



BOARD MANDATE

REVIEWED AND UPDATED BY THE BOARD OF DIRECTORS ON NOVEMBER 18, 2009

TABLE OF CONTENTS

1.	General	1
2.	Board of Directors	
(i)	Independence.....	1
(ii)	Other Directorships	1
(iii)	Duties and Expectations	1
(iv)	Number of Meetings.....	1
3.	Stewardship of the Corporation	
(i)	Culture of Integrity and Code of Conduct & Ethics.....	2
(ii)	Strategic Planning Process	2
(iii)	Principal Business Risks	2
(iv)	Succession Planning.....	2
(v)	Disclosure Policy.....	3
(vi)	Internal Control Financial Reporting & Management Information Systems	3
(vii)	Approach to Corporate Governance.....	3
(viii)	Feedback by Stakeholders	3
4.	Nomination of Directors	3
5.	Position Descriptions	3
6.	Orientation and Continuing Education	4
7.	Board Committees	4
8.	Delegation of Authority for Investing and Financing	5
9.	Board Assessments	6
10.	Compensation	6
(i)	Directors	6
(ii)	Chief Executive Officer	7
(iii)	Management Fees.....	7

1. General

The Board has developed this Mandate to help fulfill its responsibility to shareholders to oversee the management of the business and affairs of the Corporation. The Mandate is also intended to align the interest of directors and management with the those of the Corporation's shareholders.

The Corporate Governance 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 Directors

(i) *Independence*

The Corporation has determined that a majority of its directors should be independent from management as defined in Section 1.4 of Multilateral Instrument (MI) 52-110 . The Board shall review and approve reports received from the Corporate Governance Committee regarding the "independent" status of each director and evaluation that the majority of the Board's directors are "independent".

(ii) *Other Directorships*

The Corporation has determined that its directors 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 director can commit to the Corporation.

(iii) *Duties and Expectations*

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

(iv) *Number of Meetings*

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

3. Stewardship of the Corporation

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

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

The Corporation believes in promoting a culture of integrity and ethical business conduct among its directors, executive officers and employees of the Corporation.

- (1) The Board has developed a Code of Business Conduct and Ethics (the “Code”) for the Corporation. The Board, through the direction of the Corporate Governance Committee, shall review on an annual basis, and approve any changes to the Code of Business Conduct and Ethics.
- (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 Corporation has enacted “whistle blower” protections in the work place, including an exclusive confidential email access to the Board’s independent directors serving on the Audit Committee, by employees who have any concerns with the actions or activities of the Corporation’s management, staff or owners.
- (4) The Corporation works diligently to nominate directors 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 Corporation’s strategic plan which takes into account, among other things, the opportunities and risks of the business.

(iii) Principal Business Risks

The Board shall identify, on at least an annual basis, the principal risks of the Corporation’s business and ensure the implementation of appropriate systems to manage these risks.

(iv) Succession Planning

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

Disclosure Policy

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

(v) *Internal Control over Financial Reporting and Management Information Systems*

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

(vi) *Approach to Corporate Governance*

The Board is committed to good corporate governance and as such has established a Corporate Governance Committee (see section 7(2)) to advise the Board of Directors on Corporate Governance Issues. The Corporate Governance Committee is responsible for developing and maintaining the Corporation's underlying governance principles and guidelines as outlined in this Mandate and in the Corporation's Committee Charters. The Board will upon recommendation received from the Corporate Governance Committee approve any necessary changes to the Corporate Governance Committee Charter.

(vii) *Feedback by Stakeholders*

The Board has enacted a "whistle blower" program, through the Audit Committee, which allows security holders of the Corporation to provide feedback.

4. Nomination of Directors

The Corporate Governance Committee shall act as the nominating committee for the Corporation, and will receive nominations from members of the Corporation's executive and other directors on the Board to fill any vacancy that is anticipated or has arisen on the Board using the following procedures:

- (1) The Corporate Governance Committee will review the proposed names and weigh their skill sets, expertise and background against the current and future needs of the Corporation. The Committee will determine the needs of the Corporation based on its on-going assessment of the Board and its Committees (*see Subsection 9 hereof*).
- (2) The Corporate Governance 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 Committee, develop position descriptions for the Chairman of the Board and the Chair of each Committee.

6. Orientation and Continuing Education

The Corporation believes that it is critical that its directors have an understanding of its business and to have a reasonable familiarity with its day-to-day operations and key personnel. The Corporation also believes that its new directors should experience a proper and effective orientation program.

- (1) Upon appointment to the Board, new directors will meet with the Corporation's Chairman, CEO, Corporate Counsel and Chief Financial Officer to discuss the various aspects of the Corporation's business. In addition, the directors will be given a tour of selected assets by the Corporation's operating executives. The director will also meet with the Corporation's auditors if the new director is joining the Audit Committee.
- (2) Because the Corporation is a real estate development company, the Board will be provided, on a quarterly basis, with a list of descriptions of all purchases and financings related to the business and occurring within the previous quarter. The CEO will also informally keep the 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 matters by the Corporate Governance Committee, the Corporation's auditors, Corporate Counsel or any other officers or employees of the Corporation.

