Notice of Annual General and Special Meeting and Information Circular

Annual General and Special Meeting of Unitholders

to be held on
May 14, 2014

INVITATION TO UNITHOLDERS

March 26, 2014

Dear Unitholder:

We are pleased to invite you to join our Board of Trustees and senior management team at our Annual General and Special Meeting of Unitholders of Crombie Real Estate Investment Trust ("**Crombie**"). The meeting will be held on:

May 14, 2014
11:00 a.m. (Atlantic Daylight Saving Time)
Cineplex Cinemas
612 East River Road, New Glasgow, Nova Scotia

The items of business to be considered and voted upon at this meeting are set out in the accompanying Notice of Meeting and Management Information Circular. In addition, this meeting provides you with the opportunity to meet, listen to and ask questions of the people who are responsible for the performance of Crombie.

Crombie is committed to keeping you, our investors, informed about your investment in Crombie. We are also committed to respecting your wishes when you elect not to receive copies of the Annual Report or Quarterly Reports. We want you to know that you have a choice as to whether you receive the Crombie Annual Report. Please read and make your choice accordingly on the enclosed document used for that purpose.

If you are interested in receiving the 2013 Annual Report, copies will be available on our website www.crombiereit.com, or from the SEDAR website (www.sedar.com), or you can write to the following address and request a copy:

Crombie REIT
115 King Street
Stellarton, Nova Scotia B0K 1S0

Attention: Glenn Hynes, FCA Executive VP, CFO and Secretary
Email: investing@crombie.ca

We will webcast the Annual General and Special Meeting at www.crombiereit.com. We encourage you to visit our website at any time before the meeting as it provides useful information about us.

We look forward to seeing you on May 14, 2014.

Sincerely,

(signed) "*John Eby*"

John Eby
Lead Trustee

(signed) "*Frank C. Sobey*"

Frank C. Sobey
Chair

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of the Unitholders of Crombie Real Estate Investment Trust ("**Crombie**") will be held at Cineplex Cinemas, 612 East River Road, New Glasgow, Nova Scotia, on Thursday, the 14th day of May, 2014, at 11:00 o'clock in the morning (Atlantic Daylight Saving Time) for the following purposes:

- To receive and consider the Financial Statements of Crombie for the year ended December 31, 2013, together with the report of the Auditors thereon and related management discussion and analysis;
- To elect Trustees for 2014;
- To appoint the auditors for 2014;
- To authorize the Trustees to fix the remuneration of the auditors;
- To consider an advisory resolution on executive compensation;
- To consider and, if thought advisable, to pass resolutions authorizing certain amendments to the declaration of trust constituting Crombie, all as more particularly set forth in the Management Information Circular of Crombie dated March 26, 2014 (the "Circular") accompanying this notice, and in particular:
    - Resolution at Appendix C of the Circular - Amendments to the definition of "Independent Trustee" effectively adopting the definition from applicable securities laws;
    - Resolution at Appendix D of the Circular - Amendments to provide Crombie with the option of Non- Certificated Inventory in place of physical Unit certificates;
    - Resolution at Appendix E of the Circular - Amendments to add flexibility to the number of Trustees who can sit on the Governance and Nominating Committee, the Human Resource Committee and the Investment Committee;
    - Special Resolution at Appendix F of the Circular - Amendments to provide more flexibility to the Trust under its investment guidelines and operating policies, including the expansion of the types of asset that Crombie can invest in and its ability to pursue certain development opportunities, and with respect to the requirement to obtain an appraisal, environmental and property condition report for each property prior to any acquisition; and
- To transact such other business as may properly come before the Meeting.

Unitholders who are unable to be present in person at the Meeting are requested to complete, sign, date, and return the enclosed voting instruction form in accordance with the instructions provided. The accompanying Management Information Circular provides further information regarding proxies and the matters to be considered at the Meeting and is deemed to form part of this Notice.

Dated at Stellarton, Nova Scotia, this 26th day of March, 2014.

BY ORDER OF THE BOARD OF TRUSTEES

(signed) "*Glenn Hynes*"

Glenn Hynes,
Executive Vice President, Chief Financial Officer and Secretary

TABLE OF CONTENTS

INVITATION TO UNITHOLDERS ii

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF UNITHOLDERS iii

TABLE OF CONTENTS v

PART ONE – VOTING INFORMATION 1

- Purpose of the Meeting 1
- Date, Time and Place of Meeting 1
- Solicitation of Proxies 1
- Appointment and Revocation of Proxies 1
- Voting of Units Represented by Proxies 1
- Non-Registered Unitholders 2
  - Non-Objecting Beneficial Owners 2
  - Objecting Beneficial Owners 2
  - Voting in Person by Objecting Beneficial Owners 3
- Record Date and Unitholders Entitled to Vote 3
  - Units 3
  - Special Voting Units 3
- Voting Units and Principal Holders Thereof 4

PART TWO – BUSINESS OF THE MEETING 4

- Financial Statements 4
- Election and Appointment of the Board of Trustees 4
  - ECL Right to Appoint Trustees 4
  - ECL Appointed Trustees 5
  - Nominees 9
  - Majority Voting Policy 9
  - Committee Membership and Record of Attendance 14
- Trustee Skills Matrix 15
- Trustee Orientation 16
- Continuing Education 16
- Audit Committee Information 16
- Trustee Independence and Other Relationships 16
- Appointment of Auditor 17
- Approval of Auditors Fees 17
- Executive Compensation Advisory Vote 17

PART THREE - SPECIAL BUSINESS OF THE MEETING 18

- Amendments to Amended and Restated Declaration of Trust 18
- Amendments to Definition of "Independent Trustee" 18
  - Background 18
  - Proposed Amendments 19
  - Unitholder Approval 19
- Amendments to allow for Non-Certificated Inventory 19
  - Background 19
  - Proposed Amendments 19
  - Unitholder Approval 19
- Amendments to the Size of Various Committees 20
  - Background 20
  - Proposed Amendments 20
  - Unitholder Approval 20
- Amendments to the Investment Guidelines and Operating Policies 20
  - Background 20
  - Proposed Amendments 22
  - Unitholder Approval 22

PART FOUR – TRUSTEE COMPENSATION AND EQUITY OWNERSHIP 22
Total Compensation of Board of Trustees 22
Trustee Share Ownership 23
PART FIVE – COMPENSATION DISCUSSION AND ANALYSIS 24
Report of the Human Resources Committee 24
HRC Committee Composition 24
Compensation Philosophy 25
Compensation Governance 26
Compensation Related Risk 26
Named Executive Officers 27
Executive Compensation Consultants 27
Compensation Comparator Group 27
Compensation Target Positioning 28
Elements of Compensation 28
Compensation Mix 29
AMIP 29
Corporate Multiplier 30
Payouts 30
Long Term Incentives (LTIP) 31
Employee Unit Purchase Plan 32
Gain Share Plan (GSP) 32
Pension 32
Benefits and Perquisites 33
Compensation Changes for 2014 33
Performance Graph 33
Summary Compensation Table 33
Compensation of Named Executive Officers 35
Compensation of the CEO 35
Compensation of the CFO 36
Compensation of the Executive Vice President Operations 38
Compensation of the Regional Vice President Central Canada 39
Compensation of the Regional Vice President Atlantic Canada 41
Incentive Plan Awards 42
Pension 43
Termination and Change of Control Benefits 44
Board Endorsement 44
Equity Incentive Plans 45
Executive Unit Purchase Plan 45
Deferred Unit Plan 47
Indebtedness of Trustees, Officers and Employees 50
Equity Compensation Plan Information 52
PART SIX – OTHER INFORMATION 52
Interest of Informed Persons in Material Transactions 52
Management Cost Sharing Agreement 53
Trustees' and Officers' Insurance 53
Governance 54
Auditors, Transfer Agent and Registrar 54
Additional Information 54
Trustees' Approval 55
APPENDIX A – STATEMENT OF GOVERNANCE PRACTICES 56
APPENDIX B – MANDATE OF THE BOARD OF TRUSTEES 66
APPENDIX C – AMENDMENTS TO DEFINITION OF "INDEPENDENT TRUSTEE" 71
APPENDIX D – AMENDMENTS TO ALLOW FOR NON-CERTIFICATED INVENTORY 72
APPENDIX E – AMENDMENTS TO THE SIZE OF VARIOUS COMMITTEES 73
APPENDIX F – AMENDMENTS TO THE INVESTMENT GUIDELINES AND OPERATING POLICIES 74

PART ONE – VOTING INFORMATION

Purpose of the Meeting

The items of business to be considered and voted upon at this annual general and special meeting, or any adjournment thereof, (the "**Meeting**") of the Unitholders are set out in the accompanying Notice of Meeting.

Date, Time and Place of Meeting

The Meeting will be held at Cineplex Cinemas, 612 East River Road, New Glasgow, Nova Scotia, on Thursday, the 14th day of May, 2014, at 11:00 o'clock in the morning (Atlantic Daylight Saving Time). Crombie is sending proxy-related materials to registered holders and beneficial owners of Units using the notice-and-access method. Under this method, Crombie provides notice that it has posted electronic versions of proxy-related materials on a website for investor review, with paper copies available upon request.

Solicitation of Proxies

This Circular is furnished in connection with the solicitation by Management of proxies (hereinafter referred to as the "**Proxy**" or "Proxies") from holders (collectively "**Unitholders**") of units ("**Units**") of Crombie and special voting units ("**Special Voting Units**") of Crombie for use at the Meeting. It is expected that the solicitation will be primarily by mail, but Proxies may also be solicited personally by the Trustees or officers of Crombie. The cost of such solicitation will be borne by Crombie.

Appointment and Revocation of Proxies

The persons named in the enclosed form of Proxy are Trustees of Crombie. **A Unitholder has the right to appoint a person to represent such Unitholder at the Meeting other than the persons named in the enclosed form of Proxy**. Such right may be exercised by striking out the name of the persons designated and by inserting such other person's name in the blank space provided in the form of Proxy. Failing any designation, one of the persons already named on the Proxy form shall be deemed to have been appointed as the nominee of such Unitholder for the purposes set out in the accompanying Notice of Meeting. To be valid, the form of Proxy must be executed and received by CST Trust Company before 11:00 a.m. (Atlantic Daylight Saving Time) on May 13, 2014. If the Meeting is adjourned or postponed, the proxy must be executed and received by CST Trust Company at least 24 hours before the adjourned Meeting.

If the accompanying separate form of Proxy is executed and returned, the Proxy may nevertheless be revoked by an instrument in writing revoking the Proxy and executed by the Unitholder, or by the attorney of the Unitholder authorized in writing, or if the Unitholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized and deposited with the Secretary of Crombie prior to the commencement of the Meeting on the date of the Meeting or any adjournment thereof.

Voting of Units Represented by Proxies

Units represented by Proxy will be voted or withheld from voting in accordance with instructions specified by the Unitholder on the form of Proxy. If no instructions are given by the Unitholder, the Proxy confers discretionary authority upon the Proxy nominees with respect to the matters set out in the Notice of Meeting and other matters that may properly come before the Meeting or any adjournment thereof, but shall not confer authority to vote for the election of any person as a Trustee, unless a bona fide proposed nominee for such election is named in this Circular, or to vote at any meeting other than the Meeting specified in the Notice of Meeting, or any adjournment thereof. **Where either John Eby or Frank C. Sobey has been appointed to vote on behalf of another Unitholder, he will vote:**

(a) in favour of the election of those persons listed in this Circular as the proposed Trustees for the ensuing year;

(b) in favour of the appointment of Grant Thornton LLP as auditor for the ensuing year;

(c) in favour of authorizing the Trustees to fix the remuneration of the auditors;

(d) in favour of the advisory resolution on executive compensation; and

(e) in favour of the resolutions relating to the amendments to the Declaration of Trust (as defined herein) as outlined in Part Three of this Circular and Appendix C, Appendix D, Appendix E and Appendix F attached hereto.

Management has no present knowledge that any business other than that referred to in the accompanying Notice of Meeting will be presented to the Meeting. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Proxies to vote the Proxies in accordance with what they consider to be in the best interest of Crombie.

Non-Registered Unitholders

Investors in Units are non-registered Unitholders. Unlike some issuers where the names of individual security holders are recorded on a register of holders, the ownership of Units is tracked only through a book-entry only system administered by CDS Clearing and Depository Services Inc. ("**CDS**"). In a book-based system, the only registered Unitholder is CDS who acts as clearing agent for the brokers and other intermediaries who, in turn, act on behalf of investors who are the beneficial owners of the Units.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called "**Objecting Beneficial Owners**") and those who do not object (called "**Non-Objecting Beneficial Owners**").

Non-Objecting Beneficial Owners

If you are a Non-Objecting Beneficial Owner, Crombie will obtain your name and you will be treated as if you are a registered holder. You will receive proxy-related materials including a form of proxy from our transfer agent, CST Trust Company. You may attend the Meeting and vote in person or you may appoint another person to represent you as proxyholder to vote your Units at the Meeting. You are encouraged to complete and return the enclosed form of proxy to ensure that your vote is counted should your plans to attend change. When you arrive at the Meeting, please register with the transfer agent, CST Trust Company.

Objecting Beneficial Owners

Objecting Beneficial Owners can only exercise their rights as beneficial owners of Units through CDS or a participant in the CDS depository service. This means that in order for Objecting Beneficial Owners to exercise their right to vote their Units at the Meeting, they must carefully review and follow the voting instructions provided by their broker or other intermediary.

Units held by brokers, or their nominees for an Objecting Beneficial Owner, can only be voted or otherwise represented upon the instructions of the Objecting Beneficial Owner. Without specific instructions, the broker/nominees are prohibited from voting or otherwise representing Units for their clients. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Objecting Beneficial Owners in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Objecting Beneficial Owners in order to ensure that their Units are voted or otherwise represented at the Meeting. Often, the form of proxy supplied to an Objecting Beneficial Owners by its broker is identical to

the form of proxy provided to registered Unitholders. However, its purpose is limited to instructing the intermediaries/brokers how to vote on behalf of or otherwise represent the Objecting Beneficial Owner.

Crombie does not intend to pay for your broker or intermediary to forward to Objecting Beneficial Owners the proxy-related materials and voting instruction form. Accordingly, Objecting Beneficial Owners will not receive these materials unless the Objecting Beneficial Owner's broker or intermediary assumes the cost of delivery.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Objecting Beneficial Owners and asks Objecting Beneficial Owners to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions respecting the Units to be represented at the Meeting. An Objecting Beneficial Owner receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote or otherwise represent Units in person at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Units voted or otherwise represented. Accordingly, it is strongly suggested that Objecting Beneficial Owners return their completed proxies as directed by Broadridge well in advance of the Meeting.

Voting in Person by Objecting Beneficial Owners

An Objecting Beneficial Owner who receives a form of proxy or a voting instruction form and wishes to vote at the Meeting in person should strike out the names of the persons designated in the form of proxy and insert the Objecting Beneficial Owner's name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, an Objecting Beneficial Owner should carefully follow the instructions of their intermediary/broker, including those regarding when and where the proxy or proxy authorization form is to be delivered. If you are an Objecting Beneficial Owner and wish to vote in person at the Meeting, we recommend that you contact your broker or agent well in advance of the Meeting to confirm how you can do so.

Record Date and Unitholders Entitled to Vote

Units

The board of trustees of Crombie (the "**Board**" or "**Board of Trustees**") has fixed March 26, 2014 as the record date for the purpose of determining which Unitholders are entitled to receive the Notice of Meeting.

On March 21, 2014, Crombie had 72,662,264 outstanding Units, each carrying the right to one vote per Unit at the Meeting. Any registered Unitholder of record at the time of the Meeting will be entitled to attend and vote at the Meeting either in person or by Proxy. See "Information Concerning the Meeting – Voting of Units Represented by Proxies" and "Information Concerning the Meeting – Non-Registered Unitholders" for information regarding the voting of Units at the Meeting.

Special Voting Units

On March 21, 2014, Crombie had 50,241,245 outstanding Special Voting Units, each carrying the right to one vote per Special Voting Unit. Special Voting Units may only be issued in connection with or in relation to Class B Limited Partnership Units ("**Class B LP Units**") of Crombie Limited Partnership ("**Crombie LP**") for the purpose of providing voting rights with respect to Crombie to the holders of such securities. Special Voting Units are issued in conjunction with all Class B LP Units, and are evidenced only by the certificates representing such Class B LP Units. All of the outstanding Special Voting Units are held indirectly by Empire Company Limited ("**Empire**").

Voting Units and Principal Holders Thereof

The Trustees and Management do not know of any person or company beneficially owning, directly or indirectly, or exercising control or direction over more than 10% of the Units. Empire currently holds 50,241,245 Special Voting Units and 909,090 Units of Crombie, representing 41.6% of the outstanding voting units of Crombie.

PART TWO – BUSINESS OF THE MEETING

Financial Statements

The audited consolidated financial statements of Crombie for the year ended December 31, 2013, and the report of the auditor thereon will be tabled at the Meeting. These audited consolidated financial statements were mailed to Unitholders with this Notice of Meeting and Circular. Additional copies of the audited consolidated financial statements may be obtained from the Secretary of Crombie upon request and will be available at the Meeting.

Election and Appointment of the Board of Trustees

ECL Right to Appoint Trustees

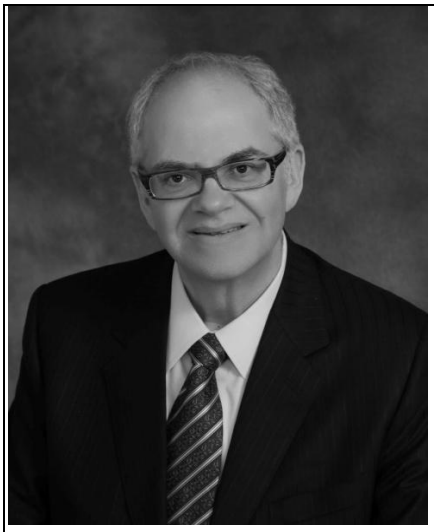
Pursuant to the Declaration of Trust of Crombie dated as of January 1, 2006, as amended and restated from time to time (the "**Declaration of Trust**"), ECL Properties Limited ("**ECL Properties**"), a wholly-owned direct subsidiary of Empire and the direct parent of ECL Developments Limited ("**ECL**"), has an exclusive right to appoint certain Trustees ("**ECL Trustees**") based on the proportion of outstanding Units and Special Voting Units held, directly or indirectly, by ECL Properties at the time of such appointment and the size of the Board at such time, all in accordance with the following table. ECL Trustees are required to meet the qualification requirements as set out in the Declaration of Trust.

ECL's Proportion of Outstanding Units and Special Voting Units Held	Total Number of Trustees of the Trust	Number of ECL Appointees
Greater than 30%	Greater than 10	**5**
	10	**4**
	7 to 9	**3**
	5 to 6	**2**
	Less than 5	**1**
20% - 30%	Greater than 10	**4**
	10	**3**
	7 to 9	**2**
	Less than 7	**1**
10% - 19.99%	10 or greater than 10	**2**
	Less than 10	**1**
Less than 10%	**Any**	**0**

Based on the current Board size and ECL's ownership of 41.6% of the outstanding Units and Special Voting Units combined, ECL has the right to appoint five Trustees.

ECL Appointed Trustees

ECL intends to exercise its exclusive right to appoint the following five Trustees (the "**ECL Trustees**"), each to hold office until the next annual meeting or until his or her successor is elected or appointed. **Unitholders do not have the right to vote on the appointment of the ECL Trustees**. In the opinion of the Board, the ECL Trustees are well-qualified to act as Trustees for the ensuing year. Each of the ECL Trustees has established their eligibility and willingness to serve.



Paul V. Beesley
Resident of Stellarton, NS, Canada
Trustee since 2009
Trustee

Experience:
CFO/Senior Executive
Financial/Accounting

Paul Beesley is the Chief Corporate Development Officer of Sobeys Inc., and is currently a director of Genstar Development Partnership and NB Power Group. Prior to joining Empire Company Limited in 1999, Mr. Beesley was Vice President and Chief Financial Officer at The Globe and Mail in Toronto. Previously Mr. Beesley worked for Delrina Corporation, Toronto, and with Sunoco and Suncor Inc. in Toronto and Fort McMurray. Mr. Beesley graduated from Dalhousie University in 1979 with his Bachelor of Science and obtained a Masters of Business Administration at Saint Mary's University, and his Chartered Accountant designation, in 1984. In 2006 Mr. Beesley completed the Advanced Management Program at Harvard University and in 2011 received the ICD.D designation.

Committee Membership:
Mr. Beesley is a member of the Investment Committee.

Other Public Board Membership:
None.

Unitholdings (Units and Deferred Units):
17,000 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Investment	4 of 4	100%

David A. Leslie
Resident of Toronto, ON, Canada
Trustee since 2007
Independent Trustee

Experience:
Senior Executive/Audit
Financial/Accounting/Tax

David Leslie, a Fellow of the Institute of Chartered Accountants of Ontario, retired in 2004 after 37 years of service with Ernst & Young LLP, where he was Chairman and Chief Executive Officer from 1999 to 2004. While at Ernst & Young, he was seconded for a period to the federal Department of Finance as Senior Tax Advisor on Tax Policy and Legislation. He is a director of Empire Company Limited, Enbridge Gas Distribution Inc., Enbridge Inc. and Sobeys Inc.

