

ADVANCE NOTICE POLICY

(Adopted by the board of trustees with immediate effect on May 21, 2013; amended and approved by the Governance and Nominating Committee on April 18, 2017 and by the board of trustees with immediate effect on April 19, 2017)

INTRODUCTION

The purpose of this Advance Notice Policy (the “**Policy**”) is to provide Unitholders, trustees and management of Canadian Apartment Properties Real Estate Investment Trust (the “**Trust**”) with a clear framework for nominating trustees. This Policy fixes a deadline by which registered or beneficial owners of the Units of the Trust must submit trustee nominations to the Trust prior to any annual or special meeting of Unitholders, and sets forth the information to be provided and other procedures to be followed, in respect of such nomination.

It is the position of the Trust that this Policy is in the best interests of the Trust. This Policy will be subject to amendment from time to time.

NOMINATION OF TRUSTEES

Section 1.1 Subject only to the Declaration of Trust and applicable securities laws, only persons who are nominated in accordance with the procedures set out in this Policy shall be eligible for election as trustees to the board of trustees (the “**Board**”) of the Trust. Nominations of persons for election to the Board may only be made at an annual meeting of Unitholders, or at a special meeting of Unitholders called for any purpose at which the election of trustees to the Board is a matter specified in the notice of meeting, as follows:

- (a) by or at the direction of the Board or an authorized officer of the Trust, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more Unitholders pursuant to a requisition of Unitholders made in accordance with the provisions of the Declaration of Trust; or
- (c) by any person entitled to vote at such meeting (a “**Nominating Unitholder**”), who: (A) is, at the close of business on the date of giving notice provided for in Section 1.3 below and on the record date for notice of such meeting, either entered in the securities register of the Trust as a holder of one or more Units carrying the right to vote at such meeting or who beneficially owns Units that are entitled to be voted at such meeting; and (B) has given timely notice in proper written form as set forth in this Policy.

Section 1.2 For the avoidance of doubt, the foregoing Section 1.1 shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of Unitholders of the Trust.

Section 1.3 In addition to any other applicable requirement, for a nomination made by a Nominating Unitholder to be timely notice (a “**Timely Notice**”), the Nominating Unitholder’s notice must be received by the General Counsel and Corporate Secretary of the Trust at the principal executive offices of the Trust:

- (a) in the case of an annual meeting of Unitholders (including an annual and special meeting), not later than the close of business on the 30th day; provided, however, if the date (the “**Notice Date**”) on which the first public announcement made by the Trust of the date of the annual meeting is less than 50 days prior to the meeting date, not later than the close of business on the 10th day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of Unitholders called for any purpose which includes the election of trustees to the board, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting is made by the Trust.

Section 1.4 To be in proper written form, a Nominating Unitholder’s notice to the General Counsel and Corporate Secretary must comply with this Section 1.4 and:

- (a) disclose or include, as applicable, as to each person whom the Nominating Unitholder proposes to nominate for election as a trustee (a “**Proposed Nominee**”):
 - (i) their name, age, business and residential address;
 - (ii) the principal occupation, business or employment both presently and for the past five years;
 - (iii) whether the Proposed Nominee is a “resident Canadian” within the meaning of the *Income Tax Act* (Canada);
 - (iv) the number of securities of each class of voting securities of the Trust or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (v) a description of any relationships, agreements, arrangements or understandings (including financial, compensation or indemnity related), between the Proposed Nominee or any affiliates or associates of, or any person or entity acting jointly or in concert with, the

Proposed Nominee or the Nominating Unitholder, in connection with the Proposed Nominee's nomination and election as trustee; and

- (vi) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of trustees pursuant to the Declaration of Trust or applicable securities law;
- (b) disclose or include, as applicable, as to each Nominating Unitholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:
- (i) their name, business and residential address;
 - (ii) the number of securities of each class of voting securities of the Trust or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Unitholder or any other person with whom the Nominating Unitholder is acting jointly or in concert with respect to the Trust or any of its securities, as of the record date for the meeting of Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (iii) their interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Trust or the person's economic exposure to the Trust;
 - (iv) full particulars of any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Trust or the nomination of trustees to the Board; and
 - (v) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of trustees pursuant to the Declaration of Trust or as required by applicable securities law.

Reference to "Nominating Unitholder" in this Section 1.4 shall be deemed to refer to each Unitholder that nominated or seeks to nominate a person for election as trustee in the case of a nomination proposal where more than one Unitholder is involved in making the nomination proposal.

Section 1.5 Any notice, or other document or information required to be given to the General Counsel and Corporate Secretary pursuant to this Policy may only be given by personal delivery, facsimile transmission, and shall be deemed to have been received and made only at the time it is served by personal delivery to the General Counsel and Corporate Secretary at the address of the principal executive offices of the Trust, or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day. For greater certainty, this provision applies notwithstanding any other notice provision contained in the Declaration of Trust.

Section 1.6 Additional Matters

- (a) The chair of any meeting of Unitholders of the Trust shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this Policy, and if any proposed nomination is not in compliance with such provisions, must declare that such defective nomination shall not be considered at any meeting of Unitholders.
- (b) The board may, in its sole discretion, waive any requirement of this Policy.
- (c) For the purposes of this Policy, “public announcement” means disclosure in a press release disseminated by the Trust through a national news service in Canada, or in a document filed by the Trust for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (d) This Policy is subject to, and should be read in conjunction with, the Declaration of Trust. If there is any conflict or inconsistency between any provision of the Declaration of Trust and any provision of this Policy, the provision of the Declaration of Trust will govern.