BOARD MANDATE

ADOPTED BY THE BOARD OF TRUSTEES ON JANUARY 1, 2014, AMENDED ON MARCH 25, 2014

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1. General

The board of trustees (the "Board") has developed this mandate to help fulfill its responsibility to unitholders to oversee the management of the business and affairs of Plaza Retail REIT (the "Trust"). This mandate is also intended to align the interests of trustees and management with the those of the Trust's unitholders.

The Corporate Governance and Compensation Committee will review and assess this mandate at least annually and suggest to the Board for approval such changes as the Committee deems appropriate.

2. Board of Trustees

(i) Independence

A majority of trustees must qualify as "independent" within the meaning of National Policy 58-201 – *Corporate Governance Guidelines*, in accordance with the Trust's declaration of trust (the "Declaration of Trust"). The Board shall review and approve reports received from the Corporate Governance and Compensation Committee regarding the independent status of each trustee and evaluation that the majority of the Board's trustees are independent.

(ii) Other Directorships

The Board has determined that trustees can sit as directors for other public issuers where there is no inherent conflict of interest and where such other directorship does not unreasonably impact the availability and time such trustee can commit to the Trust. No resources of the Trust shall be used for such other directorships. Trustees shall follow the process for approval of public directorships approved by the Corporate Governance and Compensation Committee.

(iii) Tenure

The tenure for each trustee will be three (3) years.

(iv) Duties and Expectations

The Board has determined that each trustee shall make every effort to ensure his or her regular attendance at all Board and committee meetings (where applicable) and that all trustees arrive well-informed and have had a reasonable opportunity for advance review of any materials to be discussed at such meetings.

(v) Number of Meetings

The Trust has determined that the Board will meet a minimum of four (4) times in a calendar year, preferably by in-person meetings.

3. Stewardship of the Trust

The Board acknowledges responsibility for the stewardship of the Trust and has taken the following steps in furtherance of this goal:

(i) Culture of Integrity and Code of Business Conduct & Ethics

The Board believes in promoting a culture of integrity and ethical business conduct among the Trust's trustees, executive officers and employees.

(1) The Board has developed a Code of Business Conduct and Ethics (the "Code") for the Trust. The Board, through the direction of the Corporate Governance and Compensation Committee, shall review on an annual basis and approve any changes to the Code.

(2) The Board will discuss any issues or situations arising under the Code, and will act diligently to resolve these situations, including the appointment of an *ad hoc* Board committee to deal with any issues.

(3) The Trust has enacted "whistleblower" protections in the work place, including an exclusive confidential email access to the Board's independent trustees serving on the Audit Committee by employees who have any concerns with the actions or activities of the Trust's management or employees.

(4) The Board works diligently to nominate trustees who have a proven track record of ethical business conduct and a reputation of excellent business relations.

(ii) Strategic Planning Process

The Board shall review and approve, on at least an annual basis, the Trust's strategic plan which takes into account, among other things, the opportunities and risks of the business.

(iii) Principal Business Risks

The Board, in consultation with the Chief Executive Officer, shall identify, on at least an annual basis, the principal risks of the Trust's business and ensure the implementation of appropriate systems to manage these risks.

(iv) Hedging Trust Units

Trustees are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of Trust units held by them, either directly or indirectly.

(v) Succession Planning

The Board shall, through direction of the Corporate Governance and Compensation Committee, review and examine succession planning for the Trust's Chief Executive Officer at regular intervals (no less than every two (2) years).

(vi) Disclosure Policy

The Board shall annually review and, upon recommendation of the Corporate Governance and Compensation Committee and if deemed appropriate, make any necessary amendments to the Trust's Disclosure Policy.

(vii) Internal Control over Financial Reporting and Management Information Systems

The Board, through direction of the Audit Committee, shall ensure that adequate internal controls and financial information systems have been adopted by the Trust.