Committee Membership:
Mr. Leslie is a member of the Audit Committee (Chair) and the Investment Committee.

Other Public Board Membership:
Empire Company Limited, Sobeys Inc., Enbridge Gas Distribution Inc., and Enbridge Inc.,

Unitholdings (Units and Deferred Units):
13,668 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Audit	6 of 6	100%
Investment	4 of 4	100%

Frank C. Sobey
Resident of Stellarton, NS, Canada
Trustee since 2006
Trustee and Chairman

Experience:
CEO/Senior Executive
Governance
Human Resources
Real Estate

Frank Sobey is the President of ECL Properties Limited and has been a director of Crombie and its predecessors since 1981 and Chairman since 1998. Mr. Sobey is a director of Empire Company Limited, was Chairman of the former Oversight Committee of Empire and served as a trustee and Chairman of the governance and nominating committee of Wajax Income Fund (now Wajax Corporation) until October 5, 2010. He is also Chairman of the Dalhousie Medical Research Foundation. Mr. Sobey is a graduate of the Harvard Business School's Advanced Management Program (AMP) and, in 2013, received the ICD.D designation.

Committee Membership:
None.

Other Public Board Membership:
Empire Company Limited and Sobeys Inc.

Unitholdings (Units and Deferred Units):
20,000 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%

Kent R. Sobey
Resident of Toronto, ON, Canada
Trustee since 2008
Independent Trustee

Experience:
Senior Executive
Real Estate
Governance

Kent Sobey is founder and President of Farmhouse Productions Ltd., a television and digital media production company. He is an active private equity investor in commercial real estate and media. Mr. Sobey is a corporate director of Blue Ant Media and Hollywood Suite. He also serves on the board of directors of The North York Harvest Food Bank. Mr. Sobey received his Bachelor of Arts from Dalhousie University and also graduated from The Vancouver Film School. Mr. Sobey has completed executive development at Rotman School of Management and Queens University.

Committee Membership:
Mr. Sobey is a member of the Investment Committee.

Other Public Board Membership:
None.

Unitholdings (Units and Deferred Units):
20,432 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	7 of 8	88%
Investment	4 of 4	100%

Paul D. Sobey
Resident of Chance Harbour, NS, Canada
Trustee since 2006
Trustee

Experience:
CEO/Senior Executive
Financial/Accounting
Human Resources

Paul Sobey retired as President and Chief Executive Officer of Empire Company Limited in 2013 after 32 years with the company. He received his Bachelor of Commerce from Dalhousie University, attended Harvard University Business School, Advanced Management Program and is a Chartered Accountant. Mr. Sobey became a Fellow Chartered Accountant of Nova Scotia in 2006. Mr. Sobey sits on the boards of Empire Company Limited, Sobeys Inc. and the Bank of Nova Scotia.

Committee Membership:
Mr. Sobey is a member of the Human Resources Committee.

Other Public Board Memberships:
Empire Company Limited, Sobeys Inc. and Bank of Nova Scotia.

Unitholdings (Units and Deferred Units):
20,000 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Human Resources	5 of 5	100%

Nominees

There are seven Trustees elected at the Meeting, each to hold office until the next annual meeting or until his or her successor is elected or appointed. Unless authority to vote on the election of Trustees is withheld, **it is the intention of persons named in the enclosed form of Proxy to vote the Units represented thereby in favour of the seven nominees listed below.**

The Governance and Nominating Committee of the Board reviews annually the qualifications of persons proposed for election to the Board and submits its recommendation to the Board for consideration. The persons proposed for nominations are, in the opinion of the Board, well-qualified to act as Trustees for the ensuing year. Each Trustee has established his or her eligibility and willingness to serve.

Majority Voting Policy

The Board has adopted a majority voting policy that requires, in an uncontested election of Trustees, any nominee who received a greater number of votes "withheld" than votes "for" will tender a resignation to the Board promptly following our annual meeting. The Governance and Nominating Committee will consider the offer of resignation, and except in special circumstances, will recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the annual meeting, including the reasons for rejecting the resignation, if applicable.

The seven nominees for election to the Board are as follows:

Donald E. Clow
Resident of Halifax, NS, Canada
Trustee since 2009
Trustee, President and CEO

Experience:
CEO/Senior Executive
Financial/Accounting
Real Estate

Donald Clow was appointed President and Chief Executive Officer in 2009. Prior to joining Crombie, Mr. Clow held the position of President, ECL Developments Limited, the real estate development subsidiary of Empire Company Limited for 2 years. Previous to Empire, he was President of Southwest Properties, a real estate development company in Halifax. Mr. Clow graduated from Acadia University with a BBA, earned his CA designation with KPMG and was designated a Fellow Chartered Accountant in 2002. Mr. Clow is a graduate of the YPO President's Program at Harvard Business School and the Director's Education Program at the Rotman School of Business.

Committee Membership:
Mr. Clow is a member of the Investment Committee.

Other Public Board Membership:
None.

Unitholdings (Units and Deferred Units):
186,016 (Satisfies Unit ownership guidelines)[(1)(2)]

Board & Committee Attendance:

Board	8 of 8	100%
Investment	4 of 4	100%

John Eby
Resident of Toronto, ON, Canada
Trustee since 2008
Independent Trustee and Lead Trustee

Experience:
Finance
Governance
Legal

John Eby is a corporate director. He was Vice-Chairman of Scotia Capital from 2000 until his retirement in 2006 and for 10 years prior thereto had been Senior Vice President, Corporate and Energy Banking, The Bank of Nova Scotia. He is also a director of Wajax Corporation. Mr. Eby received his BA and MBA in finance from Queen's University. Mr. Eby is the founder and CEO of Developing Scholars, a not-for-profit organization that promotes educational initiatives in Guatemala.

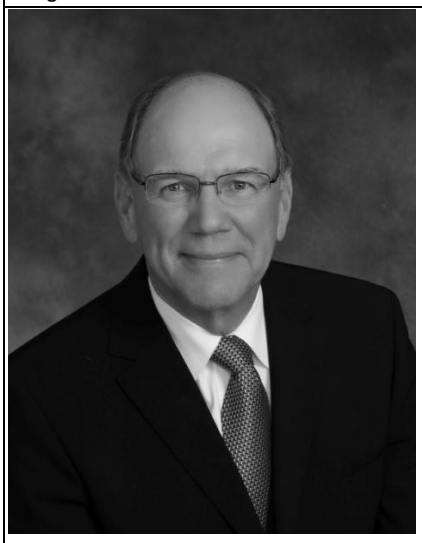
Committee Membership:
Mr. Eby is a member of the Audit Committee and Governance and Nominating Committee (Chair) and is Lead Trustee.

Other Public Board Membership:
Wajax Corporation.

Unitholdings (Units and Deferred Units):
15,558 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Audit	6 of 6	100%
Governance and Nominating	2 of 2	100%



Brian A. Johnson
Resident of Toronto, ON, Canada
Trustee since 2008
Independent Trustee

Experience:
CEO/Senior Executive
Finance
Real Estate
Human Resources

Brian Johnson is a partner of Crown Capital Partners and of Crown Realty Partners. From September 1993 until July 2007 he was President and Chief Executive Officer of Crown Life Insurance Company. Mr. Johnson is a director of MCAN Mortgage Corporation and Western Surety Company. He was a member of the University of Regina board of governors from 1995 to 2002 and served as board chair from 1999 to 2001. He was also a director and Saskatchewan president of the Canadian Unity Council. Mr. Johnson received his B. Comm. (Gold Medalist) from the University of Manitoba and his M.B.A. from the University of Pennsylvania. He also holds the Chartered Financial Analyst (CFA) designation.

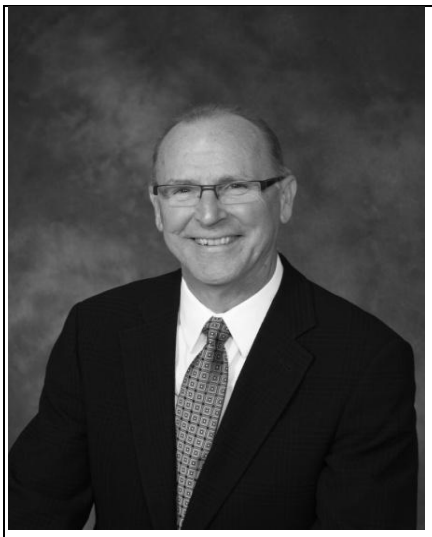
Committee Membership:
Mr. Johnson is a member of the Investment Committee (Chair) and the Human Resources Committee.

Other Public Board Membership:
MCAN Mortgage Corporation.

Unitholdings (Units and Deferred Units):
42,568 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Investment	4 of 4	100%
Human Resources	5 of 5	100%



Michael J. Knowlton
Resident of Toronto, ON, Canada
Trustee since 2011
Independent Trustee

Experience:
Senior Executive
Financial/Accounting
Real Estate

Michael Knowlton retired from Dundee Realty Corporation as President of Dundee REIT in May 2011 after 13 years of service. From December 1998 until May 2011 he held increasingly senior executive positions culminating in becoming President of Dundee REIT. Mr. Knowlton is a director of Tricon Capital Group Inc., True North Apartment REIT and Northwest Healthcare REIT. Mr. Knowlton received his B.Sc. (Engineering) and M.B.A. from Queens University, earned his CA designation in 1977 and his ICD.D designation in 2011.

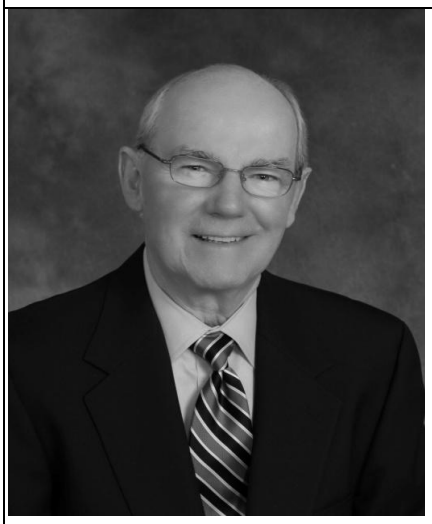
Committee Membership:
Mr. Knowlton is a member of the Investment Committee and the Audit Committee.

Other Public Board Membership:
Northwest Healthcare REIT, True North Apartment REIT and Tricon Capital Group Inc.

Unitholdings (Units and Deferred Units):
19,563 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Investment	4 of 4	100%
Audit	6 of 6	100%



E. John Latimer
Resident of Toronto, ON, Canada
Trustee since 2006
Independent Trustee

Experience:
CEO/Senior Executive
Governance
Financial/Accounting
Real Estate

John Latimer retired from Monarch Corporation, a real estate development company as President and Chief Executive Officer in June 2000, after 22 years of service. He also served on the Executive Committee of Taylor Woodrow plc, the London, UK based major shareholder of Monarch. He is the Audit Chairman and Director of R Split III Corp., a managed company of Bank of Nova Scotia. Mr. Latimer is the Managing Director of Aldert Chemicals Limited. He was a 13 year member of the Real Estate Development Committee and Board of Trustees of the University of Guelph and has served on the cabinet of the Greater Toronto United Way and the Mayor of Toronto's Homelessness Action Task Force.

Committee Membership:
Mr. Latimer is a member of the Audit Committee and the Governance and Nominating Committee.

Other Public Board Membership:
R Split III Corp.

Unitholdings (Units and Deferred Units):
23,867 (Satisfies Unit ownership guidelines)[(1)]

Board & Committee Attendance:

Board	8 of 8	100%
Audit	5 of 6	83%
Governance and Nominating	2 of 2	100%

Barbara Palk
Resident of Toronto, ON, Canada
Proposed Independent Trustee

Experience:
Corporate Director
Finance
Governance

Barbara Palk retired as President of TD Asset Management Inc. in 2010, following a 30-year career in institutional and investment management. She currently serves on the Boards of TD Asset Management USA Funds Inc., Ontario Teachers' Pension Plan, First National Financial Corporation, Queen's University (Chair), The Perimeter Institute and Greenwood College School. Ms. Palk is a member of the Institute of Corporate Directors, a Fellow of the Canadian Securities Institute and holds the Chartered Financial Analyst (CFA) designation. Ms. Palk also holds a Bachelor of Arts (Honours, Economics) degree from Queen's University and has received the ICD.D designation.

Committee Membership:
None

Other Public Board Membership:
First National Financial Corporation

Unitholdings (Units and Deferred Units):
None

Elisabeth Stroback
Resident of Toronto, ON, Canada
Trustee since 2006
Independent Trustee

Experience:
Real Estate
Human Resources
Governance

Elisabeth Stroback is Executive Lead, Capital Projects and Real Estate for Ryerson University, Toronto, leading the design and construction of new buildings and acquisition of future development sites. Previously, through her company, Tanalex Corp., Ms. Stroback provided advice on property development and public private partnerships. Prior to 1999, Ms. Stroback was President of Hammerson Canada Inc., a commercial property development company. She is a member of the Renascent Foundation Board, the Property Advisory Committee of the Hincks-Dellcrest Centre and a Director of Northwest Healthcare REIT. Ms. Stroback received her Bachelor of Arts from the University of Western Ontario and Master's Degree in Economics from Queen's University, Kingston, Ontario and is Human Resources Compensation Committee Certified (HRCC) from the Director's College.

Committee Membership:
Ms. Stroback is a member of the Human Resources Committee (Chair) and the Governance and Nominating Committee.

Other Public Board Membership:
Northwest Healthcare REIT.

Unitholdings (Units and Deferred Units):
16,641 (Satisfies Unit ownership guidelines)(1)

Board & Committee Attendance:

Board	8 of 8	100%
Human Resources	5 of 5	100%
Governance and Nominating	2 of 2	100%

Total number of Units and Deferred Units held by all proposed Trustees: 395,313

Total value of Units and Deferred Units held by all proposed Trustees: $4,480,424 (3)

(1) Unit ownership guidelines stipulate that each Trustee must own $160,000 in Crombie Units or Deferred Units, which is a proxy for four times the standard annual Trustee retainer of $40,000, measured at the greater of acquisition value and current market value. This requirement must be met within the later of five years of the Trustee becoming a member of the Board and April 1, 2013.
(2) Includes Units approved for issuance under the EUPP expected to be complete prior to end of March 2014.
(3) Value is based on the acquisition price of the Units.

No nominee is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including a personal holding company), that:

(a) was subject to an order (as defined in Form 51-102 F5 of National Instrument 51-102 – *Continuous Disclosure Obligations*) that was issued while the trustee or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, other than (i) Mr. Latimer who was a director of Genesis Land Development Corp. at the time it had an insider cease trade order in place from April 7, 2006 to June 6, 2006, an

issuer cease trade order in place from June 6, 2006 to June 21, 2006 and an issuer cease trade order in place from April 9, 2009 to May 8, 2009, in each case for failing to file financial statements on time; or

(b) was subject to an order (as defined in Form 51-102 F5 of National Instrument 51-102 – Continuous *Disclosure Obligations*) that was issued after the trustee or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No nominee is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or executive officer of any company (including a personal holding company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than (i) Mr. Johnson who (A) was Chair of the Board of Directors of CrownAg International ("**CrownAg**") from 2000 to 2005. During that time Crown Life Insurance Company was both a shareholder and a secured creditor of CrownAg. Mr. Johnson was president and CEO of Crown Life Insurance Company. In order to realize on its security in 2005, Crown Life together with two other secured creditors, placed CrownAg into receivership under the *Bankruptcy and Insolvency Act* (Canada), (B) was a director of Big Sky Farms Inc., a private Saskatchewan company, which sought and obtained an order on November 10, 2009 under the *Companies' Creditors Arrangement Act* (Canada), and (C) was a director of Stegg USA Inc., a private company which filed a voluntary petition under Chapter 7 of the United States Bankruptcy Act on July 30, 2009 within one year of Mr. Johnson's resignation from the board on September 26, 2008; and (ii) David Leslie who was a director of Canwest Global Communications Corp. up to January 14, 2009. On October 6, 2009 Canwest Global Communications Corp. sought and obtained an order commencing proceedings under *Companies' Creditors Arrangement Act* (Canada).

No nominee has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the trustee, executive officer or unitholder.

No nominee has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Committee Membership and Record of Attendance

The following tables summarize the meetings of the Board and its Committees held for the fiscal year ended December 31, 2013, and the attendance of the individual Trustees of Crombie at such meetings:

Board:	8
Audit Committee:	6
Human Resources Committee:	5
Governance and Nominating Committee:	2
Investment Committee:	4

Trustee	Board Meeting Attendance	Committee Membership	Committee Meetings Attendance
Paul Beesley	8/8	Investment Committee	4/4
Donald E. Clow	8/8	Investment Committee	4/4
John Eby	8/8	Audit Committee Governance and Nominating Committee	6/6 2/2
David G. Graham	8/8	Human Resources Committee Governance and Nominating Committee	5/5 2/2
Brian A. Johnson	8/8	Human Resources Committee Investment Committee	5/5 6/6
Michael Knowlton	8/8	Audit Committee Investment Committee	6/6 4/4
E. John Latimer	8/8	Audit Committee Governance and Nominating Committee	5/6 2/2
David A. Leslie	8/8	Audit Committee Investment Committee	6/6 4/4
Frank C. Sobey	8/8	-	-
Kent Sobey	7/8	Investment Committee	4/4
Paul D. Sobey	8/8	Human Resources Committee	5/5
Elisabeth Stroback	8/8	Human Resources Committee Governance and Nominating Committee	5/5 2/2

Trustee Skills Matrix

Crombie reviews the skills and areas of expertise of its trustees in a number of areas critical to the Board's oversight function to ensure that there is appropriate diversity of experience.

Trustee	Current or Recent CEO Experience	Real Estate Investment	Expertise in Board Governance	Financial Acumen	Legal Acumen	Executive Compensation
Paul Beesley			X	X		
Donald E. Clow	X	X	X	X	X	X
John Eby			X	X	X	
Brian A. Johnson	X	X	X	X		X
Michael Knowlton		X		X	X	
E. John Latimer	X	X	X	X		
David A. Leslie	X		X	X		
Barbara Palk			X	X		
Frank C. Sobey		X	X	X		X
Kent Sobey	X	X	X	X		
Paul D. Sobey	X	X	X	X		X
Elisabeth Stroback		X	X	X		X

Trustee Orientation

New Trustees receive a copy of the Board and committee mandates, key strategy documents and minutes of the four most recent Board and committee meetings and access to all public filings. They also meet with the committee's key management representatives to discuss recent activities and other issues or concerns. The audit and finance committee has an ongoing education program, while the other committees receive education on relevant matters that are identified by the committee, committee chair, corporate secretary or management.

Continuing Education

The Board and committees receive presentations on topical issues when making key business decisions, during strategic planning meetings and in response to trustee requests. Trustees also attend external conferences and seminars. Trustees identify educational needs through the Board and committee process and self-assessment surveys. The corporate secretary arranges internal presentations for the Board after consulting with the Board or committee chairs and lead trustee, and notifies Trustees of pertinent conferences, seminars and other educational opportunities. Crombie pays the fees and expenses for trustees to attend conferences or other events that are important for enhancing their knowledge for serving on the Board. The table below details our Trustee development program in 2013.

Topic	Presented/Hosted By	Attended By
Safeway Acquisition, including Multilateral Instrument MI 61-101 (Related Party Transactions)	Multiple events hosted by Goodmans LLP, Stewart McKelvey and Grant Thornton	Independent Trustees as part of a Board appointed Special Committee (Brian Johnson (Chair), John Eby, David Graham, Michael Knowlton, John Latimer and Elisabeth Stroback)
Canadian Mortgage Market	Murray and Company	Full Board
Investment Grade Rating Process and Issuance of Unsecured Notes	Bank of Nova Scotia Debt Capital Markets and DBRS	Full Board
Technical Accounting Updates	VP of Financial Reporting and Grant Thornton	Audit Committee members

Audit Committee Information

In accordance with National Instrument 52-110 – *Audit Committees*, information relating to Crombie's audit committee is disclosed under the heading "Audit Committee Information" in Crombie's Annual Information Form for the fiscal year ended December 31, 2013.

Trustee Independence and Other Relationships

For a Trustee to be considered independent, the Board must determine that the Trustee does not have any material relationship with Crombie, either directly or indirectly.

The Board is responsible for applying the definition of "Independent Trustee" to the circumstances of each individual Trustee, and for disclosing annually whether the Board has a majority of Independent Trustees and an analysis of the application of the principles supporting this conclusion.

The Board considers the following six Trustees proposed for election to be independent: John Eby, Brian Johnson, Michael J. Knowlton, E. John Latimer, Barbara Palk and Elisabeth Stroback. The Board also considers ECL appointees Kent R. Sobey and David A. Leslie to be independent.