7. Board Committees

The Corporation believes that the business of the Board of Directors is best served by having two (2) committees: the Audit Committee and the Corporate Governance Committee.

- (1) The Corporation has established an Audit Committee for purposes of fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community and others relating to: i) the integrity of the Corporation's financial statements, ii) the financial reporting process, iii) the systems of internal control and financial reporting, iv) the appointment and communication with the independent auditors, and v) the Corporation'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 Corporation has established a Corporation Governance Committee in order to fulfill its responsibility to maximize the Corporation's performance and shareholder value in a corporate climate that is fair, ethical and in keeping with the Corporation's regulatory framework. The purpose of the Committee is to develop, define, evaluate and implement the process and structure used to supervise the business and affairs of the Corporation. This provides the accountability of the Board of Directors and management to the Corporation's shareholders and other stakeholders. For further information on the Corporate Governance Committee's mandate, please refer to the Corporate Governance Committee Charter

8. Delegation of Authority for Investing and Financing

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

- (1) The Board has delegated the authority to Chairman of the Board and the Chief Executive Officer to purchase properties and enter into financing arrangements for the Corporation's existing and new properties (collectively, the "Transactions"), and to pass related resolution's thereto, provided the Transactions meet the following criteria:
 - a) Any acquisitions and 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 must not exceed five percent (5%) of the Corporation's asset base based on its preceding published financial statements; and,
 - c) The value of any financing must not exceed five percent (5%) of the Corporation's asset base based on its preceding published financial statements.
- (2) Any purchase or financing not meeting the above criteria, any sale of existing property of the Corporation or any Transaction involving a related party must continue to be reviewed by the full Board of Directors and passed by resolution.
- (3) The Chairman and Chief Executive Officer shall provide the full Board with a report each quarter outlining the purchases and financings that have been approved by them during that time period.

- (4) Pursuant to the Corporation's Trust Indentures with Grant Thornton Limited dated January 31, 2005, April 17, 2006 and April 10, 2007, the Board has established a management committee called the Mortgage Bond Authorization Committee comprised of three directors who are current or former members of the management team and which shall periodically authorize the draw-down of funds from the segregated accounts for the Corporation's mortgage bonds and provide resolutions as required to the Trustee.

9. Board Assessments

The Corporation 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 Committee shall review with the Board the appropriate skills and characteristics required of Board members. In performing this function, the Corporate Governance 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 and availability of service to the Corporation of its members as well as the opportunities, risks and strategic direction of the Corporation.

- (1) The Board takes the following steps to ensure such assessments are completed:
 - (a) Each Board member shall perform an assessment of the effectiveness and contribution of the Board and any committee of which he/she was a member during the previous year.
 - (b) These forms are then reviewed annually by the Corporate Governance Committee for further action or recommendation back to the Board.

10. Compensation

The Corporation believes that its directors, Chief Executive Officer and other executives should be fairly compensated based on their contribution to the Corporation's success.

The Corporate Governance Committee also acts as the Compensation Committee for the Corporation and recommends to the Board the parameters for the directors' compensation and that of the Chief Executive Officer (if any) to ensure that their compensation is appropriate, and adequately reflects the responsibilities of a directorship or executive office, as the case may be.

(i) Directors

- (1) The Corporation has a current policy of paying its independent directors the following compensation:
 - (a) \$7,000.00 for annual directors' fees;
 - (b) \$500.00 for each in-person Board or committee meeting;
 - (c) \$250.00 for each conference call relating to Board or committee business.
 - (d) Any director who acts as Chair of the Audit Committee or a Chair of the Corporate Governance Committee receives an annual fee of \$6,000.00.
- (2) In addition, the Corporate Governance Committee can recommend to the Board the granting of stock options for independent directors where it is deemed in the best interests of the Corporation.
- (3) Further, the Corporation pays for all reasonable expenses of all directors relating to meetings or board business.
- (4) The Chairman of the Board is an unpaid position.

(ii) Chief Executive Officer

- (1) The Chief Executive Officer has agreed to provide his services to the Corporation without remuneration.
- (2) An individual employment contract which spell out the roles and responsibilities of the CEO has been prepared and entered into with the Chief Executive Officer.
- (3) The Corporate Governance Committee reviews and reports to the Board on the performance of the Chief Executive Officer as well as his roles and responsibilities on an annual basis.

(iii) Management Fees

Upon the anniversary date of any existing management agreement(s) affecting the Corporation, the Corporate Governance Committee will review and report to the Board any recommendations for approval of any fees payable under any new or renewed management agreement(s) before executing same.