(viii) Approach to Corporate Governance

The Board is committed to good corporate governance and as such has established a Corporate Governance and Compensation Committee (see section 7(2)) to advise the Board on corporate governance and compensation related issues. The Corporate Governance and Compensation Committee is responsible for developing and maintaining the Trust's underlying governance principles and guidelines as outlined in this mandate and in the Trust's Committee charters. The Board will, upon recommendation received from the Corporate Governance and Compensation Committee, approve any necessary changes to the Corporate Governance and Compensation Committee charter.

(ix) Feedback by Stakeholders

The Board has enacted a "whistleblower" program through the Audit Committee which allows security holders of the Trust to provide feedback.

4. Nomination of Trustees

The Corporate Governance and Compensation Committee shall act as the nominating committee for the Trust, and will receive recommendations for nominations from the Trust's executive officers and other trustees on the Board to fill any vacancy that is anticipated or has arisen on the Board, subject to the provisions of the Declaration of Trust, using the following procedures:

(1) The Corporate Governance and Compensation Committee will review the proposed names and weigh their skill sets, expertise and background, reputation for business ethics and diversity, as well as the current and future needs of the Trust.

(2) The Corporate Governance and Compensation Committee shall recommend to the Board the nominees for election or re-election to the Board or for appointment.

5. Position Descriptions

The Board will, through the direction of the Corporate Governance and Compensation Committee, develop position descriptions for the Chairman of the Board and the Chair of each Committee.

6. Orientation and Continuing Education

The Board believes that it is critical that trustees have an understanding of the Trust's business and have a reasonable familiarity with the Trust's day-to-day operations and key personnel. The Board also believes that new trustees should experience a proper and effective orientation program.

(1) Upon appointment to the Board, new trustees will meet with the Trust's Chairman, Chief Executive Officer, Executive Vice-President & General Counsel and Chief Financial Officer to discuss the various aspects of the Trust's business. In addition, new trustees will be given a tour of selected assets by at least one of the Trust's executive officers. A new trustee will also meet with the Trust's auditors if the trustee is joining the Audit Committee.

(2) The Board will be provided, on a quarterly basis, with a list of descriptions of all purchases and financings related to the business of the Trust and occurring within the previous quarter. The CEO will also informally keep Board members advised of any significant business deals being transacted between Board meetings.

(3) The Board shall be regularly educated in new developments in corporate governance and financial reporting matters by the Corporate Governance and Compensation Committee, the Audit Committee, the Trust's auditors, corporate counsel or any other officers or employees of the Trust.

7. Board Committees

(1) The Board has established an Audit Committee for the purpose of fulfilling its oversight responsibility to unitholders, potential unitholders, the investment community and others relating to: (1) the financial reporting process, (2) systems of internal accounting and financial controls, (3) identifying and monitoring the management of principal risks that could affect the integrity of the Trust's financial reporting, (4) the appointment and

communication with the external auditor, including oversight of its work and monitoring its independence, and (5) the Trust’s compliance with legal and regulatory requirements with respect to financial reporting matters. For further information on the Audit Committee’s mandate, please refer to the Audit Committee charter.

(2) The Board has established a Corporate Governance and Compensation Committee to assist the Board in establishing the governance guidelines within which the Trust carries out its responsibilities. The purpose of the Committee is to develop, define and evaluate the process and structure used to supervise the business and affairs of the Trust. This provides accountability of the Board and management to the Trust’s unitholders and other stakeholders. For further information on the Corporate Governance and Compensation Committee’s mandate, please refer to the Corporate Governance and Compensation Committee charter.

8. Delegation of Authority for Investing and Financing

The Board believes in delegating investing and financing authority to certain executive officers under the following parameters:

(1) The Board has delegated the authority to the Chairman of the Board and the Chief Executive Officer to purchase or sell properties and enter into financing arrangements for the Trust’s existing and new properties (collectively, the “Transactions”), and to pass related resolution’s thereto, provided the Transactions meet the following criteria:

  (a) developments, on completion, must earn a minimum cash yield (unlevered yield) equal to 100 basis points above the mortgage constant for a 10 year mortgage at prevailing rates over a 25 year amortization period;

  (b) the value of any purchase or sale must not exceed three percent (3%) of the Trust’s asset base based on its preceding published financial statements; and

  (c) the value of any financing must not exceed three percent (3%) of the Trust’s asset base based on its preceding published financial statements.