In light of general guidelines and other literature, the Board considers that Paul Beesley, Donald E. Clow, Frank C. Sobey and Paul D. Sobey have a material relationship with Crombie and are therefore non-independent. Donald E. Clow is considered to be non-independent because of his position as President and CEO of Crombie. Frank C. Sobey is considered to be non-independent because of his position as President of ECL. Paul Beesley and Paul D. Sobey are considered to be non-independent because of their positions as officers or former officers of Empire or its subsidiaries. Crombie has material contracts with Empire and certain of its subsidiaries.

Appointment of Auditor

Grant Thornton LLP was first appointed as the external auditor of Crombie on March 23, 2006.

The Audit Committee has reviewed the independence and performance of Grant Thornton LLP as external auditor of Crombie. Based on this review, it has recommended to the Board of Trustees that they be reappointed, subject to Unitholder approval.

Based on the Board's recommendation, the persons named in the enclosed Proxy form intend to vote the Units represented thereby FOR the appointment of Grant Thornton LLP as auditor of Crombie, to hold office until the next annual meeting of the Unitholders.

During fiscal 2013 and 2012, fees charged by Grant Thornton LLP were as follows: **Fees**	**Year Ended December 31, 2013**	**Year Ended December 31, 2012**
Audit Fees:	$246,200	$248,200
Audit-Related Fees:	357,160	415,600
Tax Fees:	32,004	36,275
Other Fees:	--	--
Total Fees:	**$635,364**	**$700,075**

Audit fees include annual audit and quarterly reviews of Crombie quarterly financial statements. Audit related fees include services related to the issue of units and debentures, fees related to discussion of accounting issues and disclosures, tenant cost recovery statements and French translation services. Tax fees include tax planning and project based assignments related to regulatory compliance. Other fees include services related to special project work separately approved by the Audit Committee.

Approval of Auditors Fees

The persons named in the enclosed Proxy form intend to vote the Units represented thereby FOR the authorization of the Trustees to fix the remuneration of the auditor as the Trustees deem appropriate.

Executive Compensation Advisory Vote

The Board of Trustees, on the recommendation of the Human Resources Committee (the "**HRC**"), has determined that it is appropriate to hold a non-binding advisory vote relating to executive compensation. As a Unitholder, you may vote "For" or "Against" Crombie's approach to executive compensation through the following resolution:

Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board of Trustees, that the Unitholders accept the approach to executive compensation disclosed in this Management Information Circular for the Meeting of Unitholders on May 14, 2014.

Since the vote is advisory, it will not be binding on the Board. However, the Board and, in particular, the HRC, will consider the outcome of the vote as part of its ongoing review of executive compensation.

The Compensation Discussion & Analysis describes our compensation practices for the named executive officers (NEOs). The executive compensation is designed to be aligned with performance, drive our strategic initiatives and align with the interests of our Unitholders.

PART THREE - SPECIAL BUSINESS OF THE MEETING

Amendments to Amended and Restated Declaration of Trust

Subject to receiving requisite Unitholder approval where required, the Board intends to amend the Declaration of Trust as set out below. These changes are generally designed to update Crombie's Declaration of Trust to be consistent with those of other Canadian REITs or to provide greater flexibility to Crombie's Board and management in the investment of Crombie's assets.

In addition to those changes requiring Unitholder approval as described below, the Trustees intend to make other housekeeping changes to the Declaration of Trust to update certain out-of-date references or eliminate certain obsolete provisions. Section 13.1 of the Declaration of Trust provides authority for the Trustees to make such changes without Unitholder approval if in their opinion such changes are not prejudicial to Unitholders and are necessary or desirable. As a result, these changes are not being submitted to Unitholders at this Meeting.

Amendments to Definition of "Independent Trustee"

Background

Subject to receiving requisite Unitholder approval, the Board intends to amend the Declaration of Trust to revise the current definition of "Independent Trustee" in the Declaration of Trust. The proposed definition adopts the definition of "independent" from applicable securities laws and is consistent with most other Canadian REITs.

Currently, "Independent Trustee" is defined in the Declaration of Trust to mean a Trustee who is "independent" of the Trust and any "Related Party" and who is not "related" within the meaning of the Income Tax Act (Canada) (the "**Tax Act**"). The inclusion of "Related Party" and reference to the Tax Act is much more expansive than current requirements under securities laws and captures persons who may be related to upstream companies but may otherwise be considered independent of Crombie under applicable securities law.

The Declaration of Trust requires that a majority of the Trustees be an "Independent Trustee". Furthermore, all the members of the Audit Committee and Governance and Nominating Committee and a majority of the members of the HRC must be an "Independent Trustee". As a result of this proposed change, certain Trustees who would not be considered as an "Independent Trustee" under the current definition in the Declaration of Trust may qualify as an "Independent Trustee" based on the exclusion of "Related Party" (including Empire and certain of its shareholders) and absence of the reference to the Tax Act from the definition.

Accordingly, the Trust is proposing to amend and restate the existing Declaration of Trust to facilitate the implementation of the new definition of "Independent Trustee".

Proposed Amendments

It is proposed that the definition of "Independent Trustee" in Section 1.1 of the Declaration of Trust be amended to allow for an amended definition of "Independent Trustee". The full text of the proposed resolution is attached as Appendix C.

Unitholder Approval

Pursuant to the Declaration of Trust, the foregoing proposed changes require the approval of a majority of the votes cast at a meeting of Unitholders. Accordingly, Unitholders of the Trust will be asked to pass an ordinary resolution in the form set out in Appendix C to this Information Circular to authorize and approve the foregoing amendments to the Declaration of Trust.

On any vote that may be called relating to the authorization and approval of the foregoing amendments to the Declaration of Trust, **the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such amendments to the Declaration of Trust.**

Amendments to allow for Non-Certificated Inventory

Background

Currently, Crombie Units are represented by a global unit certificate registered in the name of CDS & Co. Current market practice is moving from the holding of a physical certificate to an electronic based record of Unitholders, known as non-certificated inventory. Management of Crombie believes it will provide greater flexibility and efficiency consistent with current market practices to give Crombie the flexibility to have the option to move to non-certificated inventory.

Proposed Amendments

It is proposed that Section 7.15 of the Declaration of Trust be amended to permit non-certificated Units. The full text of the proposed resolution including the detailed amendment is attached as Appendix D.

Unitholder Approval

Pursuant to the Declaration of Trust, the foregoing proposed changes require the approval of a majority of the votes cast at a meeting of Unitholders. Accordingly, Unitholders of the Trust will be asked to pass an ordinary resolution in the form set out in Appendix D to this Information Circular to authorize and approve the foregoing amendments to the Declaration of Trust.

On any vote that may be called relating to the authorization and approval of the foregoing amendments to the Declaration of Trust, **the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such amendments to the Declaration of Trust.**

Amendments to the Size of Various Committees

Background

Currently, Crombie has a limit of three people that make up the Governance and Nominating Committee, three people who make up the HRC and five people who make up the Investment Committee. Crombie believes that by adding additional flexibility into the number of Trustees who can sit on these committees, Crombie can have better depth of knowledge and diversity represented on these committees, which will lead to better and more informed decision making on which the Trustees can rely.

Proposed Amendments

It is proposed that Section 10.1 of the Declaration of Trust be amended to permit:

1. at least three Trustees to make up the Governance and Nominating Committee;

2. at least three Trustees, a majority of whom are independent, to make up the Human Resource Committee; and

3. at least five Trustees to make up the Investment Committee, of whom at least two shall have particular expertise in the area of real estate investment and management and at least two shall have particular expertise in the area of corporate finance.

The full text of the proposed resolution is attached as Appendix E.

Unitholder Approval

Pursuant to the Declaration of Trust, the foregoing proposed changes require the approval of a majority of the votes cast at a meeting of Unitholders. Accordingly, Unitholders of the Trust will be asked to pass an ordinary resolution in the form set out in Appendix E to this Information Circular to authorize and approve the foregoing amendments to the Declaration of Trust.

On any vote that may be called relating to the authorization and approval of the foregoing amendments to the Declaration of Trust, **the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such amendments to the Declaration of Trust.**

Amendments to the Investment Guidelines and Operating Policies

Background

Crombie's focus has been on income-producing retail, office and mixed-use properties located in Canada, with a growth strategy focused primarily on the acquisition of grocery-anchored retail properties. Management of Crombie believe that in addition to this main focus, Crombie should undertake increased focus on value-add, development and re-development growth strategies in order to maximize return to the Unitholders. Crombie's Declaration of Trust currently has certain restrictions on development that would restrict Crombie's ability to pursue these growth strategies. Management proposes to amend the investment guidelines and operating policies of Crombie to provide more flexibility to the Trust in making its investments.

Management believes that it is in the best interest of Crombie's Unitholders to update the investment guidelines and operating policies for the following reasons:

(a) increased capacity for development and investment will allow Crombie to achieve its investment objectives and maximize growth opportunities;

(b) the amendment allows Crombie to diversify its investment portfolio to ensure that Crombie has the ability to invest in assets that its Trustees believe present the greatest opportunity to maximize returns for Unitholders; and

(c) as a result of the tax changes to the Tax Act, the proposed amendments bring the Declaration of Trust in line with current tax rules, with increased flexibility to address any future changes to the Tax Act.

Crombie has proposed these changes to provide additional flexibility under the Declaration of Trust. With these changes Crombie still must comply with the Tax Act. This includes requirements that Crombie qualifies as a "mutual fund trust" as defined in the Tax Act, and ensuring that the SIFT Regime (as described in more detail below) under the Tax Act is not applicable to Crombie.

The following summary of these rules is of a general nature only and is based upon the current provisions of the Tax Act and the Regulations, and all proposals to amend the Tax Act and the Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof. A taxation regime in the Tax Act applies to specified investment flow-through trusts or partnerships ("**SIFTs**"). If a real estate investment trust (a "**REIT**") were to become subject to this regime (the "**SIFT Regime**"), a REIT would generally be taxed in a manner similar to corporations on income from business carried on in Canada by a REIT, and on income (other than taxable dividends) or capital gains from non-portfolio properties (as defined in the Tax Act), at a combined federal/provincial tax rate similar to that of a corporation. Allocations or distributions of income and capital gains that are subject to the SIFT Rules will be taxed as a dividend from a taxable Canadian corporation in the hands of the beneficiaries or partners of the SIFT.

The SIFT Regime is not applicable to a real estate investment trust that meets certain specified criteria relating to the nature of its income and investments (a "**Non-SIFT REIT**"). In particular, to qualify under the Tax Act for the exception under the SIFT Regime applicable to a Non-SIFT REIT (the "**REIT Exception**") in a particular taxation year (i) not less than 90% of the fair market value of all the Non-SIFT REIT's "non-portfolio property" must be "qualified REIT properties", (ii) not less than 90% of the Non-SIFT REIT's "gross REIT revenues" for the taxation year must be derived from one or more of the following: "rent from real or immovable properties"; interest; capital gains from dispositions of "real or immovable properties"; dividends; royalties; and gains from the disposition of certain real estate inventory properties which are contiguous to "real or immovable property" and that are necessary and incidental to the holding of such property.; (iii) not less than 75% of the Non-SIFT REIT's "gross REIT revenues" for the taxation year must be derived from one or more of the following: "rent from real or immovable properties", interest from mortgages, or hypothecs, on "real or immovable properties"; and capital gains from dispositions of "real or immovable properties"; and (iv) at no time in the taxation year may the total fair market value of all properties held by the Non-SIFT REIT, each of which is a "real or immovable property", indebtedness of a Canadian corporation represented by a bankers' acceptance, cash (including bank deposits or deposits with a credit union), or, generally, a debt obligation of a government in Canada or certain other public bodies, be less than 75% of the fair market value of all the Non-SIFT REIT's issued and outstanding Units at that time. The definition of "qualified REIT property" includes property held by the Non-SIFT REIT that is: "real or immovable property" and capital property of the Non-SIFT REIT; a security of a "subject entity" that is a nominee holder of legal title of certain real or immovable property; tangible personal property (or corporeal moveable property) that is ancillary to the earning by the Non-SIFT REIT of (A) rent from "real or immovable property" or (B) capital gains from the disposition of such properties. Interest or other distributions received from a subsidiary generally will be deemed to be "rent from real or immovable property" to the extent that the distribution may reasonably be considered to be derived from such rent.

Accordingly, Management of Crombie is proposing to amend and restate the Declaration of Trust to facilitate the implementation of these investment and operating guidelines contained in the Declaration of Trust.

Proposed Amendments

It is proposed that Section 6.1 of the Declaration of Trust be amended to (i) broaden the scope of the type of assets that Crombie can invest in to allow for commercial and retail assets, and remove the restriction that Crombie can only invest in certain types of real property; (ii) update the investment guidelines to bring Crombie more in line with current tax rules; (iii) remove any special purpose investment restrictions on Crombie; (iv) remove the restriction on the investment in raw land, and move to a guideline to comply with the rules under the Tax Act; and (v) reduce the restrictions on Crombie's investments in mortgages, mortgage bonds and other debt vehicles.

It is proposed that Section 6.2 of the Declaration of Trust be amended to (i) remove the restriction on the investment in raw land, (ii) build in some flexibility, in light of the increased size of Crombie, with respect to the requirement to obtain an appraisal and property condition report for each property prior to any acquisition, and (iii) build in some flexibility with respect to the requirement to obtain a Phase I, and if recommended a Phase II, environmental report for each property prior to any acquisition.

A full review of the changes can be seen in the Resolution attached as Schedule F.

Unitholder Approval

Pursuant to the Declaration of Trust, the foregoing proposed changes, pursuant to section 6.3 of the Declaration of Trust, require the approval of two-thirds of the votes cast at a meeting of Unitholders. Accordingly, Unitholders of the Trust will be asked to pass a special resolution in the form set out in Appendix F to this Information Circular, to authorize and approve the foregoing amendments to the Declaration of Trust.

It is therefore intended that on any vote that may be called relating to the authorization and approval of the foregoing amendments to the Declaration of Trust, **the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such amendments to the Trust's Declaration of Trust.**

PART FOUR – TRUSTEE COMPENSATION AND EQUITY OWNERSHIP

Total Compensation of Board of Trustees

The trustee compensation table for Board of Trustees members' details annual compensation paid during the fiscal year ending December 31, 2013.

Name	Fees earned ($)	Unit based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Paul Beesley[(1)]	$62,000	$-	$-	$-	$-	$-	$62,000
Donald Clow[(2)]	$-	$-	$-	$-	$-	$-	$-
John Eby	$88,375	$30,125	$-	$-	$-	$-	$118,500
David G. Graham	$73,000	$12,500	$-	$-	$-	$-	$85,500
Brian Johnson	$101,500	$12,500	$-	$-	$-	$-	$114,000

Name	Fees earned ($)	Unit based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Michael Knowlton	$94,250	$12,500	$-	$-	$-	$-	$106,750
E. John Latimer	$52,500	$33,250	$-	$-	$-	$-	$85,750
David A. Leslie	$80,000	$12,500	$-	$-	$-	$-	$92,500
Frank C. Sobey(1)	$85,000	$-	$-	$-	$-	$-	$85,000
Kent Sobey	$30,000	$39,000	$-	$-	$-	$-	$69,000
Paul D. Sobey(1)	$59,250	$-	$-	$-	$-	$-	$59,250
Elisabeth Stroback	$53,250	$41,000	$-	$-	$-	$-	$94,250

(1) Compensation is paid to Empire.
(2) Compensation for Donald Clow as an officer of Crombie is disclosed under Part Five of this Circular.

Trustees are reimbursed for travel and other expenses incurred for attendance at Board and committee meetings.

The Board of Trustees' compensation is designed to attract and retain talented and experienced Trustees who will act in the long-term interests of Crombie. Compensation is paid only to non-employee and non-officer Trustees, except for Frank Sobey, Paul Beesley and Paul Sobey, whose compensation is paid to Empire. The CEO receives no compensation directly related to his role as Trustee.

Compensation for the Board of Trustees is payable in the form of cash for an annual retainer, meetings fees, and, as applicable, committee chair retainers. However, Trustees may elect to receive compensation in the form of Deferred Units under the Deferred Unit Plan described below under the heading "Equity Compensation Plan Information". Each non-management Trustee other than the Chairperson of the Board receives a retainer of $40,000, the Chairperson of the Board receives a retainer of $85,000 and the Lead Trustee receives an additional retainer of $12,000. Board meeting fees are $1,500 per meeting attended in person and $1,000 per meeting attended by teleconference. Trustees received an annual grant of $12,500 of Deferred Units in August 2013, with the exception of the three Trustees for which Empire receives their compensation.

The Board currently has four committees: the Audit Committee, the HRC, the Investment Committee and the Governance & Nominating Committee. The chair fee for the Audit Committee is $12,000, chair fee for HRC is $9,000 and the chair fee for the other committees is $7,500. Committee meeting fees were set at $1,500 for attending in person and $750 for attending via teleconference, with the exception of $2,000 for an Audit Committee meeting attended in person and $1,000 via teleconference. Meeting fees attended via teleconference increased to $1,000 per meeting beginning in 2013 for all committees.

Trustee Share Ownership

Each Trustee is expected to hold a minimum number of Units and Deferred Units having a total value equal to $160,000 or four times the amount of the annual retainer (currently $40,000) paid to a non-management Trustee. This guideline should be met by the fifth anniversary of joining the Board. See "Business of the Meeting – Election and Appointment of the Board of Trustees" for information relating to the Units and Deferred Units held by each Trustee and the status of each Trustee's compliance with the ownership objective. As the annual retainer was increased during 2011 from $30,000 to $40,000, Trustees had until April 1, 2013 to meet the guidance resulting from this increase.

Trustees were eligible to take their compensation under the Deferred Unit Plan beginning in August 2013. Any Deferred Units will be counted as part of the minimum Units that they are expected to hold.

Individual Trustees utilizing the Deferred Units may be able to defer payment of personal income taxes on their Board compensation until the Deferred Units are redeemed in accordance with their terms.

	Number of Units Owned	Number of Deferred Units Owned	Total Units and Deferred Units Owned	Value at March 26, 2014	Unit Ownership Requirement Status
Paul Beesley	17,000		17,000	$223,040	Met/In Compliance
Donald E. Clow	186,016		186,016	$2,440,530	Met/In Compliance
John Eby	13,000	2,558	15,558	$204,121	Met/In Compliance
David G. Graham	16,000	968	16,968	$222,620	Met/In Compliance
Brian A. Johnson	41,600	968	42,568	$558,492	Met/In Compliance
Michael Knowlton	18,595	968	19,563	$256,666	Met/In Compliance
E. John Latimer	21,000	2,867	23,867	$313,135	Met/In Compliance
David A. Leslie	12,700	968	13,668	$179,324	Met/In Compliance
Frank C. Sobey	20,000		20,000	$262,400	Met/In Compliance
Kent Sobey	17,100	3,332	20,432	$268,068	Met/In Compliance
Paul D. Sobey	20,000		20,000	$262,400	Met/In Compliance
Elisabeth Stroback	13,500	3,141	16,641	$218,330	Met/In Compliance

PART FIVE – COMPENSATION DISCUSSION AND ANALYSIS

Report of the Human Resources Committee

The HRC assists the Board in its oversight of Crombie's human resource strategy, policies and programs. The HRC's primary focus is on talent management including the compensation, development and succession of executives. HRC is also responsible for reviewing and recommending to the Board for approval, policies related to the executive compensation.

In 2013 the HRC:

- Performed full review and benchmarking of named executive officers ("NEOs") compensation against comparator group with the assistance of Meridian Compensation Partners
- Received and approved organization succession plans for key executive positions
- Received and approved individual development plans for key executives
- Received advice from Meridian Compensation partners on potential changes to the EUPP and introduction of a Restricted Unit Plan for current LTIP recipients
- Received and reviewed Crombie's talent strategy

HRC Committee Composition

As of December 31, 2013, the HRC was composed of Elisabeth Stroback (chair), David Graham, Brian Johnson and Paul D. Sobey. Each member of the HRC other than Mr. Sobey is independent. The relevant education and experience of each member is as follows:

1. Elisabeth Stroback (HRC Chair)

- Human Resources Compensation Committee Certified (HRCC) from the Director's College
- Masters Degree in Economics from Queens University
- Executive Lead, Capital Projects and Real Estate for Ryerson University
- Past President of Hammerson Canada Inc.

2. David Graham

- Master of Science in Real Estate Development from Columbia University
- Vice Chair of the Board of Directors of The Bridge Centre for Arts and Technology
- President of Atlantic Developments Inc.

3. Brian Johnson

- Masters of Business Administration from University of Pennsylvania
- Chartered Financial Analyst (CFA)
- President and Chief Executive Officer of Crown Life Insurance Company from 1993 to 2007
- Partner of Crown Capital Partners and of Crown Realty Partners
- Served as Board Chair of University of Regina board of governors from 1999 to 2001 and as a Board member from 1995 to 2002

4. Paul Sobey

- Former President and Chief Executive Officer of Empire Company Limited
- Bachelor of Commerce from Dalhousie University
- Advanced Management Program from Harvard University Business School
- Board member of Empire Company Limited, Sobeys Inc. and Bank of Nova Scotia
- Incoming Chair of Audit Committee of Bank of Nova Scotia
- Served as Chair of Wajax Income Fund (now Wajax Corporation) from 2002 to 2006
- Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of Nova Scotia

This report has been approved by members of the HRC.

