

SUN RESIDENTIAL REAL ESTATE INVESTMENT TRUST
GOVERNANCE AND COMPENSATION COMMITTEE CHARTER

1. Purpose

The board of directors of Sun Residential Real Estate Investment Trust has delegated the responsibilities, authorities and duties described below to the compensation, nominating and governance committee.

The purpose of the governance and compensation committee is to provide assistance to the board in fulfilling its responsibility relating to: (i) overseeing governance processes at Sun, (ii) identifying individuals qualified to become board members, and overseeing succession planning within Sun, (iii) recommending to the board the trustee nominees for the next annual meeting of unitholders, (iv) overseeing the evaluation of the board and the CEO, and (v) such other matters as are set out in this charter or as may otherwise be assigned.

The committee may retain (and set and pay the compensation) of such outside legal, accounting or other advisors as it considers necessary to carry out its duties. In fulfilling its purpose, it is the responsibility of the committee to maintain free and open communication between itself and management, and to determine that all parties are aware of their responsibilities.

2. Composition and Membership

The governance and compensation committee shall consist of three trustees appointed by the board to hold office until their successors are appointed. Unless a committee chair is elected by the full board, the members of the committee may designate a chair by majority vote.

Each committee member shall be independent for the purposes of National Instrument 58-101 Disclosure of Corporate Governance Practices and in such regard shall have no direct or indirect material relationship with Sun, as more generally defined in National Instrument 52-110.

The governance and compensation committee generally meets quarterly or as circumstances dictate. A majority of the committee members constitutes a quorum for the transaction of business. The committee reports regularly to the board with respect to its activities. Every meeting shall include an *in camera* session with only independent trustees present, unless the committee elects to waive such a meeting. Meetings may be in person or by other communications facilities, provided that all persons participating in the meeting are able to communicate with each other.

A resolution in writing signed by all committee members entitled to vote on that resolution at a meeting is as valid as if it had been passed at a meeting of the committee.

3. Duties and Responsibilities

The governance and compensation committee has the responsibilities and powers set forth in this charter. The principal duties and responsibilities of the committee are set out below with the understanding that the committee may supplement them as appropriate.

a. Development of guidelines and procedures

- Oversee the development, issuance and distribution and review of appropriate ethics and legal compliance guidelines and procedures, including annual review of the code of conduct.

b. Ensure adequate guidance, reporting and investigation processes

- Monitor and review periodically the systems that management has established to implement Sun's ethics and compliance guidelines.
- Monitor processes to ensure that the board and trustees (other than the CEO) maintain their independence.
- Oversee receiving periodic reports regarding investigations of compliance violations, if any.

c. Evaluate and recommend board membership – at the fourth quarter meeting (usually in February)

- Assess the optimum board size and makes recommendations to the board on any changes.
- Evaluate and make recommendations to the board concerning the number and accountability of board committees, committee assignments and committee membership rotation practices.
- Establish and articulate qualifications, desired background, and selection criteria for members of the board taking account of any applicable securities laws, rules or guidelines, or stock exchange requirements or guidelines.
- Satisfy itself that there are satisfactory orientation and education programs for new board and committee members.
- Make recommendations to the full board concerning all nominees for board membership. The committee may retain a search firm to be used to identify trustee candidates. The committee has the sole authority to retain and terminate search firms and approve the search firm's fees and other terms.
- Solicit input from the full board and conduct a review of the effectiveness of the operation of the board, board committees and individual board members, including reviewing and monitoring compliance with governance and operating practices.

d. Governance and Evaluation – at the fourth quarter meeting (usually in February)

- Guide the trustees in the evaluation of the trust's governance as appropriate.
- Review proxy material and the management information circular prepared for the annual meeting and other meetings, and recommend approval by the board
- Review comments on Sun by proxy advisory firms (such as ISS or Glass Lewis) to the extent that they are available and oversee that the board and management take appropriate actions.
- Assess the merits of any unitholder proposals, establish procedures for dealing with such proposals and formulate draft responses for approval by the board.
- Ensure that Sun has an adequate succession plan in place for its CEO and senior employees.

e. Compensation matters – at the third quarter meeting (unusually in November)

- Review and approve annually the corporate goals and objectives applicable to the compensation of the CEO and CFO.
- Oversee review of compensation of the CEO and CFO, and if thought appropriate, other senior officers.
- Recommend to the board changes to deferred share incentive plan, including annual awards, if any, as well as any other trustee or officer compensation matters.

4. Review its performance and charter

- Perform an evaluation of its performance at least annually to determine whether it is functioning effectively.
- Review and reassess this charter annually.

Approval

Approved by the board effective February 11, 2020 .

Schedule A

SUN RESIDENTIAL REAL ESTATE INVESTMENT TRUST POSITION DESCRIPTION FOR THE CHAIR OF THE GOVERNANCE AND COMPENSATION COMMITTEE

1. PURPOSE

The Chair of the Governance and Compensation committee of the board of trustees is responsible for the effective functioning of the committee.

2. APPOINTMENT OF THE CHAIR

The Chair of the committee shall be appointed by the board (on the recommendation of the committee) for a one year term at the first meeting of the board following the annual meeting of unitholders each year (provided if there is a vacancy in such office, the members of committee shall appoint one of its members to fill the vacancy until such time as it is filled by the board).

3. RESPONSIBILITIES

The Chair of the committee shall:

- (a) Establish procedures to govern the committee's work and ensure the committee's full discharge of its duties, including:
 - i. Collaborating with the CEO and other members of management, where appropriate, to develop the agenda for committee meetings;
 - ii. Providing appropriate information from management to enable the committee to exercise their accountabilities;
 - iii. Ensuring that all items requiring committee approval or committee recommendations to the board are appropriately tabled;
 - iv. Ensuring proper flow of information to the committee and reviewing adequacy and timing of documentary materials in support of management's proposals;
 - v. Overseeing the retention of appropriately qualified and independent external advisors; and
 - vi. Assisting the committee in accessing such members of senior management as may be required by the committee.
- (b) Chair every meeting of the committee and encourage free and open discussion at meetings of the committee.
- (c) Report to the board on behalf of the committee.
- (d) Attend every meeting of unitholders and respond to such questions from unitholders as may be put to the Chair of the committee.
- (e) Carry out other duties as requested by the board, depending on need and circumstances.