(2) Any purchase, sale or financing not meeting the above criteria or any Transaction involving a related party must continue to be approved by the full Board and passed by resolution.

(3) The Chairman and Chief Executive Officer shall provide the full Board with a report each quarter outlining the purchases, sales and financings that have been approved by them during that time period.

9. Board Assessments

The Trust believes that the Board and its committees should be assessed on at least an annual basis to ensure they are performing effectively.

The Corporate Governance and Compensation Committee shall review with the Board the appropriate skills and characteristics required of Board members. In performing this function, the Corporate Governance and Compensation Committee will seek input from the Chairman of the Board and shall take into consideration the characteristics of independence, skills, experience, reputation for business ethics, diversity and availability of service to the Trust of its trustees as well as the opportunities, risks and strategic direction of the Trust.

Annually, each Board member shall perform an assessment questionnaire containing his/her views regarding the functionality, effectiveness and contribution of the Board and any committee during the previous year. These forms will be reviewed annually by the Chair of Corporate Governance and Compensation Committee who will review the results and bring them to the Corporate Governance and Compensation Committee for discussion. If necessary, the Corporate Governance and Compensation Committee will bring forward to the Board any further action or recommendation resulting from the assessments.

10. Compensation

The Trust believes that its trustees, Chief Executive Officer, Chairman of the Board and other executives should be fairly compensated based on their contribution to the Trust's success.

The Board has appointed the Corporate Governance and Compensation Committee to discharge the Board's responsibilities with respect to compensation activities. The Corporate Governance and Compensation Committee annually reviews and approves the compensation of trustees, as well as the Chief Executive Officer, Chairman of the Board and any other Named Executive Officers (as defined in CSA Form 51-102F6) of the Trust, as further described below.

The Corporate Governance and Compensation Committee also reviews and approves recommendations in respect of any incentive compensation plans, including equity-based plans, of the Trust, and amendments to such plans as applicable.

(i) Independent Trustees

The Corporate Governance and Compensation Committee annually reviews and approves the compensation of the independent trustees and any changes thereto to ensure that their compensation appropriately and adequately reflects the responsibilities of a trusteeship of the Trust. The Trust has a current policy of paying its independent trustees the following compensation:

(1) $15,000.00 for annual trustees' fees;

(2) $750.00 for in-person attendance at each Board or committee meeting;

(3) $500.00 for each conference call relating to Board or committee business;

(4) $12,500.00 annual fee for any trustee who acts as Chair of the Audit Committee; and

(5) $7,500.00 annual fee for any trustee who acts as Chair of the Corporate Governance and Compensation Committee.

In addition, the Corporate Governance and Compensation Committee can approve the granting of incentive compensation, including equity-based compensation, for independent trustees pursuant to such plan adopted by the Trust, if applicable.

Further, the Trust pays for all reasonable expenses of all trustees relating to meetings or Board business.

(ii) Chief Executive Officer

An individual employment contract which identifies the role and responsibilities of the CEO has been prepared and entered into with the Chief Executive Officer. The Corporate Governance and Compensation Committee reviews and reports to the Board on the performance of the Chief Executive Officer as well as his role and responsibilities on an annual basis.

The Corporate Governance and Compensation Committee also annually reviews and approves the compensation of the Chief Executive Officer and any changes thereto to ensure that his compensation appropriately and adequately reflects the role and responsibilities of the CEO.

(iii) Chairman of the Board

The Corporate Governance and Compensation Committee annually reviews and approves the compensation of the Chairman of the Board and any changes thereto to ensure that his compensation appropriately and adequately reflects the role and responsibilities of the Chairman of the Board.

(iv) Named Executive Officers

The Corporate Governance and Compensation annually reviews and, after obtaining and considering the recommendation of the Chief Executive Officer and Chairman of the Board, approves the compensation of any other Named Executive Officers of the Trust and any changes thereto to ensure that his or her compensation appropriately and adequately reflects the role and responsibilities of the individual.