Elisabeth Stroback (Chair)
David Graham
Brian Johnson
Paul D. Sobey

Compensation Philosophy

Crombie believes that the caliber and commitment of its executives is critical to its continued success and performance. Crombie's compensation program is based on an assessment of the achievement of absolute and relative performance against measurable financial targets and a rigorous assessment of individual performance. This allows Crombie to reward performance and to differentiate the rewards paid to its executives. The program is designed to: motivate executives to execute Crombie's short and long-term goals; act in the best interests of Crombie and its Unitholders; and retain and attract strong senior management to Crombie. The HRC has discretion to adjust annual and long term incentive awards to ensure that they reflect the performance of the business and do not promote excessive risk taking.

In developing its compensation program, Crombie has adopted the following guiding principles:

- Compensation programs should support Crombie's business strategy and create long term unitholder value;
- Total compensation should be attractive to executives, affordable to Crombie, proportional to the employee's contribution and fair to unitholders;
- Compensation strategy should be consistent with best practices and not provide an incentive for excessive or unexpected risk taking;
- Compensation will be communicated to all stakeholders in a timely, transparent and understandable fashion; and
- Compensation programs should be easy to understand and measure so that senior management effort and alignment are clear.

The HRC reviews the components of compensation on an annual basis to ensure that there is an appropriate mix between base salary, short-term awards and long-term awards aligned with the best interest of Crombie and its Unitholders.

Crombie uses a comparator group to ensure that its compensation is competitive with the market and aligns each component of compensation at or below market median. Crombie uses performance measures under both its annual management incentive plan (AMIP) and its long term incentive program (LTIP) that are aligned with its strategy and the creation value for Unitholders.

The HRC reviews executive compensation on an annual basis to ensure that awards are based on appropriate time horizons and that compensation programs do not motivate excessive risk taking.

Compensation Governance

Crombie's HRC has established good governance practices. HRC received both Management and independent advice on its executive compensation measures prior to decisions being taken. Analysis was undertaken to review best practices within public company human resources and compensation governance to ensure Crombie was consistent in its approach. Also, HRC satisfied itself that executive compensation was in line with Crombie's long term trends in Unitholder return, AFFO per Unit and same-asset cash net operating income.

Compensation Related Risk

The Board provides regular oversight of Crombie's risk management practices, and delegates to the HRC the responsibility to provide risk oversight of Crombie's compensation policies and practices, and to identify and mitigate compensation policies and practices that could encourage inappropriate or excessive risks by members of senior management.

The HRC and Board considered the implications of the risks associated with Crombie's compensation practices and did not identify any risks from Crombie's compensation policies or practices that are likely to have a material adverse effect on Crombie.

The HRC and Board have concluded that Crombie has policies and practices to ensure that employees do not have incentives to take inappropriate or excessive risks, including the following:

- An appropriate mix of fixed and variable compensation, and an appropriate weighting of unit-based compensation
- An appropriate equity ownership policy for Management
- Quantitative company-wide metrics are used to determine the amount of awards to Named Executive Officers pursuant to Crombie's annual incentive plan
- The Board and HRC have discretion to determine the amount, if any, of awards pursuant to Crombie's annual incentive programs
- Crombie has an appropriate mix of relative and absolute targets in its compensation plans
- Annual incentive awards are measured against revenue and other key metrics to ensure an appropriate sharing of value creation between management and Unitholders
- Annual incentive awards are not determined until the completion of the audit of Crombie's consolidated annual financial statements by Crombie's independent auditor
- Annual incentive awards are subject to claw-back provisions in the event of awards being granted resulting from erroneous or fraudulent financial results
- Crombie prohibits hedging and restricts pledging of the Units and Unit-based incentives
- There is a comprehensive Code of Business Conduct and Ethics and Whistleblower Policy that encourages reporting of imprudent corporate behavior
- The majority of the HRC members are independent Trustees and HRC retains an independent compensation consultant to assist it in its review of compensation

Named Executive Officers

In 2013 our NEOs were:

- Donald E. Clow, Chief Executive Officer
- Glenn Hynes, Executive Vice President, Chief Financial Officer and Secretary
- Patrick G. Martin, Executive Vice President Operations
- Gary S. Finkelstein, Regional Vice President – Central Canada
- Scott R. MacLean, Regional Vice President – Atlantic Canada

Executive Compensation Consultants

The HRC retains Meridian Compensation Partners ("**Meridian**") as an independent compensation consultant. Meridian provides advice to the HRC while Crombie retains other consultants to provide advice to management.

- In 2013 Meridian provided advice to the HRC in connection with:
- Benchmarking of NEO compensation and proposed 2014 NEO compensation
- Development and implementation of a Restricted Unit Plan for LTIP awards

Executive Compensation-Related Fees	Year Ended December 31, 2013	Year Ended December 31, 2012
Meridian Compensation Partners	$56,898	$14,490
Towers Watson:	1,920	35,025
Total Fees:	**$58,818**	**$49,515**

Compensation Comparator Group

In 2013 Meridian provided advice in connection with the development of a compensation comparator group. For fiscal 2013 the HRC approved a 13 company comparator group on the recommendation of Meridian. The comparator group is comprised of companies with revenue ranging from a multiple of 1/3 to 3 times that of Crombie, with Crombie positioned at approximately the median of the comparator group.

The comparator group is comprised of:

6 REITs

- Allied Properties REIT
- Boardwalk REIT
- Calloway REIT
- Canadian REIT
- Dundee REIT
- Granite REIT

3 Real Estate Management and Development Companies

- First Capital Realty Inc.
- Morguard Corp.
- Killam Properties Inc.

2 Property and Casualty Insurance Companies

- Kingsway Financial Services Inc.
- Westaim Corp.

2 Diversified Financial Services Companies

- Counsel Corp.
- Sprott Resource Lending Corp.

Compensation Target Positioning

Crombie generally targets each component of executive compensation and total compensation at or below the median of the comparator group for the named executive officers.

Elements of Compensation

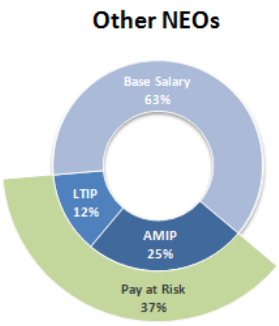
The components of Crombie's executive compensation program are base salary, AMIP, LTIP, executive unit purchase plan ("**EUPP**"), pension, benefits and perquisites as described below.

Component	Applies To	Performance Period	Determined By	Purpose
Base Salary	All employees	1 year	Based on market competitiveness, individual performance and internal equity	Compensates employees for the roles they perform for Crombie and provides a fair level of compensation for fulfilling responsibilities of their position in a given year.
Annual Incentive (AMIP)	Eligible employees	1 year	Target levels are market competitive. Actual awards are based on the achievement of corporate, group and individual objectives. The corporate performance is based on funds from operations (FFO) per unit.	Supports Crombie's business strategy and financial results, focusing on critical annual and short term business and strategic targets and initiatives. Reflects overall business results and individual achievement and is fair to Unitholders
Long Term Incentives (LTIP)	Senior Management	3 years	Target levels are market competitive. Actual awards are based on the achievement of corporate objectives: total return relative to specific comparator group; same-asset cash net operating income growth compared to target; and adjusted FFO per unit compared to target.	Creates alignment with unitholders through unit based awards and performance targets that are the key drivers of corporate strategy.
Executive Unit Purchase Plan	Named Executive Officers	3 years		Creates alignment with unitholders through unit based awards and performance targets that are the key drivers of corporate strategy and creates strong executive unit ownership

Component	Applies To	Performance Period	Determined By	Purpose
Pension	All eligible employees, with specific plans for executives and senior management	Long term	Pension plans are benchmarked against comparator organizations, from time to time	Provides long term retention and security
Gain Share	All eligible employees	1 year	Based on growth in distributions to Unitholders	Provides long term retention and security
Benefits	All eligible employees	1 year	Benefit plans are benchmarked against comparator organizations, from time to time	Part of a compensation package designed to attract and retain executives
Perquisites	All eligible employees	1 year	Perquisites are market competitive	Part of a compensation package designed to attract and retain executives

Compensation Mix

For the NEO executive group, the target compensation mix and levels of pay at risk in 2013 were as follows:



AMIP

The objectives of the AMIP are to provide compensation for the achievement of FFO per Unit, which is a key metric aligned with the creation of Unitholder value, as well as achievement of specific corporate, group and individual performance targets.

AMIP target awards vary as a percentage of base salary and are measured against incentive targets of comparator organizations. Incentive targets are reviewed to ensure ongoing market competitiveness. The minimum incentive payment under the AMIP is zero when company, group and/or individual performance is below minimum performance thresholds. The maximum incentive achievable for exceeding corporate, group and individual performance objectives is 200% of the target payout. Individual performance objectives are based on Crombie's business plan for the fiscal year and are intended to be challenging but achievable.

The AMIP calculation is as follows:

- Base salary × the AMIP target × the corporate multiplier, plus
- Base salary × the AMIP target × the group multiplier (if applicable), plus
- Base salary × the AMIP target × the individual multiplier.

Maximum payout can only be achieved by having all the applicable multipliers at the maximum.

Base salary and AMIP levels vary by individual qualifications, experience, performance and position. The weightings attributed to the corporate, group and individual multipliers vary by level within Crombie.

The payout targets, maximums and business performance weightings for the 2013 AMIP were as follows:

Position	AMIP Target	AMIP Maximum	Multiplier Weightings		
	(as a % of base salary)		Corporate	Group	Individual
President and CEO	75%	150%	75%	0%	25%
Chief Financial Officer	50%	100%	75%	0%	25%
Other NEOs	40%	80%	35%	35%	30%

The performance targets are established by the HRC based on input from management. A minimum, target and maximum are established each year for the three components of the AMIP, as described below.

Corporate Multiplier

The corporate performance metric for 2013 AMIP was FFO per unit, which is defined as increase (decrease) in net assets attributable to Unitholders (computed in accordance with IFRS), adjusted for gains (or losses) from sales of investment properties, depreciation and amortization expense, deferred income taxes, impairment losses (or reversals) on investment properties and transaction costs expensed on an investment property acquisition accounted for as a business combination. The HRC reviewed management's achievements in 2013 and concluded that the corporate target for FFO per unit of $1.06 was exceeded, resulting in a payout of 156.6% of target.

Corporate performance payouts are determined by the following table:

2013 AMIP Corporate Multiplier

Metric	Threshold	Target	Maximum	2013 Actual	Payout
FFO	$0.95	$1.06	$1.17	$1.12	156.6%

Performance between achievement levels is calculated on a linear scale.

Payouts

AMIP incentives are paid to employees in March following the performance year. Further details of the AMIP incentives paid to the named executive officers of Crombie who were serving as executives at December 31, 2013 (collectively, the NEOs) can be found on page 30.

Long Term Incentives (LTIP)

The objectives of the Crombie LTIP are to:

- Support Crombie's business strategy and financial results by focusing executives on the long term growth of the business;
- Provide a component of total compensation that reflects performance compared with business competitors and the growth of the business;
- Motivate executives to achieve specific metrics over three years that are expected by the Board to increase Unitholder value;
- Provide payouts that reflect overall business results over three years on a basis that is fair to Unitholders;

Executives are entitled to receive annual LTIP awards the value of which at the time of the award is based on three equally weighted measures that will be determined for the three years immediately preceding the award date. The three measures under the LTIP are:

(a) Total Unitholder Return, relative to an HRC approved performance comparator group of Canadian real estate entities;

(b) Growth in adjusted FFO per Unit; and

(c) Growth of same-asset cash net operating income compared to targets approved by the Board. The properties included in the calculation of same-asset cash net operating income for LTIP purposes may differ from those included in the measure reported in Crombie's Management Discussion and Analysis depending on the acquisition date.

Executives are entitled to receive performance-based LTIP awards equal to a specified percentage of base salary for achieving the target level of performance with a maximum award of 2× target award. No awards are paid for performance below specified threshold levels.

The payout targets and maximums for the 2013 LTIP were as follows:

Position	LTIP Target	LTIP Maximum
	(as a % of base salary)	
President and CEO	75%	150%
Chief Financial Officer	50%	100%
Other Vice Presidents	20%	40%

2013 LTIP Corporate Multiplier

Metric	Threshold	Target	Maximum	2013 Actual	Payout
Total Relative Unitholder Return	11th of 12	6th of 12	2nd of 12	4th of 12	24.69%
AFFO per Unit	$0.86	$0.90	$0.95	$0.945	65.66%
Same Asset Cash NOI Growth	0.26%	1.78%	3.31%	3.27%	51.82%

LTIP awards are paid as cash for senior management employees. LTIP awards for NEOs are made under the employee unit purchase plan.

Employee Unit Purchase Plan

The EUPP is designed to encourage ownership in Crombie by NEOs. In addition, it provides a long term incentive and serves as an attraction and retention tool. The EUPP provides for units to be issued from treasury for purchase by NEOs.

Crombie may provide executives with a loan to finance the purchase of units under the EUPP. The amount of the loan, the interest, the maturity date and any other terms and conditions relating to each loan are determined by the HRC.

The maximum amount of the loan to which an executive is entitled is a function of the executive's position and base salary. Maximum permitted loans currently range from 1 to 2 times base salary.

Gain Share Plan (GSP)

Eligible employees of Crombie participate in a gain share plan ("**GSP**") that is registered under the Tax Act. The GSP is a discretionary benefit, the provision of which is subject to review by the HRC on an annual basis. The GSP is designed to offer profit sharing to employees to treat them as if they were a unitholder in Crombie. Crombie uses the distribution per unit as a measure of Crombie's return of wealth to its stakeholders. Each year, a member may elect to receive 50 percent of the current GSP award in cash. All amounts vested in a member's account become payable when the member ceases to be an employee of Crombie.

Pension

Crombie offers pension plans to eligible employees to assist them in providing for their retirement. The pension plan is a defined contribution pension plan (the "**Basic Plan**") that is registered under the *Pension Benefits Act* (Nova Scotia) and the Tax Act. Plan members are required to contribute 2.5% of earnings which is matched by Crombie. Members may make additional unmatched contributions up to 10% of pensionable earnings to the maximum money purchase contribution limit permitted under the Tax Act.

Certain senior management employees contribute to a defined contribution plan (the "**Senior Management Plan**"). Each member is required to contribute a top up amount to the Senior Management Plan so that the member's total annual contribution to the Senior Management Plan and the Basic Plan is $2,500. Crombie contributes 6% of each member's basic salary. All contributions are capped by the maximum permitted by the Canada Revenue Agency ("**CRA**").

A third defined contribution plan exists for executive officers and certain senior management of Crombie, including NEOs (the "**Executive Plan**"). Each member is required to contribute a top up amount to the Executive Plan so that the member's total annual contribution to the Executive Plan, Senior Management Plan and Basic Plan is $3,500. Crombie contributes an amount equal to 12% of each member's basic salary. All contributions are capped by the maximum permitted by the CRA.

The CEO's and CFO's employment arrangements with Crombie include a provision for supplementary payments (the Supplemental Senior Executive Retirement Plan, "**SERP**") to be made to them upon retirement if the level of payments to them under the Basic Plan and the Executive Plan together do not reach certain target levels. These target levels are determined as an annual accrual of 2% per credited year of service to a maximum of 60% of the average of the CEO's and CFO's last five years base salary.

Benefits and Perquisites

Crombie offers group life, health and dental insurance, paid vacation and other benefits to eligible employees. Crombie offers these benefits on a competitive level with comparator organizations, while ensuring that benefit costs are contained over the long-term.

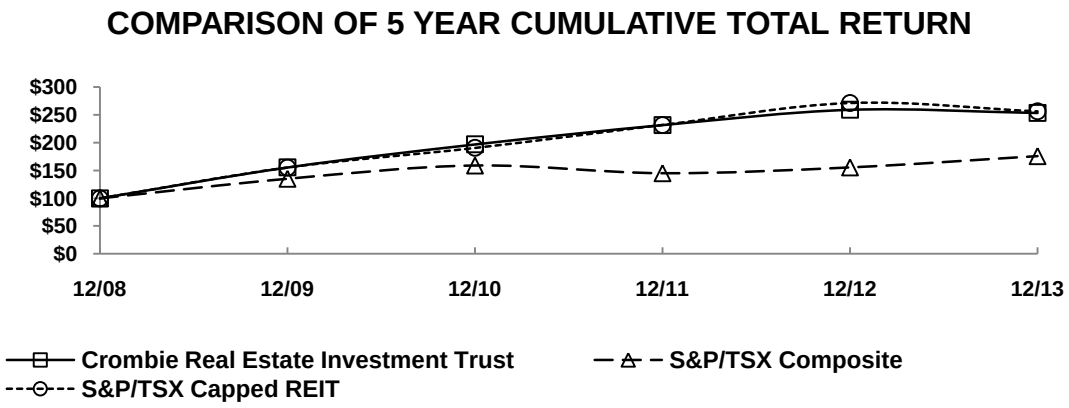
Perquisites are generally provided to executives such as vehicles and club memberships. The latter is offered as a fixed allowance subject to maximum limits.

Compensation Changes for 2014

The HRC has approved one change to NEO compensation for 2014 that is outside of regular salary adjustments. In conjunction with Patrick Martin's new role as Executive Vice President Operations, his LTIP award will increase to 25% of salary at target and 50% at maximum from 20% and 40% respectively.

Performance Graph

The following performance graph shows the cumulative Total Shareholder Return for Crombie compared to the performance of the S&P/TSX Composite Index and S&P/TSX Capped REIT Index. The graph shows the cumulative return for an investor of $100 during the five most recently completed calendar years invested in Crombie Units, the S&P/TSX Composite Index and the S&P/TSX Capped REIT Index.



Beginning in 2011, Crombie has implemented an LTIP element of direct compensation that is directly linked to Unit performance. The variable components of direct compensation, AMIP and LTIP, have been historically linked to FFO and AFFO respectively. Crombie believes that the total compensation package provides an alignment to unitholder value and ensures that executives are aligned with both the short term and long term interests of Crombie Unitholders. The performance graph above shows Crombie's sustained performance has been consistent with the S&P/TSX Capped REIT Index, which holds many of Crombie's direct business competitors.

Summary Compensation Table

The summary compensation table for NEOs details annual and long-term compensation paid during the three fiscal years ending December 31, 2013 for the Chief Executive Officer, Chief Financial Officer and the three other most highly compensated executives. The summary compensation table is laid out as prescribed by the Canadian Securities Administrators.

Name and Principal Position	Year	Salary ($)	Unit based awards ($)	Option based awards ($)	Non-equity incentive plan compensation ($)		Pension Value ($)	All Other Compensation ($) [1]	Total Compensation ($)
					Annual Incentive Plans	Long-term incentive plans			
Donald E. Clow President and Chief Executive Officer	2013	$510,000	$-	$-	$841,371[5]	$543,800	$209,070	$-	$2,104,241
	2012	$450,000	$-	$-	$414,000	$413,572	$159,020	$-	$1,436,592
	2011	$400,000	$-	$-	$292,280	$223,480	$92,570	$-	$1,008,330
Glenn Hynes EVP, Chief Financial Officer and Secretary[6]	2013	$340,011	$-	$-	$405,424[5]	$241,697	$83,570	$-	$1,070,702
	2012	$310,020	$-	$-	$267,857	$170,954	$71,520	$-	$820,351
	2011	$275,007	$-	$-	$180,853	$92,188	$49,070	$-	$597,118
Patrick G. Martin Executive Vice President Operations[2]	2013	$245,004	$-	$-	$149,217	$69,664	$20,770	$-	$484,655
	2012	$235,010	$-	$-	$156,260	$57,596	$20,320	$-	$469,186
	2011	$212,159	$-	$-	$142,631	$47,413	$19,470	$	$421,673
Gary Finkelstein Regional Vice President Central Canada[3]	2013	$240,011	$-	$-	$114,756	$68,245	$20,770	$-	$443,782
	2012	$235,019	$-	$-	$139,972	$57,598	$20,320	$-	$452,909
	2011	$222,414	$-	$-	$115,356	$49,705	$19,470	$-	$406,945
Scott R. MacLean Regional Vice President Atlantic Canada[4]	2013	$202,024	$-	$-	$115,768	$57,444	$20,770	$-	$396,006
	2012	$195,012	$-	$-	$129,665	$47,794	$20,320	$-	$392,791
	2011	$185,541	$-	$-	$107,245	$41,465	$19,470	$-	$353,721

(1) All Other Compensation represented the imputed interest on low-interest loans provided by Crombie to NEOs in connection with the purchase of units under Crombie's EUPP. The aggregate amount of annual compensation paid to any NEO in the form of perquisites and/or other personal benefits, securities or property do not exceed the lesser of $50,000 or 10% of the total salary for the fiscal year.

(2) Mr. Martin was appointed as Interim Vice President Leasing on October 8, 2007 and confirmed as Vice President Leasing on February 28, 2008. Effective March 1, 2010, Mr. Martin's title was changed to Regional Vice President Atlantic Canada. Effective March 1, 2014, Mr. Martin's title was changed to Executive Vice President Operations.

