING**

The Investment Committee will review and report to the Board on material aspects of post acquisition financial analysis. This analysis will measure the actual financial results achieved in the first, second and fifth year post transaction closing against the results modeled by Management (and reviewed by the Investment Committee) during the acquisition due diligence process. This feedback will inform the Committee whether previously approved investments are achieving or not achieving financial accretion expectations.

### **METHOD OF OPERATION**

The Investment Committee shall generally meet quarterly and with such additional frequency as may be determined by the members of the Committee.

The Investment Committee may, as it deems appropriate, engage external advisors to assist with its review and analysis of investment, disposition or development projects proposed by management.

The Chair of the Investment Committee shall report to the Board at each regular quarterly meeting of the Board on the activities of the Investment Committee during the preceding fiscal quarter.

Nothing contained in this Mandate is intended to expand either the authorities or standards of conduct required of the Trustees of Crombie pursuant to either the Crombie Declaration of Trust or the requirements of applicable law.

Reviewed: February 22, 2018