(3) Mr. Finkelstein was appointed as Vice President Ontario and Quebec on June 16, 2008. Effective June 13, 2011, Mr. Finkelstein's title was changed to Regional Vice President Central and Western Canada. Effective March 1, 2014, Mr. Finkelstein's title was changed to Regional Vice President Central Canada.

(4) Effective March 1, 2010, Mr. MacLean's title was changed from Vice President Operations to Senior Vice President Operations Atlantic. Effective March 1, 2014, Mr. MacLean's title was changed to Regional Vice President Atlantic.

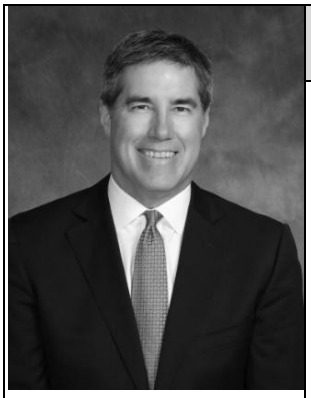
(5) During Fiscal 2013, Mr. Clow and Mr. Hynes were awarded $220,000 and $125,000 respectively in recognition of the successful closing of the acquisition of 70 Safeway locations.

(6) Effective March 1, 2014, Mr. Hynes' title was changed to Executive Vice President, CFO and Secretary.

During Fiscal 2013, Mr. Clow and Mr. Hynes were awarded $220,000 and $125,000 respectively in recognition of the successful closing of the acquisition of 70 Safeway locations from Sobeys Inc. for $991.3 million. The total of the AMIP, LTIP and transaction awards were, in aggregate, less than the maximum available to each of Mr. Clow and Mr. Hynes under the AMIP and LTIP.

Compensation of Named Executive Officers

Compensation of the CEO



Halifax
Nova Scotia, Canada
Service: 4 years

Age: 52

DONALD E. CLOW
President and CEO

Mr. Clow was appointed President and Chief Executive Officer on August 6, 2009. Prior to joining Crombie, Mr. Clow held the position of President, ECL Developments Limited, the real estate development subsidiary of Empire Company Limited. Previous to Empire he held various executive positions with Southwest Properties Group of Companies in Halifax evolving to the position of President and Chief Operating Officer, a position he held for seven years. Mr. Clow graduated from Acadia University with a BBA, earned his CA designation with KPMG and was designated a Fellow Chartered Accountant in 2002. Mr. Clow is a graduate of the YPO President's Program at Harvard Business School and the Director's Education Program at the Rotman School of Business.

2013 PAY COMPONENTS (as % of Total Compensations Earned)					
FIXED	VARIABLE				
Base Salary	Annual Incentive Plan	Transaction	Long-term Incentive Plan	Pension Value	Total
24.24%	29.53%	10.46%	25.84%	9.93%	100%

The CEO's annual base salary was increased to $510,000. This represents a 13.3% increase over 2012, designed to position his salary closer to the median of the peer group. In determining the AMIP for 2013, the Board assessed the corporate multiplier on financial measures and the CEO's individual multiplier on non-financial measures. The AMIP payout for 2013 was $621,371 which reflected a payout of 88.09% (of base salary) on the corporate multiplier and a payout of 33.75% (of base salary) on the individual multiplier. The transaction award was $220,000 at the discretion of the Board and represents a payout of 43.14% (of base salary). The LTIP payout for 2013 was $543,800 which reflects a payout of 106.63% (of base salary). In 2013 Mr. Clow received $2,104,241 in total compensation.

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013	
LTIP	Crombie Financial Performance for Fiscal 2013 - LTIP	33.33%	Total Return to Unitholders relative to Comparator Group	Mid-point of Comparator Group	4th out of 12 comparators	Exceeded Target
		33.33%	AFFO per Unit	Targeted AFFO range of $0.86 to $95/Unit	$0.945/Unit	Exceeded Target
		33.33%	Same Asset Cash NOI	Targeted Same Asset Cash NOI growth range of 0.26% to 3.31%	3.27%	Exceeded Target
	Total	**100.00%**			**142.17% of target**	
AMIP	Crombie Financial Performance for Fiscal	75.00%	FFO per Unit	Targeted FFO/Unit range	$1.12/Unit	Exceeded Target

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013
	2013 – AMIP			of $0.95to $1.17/Unit	
	Specific Qualitative Performance in Leadership, Financial, Operational, Customer/Stakeholders and People Initiatives	25.00%	Collaborative Leadership Style		The Board considered the performance of the CEO and determined the CEO targets were exceeded in 2013
			Asset Management		Exceeded Target
			Investment grade rating		Achieved Maximum
			Strategic Growth	$200 Million	Achieved Maximum
			Customer and Stakeholder Relationships		Exceeded Target
			Strong team of professionals in place		Exceeded Target
			Succession Plan in place		Achieved Target
			Quality and Frequency of Investor Relations		Exceeded Target
	Total	**100.00%**			**162.45% of target**

Compensation of the CFO

New Glasgow
Nova Scotia, Canada
Service: 3 years

Age: 51

GLENN HYNES
EVP, CFO and Secretary

Mr. Hynes was appointed Chief Financial Officer and Secretary, in 2010 and Executive Vice President effective March 1, 2014. Prior to joining Crombie, Mr. Hynes held the position of Chief Financial Officer and Partner of Bluewave Energy LP; a national fuel distribution business. From 1996 to 2006, he held several executive positions with Sobeys Inc. (TSX:SBY) including Executive Vice President and Chief Financial Officer (2001 – 2005) and Executive Vice President and Chief Development Officer (2005 - 2006). Mr. Hynes also acted as Chief Financial Officer of Crombie from February 2006 to June 2006, which included the time of Crombie's initial public offering. Mr. Hynes is a graduate of the University of Prince Edward Island with a Bachelor of Business Administration and earned his CA designation. His present professional affiliations include Past Chair of the Atlantic Provinces Economic Council (APEC). He received the UPEI Distinguished Alumnus Award in 2002 and Canada's Top 40 Under 40 Award in 2000. He was designated a Fellow Chartered Accountant in 2011 and received the ICD.D designation in 2014.

2013 PAY COMPONENTS (as % of Total Compensations Earned)

FIXED	VARIABLE				
Base Salary	Annual Incentive Plan	Transaction	Long-term Incentive Plan	Pension Value	Total
31.76%	26.19%	11.67%	22.57%	7.81%	100%

The CFO's 2013 annual base salary was increased to $340,011. This represents a 9.7% increase over

2012. In determining the AMIP for 2013, the Board assessed the corporate multiplier on financial measures and the CFO's individual multiplier on non-financial measures. The AMIP payout for 2013 was $280,424 which reflects a payout of 58.73% (of base salary) on the corporate multiplier and a payout of 23.75% (of base salary) on the individual multiplier. The transaction award was $125,000 at the discretion of the Board and represents a payout of 36.76% (of base salary). The LTIP payout for 2013 was $241,697 which reflects a payout of 71.09% (of base salary). In 2013 Mr. Hynes received $1,070,702 in total compensation.

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013	
LTIP	Crombie Financial Performance for Fiscal 2013 - LTIP	33.33%	Total Return to Unitholders relative to Comparator Group	Mid-point of Comparator Group	4th out of 12 comparators	Exceeded Target
		33.33%	AFFO per Unit	Targeted AFFO range of $0.86 to $95/Unit	$0.945/Unit	Exceeded Target
		33.33%	Same Asset Cash NOI	Targeted Same Asset Cash NOI growth range of 0.26% to 3.31%	3.27%	Exceeded Target
	Total	**100.00%**			**142.17% of target**	
AMIP	Crombie Financial Performance for Fiscal 2013 - AMIP	75.00%	FFO per Unit	Targeted FFO/Unit range of $0.95to $1.17/Unit	$1.12/Unit	Exceeded Target
	Specific Qualitative Performance in Leadership, Financial, Operational, Customer/Stakeholders and People Initiatives	25.00%	Collaborative Leadership		The CEO and HRC considered the performance of the CFO and determined the CFO targets were exceeded in 2013	
			Investor and Lender Relations			
			Board Governance			
			Debt to Gross Book Value	55-58%	Achieved Target	
			Attain Investment Grade rating		Achieved Maximum	
			Manage Available Liquidity of Revolving Credit Facility		Exceeded Target	
			Maintain Debt Maturities at < 15% of Total Debt in any Year		Exceeded Target	
			Optimize Weighted Average Cost of Capital	WACC < 6%	Exceeded Target	
			Control General and Administrative Costs	Targeted G&A	Achieved Target	
			Regional Business Model Implementation and continuous process improvement		Exceeded Target	
			Strategic Growth	$200 Million	Achieved Maximum	
			Customer and Stakeholder Relationships		The CEO and HRC considered the performance of the CFO and determined the CFO targets were exceeded in 2013	
			Strong team of professionals in place			
			Succession Plan in place			
	Total	**100.00%**			**164.94 % of target**	

Compensation of the Executive Vice President Operations

New Glasgow
Nova Scotia, Canada
Service: 6 years

Age: 51

PATRICK G. MARTIN
Executive Vice President Operations

Mr. Martin was appointed Executive Vice President Operations on March 1, 2014. Prior to this, Mr. Martin held a number of executive positions with Crombie including Regional Vice President Atlantic Canada from 2010 to 2013 and Vice President, Leasing from 2007 to 2010. He initially joined ECL in 1997 and held a number of progressive positions including Regional Vice-President, Ontario/Quebec between February 2005 and September 2007. Mr. Martin has been involved in various aspects of the real estate industry for approximately 25 years. Mr. Martin is a graduate of Saint Mary's University with a Masters of Business Administration.

2013 PAY COMPONENTS (as % of Total Compensations Earned)

FIXED	VARIABLE			
Base Salary	Annual Incentive Plan	Long-term Incentive Plan	Pension Value	Total
50.55%	30.79%	14.37%	4.29%	100%

The Executive Vice President Operations' annual base salary was increased to $245,004. This represents a 4.3% increase over 2012. In determining the AMIP for 2013, the Board assessed the corporate multiplier and the group multiplier on financial measures and the individual multiplier on non-financial measures. The AMIP payout for 2013 was $149,217 which reflected a payout of 21.92% (of base salary) on the corporate multiplier, a payout 18.58% (of base salary) on the group multiplier and a payout of 20.40% (of base salary) on the individual multiplier. The LTIP payout for 2013 was $69,664 which reflected a payout of 28.43% (of base salary). In 2013, Mr. Martin received $484,655 in total compensation.

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013	
LTIP	Crombie Financial Performance for Fiscal 2013 - LTIP	33.33%	Total Return to Unitholders relative to Comparator Group	Mid-point of Comparator Group	4th out of 12 comparators	Exceeded Target
		33.33%	AFFO per Unit	Targeted AFFO range of $0.86 to $95/Unit	$0.945/Unit	Exceeded Target
		33.33%	Same Asset Cash NOI	Targeted Same Asset Cash NOI growth range of 0.26% to 3.31%	3.27%	Exceeded Target
	Total	**100.00%**			**142.17% of target**	
AMIP	Crombie Financial Performance for Fiscal 2013 - AMIP	35.00%	FFO per Unit	Targeted FFO/Unit range of $0.95to $1.17/Unit	$1.12/Unit	Exceeded Target
	Regional Financial Performance for Fiscal 2013 - AMIP	35.00%	Atlantic Canada region Property NOI	Targeted Property NOI	103.27% of Target	Exceeded Target
	Specific Qualitative Performance in Leadership, Financial, Operational, Customer and People	30.00%	Stakeholder relationships		Exceeded Target	
			Control General and	Targeted G&A	Achieved target	

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013
	Initiatives		Administrative Costs		
			Occupancy – Atlantic Canada	Targeted occupancy	Exceeded Target
			Asset Management		Exceeded Target
			Strategic Disposition Plan		Achieved Target
			Strategic Growth	$200 Million	Achieved Maximum
			Regional Business Model Implementation and Continuous process improvement		Exceeded Target
			Employee development		The CEO and HRC considered the performance and determined the targets were met or exceeded for 2013
			Succession Plan in place		
	Total	**100.00%**			**152.25% of target**

Compensation of the Regional Vice President Central Canada

GARY S. FINKELSTEIN
Regional Vice President Central Canada

Mr. Finkelstein joined Crombie REIT on June 16, 2008. Early in his career, Mr. Finkelstein owned and operated a private commercial property management company. Upon being called to the Bar with an LL.B. in 1994, he practiced corporate commercial and real estate law in Toronto. In 1999 Mr. Finkelstein joined Canadian Tire Real Estate Limited and held a number of progressive positions with that company until 2003 when he joined Knightstone Capital Management Inc., a small start-up private development company, as Vice President overseeing all acquisitions, development, operations, management and leasing.

Thornhill
Ontario, Canada
Service: 5 years

Age: 47

2013 PAY COMPONENTS (as % of Total Compensations Earned)				
FIXED	VARIABLE			
Base Salary	Annual Incentive Plan	Long-term Incentive Plan	Pension Value	Total
54.08%	25.86%	15.38%	4.68%	100%

The Regional Vice President Central Canada's annual base salary was increased to $240,011. This represents a 2.1% increase over 2012. In determining the AMIP for 2013, the Board assessed the corporate multiplier and the group multiplier on financial measures and the individual multiplier on non-financial measures. The AMIP payout for 2013 was $114,756 which reflected a payout of 21.92% (of base salary) on the corporate multiplier, a payout 11.49% (of base salary) on the group multiplier and a payout of 14.40% (of base salary) on the individual multiplier. The LTIP payout for 2013 was $68,245 which reflected a payout of 28.43% (of base salary). In 2013, Mr. Finkelstein received $443,782 in total compensation.

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013	
LTIP	Crombie Financial Performance for Fiscal 2013 - LTIP	33.33%	Total Return to Unitholders relative to Comparator Group	Mid-point of Comparator Group	4th out of 12 comparators	Exceeded Target
		33.33%	AFFO per Unit	Targeted AFFO range of $0.86 to $95/Unit	$0.945/Unit	Exceeded Target
		33.33%	Same Asset Cash NOI	Targeted Same Asset Cash NOI growth range of 0.26% to 3.31%	3.27%	Exceeded Target
	Total	**100.00%**			**142.17% of target**	
AMIP	Crombie Financial Performance for Fiscal 2013 - AMIP	35.00%	FFO per Unit	Targeted FFO/Unit range of $0.95to $1.17/Unit	$1.12/Unit	Exceeded Target
	Regional Financial Performance for Fiscal 2013 - AMIP	35.00%	Central and Western Canada Region Property NOI	Targeted Property NOI	98.21% of Target	Below Target
	Specific Qualitative Performance in Leadership, Financial, Operational, Customer and People Initiatives	30.00%	Employee development		Achieved Target	
			Control General and Administrative Costs	Targeted G&A	Achieved Target	
			Occupancy – Central and Western Canada	Targeted occupancy	Below Target	
			Asset Management		Achieved Target	
			Strategic Growth	$200 million	Achieved Maximum	
			Regional Business Model Implementation and Continuous process improvement		Achieved Target	
			Quality of Stakeholder and Tenant Relationships		The CEO and HRC considered the performance and determined the targets were met for 2013	
			Succession Plan			
	Total	**100.00%**			**119.53% of target**	

Compensation of the Regional Vice President Atlantic Canada

Stellarton
Nova Scotia, Canada
Service: 8 years

Age: 56

SCOTT R. MACLEAN
Regional Vice President Atlantic Canada

Mr. MacLean was appointed Regional Vice President Atlantic Canada effective March 1, 2014. Prior to this appointment, he held a number of executive positions with Crombie. He joined Atlantic Shopping Centres, a predecessor of Crombie, in 1993 as Director of Operations and assumed responsibility for the Construction department in 1996. He obtained his Certified Shopping Centre Manager (SCM) designation in 1993. Prior to this, he held increasing roles and responsibilities with Cambridge Shopping Centres Limited. Mr. MacLean has a Bachelor of Commerce from Saint Mary's University.

2013 PAY COMPONENTS (as % of Total Compensations Earned)				
FIXED	VARIABLE			
Base Salary	Annual Incentive Plan	Long-term Incentive Plan	Pension Value	Total
51.02%	29.23%	14.51%	5.24%	100%

The Regional Vice President Atlantic Canada's annual base salary was increased to $202,024. This represents a 3.6% increase over 2012. In determining the AMIP for 2013, the Board assessed the corporate multiplier and the group multiplier on financial measures and the individual multiplier on non-financial measures. The AMIP payout for 2013 was $115,768 which reflected a payout of 21.92% (of base salary) on the corporate multiplier, a payout 18.58% (of base salary) on the group multiplier and a payout of 16.80% (of base salary) on the individual multiplier. The LTIP payout for 2013 was $57,444 which reflected a payout of 28.43% (of base salary). In 2013, Mr. MacLean received $396,006 in total compensation.

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013	
LTIP	Crombie Financial Performance for Fiscal 2013 - LTIP	33.33%	Total Return to Unitholders relative to Comparator Group	Mid-point of Comparator Group	4th out of 12 comparators	Exceeded Target
		33.33%	AFFO per Unit	Targeted AFFO range of $0.86 to $0.95/Unit	$0.945/Unit	Exceeded Target
		33.33%	Same Asset Cash NOI	Targeted Same Asset Cash NOI growth range of 0.26% to 3.31%	3.27%	Exceeded Target
	Total	**100.00%**			**142.17% of target**	
AMIP	Crombie Financial Performance for Fiscal 2013 - AMIP	35.00%	FFO per Unit	Targeted FFO/Unit range of $0.95to $1.17/Unit	$1.12/Unit	Exceeded Target
	Regional Financial Performance for Fiscal 2013 - AMIP	35.00%	Atlantic Canada region Property NOI	Targeted Property NOI	103.27% of Target	Exceeded Target
	Specific Qualitative Performance in Leadership, Financial, Operational,	30.00%	Employee development and training		Exceeded Target	

	Performance Measurement Category	Weighting	Performance Measures	Performance Target for Fiscal 2013	Performance Achievement in Fiscal 2013
	Customer and People Initiatives		CAM and Tax Recovery		Exceeded Target
			Capital Plan		Achieved Target
			Strategic Growth	$200 Million	Achieved Maximum
			Quality of Stakeholder and Tenant Relationships		The CEO and HRC considered the performance and determined the targets were met or exceeded for 2013
			Succession Planning		
	Total	**100.00%**			**143.25% of target**

Incentive Plan Awards

The NEO's do not have any outstanding, option-based or Unit-based awards The following chart summarizes each NEO's incentive plan awards earned during the year.

Name and Principal Position	Option-based awards – value vested during the year ($)	Unit based awards - value vested during the year ($)	Non-equity Incentive Plan Compensation – Value earned during the year[(1)] ($)
Donald E. Clow President and Chief Executive Officer	$-	$-	$1,385,171
Glenn Hynes EVP, Chief Financial Officer and Secretary	$-	$-	$647,121
Patrick G. Martin Executive Vice President Operations	$-	$-	$218,881
Gary Finkelstein Regional Vice President Central Canada	$-	$-	$183,001
Scott R. MacLean Regional Vice President Atlantic Canada	$-	$-	$173,212

(1) Non-Equity Incentive Plan amounts represent the aggregate of the AMIP payout, transaction awards and the LTIP payout to each NEO during 2013.

Pension

Name and Principal Position	Accumulated value at start of year ($)	Compensatory ($)	Non-compensatory ($)	Accumulated value at end of year ($)
Donald E. Clow President and Chief Executive Officer	$158,593	$20,770	$37,458	$216,821
Glenn Hynes EVP, Chief Financial Officer and Secretary	$68,424	$20,770	$19,883	$109,077
Patrick G. Martin Executive Vice President Operations	$278,913	$20,770	$60,910	$360,593
Gary Finkelstein Regional Vice President Central Canada	$125,948	$20,770	$31,095	$177,813
Scott R. MacLean Regional Vice President Atlantic Canada	$471,285	$20,770	$98,404	$590,459

The Accumulated value at start of year column shows the balance for each NEO as of January 1, 2013. The Accumulated value at end of year column shows the balance for each NEO as of December 31, 2013. The Compensatory column represents the amount that Crombie has contributed to each NEOs defined contribution pension plan for 2013. The Non-Compensatory column represents all other changes in the Accrued Obligation that are not included in the Compensatory column. Since Crombie makes a payment for NEOs in January the Accumulated Value column will understate the value in the NEOs pension plan, as a portion of 2013 payments are not shown until the 2014 fiscal year.

The summary pension table for NEOs details defined benefit pension contributions accrued during the fiscal year ending December 31, 2013. The summary pension table is laid out as prescribed by the Canadian Securities Administrators.

Name and Principal Position	Number of years credited service	Annual benefits payable ($)		Accrued obligation at start of year ($)	Compensatory change ($)	Non-compensatory change ($)	Accrued obligation at end of year ($)
		At year end	At age 65				
Donald E. Clow President and Chief Executive Officer	6.92	$10,800	$60,300	$570,600	$188,300	$(81,300)	$677,600

Name and Principal Position	Number of years credited service	Annual benefits payable ($)		Accrued obligation at start of year ($)	Compensatory change ($)	Non-compensatory change ($)	Accrued obligation at end of year ($)
		At year end	At age 65				
Glenn Hynes EVP, Chief Financial Officer and Secretary	3.50	$-	$7,300	$112,800	$62,800	$(19,100)	$156,500
Glenn Hynes EVP, Chief Financial Officer and Secretary	3.50	$-	$7,300	$112,800	$62,800	$(19,100)	$156,500
Patrick G. Martin Executive Vice President Operations	0	$-	$-	$-	$-	$-	$-
Gary Finkelstein Regional Vice President Central Canada	0	$-	$-	$-	$-	$-	$-
Scott R. MacLean Regional Vice President Atlantic Canada	0	$-	$-	$-	$-	$-	$-

The values presented above have been calculated using the same actuarial assumptions as those used and described in the company's financial statements. The annual lifetime benefit payable at age 65 was calculated taking into account future service, but assuming no salary increases.

Termination and Change of Control Benefits

Crombie does not currently have any policy related to termination or change of control benefits other than under certain compensation plans as described in this Circular.

Board Endorsement

The Trustees, with the support of the HRC, gave careful consideration to the compensation decisions for each component of the NEOs compensation and the aggregate effect of these decisions, and is satisfied they are fair and reasonable in the context of both the absolute and relative performance of Crombie and the compensation practices among Crombie's identified peers.

The Trustees, with the support of the HRC, also carefully reviewed and approved the compensation programs for executives, as described in this report.

Equity Incentive Plans

Executive Unit Purchase Plan

The EUPP is binding upon Crombie and its successors and assigns. The interest of any participant under the EUPP is not transferable or alienable by the participant either by assignment or in any other manner whatsoever and, during his or her lifetime, shall be vested only in the participant, but shall enure to the benefit of and be binding upon the legal personal representative of the participant.

Each loan advanced pursuant to the EUPP is payable on the earlier of the date of demand for repayment and ten years from the date on which the loan was made (the "**Maturity Date**"). Each loan shall bear interest at a rate of 3% per annum. In no event may the term of a loan exceed ten years from the date on which the loan was made.

Units subscribed for with the proceeds of a loan ("**Pledged units**") and any units issued as stock distributions on such units ("**Stock Distribution units**") are held by the trustee of the EUPP in trust for the participant as security for the repayment of the loan. The participant is only entitled to transfer such units as are represented by certificates that have been delivered by the trustee of the EUPP to the participant. The participant is entitled to exercise all voting rights in respect of Pledged units and Pledged units remain the property of the participant, subject to the security interest of Crombie or its subsidiaries.

The loan is repaid through the application of the after-tax amount of all distributions received on the Pledged units, as well as the after-tax portion of any LTIP cash awards received, as payments on interest and principal. Each participant is entitled, on or before the 30th day prior to the Maturity Date, to elect to take delivery from the trustee of the EUPP of certificates representing up to and including 100% of the participant's Pledged units, as well as Stock Distribution units, if any, which have been issued to the participant with respect to the Pledged units that are the subject matter of an election. An election to take delivery shall be made by written notice to Crombie, indicating the aggregate percentage of the participant's Pledged units that the participant has elected to receive, together with payment. Unless otherwise determined by the HRC, all, or the balance of a loan, shall mature and be payable on the earliest of:

(a) 6 months (or such other date as may be agreed upon by the HRC and the participant) following the date of retirement or permanent disability of the participant;

(b) 6 months following the date of death of the participant;

(c) 30 days following the termination of employment of the participant, for any other reason; and

(d) the Maturity Date.

Upon receipt of the payment required on the loan, if any, by a participant who ceases to be employed by Crombie, or a subsidiary of Crombie, for any reason other than death, Crombie shall, on the 10th business day following the receipt of payment, deliver to the participant a certificate for any remaining units. Fractional units will be rounded up to the next whole. In the event that the market value of the remaining units is less than the payment required on the loan, Crombie may purchase the remaining units being paid by forgiveness of amounts payable on the loan. To the extent that the outstanding loan amount exceeds the repurchase price of the remaining units, Crombie may cancel the remaining portion of the loan in part or in full. Such cancellation of the loan will be an additional (taxable) benefit to the participant. The personal representative of a deceased participant is entitled, for a period ending on the earlier of:

(a) six months following the date of death of such participant, and

(b) 30 days preceding the Maturity Date, to elect to take delivery of certificates representing in the aggregate up to 100% of all the participant's remaining units.

If the personal representative of a deceased participant does not exercise this right within the prescribed time, the personal representative shall be deemed to have elected not to take delivery and shall be deemed to have sold and shall be bound to sell and Crombie shall be deemed to have purchased and shall be bound to purchase the participant's remaining units for an aggregate purchase price equal to the principal amount outstanding under the loan. The payment of the aggregate purchase price for such units shall be satisfied by the cancellation of the loan. On the later of the Maturity Date and the expiry of 5 years following the date on which units were last issued to a participant, each participant who is identified as a senior executive is entitled to sell to Crombie his or her remaining units for an aggregate purchase price equal to the repurchase price of the units on the date of sale. The payment of the aggregate purchase price for such units shall be satisfied by the forgiveness of amounts payable on the loan. To the extent that the outstanding loan amount exceeds the repurchase price of the remaining units, Crombie may cancel the remaining portion of the loan in part or in full. Such cancellation of the loan shall be an additional (taxable) benefit to the participant.

From time to time the Board of Trustees of Crombie may, subject to necessary regulatory approval from administrative bodies with jurisdiction over the EUPP, terminate the EUPP and/or amend any of the provisions of the EUPP, provided that any amendment of the provisions of the EUPP or any termination of the EUPP shall not:

(a) divest any participant of his entitlement to the participant's pledged units and stock distribution units as provided herein or of any rights a participant may have in respect of the participant's pledged units and the stock distribution units, or

(b) have the effect of altering the terms of repayment of any loan made to a participant, without the prior written consent of the participant.

Without limiting the generality of the foregoing, the Board of Trustees of Crombie may make the following types of amendments to the provisions of the EUPP without unitholder approval:

(a) reduce the number of units issuable under the EUPP;

(b) increase or decrease the maximum number of units any single participant is entitled to receive under the EUPP;

(c) any amendment to the terms of the EUPP relating to the effect of termination, cessation or death of a participant;

(d) any amendment pertaining to the assignability of grants required for estate planning purposes;

(e) increase an award price;

(f) add and/or amend any form of financial assistance provision to the EUPP;

(g) amend the eligibility requirements for participants in the EUPP;

(h) any amendment as may be necessary or desirable to bring the EUPP into compliance with securities, corporate or tax laws and the rules and policies of any stock exchange upon which the units are from time to time listed;

(i) any amendment to add covenants of Crombie for the protection of participants, provided that the HRC shall be of the good faith opinion that such additions will not be prejudicial to the rights or interest of the participants;

(j) any amendment not inconsistent with the EUPP as may be necessary or desirable with respect to matters or questions, which in the good faith opinion of the HRC, having in mind the best interests of the participants, it may be expedient to make, provided that the HRC shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants; or

(k) any such changes or corrections which, in the advice of counsel to Crombie, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the HRC shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interest of the participants.

Notwithstanding any other provision of the EUPP, none of the following amendments shall be made to the EUPP without approval of the unitholders:

(a) amendments to the EUPP which would increase the number of units issuable under the EUPP;

(b) amendments to the EUPP which would result in a reduction in the exercise price, or cancellation and reissue, of awards;

(c) any amendment to the EUPP to increase the maximum limit of the number of units that may be: (a) issued to insiders within any one year period, or (b) issuable to insiders, at any time;

(d) any amendment to the EUPP adding participants that may permit the introduction or re-introduction of non-employee trustees on a discretionary basis;

(e) any amendment to the EUPP allowing awards granted under EUPPs to be transferable or assignable other than for normal estate settlement purposes; or

(f) any amendment to the amending provisions of the EUPP.

The total number of Units available under the EUPP is 750,000, which represents approximately 1.0% of the Units outstanding as of March 21, 2014. The total number of Units issued or approved under the EUPP as of March 21, 2014 is 420,810 Units, which represents approximately 0.6% of the Units outstanding as of March 21, 2014. Units are issued from treasury and no fractional units may be purchased or issued. Awards allow executives to purchase units at a price not less than the average of the daily high and low board lot trading prices per unit on the Toronto Stock Exchange ("**TSX**") for the five trading days preceding the date of allotment.

Deferred Unit Plan

The Deferred Unit Plan (DUP) is designed to promote a greater alignment of interests between the Trustees, officers and employees of Crombie or its subsidiaries (such persons, together with Empire which receives trustee fees on behalf of certain Trustees appointed by it, are collectively referred to as "**Eligible Persons**"), Empire and the Unitholders.

Each Eligible Person may elect to be a participant (a "**Participant**") of the DUP. The participation in the DUP is voluntary unless the Board or Committee decides that special compensation is to be provided as

Deferred Units. A Participant may elect to receive up to one hundred percent (100%) of eligible compensation in the form of "Deferred Units" in lieu of cash. Eligible compensation generally includes:

(a) Board and committee fees; and

(b) any bonus or other fee that is determined by the Board or Committee to be eligible.

The number of Deferred Units (including fractional Deferred Units) granted at any particular time will be calculated by dividing the value to be received by the Market Value (as defined below) of a Unit on the award date. "Market Value" means the volume weighted average price of all Units traded on the Toronto Stock Exchange for the five trading days immediately preceding the relevant date.

Deferred Units are not Units and do not entitle a Participant to any Unitholder rights, including voting rights, distribution entitlements (other than as set out below) or rights on liquidation. Upon redemption a Participant is entitled to one (1) Unit for each vested Deferred Unit which has been redeemed. Fractional Units may be issued under the DUP.

Whenever cash distributions are paid on the Units, additional Deferred Units will be credited to the Participant's Deferred Unit account. The number of such additional Deferred Units is determined by multiplying

(a) the number of Deferred Units in the Participant's Deferred Unit account on the record date for the payment of the distribution by

(b) the distribution paid per Unit,

divided by the Market Value of a Unit on the distribution payment date. Additional Deferred Units vest on the same basis as the underlying Deferred Units.

Unless otherwise determined by the Committee, Deferred Units are fully vested at the time they are allocated. The Committee may in its discretion impose vesting or other terms or conditions on Deferred Units. Unvested Deferred Units vest immediately prior to any change of control.

Vested Deferred Units may be redeemed on the date specified by a Participant in a written notice of redemption. Unvested Deferred Units vest on termination of the Participant's employment (other than for cause), failure to be reappointed as a Trustee, retirement or death. Where the Participant's employment is terminated for cause or the Participant voluntarily resigns, unvested Deferred Units are cancelled. Vested Deferred Units may be redeemed at any time prior to and will be redeemable for cash on the first anniversary of the date a Participant ceases to be an Eligible Person.

A Participant who elects to receive a cash payment on redemption of Deferred Units will receive a cash payment, net of any applicable withholding taxes, equal to

(a) the number of Deferred Units multiplied by

(b) the Market Value of the Deferred Units on the Redemption Date.

A Participant who elects to receive Units on redemption of Deferred Units will receive one Unit for each Deferred Unit, net of any applicable withholding taxes and a cash payment for the value of any fractional Deferred Units.

Upon payment in full of the value of the Deferred Units, the Deferred Units will be cancelled.

1,000,000 Units are authorized for issuance upon the redemption of all Deferred Units granted under the Deferred Unit Plan as at March 21, 2014. The number of Units issuable to insiders of Crombie pursuant to

outstanding Deferred Units together with Units issuable pursuant to any other compensation arrangements may not exceed 10% of the then outstanding Units. The number of Units issued to insiders of Crombie pursuant to outstanding Deferred Units together with Units issuable pursuant to any other compensation arrangements, within any one year period, may not exceed 10% of the then outstanding Units.

Deferred Units are not transferrable except on the death of a Participant, or to a Participant's spouse, a trustee acting for their benefit, a subsidiary or holding entity, a RRSP, RRIF, or TFSA.

Unitholder approval is not required for any amendment to the DUP except an amendment that:

(a) increases the number of Units reserved for issuance under the DUP;

(b) increases the amount payable upon redemption of a Deferred Unit;

(c) extends eligibility to participate in the DUP to persons not currently eligible to participate;

(d) amends the assignability provisions of the DUP;

(e) increases or eliminates the insider participation limits;

(f) permits awards, other than those entitlements specifically contemplated in the DUP, to be made; and

(g) any amendment to the amending provisions.

Unitholder approval is not required for amendments to the Deferred Unit Plan to do the following:

(a) reduce the number of Units issuable under the DUP;

(b) increase or decrease the maximum number of Units any single Participant is entitled to receive under the DUP;

(c) any amendment pertaining to vesting provisions;

(d) any amendment to the terms of the DUP relating to the effect of termination or cessation of employment or death of a Participant on the right to redeem Deferred Units;

(e) any amendment pertaining to the assignability of Deferred Units;

(f) any decrease in the amount payable upon redemption of the Deferred Unit;

(g) amend the process by which a Participant can redeem a Deferred Unit;

(h) add and/or amend any form of financial assistance provision to the Deferred Unit Plan;

(i) amend the eligibility requirement for participants in the Deferred Unit Plan;

(j) allocate and reallocate among the security compensation arrangements the number of Units issuable to Participants pursuant to the DUP;

(k) any amendment as may be necessary or desirable to bring the DUP into compliance with securities, corporate or tax laws and the rules and policies of any Stock Exchange upon which the Units are from time to time listed;

(l) any amendment to add covenants of Crombie for the protection of Participants, provided that the Committee and/or the Board shall be of the good faith opinion that such additions are not prejudicial to the rights or interest of the Participants;

(m) any amendment not inconsistent with the DUP which is necessary or desirable with respect to matters or questions, which in the good faith opinion of the Committee and/or the Board, having in mind the best interests of the Participants, it may be expedient to make, provided that the Committee and/or the Board are of the opinion that such amendments and modifications are not prejudicial to the interests of the Participants; and

(n) any changes or corrections which, on the advice of counsel to Crombie, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Committee and/or the Board is of the opinion that such changes or corrections are not prejudicial to the rights and interest of the Participants.

Indebtedness of Trustees, Officers and Employees

The following table sets out the aggregate indebtedness at March 21, 2014 to Crombie and its subsidiaries of all executive officers, directors, employees, former executive officers and Trustees of Crombie or its subsidiaries.

Purpose	Aggregate Indebtedness to Crombie or its Subsidiaries[(1)]	Aggregate Indebtedness to Another Entity Guaranteed or Supported by Crombie or its Subsidiaries
Unit purchases	$2,201,482	Nil
Other	Nil	Nil

(1) Includes loans for Units approved for issuance under the EUPP expected to be completed prior to end of March 2014.

The following tables set out information for each individual who is, or at any time during the most recently completed financial year was, a Trustee or executive officer of Crombie, each proposed nominee for election as a Trustee of Crombie, and each associate of any such Trustee, executive officer or proposed nominee who is, or at any time since the beginning of the most recently completed financial year of Crombie has been, indebted to Crombie or any of its subsidiaries. No such persons have indebtedness to another entity which is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Crombie or any of its subsidiaries. Routine indebtedness is excluded from the tables.

TABLE OF INDEBTEDNESS OF TRUSTEES AND EXECUTIVE OFFICERS

Name and Principal Position	Involvement of Crombie	Largest Amount Outstanding During Fiscal 2013 $	Amount Outstanding as at March 21, 2014[1] $	Financially Assisted Securities Purchased[2] During Fiscal 2013 #	Security For Indebtedness as at December 31, 2013 #	Amount Forgiven During 2013 $
Donald E. Clow CEO	Lender	$893,675	$1,013,411	22,937 Units	81,228 Units	$Nil
Glenn Hynes EVP and CFO	Lender	$462,728	$507,224	10,162 Units	38,238 Units	$Nil
Patrick Martin EVP Operations	Lender	$233,506	$243,228	3,941 Units	21,889 Units	$Nil
Gary Finkelstein Regional VP Central Canada	Lender	$232,310	$237,287	3,844 Units	28,210 Units	$Nil
Scott R. MacLean Regional VP Atlantic Canada	Lender	$193,427	$200,332	2,638 Units	20,001 Units	$Nil

(1) Includes loans for Units approved for issuance under the EUPP expected to be completed prior to the end of March 2014.
(2) Purchased pursuant to EUPP awards.

Equity Compensation Plan Information

The following table sets out aggregate information relating to all compensation plans of Crombie:

Plan Category	Number of Securities to be issued upon exercise of outstanding Options, Warrants and Rights (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in Column A) (C)
Equity Compensation Plans Approved by Securityholders	Nil	N/A	329,190 (1)
Equity Compensation Plans Not Approved by Securityholders	Nil	N/A	Nil
Total	Nil	N/A	329,190(1)

(1) Available for issuance under the EUPP. Include awards approved for issuance expected to be completed prior to end of March 2014.

The total number of awards made or approved under the EUPP as of March 21, 2014 is 420,810, representing approximately 0.6% of the Units outstanding as of March 21, 2014. Reference is made to "Employee Unit Purchase Plan" on page 29 of this Circular for details relating to the EUPP.

PART SIX – OTHER INFORMATION

Interest of Informed Persons in Material Transactions

As at December 31, 2013, Empire, through its wholly-owned subsidiary ECL, holds a 41.6% indirect interest in Crombie. Crombie acquired from subsidiaries of Empire the initial 44 commercial properties on March 23, 2006, two additional commercial properties in 2007, 61 commercial properties on April 22, 2008, 17 commercial properties in 2010, eight commercial properties in 2011, two commercial properties in 2012 and 73 commercial properties in 2013. The purchase price for each property acquired by Crombie from subsidiaries of Empire was fair market value determined by external appraisals and approved by the Independent Elected Trustees of Crombie.

On July 24, 2013, Crombie announced that it entered into agreement to purchase a portfolio of retail properties from a wholly-owned subsidiary of Sobeys (the "**Portfolio Acquisition**"). The portfolio consists of 68 retail properties, subsequently updated to 70 retail properties, representing approximately 3.0 million square feet of 100% occupied GLA acquired by Sobeys from Canada Safeway. The acquisition price of $990 million, excluding closing and transaction costs was subsequently updated to $991.3 million.

On August 14, 2013, on a bought deal basis Crombie, issued 17,720,000 subscription receipts (the "**Subscription Receipts**") at a price of $12.70 per Subscription Receipt for gross proceeds of $225 million and $75 million Series E convertible, extendible, unsecured subordinated debentures (the "**Series E Debentures**"), bearing interest at a rate of 5.25% per annum, payable semi-annually. The Series E Debentures had an initial maturity date of March 12, 2014 which automatically extended to March 31,

2021 upon the Portfolio Acquisition closing. The Series E Debentures are convertible into REIT Units at the option of the holder at a conversion price of $17.15 per REIT Unit.

Unitholders of Crombie approved the Portfolio Acquisition on September 19, 2013.

On October 28, 2013 Crombie received a no action letter from the Commissioner of Competition allowing Crombie to proceed with the Portfolio Acquisition. On November 4, 2013, Crombie completed the Portfolio Acquisition with an effective date of November 3, 2013. In order to finance the Portfolio Acquisition Crombie did the following:

- On October 31, 2013, Crombie issued, on a private placement agency basis, $175 million Series A Notes (senior unsecured) with a five year term and an annual interest rate of 3.986% payable semi-annually.
- On November 4, 2013, Crombie issued 11,811,024 Class B LP Units together with the attached Special Voting Units of Crombie to ECL Developments Limited, a wholly-owned subsidiary of Empire Company Limited (TSX: EMP.A), on a private placement basis, at the same $12.70 per Class B LP Unit as the Subscription Receipts for gross proceeds of $150 million. As a result of the exchange of Subscription Receipts for REIT Units, the conversion of Series B debentures (refer to convertible debentures section), and this issuance of Class B LP Units, Empire`s indirect interest in Crombie is 41.6% (fully diluted 39.3%).
- Crombie obtained mortgage funding of $297.6 million with a weighted average term of 9.5 years and a weighted average interest rate of 4.31%.

The balance of the purchase price, including closing and transaction costs, was funded by drawing down from a bridge credit facility previously negotiated to fund the acquisition. The bridge credit facility is non-revolving with only one advance permitted at acquisition closing. The bridge credit facility is expected to be repaid from the proceeds of property specific mortgage financings, unsecured bond financings and/or Crombie`s existing revolving credit facility.

On November 4, 2013, upon satisfaction of the escrow release conditions, each Subscription Receipt was exchanged for one REIT Unit. The holders of the Subscription Receipts will receive a payment equal to the amount per Unit of cash distributions made by Crombie for the record dates occurring during the period that the Subscription Receipts were outstanding, being $3.943 million, including interest earned on the invested Subscription Receipts proceeds

Reference is made to Crombie's Annual Information Form for the fiscal year ended December 31, 2013 for further information relating to the transactions noted above, a copy of which has been filed on SEDAR (www.sedar.com) and may be obtained, without charge, by contacting the Secretary of Crombie at 115 King Street, Stellarton, Nova Scotia B0K 1S0.

Management Cost Sharing Agreement

For an initial period of five years commencing March 23, 2006, certain executive management individuals and other employees of Crombie provided general management, financial, leasing, administrative, and other administration support services to certain real estate subsidiaries of Empire on a cost sharing basis. Under the terms of this agreement, the agreement has automatically renewed for the period ending March 23, 2014. The costs assumed by Empire pursuant to this arrangement during the year ended December 31, 2013 were $0.3 million (year ended December 31, 2012 were $0.6 million) and were netted against general and administrative expenses, which amounts are owing by Crombie to Empire.

Trustees' and Officers' Insurance

Crombie carries trustees' and officers' liability insurance. Under this insurance coverage, Crombie is reimbursed for insured claims where payments have been made under indemnity provisions on behalf of its Trustees and officers contained in the Declaration of Trust, subject to a deductible for each loss, which

is paid by Crombie. Individual Trustees and officers are also reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by Crombie. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts. The Declaration of Trust provides for the indemnification in certain circumstances of Trustees and officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office. Premiums and other costs of the insurance of approximately $0.1 million per year are paid by Crombie.

Governance

The Board of Trustees and management of Crombie believe that the highest standards of governance are essential in the effective management of Crombie as well as the ability to build long term value for customers, business partners, employees and investors.

In accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), Crombie annually discloses information related to its system of governance. The discussion provides information relating to Crombie's governance practices as required by National Policy 58-201 – *Corporate Governance Guidelines*, NI 58-101 and National Instrument 52-110 – *Audit Committees*. Crombie's disclosure addressing each of these guidelines and instruments is set out in Schedule "A" to this Circular.

Pursuant to its mandate, the Board of Trustees oversees the management of the business affairs of Crombie, discharging its responsibilities either directly or through its Committees, with the goal of building sustainable worth for all of Crombie's stakeholders. The Board of Trustee's mandate is attached as Schedule "B" of this Circular.

Auditors, Transfer Agent and Registrar

The auditors of Crombie are Grant Thornton LLP, Chartered Accountants, Halifax, Nova Scotia.

The Transfer Agent and Registrar for the Units is CST Trust Company.

Additional Information

Financial information is provided in Crombie's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

Crombie has filed with certain securities regulatory authorities an Annual Information Form in respect of its most recently completed financial year, thereby permitting Crombie to use a short form prospectus for the distribution of securities.

Additional information relating to Crombie, including a copy of Crombie's consolidated financial statements and Management's Discussion and Analysis, as well as Crombie's most recent Annual Information Form together with a copy of the other documents incorporated by reference therein are incorporated by reference into this Circular, may be obtained, without charge, from the SEDAR website (www.sedar.com) or by contacting the Secretary of Crombie at 115 King Street, Stellarton, Nova Scotia B0K 1S0.

Trustees' Approval

The contents and the sending of this Circular have been approved by the Board of Trustees of Crombie.

(signed) "*Glenn Hynes*"

Glenn Hynes
Executive Vice President, Chief Financial Officer and Secretary

March 26, 2014

APPENDIX A – STATEMENT OF GOVERNANCE PRACTICES

Crombie's disclosure of governance practices are substantially in alignment with NP 58-201 "Corporate Governance Guidelines". In addition, the following table discloses Crombie's current governance practices in accordance with the requirements of NI 58-101 "Disclosure of Corporate Governance Practices".

Requirement Under Form 58-101F1 or NP 58-201			Compliance	Governance Procedures for Crombie
1.	**Board of Trustees**			
	(a)	Disclose the identity of Trustees who are independent.	**Yes**	The Board has determined that all of the Trustees of Crombie with the exception of Paul Beesley, Donald E. Clow, Frank C. Sobey and Paul D. Sobey are independent. See "Business of the Meeting – Election and Appointment of the Board of Trustees –- Trustee Independence and Other Relationships" section of this Circular.
	(b)	Disclose the identity of Trustees who are not independent and describe the basis for that determination.	**Yes**	See "Business of the Meeting – Election and Appointment of the Board of Trustees – Trustee Independence and Other Relationships" section of this Circular.
	(c)	Disclose whether or not a majority of Trustees are independent.	**Yes**	8 out of 12 Trustees are considered to be independent.
	(d)	If a Trustee is presently a Trustee or Director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Trustee and the other issuer.	**Yes**	All of the Trusteeships and Directorships of the Trustees with other public entities are disclosed in this Circular under the heading "Business of the Meeting — Election and Appointment of the Board of Trustees".

(e)	Disclose whether or not the independent Trustees hold regularly scheduled meetings at which non-independent Trustees and members of management are not in attendance. If the independent Trustees hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent Trustees do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Trustees.	**Yes**	The Trustees meet without management present at every in-person meeting of the Board and its Committees. The independent Trustees also meet without management and non-independent Trustees present at every quarterly meeting of the Board. The elected independent Trustees also met without Management and Empire appointed Trustees at each quarterly Board meeting during 2013. During fiscal 2013, the Board held four meetings of solely independent Trustees. Private sessions during meetings conducted by telephone are held when circumstances warrant.
	Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
(f)	Disclose whether or not the chair of the Board is an independent Trustee. If the Board has a chair or lead Trustee who is an independent Trustee, disclose the identity of the independent chair or Lead Trustee, and describe his or her role and responsibilities.	**Yes**	Frank C. Sobey, the Chairman, is not an independent Trustee. He has served as Chair since 2006. John C. Eby, the Lead Trustee, is an independent Trustee. He has served as Lead Trustee since 2011. Amongst other things, the Chair and Lead Trustee are expected to: • Provide leadership to ensure effective functioning of the Board; • Lead in the assessment of Board and Committee performance; • Assist the Human Resources Committee in monitoring and evaluating the performance of the Chief Executive Officer and senior officers of Crombie; • Lead the Board and Committees in ensuring succession plans are in place at the senior management level; and • Act as an effective liaison among the Board and management.
(g)	Disclose the attendance record of each Trustee for all Board meetings held since the beginning of the issuer's most recently completed financial year.	**Yes**	The attendance record of each Trustee for Board and Committee meetings during fiscal 2013 is disclosed in this Circular under the heading "Business of the Meeting – Election and Appointment of the Board of Trustees – Committee Membership and Record of Attendance".

2. Board Mandate Disclose the text of the Board's written mandate. The mandate should explicitly acknowledge responsibility for the stewardship of the issuer.	**Yes**	The written Board Mandate is disclosed in Schedule "B" to this Circular which confirms the Board's explicit responsibility.
3. Position Descriptions **(a)** Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	**Yes**	The Board has developed a written position description for the Lead Trustee, the Chair of the Board and each Committee Chair. There are written mandates for each Committee which delineate the responsibilities of each Committee with which the chair thereof is responsible to comply. Each Committee and the Board must review and approve the mandates annually and forward same to the Governance & Nominating Committee.
Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. The Board should also approve the corporate goals and objectives that the CEO is responsible for meeting. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	**Yes**	The Board has developed a written position description for the CEO. The description is reviewed annually against both best practices and the requirements of Crombie. Approving the corporate goals and objectives is part of the mandate of the Board. Amongst other items, the CEO is expected to: • Develop and recommend to the Board a long-term strategy and vision for Crombie that leads to creation of Unitholder value; • Develop and recommend to the Board annual business plans and budgets that support Crombie's long-term strategy; and • Consistently strive to achieve Crombie's financial and operating goals and objectives.

4. Orientation and Continuing Education		
(a) Briefly describe what measures the Board takes to orient new Trustees regarding: • the role of the Board, its companies and its Trustees, and • the nature and operation of the issuer's business.	**Yes**	Crombie provides a detailed and customized orientation to new Trustees which include meetings with senior management of Crombie and its subsidiaries for orientation information on Board operation and policies, as well as current and historical data pertaining to the operation of Crombie and an assessment of current strategic opportunities and issues facing Crombie. New Trustees are also given property tours and a review of Board and Committee Mandates, the Code of Conduct for Trustees and the Code of Business Conduct for Employees, policies and other relevant information. Each Trustee receives a Trustee Handbook which contains this key information.
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its Trustees. If the board does not provide continuing education, describe how the board ensures that its Trustees maintain the skill and knowledge necessary to meet their obligations as Trustees.	**Yes**	The Trustees are provided with written and oral presentations which continue to educate them on Crombie's operations. Crombie encourages participation of Trustees in continuing Trustee education programs offered at university and supports them by reimbursing tuition and out-of-pocket expenses. Crombie has a Board membership in the Institute of Corporate Directors (ICD) which gives Trustees access to governance information, networking opportunities and other derived benefits. This is reviewed on an annual basis.
5. Ethical Business Conduct		
(a) Disclose whether or not the Board has adopted a written code of business conduct and ethics for the Trustees, Officers and employees. If the Board has adopted a written code:	**Yes**	The Board has adopted a written Code of Business Conduct for all employees and a Code of Conduct for Trustees of Crombie, both of which cover all of the elements recommended by NP 58-201. Trustees receive and sign off annually on the Code of Business Conduct and Trustees Code of Conduct.

Requirement Under Form 58-101F1 or NP 58-201		Compliance	Governance Procedures for Crombie
	(i) disclose how a person or company may obtain a copy of the Code;	**Yes**	The codes are available on Crombie's website, www.crombiereit.ca, or on SEDAR at www.sedar.com.
	(ii) describe how the Board monitors compliance with its code or, if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and	**Yes**	The Board, through the Audit Committee, receives reports of unethical behaviour received through the ethics line and otherwise. The Governance and Nominating Committee annually review the Codes of Conduct and update as appropriate.
	(iii) provide a cross reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a Trustee or executive officer that constitutes a departure from the code.	**Yes**	The Board is not aware of any departure from the code by any Trustee or executive officer. Accordingly, no material change report has been required to be filed.
(b)	Describe any steps the Board takes to ensure Trustees exercise independent judgement in considering transactions and agreements in respect of which a Trustee or executive officer has a material interest.	**Yes**	The Code of Conduct for the Trustees expressly addresses this issue by requiring Trustees to avoid any situation where there might be a conflict, or the appearance of a conflict, between their personal interests and the performance of their duties as Trustees. Trustees are required to inform the Board of any such situation and to withdraw from participating in associated decision-making. The Declaration of Trust also expressly requires that a majority of the elected independent Trustees approve any transaction with ECL, any Trustee or any other entity for which any Trustee serves on its Board.
(c)	Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.	**Yes**	The Board encourages a culture of ethical conduct by appointing officers of high integrity and monitoring their performance so as to set an example for all employees.

6. Nomination of Trustees **(a)** Describe the process by which the Board identifies new candidates for Board nomination.	**Yes**	The Governance and Nominating Committee is responsible for identifying new candidates for the Board. It annually identifies Trustee skill, experience and diversity needs, having regard to projected retirements, and oversees a Trustee recruitment search and nomination process leading to recommendations to the Board for consideration and recommendation for election by the Unitholders.
(b) Disclose whether or not the Board has a nominating committee composed entirely of independent Trustees.	**Yes**	The Governance and Nominating Committee is composed entirely of independent Trustees.
Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
(c) The Nominating committee should have a written charter that clearly establishes its purpose, responsibilities, member qualifications, member appointment and removal, structure and operations, manner of reporting to the Board, etc. In addition, the Nominating Committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.	**Yes**	The Governance and Nominating Committee mandate encompasses these responsibilities and provides for the effective functioning of the Committee.
(d) Prior to nominating or appointing individuals as Trustees, the Board should adopt a process involving the following steps: competency/skill assessment of what is required, what exists, gaps, etc. The Board should also consider the appropriate size of the Board.	**Yes**	The Governance and Nominating Committee monitors the composition of the Board and identifies the needs and any gaps that may exist in terms of skills, experience and diversity of incumbent Board members. The Committee also considers the appropriate size of the Board.
(e) The Nominating committee should be responsible for identifying individuals qualified to become new Board members and recommending to the Board the new Trustee nominees for the AGM of	**Yes**	The Governance and Nominating Committee undertakes, on an ongoing basis, the responsibility of identifying prospective Board members. It recommends new nominees to the Board.

(f) In making its recommendations, the Nominating committee should consider: Competencies and skills necessary, current assessment of competencies and skills and those of Trustee nominees.	**Yes**	In fulfilling its responsibilities, the Governance and Nominating Committee seeks to ensure there is an appropriate mix of competencies, skills and diversity on the Board. It regularly performs a gap analysis to ensure any such opportunities are incorporated in future Trustee searches.
Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
7. Compensation		
(a) Describe the process by which the Board determines the compensation for the issuer's Trustees and Officers.	**Yes**	The Governance and Nominating Committee annually reviews the compensation of Trustees on a periodic basis in relation to published surveys and private polls of entities comparable to Crombie in either size or activities, and recommends adjustments thereto for adoption by the Board. The Human Resources Committee annually makes recommendations to the Board in respect of compensation of officers. When it is deemed necessary and appropriate, the Committee has retained Towers Watson, Meridian Compensation Partners and/or Aon Consulting Inc. to provide their expertise and access to their compensation information. The targets are approved and set by the Board in advance of the fiscal year. The LTIP targets are developed by the Board for three fiscal years ended with the current fiscal year and evaluated by the Committee. Reference is made to the disclosure in this circular under the heading "Statement of Executive Compensation" for additional information on compensation for Crombie's Trustees and Officers.

(b) Disclose whether or not the Board has a compensation committee composed entirely of independent Trustees. If the Board does not have a compensation committee composed entirely of independent Trustees, describe what steps the Board takes to ensure an objective process for determining such compensation.	**Yes**	The Human Resources Committee acts as a compensation committee in respect of executive compensation. The Human Resources Committee is comprised of four independent Trustees, one of whom chairs the Committee, and one non-independent Trustee. The Committee makes its recommendations to the Board following its objective review of compensation having regard to the advice and recommendations of consultants where appropriate to ensure an independent and objective assessment of executive compensation. In addition, non-independent members are excused from the meeting when the committee is discussing agenda items for which they are not independent.
Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	**Yes**	The Human Resources Committee is responsible for monitoring the compensation practices and policies of Crombie and making recommendations to the Board with respect thereto. Administration and management of the EUPP is the responsibility of the Committee. The Committee is responsible for: • reviewing and approving corporate goals and objectives regarding CEO compensation; • evaluating CEO performance; • assessing CEO compensation based on evaluation; • making recommendations with respect to non-CEO officer compensation; • incentive compensation and equity-based plans; and • reviewing executive compensation disclosure before the issuer publicly discloses this information.

(d) If a compensation consultant or advisor has been retained to assist in determining compensation for any of the issuer's Trustees and Officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.	**Yes**	No specific consultant or advisor has been retained to assist in determining compensation for Trustees. Aon Consulting Inc. was engaged to review and provide recommendations to the HRC for the changes to the AMIP and LTIP executive compensation effective in 2011, as well as executive salaries.
Requirement Under Form 58-101F1 or NP 58-201	**Compliance**	**Governance Procedures for Crombie**
8. Other Board Committees If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	**Yes**	In addition to the Audit Committee, Governance and Nominating Committee and Human Resources Committee, the Board has an Investment Committee. The Investment Committee is responsible for approving acquisitions, dispositions or developments proposed by management of Crombie with a value greater than $5 million per transaction, provided that the Committee's authority shall be limited to the approval of individual transactions of up to $25 million. Project activity in excess of the Investment Committee's authority level 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 or affiliated companies must be considered and approved by only elected independent Trustees.

9. Assessments Disclose whether or not the Board, its committees and individual Trustees are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees and its individual Trustees are performing effectively.	**Yes**	The Governance and Nominating Committee is responsible for regular assessment of the effectiveness and contribution of the Board, its Committees and individual Trustees. It carries out this responsibility through bi-annual confidential surveys of each Trustee regarding his or her views on the effectiveness of the Board and its Committees. Aggregate results of the survey are summarized and reviewed in detail with the Governance and Nominating Committee and the Board. An action plan is developed and implemented to address any issues raised by Trustees. Individual Trustee performance is reviewed through bi-annual meetings between each Trustee and the Chair of the Board, Lead Trustee and the Chair of the Governance and Nominating Committee.

APPENDIX B – MANDATE OF THE BOARD OF TRUSTEES

Management of the REIT is vested in the Board of Trustees, subject to the provisions of applicable statutes and the Declaration of Trust of the REIT.

The Board of Trustees of the REIT shall have explicit responsibility for the stewardship of the REIT including the strategic planning process, approval of the strategic plan, the identification of principal risks and implementation of systems to manage these risks, succession planning, operations, communications & reporting and the integrity of the REIT's internal control and management information systems. The Board discharges certain of its responsibilities through delegation to its committees as more particularly set out in the committee mandates.

The following points outline the key principles or guidelines governing how the Board will operate to carry out its overall stewardship responsibility:

Chair

The Board has adopted a policy of appointing a lead trustee if the Chair is not independent.

Board Meetings

The Board shall hold regular meetings at least once in each fiscal quarter, with additional meetings held as and when necessary. The Board shall function with a non-management chair and shall meet periodically without management present to ensure that the Board functions independently of management. At each Board meeting, in-camera meetings will take place as follows: 1) Full Board; 2) Full Board excluding management (i.e.CEO); 3) Independent elected Trustees; 4) Full Board reconvenes. The Board shall maintain a policy which permits individual Trustees to engage outside advisors at the cost of the REIT, provided that approval is first obtained from the Governance and Nominating Committee.

The Board appreciates having certain members of senior management attend each Board meeting to provide information and opinion to assist the Trustees in their deliberations. Management attendees will be excused for any agenda items which are reserved for discussion among Trustees only.

Board Contacts with Senior Management

All of the Trustees shall have open access to the REIT's senior management. It is expected that Trustees will exercise judgement to ensure that such contact does not distract management from the REIT's business operations. Written communications from Trustees to members of management will normally be copied to the CEO.

Board Meeting Agendas and Information

The Chair and the Lead Trustee, in consultation with the CEO and Corporate Secretary, will develop the agenda for each Board meeting. Agendas will be distributed to the Trustees before each meeting, and all Board members shall be free to suggest additions to the agenda in advance of the meeting.

Information and reports pertaining to Board meeting agenda items will be circulated to the Trustees in advance of the meeting. Reports may be presented during the meeting by members of the Board, management and/or staff, or by invited outside advisors. It is recognized that under some circumstances, due to the confidential nature of matters to be discussed at a meeting, it will not be prudent or appropriate to distribute written materials in advance.

Committees

The Board will establish committees of its members to address specific matters. In particular, four Board committees shall be established: the Human Resources Committee, the Audit Committee, the Investment Committee and the Governance and Nominating Committee. All members of the committees shall be non-management trustees (except that the CEO may be a member of the Investment Committee). Each committee shall operate according to a written mandate approved by the Board. All members of the Audit and Governance & Nominating Committees shall be independent Trustees. Each Committee has a written mandate that is reviewed and approved annually.

Committee Meetings

No Management trustee shall be a voting member of a committee (except that the CEO may be a voting member of the Investment Committee) but may attend all meetings as a non-voting, non-quorum member. The schedule and agenda for meetings of each committee will be determined by the committee Chair in consultation with management, the Board Chair and committee members. Each committee will report to the Board on the results of each committee meeting. The Chair of the Board and Lead Trustee will be non-voting, non-quorum members of each Committee.

Size of the Board

The Board currently consists of twelve trustees. An appropriately sized Board will ensure a diversity of membership, expertise and opinion, as well as efficient operation and decision-making. The Governance and Nominating Committee will review the size of the Board annually and make recommendations to the Board when it believes a change would be in the best interests of the REIT. The Board's maximum size is currently twelve Trustees per the Declaration of Trust.

Review of Independence of Trustees

The Governance and Nominating Committee will review on an annual basis any relationships between Trustees and the REIT which might be construed in any way to compromise the designation of any Trustee as being independent of the REIT. The objective of such review will be to determine the existence of any relationships, to ensure that the composition of the Board remains such that the majority of the Trustees are independent and that where any relationships exist, the Trustee is acting appropriately.

Trustees Who Change Their Present Job Responsibility

The Board shall maintain a policy which requires that a Trustee who makes a change in principal occupation will offer a resignation to the Board for consideration. It is not intended that Trustees who retire or whose professional positions change should necessarily leave the Board. The Board will take the opportunity to review, through the Governance and Nominating Committee, the continued appropriateness of Board membership under such circumstances.

Governance

The REIT shall make full and complete disclosure of its system of governance on an annual basis in its annual report or annual information circular. The Board, through the Governance and Nominating Committee, shall have responsibility for developing the REIT's approach to corporate governance, including the responsibility for this disclosure.

Board Assessment

The Board is responsible for assessing and developing its effectiveness.

The Board, through the Governance and Nominating Committee shall engage management to establish and conduct orientation and education programs for new recruits to the Board, through which the performance expectations for Board members shall be communicated.

The Governance and Nominating Committee shall implement a process for assessing the effectiveness of the Board as a whole, the committees and the contributions of individual Trustees. The Board shall assess Trustees on an ongoing basis, including periodic formal surveys of Trustees and ongoing assessments by the Chairman of the Board, Lead Trustee and the Chairman of the Governance and Nominating Committee.

The Governance and Nominating Committee shall also be responsible for recommending proposals to the Board concerning compensation of Trustees, including the adequacy and form of compensation.

The Governance and Nominating Committee shall have responsibility for the nominating function for elected Trustees of the REIT by recommending suitable candidates / nominees for election as Trustees. This process shall include a determination of the attributes, competencies, skills and personal qualities required of new Trustees to ensure ongoing renewal and diversity of the Board in light of the opportunities and risks facing the REIT.

Strategic Planning

Management is responsible for the development of individual business unit and corporate strategic plans which take into account, among other things, the opportunities and risks of the business, and for the implementation of strategic plans. The Board shall be responsible for the adoption of a strategic planning process and the approval of strategic plans, long term goals and objectives of the REIT developed by management. The Board shall monitor senior management's implementation of the plans and shall assess the achievement of the REIT's goals and objectives on an ongoing basis.

Managing Risk

The Board shall have overall responsibility for assessing the principal risks facing the REIT, ensuring the implementation of the appropriate strategies and systems to manage such risks, and reviewing any material legal matters.

The Audit Committee shall review and approve risk management policies as recommended by management, shall receive reports from management on the risk profile of the REIT, risk mitigation activities & accepted risk thresholds and shall provide direction with respect to improvements to risk mitigation or changes to risk threshold. The Audit Committee shall report its recommendations on such matters to the full Board on a regular basis.

Management, Human Resources and Succession Planning

The Board selects, appoints and evaluates the performance of the CEO, and establishes appropriate compensation. In consultation with the CEO and Human Resources Committee, the Board appoints all officers of the REIT and oversees the terms of employment, organization, training, development, evaluation, diversity and succession of senior management specifically including the overall salary increase, incentive programs and awards made pursuant thereto for those executives (in addition to the CEO) whose compensation is subject to public disclosure.

The Board’s evaluation of the performance of senior management, including approving the appointment of senior executives of the REIT will include reviewing their performance against the objective of maximizing unitholder value, measuring their contribution to that objective, and overseeing compensation policies.

Communications and Reporting

The Board approves the content of the REIT's major communications to unitholders and the investing public including the Annual Report, Management Information Circular, the Annual Information Form, acquisition press releases and any prospectuses which may be issued. The Audit Committee shall review and recommend to the Board the approval of the quarterly and annual financial statements (including the Management Discussion & Analysis) and press releases relating to financial matters. The Board also has responsibility for monitoring all of the REIT's external communications. However, the Board believes that it is the function of management to speak for the REIT in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public.

The Board shall have responsibility for reviewing the REIT's policies and practices with respect to disclosure of financial and other information including insider reporting and trading. The Board shall approve and monitor the disclosure policies designed to assist the REIT in meeting its objective of providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities law. The Board shall review the REIT's policies relating to communication and disclosure on an annual basis.

Generally, communications from unitholders and the investment community will be directed to the Chief Financial Officer, who will coordinate an appropriate response depending on the nature of the communication. It is expected, if communications from stakeholders are made to the Chair or other individual trustees, management will be informed and consulted to determine an appropriate response.

Internal Control and Management Information Systems

The Board has responsibility for the integrity of the REIT's internal control and management information systems.

The Audit Committee has responsibility for ensuring internal controls are appropriately designed, implemented and monitored and for ensuring that management and financial reporting is complete and accurate, even though management may be charged with developing and implementing the necessary procedures.

Property Acquisitions and Operations

All material matters relating to the REIT and its business require the prior approval of the Board. In particular, acquisitions, dispositions, development projects and capital expenditures or commitments in excess of $5 million must be approved by the Board or the Investment Committee in advance. Management is authorized to act, without Board approval, on all ordinary course matters relating to the REIT's business.

The Board shall be responsible for monitoring the composition and operating performance of Crombie's portfolio to ensure it aligns with Crombie's strategic objectives and is managed in a reasonable and prudent manner with the objective of enhancing unitholder value. Management will regularly update the Board on material aspects of the following:

- portfolio diversification by property type, quality and geographic location
- tenant diversification and credit risk
- lease maturity exposure and new leasing activity
- occupancy, rental and tenant cost recovery results
- environmental risks and issues

- maintenance capital expenditures and deferred maintenance issues
- property development, redevelopment and land use intensification
- ongoing property valuation risks, opportunities and issues

Governance, Integrity and Corporate Conduct

The Board oversees the ethical, legal and corporate social responsibility conduct of the REIT. The Board oversees the development of the REIT's corporate governance policies, principles and guidelines. The Board develops and monitors compliance with the REIT's Code of Business Conduct and Ethics for trustees, officers and employees.

Reviewed: February 27, 2014

APPENDIX C – AMENDMENTS TO DEFINITION OF "INDEPENDENT TRUSTEE"

AMENDMENT RESOLUTION:

BE IT RESOLVED AS A RESOLUTION OF THE UNITHOLDERS THAT:

1. The amended and restated declaration of trust dated as of November 5, 2009 (the "**Declaration of Trust**") of Crombie Real Estate Investment Trust ("**Crombie**") be amended to delete the definition of "Independent Trustee" in section 1.1 and to replace it with the following:

   "Independent Trustee" means a Trustee who, in relation to the Trust is "independent" within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices, as replaced or amended from time to time;

2. The trustees of Crombie (the "**Trustees**") are hereby authorized to execute and deliver an amended and restated Declaration of Trust to give effect to the foregoing resolution and to approve, execute or deliver such further documents, agreements, certificates and instruments and take any and all such further actions in connection with the foregoing resolution, as the Trustees consider necessary or desirable.

3. Notwithstanding that this resolution has been approved by the unitholders of Crombie (the "**Unitholders**"), the Trustees are hereby authorized, in their discretion and without the further notice to or approval of the Unitholders, to determine not to proceed with the amendments to the Declaration of Trust described in this resolution and revoke this resolution before it is acted upon.

APPENDIX D – AMENDMENTS TO ALLOW FOR NON-CERTIFICATED INVENTORY

AMENDMENT RESOLUTION:

BE IT RESOLVED AS A RESOLUTION OF THE UNITHOLDERS THAT:

1. Section 7.15 of the amended and restated declaration of trust dated as of November 5, 2009 (the "**Declaration of Trust**") of Crombie Real Estate Investment Trust ("**Crombie**") be amended to allow Crombie to have non-certificated inventory as follows:

    a. by adding "*and Non-Certificated Inventory System*" at the end of the heading;
    b. by adding after the second paragraph the following: "*The Trust may, in its sole discretion, have its Units represented electronically through the NCI system of CDS. If the Units are held electronically through the NCI system of CDS, the Trust, via its Transfer Agent, will electronically transfer the Units registered to CDS or its nominee through the Global Unit Certificate to the NCI system of CDS, and CDS will credit interests in such Units to the accounts of such current Unitholders.*"
    c. by adding after "Global Unit Certificates " in the fourth paragraph the following: "*or electronically through the NCI system of CDS, if applicable,*"; and
    d. by adding after "Global Unit Certificates" in the ninth paragraph the following: *", or if held electronically through the NCI system of CDS, the Units held by I,t*".

2. The trustees of Crombie (the "**Trustees**") are hereby authorized to execute and deliver an amended and restated Declaration of Trust to give effect to the foregoing resolution and to approve, execute or deliver such further documents, agreements, certificates and instruments and take any and all such further actions in connection with the foregoing resolution, as the Trustees consider necessary or desirable.

3. Notwithstanding that this resolution has been approved by the unitholders of Crombie (the "**Unitholders**"), the Trustees are hereby authorized, in their discretion and without the further notice to or approval of the Unitholders, to determine not to proceed with the amendments to the Declaration of Trust described in this resolution and revoke this resolution before it is acted upon.

APPENDIX E – AMENDMENTS TO THE SIZE OF VARIOUS COMMITTEES

AMENDMENT RESOLUTION:

BE IT RESOLVED AS A RESOLUTION OF THE UNITHOLDERS THAT:

1. Section 10.1 of the amended and restated declaration of trust dated as of November 5, 2009 (the "**Declaration of Trust**") of Crombie Real Estate Investment Trust ("**Crombie**") be amended to permit:
    a. at least three Trustees to make up the Governance and Nominating Committee;
    b. at least three Trustees, a majority of whom are independent, to make up the Human Resource Committee; and
    c. at least five Trustees to make up the Investment Committee, of whom at least two shall have particular expertise in the area of real estate investment and management and at least two shall have particular expertise in the area of corporate finance.

2. The trustees of Crombie (the "**Trustees**") are hereby authorized to execute and deliver an amended and restated Declaration of Trust to give effect to the foregoing resolution and to approve, execute or deliver such further documents, agreements, certificates and instruments and take any and all such further actions in connection with the foregoing resolution, as the Trustees consider necessary or desirable.

3. Notwithstanding that this resolution has been approved by the unitholders of Crombie (the "**Unitholders**"), the Trustees are hereby authorized, in their discretion and without the further notice to or approval of the Unitholders, to determine not to proceed with the amendments to the Declaration of Trust described in this resolution and revoke this resolution before it is acted upon.

APPENDIX F – AMENDMENTS TO THE INVESTMENT GUIDELINES AND OPERATING POLICIES

AMENDMENT RESOLUTION:

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE UNITHOLDERS THAT:

1. Section 6.1 of the amended and restated declaration of trust dated as of November 5, 2009 (the "**Declaration of Trust**") of Crombie Real Estate Investment Trust ("**Crombie**") be amended as follows (amended portions identified in underline or strikethrough where applicable):

6.1 Investment Guidelines

Notwithstanding any other provision hereof, the assets of the Trust may be invested only with the approval of the Trustees and only in accordance with the following restrictions:

(a) the Trust ~~may only~~is intended to invest primarily, directly or indirectly~~,~~ (including by investments by its subsidiaries), in interests (including fee ownership and leasehold interests) in income-producing real property that is or will be primarily commercial ~~real estate located primarily~~or retail in ~~Canada~~nature and assets ancillary thereto necessary for the operation of such real estate and such other activities as are consistent with the other investment guidelines of the Trust;

(b) notwithstanding anything else contained in ~~this~~the Declaration of Trust, the Trust shall not make or hold, directly or indirectly (including by investments by its subsidiaries), any investment, take any action or omit to take any action ~~that~~where such investment, action or omission would result in ~~Units~~:

(i) the Trust not ~~being units of~~qualifying as a "mutual fund trust" ~~within the meaning of the Tax Act or that would result in~~(effective the date it was established and thereafter) or a "unit trust" both within the meaning of the Tax Act;

~~(b)~~(ii) Units not ~~being~~qualifying as qualified investments for Plans;

(iii) the Trust not qualifying as a "real estate investment trust" within the meaning of the Tax Act if, as a consequence of the Trust not so qualifying, the Trust or any of its subsidiaries would be liable to pay a tax imposed under either paragraph 122(1)(b) or subsection 197(2) of the Tax Act; or

(iv) the Trust being liable to pay a tax under Part XII.2 of the Tax Act;

(c) the Trust shall not invest, directly or indirectly (including by investments by its subsidiaries), in any interest in a single real property if, after giving effect to the proposed investment, the cost to the Trust of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 15% of Gross Book Value at the time the investment is made;

(d) the Trust may, directly or indirectly~~,~~ (including by investments by its subsidiaries), invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the Trust; provided that such joint venture arrangement contains terms and conditions which, in the opinion of management, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on the transfer, acquisition and sale of the Trust's and any joint venturer's interest in the joint venture arrangement, provisions to provide liquidity to the Trust, provisions to limit

the liability of the Trust and its Unitholders to third parties, and provisions to provide for the participation of the Trust in the management of the joint venture arrangement. For purposes hereof, a joint venture arrangement is an arrangement between the Trust and one or more other persons pursuant to which the Trust, directly or indirectly, conducts an undertaking for one or more of the purposes set out in the investment guidelines of the Trust and in respect of which the Trust may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation or other entity;

(e) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the Trust, the Trust may not hold, directly or indirectly (including by investments by its subsidiaries), securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to Subsection (b) above, the Trust may acquire securities of other real estate investment trusts;

(f) the Trust shall not invest, directly or indirectly (including by investments by its subsidiaries), in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

~~(g)~~ the Trust shall not invest, directly or indirectly~~,~~

~~(i)~~(g) (including by investments by its subsidiaries), in operating businesses unless such investment is an indirect investment and is incidental to a transaction:

(A) where revenue will be derived, directly or indirectly, principally from real property; or

(B) which principally involves the ownership, maintenance, development, improvement, leasing or management, directly or indirectly, of real property (in each case as determined by the Trustees)~~; or~~

~~(ii) in predominantly special purpose properties, such as hotels, nursing homes or resort properties;~~

~~(h) the Trust shall not invest in raw land for development, except for existing properties with additional development or properties adjacent to existing properties of the Trust for the purpose of (i) the renovation or expansion of existing properties, or (ii) the development of new properties which will be capital property of the Trust, provided that the aggregate value of the investments of the Trust in raw land, after giving effect to the proposed investment, will not exceed 5% of the Gross Book Value;~~

~~(i)~~(h) the Trust may invest, directly or indirectly (including by investments by its subsidiaries), in mortgages and mortgage bonds (including participating or convertible mortgages) and similar instruments where:

(i) the real property which is security therefor is ~~income producing~~ real property which otherwise meets the other investment guidelines of the Trust; and

~~(ii) the amount of the mortgage loan is not in excess of 75% of the market value of the property securing the mortgage and the mortgage has a debt service coverage ratio of at least 1.2:1;~~

~~(iii) the mortgage is a first ranking mortgage registered on title to the real property which is security therefor; and~~

~~(iv)~~(ii) the aggregate book value of the investments of the Trust in mortgages, after giving effect to the proposed investment, will not exceed 15% of Gross Book Value;

~~(j) notwithstanding Subsection (i), the Trust may invest in any mortgage which is not a first ranking mortgage for purposes of providing, directly or indirectly, financing in connection with a transaction in which the Trust is the vendor or with the intention of using such mortgage as part of a method for subsequently acquiring an interest in or control of a property or a portfolio of properties; provided that the aggregate value of the investments of the Trust in mortgages, after giving effect to the proposed investment, will not exceed 15% of Gross Book Value; and~~

~~(k) the Trust may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 15% of the Gross Book Value of the Trust in investments which do not comply with one or more of Subsections 6.1(a), 6.1(d), 6.1(e), 6.1(i) and 6.1(j).~~

For the purpose of the foregoing restrictions, the assets, liabilities and transactions of a corporation, trust or partnership, or other entity wholly or partially-owned by the Trust, will be deemed to be those of the Trust on a proportionate consolidation basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

2. Section 6.2 of the Declaration of Trust of Crombie be amended as follows (amended portions identified in underline or strikethrough where applicable)::

6.2 Operating Policies

The operations and affairs of the Trust are to be conducted in accordance with the following policies:

(a) the Trust shall not purchase, sell, market or trade, directly or indirectly (including by investments by its subsidiaries), in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" has the meaning ascribed thereto by National Instrument 81-102 adopted by the Canadian Securities Administrators, as replaced or amended from time to time;

(b) (i) any written instrument creating an obligation which is or includes the granting by the Trust or subsidiary of a mortgage; and

(ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation,

shall contain a provision, or be subject to an acknowledgement to the effect, that the obligation being created is not personally binding upon, and that resort must not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the Trust, but that only property of the Trust or a specific portion thereof is bound; the Trust, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the Trust upon the acquisition of real property;

(c) the Trust shall not lease or sublease, directly or indirectly (including by investments by its subsidiaries), to any person (other than Sobeys) any real property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 15% of Gross Book Value;

(d) the limitation contained in Subsection (c) will not apply to the renewal of a lease or sublease and will not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by: (i) the Government of Canada, any province or territory of Canada, any municipality or city in Canada or any agency or crown corporation thereof; (ii) any entity, of which any of the bonds, debentures or other evidences of indebtedness of, or guaranteed by, such entity, or any of the other securities of such entity, have received and continue to hold, an investment grade rating from a recognized credit rating agency, in each case at the time the lease or sublease is entered into, or at the time other satisfactory leasing or pre-leasing arrangements (as determined by the Trustees) were entered into; or (iii) a Canadian chartered bank or a trust company or insurance company registered or licensed federally or under the laws of a province of Canada;

~~(e) except as otherwise permitted under Subsection 6.1(h), the Trust shall not engage in construction or development of real property except as necessary to maintain its real properties in good repair or to improve the income producing potential of properties in which the Trust has an interest;~~

~~(f)~~(e) title to each real property shall be held by and registered in the name of the Trust, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the Trust or jointly-owned, directly or indirectly, by the Trust, with joint venturers;

~~(g)~~(f) the Trust shall not incur or assume any indebtedness (other than by the assumption of existing indebtedness) or renew or refinance any indebtedness under a mortgage on any of the real property of the Trust where (i) in the case of an individual property, the total amount of indebtedness, excluding operating lines, secured by mortgages on such property exceeds 75% of the market value of such individual property; or (ii) in the case of more than one property or a pool or portfolio of properties, the total amount of indebtedness, excluding operating lines, secured by mortgages on such properties exceeds 75% of the market value of such properties on an aggregate basis;

~~(h)~~(g) the Trust shall not incur or assume, directly or indirectly (including by investments by its subsidiaries), any indebtedness if, after giving effect to the incurrence or assumption of such indebtedness, the total indebtedness of the Trust would be more than 60% of Gross Book Value (65% including any convertible debentures of the Trust);

~~(i)~~(h) at no time shall the Trust incur, directly or indirectly (including by investments by its subsidiaries), indebtedness aggregating more than 20% of its Gross Book Value (excluding debt with an original maturity of one year or more falling due in the next 12 months or variable rate debt for which the Trust or a subsidiary has entered into interest rate swap agreements to fix the interest rate for a one year period or more) at floating interest rates or having maturities of less than one year;

~~(j)~~(i) the Trust shall not directly or indirectly (including by investments by its subsidiaries) guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness or liabilities assumed or incurred by an entity in which the Trust holds an interest, directly or indirectly, (including by investments by its subsidiaries), or by an entity jointly owned by the Trust or a subsidiary with joint venturers and operated solely for the purpose of holding a particular property or properties, where such indebtedness, if granted by the Trust directly, would cause the Trust to contravene its investment guidelines or operating policies. The Trust is not required but shall use its reasonable best efforts to comply with this requirement (i) in respect of obligations assumed by the Trust pursuant to the acquisition of real property or (ii) if doing so is necessary or desirable in order to further the initiatives of the Trust permitted under the Declaration of Trust;

~~(k)~~(j) Unless the acquisition or development has been approved by the Investment Committee in accordance with its mandate which had been approved by the Trustees, no acquisition of a value greater than $5 million may be made nor any development undertaken unless and until the officers of the Trust have prepared and presented to the board of Trustees a written report containing their recommendation that the Trust, directly or indirectly (including by investments by its subsidiaries), make the investment together with a financial analysis of the estimated cost and projected return from the investment and such supplementary information and data (including, without limitation, underlying assumptions, proposed financial arrangements and leasing, economic and market data) as is reasonably necessary to the investment decision;

~~(l)~~(k) the Trust shall directly or indirectly (including by investments by its subsidiaries) obtain and maintain at all times property insurance coverage in respect of potential liabilities of the Trust and the accidental loss of value of the assets of the Trust from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practice of owners of comparable properties;

~~(m)~~(l) Unless the requirement for such an appraisal or engineering survey is waived by the Trustees, the Trust shall obtain an independent appraisal of each property it intends to acquire and an engineering survey with respect to the physical condition thereof (including capital replacement programs); and

~~(n)~~(m) Unless the requirement for such environmental site assessment is waived by the Trustees, the Trust shall (i) obtain a Phase I environmental site assessment, or (ii) be entitled to rely on a Phase I environmental site assessment dated no earlier than 24 months prior to receipt by the Trust, of each real property to be acquired by it, and, if the Phase I environmental site assessment report recommends that a further environmental site assessment be conducted, the Trust shall ~~have conducted~~conduct such further environmental site assessments, in each case by an independent and experienced environmental consultant; ~~as a condition to any acquisition such assessments shall be satisfactory to the Trustees.~~

For the purpose of the foregoing restrictions, the assets, liabilities and transactions of a corporation, trust or partnership, or other entity wholly or partially-owned by the Trust, will be deemed to be those of the Trust on a proportionate consolidation basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

3. The trustees of Crombie (the "**Trustees**") are hereby authorized to execute and deliver an amended and restated Declaration of Trust to give effect to the foregoing resolution and to approve, execute or deliver such further documents, agreements, certificates and instruments and take any and all such further actions in connection with the foregoing resolution, as the Trustees consider necessary or desirable.

4. Notwithstanding that this special resolution has been approved by the unitholders of Crombie (the "**Unitholders**"), the Trustees are hereby authorized, in their discretion and without the further notice to or approval of the Unitholders, to determine not to proceed with the amendments to the Declaration of Trust described in this special resolution and revoke this special resolution before it is acted upon.